



## 100TH GENERAL ASSEMBLY

### State of Illinois

2017 and 2018

HB5292

by Rep. Rita Mayfield

#### SYNOPSIS AS INTRODUCED:

See Index

Creates the Chicago Casino Development Authority Act. Provides for the creation of the Chicago Casino Development Authority, whose duties include promotion and maintenance of a casino. Amends the Illinois Horse Racing Act of 1975 and the Riverboat Gambling Act to authorize electronic gaming at race tracks (and makes conforming changes in various Acts). Further amends the Illinois Horse Racing Act of 1975. Makes various changes concerning Board members. Indefinitely extends the authorization for advance deposit wagering. Contains provisions concerning testing of horses at county fairs and standardbred horses. Further amends the Riverboat Gambling Act. Changes the short title to the Illinois Gambling Act and changes corresponding references to the Act. Adds additional owners licenses, one of which authorizes the conduct of casino gambling in the City of Chicago. Makes changes in provisions concerning the admission tax and privilege tax. Makes other changes. Contains a severability provision. Effective immediately.

LRB100 19959 SMS 35240 b

CORRECTIONAL  
BUDGET AND  
IMPACT NOTE ACT  
MAY APPLY

FISCAL NOTE ACT  
MAY APPLY

HOME RULE NOTE  
ACT MAY APPLY

1 AN ACT concerning gaming.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 ARTICLE 1.

5 Section 1-1. Short title. This Article may be cited as the  
6 Chicago Casino Development Authority Act. References in this  
7 Article to "this Act" mean this Article.

8 Section 1-2. Legislative intent.

9 (a) This Act is intended to benefit the people of the City  
10 of Chicago and the State of Illinois by assisting economic  
11 development and promoting tourism and by increasing the amount  
12 of revenues available to the City and the State to assist and  
13 support the City's pension obligation in accordance with Public  
14 Act 99-506.

15 (b) While authorization of casino gambling in Chicago will  
16 enhance investment, development, and tourism in Illinois, it is  
17 recognized that it will do so successfully only if public  
18 confidence and trust in the credibility and integrity of the  
19 gambling operations and the regulatory process is maintained.  
20 Therefore, the provisions of this Act are designed to allow the  
21 Illinois Gaming Board to strictly regulate the facilities,  
22 persons, associations, and practices related to gambling

1 operations pursuant to the police powers of the State,  
2 including comprehensive law enforcement supervision.  
3 Consistent with the Gaming Board's authority, the Gaming Board  
4 alone shall regulate any Chicago casino, just as it now  
5 regulates every other casino in Illinois.

6 Section 1-5. Definitions. As used in this Act:

7 "Authority" means the Chicago Casino Development Authority  
8 created by this Act.

9 "Casino" means one temporary land-based or water-based  
10 facility and one permanent land-based or water-based facility  
11 and airport gaming locations pursuant to Section 1-67 of this  
12 Act at which lawful gambling is authorized and licensed as  
13 provided in the Illinois Gambling Act.

14 "Casino Board" means the board appointed pursuant to this  
15 Act to govern and control the Authority.

16 "Casino management contract" means a legally binding  
17 agreement between the Authority and a casino operator licensee  
18 to operate or manage a casino.

19 "Casino operator licensee" means any person or entity  
20 selected by the Authority and approved and licensed by the  
21 Gaming Board to manage and operate a casino within the City of  
22 Chicago pursuant to a casino management contract.

23 "City" means the City of Chicago.

24 "Entity" means a corporation, joint venture, partnership,  
25 limited liability company, trust, or unincorporated

1 association.

2 "Executive director" means the person appointed by the  
3 Casino Board to oversee the daily operations of the Authority.

4 "Gaming Board" means the Illinois Gaming Board created by  
5 the Illinois Gambling Act.

6 "Mayor" means the Mayor of the City.

7 Section 1-12. Creation of the Authority. There is hereby  
8 created a political subdivision, unit of local government with  
9 only the powers authorized by law, body politic, and municipal  
10 corporation, by the name and style of the Chicago Casino  
11 Development Authority.

12 Section 1-13. Duties of the Authority. It shall be the duty  
13 of the Authority, as an owners licensee under the Illinois  
14 Gambling Act, to promote and maintain a casino in the City. The  
15 Authority shall own, acquire, construct, lease, equip, and  
16 maintain grounds, buildings, and facilities for that purpose.  
17 However, the Authority shall contract with a casino operator  
18 licensee to manage and operate the casino and in no event shall  
19 the Authority or City manage or operate the casino. The  
20 Authority may contract pursuant to the procedures set forth in  
21 Section 1-115 with other third parties in order to fulfill its  
22 purpose. The Authority is responsible for the payment of any  
23 fees required of a casino operator under subsection (a) of  
24 Section 7.9 of the Illinois Gambling Act if the casino operator

1 licensee is late in paying any such fees. The Authority is  
2 granted all rights and powers necessary to perform such duties.  
3 Subject to the provisions of this Act, the Authority and casino  
4 operator licensee are subject to the Illinois Gambling Act and  
5 all of the rules of the Gaming Board, which shall be applied to  
6 the Authority and the casino operator licensee in a manner  
7 consistent with that of other owners licensees under the  
8 Illinois Gambling Act. Nothing in this Act shall confer  
9 regulatory authority on the Chicago Casino Development  
10 Authority. The Illinois Gaming Board shall have exclusive  
11 regulatory authority over all gambling operations governed by  
12 this Act.

13 Section 1-15. Casino Board.

14 (a) The governing and administrative powers of the  
15 Authority shall be vested in a body known as the Chicago Casino  
16 Development Board. The Casino Board shall consist of 5 members  
17 appointed by the Mayor. One of these members shall be  
18 designated by the Mayor to serve as chairperson. All of the  
19 members appointed by the Mayor shall be residents of the City.

20 Each Casino Board appointee shall be subject to a  
21 preliminary background investigation completed by the Gaming  
22 Board within 30 days after the appointee's submission of his or  
23 her application to the Gaming Board. If the Gaming Board  
24 determines that there is a substantial likelihood that it will  
25 not find the appointee to be suitable to serve on the Casino

1 Board (applying the same standards for suitability to the  
2 appointee as the Gaming Board would apply to an owners licensee  
3 key person under the Gaming Board's adopted rules), then the  
4 Gaming Board shall provide a written notice of such  
5 determination to the appointee and the Corporation Counsel of  
6 the City. The Mayor may then appoint a new candidate. If no  
7 such notice is delivered with respect to a particular  
8 appointee, then commencing on the 31st day following the date  
9 of the appointee's submission of his or her application to the  
10 Gaming Board, the appointee shall be deemed an acting member of  
11 the Casino Board and shall participate as a Casino Board  
12 member.

13 Each appointee shall be subject to a full background  
14 investigation and final approval by the Gaming Board prior to  
15 the opening of the casino. The Gaming Board shall complete its  
16 full background investigation of the Casino Board appointee  
17 within 3 months after the date of the appointee's submission of  
18 his or her application to the Gaming Board. If the Gaming Board  
19 does not complete its background investigation within the  
20 3-month period, then the Gaming Board shall give a written  
21 explanation to the appointee, as well as the Mayor, the  
22 Governor, the President of the Senate, and the Speaker of the  
23 House of Representatives, as to why it has not reached a final  
24 determination and set forth a reasonable time when such  
25 determination shall be made.

26 (b) Casino Board members shall receive \$300 for each day

1 the Authority meets and shall be entitled to reimbursement of  
2 reasonable expenses incurred in the performance of their  
3 official duties. A Casino Board member who serves in the office  
4 of secretary-treasurer may also receive compensation for  
5 services provided as that officer.

6 Section 1-20. Terms of appointments; resignation and  
7 removal.

8 (a) The Mayor shall appoint 2 members of the Casino Board  
9 for an initial term expiring July 1 of the year following final  
10 approval by the Gaming Board, 2 members for an initial term  
11 expiring July 1 three years following final approval by the  
12 Gaming Board, and one member for an initial term expiring July  
13 1 five years following final approval by the Gaming Board.

14 (b) All successors shall be appointed by the Mayor to hold  
15 office for a term of 5 years from the first day of July of the  
16 year in which they are appointed, except in the case of an  
17 appointment to fill a vacancy. Each member, including the  
18 chairperson, shall hold office until the expiration of his or  
19 her term and until his or her successor is appointed and  
20 qualified. Nothing shall preclude a member from serving  
21 consecutive terms. Any member may resign from office, to take  
22 effect when a successor has been appointed and qualified. A  
23 vacancy in office shall occur in the case of a member's death  
24 or indictment, conviction, or plea of guilty to a felony. A  
25 vacancy shall be filled for the unexpired term by the Mayor

1 subject to the approval of the Gaming Board as provided in this  
2 Section.

3 (c) Members of the Casino Board shall serve at the pleasure  
4 of the Mayor. The Mayor or the Gaming Board may remove any  
5 member of the Casino Board upon a finding of incompetence,  
6 neglect of duty, or misfeasance or malfeasance in office or for  
7 a violation of this Act. The Gaming Board may remove any member  
8 of the Casino Board for any violation of the Illinois Gambling  
9 Act or the rules and regulations of the Gaming Board.

10 (d) No member of the Casino Board shall engage in any  
11 political activity. For the purpose of this Section, "political  
12 activity" means any activity in support of or in connection  
13 with any campaign for federal, State, or local elective office  
14 or any political organization, but does not include activities  
15 (i) relating to the support or opposition of any executive,  
16 legislative, or administrative action, as those terms are  
17 defined in Section 2 of the Lobbyist Registration Act, (ii)  
18 relating to collective bargaining, or (iii) that are otherwise  
19 in furtherance of the person's official duties or governmental  
20 and public service functions.

21 Section 1-25. Organization of Casino Board; meetings.  
22 After appointment by the Mayor, the Casino Board shall organize  
23 for the transaction of business, provided that the Casino Board  
24 shall not take any formal action until after the Gaming Board  
25 has completed its preliminary background investigation of at



1 least a quorum of the Casino Board as provided in subsection  
2 (a) of Section 1-15. The Casino Board shall prescribe the time  
3 and place for meetings, the manner in which special meetings  
4 may be called, and the notice that must be given to members.  
5 All actions and meetings of the Casino Board shall be subject  
6 to the provisions of the Open Meetings Act. Three members of  
7 the Casino Board shall constitute a quorum. All substantive  
8 action of the Casino Board shall be by resolution with an  
9 affirmative vote of a majority of the members.

10 Section 1-30. Executive director; officers.

11 (a) The Casino Board shall appoint an executive director,  
12 who shall be the chief executive officer of the Authority.

13 The executive director shall be subject to a preliminary  
14 background investigation to be completed by the Gaming Board  
15 within 30 days after the executive director's submission of his  
16 or her application to the Gaming Board. If the Gaming Board  
17 determines that there is a substantial likelihood that it will  
18 not find the executive director to be suitable to serve in that  
19 position (applying the same standards for suitability as the  
20 Gaming Board would apply to an owners licensee key person under  
21 the Gaming Board's adopted rules), then the Gaming Board shall  
22 provide a written notice of such determination to the appointee  
23 and the Corporation Counsel of the City. The Casino Board may  
24 then appoint a new executive director. If no such notice is  
25 delivered, then commencing on the 31st day following the date

1 of the executive director's submission of his or her  
2 application to the Gaming Board, the executive director shall  
3 commence all duties as the acting executive director of the  
4 Authority.

5 The executive director shall be subject to a full  
6 background investigation and final approval by the Gaming Board  
7 prior to the opening of the casino. The Gaming Board shall  
8 complete its full background investigation of the executive  
9 director within 3 months after the date of the executive  
10 director's submission of his or her application to the Gaming  
11 Board. If the Gaming Board does not complete its background  
12 investigation within the 3-month period, then the Gaming Board  
13 shall give a written explanation to the appointee, as well as  
14 the Mayor, the Governor, the President of the Senate, and the  
15 Speaker of the House of Representatives, as to why it has not  
16 reached a final determination and set forth a reasonable time  
17 when such determination shall be made.

18 (b) The Casino Board shall fix the compensation of the  
19 executive director. Subject to the general control of the  
20 Casino Board, the executive director shall be responsible for  
21 the management of the business, properties, and employees of  
22 the Authority. The executive director shall direct the  
23 enforcement of all resolutions, rules, and regulations of the  
24 Casino Board, and shall perform such other duties as may be  
25 prescribed from time to time by the Casino Board. All employees  
26 and independent contractors, consultants, engineers,

1 architects, accountants, attorneys, financial experts,  
2 construction experts and personnel, superintendents, managers,  
3 and other personnel appointed or employed pursuant to this Act  
4 shall report to the executive director. In addition to any  
5 other duties set forth in this Act, the executive director  
6 shall do or shall delegate to an employee or agent of the  
7 Authority to do all of the following:

8 (1) Direct and supervise the administrative affairs  
9 and activities of the Authority in accordance with its  
10 rules, regulations, and policies.

11 (2) Attend meetings of the Casino Board.

12 (3) Keep minutes of all proceedings of the Casino  
13 Board.

14 (4) Approve all accounts for salaries, per diem  
15 payments, and allowable expenses of the Casino Board and  
16 its employees and consultants.

17 (5) Report and make recommendations to the Casino Board  
18 concerning the terms and conditions of any casino  
19 management contract.

20 (6) Perform any other duty that the Casino Board  
21 requires for carrying out the provisions of this Act.

22 (7) Devote his or her full time to the duties of the  
23 office and not hold any other office or employment.

24 (c) The Casino Board may select a secretary-treasurer and  
25 other officers to hold office at the pleasure of the Casino  
26 Board. The Casino Board shall fix the duties of such officers.

1 Section 1-31. General rights and powers of the Authority.

2 (a) In addition to the duties and powers set forth in this  
3 Act, the Authority shall have the following rights and powers:

4 (1) Adopt and alter an official seal.

5 (2) Establish and change its fiscal year.

6 (3) Sue and be sued, plead and be impleaded, all in its  
7 own name, and agree to binding arbitration of any dispute  
8 to which it is a party.

9 (4) Adopt, amend, and repeal bylaws, rules, and  
10 regulations consistent with the furtherance of the powers  
11 and duties provided for.

12 (5) Maintain its principal office within the City and  
13 such other offices as the Casino Board may designate.

14 (6) Select locations in the City for a temporary and a  
15 permanent casino.

16 (7) Subject to the bidding procedures of Section 1-115  
17 of this Act, retain or employ, either as regular employees  
18 or independent contractors, consultants, engineers,  
19 architects, accountants, attorneys, financial experts,  
20 construction experts and personnel, superintendents,  
21 managers and other professional personnel, and such other  
22 personnel as may be necessary in the judgment of the Casino  
23 Board, and fix their compensation; however, employees of  
24 the Authority shall be hired pursuant to and in accordance  
25 with the rules and policies the Authority may adopt.

1           (8) Pursuant to Section 1-115 of this Act, own,  
2           acquire, construct, equip, lease, operate, manage, and  
3           maintain grounds, buildings, and facilities to carry out  
4           its corporate purposes and duties.

5           (9) Pursuant to Section 1-115, and subject to the  
6           oversight, review, and approval of the Gaming Board, enter  
7           into, revoke, and modify contracts in accordance with the  
8           rules of the Gaming Board as consistently applied to all  
9           owners licensees under the Illinois Gambling Act, provided  
10          that the Authority may enter into contracts for the design,  
11          construction, and outfitting of a temporary casino prior to  
12          the Gaming Board's final approval of the Authority's  
13          executive director and the members of the Casino Board and  
14          prior to the Gaming Board's issuance of the Authority's  
15          owners license. Provided further that the entities  
16          selected by the Authority for the design, construction, and  
17          outfitting of the temporary casino shall be subject to a  
18          preliminary background investigation to be completed by  
19          the Gaming Board within 30 days after the Gaming Board is  
20          provided the identities of the entities. If the Gaming  
21          Board determines that there is a substantial likelihood  
22          that the entities are not suitable or acceptable to perform  
23          their respective functions, then the Gaming Board shall  
24          immediately provide notice of that determination to the  
25          Authority. If no such notice is delivered, then, commencing  
26          on the 31st day following the date on which the information

1 identifying such entities is provided to the Gaming Board,  
2 such entities shall be permitted to commence the services  
3 contemplated for the design, construction, and outfitting  
4 of the temporary casino. In no event, however, shall the  
5 Authority open a casino until after the Gaming Board has  
6 finally approved the Authority's executive director and  
7 the members of the Casino Board and the Gaming Board has  
8 issued the Authority's owners license and the casino  
9 operator's casino operator license.

10 (10) Enter into a casino management contract subject to  
11 the provisions of Section 1-45 of this Act.

12 (11) Negotiate and enter into intergovernmental  
13 agreements with the State and its agencies, the City, and  
14 other units of local government, in furtherance of the  
15 powers and duties of the Casino Board.

16 (12) Receive and disburse funds for its own corporate  
17 purposes or as otherwise specified in this Act.

18 (13) Borrow money from any source, public or private,  
19 for any corporate purpose, including, without limitation,  
20 working capital for its operations, reserve funds, or  
21 payment of interest, and to mortgage, pledge, or otherwise  
22 encumber the property or funds of the Authority and to  
23 contract with or engage the services of any person in  
24 connection with any financing, including financial  
25 institutions, issuers of letters of credit, or insurers and  
26 enter into reimbursement agreements with this person or

1           entity which may be secured as if money were borrowed from  
2           the person or entity.

3           (14) Issue bonds as provided for under this Act.

4           (15) Receive and accept from any source, private or  
5           public, contributions, gifts, or grants of money or  
6           property to the Authority.

7           (16) Provide for the insurance of any property,  
8           operations, officers, members, agents, or employees of the  
9           Authority against any risk or hazard, to self-insure or  
10          participate in joint self-insurance pools or entities to  
11          insure against such risk or hazard, and to provide for the  
12          indemnification of its officers, members, employees,  
13          contractors, or agents against any and all risks.

14          (17) Exercise all the corporate powers granted  
15          Illinois corporations under the Business Corporation Act  
16          of 1983, except to the extent that powers are inconsistent  
17          with those of a body politic and municipal corporation.

18          (18) Do all things necessary or convenient to carry out  
19          the powers granted by this Act.

20          (b) The Casino Board shall comply with all applicable legal  
21          requirements imposed on other owners licensees to conduct all  
22          background investigations required under the Illinois Gambling  
23          Act and the rules of the Gaming Board. This requirement shall  
24          also extend to senior legal, financial, and administrative  
25          staff of the Authority.

1 Section 1-32. Ethical conduct.

2 (a) Casino Board members and employees of the Authority  
3 must carry out their duties and responsibilities in such a  
4 manner as to promote and preserve public trust and confidence  
5 in the integrity and conduct of gaming.

6 (b) Except as may be required in the conduct of official  
7 duties, Casino Board members and employees of the Authority  
8 shall not engage in gambling on any riverboat, in any casino,  
9 or in an electronic gaming facility licensed by the Illinois  
10 Gaming Board or engage in legalized gambling in any  
11 establishment identified by Gaming Board action that, in the  
12 judgment of the Gaming Board, could represent a potential for a  
13 conflict of interest.

14 (c) A Casino Board member or employee of the Authority  
15 shall not use or attempt to use his or her official position to  
16 secure or attempt to secure any privilege, advantage, favor, or  
17 influence for himself or herself or others.

18 (d) Casino Board members and employees of the Authority  
19 shall not hold or pursue employment, office, position,  
20 business, or occupation that may conflict with his or her  
21 official duties. Employees may engage in other gainful  
22 employment so long as that employment does not interfere or  
23 conflict with their duties. Such employment must be disclosed  
24 to the executive director and approved by the Casino Board.

25 (e) Casino Board members, employees of the Authority, and  
26 elected officials and employees of the City may not engage in



1 employment, communications, or any activity identified by the  
2 Casino Board or Gaming Board that, in the judgment of either  
3 entity, could represent the potential for or the appearance of  
4 a conflict of interest.

5 (f) Casino Board members, employees of the Authority, and  
6 elected officials and employees of the City may not have a  
7 financial interest, directly or indirectly, in his or her own  
8 name or in the name of any other person, partnership,  
9 association, trust, corporation, or other entity in any  
10 contract or subcontract for the performance of any work for the  
11 Authority. This prohibition shall extend to the holding or  
12 acquisition of an interest in any entity identified by the  
13 Casino Board or the Gaming Board that, in the judgment of  
14 either entity, could represent the potential for or the  
15 appearance of a financial interest. The holding or acquisition  
16 of an interest in such entities through an indirect means, such  
17 as through a mutual fund, shall not be prohibited, except that  
18 the Gaming Board may identify specific investments or funds  
19 that, in its judgment, are so influenced by gaming holdings as  
20 to represent the potential for or the appearance of a conflict  
21 of interest.

22 (g) Casino Board members, employees of the Authority, and  
23 elected officials and employees of the City may not accept any  
24 gift, gratuity, service, compensation, travel, lodging, or  
25 thing of value, with the exception of unsolicited items of an  
26 incidental nature, from any person, corporation, or entity

1 doing business with the Authority.

2 (h) No Casino Board member, employee of the Authority, or  
3 elected official or employee of the City may, during employment  
4 or within a period of 2 years immediately after termination of  
5 employment, knowingly accept employment or receive  
6 compensation or fees for services from a person or entity, or  
7 its parent or affiliate, that has engaged in business with the  
8 Authority that resulted in contracts with an aggregate value of  
9 at least \$25,000 or if that Casino Board member or employee has  
10 made a decision that directly applied to the person or entity,  
11 or its parent or affiliate.

12 (i) A spouse, child, or parent of a Casino Board member,  
13 employee of the Authority, or elected official or employee of  
14 the City may not have a financial interest, directly or  
15 indirectly, in his or her own name or in the name of any other  
16 person, partnership, association, trust, corporation, or other  
17 entity in any contract or subcontract for the performance of  
18 any work for the Authority. This prohibition shall extend to  
19 the holding or acquisition of an interest in any entity  
20 identified by the Casino Board or Gaming Board that, in the  
21 judgment of either entity, could represent the potential for or  
22 the appearance of a conflict of interest. The holding or  
23 acquisition of an interest in such entities through an indirect  
24 means, such as through a mutual fund, shall not be prohibited,  
25 except that the Gaming Board may identify specific investments  
26 or funds that, in its judgment, are so influenced by gaming

1 holdings as to represent the potential for or the appearance of  
2 a conflict of interest.

3 (j) A spouse, child, or parent of a Casino Board member,  
4 employee of the Authority, or elected official or employee of  
5 the City may not accept any gift, gratuity, service,  
6 compensation, travel, lodging, or thing of value, with the  
7 exception of unsolicited items of an incidental nature, from  
8 any person, corporation, or entity doing business with the  
9 Authority.

10 (k) A spouse, child, or parent of a Casino Board member,  
11 employee of the Authority, or elected official or employee of  
12 the City may not, while the person is a Board member or  
13 employee of the spouse or within a period of 2 years  
14 immediately after termination of employment, knowingly accept  
15 employment or receive compensation or fees for services from a  
16 person or entity, or its parent or affiliate, that has engaged  
17 in business with the Authority that resulted in contracts with  
18 an aggregate value of at least \$25,000 or if that Casino Board  
19 member, employee, or elected official or employee of the City  
20 has made a decision that directly applied to the person or  
21 entity, or its parent or affiliate.

22 (l) No Casino Board member, employee of the Authority, or  
23 elected official or employee of the City may attempt, in any  
24 way, to influence any person or entity doing business with the  
25 Authority or any officer, agent, or employee thereof to hire or  
26 contract with any person or entity for any compensated work.

1 (m) No Casino Board member, employee of the Authority, or  
2 elected official or employee of the City shall use or attempt  
3 to use his or her official position to secure, or attempt to  
4 secure, any privilege, advantage, favor, or influence for  
5 himself or herself or others. No Casino Board member, employee  
6 of the Authority, or elected official or employee of the City  
7 shall, within one year immediately preceding appointment by the  
8 Mayor or employment, have been employed or received  
9 compensation or fees for services from a person or entity, or  
10 its parent or affiliate, that has engaged in business with the  
11 Casino Board, a licensee under this Act, or a licensee under  
12 the Illinois Gambling Act.

13 (n) Any communication between an elected official of the  
14 City and any applicant for or party to a casino management  
15 contract with the Authority, or an officer, director, or  
16 employee thereof, concerning any matter relating in any way to  
17 gaming or the Authority shall be disclosed to the Casino Board  
18 and the Gaming Board. Such disclosure shall be in writing by  
19 the official within 30 days after the communication and shall  
20 be filed with the Casino Board and the Gaming Board. Disclosure  
21 must consist of the date of the communication, the identity and  
22 job title of the person with whom the communication was made, a  
23 brief summary of the communication, the action requested or  
24 recommended, all responses made, the identity and job title of  
25 the person making the response, and any other pertinent  
26 information. In addition, if the communication is written or

1 digital, then the entire communication shall be disclosed.

2 Public disclosure of the written summary provided to the  
3 Casino Board and the Gaming Board shall be subject to the  
4 exemptions provided under Section 7 of the Freedom of  
5 Information Act.

6 This subsection (n) shall not apply to communications  
7 regarding traffic, law enforcement, security, environmental  
8 issues, City services, transportation, or other routine  
9 matters concerning the ordinary operations of the casino.

10 (o) For purposes of this Section:

11 "Ordinary operations" means operations relating to the  
12 casino facility other than the conduct of gambling activities.

13 "Routine matters" includes the application for, issuance,  
14 renewal, and other processes associated with City permits and  
15 licenses.

16 "Employee of the City" means only those employees of the  
17 City who provide services to the Authority or otherwise  
18 influence the decisions of the Authority or the Casino Board.

19 (p) Any Casino Board member or employee of the Authority  
20 who violates any provision of this Section is guilty of a Class  
21 4 felony.

22 Section 1-45. Casino management contracts.

23 (a) The Casino Board shall enter into a casino management  
24 contract with a casino operator subject to a background  
25 investigation and approval by the Gaming Board and payment by

1 the proposed casino operator of a fee of \$50,000,000, which  
2 shall be deposited into the Gaming Facilities Fee Revenue Fund.  
3 The Gaming Board shall complete its background investigation  
4 and approval of the casino operator within 6 months after the  
5 date that the proposed casino operator submits its application  
6 to the Gaming Board. If the Gaming Board does not complete its  
7 background investigation and approval within the 6-month  
8 period, then the Gaming Board shall give a written explanation  
9 to the proposed casino operator and the chief legal officer of  
10 the Authority as to why it has not reached a final  
11 determination and when it reasonably expects to make a final  
12 determination. Validity of the casino management contract is  
13 contingent upon the issuance of a casino operator license. If  
14 the Gaming Board grants a casino operator license, the Casino  
15 Board shall transmit a copy of the executed casino management  
16 contract to the Gaming Board.

17 (b) After (1) the Authority has been issued an owners  
18 license, (2) the Gaming Board has issued a casino operator  
19 license, and (3) the Gaming Board has approved the members of  
20 the Casino Board, the Authority may conduct gaming operations  
21 at a temporary facility, subject to the adopted rules of the  
22 Gaming Board, for no longer than 24 months after gaming  
23 operations begin. The Gaming Board may, after holding a public  
24 hearing, grant an extension so long as a permanent facility is  
25 not operational and the Authority is working in good faith to  
26 complete the permanent facility. The Gaming Board may grant

1 additional extensions following further public hearings. Each  
2 extension may be for a period of no longer than 6 months.

3 Section 1-47. Freedom of Information Act. The Authority  
4 shall be a public body as defined in the Freedom of Information  
5 Act and shall be subject to the provisions of the Freedom of  
6 Information Act.

7 Section 1-50. Transfer of funds. The revenues received by  
8 the Authority (other than amounts required to be paid pursuant  
9 to the Illinois Gambling Act and amounts required to pay the  
10 operating expenses of the Authority, to pay amounts due the  
11 casino operator licensee pursuant to a casino management  
12 contract, to repay any borrowing of the Authority made pursuant  
13 to Section 1-31, to pay debt service on any bonds issued under  
14 Section 1-75, and to pay any expenses in connection with the  
15 issuance of such bonds pursuant to Section 1-75 or derivative  
16 products pursuant to Section 1-85) shall be transferred to the  
17 City by the Authority. Moneys transferred to the City pursuant  
18 to this Section shall be expended or obligated by the City for  
19 pension payments in accordance with Public Act 99-506.

20 Section 1-60. Auditor General.

21 (a) Prior to the issuance of bonds under this Act, the  
22 Authority shall submit to the Auditor General a certification  
23 that:

- 1           (1) it is legally authorized to issue bonds;
- 2           (2) scheduled annual payments of principal and  
3 interest on the bonds to be issued meet the requirements of  
4 Section 1-75 of this Act;
- 5           (3) no bond shall mature later than 30 years; and
- 6           (4) after payment of costs of issuance and necessary  
7 deposits to funds and accounts established with respect to  
8 debt service on the bonds, the net bond proceeds (exclusive  
9 of any proceeds to be used to refund outstanding bonds)  
10 will be used only for the purposes set forth in this Act.

11           The Authority also shall submit to the Auditor General its  
12 projections on revenues to be generated and pledged to  
13 repayment of the bonds as scheduled and such other information  
14 as the Auditor General may reasonably request.

15           The Auditor General shall examine the certifications and  
16 information submitted and submit a report to the Authority and  
17 the Gaming Board indicating whether the required  
18 certifications, projections, and other information have been  
19 submitted by the Authority and whether the assumptions  
20 underlying the projections are not unreasonable in the  
21 aggregate. The Auditor General shall submit the report no later  
22 than 60 days after receiving the information required to be  
23 submitted by the Authority.

24           The Auditor General shall submit a bill to the Authority  
25 for costs associated with the examinations and report required  
26 under this Section. The Authority shall reimburse in a timely



1 manner.

2 (b) The Authority shall enter into an intergovernmental  
3 agreement with the Auditor General authorizing the Auditor  
4 General to, every 2 years, (i) review the financial audit of  
5 the Authority performed by the Authority's certified public  
6 accountants, (ii) perform a management audit of the Authority,  
7 and (iii) perform a management audit of the casino operator  
8 licensee. The Auditor General shall provide the Authority and  
9 the General Assembly with the audits and shall post on his or  
10 her Internet website such portions of the audit or other  
11 financial information as generally would be made publicly  
12 available for other owners licensees under the Illinois  
13 Gambling Act. The Auditor General shall submit a bill to the  
14 Authority for costs associated with the review and the audit  
15 required under this Section, which costs shall not exceed  
16 \$100,000, and the Authority shall reimburse the Auditor General  
17 for such costs in a timely manner.

18 Section 1-62. Advisory committee. An Advisory Committee is  
19 established to monitor, review, and report on (1) the  
20 Authority's utilization of minority-owned business enterprises  
21 and female-owned business enterprises, (2) employment of  
22 females, and (3) employment of minorities with regard to the  
23 development and construction of the casino as authorized under  
24 Section 7 of the Illinois Gambling Act. The Authority shall  
25 work with the Advisory Committee in accumulating necessary

1 information for the Committee to submit reports, as necessary,  
2 to the General Assembly and to the City.

3 The Committee shall consist of 9 members as provided in  
4 this Section. Five members shall be selected by the Governor  
5 and 4 members shall be selected by the Mayor. The Governor and  
6 Mayor shall each appoint at least one current member of the  
7 General Assembly. The Advisory Committee shall meet  
8 periodically and shall report the information to the Mayor of  
9 the City and to the General Assembly by December 31st of every  
10 year.

11 The Advisory Committee shall be dissolved on the date that  
12 casino gambling operations are first conducted at a permanent  
13 facility under the license authorized under Section 7 of the  
14 Illinois Gambling Act. For the purposes of this Section, the  
15 terms "female" and "minority person" have the meanings provided  
16 in Section 2 of the Business Enterprise for Minorities,  
17 Females, and Persons with Disabilities Act.

18 Section 1-65. Acquisition of property; eminent domain  
19 proceedings. For the lawful purposes of this Act, the City may  
20 acquire, by eminent domain or by condemnation proceedings in  
21 the manner provided by the Eminent Domain Act, real or personal  
22 property or interests in real or personal property located in  
23 the City, and the City may convey to the Authority property so  
24 acquired. The acquisition of property under this Section is  
25 declared to be for a public use.

1           Section 1-67. Limitations on gaming at Chicago airports.  
2           The Authority may conduct gaming operations in an airport under  
3           the administration or control of the Chicago Department of  
4           Aviation. Gaming operations may be conducted pursuant to this  
5           Section so long as (i) gaming operations are conducted in a  
6           secured area that is beyond the Transportation Security  
7           Administration security checkpoints and only available to  
8           airline passengers at least 21 years of age who are members of  
9           a private club, and not to the general public, (ii) gaming  
10          operations are limited to slot machines, as defined in Section  
11          4 of the Illinois Gambling Act, and (iii) the combined number  
12          of gaming positions operating in the City at the airports and  
13          at the temporary and permanent casino facility does not exceed  
14          the maximum number of gaming positions authorized pursuant to  
15          subsection (h) of Section 7 of the Illinois Gambling Act.  
16          Gaming operations at an airport are subject to all applicable  
17          laws and rules that apply to any other gaming facility under  
18          this Act or the Illinois Gambling Act.

19          Section 1-70. Local regulation. In addition to this Act,  
20          the Illinois Gambling Act, and all of the rules of the Gaming  
21          Board, the casino facilities and operations therein shall be  
22          subject to all ordinances and regulations of the City. The  
23          construction, development, and operation of the casino shall  
24          comply with all ordinances, regulations, rules, and controls of

1 the City, including, but not limited to, those relating to  
2 zoning and planned development, building, fire prevention, and  
3 land use. However, the regulation of gaming operations is  
4 subject to the exclusive jurisdiction of the Gaming Board. The  
5 Gaming Board shall be responsible for the investigation for and  
6 issuance of all licenses required by this Act and the Illinois  
7 Gambling Act.

8 Section 1-75. Borrowing.

9 (a) The Authority may borrow money and issue bonds as  
10 provided in this Section. Bonds of the Authority may be issued  
11 to provide funds for land acquisition, site assembly and  
12 preparation, and the design and construction of the casino, as  
13 defined in the Illinois Gambling Act, all ancillary and related  
14 facilities comprising the casino complex, and all on-site and  
15 off-site infrastructure improvements required in connection  
16 with the development of the casino; to refund (at the time or  
17 in advance of any maturity or redemption) or redeem any bonds  
18 of the Authority; to provide or increase a debt service reserve  
19 fund or other reserves with respect to any or all of its bonds;  
20 or to pay the legal, financial, administrative, bond insurance,  
21 credit enhancement, and other legal expenses of the  
22 authorization, issuance, or delivery of bonds. In this Act, the  
23 term "bonds" also includes notes of any kind, interim  
24 certificates, refunding bonds, or any other evidence of  
25 obligation for borrowed money issued under this Section. Bonds

1 may be issued in one or more series and may be payable and  
2 secured either on a parity with or separately from other bonds.

3 (b) The bonds of the Authority shall be payable from one or  
4 more of the following sources: (i) the property or revenues of  
5 the Authority; (ii) revenues derived from the casino; (iii)  
6 revenues derived from any casino operator licensee; (iv) fees,  
7 bid proceeds, charges, lease payments, payments required  
8 pursuant to any casino management contract or other revenues  
9 payable to the Authority, or any receipts of the Authority; (v)  
10 payments by financial institutions, insurance companies, or  
11 others pursuant to letters or lines of credit, policies of  
12 insurance, or purchase agreements; (vi) investment earnings  
13 from funds or accounts maintained pursuant to a bond resolution  
14 or trust indenture; (vii) proceeds of refunding bonds; (viii)  
15 any other revenues derived from or payments by the City; and  
16 (ix) any payments by any casino operator licensee or others  
17 pursuant to any guaranty agreement.

18 (c) Bonds shall be authorized by a resolution of the  
19 Authority and may be secured by a trust indenture by and  
20 between the Authority and a corporate trustee or trustees,  
21 which may be any trust company or bank having the powers of a  
22 trust company within or without the State. Bonds shall meet the  
23 following requirements:

24 (1) Bonds may bear interest payable at any time or  
25 times and at any rate or rates, notwithstanding any other  
26 provision of law to the contrary, and may be subject to

1           such other terms and conditions as may be provided by the  
2           resolution or indenture authorizing the issuance of such  
3           bonds.

4           (2) Bonds issued pursuant to this Section may be  
5           payable on such dates and times as may be provided for by  
6           the resolution or indenture authorizing the issuance of  
7           such bonds; provided, however, that such bonds shall mature  
8           no later than 30 years from the date of issuance.

9           (3) Bonds issued pursuant to this Section may be sold  
10          pursuant to notice of sale and public bid or by negotiated  
11          sale.

12          (4) Bonds shall be payable at a time or times, in the  
13          denominations and form, including book entry form, either  
14          coupon, registered, or both, and carry the registration and  
15          privileges as to exchange, transfer or conversion, and  
16          replacement of mutilated, lost, or destroyed bonds as the  
17          resolution or trust indenture may provide.

18          (5) Bonds shall be payable in lawful money of the  
19          United States at a designated place.

20          (6) Bonds shall be subject to the terms of purchase,  
21          payment, redemption, refunding, or refinancing that the  
22          resolution or trust indenture provides.

23          (7) Bonds shall be executed by the manual or facsimile  
24          signatures of the officers of the Authority designated by  
25          the Board, which signatures shall be valid at delivery even  
26          for one who has ceased to hold office.

1           (8) Bonds shall be sold at public or private sale in  
2           the manner and upon the terms determined by the Authority.

3           (9) Bonds shall be issued in accordance with the  
4           provisions of the Local Government Debt Reform Act.

5           (d) The Authority shall adopt a procurement program with  
6           respect to contracts relating to underwriters, bond counsel,  
7           financial advisors, and accountants. The program shall include  
8           goals for the payment of not less than 30% of the total dollar  
9           value of the fees from these contracts to minority-owned  
10          businesses and female-owned businesses as defined in the  
11          Business Enterprise for Minorities, Females, and Persons with  
12          Disabilities Act. The Authority shall conduct outreach to  
13          minority-owned businesses and female-owned businesses.  
14          Outreach shall include, but is not limited to, advertisements  
15          in periodicals and newspapers, mailings, and other appropriate  
16          media. The Authority shall submit to the General Assembly a  
17          comprehensive report that shall include, at a minimum, the  
18          details of the procurement plan, outreach efforts, and the  
19          results of the efforts to achieve goals for the payment of  
20          fees.

21          (e) Subject to the Illinois Gambling Act and rules of the  
22          Gaming Board regarding pledging of interests in holders of  
23          owners licenses, any resolution or trust indenture may contain  
24          provisions that may be a part of the contract with the holders  
25          of the bonds as to the following:

26                 (1) Pledging, assigning, or directing the use,

1 investment, or disposition of revenues of the Authority or  
2 proceeds or benefits of any contract, including without  
3 limitation any rights in any casino management contract.

4 (2) The setting aside of loan funding deposits, debt  
5 service reserves, replacement or operating reserves, cost  
6 of issuance accounts and sinking funds, and the regulation,  
7 investment, and disposition thereof.

8 (3) Limitations on the purposes to which or the  
9 investments in which the proceeds of sale of any issue of  
10 bonds or the Authority's revenues and receipts may be  
11 applied or made.

12 (4) Limitations on the issue of additional bonds, the  
13 terms upon which additional bonds may be issued and  
14 secured, the terms upon which additional bonds may rank on  
15 a parity with, or be subordinate or superior to, other  
16 bonds.

17 (5) The refunding, advance refunding, or refinancing  
18 of outstanding bonds.

19 (6) The procedure, if any, by which the terms of any  
20 contract with bondholders may be altered or amended and the  
21 amount of bonds and holders of which must consent thereto  
22 and the manner in which consent shall be given.

23 (7) Defining the acts or omissions that shall  
24 constitute a default in the duties of the Authority to  
25 holders of bonds and providing the rights or remedies of  
26 such holders in the event of a default, which may include



1 provisions restricting individual rights of action by  
2 bondholders.

3 (8) Providing for guarantees, pledges of property,  
4 letters of credit, or other security, or insurance for the  
5 benefit of bondholders.

6 (f) No member of the Casino Board, nor any person executing  
7 the bonds, shall be liable personally on the bonds or subject  
8 to any personal liability by reason of the issuance of the  
9 bonds.

10 (g) The Authority may issue and secure bonds in accordance  
11 with the provisions of the Local Government Credit Enhancement  
12 Act.

13 (h) A pledge by the Authority of revenues and receipts as  
14 security for an issue of bonds or for the performance of its  
15 obligations under any casino management contract shall be valid  
16 and binding from the time when the pledge is made. The revenues  
17 and receipts pledged shall immediately be subject to the lien  
18 of the pledge without any physical delivery or further act, and  
19 the lien of any pledge shall be valid and binding against any  
20 person having any claim of any kind in tort, contract, or  
21 otherwise against the Authority, irrespective of whether the  
22 person has notice. No resolution, trust indenture, management  
23 agreement or financing statement, continuation statement, or  
24 other instrument adopted or entered into by the Authority need  
25 be filed or recorded in any public record other than the  
26 records of the Authority in order to perfect the lien against

1 third persons, regardless of any contrary provision of law.

2 (i) Bonds that are being paid or retired by issuance, sale,  
3 or delivery of bonds, and bonds for which sufficient funds have  
4 been deposited with the paying agent or trustee to provide for  
5 payment of principal and interest thereon, and any redemption  
6 premium, as provided in the authorizing resolution, shall not  
7 be considered outstanding for the purposes of this subsection.

8 (j) The bonds of the Authority shall not be indebtedness of  
9 the State. The bonds of the Authority are not general  
10 obligations of the State and are not secured by a pledge of the  
11 full faith and credit of the State and the holders of bonds of  
12 the Authority may not require the application of State revenues  
13 or funds to the payment of bonds of the Authority. The  
14 foregoing non-recourse language must be printed in bold-face  
15 type on the face of the bonds and in the preliminary and final  
16 official statements on the bonds.

17 (k) The State of Illinois pledges and agrees with the  
18 owners of the bonds that it will not limit or alter the rights  
19 and powers vested in the Authority by this Act so as to impair  
20 the terms of any contract made by the Authority with the owners  
21 or in any way impair the rights and remedies of the owners  
22 until the bonds, together with interest on them, and all costs  
23 and expenses in connection with any action or proceedings by or  
24 on behalf of the owners, are fully met and discharged. The  
25 Authority is authorized to include this pledge and agreement in  
26 any contract with the owners of bonds issued under this

1 Section.

2 (1) No person holding an elective office in the City, in  
3 Cook County, or in this State, holding a seat in the General  
4 Assembly, or serving as a board member, trustee, officer, or  
5 employee of the Authority, including the spouse of that person,  
6 may receive a legal, banking, consulting, or other fee related  
7 to the issuance of bonds. This prohibition shall also apply to  
8 a company or firm that employs a person holding an elective  
9 office in the City, in Cook County, or in this State, holding a  
10 seat in the General Assembly, or serving as a board member,  
11 trustee, officer, or employee of the Authority, including the  
12 spouse of that person, if the person or his or her spouse has  
13 greater than 7.5% ownership of the company or firm.

14 Section 1-85. Derivative products. With respect to all or  
15 part of any issue of its bonds, the Authority may enter into  
16 agreements or contracts with any necessary or appropriate  
17 person, which will have the benefit of providing to the  
18 Authority an interest rate basis, cash flow basis, or other  
19 basis different from that provided in the bonds for the payment  
20 of interest. Such agreements or contracts may include, without  
21 limitation, agreements or contracts commonly known as  
22 "interest rate swap agreements", "forward payment conversion  
23 agreements", "futures", "options", "puts", or "calls" and  
24 agreements or contracts providing for payments based on levels  
25 of or changes in interest rates, agreements or contracts to

1 exchange cash flows or a series of payments, or to hedge  
2 payment, rate spread, or similar exposure. Any such agreement  
3 or contract shall be solely an obligation or indebtedness of  
4 the Authority and shall not be an obligation or indebtedness of  
5 the State, nor shall any party thereto have any recourse  
6 against the State in connection with the agreement or contract.

7 Section 1-90. Legality for investment. The State of  
8 Illinois, all governmental entities, all public officers,  
9 banks, bankers, trust companies, savings banks and  
10 institutions, building and loan associations, savings and loan  
11 associations, investment companies, and other persons carrying  
12 on a banking business, insurance companies, insurance  
13 associations, and other persons carrying on an insurance  
14 business, and all executors, administrators, guardians,  
15 trustees, and other fiduciaries may legally invest any sinking  
16 funds, moneys, or other funds belonging to them or within their  
17 control in any bonds issued under this Act. However, nothing in  
18 this Section shall be construed as relieving any person or  
19 entity from any duty of exercising reasonable care in selecting  
20 securities for purchase or investment.

21 Section 1-105. Budgets and reporting.

22 (a) The Casino Board shall annually adopt a budget for each  
23 fiscal year. The budget may be modified from time to time in  
24 the same manner and upon the same vote as it may be adopted.

1 The budget shall include the Authority's available funds and  
2 estimated revenues and shall provide for payment of its  
3 obligations and estimated expenditures for the fiscal year,  
4 including, without limitation, expenditures for  
5 administration, operation, maintenance and repairs, debt  
6 service, and deposits into reserve and other funds and capital  
7 projects.

8 (b) The Casino Board shall annually cause the finances of  
9 the Authority to be audited by a firm of certified public  
10 accountants selected by the Casino Board in accordance with the  
11 rules of the Gaming Board and post on the Authority's Internet  
12 website such financial information as is required to be posted  
13 by all other owners licensees under the Illinois Gambling Act.

14 (c) The Casino Board shall, for each fiscal year, prepare  
15 an annual report setting forth information concerning its  
16 activities in the fiscal year and the status of the development  
17 of the casino. The annual report shall include financial  
18 information of the Authority consistent with that which is  
19 required for all other owners licensees under the Illinois  
20 Gambling Act, the budget for the succeeding fiscal year, and  
21 the current capital plan as of the date of the report. Copies  
22 of the annual report shall be made available to persons who  
23 request them and shall be submitted not later than 120 days  
24 after the end of the Authority's fiscal year or, if the audit  
25 of the Authority's financial statements is not completed within  
26 120 days after the end of the Authority's fiscal year, as soon

1 as practical after completion of the audit, to the Governor,  
2 the Mayor, the General Assembly, and the Commission on  
3 Government Forecasting and Accountability.

4 Section 1-110. Deposit and withdrawal of funds.

5 (a) All funds deposited by the Authority in any bank or  
6 savings and loan association shall be placed in the name of the  
7 Authority and shall be withdrawn or paid out only by check or  
8 draft upon the bank or savings and loan association, signed by  
9 2 officers or employees designated by the Casino Board.  
10 Notwithstanding any other provision of this Section, the Casino  
11 Board may designate any of its members or any officer or  
12 employee of the Authority to authorize the wire transfer of  
13 funds deposited by the secretary-treasurer of funds in a bank  
14 or savings and loan association for the payment of payroll and  
15 employee benefits-related expenses.

16 No bank or savings and loan association shall receive  
17 public funds as permitted by this Section unless it has  
18 complied with the requirements established pursuant to Section  
19 6 of the Public Funds Investment Act.

20 (b) If any officer or employee whose signature appears upon  
21 any check or draft issued pursuant to this Act ceases (after  
22 attaching his signature) to hold his or her office before the  
23 delivery of such a check or draft to the payee, his or her  
24 signature shall nevertheless be valid and sufficient for all  
25 purposes with the same effect as if he or she had remained in

1 office until delivery thereof.

2 Section 1-112. Contracts with the Authority or casino  
3 operator licensee; disclosure requirements.

4 (a) A bidder, respondent, offeror, or contractor for  
5 contracts with the Authority or casino operator licensee shall  
6 disclose the identity of all officers and directors and every  
7 owner, beneficiary, or person with beneficial interest of more  
8 than 1% or shareholder entitled to receive more than 1% of the  
9 total distributable income of any corporation having any  
10 interest in the contract or in the bidder, respondent, offeror,  
11 or contractor. The disclosure shall be in writing and attested  
12 to by an owner, trustee, corporate official, or agent. If stock  
13 in a corporation is publicly traded and there is no readily  
14 known individual having greater than a 1% interest, then a  
15 statement to that effect attested to by an officer or agent of  
16 the corporation shall fulfill the disclosure statement  
17 requirement of this Section. A bidder, respondent, offeror, or  
18 contractor shall notify the Authority of any changes in  
19 officers, directors, ownership, or individuals having a  
20 beneficial interest of more than 1%. Notwithstanding the  
21 provisions of this subsection (a), the Gaming Board may adopt  
22 rules in connection with contractors for contracts with the  
23 Authority or the casino operator licensee.

24 (b) A bidder, respondent, offeror, or contractor for  
25 contracts with an annual value of \$25,000 or more or for a

1 period to exceed one year shall disclose all political  
2 contributions of the bidder, respondent, offeror, or  
3 contractor and any affiliated person or entity. Disclosure  
4 shall include at least the names and addresses of the  
5 contributors and the dollar amounts of any contributions to any  
6 political committee made within the previous 2 years. The  
7 disclosure must be submitted to the Gaming Board with a copy of  
8 the contract. All such disclosures shall be posted on the  
9 websites of the Authority and the Gaming Board.

10 (c) As used in this Section:

11 "Contribution" means contribution as defined in Section  
12 9-1.4 of the Election Code.

13 "Affiliated person" means (i) any person with any ownership  
14 interest or distributive share of the bidding, responding, or  
15 contracting entity in excess of 1%, (ii) executive employees of  
16 the bidding, responding, or contracting entity, and (iii) the  
17 spouse, minor children, and parents of any such persons.

18 "Affiliated entity" means (i) any parent or subsidiary of  
19 the bidding or contracting entity, (ii) any member of the same  
20 unitary business group, or (iii) any political committee for  
21 which the bidding, responding, or contracting entity is the  
22 sponsoring entity.

23 (d) The Gaming Board may direct the Authority or a casino  
24 operator licensee to void a contract if a violation of this  
25 Section occurs. The Authority may direct a casino operator  
26 licensee to void a contract if a violation of this Section



1 occurs.

2 (e) All contracts pertaining to the actual operation of the  
3 casino and related gaming activities shall be entered into by  
4 the casino operator licensee and not the Authority and shall be  
5 subject to the regulation, oversight, and approval of the  
6 Gaming Board, applying the same regulation, oversight, and  
7 approval requirements as would be applied to any other owners  
8 licensee under the Illinois Gambling Act.

9 Section 1-115. Purchasing.

10 (a) The Casino Board shall designate an officer of the  
11 Authority to serve as the Chief Procurement Officer for the  
12 Authority. The Chief Procurement Officer shall have all powers  
13 and duties set forth in Section 15 of Division 10 of Article 8  
14 of the Illinois Municipal Code. Except as otherwise provided in  
15 this Section, the Chief Procurement Officer of the Authority  
16 shall conduct procurements on behalf of the Authority subject  
17 to Title 2, Chapter 92 of the Municipal Code of Chicago, which  
18 by its terms incorporates Division 10 of Article 8 of the  
19 Illinois Municipal Code.

20 (b) All contracts for amounts greater than \$25,000 must be  
21 approved by the Casino Board and executed by the chairperson of  
22 the Casino Board and executive director of the Authority.  
23 Contracts for amounts of \$25,000 or less may be approved and  
24 executed by the Chief Procurement Officer for the Authority and  
25 executive director of the Authority, with approval by the chief

1 legal counsel for the Authority as to form and legality.

2 (c) All construction contracts and contracts for supplies,  
3 materials, equipment, and services for amounts greater than  
4 \$25,000 shall be let by a competitive selection process to the  
5 lowest responsible proposer, after advertising for proposals,  
6 except for the following:

7 (1) when repair parts, accessories, equipment, or  
8 services are required for equipment or services previously  
9 furnished or contracted for;

10 (2) when services such as water, light, heat, power,  
11 telephone (other than long-distance service), or telegraph  
12 are required;

13 (3) casino management contracts, which shall be  
14 awarded as set forth in Section 1-45 of this Act;

15 (4) contracts where there is only one economically  
16 feasible source;

17 (5) when a purchase is needed on an immediate,  
18 emergency basis because there exists a threat to public  
19 health or public safety, or when immediate expenditure is  
20 necessary for repairs to Authority property in order to  
21 protect against further loss of or damage to Authority  
22 property, to prevent or minimize serious disruption in  
23 Authority services or to ensure the integrity of Authority  
24 records;

25 (6) contracts for professional services other than for  
26 management of the casino, except such contracts described

1 in subsection (d) of this Section; and

2 (7) contracts for the use, purchase, delivery,  
3 movement, or installation of (i) data processing  
4 equipment, software, and services and (ii)  
5 telecommunications equipment, software, and services.

6 (d) Contracts for professional services for a term of more  
7 than one year or contracts that may require payment in excess  
8 of \$25,000 in one year shall be let by a competitive bidding  
9 process to the most highly qualified firm that agrees to  
10 compensation and other terms of engagement that are both  
11 reasonable and acceptable to the Casino Board.

12 (e) All contracts involving less than \$25,000 shall be let  
13 by competitive selection process whenever possible, and in any  
14 event in a manner calculated to ensure the best interests of  
15 the public.

16 (f) In determining the responsibility of any proposer, the  
17 Authority may take into account the proposer's (or an  
18 individual having a beneficial interest, directly or  
19 indirectly, of more than 1% in such proposing entity) past  
20 record of dealings with the Authority, the proposer's  
21 experience, adequacy of equipment, and ability to complete  
22 performance within the time set, and other factors besides  
23 financial responsibility. No such contract shall be awarded to  
24 any proposer other than the lowest proposer (in case of  
25 purchase or expenditure) unless authorized or approved by a  
26 vote of at least 3 members of the Casino Board and such action

1 is accompanied by a written statement setting forth the reasons  
2 for not awarding the contract to the highest or lowest  
3 proposer, as the case may be. The statement shall be kept on  
4 file in the principal office of the Authority and open to  
5 public inspection.

6 (g) The Authority shall have the right to reject all  
7 proposals and to re-advertise for proposals. If after any such  
8 re-advertisement, no responsible and satisfactory proposals,  
9 within the terms of the re-advertisement, is received, the  
10 Authority may award such contract without competitive  
11 selection. The contract must not be less advantageous to the  
12 Authority than any valid proposal received pursuant to  
13 advertisement.

14 (h) Advertisements for proposals and re-proposals shall be  
15 published at least once in a daily newspaper of general  
16 circulation published in the City at least 10 calendar days  
17 before the time for receiving proposals and in an online  
18 bulletin published on the Authority's website. Such  
19 advertisements shall state the time and place for receiving and  
20 opening of proposals and, by reference to plans and  
21 specifications on file at the time of the first publication or  
22 in the advertisement itself, shall describe the character of  
23 the proposed contract in sufficient detail to fully advise  
24 prospective proposers of their obligations and to ensure free  
25 and open competitive selection.

26 (i) All proposals in response to advertisements shall be

1 sealed and shall be publicly opened by the Authority. All  
2 proposers shall be entitled to be present in person or by  
3 representatives. Cash or a certified or satisfactory cashier's  
4 check, as a deposit of good faith, in a reasonable amount to be  
5 fixed by the Authority before advertising for proposals, shall  
6 be required with the proposal. A bond for faithful performance  
7 of the contract with surety or sureties satisfactory to the  
8 Authority and adequate insurance may be required in reasonable  
9 amounts to be fixed by the Authority before advertising for  
10 proposals.

11 (j) The contract shall be awarded as promptly as possible  
12 after the opening of proposals. The proposal of the successful  
13 proposer, as well as the bids of the unsuccessful proposers,  
14 shall be placed on file and be open to public inspection  
15 subject to the exemptions from disclosure provided under  
16 Section 7 of the Freedom of Information Act. All proposals  
17 shall be void if any disclosure of the terms of any proposals  
18 in response to an advertisement is made or permitted to be made  
19 by the Authority before the time fixed for opening proposals.

20 (k) Notice of each and every contract that is offered,  
21 including renegotiated contracts and change orders, shall be  
22 published in an online bulletin. The online bulletin must  
23 include at least the date first offered, the date submission of  
24 offers is due, the location that offers are to be submitted to,  
25 a brief purchase description, the method of source selection,  
26 information of how to obtain a comprehensive purchase

1 description and any disclosure and contract forms, and  
2 encouragement to prospective vendors to hire qualified  
3 veterans, as defined by Section 45-67 of the Illinois  
4 Procurement Code, and Illinois residents discharged from any  
5 Illinois adult correctional center subject to Gaming Board  
6 licensing and eligibility rules. Notice of each and every  
7 contract that is let or awarded, including renegotiated  
8 contracts and change orders, shall be published in the online  
9 bulletin and must include at least all of the information  
10 specified in this subsection (k), as well as the name of the  
11 successful responsible proposer or offeror, the contract  
12 price, and the number of unsuccessful responsive proposers and  
13 any other disclosure specified in this Section. This notice  
14 must be posted in the online electronic bulletin prior to  
15 execution of the contract.

16 Section 1-130. Affirmative action and equal opportunity  
17 obligations of Authority.

18 (a) The Authority is subject to the requirements of Article  
19 IV of Chapter 2-92 (Sections 2-92-650 through 2-92-720  
20 inclusive) of the Chicago Municipal Code, as now or hereafter  
21 amended, renumbered, or succeeded, concerning a Minority-Owned  
22 and Women-Owned Business Enterprise Procurement Program for  
23 construction contracts, and Section 2-92-420 et seq. of the  
24 Chicago Municipal Code, as now or hereafter amended,  
25 renumbered, or succeeded, concerning a Minority-Owned and

1 Women-Owned Business Enterprise Procurement Program.

2 (b) The Authority is authorized to enter into agreements  
3 with contractors' associations, labor unions, and the  
4 contractors working on the development of the casino to  
5 establish an apprenticeship preparedness training program to  
6 provide for an increase in the number of minority and female  
7 journeymen and apprentices in the building trades and to enter  
8 into agreements with community college districts or other  
9 public or private institutions to provide readiness training.  
10 The Authority is further authorized to enter into contracts  
11 with public and private educational institutions and persons in  
12 the gaming, entertainment, hospitality, and tourism industries  
13 to provide training for employment in those industries.

14 Section 1-135. Transfer of interest. Neither the Authority  
15 nor the City may sell, lease, rent, transfer, exchange, or  
16 otherwise convey any interest that they have in the casino  
17 without prior approval of the General Assembly.

18 Section 1-140. Home rule. The regulation and licensing of  
19 casinos and casino gaming, casino gaming facilities, and casino  
20 operator licensees under this Act are exclusive powers and  
21 functions of the State. A home rule unit may not regulate or  
22 license casinos, casino gaming, casino gaming facilities, or  
23 casino operator licensees under this Act, except as provided  
24 under this Act. This Section is a denial and limitation of home

1 rule powers and functions under subsection (h) of Section 6 of  
2 Article VII of the Illinois Constitution.

3 ARTICLE 90.

4 Section 90-1. Findings. The General Assembly makes all of  
5 the following findings:

6 (1) That the cumulative reduction to pre-K through 12  
7 education funding since 2009 is approximately  
8 \$861,000,000.

9 (2) That general state aid to Illinois common schools  
10 has been underfunded as a result of budget cuts, resulting  
11 in pro-rated payments to school districts that are less  
12 than the foundational level of \$6,119 per pupil, which  
13 represents the minimum each pupil needs to be educated.

14 (3) That a significant infusion of new revenue is  
15 necessary in order to fully fund the foundation level and  
16 to maintain and support education in Illinois.

17 (4) That the decline of the Illinois horse racing and  
18 breeding program, a \$2.5 billion industry, would be  
19 reversed if this amendatory Act of the 100th General  
20 Assembly would be enacted.

21 (5) That the Illinois horse racing industry is on the  
22 verge of extinction due to fierce competition from fully  
23 developed horse racing and gaming operations in other  
24 states.



1           (6) That allowing the State's horse racing venues,  
2           currently licensed gaming destinations, to maximize their  
3           capacities with gaming machines, would generate up to \$120  
4           million to \$200 million for the State in the form of extra  
5           licensing fees, plus an additional \$100 million to \$300  
6           million in recurring annual tax revenue for the State to  
7           help ensure that school, road, and other building projects  
8           promised under the capital plan occur on schedule.

9           (7) That Illinois agriculture and other businesses  
10          that support and supply the horse racing industry, already  
11          a sector that employs over 37,000 Illinoisans, also stand  
12          to substantially benefit and would be much more likely to  
13          create additional jobs should Illinois horse racing once  
14          again become competitive with other states.

15          (8) That by keeping these projects on track, the State  
16          can be sure that significant job and economic growth will  
17          in fact result from the previously enacted legislation.

18          (9) That gaming machines at Illinois horse racing  
19          tracks would create an estimated 1,200 to 1,500 permanent  
20          jobs, and an estimated capital investment of up to \$200  
21          million to \$400 million at these race tracks would prompt  
22          additional trade organization jobs necessary to construct  
23          new facilities or remodel race tracks to operate electronic  
24          gaming.

25          Section 90-3. The State Officials and Employees Ethics Act

1 is amended by changing Section 5-45 as follows:

2 (5 ILCS 430/5-45)

3 Sec. 5-45. Procurement; revolving door prohibition.

4 (a) No former officer, member, or State employee, or spouse  
5 or immediate family member living with such person, shall,  
6 within a period of one year immediately after termination of  
7 State employment, knowingly accept employment or receive  
8 compensation or fees for services from a person or entity if  
9 the officer, member, or State employee, during the year  
10 immediately preceding termination of State employment,  
11 participated personally and substantially in the award of State  
12 contracts, or the issuance of State contract change orders,  
13 with a cumulative value of \$25,000 or more to the person or  
14 entity, or its parent or subsidiary.

15 (b) No former officer of the executive branch or State  
16 employee of the executive branch with regulatory or licensing  
17 authority, or spouse or immediate family member living with  
18 such person, shall, within a period of one year immediately  
19 after termination of State employment, knowingly accept  
20 employment or receive compensation or fees for services from a  
21 person or entity if the officer or State employee, during the  
22 year immediately preceding termination of State employment,  
23 participated personally and substantially in making a  
24 regulatory or licensing decision that directly applied to the  
25 person or entity, or its parent or subsidiary.

1           (c) Within 6 months after the effective date of this  
2 amendatory Act of the 96th General Assembly, each executive  
3 branch constitutional officer and legislative leader, the  
4 Auditor General, and the Joint Committee on Legislative Support  
5 Services shall adopt a policy delineating which State positions  
6 under his or her jurisdiction and control, by the nature of  
7 their duties, may have the authority to participate personally  
8 and substantially in the award of State contracts or in  
9 regulatory or licensing decisions. The Governor shall adopt  
10 such a policy for all State employees of the executive branch  
11 not under the jurisdiction and control of any other executive  
12 branch constitutional officer.

13           The policies required under subsection (c) of this Section  
14 shall be filed with the appropriate ethics commission  
15 established under this Act or, for the Auditor General, with  
16 the Office of the Auditor General.

17           (d) Each Inspector General shall have the authority to  
18 determine that additional State positions under his or her  
19 jurisdiction, not otherwise subject to the policies required by  
20 subsection (c) of this Section, are nonetheless subject to the  
21 notification requirement of subsection (f) below due to their  
22 involvement in the award of State contracts or in regulatory or  
23 licensing decisions.

24           (e) The Joint Committee on Legislative Support Services,  
25 the Auditor General, and each of the executive branch  
26 constitutional officers and legislative leaders subject to

1 subsection (c) of this Section shall provide written  
2 notification to all employees in positions subject to the  
3 policies required by subsection (c) or a determination made  
4 under subsection (d): (1) upon hiring, promotion, or transfer  
5 into the relevant position; and (2) at the time the employee's  
6 duties are changed in such a way as to qualify that employee.  
7 An employee receiving notification must certify in writing that  
8 the person was advised of the prohibition and the requirement  
9 to notify the appropriate Inspector General in subsection (f).

10 (f) Any State employee in a position subject to the  
11 policies required by subsection (c) or to a determination under  
12 subsection (d), but who does not fall within the prohibition of  
13 subsection (h) below, who is offered non-State employment  
14 during State employment or within a period of one year  
15 immediately after termination of State employment shall, prior  
16 to accepting such non-State employment, notify the appropriate  
17 Inspector General. Within 10 calendar days after receiving  
18 notification from an employee in a position subject to the  
19 policies required by subsection (c), such Inspector General  
20 shall make a determination as to whether the State employee is  
21 restricted from accepting such employment by subsection (a) or  
22 (b). In making a determination, in addition to any other  
23 relevant information, an Inspector General shall assess the  
24 effect of the prospective employment or relationship upon  
25 decisions referred to in subsections (a) and (b), based on the  
26 totality of the participation by the former officer, member, or

1 State employee in those decisions. A determination by an  
2 Inspector General must be in writing, signed and dated by the  
3 Inspector General, and delivered to the subject of the  
4 determination within 10 calendar days or the person is deemed  
5 eligible for the employment opportunity. For purposes of this  
6 subsection, "appropriate Inspector General" means (i) for  
7 members and employees of the legislative branch, the  
8 Legislative Inspector General; (ii) for the Auditor General and  
9 employees of the Office of the Auditor General, the Inspector  
10 General provided for in Section 30-5 of this Act; and (iii) for  
11 executive branch officers and employees, the Inspector General  
12 having jurisdiction over the officer or employee. Notice of any  
13 determination of an Inspector General and of any such appeal  
14 shall be given to the ultimate jurisdictional authority, the  
15 Attorney General, and the Executive Ethics Commission.

16 (g) An Inspector General's determination regarding  
17 restrictions under subsection (a) or (b) may be appealed to the  
18 appropriate Ethics Commission by the person subject to the  
19 decision or the Attorney General no later than the 10th  
20 calendar day after the date of the determination.

21 On appeal, the Ethics Commission or Auditor General shall  
22 seek, accept, and consider written public comments regarding a  
23 determination. In deciding whether to uphold an Inspector  
24 General's determination, the appropriate Ethics Commission or  
25 Auditor General shall assess, in addition to any other relevant  
26 information, the effect of the prospective employment or

1 relationship upon the decisions referred to in subsections (a)  
2 and (b), based on the totality of the participation by the  
3 former officer, member, or State employee in those decisions.  
4 The Ethics Commission shall decide whether to uphold an  
5 Inspector General's determination within 10 calendar days or  
6 the person is deemed eligible for the employment opportunity.

7 (h) The following officers, members, or State employees  
8 shall not, within a period of one year immediately after  
9 termination of office or State employment, knowingly accept  
10 employment or receive compensation or fees for services from a  
11 person or entity if the person or entity or its parent or  
12 subsidiary, during the year immediately preceding termination  
13 of State employment, was a party to a State contract or  
14 contracts with a cumulative value of \$25,000 or more involving  
15 the officer, member, or State employee's State agency, or was  
16 the subject of a regulatory or licensing decision involving the  
17 officer, member, or State employee's State agency, regardless  
18 of whether he or she participated personally and substantially  
19 in the award of the State contract or contracts or the making  
20 of the regulatory or licensing decision in question:

21 (1) members or officers;

22 (2) members of a commission or board created by the  
23 Illinois Constitution;

24 (3) persons whose appointment to office is subject to  
25 the advice and consent of the Senate;

26 (4) the head of a department, commission, board,

1 division, bureau, authority, or other administrative unit  
2 within the government of this State;

3 (5) chief procurement officers, State purchasing  
4 officers, and their designees whose duties are directly  
5 related to State procurement; ~~and~~

6 (6) chiefs of staff, deputy chiefs of staff, associate  
7 chiefs of staff, assistant chiefs of staff, and deputy  
8 governors;~~;~~

9 (7) employees of the Illinois Racing Board; and

10 (8) employees of the Illinois Gaming Board.

11 (i) For the purposes of this Section, with respect to  
12 officers or employees of a regional transit board, as defined  
13 in this Act, the phrase "person or entity" does not include:  
14 (i) the United States government, (ii) the State, (iii)  
15 municipalities, as defined under Article VII, Section 1 of the  
16 Illinois Constitution, (iv) units of local government, as  
17 defined under Article VII, Section 1 of the Illinois  
18 Constitution, or (v) school districts.

19 (Source: P.A. 96-555, eff. 8-18-09; 97-653, eff. 1-13-12.)

20 Section 90-5. The Alcoholism and Other Drug Abuse and  
21 Dependency Act is amended by changing Section 5-20 as follows:

22 (20 ILCS 301/5-20)

23 Sec. 5-20. Compulsive gambling program.

24 (a) Subject to appropriation, the Department shall

1 establish a program for public education, research, and  
2 training regarding problem and compulsive gambling and the  
3 treatment and prevention of problem and compulsive gambling.  
4 Subject to specific appropriation for these stated purposes,  
5 the program must include all of the following:

6 (1) Establishment and maintenance of a toll-free "800"  
7 telephone number to provide crisis counseling and referral  
8 services to families experiencing difficulty as a result of  
9 problem or compulsive gambling.

10 (2) Promotion of public awareness regarding the  
11 recognition and prevention of problem and compulsive  
12 gambling.

13 (3) Facilitation, through in-service training and  
14 other means, of the availability of effective assistance  
15 programs for problem and compulsive gamblers.

16 (4) Conducting studies to identify adults and  
17 juveniles in this State who are, or who are at risk of  
18 becoming, problem or compulsive gamblers.

19 (b) Subject to appropriation, the Department shall either  
20 establish and maintain the program or contract with a private  
21 or public entity for the establishment and maintenance of the  
22 program. Subject to appropriation, either the Department or the  
23 private or public entity shall implement the toll-free  
24 telephone number, promote public awareness, and conduct  
25 in-service training concerning problem and compulsive  
26 gambling.



1 (c) Subject to appropriation, the Department shall produce  
2 and supply the signs specified in Section 10.7 of the Illinois  
3 Lottery Law, Section 34.1 of the Illinois Horse Racing Act of  
4 1975, Section 4.3 of the Bingo License and Tax Act, Section 8.1  
5 of the Charitable Games Act, and Section 13.1 of the Illinois  
6 ~~Riverboat~~ Gambling Act.

7 (Source: P.A. 89-374, eff. 1-1-96; 89-626, eff. 8-9-96.)

8 Section 90-6. The Department of Commerce and Economic  
9 Opportunity Law of the Civil Administrative Code of Illinois is  
10 amended by adding Sections 605-530 and 605-535 as follows:

11 (20 ILCS 605/605-530 new)

12 Sec. 605-530. The Depressed Communities Economic  
13 Development Board.

14 (a) The Depressed Communities Economic Development Board  
15 is created as an advisory board within the Department of  
16 Commerce and Economic Opportunity. The Board shall consist of  
17 the following members:

18 (1) 3 members appointed by the Governor, one of whom  
19 shall be appointed to serve an initial term of one year and  
20 2 of whom shall be appointed to serve an initial term of 2  
21 years;

22 (2) 2 members appointed by the Speaker of the House of  
23 Representatives, one of whom shall be appointed to serve an  
24 initial term of one year and one of whom shall be appointed

1 to serve an initial term of 2 years;

2 (3) 2 members appointed by the President of the Senate,  
3 one of whom shall be appointed to serve an initial term of  
4 one year and one of whom shall be appointed to serve an  
5 initial term of 2 years;

6 (4) 2 members appointed by the Minority Leader of the  
7 House of Representatives, one of whom shall be appointed to  
8 serve an initial term of one year and one of whom shall be  
9 appointed to serve an initial term of 2 years; and

10 (5) 2 members appointed by the Minority Leader of the  
11 Senate, one of whom shall be appointed to serve an initial  
12 term of one year and one of whom shall be appointed to  
13 serve an initial term of 2 years.

14 The members of the Board shall elect a member to serve as  
15 chair of the Board. The members of the Board shall reflect the  
16 composition of the Illinois population with regard to ethnic  
17 and racial composition.

18 After the initial terms, each member shall be appointed to  
19 serve a term of 2 years and until his or her successor has been  
20 appointed and assumes office. If a vacancy occurs in the Board  
21 membership, then the vacancy shall be filled in the same manner  
22 as the initial appointment. No member of the Board shall, at  
23 the time of his or her appointment or within 2 years before the  
24 appointment, hold elected office or be appointed to a State  
25 board, commission, or agency. All Board members are subject to  
26 the State Officials and Employees Ethics Act.

1       (b) Board members shall serve without compensation, but may  
2 be reimbursed for their reasonable travel expenses from funds  
3 available for that purpose. The Department of Commerce and  
4 Economic Opportunity shall provide staff and administrative  
5 support services to the Board.

6       (c) The Board must make recommendations, which must be  
7 approved by a majority of the Board, to the Department of  
8 Commerce and Economic Opportunity concerning the award of  
9 grants from amounts appropriated to the Department from the  
10 Depressed Communities Economic Development Fund, a special  
11 fund created in the State treasury. The Department must make  
12 grants to public or private entities submitting proposals to  
13 the Board to revitalize an Illinois depressed community. Grants  
14 may be used by these entities only for those purposes  
15 conditioned with the grant. For the purposes of this subsection  
16 (c), plans for revitalizing an Illinois depressed community  
17 include plans intended to curb high levels of poverty,  
18 unemployment, job and population loss, and general distress. An  
19 Illinois depressed community is an area where the poverty rate,  
20 as determined by using the most recent data released by the  
21 United States Census Bureau, is at least 3% greater than the  
22 State poverty rate as determined by using the most recent data  
23 released by the United States Census Bureau.

24       (20 ILCS 605/605-535 new)

25       Sec. 605-535. The Commission on the Future of Economic

1 Development of the Latino Community.

2 (a) There is hereby created the Commission on the Future of  
3 Economic Development of the Latino Community within the  
4 Department. The purpose of the Commission shall be to maintain  
5 and develop the economy of Latinos and to provide opportunities  
6 for this community, which will enhance and expand the quality  
7 of their lives.

8 The Commission shall concentrate its major efforts on  
9 strategic planning, policy research and analysis, advocacy,  
10 evaluation, and promoting coordination and collaboration.

11 During each regular legislative session, the Commission  
12 must consult with appropriate legislative committees about the  
13 State's economic development needs and opportunities in the  
14 Latino community.

15 By October 1st of each even-numbered year, the Commission  
16 must submit to the Governor and the General Assembly a biennial  
17 comprehensive statewide economic development strategy for the  
18 Latino community with a report on progress from the previous  
19 comprehensive strategy.

20 The comprehensive statewide economic development strategy  
21 may include, but is not limited to:

22 (1) an assessment of the Latino community's economic  
23 vitality;

24 (2) recommended goals, objectives, and priorities for  
25 the next biennium and the future;

26 (3) a common set of outcomes and benchmarks for the

1 economic development system as a whole for the Latino  
2 community;

3 (4) recommendations for removing barriers for Latinos  
4 in employment;

5 (5) an inventory of existing relevant programs  
6 compiled by the Commission from materials submitted by  
7 agencies;

8 (6) recommendations for expanding, discontinuing, or  
9 redirecting existing programs or adding new programs to  
10 better serve the Latino community; and

11 (7) recommendations of best practices and public and  
12 private sector roles in implementing the comprehensive  
13 statewide economic development strategy.

14 In developing the biennial statewide economic development  
15 strategy, goals, objectives, priorities, and recommendations,  
16 the Commission shall consult, collaborate, and coordinate with  
17 relevant State agencies, private sector business, nonprofit  
18 organizations involved in economic development, trade  
19 associations, associate development organizations, and  
20 relevant local organizations in order to avoid duplication of  
21 effort.

22 State agencies shall cooperate with the Commission and  
23 provide information as the Commission may reasonably request.

24 The Commission shall review and make budget  
25 recommendations to the Governor's Office of Management and  
26 Budget and the General Assembly in areas relating to the

1 economic development in the State's Latino community.

2 The Commission shall evaluate its own performance on a  
3 regular basis.

4 The Commission may accept gifts, grants, donations,  
5 sponsorships, or contributions from any federal, State, or  
6 local governmental agency or program, or any private source,  
7 and expend the same for any purpose consistent with this  
8 Section.

9 (b) The Commission shall consist of 12 voting members,  
10 appointed by the Governor, 4 of whom shall be appointed to  
11 serve an initial term of one year, 4 of whom shall be appointed  
12 to serve an initial term of 2 years, and 4 of whom shall be  
13 appointed to serve an initial term of 3 years. After the  
14 initial term, each member shall be appointed to a term of 3  
15 years. Members of the Commission shall serve at the pleasure of  
16 the Governor for not more than 2 consecutive 3-year terms. In  
17 appointing members, the Governor shall appoint individuals  
18 from the following private industry sectors:

19 (1) production agriculture;

20 (2) at least 2 individuals from manufacturing, one of  
21 whom shall represent a company with no more than 75  
22 employees;

23 (3) transportation, construction, and logistics;

24 (4) travel and tourism;

25 (5) financial services and insurance;

26 (6) information technology and communications; and

1           (7) biotechnology.

2           The members of the Commission shall choose a member to  
3 serve as chair of the Commission. The members of the Commission  
4 shall be representative, to the extent possible, of the various  
5 geographic areas of the State. The Director shall serve as an  
6 ad hoc nonvoting member of the Commission. Vacancies shall be  
7 filled in the same manner as the original appointments. The  
8 members of the Commission shall serve without compensation.

9           (c) The Commission shall meet at least 4 times per year,  
10 with at least one meeting each calendar quarter, at the call of  
11 the director or 4 voting members of the Commission. The staff  
12 and support for the Commission shall be provided by the  
13 Department.

14           (d) The Commission and Department are encouraged to involve  
15 other essential groups in the work of the Commission,  
16 including, but not limited to:

17                   (1) public universities;

18                   (2) community colleges;

19                   (3) other educational institutions; and

20                   (4) the Department of Labor.

21           (e) The Commission shall make recommendations, which must  
22 be approved by a majority of the members of the Commission, to  
23 the Department concerning the award of grants from amounts  
24 appropriated to the Department from the Latino Community  
25 Economic Development Fund, a special fund in the State  
26 treasury. The Department shall make grants to public or private

1 entities submitting proposals to the Commission to assist in  
2 the economic development of the Latino community. Grants may be  
3 used by these entities only for those purposes conditioned with  
4 the grant. The Commission shall coordinate with the Department  
5 to develop grant criteria.

6 (f) For the purposes of this Section:

7 "Department" means the Department of Commerce and Economic  
8 Development.

9 "Director" means the Director of Commerce and Economic  
10 Development.

11 "Educational institutions" means nonprofit public and  
12 private colleges, community colleges, State colleges, and  
13 universities in this State.

14 Section 90-8. The Illinois Lottery Law is amended by  
15 changing Section 9.1 as follows:

16 (20 ILCS 1605/9.1)

17 Sec. 9.1. Private manager and management agreement.

18 (a) As used in this Section:

19 "Offeror" means a person or group of persons that responds  
20 to a request for qualifications under this Section.

21 "Request for qualifications" means all materials and  
22 documents prepared by the Department to solicit the following  
23 from offerors:

24 (1) Statements of qualifications.



1           (2) Proposals to enter into a management agreement,  
2           including the identity of any prospective vendor or vendors  
3           that the offeror intends to initially engage to assist the  
4           offeror in performing its obligations under the management  
5           agreement.

6           "Final offer" means the last proposal submitted by an  
7           offeror in response to the request for qualifications,  
8           including the identity of any prospective vendor or vendors  
9           that the offeror intends to initially engage to assist the  
10          offeror in performing its obligations under the management  
11          agreement.

12          "Final offeror" means the offeror ultimately selected by  
13          the Governor to be the private manager for the Lottery under  
14          subsection (h) of this Section.

15          (b) By September 15, 2010, the Governor shall select a  
16          private manager for the total management of the Lottery with  
17          integrated functions, such as lottery game design, supply of  
18          goods and services, and advertising and as specified in this  
19          Section.

20          (c) Pursuant to the terms of this subsection, the  
21          Department shall endeavor to expeditiously terminate the  
22          existing contracts in support of the Lottery in effect on the  
23          effective date of this amendatory Act of the 96th General  
24          Assembly in connection with the selection of the private  
25          manager. As part of its obligation to terminate these contracts  
26          and select the private manager, the Department shall establish

1 a mutually agreeable timetable to transfer the functions of  
2 existing contractors to the private manager so that existing  
3 Lottery operations are not materially diminished or impaired  
4 during the transition. To that end, the Department shall do the  
5 following:

6 (1) where such contracts contain a provision  
7 authorizing termination upon notice, the Department shall  
8 provide notice of termination to occur upon the mutually  
9 agreed timetable for transfer of functions;

10 (2) upon the expiration of any initial term or renewal  
11 term of the current Lottery contracts, the Department shall  
12 not renew such contract for a term extending beyond the  
13 mutually agreed timetable for transfer of functions; or

14 (3) in the event any current contract provides for  
15 termination of that contract upon the implementation of a  
16 contract with the private manager, the Department shall  
17 perform all necessary actions to terminate the contract on  
18 the date that coincides with the mutually agreed timetable  
19 for transfer of functions.

20 If the contracts to support the current operation of the  
21 Lottery in effect on the effective date of this amendatory Act  
22 of the 96th General Assembly are not subject to termination as  
23 provided for in this subsection (c), then the Department may  
24 include a provision in the contract with the private manager  
25 specifying a mutually agreeable methodology for incorporation.

26 (c-5) The Department shall include provisions in the

1 management agreement whereby the private manager shall, for a  
2 fee, and pursuant to a contract negotiated with the Department  
3 (the "Employee Use Contract"), utilize the services of current  
4 Department employees to assist in the administration and  
5 operation of the Lottery. The Department shall be the employer  
6 of all such bargaining unit employees assigned to perform such  
7 work for the private manager, and such employees shall be State  
8 employees, as defined by the Personnel Code. Department  
9 employees shall operate under the same employment policies,  
10 rules, regulations, and procedures, as other employees of the  
11 Department. In addition, neither historical representation  
12 rights under the Illinois Public Labor Relations Act, nor  
13 existing collective bargaining agreements, shall be disturbed  
14 by the management agreement with the private manager for the  
15 management of the Lottery.

16 (d) The management agreement with the private manager shall  
17 include all of the following:

18 (1) A term not to exceed 10 years, including any  
19 renewals.

20 (2) A provision specifying that the Department:

21 (A) shall exercise actual control over all  
22 significant business decisions;

23 (A-5) has the authority to direct or countermand  
24 operating decisions by the private manager at any time;

25 (B) has ready access at any time to information  
26 regarding Lottery operations;

1           (C) has the right to demand and receive information  
2           from the private manager concerning any aspect of the  
3           Lottery operations at any time; and

4           (D) retains ownership of all trade names,  
5           trademarks, and intellectual property associated with  
6           the Lottery.

7           (3) A provision imposing an affirmative duty on the  
8           private manager to provide the Department with material  
9           information and with any information the private manager  
10          reasonably believes the Department would want to know to  
11          enable the Department to conduct the Lottery.

12          (4) A provision requiring the private manager to  
13          provide the Department with advance notice of any operating  
14          decision that bears significantly on the public interest,  
15          including, but not limited to, decisions on the kinds of  
16          games to be offered to the public and decisions affecting  
17          the relative risk and reward of the games being offered, so  
18          the Department has a reasonable opportunity to evaluate and  
19          countermand that decision.

20          (5) A provision providing for compensation of the  
21          private manager that may consist of, among other things, a  
22          fee for services and a performance based bonus as  
23          consideration for managing the Lottery, including terms  
24          that may provide the private manager with an increase in  
25          compensation if Lottery revenues grow by a specified  
26          percentage in a given year.

1 (6) (Blank).

2 (7) A provision requiring the deposit of all Lottery  
3 proceeds to be deposited into the State Lottery Fund except  
4 as otherwise provided in Section 20 of this Act.

5 (8) A provision requiring the private manager to locate  
6 its principal office within the State.

7 (8-5) A provision encouraging that at least 20% of the  
8 cost of contracts entered into for goods and services by  
9 the private manager in connection with its management of  
10 the Lottery, other than contracts with sales agents or  
11 technical advisors, be awarded to businesses that are a  
12 minority-owned business, a women-owned business, or a  
13 business owned by a person with disability, as those terms  
14 are defined in the Business Enterprise for Minorities,  
15 Women, and Persons with Disabilities Act.

16 (9) A requirement that so long as the private manager  
17 complies with all the conditions of the agreement under the  
18 oversight of the Department, the private manager shall have  
19 the following duties and obligations with respect to the  
20 management of the Lottery:

21 (A) The right to use equipment and other assets  
22 used in the operation of the Lottery.

23 (B) The rights and obligations under contracts  
24 with retailers and vendors.

25 (C) The implementation of a comprehensive security  
26 program by the private manager.

1           (D) The implementation of a comprehensive system  
2 of internal audits.

3           (E) The implementation of a program by the private  
4 manager to curb compulsive gambling by persons playing  
5 the Lottery.

6           (F) A system for determining (i) the type of  
7 Lottery games, (ii) the method of selecting winning  
8 tickets, (iii) the manner of payment of prizes to  
9 holders of winning tickets, (iv) the frequency of  
10 drawings of winning tickets, (v) the method to be used  
11 in selling tickets, (vi) a system for verifying the  
12 validity of tickets claimed to be winning tickets,  
13 (vii) the basis upon which retailer commissions are  
14 established by the manager, and (viii) minimum  
15 payouts.

16           (10) A requirement that advertising and promotion must  
17 be consistent with Section 7.8a of this Act.

18           (11) A requirement that the private manager market the  
19 Lottery to those residents who are new, infrequent, or  
20 lapsed players of the Lottery, especially those who are  
21 most likely to make regular purchases on the Internet as  
22 permitted by law.

23           (12) A code of ethics for the private manager's  
24 officers and employees.

25           (13) A requirement that the Department monitor and  
26 oversee the private manager's practices and take action

1           that the Department considers appropriate to ensure that  
2           the private manager is in compliance with the terms of the  
3           management agreement, while allowing the manager, unless  
4           specifically prohibited by law or the management  
5           agreement, to negotiate and sign its own contracts with  
6           vendors.

7           (14) A provision requiring the private manager to  
8           periodically file, at least on an annual basis, appropriate  
9           financial statements in a form and manner acceptable to the  
10          Department.

11          (15) Cash reserves requirements.

12          (16) Procedural requirements for obtaining the prior  
13          approval of the Department when a management agreement or  
14          an interest in a management agreement is sold, assigned,  
15          transferred, or pledged as collateral to secure financing.

16          (17) Grounds for the termination of the management  
17          agreement by the Department or the private manager.

18          (18) Procedures for amendment of the agreement.

19          (19) A provision requiring the private manager to  
20          engage in an open and competitive bidding process for any  
21          procurement having a cost in excess of \$50,000 that is not  
22          a part of the private manager's final offer. The process  
23          shall favor the selection of a vendor deemed to have  
24          submitted a proposal that provides the Lottery with the  
25          best overall value. The process shall not be subject to the  
26          provisions of the Illinois Procurement Code, unless

1 specifically required by the management agreement.

2 (20) The transition of rights and obligations,  
3 including any associated equipment or other assets used in  
4 the operation of the Lottery, from the manager to any  
5 successor manager of the lottery, including the  
6 Department, following the termination of or foreclosure  
7 upon the management agreement.

8 (21) Right of use of copyrights, trademarks, and  
9 service marks held by the Department in the name of the  
10 State. The agreement must provide that any use of them by  
11 the manager shall only be for the purpose of fulfilling its  
12 obligations under the management agreement during the term  
13 of the agreement.

14 (22) The disclosure of any information requested by the  
15 Department to enable it to comply with the reporting  
16 requirements and information requests provided for under  
17 subsection (p) of this Section.

18 (e) Notwithstanding any other law to the contrary, the  
19 Department shall select a private manager through a competitive  
20 request for qualifications process consistent with Section  
21 20-35 of the Illinois Procurement Code, which shall take into  
22 account:

23 (1) the offeror's ability to market the Lottery to  
24 those residents who are new, infrequent, or lapsed players  
25 of the Lottery, especially those who are most likely to  
26 make regular purchases on the Internet;



1           (2) the offeror's ability to address the State's  
2 concern with the social effects of gambling on those who  
3 can least afford to do so;

4           (3) the offeror's ability to provide the most  
5 successful management of the Lottery for the benefit of the  
6 people of the State based on current and past business  
7 practices or plans of the offeror; and

8           (4) the offeror's poor or inadequate past performance  
9 in servicing, equipping, operating or managing a lottery on  
10 behalf of Illinois, another State or foreign government and  
11 attracting persons who are not currently regular players of  
12 a lottery.

13           (f) The Department may retain the services of an advisor or  
14 advisors with significant experience in financial services or  
15 the management, operation, and procurement of goods, services,  
16 and equipment for a government-run lottery to assist in the  
17 preparation of the terms of the request for qualifications and  
18 selection of the private manager. Any prospective advisor  
19 seeking to provide services under this subsection (f) shall  
20 disclose any material business or financial relationship  
21 during the past 3 years with any potential offeror, or with a  
22 contractor or subcontractor presently providing goods,  
23 services, or equipment to the Department to support the  
24 Lottery. The Department shall evaluate the material business or  
25 financial relationship of each prospective advisor. The  
26 Department shall not select any prospective advisor with a

1 substantial business or financial relationship that the  
2 Department deems to impair the objectivity of the services to  
3 be provided by the prospective advisor. During the course of  
4 the advisor's engagement by the Department, and for a period of  
5 one year thereafter, the advisor shall not enter into any  
6 business or financial relationship with any offeror or any  
7 vendor identified to assist an offeror in performing its  
8 obligations under the management agreement. Any advisor  
9 retained by the Department shall be disqualified from being an  
10 offeror. The Department shall not include terms in the request  
11 for qualifications that provide a material advantage whether  
12 directly or indirectly to any potential offeror, or any  
13 contractor or subcontractor presently providing goods,  
14 services, or equipment to the Department to support the  
15 Lottery, including terms contained in previous responses to  
16 requests for proposals or qualifications submitted to  
17 Illinois, another State or foreign government when those terms  
18 are uniquely associated with a particular potential offeror,  
19 contractor, or subcontractor. The request for proposals  
20 offered by the Department on December 22, 2008 as  
21 "LOT08GAMESYS" and reference number "22016176" is declared  
22 void.

23 (g) The Department shall select at least 2 offerors as  
24 finalists to potentially serve as the private manager no later  
25 than August 9, 2010. Upon making preliminary selections, the  
26 Department shall schedule a public hearing on the finalists'

1 proposals and provide public notice of the hearing at least 7  
2 calendar days before the hearing. The notice must include all  
3 of the following:

4 (1) The date, time, and place of the hearing.

5 (2) The subject matter of the hearing.

6 (3) A brief description of the management agreement to  
7 be awarded.

8 (4) The identity of the offerors that have been  
9 selected as finalists to serve as the private manager.

10 (5) The address and telephone number of the Department.

11 (h) At the public hearing, the Department shall (i) provide  
12 sufficient time for each finalist to present and explain its  
13 proposal to the Department and the Governor or the Governor's  
14 designee, including an opportunity to respond to questions  
15 posed by the Department, Governor, or designee and (ii) allow  
16 the public and non-selected offerors to comment on the  
17 presentations. The Governor or a designee shall attend the  
18 public hearing. After the public hearing, the Department shall  
19 have 14 calendar days to recommend to the Governor whether a  
20 management agreement should be entered into with a particular  
21 finalist. After reviewing the Department's recommendation, the  
22 Governor may accept or reject the Department's recommendation,  
23 and shall select a final offeror as the private manager by  
24 publication of a notice in the Illinois Procurement Bulletin on  
25 or before September 15, 2010. The Governor shall include in the  
26 notice a detailed explanation and the reasons why the final

1 offeror is superior to other offerors and will provide  
2 management services in a manner that best achieves the  
3 objectives of this Section. The Governor shall also sign the  
4 management agreement with the private manager.

5 (i) Any action to contest the private manager selected by  
6 the Governor under this Section must be brought within 7  
7 calendar days after the publication of the notice of the  
8 designation of the private manager as provided in subsection  
9 (h) of this Section.

10 (j) The Lottery shall remain, for so long as a private  
11 manager manages the Lottery in accordance with provisions of  
12 this Act, a Lottery conducted by the State, and the State shall  
13 not be authorized to sell or transfer the Lottery to a third  
14 party.

15 (k) Any tangible personal property used exclusively in  
16 connection with the lottery that is owned by the Department and  
17 leased to the private manager shall be owned by the Department  
18 in the name of the State and shall be considered to be public  
19 property devoted to an essential public and governmental  
20 function.

21 (l) The Department may exercise any of its powers under  
22 this Section or any other law as necessary or desirable for the  
23 execution of the Department's powers under this Section.

24 (m) Neither this Section nor any management agreement  
25 entered into under this Section prohibits the General Assembly  
26 from authorizing forms of gambling that are not in direct

1 competition with the Lottery. The forms of gambling authorized  
2 by this amendatory Act of the 100th General Assembly constitute  
3 authorized forms of gambling that are not in direct competition  
4 with the Lottery.

5 (n) The private manager shall be subject to a complete  
6 investigation in the third, seventh, and tenth years of the  
7 agreement (if the agreement is for a 10-year term) by the  
8 Department in cooperation with the Auditor General to determine  
9 whether the private manager has complied with this Section and  
10 the management agreement. The private manager shall bear the  
11 cost of an investigation or reinvestigation of the private  
12 manager under this subsection.

13 (o) The powers conferred by this Section are in addition  
14 and supplemental to the powers conferred by any other law. If  
15 any other law or rule is inconsistent with this Section,  
16 including, but not limited to, provisions of the Illinois  
17 Procurement Code, then this Section controls as to any  
18 management agreement entered into under this Section. This  
19 Section and any rules adopted under this Section contain full  
20 and complete authority for a management agreement between the  
21 Department and a private manager. No law, procedure,  
22 proceeding, publication, notice, consent, approval, order, or  
23 act by the Department or any other officer, Department, agency,  
24 or instrumentality of the State or any political subdivision is  
25 required for the Department to enter into a management  
26 agreement under this Section. This Section contains full and

1 complete authority for the Department to approve any contracts  
2 entered into by a private manager with a vendor providing  
3 goods, services, or both goods and services to the private  
4 manager under the terms of the management agreement, including  
5 subcontractors of such vendors.

6       Upon receipt of a written request from the Chief  
7 Procurement Officer, the Department shall provide to the Chief  
8 Procurement Officer a complete and un-redacted copy of the  
9 management agreement or any contract that is subject to the  
10 Department's approval authority under this subsection (o). The  
11 Department shall provide a copy of the agreement or contract to  
12 the Chief Procurement Officer in the time specified by the  
13 Chief Procurement Officer in his or her written request, but no  
14 later than 5 business days after the request is received by the  
15 Department. The Chief Procurement Officer must retain any  
16 portions of the management agreement or of any contract  
17 designated by the Department as confidential, proprietary, or  
18 trade secret information in complete confidence pursuant to  
19 subsection (g) of Section 7 of the Freedom of Information Act.  
20 The Department shall also provide the Chief Procurement Officer  
21 with reasonable advance written notice of any contract that is  
22 pending Department approval.

23       Notwithstanding any other provision of this Section to the  
24 contrary, the Chief Procurement Officer shall adopt  
25 administrative rules, including emergency rules, to establish  
26 a procurement process to select a successor private manager if

1 a private management agreement has been terminated. The  
2 selection process shall at a minimum take into account the  
3 criteria set forth in items (1) through (4) of subsection (e)  
4 of this Section and may include provisions consistent with  
5 subsections (f), (g), (h), and (i) of this Section. The Chief  
6 Procurement Officer shall also implement and administer the  
7 adopted selection process upon the termination of a private  
8 management agreement. The Department, after the Chief  
9 Procurement Officer certifies that the procurement process has  
10 been followed in accordance with the rules adopted under this  
11 subsection (o), shall select a final offeror as the private  
12 manager and sign the management agreement with the private  
13 manager.

14 Except as provided in Sections 21.5, 21.6, 21.7, 21.8, and  
15 21.9, the Department shall distribute all proceeds of lottery  
16 tickets and shares sold in the following priority and manner:

17 (1) The payment of prizes and retailer bonuses.

18 (2) The payment of costs incurred in the operation and  
19 administration of the Lottery, including the payment of  
20 sums due to the private manager under the management  
21 agreement with the Department.

22 (3) On the last day of each month or as soon thereafter  
23 as possible, the State Comptroller shall direct and the  
24 State Treasurer shall transfer from the State Lottery Fund  
25 to the Common School Fund an amount that is equal to the  
26 proceeds transferred in the corresponding month of fiscal

1 year 2009, as adjusted for inflation, to the Common School  
2 Fund.

3 (4) On or before the last day of each fiscal year,  
4 deposit any remaining proceeds, subject to payments under  
5 items (1), (2), and (3) into the Capital Projects Fund each  
6 fiscal year.

7 (p) The Department shall be subject to the following  
8 reporting and information request requirements:

9 (1) the Department shall submit written quarterly  
10 reports to the Governor and the General Assembly on the  
11 activities and actions of the private manager selected  
12 under this Section;

13 (2) upon request of the Chief Procurement Officer, the  
14 Department shall promptly produce information related to  
15 the procurement activities of the Department and the  
16 private manager requested by the Chief Procurement  
17 Officer; the Chief Procurement Officer must retain  
18 confidential, proprietary, or trade secret information  
19 designated by the Department in complete confidence  
20 pursuant to subsection (g) of Section 7 of the Freedom of  
21 Information Act; and

22 (3) at least 30 days prior to the beginning of the  
23 Department's fiscal year, the Department shall prepare an  
24 annual written report on the activities of the private  
25 manager selected under this Section and deliver that report  
26 to the Governor and General Assembly.



1 (Source: P.A. 99-933, eff. 1-27-17; 100-391, eff. 8-25-17.)

2 Section 90-10. The Department of Revenue Law of the Civil  
3 Administrative Code of Illinois is amended by changing Section  
4 2505-305 as follows:

5 (20 ILCS 2505/2505-305) (was 20 ILCS 2505/39b15.1)

6 Sec. 2505-305. Investigators.

7 (a) The Department has the power to appoint investigators  
8 to conduct all investigations, searches, seizures, arrests,  
9 and other duties imposed under the provisions of any law  
10 administered by the Department. Except as provided in  
11 subsection (c), these investigators have and may exercise all  
12 the powers of peace officers solely for the purpose of  
13 enforcing taxing measures administered by the Department.

14 (b) The Director must authorize to each investigator  
15 employed under this Section and to any other employee of the  
16 Department exercising the powers of a peace officer a distinct  
17 badge that, on its face, (i) clearly states that the badge is  
18 authorized by the Department and (ii) contains a unique  
19 identifying number. No other badge shall be authorized by the  
20 Department.

21 (c) The Department may enter into agreements with the  
22 Illinois Gaming Board providing that investigators appointed  
23 under this Section shall exercise the peace officer powers set  
24 forth in paragraph (20.6) of subsection (c) of Section 5 of the

1 Illinois Riverboat Gambling Act.

2 (Source: P.A. 96-37, eff. 7-13-09.)

3 Section 90-12. The Illinois State Auditing Act is amended  
4 by changing Section 3-1 as follows:

5 (30 ILCS 5/3-1) (from Ch. 15, par. 303-1)

6 Sec. 3-1. Jurisdiction of Auditor General. The Auditor  
7 General has jurisdiction over all State agencies to make post  
8 audits and investigations authorized by or under this Act or  
9 the Constitution.

10 The Auditor General has jurisdiction over local government  
11 agencies and private agencies only:

12 (a) to make such post audits authorized by or under  
13 this Act as are necessary and incidental to a post audit of  
14 a State agency or of a program administered by a State  
15 agency involving public funds of the State, but this  
16 jurisdiction does not include any authority to review local  
17 governmental agencies in the obligation, receipt,  
18 expenditure or use of public funds of the State that are  
19 granted without limitation or condition imposed by law,  
20 other than the general limitation that such funds be used  
21 for public purposes;

22 (b) to make investigations authorized by or under this  
23 Act or the Constitution; and

24 (c) to make audits of the records of local government

1 agencies to verify actual costs of state-mandated programs  
2 when directed to do so by the Legislative Audit Commission  
3 at the request of the State Board of Appeals under the  
4 State Mandates Act.

5 In addition to the foregoing, the Auditor General may  
6 conduct an audit of the Metropolitan Pier and Exposition  
7 Authority, the Regional Transportation Authority, the Suburban  
8 Bus Division, the Commuter Rail Division and the Chicago  
9 Transit Authority and any other subsidized carrier when  
10 authorized by the Legislative Audit Commission. Such audit may  
11 be a financial, management or program audit, or any combination  
12 thereof.

13 The audit shall determine whether they are operating in  
14 accordance with all applicable laws and regulations. Subject to  
15 the limitations of this Act, the Legislative Audit Commission  
16 may by resolution specify additional determinations to be  
17 included in the scope of the audit.

18 In addition to the foregoing, the Auditor General must also  
19 conduct a financial audit of the Illinois Sports Facilities  
20 Authority's expenditures of public funds in connection with the  
21 reconstruction, renovation, remodeling, extension, or  
22 improvement of all or substantially all of any existing  
23 "facility", as that term is defined in the Illinois Sports  
24 Facilities Authority Act.

25 The Auditor General may also conduct an audit, when  
26 authorized by the Legislative Audit Commission, of any hospital

1 which receives 10% or more of its gross revenues from payments  
2 from the State of Illinois, Department of Healthcare and Family  
3 Services (formerly Department of Public Aid), Medical  
4 Assistance Program.

5 The Auditor General is authorized to conduct financial and  
6 compliance audits of the Illinois Distance Learning Foundation  
7 and the Illinois Conservation Foundation.

8 As soon as practical after the effective date of this  
9 amendatory Act of 1995, the Auditor General shall conduct a  
10 compliance and management audit of the City of Chicago and any  
11 other entity with regard to the operation of Chicago O'Hare  
12 International Airport, Chicago Midway Airport and Merrill C.  
13 Meigs Field. The audit shall include, but not be limited to, an  
14 examination of revenues, expenses, and transfers of funds;  
15 purchasing and contracting policies and practices; staffing  
16 levels; and hiring practices and procedures. When completed,  
17 the audit required by this paragraph shall be distributed in  
18 accordance with Section 3-14.

19 The Auditor General shall conduct a financial and  
20 compliance and program audit of distributions from the  
21 Municipal Economic Development Fund during the immediately  
22 preceding calendar year pursuant to Section 8-403.1 of the  
23 Public Utilities Act at no cost to the city, village, or  
24 incorporated town that received the distributions.

25 The Auditor General must conduct an audit of the Health  
26 Facilities and Services Review Board pursuant to Section 19.5

1 of the Illinois Health Facilities Planning Act.

2 The Auditor General must conduct an audit of the Chicago  
3 Casino Development Authority pursuant to Section 1-60 of the  
4 Chicago Casino Development Authority Act.

5 The Auditor General of the State of Illinois shall annually  
6 conduct or cause to be conducted a financial and compliance  
7 audit of the books and records of any county water commission  
8 organized pursuant to the Water Commission Act of 1985 and  
9 shall file a copy of the report of that audit with the Governor  
10 and the Legislative Audit Commission. The filed audit shall be  
11 open to the public for inspection. The cost of the audit shall  
12 be charged to the county water commission in accordance with  
13 Section 6z-27 of the State Finance Act. The county water  
14 commission shall make available to the Auditor General its  
15 books and records and any other documentation, whether in the  
16 possession of its trustees or other parties, necessary to  
17 conduct the audit required. These audit requirements apply only  
18 through July 1, 2007.

19 The Auditor General must conduct audits of the Rend Lake  
20 Conservancy District as provided in Section 25.5 of the River  
21 Conservancy Districts Act.

22 The Auditor General must conduct financial audits of the  
23 Southeastern Illinois Economic Development Authority as  
24 provided in Section 70 of the Southeastern Illinois Economic  
25 Development Authority Act.

26 The Auditor General shall conduct a compliance audit in

1 accordance with subsections (d) and (f) of Section 30 of the  
2 Innovation Development and Economy Act.

3 (Source: P.A. 95-331, eff. 8-21-07; 96-31, eff. 6-30-09;  
4 96-939, eff. 6-24-10.)

5 Section 90-15. The State Finance Act is amended by adding  
6 Sections 5.886, 5.887, 5.888, and 6z-105 and by changing  
7 Section 6z-45 as follows:

8 (30 ILCS 105/5.886 new)

9 Sec. 5.886. The Gaming Facilities Fee Revenue Fund.

10 (30 ILCS 105/5.887 new)

11 Sec. 5.887. The Depressed Communities Economic Development  
12 Fund.

13 (30 ILCS 105/5.888 new)

14 Sec. 5.888. The Latino Community Economic Development  
15 Fund.

16 (30 ILCS 105/6z-45)

17 Sec. 6z-45. The School Infrastructure Fund.

18 (a) The School Infrastructure Fund is created as a special  
19 fund in the State Treasury.

20 In addition to any other deposits authorized by law,  
21 beginning January 1, 2000, on the first day of each month, or

1 as soon thereafter as may be practical, the State Treasurer and  
2 State Comptroller shall transfer the sum of \$5,000,000 from the  
3 General Revenue Fund to the School Infrastructure Fund, except  
4 that, notwithstanding any other provision of law, and in  
5 addition to any other transfers that may be provided for by  
6 law, before June 30, 2012, the Comptroller and the Treasurer  
7 shall transfer \$45,000,000 from the General Revenue Fund into  
8 the School Infrastructure Fund, and, for fiscal year 2013 only,  
9 the Treasurer and the Comptroller shall transfer \$1,250,000  
10 from the General Revenue Fund to the School Infrastructure Fund  
11 on the first day of each month; provided, however, that no such  
12 transfers shall be made from July 1, 2001 through June 30,  
13 2003.

14 (a-5) Money in the School Infrastructure Fund may be used  
15 to pay the expenses of the State Board of Education, the  
16 Governor's Office of Management and Budget, and the Capital  
17 Development Board in administering programs under the School  
18 Construction Law, the total expenses not to exceed \$1,315,000  
19 in any fiscal year.

20 (b) Subject to the transfer provisions set forth below,  
21 money in the School Infrastructure Fund shall, if and when the  
22 State of Illinois incurs any bonded indebtedness for the  
23 construction of school improvements under subsection (e) of  
24 Section 5 of the General Obligation Bond Act, be set aside and  
25 used for the purpose of paying and discharging annually the  
26 principal and interest on that bonded indebtedness then due and

1 payable, and for no other purpose.

2 In addition to other transfers to the General Obligation  
3 Bond Retirement and Interest Fund made pursuant to Section 15  
4 of the General Obligation Bond Act, upon each delivery of bonds  
5 issued for construction of school improvements under the School  
6 Construction Law, the State Comptroller shall compute and  
7 certify to the State Treasurer the total amount of principal  
8 of, interest on, and premium, if any, on such bonds during the  
9 then current and each succeeding fiscal year. With respect to  
10 the interest payable on variable rate bonds, such  
11 certifications shall be calculated at the maximum rate of  
12 interest that may be payable during the fiscal year, after  
13 taking into account any credits permitted in the related  
14 indenture or other instrument against the amount of such  
15 interest required to be appropriated for that period.

16 On or before the last day of each month, the State  
17 Treasurer and State Comptroller shall transfer from the School  
18 Infrastructure Fund to the General Obligation Bond Retirement  
19 and Interest Fund an amount sufficient to pay the aggregate of  
20 the principal of, interest on, and premium, if any, on the  
21 bonds payable on their next payment date, divided by the number  
22 of monthly transfers occurring between the last previous  
23 payment date (or the delivery date if no payment date has yet  
24 occurred) and the next succeeding payment date. Interest  
25 payable on variable rate bonds shall be calculated at the  
26 maximum rate of interest that may be payable for the relevant



1 period, after taking into account any credits permitted in the  
2 related indenture or other instrument against the amount of  
3 such interest required to be appropriated for that period.  
4 Interest for which moneys have already been deposited into the  
5 capitalized interest account within the General Obligation  
6 Bond Retirement and Interest Fund shall not be included in the  
7 calculation of the amounts to be transferred under this  
8 subsection.

9 (b-5) The money deposited into the School Infrastructure  
10 Fund from transfers pursuant to subsections (c-30) and (c-35)  
11 of Section 13 of the Illinois Riverboat Gambling Act shall be  
12 applied, without further direction, as provided in subsection  
13 (b-3) of Section 5-35 of the School Construction Law.

14 (c) The surplus, if any, in the School Infrastructure Fund  
15 after payments made pursuant to subsections (a-5), (b), and  
16 (b-5) of this Section shall, subject to appropriation, be used  
17 as follows:

18 First - to make 3 payments to the School Technology  
19 Revolving Loan Fund as follows:

20 Transfer of \$30,000,000 in fiscal year 1999;

21 Transfer of \$20,000,000 in fiscal year 2000; and

22 Transfer of \$10,000,000 in fiscal year 2001.

23 Second - to pay any amounts due for grants for school  
24 construction projects and debt service under the School  
25 Construction Law.

26 Third - to pay any amounts due for grants for school

1 maintenance projects under the School Construction Law.

2 (Source: P.A. 100-23, eff. 7-6-17.)

3 (30 ILCS 105/6z-105 new)

4 Sec. 6z-105. The Gaming Facilities Fee Revenue Fund.

5 (a) The Gaming Facilities Fee Revenue Fund is created as a  
6 special fund in the State treasury.

7 (b) The revenues in the Fund shall be used, subject to  
8 appropriation, by the Comptroller for the purpose of providing  
9 appropriations to the Illinois Gaming Board for the  
10 administration and enforcement of the Illinois Gambling Act and  
11 the applicable provisions of the Chicago Casino Development  
12 Authority Act, with any remaining amounts being transferred to  
13 the General Revenue Fund.

14 (c) The Fund shall consist of fee revenues received  
15 pursuant to subsection (a) of Section 1-45 of the Chicago  
16 Casino Development Authority Act and pursuant to subsections  
17 (e-10), (e-15), (h), and (h-5) of Section 7 and subsections  
18 (b), (c), (d), and (k) of Section 7.7 of the Illinois Gambling  
19 Act. All interest earned on moneys in the Fund shall be  
20 deposited into the Fund.

21 (d) The Fund shall not be subject to administrative charges  
22 or chargebacks, including, but not limited to, those authorized  
23 under subsection (h) of Section 8 of this Act.

24 Section 90-20. The Illinois Income Tax Act is amended by

1 changing Sections 201, 303, 304 and 710 as follows:

2 (35 ILCS 5/201) (from Ch. 120, par. 2-201)

3 Sec. 201. Tax imposed.

4 (a) In general. A tax measured by net income is hereby  
5 imposed on every individual, corporation, trust and estate for  
6 each taxable year ending after July 31, 1969 on the privilege  
7 of earning or receiving income in or as a resident of this  
8 State. Such tax shall be in addition to all other occupation or  
9 privilege taxes imposed by this State or by any municipal  
10 corporation or political subdivision thereof.

11 (b) Rates. The tax imposed by subsection (a) of this  
12 Section shall be determined as follows, except as adjusted by  
13 subsection (d-1):

14 (1) In the case of an individual, trust or estate, for  
15 taxable years ending prior to July 1, 1989, an amount equal  
16 to 2 1/2% of the taxpayer's net income for the taxable  
17 year.

18 (2) In the case of an individual, trust or estate, for  
19 taxable years beginning prior to July 1, 1989 and ending  
20 after June 30, 1989, an amount equal to the sum of (i) 2  
21 1/2% of the taxpayer's net income for the period prior to  
22 July 1, 1989, as calculated under Section 202.3, and (ii)  
23 3% of the taxpayer's net income for the period after June  
24 30, 1989, as calculated under Section 202.3.

25 (3) In the case of an individual, trust or estate, for

1 taxable years beginning after June 30, 1989, and ending  
2 prior to January 1, 2011, an amount equal to 3% of the  
3 taxpayer's net income for the taxable year.

4 (4) In the case of an individual, trust, or estate, for  
5 taxable years beginning prior to January 1, 2011, and  
6 ending after December 31, 2010, an amount equal to the sum  
7 of (i) 3% of the taxpayer's net income for the period prior  
8 to January 1, 2011, as calculated under Section 202.5, and  
9 (ii) 5% of the taxpayer's net income for the period after  
10 December 31, 2010, as calculated under Section 202.5.

11 (5) In the case of an individual, trust, or estate, for  
12 taxable years beginning on or after January 1, 2011, and  
13 ending prior to January 1, 2015, an amount equal to 5% of  
14 the taxpayer's net income for the taxable year.

15 (5.1) In the case of an individual, trust, or estate,  
16 for taxable years beginning prior to January 1, 2015, and  
17 ending after December 31, 2014, an amount equal to the sum  
18 of (i) 5% of the taxpayer's net income for the period prior  
19 to January 1, 2015, as calculated under Section 202.5, and  
20 (ii) 3.75% of the taxpayer's net income for the period  
21 after December 31, 2014, as calculated under Section 202.5.

22 (5.2) In the case of an individual, trust, or estate,  
23 for taxable years beginning on or after January 1, 2015,  
24 and ending prior to July 1, 2017, an amount equal to 3.75%  
25 of the taxpayer's net income for the taxable year.

26 (5.3) In the case of an individual, trust, or estate,

1 for taxable years beginning prior to July 1, 2017, and  
2 ending after June 30, 2017, an amount equal to the sum of  
3 (i) 3.75% of the taxpayer's net income for the period prior  
4 to July 1, 2017, as calculated under Section 202.5, and  
5 (ii) 4.95% of the taxpayer's net income for the period  
6 after June 30, 2017, as calculated under Section 202.5.

7 (5.4) In the case of an individual, trust, or estate,  
8 for taxable years beginning on or after July 1, 2017, an  
9 amount equal to 4.95% of the taxpayer's net income for the  
10 taxable year.

11 (6) In the case of a corporation, for taxable years  
12 ending prior to July 1, 1989, an amount equal to 4% of the  
13 taxpayer's net income for the taxable year.

14 (7) In the case of a corporation, for taxable years  
15 beginning prior to July 1, 1989 and ending after June 30,  
16 1989, an amount equal to the sum of (i) 4% of the  
17 taxpayer's net income for the period prior to July 1, 1989,  
18 as calculated under Section 202.3, and (ii) 4.8% of the  
19 taxpayer's net income for the period after June 30, 1989,  
20 as calculated under Section 202.3.

21 (8) In the case of a corporation, for taxable years  
22 beginning after June 30, 1989, and ending prior to January  
23 1, 2011, an amount equal to 4.8% of the taxpayer's net  
24 income for the taxable year.

25 (9) In the case of a corporation, for taxable years  
26 beginning prior to January 1, 2011, and ending after

1 December 31, 2010, an amount equal to the sum of (i) 4.8%  
2 of the taxpayer's net income for the period prior to  
3 January 1, 2011, as calculated under Section 202.5, and  
4 (ii) 7% of the taxpayer's net income for the period after  
5 December 31, 2010, as calculated under Section 202.5.

6 (10) In the case of a corporation, for taxable years  
7 beginning on or after January 1, 2011, and ending prior to  
8 January 1, 2015, an amount equal to 7% of the taxpayer's  
9 net income for the taxable year.

10 (11) In the case of a corporation, for taxable years  
11 beginning prior to January 1, 2015, and ending after  
12 December 31, 2014, an amount equal to the sum of (i) 7% of  
13 the taxpayer's net income for the period prior to January  
14 1, 2015, as calculated under Section 202.5, and (ii) 5.25%  
15 of the taxpayer's net income for the period after December  
16 31, 2014, as calculated under Section 202.5.

17 (12) In the case of a corporation, for taxable years  
18 beginning on or after January 1, 2015, and ending prior to  
19 July 1, 2017, an amount equal to 5.25% of the taxpayer's  
20 net income for the taxable year.

21 (13) In the case of a corporation, for taxable years  
22 beginning prior to July 1, 2017, and ending after June 30,  
23 2017, an amount equal to the sum of (i) 5.25% of the  
24 taxpayer's net income for the period prior to July 1, 2017,  
25 as calculated under Section 202.5, and (ii) 7% of the  
26 taxpayer's net income for the period after June 30, 2017,

1 as calculated under Section 202.5.

2 (14) In the case of a corporation, for taxable years  
3 beginning on or after July 1, 2017, an amount equal to 7%  
4 of the taxpayer's net income for the taxable year.

5 The rates under this subsection (b) are subject to the  
6 provisions of Section 201.5.

7 (b-5) Surcharge; sale or exchange of assets, properties,  
8 and intangibles of electronic gaming licensees. For each of  
9 taxable years 2018 through 2026, a surcharge is imposed on all  
10 taxpayers on income arising from the sale or exchange of  
11 capital assets, depreciable business property, real property  
12 used in the trade or business, and Section 197 intangibles (i)  
13 of an organization licensee under the Illinois Horse Racing Act  
14 of 1975 and (ii) of an electronic gaming licensee under the  
15 Illinois Gambling Act. The amount of the surcharge is equal to  
16 the amount of federal income tax liability for the taxable year  
17 attributable to those sales and exchanges. The surcharge  
18 imposed shall not apply if:

19 (1) the electronic gaming license, organization  
20 license, or race track property is transferred as a result  
21 of any of the following:

22 (A) bankruptcy, a receivership, or a debt  
23 adjustment initiated by or against the initial  
24 licensee or the substantial owners of the initial  
25 licensee;

26 (B) cancellation, revocation, or termination of

1           any such license by the Illinois Gaming Board or the  
2           Illinois Racing Board;

3           (C) a determination by the Illinois Gaming Board  
4           that transfer of the license is in the best interests  
5           of Illinois gaming;

6           (D) the death of an owner of the equity interest in  
7           a licensee;

8           (E) the acquisition of a controlling interest in  
9           the stock or substantially all of the assets of a  
10          publicly traded company;

11          (F) a transfer by a parent company to a wholly  
12          owned subsidiary; or

13          (G) the transfer or sale to or by one person to  
14          another person where both persons were initial owners  
15          of the license when the license was issued; or

16          (2) the controlling interest in the electronic gaming  
17          license, organization license, or race track property is  
18          transferred in a transaction to lineal descendants in which  
19          no gain or loss is recognized or as a result of a  
20          transaction in accordance with Section 351 of the Internal  
21          Revenue Code in which no gain or loss is recognized; or

22          (3) live horse racing was not conducted in 2011 under a  
23          license issued pursuant to the Illinois Horse Racing Act of  
24          1975.

25          The transfer of an electronic gaming license, organization  
26          license, or race track property by a person other than the



1 initial licensee to receive the electronic gaming license is  
2 not subject to a surcharge. The Department shall adopt rules  
3 necessary to implement and administer this subsection.

4 (c) Personal Property Tax Replacement Income Tax.  
5 Beginning on July 1, 1979 and thereafter, in addition to such  
6 income tax, there is also hereby imposed the Personal Property  
7 Tax Replacement Income Tax measured by net income on every  
8 corporation (including Subchapter S corporations), partnership  
9 and trust, for each taxable year ending after June 30, 1979.  
10 Such taxes are imposed on the privilege of earning or receiving  
11 income in or as a resident of this State. The Personal Property  
12 Tax Replacement Income Tax shall be in addition to the income  
13 tax imposed by subsections (a) and (b) of this Section and in  
14 addition to all other occupation or privilege taxes imposed by  
15 this State or by any municipal corporation or political  
16 subdivision thereof.

17 (d) Additional Personal Property Tax Replacement Income  
18 Tax Rates. The personal property tax replacement income tax  
19 imposed by this subsection and subsection (c) of this Section  
20 in the case of a corporation, other than a Subchapter S  
21 corporation and except as adjusted by subsection (d-1), shall  
22 be an additional amount equal to 2.85% of such taxpayer's net  
23 income for the taxable year, except that beginning on January  
24 1, 1981, and thereafter, the rate of 2.85% specified in this  
25 subsection shall be reduced to 2.5%, and in the case of a  
26 partnership, trust or a Subchapter S corporation shall be an

1 additional amount equal to 1.5% of such taxpayer's net income  
2 for the taxable year.

3 (d-1) Rate reduction for certain foreign insurers. In the  
4 case of a foreign insurer, as defined by Section 35A-5 of the  
5 Illinois Insurance Code, whose state or country of domicile  
6 imposes on insurers domiciled in Illinois a retaliatory tax  
7 (excluding any insurer whose premiums from reinsurance assumed  
8 are 50% or more of its total insurance premiums as determined  
9 under paragraph (2) of subsection (b) of Section 304, except  
10 that for purposes of this determination premiums from  
11 reinsurance do not include premiums from inter-affiliate  
12 reinsurance arrangements), beginning with taxable years ending  
13 on or after December 31, 1999, the sum of the rates of tax  
14 imposed by subsections (b) and (d) shall be reduced (but not  
15 increased) to the rate at which the total amount of tax imposed  
16 under this Act, net of all credits allowed under this Act,  
17 shall equal (i) the total amount of tax that would be imposed  
18 on the foreign insurer's net income allocable to Illinois for  
19 the taxable year by such foreign insurer's state or country of  
20 domicile if that net income were subject to all income taxes  
21 and taxes measured by net income imposed by such foreign  
22 insurer's state or country of domicile, net of all credits  
23 allowed or (ii) a rate of zero if no such tax is imposed on such  
24 income by the foreign insurer's state of domicile. For the  
25 purposes of this subsection (d-1), an inter-affiliate includes  
26 a mutual insurer under common management.

1           (1) For the purposes of subsection (d-1), in no event  
2 shall the sum of the rates of tax imposed by subsections  
3 (b) and (d) be reduced below the rate at which the sum of:

4           (A) the total amount of tax imposed on such foreign  
5 insurer under this Act for a taxable year, net of all  
6 credits allowed under this Act, plus

7           (B) the privilege tax imposed by Section 409 of the  
8 Illinois Insurance Code, the fire insurance company  
9 tax imposed by Section 12 of the Fire Investigation  
10 Act, and the fire department taxes imposed under  
11 Section 11-10-1 of the Illinois Municipal Code,  
12 equals 1.25% for taxable years ending prior to December 31,  
13 2003, or 1.75% for taxable years ending on or after  
14 December 31, 2003, of the net taxable premiums written for  
15 the taxable year, as described by subsection (1) of Section  
16 409 of the Illinois Insurance Code. This paragraph will in  
17 no event increase the rates imposed under subsections (b)  
18 and (d).

19           (2) Any reduction in the rates of tax imposed by this  
20 subsection shall be applied first against the rates imposed  
21 by subsection (b) and only after the tax imposed by  
22 subsection (a) net of all credits allowed under this  
23 Section other than the credit allowed under subsection (i)  
24 has been reduced to zero, against the rates imposed by  
25 subsection (d).

26           This subsection (d-1) is exempt from the provisions of

1 Section 250.

2 (e) Investment credit. A taxpayer shall be allowed a credit  
3 against the Personal Property Tax Replacement Income Tax for  
4 investment in qualified property.

5 (1) A taxpayer shall be allowed a credit equal to .5%  
6 of the basis of qualified property placed in service during  
7 the taxable year, provided such property is placed in  
8 service on or after July 1, 1984. There shall be allowed an  
9 additional credit equal to .5% of the basis of qualified  
10 property placed in service during the taxable year,  
11 provided such property is placed in service on or after  
12 July 1, 1986, and the taxpayer's base employment within  
13 Illinois has increased by 1% or more over the preceding  
14 year as determined by the taxpayer's employment records  
15 filed with the Illinois Department of Employment Security.  
16 Taxpayers who are new to Illinois shall be deemed to have  
17 met the 1% growth in base employment for the first year in  
18 which they file employment records with the Illinois  
19 Department of Employment Security. The provisions added to  
20 this Section by Public Act 85-1200 (and restored by Public  
21 Act 87-895) shall be construed as declaratory of existing  
22 law and not as a new enactment. If, in any year, the  
23 increase in base employment within Illinois over the  
24 preceding year is less than 1%, the additional credit shall  
25 be limited to that percentage times a fraction, the  
26 numerator of which is .5% and the denominator of which is

1           1%, but shall not exceed .5%. The investment credit shall  
2           not be allowed to the extent that it would reduce a  
3           taxpayer's liability in any tax year below zero, nor may  
4           any credit for qualified property be allowed for any year  
5           other than the year in which the property was placed in  
6           service in Illinois. For tax years ending on or after  
7           December 31, 1987, and on or before December 31, 1988, the  
8           credit shall be allowed for the tax year in which the  
9           property is placed in service, or, if the amount of the  
10          credit exceeds the tax liability for that year, whether it  
11          exceeds the original liability or the liability as later  
12          amended, such excess may be carried forward and applied to  
13          the tax liability of the 5 taxable years following the  
14          excess credit years if the taxpayer (i) makes investments  
15          which cause the creation of a minimum of 2,000 full-time  
16          equivalent jobs in Illinois, (ii) is located in an  
17          enterprise zone established pursuant to the Illinois  
18          Enterprise Zone Act and (iii) is certified by the  
19          Department of Commerce and Community Affairs (now  
20          Department of Commerce and Economic Opportunity) as  
21          complying with the requirements specified in clause (i) and  
22          (ii) by July 1, 1986. The Department of Commerce and  
23          Community Affairs (now Department of Commerce and Economic  
24          Opportunity) shall notify the Department of Revenue of all  
25          such certifications immediately. For tax years ending  
26          after December 31, 1988, the credit shall be allowed for

1 the tax year in which the property is placed in service,  
2 or, if the amount of the credit exceeds the tax liability  
3 for that year, whether it exceeds the original liability or  
4 the liability as later amended, such excess may be carried  
5 forward and applied to the tax liability of the 5 taxable  
6 years following the excess credit years. The credit shall  
7 be applied to the earliest year for which there is a  
8 liability. If there is credit from more than one tax year  
9 that is available to offset a liability, earlier credit  
10 shall be applied first.

11 (2) The term "qualified property" means property  
12 which:

13 (A) is tangible, whether new or used, including  
14 buildings and structural components of buildings and  
15 signs that are real property, but not including land or  
16 improvements to real property that are not a structural  
17 component of a building such as landscaping, sewer  
18 lines, local access roads, fencing, parking lots, and  
19 other appurtenances;

20 (B) is depreciable pursuant to Section 167 of the  
21 Internal Revenue Code, except that "3-year property"  
22 as defined in Section 168(c)(2)(A) of that Code is not  
23 eligible for the credit provided by this subsection  
24 (e);

25 (C) is acquired by purchase as defined in Section  
26 179(d) of the Internal Revenue Code;

1 (D) is used in Illinois by a taxpayer who is  
2 primarily engaged in manufacturing, or in mining coal  
3 or fluorite, or in retailing, or was placed in service  
4 on or after July 1, 2006 in a River Edge Redevelopment  
5 Zone established pursuant to the River Edge  
6 Redevelopment Zone Act; and

7 (E) has not previously been used in Illinois in  
8 such a manner and by such a person as would qualify for  
9 the credit provided by this subsection (e) or  
10 subsection (f).

11 (3) For purposes of this subsection (e),  
12 "manufacturing" means the material staging and production  
13 of tangible personal property by procedures commonly  
14 regarded as manufacturing, processing, fabrication, or  
15 assembling which changes some existing material into new  
16 shapes, new qualities, or new combinations. For purposes of  
17 this subsection (e) the term "mining" shall have the same  
18 meaning as the term "mining" in Section 613(c) of the  
19 Internal Revenue Code. For purposes of this subsection (e),  
20 the term "retailing" means the sale of tangible personal  
21 property for use or consumption and not for resale, or  
22 services rendered in conjunction with the sale of tangible  
23 personal property for use or consumption and not for  
24 resale. For purposes of this subsection (e), "tangible  
25 personal property" has the same meaning as when that term  
26 is used in the Retailers' Occupation Tax Act, and, for

1 taxable years ending after December 31, 2008, does not  
2 include the generation, transmission, or distribution of  
3 electricity.

4 (4) The basis of qualified property shall be the basis  
5 used to compute the depreciation deduction for federal  
6 income tax purposes.

7 (5) If the basis of the property for federal income tax  
8 depreciation purposes is increased after it has been placed  
9 in service in Illinois by the taxpayer, the amount of such  
10 increase shall be deemed property placed in service on the  
11 date of such increase in basis.

12 (6) The term "placed in service" shall have the same  
13 meaning as under Section 46 of the Internal Revenue Code.

14 (7) If during any taxable year, any property ceases to  
15 be qualified property in the hands of the taxpayer within  
16 48 months after being placed in service, or the situs of  
17 any qualified property is moved outside Illinois within 48  
18 months after being placed in service, the Personal Property  
19 Tax Replacement Income Tax for such taxable year shall be  
20 increased. Such increase shall be determined by (i)  
21 recomputing the investment credit which would have been  
22 allowed for the year in which credit for such property was  
23 originally allowed by eliminating such property from such  
24 computation and, (ii) subtracting such recomputed credit  
25 from the amount of credit previously allowed. For the  
26 purposes of this paragraph (7), a reduction of the basis of



1 qualified property resulting from a redetermination of the  
2 purchase price shall be deemed a disposition of qualified  
3 property to the extent of such reduction.

4 (8) Unless the investment credit is extended by law,  
5 the basis of qualified property shall not include costs  
6 incurred after December 31, 2018, except for costs incurred  
7 pursuant to a binding contract entered into on or before  
8 December 31, 2018.

9 (9) Each taxable year ending before December 31, 2000,  
10 a partnership may elect to pass through to its partners the  
11 credits to which the partnership is entitled under this  
12 subsection (e) for the taxable year. A partner may use the  
13 credit allocated to him or her under this paragraph only  
14 against the tax imposed in subsections (c) and (d) of this  
15 Section. If the partnership makes that election, those  
16 credits shall be allocated among the partners in the  
17 partnership in accordance with the rules set forth in  
18 Section 704(b) of the Internal Revenue Code, and the rules  
19 promulgated under that Section, and the allocated amount of  
20 the credits shall be allowed to the partners for that  
21 taxable year. The partnership shall make this election on  
22 its Personal Property Tax Replacement Income Tax return for  
23 that taxable year. The election to pass through the credits  
24 shall be irrevocable.

25 For taxable years ending on or after December 31, 2000,  
26 a partner that qualifies its partnership for a subtraction

1 under subparagraph (I) of paragraph (2) of subsection (d)  
2 of Section 203 or a shareholder that qualifies a Subchapter  
3 S corporation for a subtraction under subparagraph (S) of  
4 paragraph (2) of subsection (b) of Section 203 shall be  
5 allowed a credit under this subsection (e) equal to its  
6 share of the credit earned under this subsection (e) during  
7 the taxable year by the partnership or Subchapter S  
8 corporation, determined in accordance with the  
9 determination of income and distributive share of income  
10 under Sections 702 and 704 and Subchapter S of the Internal  
11 Revenue Code. This paragraph is exempt from the provisions  
12 of Section 250.

13 (f) Investment credit; Enterprise Zone; River Edge  
14 Redevelopment Zone.

15 (1) A taxpayer shall be allowed a credit against the  
16 tax imposed by subsections (a) and (b) of this Section for  
17 investment in qualified property which is placed in service  
18 in an Enterprise Zone created pursuant to the Illinois  
19 Enterprise Zone Act or, for property placed in service on  
20 or after July 1, 2006, a River Edge Redevelopment Zone  
21 established pursuant to the River Edge Redevelopment Zone  
22 Act. For partners, shareholders of Subchapter S  
23 corporations, and owners of limited liability companies,  
24 if the liability company is treated as a partnership for  
25 purposes of federal and State income taxation, there shall  
26 be allowed a credit under this subsection (f) to be

1 determined in accordance with the determination of income  
2 and distributive share of income under Sections 702 and 704  
3 and Subchapter S of the Internal Revenue Code. The credit  
4 shall be .5% of the basis for such property. The credit  
5 shall be available only in the taxable year in which the  
6 property is placed in service in the Enterprise Zone or  
7 River Edge Redevelopment Zone and shall not be allowed to  
8 the extent that it would reduce a taxpayer's liability for  
9 the tax imposed by subsections (a) and (b) of this Section  
10 to below zero. For tax years ending on or after December  
11 31, 1985, the credit shall be allowed for the tax year in  
12 which the property is placed in service, or, if the amount  
13 of the credit exceeds the tax liability for that year,  
14 whether it exceeds the original liability or the liability  
15 as later amended, such excess may be carried forward and  
16 applied to the tax liability of the 5 taxable years  
17 following the excess credit year. The credit shall be  
18 applied to the earliest year for which there is a  
19 liability. If there is credit from more than one tax year  
20 that is available to offset a liability, the credit  
21 accruing first in time shall be applied first.

22 (2) The term qualified property means property which:

23 (A) is tangible, whether new or used, including  
24 buildings and structural components of buildings;

25 (B) is depreciable pursuant to Section 167 of the  
26 Internal Revenue Code, except that "3-year property"

1 as defined in Section 168(c)(2)(A) of that Code is not  
2 eligible for the credit provided by this subsection  
3 (f);

4 (C) is acquired by purchase as defined in Section  
5 179(d) of the Internal Revenue Code;

6 (D) is used in the Enterprise Zone or River Edge  
7 Redevelopment Zone by the taxpayer; and

8 (E) has not been previously used in Illinois in  
9 such a manner and by such a person as would qualify for  
10 the credit provided by this subsection (f) or  
11 subsection (e).

12 (3) The basis of qualified property shall be the basis  
13 used to compute the depreciation deduction for federal  
14 income tax purposes.

15 (4) If the basis of the property for federal income tax  
16 depreciation purposes is increased after it has been placed  
17 in service in the Enterprise Zone or River Edge  
18 Redevelopment Zone by the taxpayer, the amount of such  
19 increase shall be deemed property placed in service on the  
20 date of such increase in basis.

21 (5) The term "placed in service" shall have the same  
22 meaning as under Section 46 of the Internal Revenue Code.

23 (6) If during any taxable year, any property ceases to  
24 be qualified property in the hands of the taxpayer within  
25 48 months after being placed in service, or the situs of  
26 any qualified property is moved outside the Enterprise Zone

1 or River Edge Redevelopment Zone within 48 months after  
2 being placed in service, the tax imposed under subsections  
3 (a) and (b) of this Section for such taxable year shall be  
4 increased. Such increase shall be determined by (i)  
5 recomputing the investment credit which would have been  
6 allowed for the year in which credit for such property was  
7 originally allowed by eliminating such property from such  
8 computation, and (ii) subtracting such recomputed credit  
9 from the amount of credit previously allowed. For the  
10 purposes of this paragraph (6), a reduction of the basis of  
11 qualified property resulting from a redetermination of the  
12 purchase price shall be deemed a disposition of qualified  
13 property to the extent of such reduction.

14 (7) There shall be allowed an additional credit equal  
15 to 0.5% of the basis of qualified property placed in  
16 service during the taxable year in a River Edge  
17 Redevelopment Zone, provided such property is placed in  
18 service on or after July 1, 2006, and the taxpayer's base  
19 employment within Illinois has increased by 1% or more over  
20 the preceding year as determined by the taxpayer's  
21 employment records filed with the Illinois Department of  
22 Employment Security. Taxpayers who are new to Illinois  
23 shall be deemed to have met the 1% growth in base  
24 employment for the first year in which they file employment  
25 records with the Illinois Department of Employment  
26 Security. If, in any year, the increase in base employment

1 within Illinois over the preceding year is less than 1%,  
2 the additional credit shall be limited to that percentage  
3 times a fraction, the numerator of which is 0.5% and the  
4 denominator of which is 1%, but shall not exceed 0.5%.

5 (g) (Blank).

6 (h) Investment credit; High Impact Business.

7 (1) Subject to subsections (b) and (b-5) of Section 5.5  
8 of the Illinois Enterprise Zone Act, a taxpayer shall be  
9 allowed a credit against the tax imposed by subsections (a)  
10 and (b) of this Section for investment in qualified  
11 property which is placed in service by a Department of  
12 Commerce and Economic Opportunity designated High Impact  
13 Business. The credit shall be .5% of the basis for such  
14 property. The credit shall not be available (i) until the  
15 minimum investments in qualified property set forth in  
16 subdivision (a)(3)(A) of Section 5.5 of the Illinois  
17 Enterprise Zone Act have been satisfied or (ii) until the  
18 time authorized in subsection (b-5) of the Illinois  
19 Enterprise Zone Act for entities designated as High Impact  
20 Businesses under subdivisions (a)(3)(B), (a)(3)(C), and  
21 (a)(3)(D) of Section 5.5 of the Illinois Enterprise Zone  
22 Act, and shall not be allowed to the extent that it would  
23 reduce a taxpayer's liability for the tax imposed by  
24 subsections (a) and (b) of this Section to below zero. The  
25 credit applicable to such investments shall be taken in the  
26 taxable year in which such investments have been completed.

1           The credit for additional investments beyond the minimum  
2           investment by a designated high impact business authorized  
3           under subdivision (a) (3) (A) of Section 5.5 of the Illinois  
4           Enterprise Zone Act shall be available only in the taxable  
5           year in which the property is placed in service and shall  
6           not be allowed to the extent that it would reduce a  
7           taxpayer's liability for the tax imposed by subsections (a)  
8           and (b) of this Section to below zero. For tax years ending  
9           on or after December 31, 1987, the credit shall be allowed  
10          for the tax year in which the property is placed in  
11          service, or, if the amount of the credit exceeds the tax  
12          liability for that year, whether it exceeds the original  
13          liability or the liability as later amended, such excess  
14          may be carried forward and applied to the tax liability of  
15          the 5 taxable years following the excess credit year. The  
16          credit shall be applied to the earliest year for which  
17          there is a liability. If there is credit from more than one  
18          tax year that is available to offset a liability, the  
19          credit accruing first in time shall be applied first.

20                 Changes made in this subdivision (h) (1) by Public Act  
21                 88-670 restore changes made by Public Act 85-1182 and  
22                 reflect existing law.

23                 (2) The term qualified property means property which:

24                         (A) is tangible, whether new or used, including  
25                         buildings and structural components of buildings;

26                         (B) is depreciable pursuant to Section 167 of the

1 Internal Revenue Code, except that "3-year property"  
2 as defined in Section 168(c)(2)(A) of that Code is not  
3 eligible for the credit provided by this subsection  
4 (h);

5 (C) is acquired by purchase as defined in Section  
6 179(d) of the Internal Revenue Code; and

7 (D) is not eligible for the Enterprise Zone  
8 Investment Credit provided by subsection (f) of this  
9 Section.

10 (3) The basis of qualified property shall be the basis  
11 used to compute the depreciation deduction for federal  
12 income tax purposes.

13 (4) If the basis of the property for federal income tax  
14 depreciation purposes is increased after it has been placed  
15 in service in a federally designated Foreign Trade Zone or  
16 Sub-Zone located in Illinois by the taxpayer, the amount of  
17 such increase shall be deemed property placed in service on  
18 the date of such increase in basis.

19 (5) The term "placed in service" shall have the same  
20 meaning as under Section 46 of the Internal Revenue Code.

21 (6) If during any taxable year ending on or before  
22 December 31, 1996, any property ceases to be qualified  
23 property in the hands of the taxpayer within 48 months  
24 after being placed in service, or the situs of any  
25 qualified property is moved outside Illinois within 48  
26 months after being placed in service, the tax imposed under



1 subsections (a) and (b) of this Section for such taxable  
2 year shall be increased. Such increase shall be determined  
3 by (i) recomputing the investment credit which would have  
4 been allowed for the year in which credit for such property  
5 was originally allowed by eliminating such property from  
6 such computation, and (ii) subtracting such recomputed  
7 credit from the amount of credit previously allowed. For  
8 the purposes of this paragraph (6), a reduction of the  
9 basis of qualified property resulting from a  
10 redetermination of the purchase price shall be deemed a  
11 disposition of qualified property to the extent of such  
12 reduction.

13 (7) Beginning with tax years ending after December 31,  
14 1996, if a taxpayer qualifies for the credit under this  
15 subsection (h) and thereby is granted a tax abatement and  
16 the taxpayer relocates its entire facility in violation of  
17 the explicit terms and length of the contract under Section  
18 18-183 of the Property Tax Code, the tax imposed under  
19 subsections (a) and (b) of this Section shall be increased  
20 for the taxable year in which the taxpayer relocated its  
21 facility by an amount equal to the amount of credit  
22 received by the taxpayer under this subsection (h).

23 (i) Credit for Personal Property Tax Replacement Income  
24 Tax. For tax years ending prior to December 31, 2003, a credit  
25 shall be allowed against the tax imposed by subsections (a) and  
26 (b) of this Section for the tax imposed by subsections (c) and

1 (d) of this Section. This credit shall be computed by  
2 multiplying the tax imposed by subsections (c) and (d) of this  
3 Section by a fraction, the numerator of which is base income  
4 allocable to Illinois and the denominator of which is Illinois  
5 base income, and further multiplying the product by the tax  
6 rate imposed by subsections (a) and (b) of this Section.

7 Any credit earned on or after December 31, 1986 under this  
8 subsection which is unused in the year the credit is computed  
9 because it exceeds the tax liability imposed by subsections (a)  
10 and (b) for that year (whether it exceeds the original  
11 liability or the liability as later amended) may be carried  
12 forward and applied to the tax liability imposed by subsections  
13 (a) and (b) of the 5 taxable years following the excess credit  
14 year, provided that no credit may be carried forward to any  
15 year ending on or after December 31, 2003. This credit shall be  
16 applied first to the earliest year for which there is a  
17 liability. If there is a credit under this subsection from more  
18 than one tax year that is available to offset a liability the  
19 earliest credit arising under this subsection shall be applied  
20 first.

21 If, during any taxable year ending on or after December 31,  
22 1986, the tax imposed by subsections (c) and (d) of this  
23 Section for which a taxpayer has claimed a credit under this  
24 subsection (i) is reduced, the amount of credit for such tax  
25 shall also be reduced. Such reduction shall be determined by  
26 recomputing the credit to take into account the reduced tax

1 imposed by subsections (c) and (d). If any portion of the  
2 reduced amount of credit has been carried to a different  
3 taxable year, an amended return shall be filed for such taxable  
4 year to reduce the amount of credit claimed.

5 (j) Training expense credit. Beginning with tax years  
6 ending on or after December 31, 1986 and prior to December 31,  
7 2003, a taxpayer shall be allowed a credit against the tax  
8 imposed by subsections (a) and (b) under this Section for all  
9 amounts paid or accrued, on behalf of all persons employed by  
10 the taxpayer in Illinois or Illinois residents employed outside  
11 of Illinois by a taxpayer, for educational or vocational  
12 training in semi-technical or technical fields or semi-skilled  
13 or skilled fields, which were deducted from gross income in the  
14 computation of taxable income. The credit against the tax  
15 imposed by subsections (a) and (b) shall be 1.6% of such  
16 training expenses. For partners, shareholders of subchapter S  
17 corporations, and owners of limited liability companies, if the  
18 liability company is treated as a partnership for purposes of  
19 federal and State income taxation, there shall be allowed a  
20 credit under this subsection (j) to be determined in accordance  
21 with the determination of income and distributive share of  
22 income under Sections 702 and 704 and subchapter S of the  
23 Internal Revenue Code.

24 Any credit allowed under this subsection which is unused in  
25 the year the credit is earned may be carried forward to each of  
26 the 5 taxable years following the year for which the credit is

1 first computed until it is used. This credit shall be applied  
2 first to the earliest year for which there is a liability. If  
3 there is a credit under this subsection from more than one tax  
4 year that is available to offset a liability the earliest  
5 credit arising under this subsection shall be applied first. No  
6 carryforward credit may be claimed in any tax year ending on or  
7 after December 31, 2003.

8 (k) Research and development credit. For tax years ending  
9 after July 1, 1990 and prior to December 31, 2003, and  
10 beginning again for tax years ending on or after December 31,  
11 2004, and ending prior to January 1, 2022, a taxpayer shall be  
12 allowed a credit against the tax imposed by subsections (a) and  
13 (b) of this Section for increasing research activities in this  
14 State. The credit allowed against the tax imposed by  
15 subsections (a) and (b) shall be equal to 6 1/2% of the  
16 qualifying expenditures for increasing research activities in  
17 this State. For partners, shareholders of subchapter S  
18 corporations, and owners of limited liability companies, if the  
19 liability company is treated as a partnership for purposes of  
20 federal and State income taxation, there shall be allowed a  
21 credit under this subsection to be determined in accordance  
22 with the determination of income and distributive share of  
23 income under Sections 702 and 704 and subchapter S of the  
24 Internal Revenue Code.

25 For purposes of this subsection, "qualifying expenditures"  
26 means the qualifying expenditures as defined for the federal

1 credit for increasing research activities which would be  
2 allowable under Section 41 of the Internal Revenue Code and  
3 which are conducted in this State, "qualifying expenditures for  
4 increasing research activities in this State" means the excess  
5 of qualifying expenditures for the taxable year in which  
6 incurred over qualifying expenditures for the base period,  
7 "qualifying expenditures for the base period" means the average  
8 of the qualifying expenditures for each year in the base  
9 period, and "base period" means the 3 taxable years immediately  
10 preceding the taxable year for which the determination is being  
11 made.

12 Any credit in excess of the tax liability for the taxable  
13 year may be carried forward. A taxpayer may elect to have the  
14 unused credit shown on its final completed return carried over  
15 as a credit against the tax liability for the following 5  
16 taxable years or until it has been fully used, whichever occurs  
17 first; provided that no credit earned in a tax year ending  
18 prior to December 31, 2003 may be carried forward to any year  
19 ending on or after December 31, 2003.

20 If an unused credit is carried forward to a given year from  
21 2 or more earlier years, that credit arising in the earliest  
22 year will be applied first against the tax liability for the  
23 given year. If a tax liability for the given year still  
24 remains, the credit from the next earliest year will then be  
25 applied, and so on, until all credits have been used or no tax  
26 liability for the given year remains. Any remaining unused

1 credit or credits then will be carried forward to the next  
2 following year in which a tax liability is incurred, except  
3 that no credit can be carried forward to a year which is more  
4 than 5 years after the year in which the expense for which the  
5 credit is given was incurred.

6 No inference shall be drawn from this amendatory Act of the  
7 91st General Assembly in construing this Section for taxable  
8 years beginning before January 1, 1999.

9 It is the intent of the General Assembly that the research  
10 and development credit under this subsection (k) shall apply  
11 continuously for all tax years ending on or after December 31,  
12 2004 and ending prior to January 1, 2022, including, but not  
13 limited to, the period beginning on January 1, 2016 and ending  
14 on the effective date of this amendatory Act of the 100th  
15 General Assembly. All actions taken in reliance on the  
16 continuation of the credit under this subsection (k) by any  
17 taxpayer are hereby validated.

18 (l) Environmental Remediation Tax Credit.

19 (i) For tax years ending after December 31, 1997 and on  
20 or before December 31, 2001, a taxpayer shall be allowed a  
21 credit against the tax imposed by subsections (a) and (b)  
22 of this Section for certain amounts paid for unreimbursed  
23 eligible remediation costs, as specified in this  
24 subsection. For purposes of this Section, "unreimbursed  
25 eligible remediation costs" means costs approved by the  
26 Illinois Environmental Protection Agency ("Agency") under

1 Section 58.14 of the Environmental Protection Act that were  
2 paid in performing environmental remediation at a site for  
3 which a No Further Remediation Letter was issued by the  
4 Agency and recorded under Section 58.10 of the  
5 Environmental Protection Act. The credit must be claimed  
6 for the taxable year in which Agency approval of the  
7 eligible remediation costs is granted. The credit is not  
8 available to any taxpayer if the taxpayer or any related  
9 party caused or contributed to, in any material respect, a  
10 release of regulated substances on, in, or under the site  
11 that was identified and addressed by the remedial action  
12 pursuant to the Site Remediation Program of the  
13 Environmental Protection Act. After the Pollution Control  
14 Board rules are adopted pursuant to the Illinois  
15 Administrative Procedure Act for the administration and  
16 enforcement of Section 58.9 of the Environmental  
17 Protection Act, determinations as to credit availability  
18 for purposes of this Section shall be made consistent with  
19 those rules. For purposes of this Section, "taxpayer"  
20 includes a person whose tax attributes the taxpayer has  
21 succeeded to under Section 381 of the Internal Revenue Code  
22 and "related party" includes the persons disallowed a  
23 deduction for losses by paragraphs (b), (c), and (f)(1) of  
24 Section 267 of the Internal Revenue Code by virtue of being  
25 a related taxpayer, as well as any of its partners. The  
26 credit allowed against the tax imposed by subsections (a)

1 and (b) shall be equal to 25% of the unreimbursed eligible  
2 remediation costs in excess of \$100,000 per site, except  
3 that the \$100,000 threshold shall not apply to any site  
4 contained in an enterprise zone as determined by the  
5 Department of Commerce and Community Affairs (now  
6 Department of Commerce and Economic Opportunity). The  
7 total credit allowed shall not exceed \$40,000 per year with  
8 a maximum total of \$150,000 per site. For partners and  
9 shareholders of subchapter S corporations, there shall be  
10 allowed a credit under this subsection to be determined in  
11 accordance with the determination of income and  
12 distributive share of income under Sections 702 and 704 and  
13 subchapter S of the Internal Revenue Code.

14 (ii) A credit allowed under this subsection that is  
15 unused in the year the credit is earned may be carried  
16 forward to each of the 5 taxable years following the year  
17 for which the credit is first earned until it is used. The  
18 term "unused credit" does not include any amounts of  
19 unreimbursed eligible remediation costs in excess of the  
20 maximum credit per site authorized under paragraph (i).  
21 This credit shall be applied first to the earliest year for  
22 which there is a liability. If there is a credit under this  
23 subsection from more than one tax year that is available to  
24 offset a liability, the earliest credit arising under this  
25 subsection shall be applied first. A credit allowed under  
26 this subsection may be sold to a buyer as part of a sale of



1 all or part of the remediation site for which the credit  
2 was granted. The purchaser of a remediation site and the  
3 tax credit shall succeed to the unused credit and remaining  
4 carry-forward period of the seller. To perfect the  
5 transfer, the assignor shall record the transfer in the  
6 chain of title for the site and provide written notice to  
7 the Director of the Illinois Department of Revenue of the  
8 assignor's intent to sell the remediation site and the  
9 amount of the tax credit to be transferred as a portion of  
10 the sale. In no event may a credit be transferred to any  
11 taxpayer if the taxpayer or a related party would not be  
12 eligible under the provisions of subsection (i).

13 (iii) For purposes of this Section, the term "site"  
14 shall have the same meaning as under Section 58.2 of the  
15 Environmental Protection Act.

16 (m) Education expense credit. Beginning with tax years  
17 ending after December 31, 1999, a taxpayer who is the custodian  
18 of one or more qualifying pupils shall be allowed a credit  
19 against the tax imposed by subsections (a) and (b) of this  
20 Section for qualified education expenses incurred on behalf of  
21 the qualifying pupils. The credit shall be equal to 25% of  
22 qualified education expenses, but in no event may the total  
23 credit under this subsection claimed by a family that is the  
24 custodian of qualifying pupils exceed (i) \$500 for tax years  
25 ending prior to December 31, 2017, and (ii) \$750 for tax years  
26 ending on or after December 31, 2017. In no event shall a

1 credit under this subsection reduce the taxpayer's liability  
2 under this Act to less than zero. Notwithstanding any other  
3 provision of law, for taxable years beginning on or after  
4 January 1, 2017, no taxpayer may claim a credit under this  
5 subsection (m) if the taxpayer's adjusted gross income for the  
6 taxable year exceeds (i) \$500,000, in the case of spouses  
7 filing a joint federal tax return or (ii) \$250,000, in the case  
8 of all other taxpayers. This subsection is exempt from the  
9 provisions of Section 250 of this Act.

10 For purposes of this subsection:

11 "Qualifying pupils" means individuals who (i) are  
12 residents of the State of Illinois, (ii) are under the age of  
13 21 at the close of the school year for which a credit is  
14 sought, and (iii) during the school year for which a credit is  
15 sought were full-time pupils enrolled in a kindergarten through  
16 twelfth grade education program at any school, as defined in  
17 this subsection.

18 "Qualified education expense" means the amount incurred on  
19 behalf of a qualifying pupil in excess of \$250 for tuition,  
20 book fees, and lab fees at the school in which the pupil is  
21 enrolled during the regular school year.

22 "School" means any public or nonpublic elementary or  
23 secondary school in Illinois that is in compliance with Title  
24 VI of the Civil Rights Act of 1964 and attendance at which  
25 satisfies the requirements of Section 26-1 of the School Code,  
26 except that nothing shall be construed to require a child to

1 attend any particular public or nonpublic school to qualify for  
2 the credit under this Section.

3 "Custodian" means, with respect to qualifying pupils, an  
4 Illinois resident who is a parent, the parents, a legal  
5 guardian, or the legal guardians of the qualifying pupils.

6 (n) River Edge Redevelopment Zone site remediation tax  
7 credit.

8 (i) For tax years ending on or after December 31, 2006,  
9 a taxpayer shall be allowed a credit against the tax  
10 imposed by subsections (a) and (b) of this Section for  
11 certain amounts paid for unreimbursed eligible remediation  
12 costs, as specified in this subsection. For purposes of  
13 this Section, "unreimbursed eligible remediation costs"  
14 means costs approved by the Illinois Environmental  
15 Protection Agency ("Agency") under Section 58.14a of the  
16 Environmental Protection Act that were paid in performing  
17 environmental remediation at a site within a River Edge  
18 Redevelopment Zone for which a No Further Remediation  
19 Letter was issued by the Agency and recorded under Section  
20 58.10 of the Environmental Protection Act. The credit must  
21 be claimed for the taxable year in which Agency approval of  
22 the eligible remediation costs is granted. The credit is  
23 not available to any taxpayer if the taxpayer or any  
24 related party caused or contributed to, in any material  
25 respect, a release of regulated substances on, in, or under  
26 the site that was identified and addressed by the remedial

1 action pursuant to the Site Remediation Program of the  
2 Environmental Protection Act. Determinations as to credit  
3 availability for purposes of this Section shall be made  
4 consistent with rules adopted by the Pollution Control  
5 Board pursuant to the Illinois Administrative Procedure  
6 Act for the administration and enforcement of Section 58.9  
7 of the Environmental Protection Act. For purposes of this  
8 Section, "taxpayer" includes a person whose tax attributes  
9 the taxpayer has succeeded to under Section 381 of the  
10 Internal Revenue Code and "related party" includes the  
11 persons disallowed a deduction for losses by paragraphs  
12 (b), (c), and (f) (1) of Section 267 of the Internal Revenue  
13 Code by virtue of being a related taxpayer, as well as any  
14 of its partners. The credit allowed against the tax imposed  
15 by subsections (a) and (b) shall be equal to 25% of the  
16 unreimbursed eligible remediation costs in excess of  
17 \$100,000 per site.

18 (ii) A credit allowed under this subsection that is  
19 unused in the year the credit is earned may be carried  
20 forward to each of the 5 taxable years following the year  
21 for which the credit is first earned until it is used. This  
22 credit shall be applied first to the earliest year for  
23 which there is a liability. If there is a credit under this  
24 subsection from more than one tax year that is available to  
25 offset a liability, the earliest credit arising under this  
26 subsection shall be applied first. A credit allowed under

1           this subsection may be sold to a buyer as part of a sale of  
2           all or part of the remediation site for which the credit  
3           was granted. The purchaser of a remediation site and the  
4           tax credit shall succeed to the unused credit and remaining  
5           carry-forward period of the seller. To perfect the  
6           transfer, the assignor shall record the transfer in the  
7           chain of title for the site and provide written notice to  
8           the Director of the Illinois Department of Revenue of the  
9           assignor's intent to sell the remediation site and the  
10          amount of the tax credit to be transferred as a portion of  
11          the sale. In no event may a credit be transferred to any  
12          taxpayer if the taxpayer or a related party would not be  
13          eligible under the provisions of subsection (i).

14                 (iii) For purposes of this Section, the term "site"  
15                 shall have the same meaning as under Section 58.2 of the  
16                 Environmental Protection Act.

17                 (o) For each of taxable years during the Compassionate Use  
18                 of Medical Cannabis Pilot Program, a surcharge is imposed on  
19                 all taxpayers on income arising from the sale or exchange of  
20                 capital assets, depreciable business property, real property  
21                 used in the trade or business, and Section 197 intangibles of  
22                 an organization registrant under the Compassionate Use of  
23                 Medical Cannabis Pilot Program Act. The amount of the surcharge  
24                 is equal to the amount of federal income tax liability for the  
25                 taxable year attributable to those sales and exchanges. The  
26                 surcharge imposed does not apply if:

1           (1)     the     medical     cannabis     cultivation     center  
2     registration, medical cannabis dispensary registration, or  
3     the property of a registration is transferred as a result  
4     of any of the following:

5           (A)     bankruptcy, a receivership, or a debt  
6     adjustment initiated by or against the initial  
7     registration or the substantial owners of the initial  
8     registration;

9           (B)     cancellation, revocation, or termination of  
10    any registration by the Illinois Department of Public  
11    Health;

12          (C)     a determination by the Illinois Department of  
13    Public Health that transfer of the registration is in  
14    the best interests of Illinois qualifying patients as  
15    defined by the Compassionate Use of Medical Cannabis  
16    Pilot Program Act;

17          (D)     the death of an owner of the equity interest in  
18    a registrant;

19          (E)     the acquisition of a controlling interest in  
20    the stock or substantially all of the assets of a  
21    publicly traded company;

22          (F)     a transfer by a parent company to a wholly  
23    owned subsidiary; or

24          (G)     the transfer or sale to or by one person to  
25    another person where both persons were initial owners  
26    of the registration when the registration was issued;

1 or

2 (2) the cannabis cultivation center registration,  
3 medical cannabis dispensary registration, or the  
4 controlling interest in a registrant's property is  
5 transferred in a transaction to lineal descendants in which  
6 no gain or loss is recognized or as a result of a  
7 transaction in accordance with Section 351 of the Internal  
8 Revenue Code in which no gain or loss is recognized.

9 (Source: P.A. 100-22, eff. 7-6-17.)

10 (35 ILCS 5/303) (from Ch. 120, par. 3-303)

11 Sec. 303. (a) In general. Any item of capital gain or loss,  
12 and any item of income from rents or royalties from real or  
13 tangible personal property, interest, dividends, and patent or  
14 copyright royalties, and prizes awarded under the Illinois  
15 Lottery Law, and, for taxable years ending on or after December  
16 31, 2018, wagering and gambling winnings from Illinois sources  
17 as set forth in subsection (e-1) of this Section, to the extent  
18 such item constitutes nonbusiness income, together with any  
19 item of deduction directly allocable thereto, shall be  
20 allocated by any person other than a resident as provided in  
21 this Section.

22 (b) Capital gains and losses.

23 (1) Real property. Capital gains and losses from sales  
24 or exchanges of real property are allocable to this State  
25 if the property is located in this State.

1           (2) Tangible personal property. Capital gains and  
2 losses from sales or exchanges of tangible personal  
3 property are allocable to this State if, at the time of  
4 such sale or exchange:

5                   (A) The property had its situs in this State; or

6                   (B) The taxpayer had its commercial domicile in  
7 this State and was not taxable in the state in which  
8 the property had its situs.

9           (3) Intangibles. Capital gains and losses from sales or  
10 exchanges of intangible personal property are allocable to  
11 this State if the taxpayer had its commercial domicile in  
12 this State at the time of such sale or exchange.

13           (c) Rents and royalties.

14                   (1) Real property. Rents and royalties from real  
15 property are allocable to this State if the property is  
16 located in this State.

17                   (2) Tangible personal property. Rents and royalties  
18 from tangible personal property are allocable to this  
19 State:

20                           (A) If and to the extent that the property is  
21 utilized in this State; or

22                           (B) In their entirety if, at the time such rents or  
23 royalties were paid or accrued, the taxpayer had its  
24 commercial domicile in this State and was not organized  
25 under the laws of or taxable with respect to such rents  
26 or royalties in the state in which the property was



1 utilized. The extent of utilization of tangible  
2 personal property in a state is determined by  
3 multiplying the rents or royalties derived from such  
4 property by a fraction, the numerator of which is the  
5 number of days of physical location of the property in  
6 the state during the rental or royalty period in the  
7 taxable year and the denominator of which is the number  
8 of days of physical location of the property everywhere  
9 during all rental or royalty periods in the taxable  
10 year. If the physical location of the property during  
11 the rental or royalty period is unknown or  
12 unascertainable by the taxpayer, tangible personal  
13 property is utilized in the state in which the property  
14 was located at the time the rental or royalty payer  
15 obtained possession.

16 (d) Patent and copyright royalties.

17 (1) Allocation. Patent and copyright royalties are  
18 allocable to this State:

19 (A) If and to the extent that the patent or  
20 copyright is utilized by the payer in this State; or

21 (B) If and to the extent that the patent or  
22 copyright is utilized by the payer in a state in which  
23 the taxpayer is not taxable with respect to such  
24 royalties and, at the time such royalties were paid or  
25 accrued, the taxpayer had its commercial domicile in  
26 this State.

1 (2) Utilization.

2 (A) A patent is utilized in a state to the extent  
3 that it is employed in production, fabrication,  
4 manufacturing or other processing in the state or to  
5 the extent that a patented product is produced in the  
6 state. If the basis of receipts from patent royalties  
7 does not permit allocation to states or if the  
8 accounting procedures do not reflect states of  
9 utilization, the patent is utilized in this State if  
10 the taxpayer has its commercial domicile in this State.

11 (B) A copyright is utilized in a state to the  
12 extent that printing or other publication originates  
13 in the state. If the basis of receipts from copyright  
14 royalties does not permit allocation to states or if  
15 the accounting procedures do not reflect states of  
16 utilization, the copyright is utilized in this State if  
17 the taxpayer has its commercial domicile in this State.

18 (e) Illinois lottery prizes. Prizes awarded under the  
19 Illinois Lottery Law are allocable to this State. Payments  
20 received in taxable years ending on or after December 31, 2013,  
21 from the assignment of a prize under Section 13.1 of the  
22 Illinois Lottery Law are allocable to this State.

23 (e-1) Wagering and gambling winnings. Payments received in  
24 taxable years ending on or after December 31, 2018 of winnings  
25 from pari-mutuel wagering conducted at a wagering facility  
26 licensed under the Illinois Horse Racing Act of 1975 and from

1 gambling games conducted on a riverboat or in a casino or  
2 electronic gaming facility licensed under the Illinois  
3 Gambling Act are allocable to this State.

4 (e-5) Unemployment benefits. Unemployment benefits paid by  
5 the Illinois Department of Employment Security are allocable to  
6 this State.

7 (f) Taxability in other state. For purposes of allocation  
8 of income pursuant to this Section, a taxpayer is taxable in  
9 another state if:

10 (1) In that state he is subject to a net income tax, a  
11 franchise tax measured by net income, a franchise tax for  
12 the privilege of doing business, or a corporate stock tax;  
13 or

14 (2) That state has jurisdiction to subject the taxpayer  
15 to a net income tax regardless of whether, in fact, the  
16 state does or does not.

17 (g) Cross references.

18 (1) For allocation of interest and dividends by persons  
19 other than residents, see Section 301(c)(2).

20 (2) For allocation of nonbusiness income by residents,  
21 see Section 301(a).

22 (Source: P.A. 97-709, eff. 7-1-12; 98-496, eff. 1-1-14.)

23 (35 ILCS 5/304) (from Ch. 120, par. 3-304)

24 Sec. 304. Business income of persons other than residents.

25 (a) In general. The business income of a person other than

1 a resident shall be allocated to this State if such person's  
2 business income is derived solely from this State. If a person  
3 other than a resident derives business income from this State  
4 and one or more other states, then, for tax years ending on or  
5 before December 30, 1998, and except as otherwise provided by  
6 this Section, such person's business income shall be  
7 apportioned to this State by multiplying the income by a  
8 fraction, the numerator of which is the sum of the property  
9 factor (if any), the payroll factor (if any) and 200% of the  
10 sales factor (if any), and the denominator of which is 4  
11 reduced by the number of factors other than the sales factor  
12 which have a denominator of zero and by an additional 2 if the  
13 sales factor has a denominator of zero. For tax years ending on  
14 or after December 31, 1998, and except as otherwise provided by  
15 this Section, persons other than residents who derive business  
16 income from this State and one or more other states shall  
17 compute their apportionment factor by weighting their  
18 property, payroll, and sales factors as provided in subsection  
19 (h) of this Section.

20 (1) Property factor.

21 (A) The property factor is a fraction, the numerator of  
22 which is the average value of the person's real and  
23 tangible personal property owned or rented and used in the  
24 trade or business in this State during the taxable year and  
25 the denominator of which is the average value of all the  
26 person's real and tangible personal property owned or

1           rented and used in the trade or business during the taxable  
2           year.

3           (B) Property owned by the person is valued at its  
4           original cost. Property rented by the person is valued at 8  
5           times the net annual rental rate. Net annual rental rate is  
6           the annual rental rate paid by the person less any annual  
7           rental rate received by the person from sub-rentals.

8           (C) The average value of property shall be determined  
9           by averaging the values at the beginning and ending of the  
10          taxable year but the Director may require the averaging of  
11          monthly values during the taxable year if reasonably  
12          required to reflect properly the average value of the  
13          person's property.

14          (2) Payroll factor.

15          (A) The payroll factor is a fraction, the numerator of  
16          which is the total amount paid in this State during the  
17          taxable year by the person for compensation, and the  
18          denominator of which is the total compensation paid  
19          everywhere during the taxable year.

20          (B) Compensation is paid in this State if:

21                  (i) The individual's service is performed entirely  
22                  within this State;

23                  (ii) The individual's service is performed both  
24                  within and without this State, but the service  
25                  performed without this State is incidental to the  
26                  individual's service performed within this State; or

1           (iii) Some of the service is performed within this  
2 State and either the base of operations, or if there is  
3 no base of operations, the place from which the service  
4 is directed or controlled is within this State, or the  
5 base of operations or the place from which the service  
6 is directed or controlled is not in any state in which  
7 some part of the service is performed, but the  
8 individual's residence is in this State.

9           (iv) Compensation paid to nonresident professional  
10 athletes.

11           (a) General. The Illinois source income of a  
12 nonresident individual who is a member of a  
13 professional athletic team includes the portion of the  
14 individual's total compensation for services performed  
15 as a member of a professional athletic team during the  
16 taxable year which the number of duty days spent within  
17 this State performing services for the team in any  
18 manner during the taxable year bears to the total  
19 number of duty days spent both within and without this  
20 State during the taxable year.

21           (b) Travel days. Travel days that do not involve  
22 either a game, practice, team meeting, or other similar  
23 team event are not considered duty days spent in this  
24 State. However, such travel days are considered in the  
25 total duty days spent both within and without this  
26 State.

1 (c) Definitions. For purposes of this subpart  
2 (iv):

3 (1) The term "professional athletic team"  
4 includes, but is not limited to, any professional  
5 baseball, basketball, football, soccer, or hockey  
6 team.

7 (2) The term "member of a professional  
8 athletic team" includes those employees who are  
9 active players, players on the disabled list, and  
10 any other persons required to travel and who travel  
11 with and perform services on behalf of a  
12 professional athletic team on a regular basis.  
13 This includes, but is not limited to, coaches,  
14 managers, and trainers.

15 (3) Except as provided in items (C) and (D) of  
16 this subpart (3), the term "duty days" means all  
17 days during the taxable year from the beginning of  
18 the professional athletic team's official  
19 pre-season training period through the last game  
20 in which the team competes or is scheduled to  
21 compete. Duty days shall be counted for the year in  
22 which they occur, including where a team's  
23 official pre-season training period through the  
24 last game in which the team competes or is  
25 scheduled to compete, occurs during more than one  
26 tax year.

1 (A) Duty days shall also include days on  
2 which a member of a professional athletic team  
3 performs service for a team on a date that does  
4 not fall within the foregoing period (e.g.,  
5 participation in instructional leagues, the  
6 "All Star Game", or promotional "caravans").  
7 Performing a service for a professional  
8 athletic team includes conducting training and  
9 rehabilitation activities, when such  
10 activities are conducted at team facilities.

11 (B) Also included in duty days are game  
12 days, practice days, days spent at team  
13 meetings, promotional caravans, preseason  
14 training camps, and days served with the team  
15 through all post-season games in which the team  
16 competes or is scheduled to compete.

17 (C) Duty days for any person who joins a  
18 team during the period from the beginning of  
19 the professional athletic team's official  
20 pre-season training period through the last  
21 game in which the team competes, or is  
22 scheduled to compete, shall begin on the day  
23 that person joins the team. Conversely, duty  
24 days for any person who leaves a team during  
25 this period shall end on the day that person  
26 leaves the team. Where a person switches teams



1 during a taxable year, a separate duty-day  
2 calculation shall be made for the period the  
3 person was with each team.

4 (D) Days for which a member of a  
5 professional athletic team is not compensated  
6 and is not performing services for the team in  
7 any manner, including days when such member of  
8 a professional athletic team has been  
9 suspended without pay and prohibited from  
10 performing any services for the team, shall not  
11 be treated as duty days.

12 (E) Days for which a member of a  
13 professional athletic team is on the disabled  
14 list and does not conduct rehabilitation  
15 activities at facilities of the team, and is  
16 not otherwise performing services for the team  
17 in Illinois, shall not be considered duty days  
18 spent in this State. All days on the disabled  
19 list, however, are considered to be included in  
20 total duty days spent both within and without  
21 this State.

22 (4) The term "total compensation for services  
23 performed as a member of a professional athletic  
24 team" means the total compensation received during  
25 the taxable year for services performed:

26 (A) from the beginning of the official

1 pre-season training period through the last  
2 game in which the team competes or is scheduled  
3 to compete during that taxable year; and

4 (B) during the taxable year on a date which  
5 does not fall within the foregoing period  
6 (e.g., participation in instructional leagues,  
7 the "All Star Game", or promotional caravans).

8 This compensation shall include, but is not  
9 limited to, salaries, wages, bonuses as described  
10 in this subpart, and any other type of compensation  
11 paid during the taxable year to a member of a  
12 professional athletic team for services performed  
13 in that year. This compensation does not include  
14 strike benefits, severance pay, termination pay,  
15 contract or option year buy-out payments,  
16 expansion or relocation payments, or any other  
17 payments not related to services performed for the  
18 team.

19 For purposes of this subparagraph, "bonuses"  
20 included in "total compensation for services  
21 performed as a member of a professional athletic  
22 team" subject to the allocation described in  
23 Section 302(c)(1) are: bonuses earned as a result  
24 of play (i.e., performance bonuses) during the  
25 season, including bonuses paid for championship,  
26 playoff or "bowl" games played by a team, or for

1 selection to all-star league or other honorary  
2 positions; and bonuses paid for signing a  
3 contract, unless the payment of the signing bonus  
4 is not conditional upon the signee playing any  
5 games for the team or performing any subsequent  
6 services for the team or even making the team, the  
7 signing bonus is payable separately from the  
8 salary and any other compensation, and the signing  
9 bonus is nonrefundable.

10 (3) Sales factor.

11 (A) The sales factor is a fraction, the numerator of  
12 which is the total sales of the person in this State during  
13 the taxable year, and the denominator of which is the total  
14 sales of the person everywhere during the taxable year.

15 (B) Sales of tangible personal property are in this  
16 State if:

17 (i) The property is delivered or shipped to a  
18 purchaser, other than the United States government,  
19 within this State regardless of the f. o. b. point or  
20 other conditions of the sale; or

21 (ii) The property is shipped from an office, store,  
22 warehouse, factory or other place of storage in this  
23 State and either the purchaser is the United States  
24 government or the person is not taxable in the state of  
25 the purchaser; provided, however, that premises owned  
26 or leased by a person who has independently contracted

1 with the seller for the printing of newspapers,  
2 periodicals or books shall not be deemed to be an  
3 office, store, warehouse, factory or other place of  
4 storage for purposes of this Section. Sales of tangible  
5 personal property are not in this State if the seller  
6 and purchaser would be members of the same unitary  
7 business group but for the fact that either the seller  
8 or purchaser is a person with 80% or more of total  
9 business activity outside of the United States and the  
10 property is purchased for resale.

11 (B-1) Patents, copyrights, trademarks, and similar  
12 items of intangible personal property.

13 (i) Gross receipts from the licensing, sale, or  
14 other disposition of a patent, copyright, trademark,  
15 or similar item of intangible personal property, other  
16 than gross receipts governed by paragraph (B-7) of this  
17 item (3), are in this State to the extent the item is  
18 utilized in this State during the year the gross  
19 receipts are included in gross income.

20 (ii) Place of utilization.

21 (I) A patent is utilized in a state to the  
22 extent that it is employed in production,  
23 fabrication, manufacturing, or other processing in  
24 the state or to the extent that a patented product  
25 is produced in the state. If a patent is utilized  
26 in more than one state, the extent to which it is

1           utilized in any one state shall be a fraction equal  
2           to the gross receipts of the licensee or purchaser  
3           from sales or leases of items produced,  
4           fabricated, manufactured, or processed within that  
5           state using the patent and of patented items  
6           produced within that state, divided by the total of  
7           such gross receipts for all states in which the  
8           patent is utilized.

9           (II) A copyright is utilized in a state to the  
10          extent that printing or other publication  
11          originates in the state. If a copyright is utilized  
12          in more than one state, the extent to which it is  
13          utilized in any one state shall be a fraction equal  
14          to the gross receipts from sales or licenses of  
15          materials printed or published in that state  
16          divided by the total of such gross receipts for all  
17          states in which the copyright is utilized.

18          (III) Trademarks and other items of intangible  
19          personal property governed by this paragraph (B-1)  
20          are utilized in the state in which the commercial  
21          domicile of the licensee or purchaser is located.

22          (iii) If the state of utilization of an item of  
23          property governed by this paragraph (B-1) cannot be  
24          determined from the taxpayer's books and records or  
25          from the books and records of any person related to the  
26          taxpayer within the meaning of Section 267(b) of the

1 Internal Revenue Code, 26 U.S.C. 267, the gross  
2 receipts attributable to that item shall be excluded  
3 from both the numerator and the denominator of the  
4 sales factor.

5 (B-2) Gross receipts from the license, sale, or other  
6 disposition of patents, copyrights, trademarks, and  
7 similar items of intangible personal property, other than  
8 gross receipts governed by paragraph (B-7) of this item  
9 (3), may be included in the numerator or denominator of the  
10 sales factor only if gross receipts from licenses, sales,  
11 or other disposition of such items comprise more than 50%  
12 of the taxpayer's total gross receipts included in gross  
13 income during the tax year and during each of the 2  
14 immediately preceding tax years; provided that, when a  
15 taxpayer is a member of a unitary business group, such  
16 determination shall be made on the basis of the gross  
17 receipts of the entire unitary business group.

18 (B-5) For taxable years ending on or after December 31,  
19 2008, except as provided in subsections (ii) through (vii),  
20 receipts from the sale of telecommunications service or  
21 mobile telecommunications service are in this State if the  
22 customer's service address is in this State.

23 (i) For purposes of this subparagraph (B-5), the  
24 following terms have the following meanings:

25 "Ancillary services" means services that are  
26 associated with or incidental to the provision of

1 "telecommunications services", including but not  
2 limited to "detailed telecommunications billing",  
3 "directory assistance", "vertical service", and "voice  
4 mail services".

5 "Air-to-Ground Radiotelephone service" means a  
6 radio service, as that term is defined in 47 CFR 22.99,  
7 in which common carriers are authorized to offer and  
8 provide radio telecommunications service for hire to  
9 subscribers in aircraft.

10 "Call-by-call Basis" means any method of charging  
11 for telecommunications services where the price is  
12 measured by individual calls.

13 "Communications Channel" means a physical or  
14 virtual path of communications over which signals are  
15 transmitted between or among customer channel  
16 termination points.

17 "Conference bridging service" means an "ancillary  
18 service" that links two or more participants of an  
19 audio or video conference call and may include the  
20 provision of a telephone number. "Conference bridging  
21 service" does not include the "telecommunications  
22 services" used to reach the conference bridge.

23 "Customer Channel Termination Point" means the  
24 location where the customer either inputs or receives  
25 the communications.

26 "Detailed telecommunications billing service"

1 means an "ancillary service" of separately stating  
2 information pertaining to individual calls on a  
3 customer's billing statement.

4 "Directory assistance" means an "ancillary  
5 service" of providing telephone number information,  
6 and/or address information.

7 "Home service provider" means the facilities based  
8 carrier or reseller with which the customer contracts  
9 for the provision of mobile telecommunications  
10 services.

11 "Mobile telecommunications service" means  
12 commercial mobile radio service, as defined in Section  
13 20.3 of Title 47 of the Code of Federal Regulations as  
14 in effect on June 1, 1999.

15 "Place of primary use" means the street address  
16 representative of where the customer's use of the  
17 telecommunications service primarily occurs, which  
18 must be the residential street address or the primary  
19 business street address of the customer. In the case of  
20 mobile telecommunications services, "place of primary  
21 use" must be within the licensed service area of the  
22 home service provider.

23 "Post-paid telecommunication service" means the  
24 telecommunications service obtained by making a  
25 payment on a call-by-call basis either through the use  
26 of a credit card or payment mechanism such as a bank



1 card, travel card, credit card, or debit card, or by  
2 charge made to a telephone number which is not  
3 associated with the origination or termination of the  
4 telecommunications service. A post-paid calling  
5 service includes telecommunications service, except a  
6 prepaid wireless calling service, that would be a  
7 prepaid calling service except it is not exclusively a  
8 telecommunication service.

9 "Prepaid telecommunication service" means the  
10 right to access exclusively telecommunications  
11 services, which must be paid for in advance and which  
12 enables the origination of calls using an access number  
13 or authorization code, whether manually or  
14 electronically dialed, and that is sold in  
15 predetermined units or dollars of which the number  
16 declines with use in a known amount.

17 "Prepaid Mobile telecommunication service" means a  
18 telecommunications service that provides the right to  
19 utilize mobile wireless service as well as other  
20 non-telecommunication services, including but not  
21 limited to ancillary services, which must be paid for  
22 in advance that is sold in predetermined units or  
23 dollars of which the number declines with use in a  
24 known amount.

25 "Private communication service" means a  
26 telecommunication service that entitles the customer

1 to exclusive or priority use of a communications  
2 channel or group of channels between or among  
3 termination points, regardless of the manner in which  
4 such channel or channels are connected, and includes  
5 switching capacity, extension lines, stations, and any  
6 other associated services that are provided in  
7 connection with the use of such channel or channels.

8 "Service address" means:

9 (a) The location of the telecommunications  
10 equipment to which a customer's call is charged and  
11 from which the call originates or terminates,  
12 regardless of where the call is billed or paid;

13 (b) If the location in line (a) is not known,  
14 service address means the origination point of the  
15 signal of the telecommunications services first  
16 identified by either the seller's  
17 telecommunications system or in information  
18 received by the seller from its service provider  
19 where the system used to transport such signals is  
20 not that of the seller; and

21 (c) If the locations in line (a) and line (b)  
22 are not known, the service address means the  
23 location of the customer's place of primary use.

24 "Telecommunications service" means the electronic  
25 transmission, conveyance, or routing of voice, data,  
26 audio, video, or any other information or signals to a

1 point, or between or among points. The term  
2 "telecommunications service" includes such  
3 transmission, conveyance, or routing in which computer  
4 processing applications are used to act on the form,  
5 code or protocol of the content for purposes of  
6 transmission, conveyance or routing without regard to  
7 whether such service is referred to as voice over  
8 Internet protocol services or is classified by the  
9 Federal Communications Commission as enhanced or value  
10 added. "Telecommunications service" does not include:

11 (a) Data processing and information services  
12 that allow data to be generated, acquired, stored,  
13 processed, or retrieved and delivered by an  
14 electronic transmission to a purchaser when such  
15 purchaser's primary purpose for the underlying  
16 transaction is the processed data or information;

17 (b) Installation or maintenance of wiring or  
18 equipment on a customer's premises;

19 (c) Tangible personal property;

20 (d) Advertising, including but not limited to  
21 directory advertising;

22 (e) Billing and collection services provided  
23 to third parties;

24 (f) Internet access service;

25 (g) Radio and television audio and video  
26 programming services, regardless of the medium,

1 including the furnishing of transmission,  
2 conveyance and routing of such services by the  
3 programming service provider. Radio and television  
4 audio and video programming services shall include  
5 but not be limited to cable service as defined in  
6 47 USC 522(6) and audio and video programming  
7 services delivered by commercial mobile radio  
8 service providers, as defined in 47 CFR 20.3;

9 (h) "Ancillary services"; or

10 (i) Digital products "delivered  
11 electronically", including but not limited to  
12 software, music, video, reading materials or ring  
13 tones.

14 "Vertical service" means an "ancillary service"  
15 that is offered in connection with one or more  
16 "telecommunications services", which offers advanced  
17 calling features that allow customers to identify  
18 callers and to manage multiple calls and call  
19 connections, including "conference bridging services".

20 "Voice mail service" means an "ancillary service"  
21 that enables the customer to store, send or receive  
22 recorded messages. "Voice mail service" does not  
23 include any "vertical services" that the customer may  
24 be required to have in order to utilize the "voice mail  
25 service".

26 (ii) Receipts from the sale of telecommunications

1 service sold on an individual call-by-call basis are in  
2 this State if either of the following applies:

3 (a) The call both originates and terminates in  
4 this State.

5 (b) The call either originates or terminates  
6 in this State and the service address is located in  
7 this State.

8 (iii) Receipts from the sale of postpaid  
9 telecommunications service at retail are in this State  
10 if the origination point of the telecommunication  
11 signal, as first identified by the service provider's  
12 telecommunication system or as identified by  
13 information received by the seller from its service  
14 provider if the system used to transport  
15 telecommunication signals is not the seller's, is  
16 located in this State.

17 (iv) Receipts from the sale of prepaid  
18 telecommunications service or prepaid mobile  
19 telecommunications service at retail are in this State  
20 if the purchaser obtains the prepaid card or similar  
21 means of conveyance at a location in this State.  
22 Receipts from recharging a prepaid telecommunications  
23 service or mobile telecommunications service is in  
24 this State if the purchaser's billing information  
25 indicates a location in this State.

26 (v) Receipts from the sale of private

1 communication services are in this State as follows:

2 (a) 100% of receipts from charges imposed at  
3 each channel termination point in this State.

4 (b) 100% of receipts from charges for the total  
5 channel mileage between each channel termination  
6 point in this State.

7 (c) 50% of the total receipts from charges for  
8 service segments when those segments are between 2  
9 customer channel termination points, 1 of which is  
10 located in this State and the other is located  
11 outside of this State, which segments are  
12 separately charged.

13 (d) The receipts from charges for service  
14 segments with a channel termination point located  
15 in this State and in two or more other states, and  
16 which segments are not separately billed, are in  
17 this State based on a percentage determined by  
18 dividing the number of customer channel  
19 termination points in this State by the total  
20 number of customer channel termination points.

21 (vi) Receipts from charges for ancillary services  
22 for telecommunications service sold to customers at  
23 retail are in this State if the customer's primary  
24 place of use of telecommunications services associated  
25 with those ancillary services is in this State. If the  
26 seller of those ancillary services cannot determine

1 where the associated telecommunications are located,  
2 then the ancillary services shall be based on the  
3 location of the purchaser.

4 (vii) Receipts to access a carrier's network or  
5 from the sale of telecommunication services or  
6 ancillary services for resale are in this State as  
7 follows:

8 (a) 100% of the receipts from access fees  
9 attributable to intrastate telecommunications  
10 service that both originates and terminates in  
11 this State.

12 (b) 50% of the receipts from access fees  
13 attributable to interstate telecommunications  
14 service if the interstate call either originates  
15 or terminates in this State.

16 (c) 100% of the receipts from interstate end  
17 user access line charges, if the customer's  
18 service address is in this State. As used in this  
19 subdivision, "interstate end user access line  
20 charges" includes, but is not limited to, the  
21 surcharge approved by the federal communications  
22 commission and levied pursuant to 47 CFR 69.

23 (d) Gross receipts from sales of  
24 telecommunication services or from ancillary  
25 services for telecommunications services sold to  
26 other telecommunication service providers for

1 resale shall be sourced to this State using the  
2 apportionment concepts used for non-resale  
3 receipts of telecommunications services if the  
4 information is readily available to make that  
5 determination. If the information is not readily  
6 available, then the taxpayer may use any other  
7 reasonable and consistent method.

8 (B-7) For taxable years ending on or after December 31,  
9 2008, receipts from the sale of broadcasting services are  
10 in this State if the broadcasting services are received in  
11 this State. For purposes of this paragraph (B-7), the  
12 following terms have the following meanings:

13 "Advertising revenue" means consideration received  
14 by the taxpayer in exchange for broadcasting services  
15 or allowing the broadcasting of commercials or  
16 announcements in connection with the broadcasting of  
17 film or radio programming, from sponsorships of the  
18 programming, or from product placements in the  
19 programming.

20 "Audience factor" means the ratio that the  
21 audience or subscribers located in this State of a  
22 station, a network, or a cable system bears to the  
23 total audience or total subscribers for that station,  
24 network, or cable system. The audience factor for film  
25 or radio programming shall be determined by reference  
26 to the books and records of the taxpayer or by



1 reference to published rating statistics provided the  
2 method used by the taxpayer is consistently used from  
3 year to year for this purpose and fairly represents the  
4 taxpayer's activity in this State.

5 "Broadcast" or "broadcasting" or "broadcasting  
6 services" means the transmission or provision of film  
7 or radio programming, whether through the public  
8 airwaves, by cable, by direct or indirect satellite  
9 transmission, or by any other means of communication,  
10 either through a station, a network, or a cable system.

11 "Film" or "film programming" means the broadcast  
12 on television of any and all performances, events, or  
13 productions, including but not limited to news,  
14 sporting events, plays, stories, or other literary,  
15 commercial, educational, or artistic works, either  
16 live or through the use of video tape, disc, or any  
17 other type of format or medium. Each episode of a  
18 series of films produced for television shall  
19 constitute separate "film" notwithstanding that the  
20 series relates to the same principal subject and is  
21 produced during one or more tax periods.

22 "Radio" or "radio programming" means the broadcast  
23 on radio of any and all performances, events, or  
24 productions, including but not limited to news,  
25 sporting events, plays, stories, or other literary,  
26 commercial, educational, or artistic works, either

1 live or through the use of an audio tape, disc, or any  
2 other format or medium. Each episode in a series of  
3 radio programming produced for radio broadcast shall  
4 constitute a separate "radio programming"  
5 notwithstanding that the series relates to the same  
6 principal subject and is produced during one or more  
7 tax periods.

8 (i) In the case of advertising revenue from  
9 broadcasting, the customer is the advertiser and  
10 the service is received in this State if the  
11 commercial domicile of the advertiser is in this  
12 State.

13 (ii) In the case where film or radio  
14 programming is broadcast by a station, a network,  
15 or a cable system for a fee or other remuneration  
16 received from the recipient of the broadcast, the  
17 portion of the service that is received in this  
18 State is measured by the portion of the recipients  
19 of the broadcast located in this State.  
20 Accordingly, the fee or other remuneration for  
21 such service that is included in the Illinois  
22 numerator of the sales factor is the total of those  
23 fees or other remuneration received from  
24 recipients in Illinois. For purposes of this  
25 paragraph, a taxpayer may determine the location  
26 of the recipients of its broadcast using the

1 address of the recipient shown in its contracts  
2 with the recipient or using the billing address of  
3 the recipient in the taxpayer's records.

4 (iii) In the case where film or radio  
5 programming is broadcast by a station, a network,  
6 or a cable system for a fee or other remuneration  
7 from the person providing the programming, the  
8 portion of the broadcast service that is received  
9 by such station, network, or cable system in this  
10 State is measured by the portion of recipients of  
11 the broadcast located in this State. Accordingly,  
12 the amount of revenue related to such an  
13 arrangement that is included in the Illinois  
14 numerator of the sales factor is the total fee or  
15 other total remuneration from the person providing  
16 the programming related to that broadcast  
17 multiplied by the Illinois audience factor for  
18 that broadcast.

19 (iv) In the case where film or radio  
20 programming is provided by a taxpayer that is a  
21 network or station to a customer for broadcast in  
22 exchange for a fee or other remuneration from that  
23 customer the broadcasting service is received at  
24 the location of the office of the customer from  
25 which the services were ordered in the regular  
26 course of the customer's trade or business.

1           Accordingly, in such a case the revenue derived by  
2           the taxpayer that is included in the taxpayer's  
3           Illinois numerator of the sales factor is the  
4           revenue from such customers who receive the  
5           broadcasting service in Illinois.

6           (v) In the case where film or radio programming  
7           is provided by a taxpayer that is not a network or  
8           station to another person for broadcasting in  
9           exchange for a fee or other remuneration from that  
10          person, the broadcasting service is received at  
11          the location of the office of the customer from  
12          which the services were ordered in the regular  
13          course of the customer's trade or business.  
14          Accordingly, in such a case the revenue derived by  
15          the taxpayer that is included in the taxpayer's  
16          Illinois numerator of the sales factor is the  
17          revenue from such customers who receive the  
18          broadcasting service in Illinois.

19          (B-8) Gross receipts from winnings under the Illinois  
20          Lottery Law from the assignment of a prize under Section  
21          13.1 of the Illinois Lottery Law are received in this  
22          State. This paragraph (B-8) applies only to taxable years  
23          ending on or after December 31, 2013.

24          (B-9) For taxable years ending on or after December 31,  
25          2018, gross receipts from winnings from pari-mutuel  
26          wagering conducted at a wagering facility licensed under

1       the Illinois Horse Racing Act of 1975 or from winnings from  
2       gambling games conducted on a riverboat or in a casino or  
3       electronic gaming facility licensed under the Illinois  
4       Gambling Act are in this State.

5           (C) For taxable years ending before December 31, 2008,  
6       sales, other than sales governed by paragraphs (B), (B-1),  
7       (B-2), and (B-8) are in this State if:

8           (i) The income-producing activity is performed in  
9       this State; or

10          (ii) The income-producing activity is performed  
11       both within and without this State and a greater  
12       proportion of the income-producing activity is  
13       performed within this State than without this State,  
14       based on performance costs.

15          (C-5) For taxable years ending on or after December 31,  
16       2008, sales, other than sales governed by paragraphs (B),  
17       (B-1), (B-2), (B-5), and (B-7), are in this State if any of  
18       the following criteria are met:

19           (i) Sales from the sale or lease of real property  
20       are in this State if the property is located in this  
21       State.

22           (ii) Sales from the lease or rental of tangible  
23       personal property are in this State if the property is  
24       located in this State during the rental period. Sales  
25       from the lease or rental of tangible personal property  
26       that is characteristically moving property, including,

1 but not limited to, motor vehicles, rolling stock,  
2 aircraft, vessels, or mobile equipment are in this  
3 State to the extent that the property is used in this  
4 State.

5 (iii) In the case of interest, net gains (but not  
6 less than zero) and other items of income from  
7 intangible personal property, the sale is in this State  
8 if:

9 (a) in the case of a taxpayer who is a dealer  
10 in the item of intangible personal property within  
11 the meaning of Section 475 of the Internal Revenue  
12 Code, the income or gain is received from a  
13 customer in this State. For purposes of this  
14 subparagraph, a customer is in this State if the  
15 customer is an individual, trust or estate who is a  
16 resident of this State and, for all other  
17 customers, if the customer's commercial domicile  
18 is in this State. Unless the dealer has actual  
19 knowledge of the residence or commercial domicile  
20 of a customer during a taxable year, the customer  
21 shall be deemed to be a customer in this State if  
22 the billing address of the customer, as shown in  
23 the records of the dealer, is in this State; or

24 (b) in all other cases, if the  
25 income-producing activity of the taxpayer is  
26 performed in this State or, if the

1 income-producing activity of the taxpayer is  
2 performed both within and without this State, if a  
3 greater proportion of the income-producing  
4 activity of the taxpayer is performed within this  
5 State than in any other state, based on performance  
6 costs.

7 (iv) Sales of services are in this State if the  
8 services are received in this State. For the purposes  
9 of this section, gross receipts from the performance of  
10 services provided to a corporation, partnership, or  
11 trust may only be attributed to a state where that  
12 corporation, partnership, or trust has a fixed place of  
13 business. If the state where the services are received  
14 is not readily determinable or is a state where the  
15 corporation, partnership, or trust receiving the  
16 service does not have a fixed place of business, the  
17 services shall be deemed to be received at the location  
18 of the office of the customer from which the services  
19 were ordered in the regular course of the customer's  
20 trade or business. If the ordering office cannot be  
21 determined, the services shall be deemed to be received  
22 at the office of the customer to which the services are  
23 billed. If the taxpayer is not taxable in the state in  
24 which the services are received, the sale must be  
25 excluded from both the numerator and the denominator of  
26 the sales factor. The Department shall adopt rules

1           prescribing where specific types of service are  
2           received, including, but not limited to, publishing,  
3           and utility service.

4           (D) For taxable years ending on or after December 31,  
5           1995, the following items of income shall not be included  
6           in the numerator or denominator of the sales factor:  
7           dividends; amounts included under Section 78 of the  
8           Internal Revenue Code; and Subpart F income as defined in  
9           Section 952 of the Internal Revenue Code. No inference  
10          shall be drawn from the enactment of this paragraph (D) in  
11          construing this Section for taxable years ending before  
12          December 31, 1995.

13          (E) Paragraphs (B-1) and (B-2) shall apply to tax years  
14          ending on or after December 31, 1999, provided that a  
15          taxpayer may elect to apply the provisions of these  
16          paragraphs to prior tax years. Such election shall be made  
17          in the form and manner prescribed by the Department, shall  
18          be irrevocable, and shall apply to all tax years; provided  
19          that, if a taxpayer's Illinois income tax liability for any  
20          tax year, as assessed under Section 903 prior to January 1,  
21          1999, was computed in a manner contrary to the provisions  
22          of paragraphs (B-1) or (B-2), no refund shall be payable to  
23          the taxpayer for that tax year to the extent such refund is  
24          the result of applying the provisions of paragraph (B-1) or  
25          (B-2) retroactively. In the case of a unitary business  
26          group, such election shall apply to all members of such



1 group for every tax year such group is in existence, but  
2 shall not apply to any taxpayer for any period during which  
3 that taxpayer is not a member of such group.

4 (b) Insurance companies.

5 (1) In general. Except as otherwise provided by  
6 paragraph (2), business income of an insurance company for  
7 a taxable year shall be apportioned to this State by  
8 multiplying such income by a fraction, the numerator of  
9 which is the direct premiums written for insurance upon  
10 property or risk in this State, and the denominator of  
11 which is the direct premiums written for insurance upon  
12 property or risk everywhere. For purposes of this  
13 subsection, the term "direct premiums written" means the  
14 total amount of direct premiums written, assessments and  
15 annuity considerations as reported for the taxable year on  
16 the annual statement filed by the company with the Illinois  
17 Director of Insurance in the form approved by the National  
18 Convention of Insurance Commissioners or such other form as  
19 may be prescribed in lieu thereof.

20 (2) Reinsurance. If the principal source of premiums  
21 written by an insurance company consists of premiums for  
22 reinsurance accepted by it, the business income of such  
23 company shall be apportioned to this State by multiplying  
24 such income by a fraction, the numerator of which is the  
25 sum of (i) direct premiums written for insurance upon  
26 property or risk in this State, plus (ii) premiums written

1 for reinsurance accepted in respect of property or risk in  
2 this State, and the denominator of which is the sum of  
3 (iii) direct premiums written for insurance upon property  
4 or risk everywhere, plus (iv) premiums written for  
5 reinsurance accepted in respect of property or risk  
6 everywhere. For purposes of this paragraph, premiums  
7 written for reinsurance accepted in respect of property or  
8 risk in this State, whether or not otherwise determinable,  
9 may, at the election of the company, be determined on the  
10 basis of the proportion which premiums written for  
11 reinsurance accepted from companies commercially domiciled  
12 in Illinois bears to premiums written for reinsurance  
13 accepted from all sources, or, alternatively, in the  
14 proportion which the sum of the direct premiums written for  
15 insurance upon property or risk in this State by each  
16 ceding company from which reinsurance is accepted bears to  
17 the sum of the total direct premiums written by each such  
18 ceding company for the taxable year. The election made by a  
19 company under this paragraph for its first taxable year  
20 ending on or after December 31, 2011, shall be binding for  
21 that company for that taxable year and for all subsequent  
22 taxable years, and may be altered only with the written  
23 permission of the Department, which shall not be  
24 unreasonably withheld.

25 (c) Financial organizations.

26 (1) In general. For taxable years ending before

1 December 31, 2008, business income of a financial  
2 organization shall be apportioned to this State by  
3 multiplying such income by a fraction, the numerator of  
4 which is its business income from sources within this  
5 State, and the denominator of which is its business income  
6 from all sources. For the purposes of this subsection, the  
7 business income of a financial organization from sources  
8 within this State is the sum of the amounts referred to in  
9 subparagraphs (A) through (E) following, but excluding the  
10 adjusted income of an international banking facility as  
11 determined in paragraph (2):

12 (A) Fees, commissions or other compensation for  
13 financial services rendered within this State;

14 (B) Gross profits from trading in stocks, bonds or  
15 other securities managed within this State;

16 (C) Dividends, and interest from Illinois  
17 customers, which are received within this State;

18 (D) Interest charged to customers at places of  
19 business maintained within this State for carrying  
20 debit balances of margin accounts, without deduction  
21 of any costs incurred in carrying such accounts; and

22 (E) Any other gross income resulting from the  
23 operation as a financial organization within this  
24 State. In computing the amounts referred to in  
25 paragraphs (A) through (E) of this subsection, any  
26 amount received by a member of an affiliated group

1 (determined under Section 1504(a) of the Internal  
2 Revenue Code but without reference to whether any such  
3 corporation is an "includible corporation" under  
4 Section 1504(b) of the Internal Revenue Code) from  
5 another member of such group shall be included only to  
6 the extent such amount exceeds expenses of the  
7 recipient directly related thereto.

8 (2) International Banking Facility. For taxable years  
9 ending before December 31, 2008:

10 (A) Adjusted Income. The adjusted income of an  
11 international banking facility is its income reduced  
12 by the amount of the floor amount.

13 (B) Floor Amount. The floor amount shall be the  
14 amount, if any, determined by multiplying the income of  
15 the international banking facility by a fraction, not  
16 greater than one, which is determined as follows:

17 (i) The numerator shall be:

18 The average aggregate, determined on a  
19 quarterly basis, of the financial organization's  
20 loans to banks in foreign countries, to foreign  
21 domiciled borrowers (except where secured  
22 primarily by real estate) and to foreign  
23 governments and other foreign official  
24 institutions, as reported for its branches,  
25 agencies and offices within the state on its  
26 "Consolidated Report of Condition", Schedule A,

1 Lines 2.c., 5.b., and 7.a., which was filed with  
2 the Federal Deposit Insurance Corporation and  
3 other regulatory authorities, for the year 1980,  
4 minus

5 The average aggregate, determined on a  
6 quarterly basis, of such loans (other than loans of  
7 an international banking facility), as reported by  
8 the financial institution for its branches,  
9 agencies and offices within the state, on the  
10 corresponding Schedule and lines of the  
11 Consolidated Report of Condition for the current  
12 taxable year, provided, however, that in no case  
13 shall the amount determined in this clause (the  
14 subtrahend) exceed the amount determined in the  
15 preceding clause (the minuend); and

16 (ii) the denominator shall be the average  
17 aggregate, determined on a quarterly basis, of the  
18 international banking facility's loans to banks in  
19 foreign countries, to foreign domiciled borrowers  
20 (except where secured primarily by real estate)  
21 and to foreign governments and other foreign  
22 official institutions, which were recorded in its  
23 financial accounts for the current taxable year.

24 (C) Change to Consolidated Report of Condition and  
25 in Qualification. In the event the Consolidated Report  
26 of Condition which is filed with the Federal Deposit

1 Insurance Corporation and other regulatory authorities  
2 is altered so that the information required for  
3 determining the floor amount is not found on Schedule  
4 A, lines 2.c., 5.b. and 7.a., the financial institution  
5 shall notify the Department and the Department may, by  
6 regulations or otherwise, prescribe or authorize the  
7 use of an alternative source for such information. The  
8 financial institution shall also notify the Department  
9 should its international banking facility fail to  
10 qualify as such, in whole or in part, or should there  
11 be any amendment or change to the Consolidated Report  
12 of Condition, as originally filed, to the extent such  
13 amendment or change alters the information used in  
14 determining the floor amount.

15 (3) For taxable years ending on or after December 31,  
16 2008, the business income of a financial organization shall  
17 be apportioned to this State by multiplying such income by  
18 a fraction, the numerator of which is its gross receipts  
19 from sources in this State or otherwise attributable to  
20 this State's marketplace and the denominator of which is  
21 its gross receipts everywhere during the taxable year.  
22 "Gross receipts" for purposes of this subparagraph (3)  
23 means gross income, including net taxable gain on  
24 disposition of assets, including securities and money  
25 market instruments, when derived from transactions and  
26 activities in the regular course of the financial

1 organization's trade or business. The following examples  
2 are illustrative:

3 (i) Receipts from the lease or rental of real or  
4 tangible personal property are in this State if the  
5 property is located in this State during the rental  
6 period. Receipts from the lease or rental of tangible  
7 personal property that is characteristically moving  
8 property, including, but not limited to, motor  
9 vehicles, rolling stock, aircraft, vessels, or mobile  
10 equipment are from sources in this State to the extent  
11 that the property is used in this State.

12 (ii) Interest income, commissions, fees, gains on  
13 disposition, and other receipts from assets in the  
14 nature of loans that are secured primarily by real  
15 estate or tangible personal property are from sources  
16 in this State if the security is located in this State.

17 (iii) Interest income, commissions, fees, gains on  
18 disposition, and other receipts from consumer loans  
19 that are not secured by real or tangible personal  
20 property are from sources in this State if the debtor  
21 is a resident of this State.

22 (iv) Interest income, commissions, fees, gains on  
23 disposition, and other receipts from commercial loans  
24 and installment obligations that are not secured by  
25 real or tangible personal property are from sources in  
26 this State if the proceeds of the loan are to be

1 applied in this State. If it cannot be determined where  
2 the funds are to be applied, the income and receipts  
3 are from sources in this State if the office of the  
4 borrower from which the loan was negotiated in the  
5 regular course of business is located in this State. If  
6 the location of this office cannot be determined, the  
7 income and receipts shall be excluded from the  
8 numerator and denominator of the sales factor.

9 (v) Interest income, fees, gains on disposition,  
10 service charges, merchant discount income, and other  
11 receipts from credit card receivables are from sources  
12 in this State if the card charges are regularly billed  
13 to a customer in this State.

14 (vi) Receipts from the performance of services,  
15 including, but not limited to, fiduciary, advisory,  
16 and brokerage services, are in this State if the  
17 services are received in this State within the meaning  
18 of subparagraph (a) (3) (C-5) (iv) of this Section.

19 (vii) Receipts from the issuance of travelers  
20 checks and money orders are from sources in this State  
21 if the checks and money orders are issued from a  
22 location within this State.

23 (viii) Receipts from investment assets and  
24 activities and trading assets and activities are  
25 included in the receipts factor as follows:

26 (1) Interest, dividends, net gains (but not



1 less than zero) and other income from investment  
2 assets and activities from trading assets and  
3 activities shall be included in the receipts  
4 factor. Investment assets and activities and  
5 trading assets and activities include but are not  
6 limited to: investment securities; trading account  
7 assets; federal funds; securities purchased and  
8 sold under agreements to resell or repurchase;  
9 options; futures contracts; forward contracts;  
10 notional principal contracts such as swaps;  
11 equities; and foreign currency transactions. With  
12 respect to the investment and trading assets and  
13 activities described in subparagraphs (A) and (B)  
14 of this paragraph, the receipts factor shall  
15 include the amounts described in such  
16 subparagraphs.

17 (A) The receipts factor shall include the  
18 amount by which interest from federal funds  
19 sold and securities purchased under resale  
20 agreements exceeds interest expense on federal  
21 funds purchased and securities sold under  
22 repurchase agreements.

23 (B) The receipts factor shall include the  
24 amount by which interest, dividends, gains and  
25 other income from trading assets and  
26 activities, including but not limited to

1 assets and activities in the matched book, in  
2 the arbitrage book, and foreign currency  
3 transactions, exceed amounts paid in lieu of  
4 interest, amounts paid in lieu of dividends,  
5 and losses from such assets and activities.

6 (2) The numerator of the receipts factor  
7 includes interest, dividends, net gains (but not  
8 less than zero), and other income from investment  
9 assets and activities and from trading assets and  
10 activities described in paragraph (1) of this  
11 subsection that are attributable to this State.

12 (A) The amount of interest, dividends, net  
13 gains (but not less than zero), and other  
14 income from investment assets and activities  
15 in the investment account to be attributed to  
16 this State and included in the numerator is  
17 determined by multiplying all such income from  
18 such assets and activities by a fraction, the  
19 numerator of which is the gross income from  
20 such assets and activities which are properly  
21 assigned to a fixed place of business of the  
22 taxpayer within this State and the denominator  
23 of which is the gross income from all such  
24 assets and activities.

25 (B) The amount of interest from federal  
26 funds sold and purchased and from securities

1 purchased under resale agreements and  
2 securities sold under repurchase agreements  
3 attributable to this State and included in the  
4 numerator is determined by multiplying the  
5 amount described in subparagraph (A) of  
6 paragraph (1) of this subsection from such  
7 funds and such securities by a fraction, the  
8 numerator of which is the gross income from  
9 such funds and such securities which are  
10 properly assigned to a fixed place of business  
11 of the taxpayer within this State and the  
12 denominator of which is the gross income from  
13 all such funds and such securities.

14 (C) The amount of interest, dividends,  
15 gains, and other income from trading assets and  
16 activities, including but not limited to  
17 assets and activities in the matched book, in  
18 the arbitrage book and foreign currency  
19 transactions (but excluding amounts described  
20 in subparagraphs (A) or (B) of this paragraph),  
21 attributable to this State and included in the  
22 numerator is determined by multiplying the  
23 amount described in subparagraph (B) of  
24 paragraph (1) of this subsection by a fraction,  
25 the numerator of which is the gross income from  
26 such trading assets and activities which are

1 properly assigned to a fixed place of business  
2 of the taxpayer within this State and the  
3 denominator of which is the gross income from  
4 all such assets and activities.

5 (D) Properly assigned, for purposes of  
6 this paragraph (2) of this subsection, means  
7 the investment or trading asset or activity is  
8 assigned to the fixed place of business with  
9 which it has a preponderance of substantive  
10 contacts. An investment or trading asset or  
11 activity assigned by the taxpayer to a fixed  
12 place of business without the State shall be  
13 presumed to have been properly assigned if:

14 (i) the taxpayer has assigned, in the  
15 regular course of its business, such asset  
16 or activity on its records to a fixed place  
17 of business consistent with federal or  
18 state regulatory requirements;

19 (ii) such assignment on its records is  
20 based upon substantive contacts of the  
21 asset or activity to such fixed place of  
22 business; and

23 (iii) the taxpayer uses such records  
24 reflecting assignment of such assets or  
25 activities for the filing of all state and  
26 local tax returns for which an assignment

1 of such assets or activities to a fixed  
2 place of business is required.

3 (E) The presumption of proper assignment  
4 of an investment or trading asset or activity  
5 provided in subparagraph (D) of paragraph (2)  
6 of this subsection may be rebutted upon a  
7 showing by the Department, supported by a  
8 preponderance of the evidence, that the  
9 preponderance of substantive contacts  
10 regarding such asset or activity did not occur  
11 at the fixed place of business to which it was  
12 assigned on the taxpayer's records. If the  
13 fixed place of business that has a  
14 preponderance of substantive contacts cannot  
15 be determined for an investment or trading  
16 asset or activity to which the presumption in  
17 subparagraph (D) of paragraph (2) of this  
18 subsection does not apply or with respect to  
19 which that presumption has been rebutted, that  
20 asset or activity is properly assigned to the  
21 state in which the taxpayer's commercial  
22 domicile is located. For purposes of this  
23 subparagraph (E), it shall be presumed,  
24 subject to rebuttal, that taxpayer's  
25 commercial domicile is in the state of the  
26 United States or the District of Columbia to

1           which the greatest number of employees are  
2           regularly connected with the management of the  
3           investment or trading income or out of which  
4           they are working, irrespective of where the  
5           services of such employees are performed, as of  
6           the last day of the taxable year.

7           (4) (Blank).

8           (5) (Blank).

9           (c-1) Federally regulated exchanges. For taxable years  
10          ending on or after December 31, 2012, business income of a  
11          federally regulated exchange shall, at the option of the  
12          federally regulated exchange, be apportioned to this State by  
13          multiplying such income by a fraction, the numerator of which  
14          is its business income from sources within this State, and the  
15          denominator of which is its business income from all sources.  
16          For purposes of this subsection, the business income within  
17          this State of a federally regulated exchange is the sum of the  
18          following:

19               (1) Receipts attributable to transactions executed on  
20               a physical trading floor if that physical trading floor is  
21               located in this State.

22               (2) Receipts attributable to all other matching,  
23               execution, or clearing transactions, including without  
24               limitation receipts from the provision of matching,  
25               execution, or clearing services to another entity,  
26               multiplied by (i) for taxable years ending on or after

1 December 31, 2012 but before December 31, 2013, 63.77%; and  
2 (ii) for taxable years ending on or after December 31,  
3 2013, 27.54%.

4 (3) All other receipts not governed by subparagraphs  
5 (1) or (2) of this subsection (c-1), to the extent the  
6 receipts would be characterized as "sales in this State"  
7 under item (3) of subsection (a) of this Section.

8 "Federally regulated exchange" means (i) a "registered  
9 entity" within the meaning of 7 U.S.C. Section 1a(40)(A), (B),  
10 or (C), (ii) an "exchange" or "clearing agency" within the  
11 meaning of 15 U.S.C. Section 78c (a)(1) or (23), (iii) any such  
12 entities regulated under any successor regulatory structure to  
13 the foregoing, and (iv) all taxpayers who are members of the  
14 same unitary business group as a federally regulated exchange,  
15 determined without regard to the prohibition in Section  
16 1501(a)(27) of this Act against including in a unitary business  
17 group taxpayers who are ordinarily required to apportion  
18 business income under different subsections of this Section;  
19 provided that this subparagraph (iv) shall apply only if 50% or  
20 more of the business receipts of the unitary business group  
21 determined by application of this subparagraph (iv) for the  
22 taxable year are attributable to the matching, execution, or  
23 clearing of transactions conducted by an entity described in  
24 subparagraph (i), (ii), or (iii) of this paragraph.

25 In no event shall the Illinois apportionment percentage  
26 computed in accordance with this subsection (c-1) for any

1 taxpayer for any tax year be less than the Illinois  
2 apportionment percentage computed under this subsection (c-1)  
3 for that taxpayer for the first full tax year ending on or  
4 after December 31, 2013 for which this subsection (c-1) applied  
5 to the taxpayer.

6 (d) Transportation services. For taxable years ending  
7 before December 31, 2008, business income derived from  
8 furnishing transportation services shall be apportioned to  
9 this State in accordance with paragraphs (1) and (2):

10 (1) Such business income (other than that derived from  
11 transportation by pipeline) shall be apportioned to this  
12 State by multiplying such income by a fraction, the  
13 numerator of which is the revenue miles of the person in  
14 this State, and the denominator of which is the revenue  
15 miles of the person everywhere. For purposes of this  
16 paragraph, a revenue mile is the transportation of 1  
17 passenger or 1 net ton of freight the distance of 1 mile  
18 for a consideration. Where a person is engaged in the  
19 transportation of both passengers and freight, the  
20 fraction above referred to shall be determined by means of  
21 an average of the passenger revenue mile fraction and the  
22 freight revenue mile fraction, weighted to reflect the  
23 person's

24 (A) relative railway operating income from total  
25 passenger and total freight service, as reported to the  
26 Interstate Commerce Commission, in the case of



1 transportation by railroad, and

2 (B) relative gross receipts from passenger and  
3 freight transportation, in case of transportation  
4 other than by railroad.

5 (2) Such business income derived from transportation  
6 by pipeline shall be apportioned to this State by  
7 multiplying such income by a fraction, the numerator of  
8 which is the revenue miles of the person in this State, and  
9 the denominator of which is the revenue miles of the person  
10 everywhere. For the purposes of this paragraph, a revenue  
11 mile is the transportation by pipeline of 1 barrel of oil,  
12 1,000 cubic feet of gas, or of any specified quantity of  
13 any other substance, the distance of 1 mile for a  
14 consideration.

15 (3) For taxable years ending on or after December 31,  
16 2008, business income derived from providing  
17 transportation services other than airline services shall  
18 be apportioned to this State by using a fraction, (a) the  
19 numerator of which shall be (i) all receipts from any  
20 movement or shipment of people, goods, mail, oil, gas, or  
21 any other substance (other than by airline) that both  
22 originates and terminates in this State, plus (ii) that  
23 portion of the person's gross receipts from movements or  
24 shipments of people, goods, mail, oil, gas, or any other  
25 substance (other than by airline) that originates in one  
26 state or jurisdiction and terminates in another state or

1 jurisdiction, that is determined by the ratio that the  
2 miles traveled in this State bears to total miles  
3 everywhere and (b) the denominator of which shall be all  
4 revenue derived from the movement or shipment of people,  
5 goods, mail, oil, gas, or any other substance (other than  
6 by airline). Where a taxpayer is engaged in the  
7 transportation of both passengers and freight, the  
8 fraction above referred to shall first be determined  
9 separately for passenger miles and freight miles. Then an  
10 average of the passenger miles fraction and the freight  
11 miles fraction shall be weighted to reflect the taxpayer's:

12 (A) relative railway operating income from total  
13 passenger and total freight service, as reported to the  
14 Surface Transportation Board, in the case of  
15 transportation by railroad; and

16 (B) relative gross receipts from passenger and  
17 freight transportation, in case of transportation  
18 other than by railroad.

19 (4) For taxable years ending on or after December 31,  
20 2008, business income derived from furnishing airline  
21 transportation services shall be apportioned to this State  
22 by multiplying such income by a fraction, the numerator of  
23 which is the revenue miles of the person in this State, and  
24 the denominator of which is the revenue miles of the person  
25 everywhere. For purposes of this paragraph, a revenue mile  
26 is the transportation of one passenger or one net ton of

1 freight the distance of one mile for a consideration. If a  
2 person is engaged in the transportation of both passengers  
3 and freight, the fraction above referred to shall be  
4 determined by means of an average of the passenger revenue  
5 mile fraction and the freight revenue mile fraction,  
6 weighted to reflect the person's relative gross receipts  
7 from passenger and freight airline transportation.

8 (e) Combined apportionment. Where 2 or more persons are  
9 engaged in a unitary business as described in subsection  
10 (a) (27) of Section 1501, a part of which is conducted in this  
11 State by one or more members of the group, the business income  
12 attributable to this State by any such member or members shall  
13 be apportioned by means of the combined apportionment method.

14 (f) Alternative allocation. If the allocation and  
15 apportionment provisions of subsections (a) through (e) and of  
16 subsection (h) do not, for taxable years ending before December  
17 31, 2008, fairly represent the extent of a person's business  
18 activity in this State, or, for taxable years ending on or  
19 after December 31, 2008, fairly represent the market for the  
20 person's goods, services, or other sources of business income,  
21 the person may petition for, or the Director may, without a  
22 petition, permit or require, in respect of all or any part of  
23 the person's business activity, if reasonable:

24 (1) Separate accounting;

25 (2) The exclusion of any one or more factors;

26 (3) The inclusion of one or more additional factors

1           which will fairly represent the person's business  
2           activities or market in this State; or

3           (4) The employment of any other method to effectuate an  
4           equitable allocation and apportionment of the person's  
5           business income.

6           (g) Cross reference. For allocation of business income by  
7           residents, see Section 301(a).

8           (h) For tax years ending on or after December 31, 1998, the  
9           apportionment factor of persons who apportion their business  
10          income to this State under subsection (a) shall be equal to:

11           (1) for tax years ending on or after December 31, 1998  
12          and before December 31, 1999, 16 2/3% of the property  
13          factor plus 16 2/3% of the payroll factor plus 66 2/3% of  
14          the sales factor;

15           (2) for tax years ending on or after December 31, 1999  
16          and before December 31, 2000, 8 1/3% of the property factor  
17          plus 8 1/3% of the payroll factor plus 83 1/3% of the sales  
18          factor;

19           (3) for tax years ending on or after December 31, 2000,  
20          the sales factor.

21          If, in any tax year ending on or after December 31, 1998 and  
22          before December 31, 2000, the denominator of the payroll,  
23          property, or sales factor is zero, the apportionment factor  
24          computed in paragraph (1) or (2) of this subsection for that  
25          year shall be divided by an amount equal to 100% minus the  
26          percentage weight given to each factor whose denominator is

1 equal to zero.

2 (Source: P.A. 99-642, eff. 7-28-16; 100-201, eff. 8-18-17.)

3 (35 ILCS 5/710) (from Ch. 120, par. 7-710)

4 Sec. 710. Withholding from lottery winnings.

5 (a) In general.

6 (1) Any person making a payment to a resident or  
7 nonresident of winnings under the Illinois Lottery Law and  
8 not required to withhold Illinois income tax from such  
9 payment under Subsection (b) of Section 701 of this Act  
10 because those winnings are not subject to Federal income  
11 tax withholding, must withhold Illinois income tax from  
12 such payment at a rate equal to the percentage tax rate for  
13 individuals provided in subsection (b) of Section 201,  
14 provided that withholding is not required if such payment  
15 of winnings is less than \$1,000.

16 (2) In the case of an assignment of a lottery prize  
17 under Section 13.1 of the Illinois Lottery Law, any person  
18 making a payment of the purchase price after December 31,  
19 2013, shall withhold from the amount of each payment at a  
20 rate equal to the percentage tax rate for individuals  
21 provided in subsection (b) of Section 201.

22 (3) Any person making a payment after December 31, 2018  
23 to a resident or nonresident of winnings from pari-mutuel  
24 wagering conducted at a wagering facility licensed under  
25 the Illinois Horse Racing Act of 1975 or from gambling

1       games conducted on a riverboat or in a casino or electronic  
2       gaming facility licensed under the Illinois Gambling Act  
3       must withhold Illinois income tax from such payment at a  
4       rate equal to the percentage tax rate for individuals  
5       provided in subsection (b) of Section 201, provided that  
6       the person making the payment is required to withhold under  
7       Section 3402(g) of the Internal Revenue Code.

8       (b) Credit for taxes withheld. Any amount withheld under  
9       Subsection (a) shall be a credit against the Illinois income  
10      tax liability of the person to whom the payment of winnings was  
11      made for the taxable year in which that person incurred an  
12      Illinois income tax liability with respect to those winnings.

13      (Source: P.A. 98-496, eff. 1-1-14.)

14      Section 90-23. The Property Tax Code is amended by adding  
15      Section 15-144 as follows:

16           (35 ILCS 200/15-144 new)

17      Sec. 15-144. Chicago Casino Development Authority. All  
18      property owned by the Chicago Casino Development Authority is  
19      exempt. Any property owned by the Chicago Casino Development  
20      Authority and leased to any other entity is not exempt.

21      Section 90-24. The Illinois Municipal Code is amended by  
22      adding Section 8-10-2.6 as follows:

1 (65 ILCS 5/8-10-2.6 new)

2 Sec. 8-10-2.6. Chicago Casino Development Authority.

3 Except as otherwise provided in the Chicago Casino Development  
4 Authority Act, this Division 10 applies to purchase orders and  
5 contracts relating to the Chicago Casino Development  
6 Authority.

7 Section 90-25. The Joliet Regional Port District Act is  
8 amended by changing Section 5.1 as follows:

9 (70 ILCS 1825/5.1) (from Ch. 19, par. 255.1)

10 Sec. 5.1. Riverboat and casino gambling. Notwithstanding  
11 any other provision of this Act, the District may not regulate  
12 the operation, conduct, or navigation of any riverboat gambling  
13 casino licensed under the Illinois Riverboat Gambling Act, and  
14 the District may not license, tax, or otherwise levy any  
15 assessment of any kind on any riverboat gambling casino  
16 licensed under the Illinois Riverboat Gambling Act. The General  
17 Assembly declares that the powers to regulate the operation,  
18 conduct, and navigation of riverboat gambling casinos and to  
19 license, tax, and levy assessments upon riverboat gambling  
20 casinos are exclusive powers of the State of Illinois and the  
21 Illinois Gaming Board as provided in the Illinois Riverboat  
22 Gambling Act.

23 (Source: P.A. 87-1175.)

1           Section 90-30. The Consumer Installment Loan Act is amended  
2 by changing Section 12.5 as follows:

3           (205 ILCS 670/12.5)

4           Sec. 12.5. Limited purpose branch.

5           (a) Upon the written approval of the Director, a licensee  
6 may maintain a limited purpose branch for the sole purpose of  
7 making loans as permitted by this Act. A limited purpose branch  
8 may include an automatic loan machine. No other activity shall  
9 be conducted at the site, including but not limited to,  
10 accepting payments, servicing the accounts, or collections.

11           (b) The licensee must submit an application for a limited  
12 purpose branch to the Director on forms prescribed by the  
13 Director with an application fee of \$300. The approval for the  
14 limited purpose branch must be renewed concurrently with the  
15 renewal of the licensee's license along with a renewal fee of  
16 \$300 for the limited purpose branch.

17           (c) The books, accounts, records, and files of the limited  
18 purpose branch's transactions shall be maintained at the  
19 licensee's licensed location. The licensee shall notify the  
20 Director of the licensed location at which the books, accounts,  
21 records, and files shall be maintained.

22           (d) The licensee shall prominently display at the limited  
23 purpose branch the address and telephone number of the  
24 licensee's licensed location.

25           (e) No other business shall be conducted at the site of the



1 limited purpose branch unless authorized by the Director.

2 (f) The Director shall make and enforce reasonable rules  
3 for the conduct of a limited purpose branch.

4 (g) A limited purpose branch may not be located within  
5 1,000 feet of a facility operated by an inter-track wagering  
6 licensee or an organization licensee subject to the Illinois  
7 Horse Racing Act of 1975, on a riverboat or in a casino subject  
8 to the Illinois Riverboat Gambling Act, or within 1,000 feet of  
9 the location at which the riverboat docks or within 1,000 feet  
10 of a casino.

11 (Source: P.A. 90-437, eff. 1-1-98.)

12 Section 90-35. The Illinois Horse Racing Act of 1975 is  
13 amended by changing Sections 1.2, 3.11, 3.12, 6, 9, 15, 18, 19,  
14 20, 21, 24, 25, 26, 26.8, 26.9, 27, 30, 30.5, 31, 32.1, 36, 40,  
15 and 54.75 and by adding Sections 3.31, 3.32, 3.33, 3.35, 3.36,  
16 34.3, and 56 as follows:

17 (230 ILCS 5/1.2)

18 Sec. 1.2. Legislative intent. This Act is intended to  
19 benefit the people of the State of Illinois by encouraging the  
20 breeding and production of race horses, assisting economic  
21 development and promoting Illinois tourism. The General  
22 Assembly finds and declares it to be the public policy of the  
23 State of Illinois to:

24 (a) support and enhance Illinois' horse racing industry,

1 which is a significant component within the agribusiness  
2 industry;

3 (b) ensure that Illinois' horse racing industry remains  
4 competitive with neighboring states;

5 (c) stimulate growth within Illinois' horse racing  
6 industry, thereby encouraging new investment and development  
7 to produce additional tax revenues and to create additional  
8 jobs;

9 (d) promote the further growth of tourism;

10 (e) encourage the breeding of thoroughbred and  
11 standardbred horses in this State; and

12 (f) ensure that public confidence and trust in the  
13 credibility and integrity of racing operations and the  
14 regulatory process is maintained.

15 (Source: P.A. 91-40, eff. 6-25-99.)

16 (230 ILCS 5/3.11) (from Ch. 8, par. 37-3.11)

17 Sec. 3.11. "Organization Licensee" means any person  
18 receiving an organization license from the Board to conduct a  
19 race meeting or meetings. With respect only to electronic  
20 gaming, "organization licensee" includes the authorization for  
21 an electronic gaming license under subsection (a) of Section 56  
22 of this Act.

23 (Source: P.A. 79-1185.)

24 (230 ILCS 5/3.12) (from Ch. 8, par. 37-3.12)

1           Sec. 3.12. Pari-mutuel system of wagering. "Pari-mutuel  
2 system of wagering" means a form of wagering on the outcome of  
3 horse races in which wagers are made in various denominations  
4 on a horse or horses and all wagers for each race are pooled  
5 and held by a licensee for distribution in a manner approved by  
6 the Board. "Pari-mutuel system of wagering" shall not include  
7 wagering on historic races. Wagers may be placed via any method  
8 or at any location authorized under this Act.

9           (Source: P.A. 96-762, eff. 8-25-09.)

10           (230 ILCS 5/3.31 new)

11           Sec. 3.31. Adjusted gross receipts. "Adjusted gross  
12 receipts" means the gross receipts less winnings paid to  
13 wagerers.

14           (230 ILCS 5/3.32 new)

15           Sec. 3.32. Gross receipts. "Gross receipts" means the total  
16 amount of money exchanged for the purchase of chips, tokens, or  
17 electronic cards by riverboat or casino patrons or electronic  
18 gaming patrons.

19           (230 ILCS 5/3.33 new)

20           Sec. 3.33. Electronic gaming. "Electronic gaming" means  
21 slot machine gambling, video game of chance gambling, or  
22 gambling with electronic gambling games as defined in the  
23 Illinois Gambling Act or defined by the Illinois Gaming Board

1 that is conducted at a race track pursuant to an electronic  
2 gaming license.

3 (230 ILCS 5/3.35 new)

4 Sec. 3.35. Electronic gaming license. "Electronic gaming  
5 license" means a license issued by the Illinois Gaming Board  
6 under Section 7.7 of the Illinois Gambling Act authorizing  
7 electronic gaming at an electronic gaming facility.

8 (230 ILCS 5/3.36 new)

9 Sec. 3.36. Electronic gaming facility. "Electronic gaming  
10 facility" means that portion of an organization licensee's race  
11 track facility at which electronic gaming is conducted.

12 (230 ILCS 5/6) (from Ch. 8, par. 37-6)

13 Sec. 6. Restrictions on Board members.

14 (a) No person shall be appointed a member of the Board or  
15 continue to be a member of the Board if the person or any  
16 member of their immediate family is a member of the Board of  
17 Directors, employee, or financially interested in any of the  
18 following: (i) any licensee or other person who has applied for  
19 racing dates to the Board, or the operations thereof including,  
20 but not limited to, concessions, data processing, track  
21 maintenance, track security, and pari-mutuel operations,  
22 located, scheduled or doing business within the State of  
23 Illinois, (ii) any race horse competing at a meeting under the

1 Board's jurisdiction, or (iii) any licensee under the Illinois  
2 Gambling Act. No person shall be appointed a member of the  
3 Board or continue to be a member of the Board who is (or any  
4 member of whose family is) a member of the Board of Directors  
5 of, or who is a person financially interested in, any licensee  
6 or other person who has applied for racing dates to the Board,  
7 or the operations thereof including, but not limited to,  
8 concessions, data processing, track maintenance, track  
9 security and pari mutuel operations, located, scheduled or  
10 doing business within the State of Illinois, or in any race  
11 horse competing at a meeting under the Board's jurisdiction. No  
12 Board member shall hold any other public office for which he  
13 shall receive compensation other than necessary travel or other  
14 incidental expenses.

15 (b) No person shall be a member of the Board who is not of  
16 good moral character or who has been convicted of, or is under  
17 indictment for, a felony under the laws of Illinois or any  
18 other state, or the United States.

19 (c) No member of the Board or employee shall engage in any  
20 political activity.

21 For the purposes of this subsection (c):

22 "Political" means any activity in support of or in  
23 connection with any campaign for State or local elective office  
24 or any political organization, but does not include activities  
25 (i) relating to the support or opposition of any executive,  
26 legislative, or administrative action (as those terms are

1 defined in Section 2 of the Lobbyist Registration Act), (ii)  
2 relating to collective bargaining, or (iii) that are otherwise  
3 in furtherance of the person's official State duties or  
4 governmental and public service functions.

5 "Political organization" means a party, committee,  
6 association, fund, or other organization (whether or not  
7 incorporated) that is required to file a statement of  
8 organization with the State Board of Elections or county clerk  
9 under Section 9-3 of the Election Code, but only with regard to  
10 those activities that require filing with the State Board of  
11 Elections or county clerk.

12 (d) Board members and employees may not engage in  
13 communications or any activity that may cause or have the  
14 appearance of causing a conflict of interest. A conflict of  
15 interest exists if a situation influences or creates the  
16 appearance that it may influence judgment or performance of  
17 regulatory duties and responsibilities. This prohibition shall  
18 extend to any act identified by Board action that, in the  
19 judgment of the Board, could represent the potential for or the  
20 appearance of a conflict of interest.

21 (e) Board members and employees may not accept any gift,  
22 gratuity, service, compensation, travel, lodging, or thing of  
23 value, with the exception of unsolicited items of an incidental  
24 nature, from any person, corporation, limited liability  
25 company, or entity doing business with the Board.

26 (f) A Board member or employee shall not use or attempt to

1 use his or her official position to secure, or attempt to  
2 secure, any privilege, advantage, favor, or influence for  
3 himself or herself or others. No Board member or employee,  
4 within a period of one year immediately preceding nomination by  
5 the Governor or employment, shall have been employed or  
6 received compensation or fees for services from a person or  
7 entity, or its parent or affiliate, that has engaged in  
8 business with the Board, a licensee or a licensee under the  
9 Illinois Gambling Act. In addition, all Board members and  
10 employees are subject to the restrictions set forth in Section  
11 5-45 of the State Officials and Employees Ethics Act.

12 (Source: P.A. 89-16, eff. 5-30-95.)

13 (230 ILCS 5/9) (from Ch. 8, par. 37-9)

14 Sec. 9. The Board shall have all powers necessary and  
15 proper to fully and effectively execute the provisions of this  
16 Act, including, but not limited to, the following:

17 (a) The Board is vested with jurisdiction and supervision  
18 over all race meetings in this State, over all licensees doing  
19 business in this State, over all occupation licensees, and over  
20 all persons on the facilities of any licensee. Such  
21 jurisdiction shall include the power to issue licenses to the  
22 Illinois Department of Agriculture authorizing the pari-mutuel  
23 system of wagering on harness and Quarter Horse races held (1)  
24 at the Illinois State Fair in Sangamon County, and (2) at the  
25 DuQuoin State Fair in Perry County. The jurisdiction of the

1 Board shall also include the power to issue licenses to county  
2 fairs which are eligible to receive funds pursuant to the  
3 Agricultural Fair Act, as now or hereafter amended, or their  
4 agents, authorizing the pari-mutuel system of wagering on horse  
5 races conducted at the county fairs receiving such licenses.  
6 Such licenses shall be governed by subsection (n) of this  
7 Section.

8       Upon application, the Board shall issue a license to the  
9 Illinois Department of Agriculture to conduct harness and  
10 Quarter Horse races at the Illinois State Fair and at the  
11 DuQuoin State Fairgrounds during the scheduled dates of each  
12 fair. The Board shall not require and the Department of  
13 Agriculture shall be exempt from the requirements of Sections  
14 15.3, 18 and 19, paragraphs (a)(2), (b), (c), (d), (e), (e-5),  
15 (e-10), (f), (g), and (h) of Section 20, and Sections 21, 24  
16 and 25. The Board and the Department of Agriculture may extend  
17 any or all of these exemptions to any contractor or agent  
18 engaged by the Department of Agriculture to conduct its race  
19 meetings when the Board determines that this would best serve  
20 the public interest and the interest of horse racing.

21       Notwithstanding any provision of law to the contrary, it  
22 shall be lawful for any licensee to operate pari-mutuel  
23 wagering or contract with the Department of Agriculture to  
24 operate pari-mutuel wagering at the DuQuoin State Fairgrounds  
25 or for the Department to enter into contracts with a licensee,  
26 employ its owners, employees or agents and employ such other



1 occupation licensees as the Department deems necessary in  
2 connection with race meetings and wagerings.

3 (b) The Board is vested with the full power to promulgate  
4 reasonable rules and regulations for the purpose of  
5 administering the provisions of this Act and to prescribe  
6 reasonable rules, regulations and conditions under which all  
7 horse race meetings or wagering in the State shall be  
8 conducted. Such reasonable rules and regulations are to provide  
9 for the prevention of practices detrimental to the public  
10 interest and to promote the best interests of horse racing and  
11 to impose penalties for violations thereof.

12 (c) The Board, and any person or persons to whom it  
13 delegates this power, is vested with the power to enter the  
14 facilities and other places of business of any licensee to  
15 determine whether there has been compliance with the provisions  
16 of this Act and its rules and regulations.

17 (d) The Board, and any person or persons to whom it  
18 delegates this power, is vested with the authority to  
19 investigate alleged violations of the provisions of this Act,  
20 its reasonable rules and regulations, orders and final  
21 decisions; the Board shall take appropriate disciplinary  
22 action against any licensee or occupation licensee for  
23 violation thereof or institute appropriate legal action for the  
24 enforcement thereof.

25 (e) The Board, and any person or persons to whom it  
26 delegates this power, may eject or exclude from any race

1 meeting or the facilities of any licensee, or any part thereof,  
2 any occupation licensee or any other individual whose conduct  
3 or reputation is such that his presence on those facilities  
4 may, in the opinion of the Board, call into question the  
5 honesty and integrity of horse racing or wagering or interfere  
6 with the orderly conduct of horse racing or wagering; provided,  
7 however, that no person shall be excluded or ejected from the  
8 facilities of any licensee solely on the grounds of race,  
9 color, creed, national origin, ancestry, or sex. The power to  
10 eject or exclude an occupation licensee or other individual may  
11 be exercised for just cause by the licensee or the Board,  
12 subject to subsequent hearing by the Board as to the propriety  
13 of said exclusion.

14 (f) The Board is vested with the power to acquire,  
15 establish, maintain and operate (or provide by contract to  
16 maintain and operate) testing laboratories and related  
17 facilities, for the purpose of conducting saliva, blood, urine  
18 and other tests on the horses run or to be run in any horse race  
19 meeting, including races run at county fairs, and to purchase  
20 all equipment and supplies deemed necessary or desirable in  
21 connection with any such testing laboratories and related  
22 facilities and all such tests.

23 (g) The Board may require that the records, including  
24 financial or other statements of any licensee or any person  
25 affiliated with the licensee who is involved directly or  
26 indirectly in the activities of any licensee as regulated under

1 this Act to the extent that those financial or other statements  
2 relate to such activities be kept in such manner as prescribed  
3 by the Board, and that Board employees shall have access to  
4 those records during reasonable business hours. Within 120 days  
5 of the end of its fiscal year, each licensee shall transmit to  
6 the Board an audit of the financial transactions and condition  
7 of the licensee's total operations. All audits shall be  
8 conducted by certified public accountants. Each certified  
9 public accountant must be registered in the State of Illinois  
10 under the Illinois Public Accounting Act. The compensation for  
11 each certified public accountant shall be paid directly by the  
12 licensee to the certified public accountant. A licensee shall  
13 also submit any other financial or related information the  
14 Board deems necessary to effectively administer this Act and  
15 all rules, regulations, and final decisions promulgated under  
16 this Act.

17 (h) The Board shall name and appoint in the manner provided  
18 by the rules and regulations of the Board: an Executive  
19 Director; a State director of mutuels; State veterinarians and  
20 representatives to take saliva, blood, urine and other tests on  
21 horses; licensing personnel; revenue inspectors; and State  
22 seasonal employees (excluding admission ticket sellers and  
23 mutuel clerks). All of those named and appointed as provided in  
24 this subsection shall serve during the pleasure of the Board;  
25 their compensation shall be determined by the Board and be paid  
26 in the same manner as other employees of the Board under this

1 Act.

2 (i) The Board shall require that there shall be 3 stewards  
3 at each horse race meeting, at least 2 of whom shall be named  
4 and appointed by the Board. Stewards appointed or approved by  
5 the Board, while performing duties required by this Act or by  
6 the Board, shall be entitled to the same rights and immunities  
7 as granted to Board members and Board employees in Section 10  
8 of this Act.

9 (j) The Board may discharge any Board employee who fails or  
10 refuses for any reason to comply with the rules and regulations  
11 of the Board, or who, in the opinion of the Board, is guilty of  
12 fraud, dishonesty or who is proven to be incompetent. The Board  
13 shall have no right or power to determine who shall be  
14 officers, directors or employees of any licensee, or their  
15 salaries except the Board may, by rule, require that all or any  
16 officials or employees in charge of or whose duties relate to  
17 the actual running of races be approved by the Board.

18 (k) The Board is vested with the power to appoint delegates  
19 to execute any of the powers granted to it under this Section  
20 for the purpose of administering this Act and any rules or  
21 regulations promulgated in accordance with this Act.

22 (l) The Board is vested with the power to impose civil  
23 penalties of up to \$5,000 against an individual and up to  
24 \$10,000 against a licensee for each violation of any provision  
25 of this Act, any rules adopted by the Board, any order of the  
26 Board or any other action which, in the Board's discretion, is

1 a detriment or impediment to horse racing or wagering.  
2 Beginning on the date when any organization licensee begins  
3 conducting electronic gaming pursuant to an electronic gaming  
4 license issued under the Illinois Gambling Act, the power  
5 granted to the Board pursuant to this subsection (l) shall  
6 authorize the Board to impose penalties of up to \$10,000  
7 against an individual and up to \$25,000 against a licensee. All  
8 such civil penalties shall be deposited into the Horse Racing  
9 Fund.

10 (m) The Board is vested with the power to prescribe a form  
11 to be used by licensees as an application for employment for  
12 employees of each licensee.

13 (n) The Board shall have the power to issue a license to  
14 any county fair, or its agent, authorizing the conduct of the  
15 pari-mutuel system of wagering. The Board is vested with the  
16 full power to promulgate reasonable rules, regulations and  
17 conditions under which all horse race meetings licensed  
18 pursuant to this subsection shall be held and conducted,  
19 including rules, regulations and conditions for the conduct of  
20 the pari-mutuel system of wagering. The rules, regulations and  
21 conditions shall provide for the prevention of practices  
22 detrimental to the public interest and for the best interests  
23 of horse racing, and shall prescribe penalties for violations  
24 thereof. Any authority granted the Board under this Act shall  
25 extend to its jurisdiction and supervision over county fairs,  
26 or their agents, licensed pursuant to this subsection. However,

1 the Board may waive any provision of this Act or its rules or  
2 regulations which would otherwise apply to such county fairs or  
3 their agents.

4 (o) Whenever the Board is authorized or required by law to  
5 consider some aspect of criminal history record information for  
6 the purpose of carrying out its statutory powers and  
7 responsibilities, then, upon request and payment of fees in  
8 conformance with the requirements of Section 2605-400 of the  
9 Department of State Police Law (20 ILCS 2605/2605-400), the  
10 Department of State Police is authorized to furnish, pursuant  
11 to positive identification, such information contained in  
12 State files as is necessary to fulfill the request.

13 (p) To insure the convenience, comfort, and wagering  
14 accessibility of race track patrons, to provide for the  
15 maximization of State revenue, and to generate increases in  
16 purse allotments to the horsemen, the Board shall require any  
17 licensee to staff the pari-mutuel department with adequate  
18 personnel.

19 (Source: P.A. 97-1060, eff. 8-24-12.)

20 (230 ILCS 5/15) (from Ch. 8, par. 37-15)

21 Sec. 15. (a) The Board shall, in its discretion, issue  
22 occupation licenses to horse owners, trainers, harness  
23 drivers, jockeys, agents, apprentices, grooms, stable foremen,  
24 exercise persons, veterinarians, valets, blacksmiths,  
25 concessionaires and others designated by the Board whose work,

1 in whole or in part, is conducted upon facilities within the  
2 State. Such occupation licenses will be obtained prior to the  
3 persons engaging in their vocation upon such facilities. The  
4 Board shall not license pari-mutuel clerks, parking  
5 attendants, security guards and employees of concessionaires.  
6 No occupation license shall be required of any person who works  
7 at facilities within this State as a pari-mutuel clerk, parking  
8 attendant, security guard or as an employee of a  
9 concessionaire. Concessionaires of the Illinois State Fair and  
10 DuQuoin State Fair and employees of the Illinois Department of  
11 Agriculture shall not be required to obtain an occupation  
12 license by the Board.

13 (b) Each application for an occupation license shall be on  
14 forms prescribed by the Board. Such license, when issued, shall  
15 be for the period ending December 31 of each year, except that  
16 the Board in its discretion may grant 3-year licenses. The  
17 application shall be accompanied by a fee of not more than \$25  
18 per year or, in the case of 3-year occupation license  
19 applications, a fee of not more than \$60. Each applicant shall  
20 set forth in the application his full name and address, and if  
21 he had been issued prior occupation licenses or has been  
22 licensed in any other state under any other name, such name,  
23 his age, whether or not a permit or license issued to him in  
24 any other state has been suspended or revoked and if so whether  
25 such suspension or revocation is in effect at the time of the  
26 application, and such other information as the Board may

1 require. Fees for registration of stable names shall not exceed  
2 \$50.00. Beginning on the date when any organization licensee  
3 begins conducting electronic gaming pursuant to an electronic  
4 gaming license issued under the Illinois Gambling Act, the fee  
5 for registration of stable names shall not exceed \$150, and the  
6 application fee for an occupation license shall not exceed \$75,  
7 per year or, in the case of a 3-year occupation license  
8 application, the fee shall not exceed \$180.

9 (c) The Board may in its discretion refuse an occupation  
10 license to any person:

11 (1) who has been convicted of a crime;

12 (2) who is unqualified to perform the duties required  
13 of such applicant;

14 (3) who fails to disclose or states falsely any  
15 information called for in the application;

16 (4) who has been found guilty of a violation of this  
17 Act or of the rules and regulations of the Board; or

18 (5) whose license or permit has been suspended, revoked  
19 or denied for just cause in any other state.

20 (d) The Board may suspend or revoke any occupation license:

21 (1) for violation of any of the provisions of this Act;

22 or

23 (2) for violation of any of the rules or regulations of  
24 the Board; or

25 (3) for any cause which, if known to the Board, would  
26 have justified the Board in refusing to issue such



1 occupation license; or

2 (4) for any other just cause.

3 (e) Each applicant shall submit his or her fingerprints  
4 to the Department of State Police in the form and manner  
5 prescribed by the Department of State Police. These  
6 fingerprints shall be checked against the fingerprint records  
7 now and hereafter filed in the Department of State Police and  
8 Federal Bureau of Investigation criminal history records  
9 databases. The Department of State Police shall charge a fee  
10 for conducting the criminal history records check, which shall  
11 be deposited in the State Police Services Fund and shall not  
12 exceed the actual cost of the records check. The Department of  
13 State Police shall furnish, pursuant to positive  
14 identification, records of conviction to the Board. Each  
15 applicant for licensure shall submit with his occupation  
16 license application, on forms provided by the Board, 2 sets of  
17 his fingerprints. All such applicants shall appear in person at  
18 the location designated by the Board for the purpose of  
19 submitting such sets of fingerprints; however, with the prior  
20 approval of a State steward, an applicant may have such sets of  
21 fingerprints taken by an official law enforcement agency and  
22 submitted to the Board.

23 (f) The Board may, in its discretion, issue an occupation  
24 license without submission of fingerprints if an applicant has  
25 been duly licensed in another recognized racing jurisdiction  
26 after submitting fingerprints that were subjected to a Federal

1 Bureau of Investigation criminal history background check in  
2 that jurisdiction.

3 (g) Beginning on the date when any organization licensee  
4 begins conducting electronic gaming pursuant to an electronic  
5 gaming license issued under the Illinois Gambling Act, the  
6 Board may charge each applicant a reasonable non-refundable fee  
7 to defray the costs associated with the background  
8 investigation conducted by the Board. This fee shall be  
9 exclusive of any other fee or fees charged in connection with  
10 an application for and, if applicable, the issuance of, an  
11 electronic gaming license. If the costs of the investigation  
12 exceed the amount of the fee charged, the Board shall  
13 immediately notify the applicant of the additional amount owed,  
14 payment of which must be submitted to the Board within 7 days  
15 after such notification. All information, records, interviews,  
16 reports, statements, memoranda, or other data supplied to or  
17 used by the Board in the course of its review or investigation  
18 of an applicant for a license or renewal under this Act shall  
19 be privileged, strictly confidential, and shall be used only  
20 for the purpose of evaluating an applicant for a license or a  
21 renewal. Such information, records, interviews, reports,  
22 statements, memoranda, or other data shall not be admissible as  
23 evidence, nor discoverable, in any action of any kind in any  
24 court or before any tribunal, board, agency, or person, except  
25 for any action deemed necessary by the Board.

26 (Source: P.A. 93-418, eff. 1-1-04.)

1 (230 ILCS 5/18) (from Ch. 8, par. 37-18)

2 Sec. 18. (a) Together with its application, each applicant  
3 for racing dates shall deliver to the Board a certified check  
4 or bank draft payable to the order of the Board for \$1,000. In  
5 the event the applicant applies for racing dates in 2 or 3  
6 successive calendar years as provided in subsection (b) of  
7 Section 21, the fee shall be \$2,000. Filing fees shall not be  
8 refunded in the event the application is denied. Beginning on  
9 the date when any organization licensee begins conducting  
10 electronic gaming pursuant to an electronic gaming license  
11 issued under the Illinois Gambling Act, the application fee for  
12 racing dates imposed by this subsection (a) shall be \$10,000  
13 and the application fee for racing dates in 2 or 3 successive  
14 calendar years as provided in subsection (b) of Section 21  
15 shall be \$20,000. All filing fees shall be deposited into the  
16 Horse Racing Fund.

17 (b) In addition to the filing fee imposed by subsection (a)  
18 ~~of \$1000~~ and the fees provided in subsection (j) of Section 20,  
19 each organization licensee shall pay a license fee of \$100 for  
20 each racing program on which its daily pari-mutuel handle is  
21 \$400,000 or more but less than \$700,000, and a license fee of  
22 \$200 for each racing program on which its daily pari-mutuel  
23 handle is \$700,000 or more. The additional fees required to be  
24 paid under this Section by this amendatory Act of 1982 shall be  
25 remitted by the organization licensee to the Illinois Racing

1 Board with each day's graduated privilege tax or pari-mutuel  
2 tax and breakage as provided under Section 27. Beginning on the  
3 date when any organization licensee begins conducting  
4 electronic gaming pursuant to an electronic gaming license  
5 issued under the Illinois Gambling Act, the license fee imposed  
6 by this subsection (b) shall be \$200 for each racing program on  
7 which the organization licensee's daily pari-mutuel handle is  
8 \$100,000 or more, but less than \$400,000, and the license fee  
9 imposed by this subsection (b) shall be \$400 for each racing  
10 program on which the organization licensee's daily pari-mutuel  
11 handle is \$400,000 or more.

12 (c) Sections 11-42-1, 11-42-5, and 11-54-1 of the "Illinois  
13 Municipal Code," approved May 29, 1961, as now or hereafter  
14 amended, shall not apply to any license under this Act.

15 (Source: P.A. 97-1060, eff. 8-24-12.)

16 (230 ILCS 5/19) (from Ch. 8, par. 37-19)

17 Sec. 19. (a) No organization license may be granted to  
18 conduct a horse race meeting:

19 (1) except as provided in subsection (c) of Section 21  
20 of this Act, to any person at any place within 35 miles of  
21 any other place licensed by the Board to hold a race  
22 meeting on the same date during the same hours, the mileage  
23 measurement used in this subsection (a) shall be certified  
24 to the Board by the Bureau of Systems and Services in the  
25 Illinois Department of Transportation as the most commonly

1 used public way of vehicular travel;

2 (2) to any person in default in the payment of any  
3 obligation or debt due the State under this Act, provided  
4 no applicant shall be deemed in default in the payment of  
5 any obligation or debt due to the State under this Act as  
6 long as there is pending a hearing of any kind relevant to  
7 such matter;

8 (3) to any person who has been convicted of the  
9 violation of any law of the United States or any State law  
10 which provided as all or part of its penalty imprisonment  
11 in any penal institution; to any person against whom there  
12 is pending a Federal or State criminal charge; to any  
13 person who is or has been connected with or engaged in the  
14 operation of any illegal business; to any person who does  
15 not enjoy a general reputation in his community of being an  
16 honest, upright, law-abiding person; provided that none of  
17 the matters set forth in this subparagraph (3) shall make  
18 any person ineligible to be granted an organization license  
19 if the Board determines, based on circumstances of any such  
20 case, that the granting of a license would not be  
21 detrimental to the interests of horse racing and of the  
22 public;

23 (4) to any person who does not at the time of  
24 application for the organization license own or have a  
25 contract or lease for the possession of a finished race  
26 track suitable for the type of racing intended to be held

1 by the applicant and for the accommodation of the public.

2 (b) (Blank) ~~Horse racing on Sunday shall be prohibited~~  
3 ~~unless authorized by ordinance or referendum of the~~  
4 ~~municipality in which a race track or any of its appurtenances~~  
5 ~~or facilities are located, or utilized.~~

6 (c) If any person is ineligible to receive an organization  
7 license because of any of the matters set forth in subsection  
8 (a) (2) or subsection (a) (3) of this Section, any other or  
9 separate person that either (i) controls, directly or  
10 indirectly, such ineligible person or (ii) is controlled,  
11 directly or indirectly, by such ineligible person or by a  
12 person which controls, directly or indirectly, such ineligible  
13 person shall also be ineligible.

14 (Source: P.A. 88-495; 89-16, eff. 5-30-95.)

15 (230 ILCS 5/20) (from Ch. 8, par. 37-20)

16 Sec. 20. (a) Any person desiring to conduct a horse race  
17 meeting may apply to the Board for an organization license. The  
18 application shall be made on a form prescribed and furnished by  
19 the Board. The application shall specify:

20 (1) the dates on which it intends to conduct the horse  
21 race meeting, which dates shall be provided under Section  
22 21;

23 (2) the hours of each racing day between which it  
24 intends to hold or conduct horse racing at such meeting;

25 (3) the location where it proposes to conduct the

1 meeting; and

2 (4) any other information the Board may reasonably  
3 require.

4 (b) A separate application for an organization license  
5 shall be filed for each horse race meeting which such person  
6 proposes to hold. Any such application, if made by an  
7 individual, or by any individual as trustee, shall be signed  
8 and verified under oath by such individual. If the application  
9 is made by individuals, then it shall be signed and verified  
10 under oath by at least 2 of the individuals; if the application  
11 is made by ~~or a partnership, it shall be signed and verified~~  
12 ~~under oath by at least 2 of such individuals or members of such~~  
13 ~~partnership as the case may be. If made by an association, a~~  
14 ~~corporation, a corporate trustee, a limited liability company,~~  
15 ~~or any other entity, it shall be signed by an authorized~~  
16 ~~officer, a partner, a member, or a manager, as the case may be,~~  
17 ~~of the entity the president and attested by the secretary or~~  
18 ~~assistant secretary under the seal of such association, trust~~  
19 ~~or corporation if it has a seal, and shall also be verified~~  
20 ~~under oath by one of the signing officers.~~

21 (c) The application shall specify:

22 (1) the name of the persons, association, trust, or  
23 corporation making such application; ~~and~~

24 (2) the principal ~~post office~~ address of the applicant;

25 (3) if the applicant is a trustee, the names and  
26 addresses of the beneficiaries; if the applicant is a

1 corporation, the names and ~~post-office~~ addresses of all  
2 officers, stockholders and directors; or if such  
3 stockholders hold stock as a nominee or fiduciary, the  
4 names and ~~post-office~~ addresses of the parties ~~these~~  
5 ~~persons, partnerships, corporations, or trusts~~ who are the  
6 beneficial owners thereof or who are beneficially  
7 interested therein; ~~and~~ if the applicant is a partnership,  
8 the names and ~~post-office~~ addresses of all partners,  
9 general or limited; if the applicant is a limited liability  
10 company, the names and addresses of the manager and  
11 members; and if the applicant is any other entity, the  
12 names and addresses of all officers or other authorized  
13 persons of the entity ~~corporation, the name of the state of~~  
14 ~~its incorporation shall be specified.~~

15 (d) The applicant shall execute and file with the Board a  
16 good faith affirmative action plan to recruit, train, and  
17 upgrade minorities in all classifications within the  
18 association.

19 (e) With such application there shall be delivered to the  
20 Board a certified check or bank draft payable to the order of  
21 the Board for an amount equal to \$1,000. All applications for  
22 the issuance of an organization license shall be filed with the  
23 Board before August 1 of the year prior to the year for which  
24 application is made and shall be acted upon by the Board at a  
25 meeting to be held on such date as shall be fixed by the Board  
26 during the last 15 days of September of such prior year. At



1 such meeting, the Board shall announce the award of the racing  
2 meets, live racing schedule, and designation of host track to  
3 the applicants and its approval or disapproval of each  
4 application. No announcement shall be considered binding until  
5 a formal order is executed by the Board, which shall be  
6 executed no later than October 15 of that prior year. Absent  
7 the agreement of the affected organization licensees, the Board  
8 shall not grant overlapping race meetings to 2 or more tracks  
9 that are within 100 miles of each other to conduct the  
10 thoroughbred racing.

11 (e-1) In awarding standardbred racing dates for calendar  
12 year 2019, the Board shall award at least 160 racing dates, and  
13 each organization licensee shall average at least 10 races for  
14 each racing date awarded. In awarding standardbred racing dates  
15 for calendar year 2020, the Board shall award at least 200  
16 racing dates, and each organization licensee shall average at  
17 least 11 races for each racing date awarded. In awarding  
18 standardbred racing dates for calendar year 2021 and  
19 thereafter, the Board shall award at least 260 racing dates,  
20 and each organization licensee shall average at least 11 races  
21 for each racing date awarded unless a lesser schedule of live  
22 racing is a result of an agreement with the organization  
23 representing the largest number of standardbred owners,  
24 breeders, trainers, drivers, caretakers in the State.  
25 Standardbred racing conducted in Sangamon County shall not be  
26 considered races under this subsection (e-1).

1       (e-2) In awarding racing dates for calendar year 2019 and  
2 thereafter, the Board shall award thoroughbred racing days to  
3 Cook County organization licensees commensurate with these  
4 organization licensees' requirement that they shall run at  
5 least 1,950 thoroughbred races in the aggregate, so long as 2  
6 organization licensees are conducting electronic gaming  
7 operations. Additionally, if the organization licensees that  
8 run thoroughbred races in Cook County are conducting electronic  
9 gaming operations, the Board shall increase the number of  
10 thoroughbred races to be run in Cook County in the aggregate to  
11 at least the following:

12           (i) 2,050 races in any year following the most recent  
13 preceding complete calendar year when the combined  
14 adjusted gross receipts of the electronic gaming licensees  
15 operating at Cook County race tracks total in excess of  
16 \$200,000,000, but do not exceed \$250,000,000;

17           (ii) 2,125 races in any year following the most recent  
18 preceding complete calendar year when the combined  
19 adjusted gross receipts of the electronic gaming licensees  
20 operating at Cook County race tracks total in excess of  
21 \$250,000,000, but do not exceed \$300,000,000;

22           (iii) 2,200 races in any year following the most recent  
23 preceding complete calendar year when the combined  
24 adjusted gross receipts of the electronic gaming licensees  
25 operating at Cook County race tracks total in excess of  
26 \$300,000,000, but do not exceed \$350,000,000;

1           (iv) 2,300 races in any year following the most recent  
2           preceding complete calendar year when the combined  
3           adjusted gross receipts of the electronic gaming licensees  
4           operating at Cook County race tracks total in excess of  
5           \$350,000,000, but do not exceed \$400,000,000;

6           (v) 2,375 races in any year following the most recent  
7           preceding complete calendar year when the combined  
8           adjusted gross receipts of the electronic gaming licensees  
9           operating at Cook County race tracks total in excess of  
10           \$400,000,000, but do not exceed \$450,000,000;

11           (vi) 2,450 races in any year following the most recent  
12           preceding complete calendar year when the combined  
13           adjusted gross receipts of the electronic gaming licensees  
14           operating at Cook County race tracks total in excess of  
15           \$450,000,000, but do not exceed \$500,000,000;

16           (vii) 2,550 races in any year following the most recent  
17           preceding complete calendar year when the combined  
18           adjusted gross receipts of the electronic gaming licensees  
19           operating at Cook County race tracks exceeds \$500,000,000.

20           In awarding racing dates under this subsection (e-2), the  
21           Board shall have the discretion to allocate those thoroughbred  
22           racing dates among these Cook County organization licensees.

23           (e-3) In awarding racing dates for calendar year 2019 and  
24           thereafter in connection with a race track in Madison County,  
25           the Board shall award racing dates and such organization  
26           licensee shall run at least 700 thoroughbred races at the race

1 track in Madison County each year.

2 Notwithstanding Section 7.7 of the Illinois Gambling Act or  
3 any provision of this Act other than subsection (e-4.5), for  
4 each calendar year for which an electronic gaming licensee  
5 located in Madison County requests racing dates resulting in  
6 less than 700 live thoroughbred races at its race track  
7 facility, the electronic gaming licensee may not conduct  
8 electronic gaming for the calendar year of such requested live  
9 races.

10 (e-4) Notwithstanding the provisions of Section 7.7 of the  
11 Illinois Gambling Act or any provision of this Act other than  
12 subsections (e-3) and (e-4.5), for each calendar year for which  
13 an electronic gaming licensee requests thoroughbred racing  
14 dates which results in a number of live races under its  
15 organization license that is less than the total number of live  
16 races which it conducted in 2017 at its race track facility,  
17 the electronic gaming licensee may not conduct electronic  
18 gaming for the calendar year of such requested live races.

19 (e-4.1) Notwithstanding the provisions of Section 7.7 of  
20 the Illinois Gambling Act or any provision of this Act other  
21 than subsections (e-3) and (e-4.5), for each calendar year for  
22 which an organization licensee requests racing dates for  
23 standardbred racing which results in a number of live races  
24 that is less than the total number of live races required in  
25 subsection (e-1), the electronic gaming licensee may not  
26 conduct electronic gaming for the calendar year of such

1 requested live races.

2 (e-4.5) The Board shall ensure that each organization  
3 licensee shall individually run a sufficient number of races  
4 per year to qualify for an electronic gaming license under this  
5 Act. The General Assembly finds that the minimum live racing  
6 guarantees contained in subsections (e-1), (e-2), and (e-3) are  
7 in the best interest of the sport of horse racing, and that  
8 such guarantees may only be reduced in the limited  
9 circumstances described in this subsection. The Board may  
10 decrease the number of racing days without affecting an  
11 organization licensee's ability to conduct electronic gaming  
12 only if the Board determines, after notice and hearing, that:

13 (i) a decrease is necessary to maintain a sufficient  
14 number of betting interests per race to ensure the  
15 integrity of racing;

16 (ii) there are unsafe track conditions due to weather  
17 or acts of God;

18 (iii) there is an agreement between an organization  
19 licensee and the breed association that is applicable to  
20 the involved live racing guarantee, such association  
21 representing either the largest number of thoroughbred  
22 owners and trainers or the largest number of standardbred  
23 owners, trainers and drivers who race horses at the  
24 involved organization licensee's racing meeting, so long  
25 as the agreement does not compromise the integrity of the  
26 sport of horse racing; or

1           (iv) the horse population or purse levels are  
2           insufficient to provide the number of racing opportunities  
3           otherwise required in this Act.

4           In decreasing the number of racing dates in accordance with  
5           this subsection, the Board shall hold a hearing and shall  
6           provide the public and all interested parties notice and an  
7           opportunity to be heard. The Board shall accept testimony from  
8           all interested parties, including any association representing  
9           owners, trainers, jockeys, or drivers who will be affected by  
10           the decrease in racing dates. The Board shall provide a written  
11           explanation of the reasons for the decrease and the Board's  
12           findings. The written explanation shall include a listing and  
13           content of all communication between any party and any Illinois  
14           Racing Board member or staff that does not take place at a  
15           public meeting of the Board.

16           (e-5) In reviewing an application for the purpose of  
17           granting an organization license consistent with the best  
18           interests of the public and the sport of horse racing, the  
19           Board shall consider:

20           (1) the character, reputation, experience, and  
21           financial integrity of the applicant and of any other  
22           separate person that either:

23           (i) controls the applicant, directly or  
24           indirectly, or

25           (ii) is controlled, directly or indirectly, by  
26           that applicant or by a person who controls, directly or

1 indirectly, that applicant;

2 (2) the applicant's facilities or proposed facilities  
3 for conducting horse racing;

4 (3) the total revenue without regard to Section 32.1 to  
5 be derived by the State and horsemen from the applicant's  
6 conducting a race meeting;

7 (4) the applicant's good faith affirmative action plan  
8 to recruit, train, and upgrade minorities in all employment  
9 classifications;

10 (5) the applicant's financial ability to purchase and  
11 maintain adequate liability and casualty insurance;

12 (6) the applicant's proposed and prior year's  
13 promotional and marketing activities and expenditures of  
14 the applicant associated with those activities;

15 (7) an agreement, if any, among organization licensees  
16 as provided in subsection (b) of Section 21 of this Act;  
17 and

18 (8) the extent to which the applicant exceeds or meets  
19 other standards for the issuance of an organization license  
20 that the Board shall adopt by rule.

21 In granting organization licenses and allocating dates for  
22 horse race meetings, the Board shall have discretion to  
23 determine an overall schedule, including required simulcasts  
24 of Illinois races by host tracks that will, in its judgment, be  
25 conducive to the best interests of the public and the sport of  
26 horse racing.

1           (e-10) The Illinois Administrative Procedure Act shall  
2 apply to administrative procedures of the Board under this Act  
3 for the granting of an organization license, except that (1)  
4 notwithstanding the provisions of subsection (b) of Section  
5 10-40 of the Illinois Administrative Procedure Act regarding  
6 cross-examination, the Board may prescribe rules limiting the  
7 right of an applicant or participant in any proceeding to award  
8 an organization license to conduct cross-examination of  
9 witnesses at that proceeding where that cross-examination  
10 would unduly obstruct the timely award of an organization  
11 license under subsection (e) of Section 20 of this Act; (2) the  
12 provisions of Section 10-45 of the Illinois Administrative  
13 Procedure Act regarding proposals for decision are excluded  
14 under this Act; (3) notwithstanding the provisions of  
15 subsection (a) of Section 10-60 of the Illinois Administrative  
16 Procedure Act regarding ex parte communications, the Board may  
17 prescribe rules allowing ex parte communications with  
18 applicants or participants in a proceeding to award an  
19 organization license where conducting those communications  
20 would be in the best interest of racing, provided all those  
21 communications are made part of the record of that proceeding  
22 pursuant to subsection (c) of Section 10-60 of the Illinois  
23 Administrative Procedure Act; (4) the provisions of Section 14a  
24 of this Act and the rules of the Board promulgated under that  
25 Section shall apply instead of the provisions of Article 10 of  
26 the Illinois Administrative Procedure Act regarding



1 administrative law judges; and (5) the provisions of subsection  
2 (d) of Section 10-65 of the Illinois Administrative Procedure  
3 Act that prevent summary suspension of a license pending  
4 revocation or other action shall not apply.

5 (f) The Board may allot racing dates to an organization  
6 licensee for more than one calendar year but for no more than 3  
7 successive calendar years in advance, provided that the Board  
8 shall review such allotment for more than one calendar year  
9 prior to each year for which such allotment has been made. The  
10 granting of an organization license to a person constitutes a  
11 privilege to conduct a horse race meeting under the provisions  
12 of this Act, and no person granted an organization license  
13 shall be deemed to have a vested interest, property right, or  
14 future expectation to receive an organization license in any  
15 subsequent year as a result of the granting of an organization  
16 license. Organization licenses shall be subject to revocation  
17 if the organization licensee has violated any provision of this  
18 Act or the rules and regulations promulgated under this Act or  
19 has been convicted of a crime or has failed to disclose or has  
20 stated falsely any information called for in the application  
21 for an organization license. Any organization license  
22 revocation proceeding shall be in accordance with Section 16  
23 regarding suspension and revocation of occupation licenses.

24 (f-5) If, (i) an applicant does not file an acceptance of  
25 the racing dates awarded by the Board as required under part  
26 (1) of subsection (h) of this Section 20, or (ii) an

1 organization licensee has its license suspended or revoked  
2 under this Act, the Board, upon conducting an emergency hearing  
3 as provided for in this Act, may reaward on an emergency basis  
4 pursuant to rules established by the Board, racing dates not  
5 accepted or the racing dates associated with any suspension or  
6 revocation period to one or more organization licensees, new  
7 applicants, or any combination thereof, upon terms and  
8 conditions that the Board determines are in the best interest  
9 of racing, provided, the organization licensees or new  
10 applicants receiving the awarded racing dates file an  
11 acceptance of those reawarded racing dates as required under  
12 paragraph (1) of subsection (h) of this Section 20 and comply  
13 with the other provisions of this Act. The Illinois  
14 Administrative Procedure Act shall not apply to the  
15 administrative procedures of the Board in conducting the  
16 emergency hearing and the reallocation of racing dates on an  
17 emergency basis.

18 (g) (Blank).

19 (h) The Board shall send the applicant a copy of its  
20 formally executed order by certified mail addressed to the  
21 applicant at the address stated in his application, which  
22 notice shall be mailed within 5 days of the date the formal  
23 order is executed.

24 Each applicant notified shall, within 10 days after receipt  
25 of the final executed order of the Board awarding racing dates:

26 (1) file with the Board an acceptance of such award in

1 the form prescribed by the Board;

2 (2) pay to the Board an additional amount equal to \$110  
3 for each racing date awarded; and

4 (3) file with the Board the bonds required in Sections  
5 21 and 25 at least 20 days prior to the first day of each  
6 race meeting.

7 Upon compliance with the provisions of paragraphs (1), (2), and  
8 (3) of this subsection (h), the applicant shall be issued an  
9 organization license.

10 If any applicant fails to comply with this Section or fails  
11 to pay the organization license fees herein provided, no  
12 organization license shall be issued to such applicant.

13 (Source: P.A. 97-333, eff. 8-12-11.)

14 (230 ILCS 5/21) (from Ch. 8, par. 37-21)

15 Sec. 21. (a) Applications for organization licenses must be  
16 filed with the Board at a time and place prescribed by the  
17 rules and regulations of the Board. The Board shall examine the  
18 applications within 21 days after the date allowed for filing  
19 with respect to their conformity with this Act and such rules  
20 and regulations as may be prescribed by the Board. If any  
21 application does not comply with this Act or the rules and  
22 regulations prescribed by the Board, such application may be  
23 rejected and an organization license refused to the applicant,  
24 or the Board may, within 21 days of the receipt of such  
25 application, advise the applicant of the deficiencies of the

1 application under the Act or the rules and regulations of the  
2 Board, and require the submittal of an amended application  
3 within a reasonable time determined by the Board; and upon  
4 submittal of the amended application by the applicant, the  
5 Board may consider the application consistent with the process  
6 described in subsection (e-5) of Section 20 of this Act. If it  
7 is found to be in compliance with this Act and the rules and  
8 regulations of the Board, the Board may then issue an  
9 organization license to such applicant.

10 (b) The Board may exercise discretion in granting racing  
11 dates to qualified applicants different from those requested by  
12 the applicants in their applications. However, if all eligible  
13 applicants for organization licenses whose tracks are located  
14 within 100 miles of each other execute and submit to the Board  
15 a written agreement among such applicants as to the award of  
16 racing dates, including where applicable racing programs, for  
17 up to 3 consecutive years, then subject to annual review of  
18 each applicant's compliance with Board rules and regulations,  
19 provisions of this Act and conditions contained in annual dates  
20 orders issued by the Board, the Board may grant such dates and  
21 programs to such applicants as so agreed by them if the Board  
22 determines that the grant of these racing dates is in the best  
23 interests of racing. The Board shall treat any such agreement  
24 as the agreement signatories' joint and several application for  
25 racing dates during the term of the agreement.

26 (c) Where 2 or more applicants propose to conduct horse

1 race meetings within 35 miles of each other, as certified to  
2 the Board under Section 19 (a) (1) of this Act, on conflicting  
3 dates, the Board may determine and grant the number of racing  
4 days to be awarded to the several applicants in accordance with  
5 the provisions of subsection (e-5) of Section 20 of this Act.

6 (d) (Blank).

7 (e) Prior to the issuance of an organization license, the  
8 applicant shall file with the Board a bond payable to the State  
9 of Illinois in the sum of \$200,000, executed by the applicant  
10 and a surety company or companies authorized to do business in  
11 this State, and conditioned upon the payment by the  
12 organization licensee of all taxes due under Section 27, other  
13 monies due and payable under this Act, all purses due and  
14 payable, and that the organization licensee will upon  
15 presentation of the winning ticket or tickets distribute all  
16 sums due to the patrons of pari-mutuel pools. Beginning on the  
17 date when any organization licensee begins conducting  
18 electronic gaming pursuant to an electronic gaming license  
19 issued under the Illinois Gambling Act, the amount of the bond  
20 required under this subsection (e) shall be \$500,000.

21 (f) Each organization license shall specify the person to  
22 whom it is issued, the dates upon which horse racing is  
23 permitted, and the location, place, track, or enclosure where  
24 the horse race meeting is to be held.

25 (g) Any person who owns one or more race tracks within the  
26 State may seek, in its own name, a separate organization

1 license for each race track.

2 (h) All racing conducted under such organization license is  
3 subject to this Act and to the rules and regulations from time  
4 to time prescribed by the Board, and every such organization  
5 license issued by the Board shall contain a recital to that  
6 effect.

7 (i) Each such organization licensee may provide that at  
8 least one race per day may be devoted to the racing of quarter  
9 horses, appaloosas, arabians, or paints.

10 (j) In acting on applications for organization licenses,  
11 the Board shall give weight to an organization license which  
12 has implemented a good faith affirmative action effort to  
13 recruit, train and upgrade minorities in all classifications  
14 within the organization license.

15 (Source: P.A. 90-754, eff. 1-1-99; 91-40, eff. 6-25-99.)

16 (230 ILCS 5/24) (from Ch. 8, par. 37-24)

17 Sec. 24. (a) No license shall be issued to or held by an  
18 organization licensee unless all of its officers, directors,  
19 and holders of ownership interests of at least 5% are first  
20 approved by the Board. The Board shall not give approval of an  
21 organization license application to any person who has been  
22 convicted of or is under an indictment for a crime of moral  
23 turpitude or has violated any provision of the racing law of  
24 this State or any rules of the Board.

25 (b) An organization licensee must notify the Board within

1 10 days of any change in the holders of a direct or indirect  
2 interest in the ownership of the organization licensee. The  
3 Board may, after hearing, revoke the organization license of  
4 any person who registers on its books or knowingly permits a  
5 direct or indirect interest in the ownership of that person  
6 without notifying the Board of the name of the holder in  
7 interest within this period.

8 (c) In addition to the provisions of subsection (a) of this  
9 Section, no person shall be granted an organization license if  
10 any public official of the State or member of his or her family  
11 holds any ownership or financial interest, directly or  
12 indirectly, in the person.

13 (d) No person which has been granted an organization  
14 license to hold a race meeting shall give to any public  
15 official or member of his family, directly or indirectly, for  
16 or without consideration, any interest in the person. The Board  
17 shall, after hearing, revoke the organization license granted  
18 to a person which has violated this subsection.

19 (e) (Blank).

20 (f) No organization licensee or concessionaire or officer,  
21 director or holder or controller of 5% or more legal or  
22 beneficial interest in any organization licensee or concession  
23 shall make any sort of gift or contribution that is prohibited  
24 under Article 10 of the State Officials and Employees Ethics  
25 Act ~~of any kind~~ or pay or give any money or other thing of value  
26 to any person who is a public official, or a candidate or

1 nominee for public office if that payment or gift is prohibited  
2 under Article 10 of the State Officials and Employees Ethics  
3 Act.

4 (Source: P.A. 89-16, eff. 5-30-95.)

5 (230 ILCS 5/25) (from Ch. 8, par. 37-25)

6 Sec. 25. Admission charge; bond; fine.

7 (a) There shall be paid to the Board at such time or times  
8 as it shall prescribe, the sum of fifteen cents (15¢) for each  
9 person entering the grounds or enclosure of each organization  
10 licensee and inter-track wagering licensee upon a ticket of  
11 admission except as provided in subsection (g) of Section 27 of  
12 this Act. If tickets are issued for more than one day then the  
13 sum of fifteen cents (15¢) shall be paid for each person using  
14 such ticket on each day that the same shall be used. Provided,  
15 however, that no charge shall be made on tickets of admission  
16 issued to and in the name of directors, officers, agents or  
17 employees of the organization licensee, or inter-track  
18 wagering licensee, or to owners, trainers, jockeys, drivers and  
19 their employees or to any person or persons entering the  
20 grounds or enclosure for the transaction of business in  
21 connection with such race meeting. The organization licensee or  
22 inter-track wagering licensee may, if it desires, collect such  
23 amount from each ticket holder in addition to the amount or  
24 amounts charged for such ticket of admission. Beginning on the  
25 date when any organization licensee begins conducting



1 electronic gaming pursuant to an electronic gaming license  
2 issued under the Illinois Gambling Act, the admission charge  
3 imposed by this subsection (a) shall be 40 cents for each  
4 person entering the grounds or enclosure of each organization  
5 licensee and inter-track wagering licensee upon a ticket of  
6 admission, and if such tickets are issued for more than one  
7 day, 40 cents shall be paid for each person using such ticket  
8 on each day that the same shall be used.

9 (b) Accurate records and books shall at all times be kept  
10 and maintained by the organization licensees and inter-track  
11 wagering licensees showing the admission tickets issued and  
12 used on each racing day and the attendance thereat of each  
13 horse racing meeting. The Board or its duly authorized  
14 representative or representatives shall at all reasonable  
15 times have access to the admission records of any organization  
16 licensee and inter-track wagering licensee for the purpose of  
17 examining and checking the same and ascertaining whether or not  
18 the proper amount has been or is being paid the State of  
19 Illinois as herein provided. The Board shall also require,  
20 before issuing any license, that the licensee shall execute and  
21 deliver to it a bond, payable to the State of Illinois, in such  
22 sum as it shall determine, not, however, in excess of fifty  
23 thousand dollars (\$50,000), with a surety or sureties to be  
24 approved by it, conditioned for the payment of all sums due and  
25 payable or collected by it under this Section upon admission  
26 fees received for any particular racing meetings. The Board may

1 also from time to time require sworn statements of the number  
2 or numbers of such admissions and may prescribe blanks upon  
3 which such reports shall be made. Any organization licensee or  
4 inter-track wagering licensee failing or refusing to pay the  
5 amount found to be due as herein provided, shall be deemed  
6 guilty of a business offense and upon conviction shall be  
7 punished by a fine of not more than five thousand dollars  
8 (\$5,000) in addition to the amount due from such organization  
9 licensee or inter-track wagering licensee as herein provided.  
10 All fines paid into court by an organization licensee or  
11 inter-track wagering licensee found guilty of violating this  
12 Section shall be transmitted and paid over by the clerk of the  
13 court to the Board. Beginning on the date when any organization  
14 licensee begins conducting electronic gaming pursuant to an  
15 electronic gaming license issued under the Illinois Gambling  
16 Act, any fine imposed pursuant to this subsection (b) shall not  
17 exceed \$10,000.

18 (Source: P.A. 88-495; 89-16, eff. 5-30-95.)

19 (230 ILCS 5/26) (from Ch. 8, par. 37-26)

20 Sec. 26. Wagering.

21 (a) Any licensee may conduct and supervise the pari-mutuel  
22 system of wagering, as defined in Section 3.12 of this Act, on  
23 horse races conducted by an Illinois organization licensee or  
24 conducted at a racetrack located in another state or country  
25 ~~and televised in Illinois~~ in accordance with subsection (g) of

1 Section 26 of this Act. Subject to the prior consent of the  
2 Board, licensees may supplement any pari-mutuel pool in order  
3 to guarantee a minimum distribution. Such pari-mutuel method of  
4 wagering shall not, under any circumstances if conducted under  
5 the provisions of this Act, be held or construed to be  
6 unlawful, other statutes of this State to the contrary  
7 notwithstanding. Subject to rules for advance wagering  
8 promulgated by the Board, any licensee may accept wagers in  
9 advance of the day of the race wagered upon occurs.

10 (b) Except for those gaming activities for which a license  
11 is obtained and authorized under the Illinois Lottery Law, the  
12 Charitable Games Act, the Raffles and Poker Runs Act, or the  
13 Illinois Gambling Act, no ~~no~~ other method of betting, pool  
14 making, wagering or gambling shall be used or permitted by the  
15 licensee. Each licensee may retain, subject to the payment of  
16 all applicable taxes and purses, an amount not to exceed 17% of  
17 all money wagered under subsection (a) of this Section, except  
18 as may otherwise be permitted under this Act.

19 (b-5) An individual may place a wager under the pari-mutuel  
20 system from any licensed location authorized under this Act  
21 provided that wager is electronically recorded in the manner  
22 described in Section 3.12 of this Act. Any wager made  
23 electronically by an individual while physically on the  
24 premises of a licensee shall be deemed to have been made at the  
25 premises of that licensee.

26 (c) Until January 1, 2000, the sum held by any licensee for

1 payment of outstanding pari-mutuel tickets, if unclaimed prior  
2 to December 31 of the next year, shall be retained by the  
3 licensee for payment of such tickets until that date. Within 10  
4 days thereafter, the balance of such sum remaining unclaimed,  
5 less any uncashed supplements contributed by such licensee for  
6 the purpose of guaranteeing minimum distributions of any  
7 pari-mutuel pool, shall be paid to the Illinois Veterans'  
8 Rehabilitation Fund of the State treasury, except as provided  
9 in subsection (g) of Section 27 of this Act.

10 (c-5) Beginning January 1, 2000, the sum held by any  
11 licensee for payment of outstanding pari-mutuel tickets, if  
12 unclaimed prior to December 31 of the next year, shall be  
13 retained by the licensee for payment of such tickets until that  
14 date. Within 10 days thereafter, the balance of such sum  
15 remaining unclaimed, less any uncashed supplements contributed  
16 by such licensee for the purpose of guaranteeing minimum  
17 distributions of any pari-mutuel pool, shall be evenly  
18 distributed to the purse account of the organization licensee  
19 and the organization licensee.

20 (d) A pari-mutuel ticket shall be honored until December 31  
21 of the next calendar year, and the licensee shall pay the same  
22 and may charge the amount thereof against unpaid money  
23 similarly accumulated on account of pari-mutuel tickets not  
24 presented for payment.

25 (e) No licensee shall knowingly permit any minor, other  
26 than an employee of such licensee or an owner, trainer, jockey,

1 driver, or employee thereof, to be admitted during a racing  
2 program unless accompanied by a parent or guardian, or any  
3 minor to be a patron of the pari-mutuel system of wagering  
4 conducted or supervised by it. The admission of any  
5 unaccompanied minor, other than an employee of the licensee or  
6 an owner, trainer, jockey, driver, or employee thereof at a  
7 race track is a Class C misdemeanor.

8 (f) Notwithstanding the other provisions of this Act, an  
9 organization licensee may contract with an entity in another  
10 state or country to permit any legal wagering entity in another  
11 state or country to accept wagers solely within such other  
12 state or country on races conducted by the organization  
13 licensee in this State. Beginning January 1, 2000, these wagers  
14 shall not be subject to State taxation. Until January 1, 2000,  
15 when the out-of-State entity conducts a pari-mutuel pool  
16 separate from the organization licensee, a privilege tax equal  
17 to 7 1/2% of all monies received by the organization licensee  
18 from entities in other states or countries pursuant to such  
19 contracts is imposed on the organization licensee, and such  
20 privilege tax shall be remitted to the Department of Revenue  
21 within 48 hours of receipt of the moneys from the simulcast.  
22 When the out-of-State entity conducts a combined pari-mutuel  
23 pool with the organization licensee, the tax shall be 10% of  
24 all monies received by the organization licensee with 25% of  
25 the receipts from this 10% tax to be distributed to the county  
26 in which the race was conducted.

1           An organization licensee may permit one or more of its  
2 races to be utilized for pari-mutuel wagering at one or more  
3 locations in other states and may transmit audio and visual  
4 signals of races the organization licensee conducts to one or  
5 more locations outside the State or country and may also permit  
6 pari-mutuel pools in other states or countries to be combined  
7 with its gross or net wagering pools or with wagering pools  
8 established by other states.

9           (g) A host track may accept interstate simulcast wagers on  
10 horse races conducted in other states or countries and shall  
11 control the number of signals and types of breeds of racing in  
12 its simulcast program, subject to the disapproval of the Board.  
13 The Board may prohibit a simulcast program only if it finds  
14 that the simulcast program is clearly adverse to the integrity  
15 of racing. The host track simulcast program shall include the  
16 signal of live racing of all organization licensees. All  
17 non-host licensees and advance deposit wagering licensees  
18 shall carry the signal of and accept wagers on live racing of  
19 all organization licensees. Advance deposit wagering licensees  
20 shall not be permitted to accept out-of-state wagers on any  
21 Illinois signal provided pursuant to this Section without the  
22 approval and consent of the organization licensee providing the  
23 signal. For one year after August 15, 2014 (the effective date  
24 of Public Act 98-968), non-host licensees may carry the host  
25 track simulcast program and shall accept wagers on all races  
26 included as part of the simulcast program of horse races

1 conducted at race tracks located within North America upon  
2 which wagering is permitted. For a period of one year after  
3 August 15, 2014 (the effective date of Public Act 98-968), on  
4 horse races conducted at race tracks located outside of North  
5 America, non-host licensees may accept wagers on all races  
6 included as part of the simulcast program upon which wagering  
7 is permitted. Beginning August 15, 2015 (one year after the  
8 effective date of Public Act 98-968), non-host licensees may  
9 carry the host track simulcast program and shall accept wagers  
10 on all races included as part of the simulcast program upon  
11 which wagering is permitted. All organization licensees shall  
12 provide their live signal to all advance deposit wagering  
13 licensees for a simulcast commission fee not to exceed 6% of  
14 the advance deposit wagering licensee's Illinois handle on the  
15 organization licensee's signal without prior approval by the  
16 Board. The Board may adopt rules under which it may permit  
17 simulcast commission fees in excess of 6%. The Board shall  
18 adopt rules limiting the interstate commission fees charged to  
19 an advance deposit wagering licensee. The Board shall adopt  
20 rules regarding advance deposit wagering on interstate  
21 simulcast races that shall reflect, among other things, the  
22 General Assembly's desire to maximize revenues to the State,  
23 horsemen purses, and organizational licensees. However,  
24 organization licensees providing live signals pursuant to the  
25 requirements of this subsection (g) may petition the Board to  
26 withhold their live signals from an advance deposit wagering

1 licensee if the organization licensee discovers and the Board  
2 finds reputable or credible information that the advance  
3 deposit wagering licensee is under investigation by another  
4 state or federal governmental agency, the advance deposit  
5 wagering licensee's license has been suspended in another  
6 state, or the advance deposit wagering licensee's license is in  
7 revocation proceedings in another state. The organization  
8 licensee's provision of their live signal to an advance deposit  
9 wagering licensee under this subsection (g) pertains to wagers  
10 placed from within Illinois. Advance deposit wagering  
11 licensees may place advance deposit wagering terminals at  
12 wagering facilities as a convenience to customers. The advance  
13 deposit wagering licensee shall not charge or collect any fee  
14 from purses for the placement of the advance deposit wagering  
15 terminals. The costs and expenses of the host track and  
16 non-host licensees associated with interstate simulcast  
17 wagering, other than the interstate commission fee, shall be  
18 borne by the host track and all non-host licensees incurring  
19 these costs. The interstate commission fee shall not exceed 5%  
20 of Illinois handle on the interstate simulcast race or races  
21 without prior approval of the Board. The Board shall promulgate  
22 rules under which it may permit interstate commission fees in  
23 excess of 5%. The interstate commission fee and other fees  
24 charged by the sending racetrack, including, but not limited  
25 to, satellite decoder fees, shall be uniformly applied to the  
26 host track and all non-host licensees.



1           Notwithstanding any other provision of this Act, ~~through~~  
2 ~~December 31, 2018,~~ an organization licensee, with the consent  
3 of the horsemen association representing the largest number of  
4 owners, trainers, jockeys, or standardbred drivers who race  
5 horses at that organization licensee's racing meeting, may  
6 maintain a system whereby advance deposit wagering may take  
7 place or an organization licensee, with the consent of the  
8 horsemen association representing the largest number of  
9 owners, trainers, jockeys, or standardbred drivers who race  
10 horses at that organization licensee's racing meeting, may  
11 contract with another person to carry out a system of advance  
12 deposit wagering. Such consent may not be unreasonably  
13 withheld. Only with respect to an appeal to the Board that  
14 consent for an organization licensee that maintains its own  
15 advance deposit wagering system is being unreasonably  
16 withheld, the Board shall issue a final order within 30 days  
17 after initiation of the appeal, and the organization licensee's  
18 advance deposit wagering system may remain operational during  
19 that 30-day period. The actions of any organization licensee  
20 who conducts advance deposit wagering or any person who has a  
21 contract with an organization licensee to conduct advance  
22 deposit wagering who conducts advance deposit wagering on or  
23 after January 1, 2013 and prior to June 7, 2013 (the effective  
24 date of Public Act 98-18) taken in reliance on the changes made  
25 to this subsection (g) by Public Act 98-18 are hereby  
26 validated, provided payment of all applicable pari-mutuel

1 taxes are remitted to the Board. All advance deposit wagers  
2 placed from within Illinois must be placed through a  
3 Board-approved advance deposit wagering licensee; no other  
4 entity may accept an advance deposit wager from a person within  
5 Illinois. All advance deposit wagering is subject to any rules  
6 adopted by the Board. The Board may adopt rules necessary to  
7 regulate advance deposit wagering through the use of emergency  
8 rulemaking in accordance with Section 5-45 of the Illinois  
9 Administrative Procedure Act. The General Assembly finds that  
10 the adoption of rules to regulate advance deposit wagering is  
11 deemed an emergency and necessary for the public interest,  
12 safety, and welfare. An advance deposit wagering licensee may  
13 retain all moneys as agreed to by contract with an organization  
14 licensee. Any moneys retained by the organization licensee from  
15 advance deposit wagering, not including moneys retained by the  
16 advance deposit wagering licensee, shall be paid 50% to the  
17 organization licensee's purse account and 50% to the  
18 organization licensee. With the exception of any organization  
19 licensee that is owned by a publicly traded company that is  
20 incorporated in a state other than Illinois and advance deposit  
21 wagering licensees under contract with such organization  
22 licensees, organization licensees that maintain advance  
23 deposit wagering systems and advance deposit wagering  
24 licensees that contract with organization licensees shall  
25 provide sufficiently detailed monthly accountings to the  
26 horsemen association representing the largest number of

1 owners, trainers, jockeys, or standardbred drivers who race  
2 horses at that organization licensee's racing meeting so that  
3 the horsemen association, as an interested party, can confirm  
4 the accuracy of the amounts paid to the purse account at the  
5 horsemen association's affiliated organization licensee from  
6 advance deposit wagering. If more than one breed races at the  
7 same race track facility, then the 50% of the moneys to be paid  
8 to an organization licensee's purse account shall be allocated  
9 among all organization licensees' purse accounts operating at  
10 that race track facility proportionately based on the actual  
11 number of host days that the Board grants to that breed at that  
12 race track facility in the current calendar year. To the extent  
13 any fees from advance deposit wagering conducted in Illinois  
14 for wagers in Illinois or other states have been placed in  
15 escrow or otherwise withheld from wagers pending a  
16 determination of the legality of advance deposit wagering, no  
17 action shall be brought to declare such wagers or the  
18 disbursement of any fees previously escrowed illegal.

19 (1) Between the hours of 6:30 a.m. and 6:30 p.m. an  
20 inter-track wagering licensee other than the host track may  
21 supplement the host track simulcast program with  
22 additional simulcast races or race programs, provided that  
23 between January 1 and the third Friday in February of any  
24 year, inclusive, if no live thoroughbred racing is  
25 occurring in Illinois during this period, only  
26 thoroughbred races may be used for supplemental interstate

1 simulcast purposes. The Board shall withhold approval for a  
2 supplemental interstate simulcast only if it finds that the  
3 simulcast is clearly adverse to the integrity of racing. A  
4 supplemental interstate simulcast may be transmitted from  
5 an inter-track wagering licensee to its affiliated  
6 non-host licensees. The interstate commission fee for a  
7 supplemental interstate simulcast shall be paid by the  
8 non-host licensee and its affiliated non-host licensees  
9 receiving the simulcast.

10 (2) Between the hours of 6:30 p.m. and 6:30 a.m. an  
11 inter-track wagering licensee other than the host track may  
12 receive supplemental interstate simulcasts only with the  
13 consent of the host track, except when the Board finds that  
14 the simulcast is clearly adverse to the integrity of  
15 racing. Consent granted under this paragraph (2) to any  
16 inter-track wagering licensee shall be deemed consent to  
17 all non-host licensees. The interstate commission fee for  
18 the supplemental interstate simulcast shall be paid by all  
19 participating non-host licensees.

20 (3) Each licensee conducting interstate simulcast  
21 wagering may retain, subject to the payment of all  
22 applicable taxes and the purses, an amount not to exceed  
23 17% of all money wagered. If any licensee conducts the  
24 pari-mutuel system wagering on races conducted at  
25 racetracks in another state or country, each such race or  
26 race program shall be considered a separate racing day for

1 the purpose of determining the daily handle and computing  
2 the privilege tax of that daily handle as provided in  
3 subsection (a) of Section 27. Until January 1, 2000, from  
4 the sums permitted to be retained pursuant to this  
5 subsection, each inter-track wagering location licensee  
6 shall pay 1% of the pari-mutuel handle wagered on simulcast  
7 wagering to the Horse Racing Tax Allocation Fund, subject  
8 to the provisions of subparagraph (B) of paragraph (11) of  
9 subsection (h) of Section 26 of this Act.

10 (4) A licensee who receives an interstate simulcast may  
11 combine its gross or net pools with pools at the sending  
12 racetracks pursuant to rules established by the Board. All  
13 licensees combining their gross pools at a sending  
14 racetrack shall adopt the take-out percentages of the  
15 sending racetrack. A licensee may also establish a separate  
16 pool and takeout structure for wagering purposes on races  
17 conducted at race tracks outside of the State of Illinois.  
18 The licensee may permit pari-mutuel wagers placed in other  
19 states or countries to be combined with its gross or net  
20 wagering pools or other wagering pools.

21 (5) After the payment of the interstate commission fee  
22 (except for the interstate commission fee on a supplemental  
23 interstate simulcast, which shall be paid by the host track  
24 and by each non-host licensee through the host-track) and  
25 all applicable State and local taxes, except as provided in  
26 subsection (g) of Section 27 of this Act, the remainder of

1 moneys retained from simulcast wagering pursuant to this  
2 subsection (g), and Section 26.2 shall be divided as  
3 follows:

4 (A) For interstate simulcast wagers made at a host  
5 track, 50% to the host track and 50% to purses at the  
6 host track.

7 (B) For wagers placed on interstate simulcast  
8 races, supplemental simulcasts as defined in  
9 subparagraphs (1) and (2), and separately pooled races  
10 conducted outside of the State of Illinois made at a  
11 non-host licensee, 25% to the host track, 25% to the  
12 non-host licensee, and 50% to the purses at the host  
13 track.

14 (6) Notwithstanding any provision in this Act to the  
15 contrary, non-host licensees who derive their licenses  
16 from a track located in a county with a population in  
17 excess of 230,000 and that borders the Mississippi River  
18 may receive supplemental interstate simulcast races at all  
19 times subject to Board approval, which shall be withheld  
20 only upon a finding that a supplemental interstate  
21 simulcast is clearly adverse to the integrity of racing.

22 (7) Notwithstanding any provision of this Act to the  
23 contrary, after payment of all applicable State and local  
24 taxes and interstate commission fees, non-host licensees  
25 who derive their licenses from a track located in a county  
26 with a population in excess of 230,000 and that borders the

1 Mississippi River shall retain 50% of the retention from  
2 interstate simulcast wagers and shall pay 50% to purses at  
3 the track from which the non-host licensee derives its  
4 license as follows:

5 (A) Between January 1 and the third Friday in  
6 February, inclusive, if no live thoroughbred racing is  
7 occurring in Illinois during this period, when the  
8 interstate simulcast is a standardbred race, the purse  
9 share to its standardbred purse account;

10 (B) Between January 1 and the third Friday in  
11 February, inclusive, if no live thoroughbred racing is  
12 occurring in Illinois during this period, and the  
13 interstate simulcast is a thoroughbred race, the purse  
14 share to its interstate simulcast purse pool to be  
15 distributed under paragraph (10) of this subsection  
16 (g);

17 (C) Between January 1 and the third Friday in  
18 February, inclusive, if live thoroughbred racing is  
19 occurring in Illinois, between 6:30 a.m. and 6:30 p.m.  
20 the purse share from wagers made during this time  
21 period to its thoroughbred purse account and between  
22 6:30 p.m. and 6:30 a.m. the purse share from wagers  
23 made during this time period to its standardbred purse  
24 accounts;

25 (D) Between the third Saturday in February and  
26 December 31, when the interstate simulcast occurs

1           between the hours of 6:30 a.m. and 6:30 p.m., the purse  
2           share to its thoroughbred purse account;

3           (E) Between the third Saturday in February and  
4           December 31, when the interstate simulcast occurs  
5           between the hours of 6:30 p.m. and 6:30 a.m., the purse  
6           share to its standardbred purse account.

7           (7.1) Notwithstanding any other provision of this Act  
8           to the contrary, if no standardbred racing is conducted at  
9           a racetrack located in Madison County during any calendar  
10          year beginning on or after January 1, 2002, all moneys  
11          derived by that racetrack from simulcast wagering and  
12          inter-track wagering that (1) are to be used for purses and  
13          (2) are generated between the hours of 6:30 p.m. and 6:30  
14          a.m. during that calendar year shall be paid as follows:

15          (A) If the licensee that conducts horse racing at  
16          that racetrack requests from the Board at least as many  
17          racing dates as were conducted in calendar year 2000,  
18          80% shall be paid to its thoroughbred purse account;  
19          and

20          (B) Twenty percent shall be deposited into the  
21          Illinois Colt Stakes Purse Distribution Fund and shall  
22          be paid to purses for standardbred races for Illinois  
23          conceived and foaled horses conducted at any county  
24          fairgrounds. The moneys deposited into the Fund  
25          pursuant to this subparagraph (B) shall be deposited  
26          within 2 weeks after the day they were generated, shall



1           be in addition to and not in lieu of any other moneys  
2           paid to standardbred purses under this Act, and shall  
3           not be commingled with other moneys paid into that  
4           Fund. The moneys deposited pursuant to this  
5           subparagraph (B) shall be allocated as provided by the  
6           Department of Agriculture, with the advice and  
7           assistance of the Illinois Standardbred Breeders Fund  
8           Advisory Board.

9           (7.2) Notwithstanding any other provision of this Act  
10          to the contrary, if no thoroughbred racing is conducted at  
11          a racetrack located in Madison County during any calendar  
12          year beginning on or after January 1, 2002, all moneys  
13          derived by that racetrack from simulcast wagering and  
14          inter-track wagering that (1) are to be used for purses and  
15          (2) are generated between the hours of 6:30 a.m. and 6:30  
16          p.m. during that calendar year shall be deposited as  
17          follows:

18                 (A) If the licensee that conducts horse racing at  
19                 that racetrack requests from the Board at least as many  
20                 racing dates as were conducted in calendar year 2000,  
21                 80% shall be deposited into its standardbred purse  
22                 account; and

23                 (B) Twenty percent shall be deposited into the  
24                 Illinois Colt Stakes Purse Distribution Fund. Moneys  
25                 deposited into the Illinois Colt Stakes Purse  
26                 Distribution Fund pursuant to this subparagraph (B)

1 shall be paid to Illinois conceived and foaled  
2 thoroughbred breeders' programs and to thoroughbred  
3 purses for races conducted at any county fairgrounds  
4 for Illinois conceived and foaled horses at the  
5 discretion of the Department of Agriculture, with the  
6 advice and assistance of the Illinois Thoroughbred  
7 Breeders Fund Advisory Board. The moneys deposited  
8 into the Illinois Colt Stakes Purse Distribution Fund  
9 pursuant to this subparagraph (B) shall be deposited  
10 within 2 weeks after the day they were generated, shall  
11 be in addition to and not in lieu of any other moneys  
12 paid to thoroughbred purses under this Act, and shall  
13 not be commingled with other moneys deposited into that  
14 Fund.

15 (7.3) If no live standardbred racing is conducted at a  
16 racetrack located in Madison County in calendar year 2000  
17 or 2001, an organization licensee who is licensed to  
18 conduct horse racing at that racetrack shall, before  
19 January 1, 2002, pay all moneys derived from simulcast  
20 wagering and inter-track wagering in calendar years 2000  
21 and 2001 and paid into the licensee's standardbred purse  
22 account as follows:

23 (A) Eighty percent to that licensee's thoroughbred  
24 purse account to be used for thoroughbred purses; and

25 (B) Twenty percent to the Illinois Colt Stakes  
26 Purse Distribution Fund.

1 Failure to make the payment to the Illinois Colt Stakes  
2 Purse Distribution Fund before January 1, 2002 shall result  
3 in the immediate revocation of the licensee's organization  
4 license, inter-track wagering license, and inter-track  
5 wagering location license.

6 Moneys paid into the Illinois Colt Stakes Purse  
7 Distribution Fund pursuant to this paragraph (7.3) shall be  
8 paid to purses for standardbred races for Illinois  
9 conceived and foaled horses conducted at any county  
10 fairgrounds. Moneys paid into the Illinois Colt Stakes  
11 Purse Distribution Fund pursuant to this paragraph (7.3)  
12 shall be used as determined by the Department of  
13 Agriculture, with the advice and assistance of the Illinois  
14 Standardbred Breeders Fund Advisory Board, shall be in  
15 addition to and not in lieu of any other moneys paid to  
16 standardbred purses under this Act, and shall not be  
17 commingled with any other moneys paid into that Fund.

18 (7.4) If live standardbred racing is conducted at a  
19 racetrack located in Madison County at any time in calendar  
20 year 2001 before the payment required under paragraph (7.3)  
21 has been made, the organization licensee who is licensed to  
22 conduct racing at that racetrack shall pay all moneys  
23 derived by that racetrack from simulcast wagering and  
24 inter-track wagering during calendar years 2000 and 2001  
25 that (1) are to be used for purses and (2) are generated  
26 between the hours of 6:30 p.m. and 6:30 a.m. during 2000 or

1           2001 to the standardbred purse account at that racetrack to  
2           be used for standardbred purses.

3           (8) Notwithstanding any provision in this Act to the  
4           contrary, an organization licensee from a track located in  
5           a county with a population in excess of 230,000 and that  
6           borders the Mississippi River and its affiliated non-host  
7           licensees shall not be entitled to share in any retention  
8           generated on racing, inter-track wagering, or simulcast  
9           wagering at any other Illinois wagering facility.

10          (8.1) Notwithstanding any provisions in this Act to the  
11          contrary, if 2 organization licensees are conducting  
12          standardbred race meetings concurrently between the hours  
13          of 6:30 p.m. and 6:30 a.m., after payment of all applicable  
14          State and local taxes and interstate commission fees, the  
15          remainder of the amount retained from simulcast wagering  
16          otherwise attributable to the host track and to host track  
17          purses shall be split daily between the 2 organization  
18          licensees and the purses at the tracks of the 2  
19          organization licensees, respectively, based on each  
20          organization licensee's share of the total live handle for  
21          that day, provided that this provision shall not apply to  
22          any non-host licensee that derives its license from a track  
23          located in a county with a population in excess of 230,000  
24          and that borders the Mississippi River.

25          (9) (Blank).

26          (10) (Blank).

1           (11) (Blank).

2           (12) The Board shall have authority to compel all host  
3 tracks to receive the simulcast of any or all races  
4 conducted at the Springfield or DuQuoin State fairgrounds  
5 and include all such races as part of their simulcast  
6 programs.

7           (13) Notwithstanding any other provision of this Act,  
8 in the event that the total Illinois pari-mutuel handle on  
9 Illinois horse races at all wagering facilities in any  
10 calendar year is less than 75% of the total Illinois  
11 pari-mutuel handle on Illinois horse races at all such  
12 wagering facilities for calendar year 1994, then each  
13 wagering facility that has an annual total Illinois  
14 pari-mutuel handle on Illinois horse races that is less  
15 than 75% of the total Illinois pari-mutuel handle on  
16 Illinois horse races at such wagering facility for calendar  
17 year 1994, shall be permitted to receive, from any amount  
18 otherwise payable to the purse account at the race track  
19 with which the wagering facility is affiliated in the  
20 succeeding calendar year, an amount equal to 2% of the  
21 differential in total Illinois pari-mutuel handle on  
22 Illinois horse races at the wagering facility between that  
23 calendar year in question and 1994 provided, however, that  
24 a wagering facility shall not be entitled to any such  
25 payment until the Board certifies in writing to the  
26 wagering facility the amount to which the wagering facility

1 is entitled and a schedule for payment of the amount to the  
2 wagering facility, based on: (i) the racing dates awarded  
3 to the race track affiliated with the wagering facility  
4 during the succeeding year; (ii) the sums available or  
5 anticipated to be available in the purse account of the  
6 race track affiliated with the wagering facility for purses  
7 during the succeeding year; and (iii) the need to ensure  
8 reasonable purse levels during the payment period. The  
9 Board's certification shall be provided no later than  
10 January 31 of the succeeding year. In the event a wagering  
11 facility entitled to a payment under this paragraph (13) is  
12 affiliated with a race track that maintains purse accounts  
13 for both standardbred and thoroughbred racing, the amount  
14 to be paid to the wagering facility shall be divided  
15 between each purse account pro rata, based on the amount of  
16 Illinois handle on Illinois standardbred and thoroughbred  
17 racing respectively at the wagering facility during the  
18 previous calendar year. Annually, the General Assembly  
19 shall appropriate sufficient funds from the General  
20 Revenue Fund to the Department of Agriculture for payment  
21 into the thoroughbred and standardbred horse racing purse  
22 accounts at Illinois pari-mutuel tracks. The amount paid to  
23 each purse account shall be the amount certified by the  
24 Illinois Racing Board in January to be transferred from  
25 each account to each eligible racing facility in accordance  
26 with the provisions of this Section. Beginning in the

1 calendar year in which an organization licensee that is  
2 eligible to receive payment under this paragraph (13)  
3 begins to receive funds from electronic gaming, the amount  
4 of the payment due to all wagering facilities licensed  
5 under that organization licensee under this paragraph (13)  
6 shall be the amount certified by the Board in January of  
7 that year. An organization licensee and its related  
8 wagering facilities shall no longer be able to receive  
9 payments under this paragraph (13) beginning in the year  
10 subsequent to the first year in which the organization  
11 licensee begins to receive funds from electronic gaming.

12 (h) The Board may approve and license the conduct of  
13 inter-track wagering and simulcast wagering by inter-track  
14 wagering licensees and inter-track wagering location licensees  
15 subject to the following terms and conditions:

16 (1) Any person licensed to conduct a race meeting (i)  
17 at a track where 60 or more days of racing were conducted  
18 during the immediately preceding calendar year or where  
19 over the 5 immediately preceding calendar years an average  
20 of 30 or more days of racing were conducted annually may be  
21 issued an inter-track wagering license; (ii) at a track  
22 located in a county that is bounded by the Mississippi  
23 River, which has a population of less than 150,000  
24 according to the 1990 decennial census, and an average of  
25 at least 60 days of racing per year between 1985 and 1993  
26 may be issued an inter-track wagering license; ~~or~~ (iii) at

1       a track awarded standardbred racing dates in 2019 and  
2       thereafter; or (iv) at a track located in Madison County  
3       that conducted at least 100 days of live racing during the  
4       immediately preceding calendar year may be issued an  
5       inter-track wagering license, unless a lesser schedule of  
6       live racing is the result of (A) weather, unsafe track  
7       conditions, or other acts of God; (B) an agreement between  
8       the organization licensee and the associations  
9       representing the largest number of owners, trainers,  
10      jockeys, or standardbred drivers who race horses at that  
11      organization licensee's racing meeting; or (C) a finding by  
12      the Board of extraordinary circumstances and that it was in  
13      the best interest of the public and the sport to conduct  
14      fewer than 100 days of live racing. Any such person having  
15      operating control of the racing facility may receive  
16      inter-track wagering location licenses. An eligible race  
17      track located in a county that has a population of more  
18      than 230,000 and that is bounded by the Mississippi River  
19      may establish up to 9 inter-track wagering locations, an  
20      eligible race track located in Stickney Township in Cook  
21      County may establish up to 16 inter-track wagering  
22      locations, and an eligible race track located in Palatine  
23      Township in Cook County may establish up to 18 inter-track  
24      wagering locations. An eligible race track conducting  
25      standardbred racing may have up to 9 inter-track wagering  
26      locations. An application for said license shall be filed



1 with the Board prior to such dates as may be fixed by the  
2 Board. With an application for an inter-track wagering  
3 location license there shall be delivered to the Board a  
4 certified check or bank draft payable to the order of the  
5 Board for an amount equal to \$500. The application shall be  
6 on forms prescribed and furnished by the Board. The  
7 application shall comply with all other rules, regulations  
8 and conditions imposed by the Board in connection  
9 therewith.

10 (2) The Board shall examine the applications with  
11 respect to their conformity with this Act and the rules and  
12 regulations imposed by the Board. If found to be in  
13 compliance with the Act and rules and regulations of the  
14 Board, the Board may then issue a license to conduct  
15 inter-track wagering and simulcast wagering to such  
16 applicant. All such applications shall be acted upon by the  
17 Board at a meeting to be held on such date as may be fixed  
18 by the Board.

19 (3) In granting licenses to conduct inter-track  
20 wagering and simulcast wagering, the Board shall give due  
21 consideration to the best interests of the public, of horse  
22 racing, and of maximizing revenue to the State.

23 (4) Prior to the issuance of a license to conduct  
24 inter-track wagering and simulcast wagering, the applicant  
25 shall file with the Board a bond payable to the State of  
26 Illinois in the sum of \$50,000, executed by the applicant

1 and a surety company or companies authorized to do business  
2 in this State, and conditioned upon (i) the payment by the  
3 licensee of all taxes due under Section 27 or 27.1 and any  
4 other monies due and payable under this Act, and (ii)  
5 distribution by the licensee, upon presentation of the  
6 winning ticket or tickets, of all sums payable to the  
7 patrons of pari-mutuel pools.

8 (5) Each license to conduct inter-track wagering and  
9 simulcast wagering shall specify the person to whom it is  
10 issued, the dates on which such wagering is permitted, and  
11 the track or location where the wagering is to be  
12 conducted.

13 (6) All wagering under such license is subject to this  
14 Act and to the rules and regulations from time to time  
15 prescribed by the Board, and every such license issued by  
16 the Board shall contain a recital to that effect.

17 (7) An inter-track wagering licensee or inter-track  
18 wagering location licensee may accept wagers at the track  
19 or location where it is licensed, or as otherwise provided  
20 under this Act.

21 (8) Inter-track wagering or simulcast wagering shall  
22 not be conducted at any track less than 4 ~~5~~ miles from a  
23 track at which a racing meeting is in progress.

24 (8.1) Inter-track wagering location licensees who  
25 derive their licenses from a particular organization  
26 licensee shall conduct inter-track wagering and simulcast

1           wagering only at locations that are within 160 miles of  
2           that race track where the particular organization licensee  
3           is licensed to conduct racing. However, inter-track  
4           wagering and simulcast wagering shall not be conducted by  
5           those licensees at any location within 5 miles of any race  
6           track at which a horse race meeting has been licensed in  
7           the current year, unless the person having operating  
8           control of such race track has given its written consent to  
9           such inter-track wagering location licensees, which  
10          consent must be filed with the Board at or prior to the  
11          time application is made. In the case of any inter-track  
12          wagering location licensee initially licensed after  
13          December 31, 2013, inter-track wagering and simulcast  
14          wagering shall not be conducted by those inter-track  
15          wagering location licensees that are located outside the  
16          City of Chicago at any location within 8 miles of any race  
17          track at which a horse race meeting has been licensed in  
18          the current year, unless the person having operating  
19          control of such race track has given its written consent to  
20          such inter-track wagering location licensees, which  
21          consent must be filed with the Board at or prior to the  
22          time application is made.

23               (8.2) Inter-track wagering or simulcast wagering shall  
24               not be conducted by an inter-track wagering location  
25               licensee at any location within 500 feet of an existing  
26               church, an ~~or~~ existing elementary or secondary public

1        school, or an existing elementary or secondary private  
2        school registered with or recognized by the State Board of  
3        Education ~~school~~, nor within 500 feet of the residences of  
4        more than 50 registered voters without receiving written  
5        permission from a majority of the registered voters at such  
6        residences. Such written permission statements shall be  
7        filed with the Board. The distance of 500 feet shall be  
8        measured to the nearest part of any building used for  
9        worship services, education programs, residential  
10       purposes, or conducting inter-track wagering by an  
11       inter-track wagering location licensee, and not to  
12       property boundaries. However, inter-track wagering or  
13       simulcast wagering may be conducted at a site within 500  
14       feet of a church, school or residences of 50 or more  
15       registered voters if such church, school or residences have  
16       been erected or established, or such voters have been  
17       registered, after the Board issues the original  
18       inter-track wagering location license at the site in  
19       question. Inter-track wagering location licensees may  
20       conduct inter-track wagering and simulcast wagering only  
21       in areas that are zoned for commercial or manufacturing  
22       purposes or in areas for which a special use has been  
23       approved by the local zoning authority. However, no license  
24       to conduct inter-track wagering and simulcast wagering  
25       shall be granted by the Board with respect to any  
26       inter-track wagering location within the jurisdiction of

1 any local zoning authority which has, by ordinance or by  
2 resolution, prohibited the establishment of an inter-track  
3 wagering location within its jurisdiction. However,  
4 inter-track wagering and simulcast wagering may be  
5 conducted at a site if such ordinance or resolution is  
6 enacted after the Board licenses the original inter-track  
7 wagering location licensee for the site in question.

8 (9) (Blank).

9 (10) An inter-track wagering licensee or an  
10 inter-track wagering location licensee may retain, subject  
11 to the payment of the privilege taxes and the purses, an  
12 amount not to exceed 17% of all money wagered. Each program  
13 of racing conducted by each inter-track wagering licensee  
14 or inter-track wagering location licensee shall be  
15 considered a separate racing day for the purpose of  
16 determining the daily handle and computing the privilege  
17 tax or pari-mutuel tax on such daily handle as provided in  
18 Section 27.

19 (10.1) Except as provided in subsection (g) of Section  
20 27 of this Act, inter-track wagering location licensees  
21 shall pay 1% of the pari-mutuel handle at each location to  
22 the municipality in which such location is situated and 1%  
23 of the pari-mutuel handle at each location to the county in  
24 which such location is situated. In the event that an  
25 inter-track wagering location licensee is situated in an  
26 unincorporated area of a county, such licensee shall pay 2%

1 of the pari-mutuel handle from such location to such  
2 county.

3 (10.2) Notwithstanding any other provision of this  
4 Act, with respect to inter-track wagering at a race track  
5 located in a county that has a population of more than  
6 230,000 and that is bounded by the Mississippi River ("the  
7 first race track"), or at a facility operated by an  
8 inter-track wagering licensee or inter-track wagering  
9 location licensee that derives its license from the  
10 organization licensee that operates the first race track,  
11 on races conducted at the first race track or on races  
12 conducted at another Illinois race track and  
13 simultaneously televised to the first race track or to a  
14 facility operated by an inter-track wagering licensee or  
15 inter-track wagering location licensee that derives its  
16 license from the organization licensee that operates the  
17 first race track, those moneys shall be allocated as  
18 follows:

19 (A) That portion of all moneys wagered on  
20 standardbred racing that is required under this Act to  
21 be paid to purses shall be paid to purses for  
22 standardbred races.

23 (B) That portion of all moneys wagered on  
24 thoroughbred racing that is required under this Act to  
25 be paid to purses shall be paid to purses for  
26 thoroughbred races.

1           (11) (A) After payment of the privilege or pari-mutuel  
2 tax, any other applicable taxes, and the costs and expenses  
3 in connection with the gathering, transmission, and  
4 dissemination of all data necessary to the conduct of  
5 inter-track wagering, the remainder of the monies retained  
6 under either Section 26 or Section 26.2 of this Act by the  
7 inter-track wagering licensee on inter-track wagering  
8 shall be allocated with 50% to be split between the 2  
9 participating licensees and 50% to purses, except that an  
10 inter-track wagering licensee that derives its license  
11 from a track located in a county with a population in  
12 excess of 230,000 and that borders the Mississippi River  
13 shall not divide any remaining retention with the Illinois  
14 organization licensee that provides the race or races, and  
15 an inter-track wagering licensee that accepts wagers on  
16 races conducted by an organization licensee that conducts a  
17 race meet in a county with a population in excess of  
18 230,000 and that borders the Mississippi River shall not  
19 divide any remaining retention with that organization  
20 licensee.

21           (B) From the sums permitted to be retained pursuant to  
22 this Act each inter-track wagering location licensee shall  
23 pay (i) the privilege or pari-mutuel tax to the State; (ii)  
24 4.75% of the pari-mutuel handle on inter-track wagering at  
25 such location on races as purses, except that an  
26 inter-track wagering location licensee that derives its

1 license from a track located in a county with a population  
2 in excess of 230,000 and that borders the Mississippi River  
3 shall retain all purse moneys for its own purse account  
4 consistent with distribution set forth in this subsection  
5 (h), and inter-track wagering location licensees that  
6 accept wagers on races conducted by an organization  
7 licensee located in a county with a population in excess of  
8 230,000 and that borders the Mississippi River shall  
9 distribute all purse moneys to purses at the operating host  
10 track; (iii) until January 1, 2000, except as provided in  
11 subsection (g) of Section 27 of this Act, 1% of the  
12 pari-mutuel handle wagered on inter-track wagering and  
13 simulcast wagering at each inter-track wagering location  
14 licensee facility to the Horse Racing Tax Allocation Fund,  
15 provided that, to the extent the total amount collected and  
16 distributed to the Horse Racing Tax Allocation Fund under  
17 this subsection (h) during any calendar year exceeds the  
18 amount collected and distributed to the Horse Racing Tax  
19 Allocation Fund during calendar year 1994, that excess  
20 amount shall be redistributed (I) to all inter-track  
21 wagering location licensees, based on each licensee's  
22 pro-rata share of the total handle from inter-track  
23 wagering and simulcast wagering for all inter-track  
24 wagering location licensees during the calendar year in  
25 which this provision is applicable; then (II) the amounts  
26 redistributed to each inter-track wagering location



1 licensee as described in subpart (I) shall be further  
2 redistributed as provided in subparagraph (B) of paragraph  
3 (5) of subsection (g) of this Section 26 provided first,  
4 that the shares of those amounts, which are to be  
5 redistributed to the host track or to purses at the host  
6 track under subparagraph (B) of paragraph (5) of subsection  
7 (g) of this Section 26 shall be redistributed based on each  
8 host track's pro rata share of the total inter-track  
9 wagering and simulcast wagering handle at all host tracks  
10 during the calendar year in question, and second, that any  
11 amounts redistributed as described in part (I) to an  
12 inter-track wagering location licensee that accepts wagers  
13 on races conducted by an organization licensee that  
14 conducts a race meet in a county with a population in  
15 excess of 230,000 and that borders the Mississippi River  
16 shall be further redistributed as provided in  
17 subparagraphs (D) and (E) of paragraph (7) of subsection  
18 (g) of this Section 26, with the portion of that further  
19 redistribution allocated to purses at that organization  
20 licensee to be divided between standardbred purses and  
21 thoroughbred purses based on the amounts otherwise  
22 allocated to purses at that organization licensee during  
23 the calendar year in question; and (iv) 8% of the  
24 pari-mutuel handle on inter-track wagering wagered at such  
25 location to satisfy all costs and expenses of conducting  
26 its wagering. The remainder of the monies retained by the

1 inter-track wagering location licensee shall be allocated  
2 40% to the location licensee and 60% to the organization  
3 licensee which provides the Illinois races to the location,  
4 except that an inter-track wagering location licensee that  
5 derives its license from a track located in a county with a  
6 population in excess of 230,000 and that borders the  
7 Mississippi River shall not divide any remaining retention  
8 with the organization licensee that provides the race or  
9 races and an inter-track wagering location licensee that  
10 accepts wagers on races conducted by an organization  
11 licensee that conducts a race meet in a county with a  
12 population in excess of 230,000 and that borders the  
13 Mississippi River shall not divide any remaining retention  
14 with the organization licensee. Notwithstanding the  
15 provisions of clauses (ii) and (iv) of this paragraph, in  
16 the case of the additional inter-track wagering location  
17 licenses authorized under paragraph (1) of this subsection  
18 (h) by Public Act 87-110, those licensees shall pay the  
19 following amounts as purses: during the first 12 months the  
20 licensee is in operation, 5.25% of the pari-mutuel handle  
21 wagered at the location on races; during the second 12  
22 months, 5.25%; during the third 12 months, 5.75%; during  
23 the fourth 12 months, 6.25%; and during the fifth 12 months  
24 and thereafter, 6.75%. The following amounts shall be  
25 retained by the licensee to satisfy all costs and expenses  
26 of conducting its wagering: during the first 12 months the

1 licensee is in operation, 8.25% of the pari-mutuel handle  
2 wagered at the location; during the second 12 months,  
3 8.25%; during the third 12 months, 7.75%; during the fourth  
4 12 months, 7.25%; and during the fifth 12 months and  
5 thereafter, 6.75%. For additional inter-track wagering  
6 location licensees authorized under Public Act 89-16,  
7 purses for the first 12 months the licensee is in operation  
8 shall be 5.75% of the pari-mutuel wagered at the location,  
9 purses for the second 12 months the licensee is in  
10 operation shall be 6.25%, and purses thereafter shall be  
11 6.75%. For additional inter-track location licensees  
12 authorized under Public Act 89-16, the licensee shall be  
13 allowed to retain to satisfy all costs and expenses: 7.75%  
14 of the pari-mutuel handle wagered at the location during  
15 its first 12 months of operation, 7.25% during its second  
16 12 months of operation, and 6.75% thereafter.

17 (C) There is hereby created the Horse Racing Tax  
18 Allocation Fund which shall remain in existence until  
19 December 31, 1999. Moneys remaining in the Fund after  
20 December 31, 1999 shall be paid into the General Revenue  
21 Fund. Until January 1, 2000, all monies paid into the Horse  
22 Racing Tax Allocation Fund pursuant to this paragraph (11)  
23 by inter-track wagering location licensees located in park  
24 districts of 500,000 population or less, or in a  
25 municipality that is not included within any park district  
26 but is included within a conservation district and is the

1 county seat of a county that (i) is contiguous to the state  
2 of Indiana and (ii) has a 1990 population of 88,257  
3 according to the United States Bureau of the Census, and  
4 operating on May 1, 1994 shall be allocated by  
5 appropriation as follows:

6 Two-sevenths to the Department of Agriculture.  
7 Fifty percent of this two-sevenths shall be used to  
8 promote the Illinois horse racing and breeding  
9 industry, and shall be distributed by the Department of  
10 Agriculture upon the advice of a 9-member committee  
11 appointed by the Governor consisting of the following  
12 members: the Director of Agriculture, who shall serve  
13 as chairman; 2 representatives of organization  
14 licensees conducting thoroughbred race meetings in  
15 this State, recommended by those licensees; 2  
16 representatives of organization licensees conducting  
17 standardbred race meetings in this State, recommended  
18 by those licensees; a representative of the Illinois  
19 Thoroughbred Breeders and Owners Foundation,  
20 recommended by that Foundation; a representative of  
21 the Illinois Standardbred Owners and Breeders  
22 Association, recommended by that Association; a  
23 representative of the Horsemen's Benevolent and  
24 Protective Association or any successor organization  
25 thereto established in Illinois comprised of the  
26 largest number of owners and trainers, recommended by

1 that Association or that successor organization; and a  
2 representative of the Illinois Harness Horsemen's  
3 Association, recommended by that Association.  
4 Committee members shall serve for terms of 2 years,  
5 commencing January 1 of each even-numbered year. If a  
6 representative of any of the above-named entities has  
7 not been recommended by January 1 of any even-numbered  
8 year, the Governor shall appoint a committee member to  
9 fill that position. Committee members shall receive no  
10 compensation for their services as members but shall be  
11 reimbursed for all actual and necessary expenses and  
12 disbursements incurred in the performance of their  
13 official duties. The remaining 50% of this  
14 two-sevenths shall be distributed to county fairs for  
15 premiums and rehabilitation as set forth in the  
16 Agricultural Fair Act;

17 Four-sevenths to park districts or municipalities  
18 that do not have a park district of 500,000 population  
19 or less for museum purposes (if an inter-track wagering  
20 location licensee is located in such a park district)  
21 or to conservation districts for museum purposes (if an  
22 inter-track wagering location licensee is located in a  
23 municipality that is not included within any park  
24 district but is included within a conservation  
25 district and is the county seat of a county that (i) is  
26 contiguous to the state of Indiana and (ii) has a 1990

1 population of 88,257 according to the United States  
2 Bureau of the Census, except that if the conservation  
3 district does not maintain a museum, the monies shall  
4 be allocated equally between the county and the  
5 municipality in which the inter-track wagering  
6 location licensee is located for general purposes) or  
7 to a municipal recreation board for park purposes (if  
8 an inter-track wagering location licensee is located  
9 in a municipality that is not included within any park  
10 district and park maintenance is the function of the  
11 municipal recreation board and the municipality has a  
12 1990 population of 9,302 according to the United States  
13 Bureau of the Census); provided that the monies are  
14 distributed to each park district or conservation  
15 district or municipality that does not have a park  
16 district in an amount equal to four-sevenths of the  
17 amount collected by each inter-track wagering location  
18 licensee within the park district or conservation  
19 district or municipality for the Fund. Monies that were  
20 paid into the Horse Racing Tax Allocation Fund before  
21 August 9, 1991 (the effective date of Public Act  
22 87-110) by an inter-track wagering location licensee  
23 located in a municipality that is not included within  
24 any park district but is included within a conservation  
25 district as provided in this paragraph shall, as soon  
26 as practicable after August 9, 1991 (the effective date

1 of Public Act 87-110), be allocated and paid to that  
2 conservation district as provided in this paragraph.  
3 Any park district or municipality not maintaining a  
4 museum may deposit the monies in the corporate fund of  
5 the park district or municipality where the  
6 inter-track wagering location is located, to be used  
7 for general purposes; and

8 One-seventh to the Agricultural Premium Fund to be  
9 used for distribution to agricultural home economics  
10 extension councils in accordance with "An Act in  
11 relation to additional support and finances for the  
12 Agricultural and Home Economic Extension Councils in  
13 the several counties of this State and making an  
14 appropriation therefor", approved July 24, 1967.

15 Until January 1, 2000, all other monies paid into the  
16 Horse Racing Tax Allocation Fund pursuant to this paragraph  
17 (11) shall be allocated by appropriation as follows:

18 Two-sevenths to the Department of Agriculture.  
19 Fifty percent of this two-sevenths shall be used to  
20 promote the Illinois horse racing and breeding  
21 industry, and shall be distributed by the Department of  
22 Agriculture upon the advice of a 9-member committee  
23 appointed by the Governor consisting of the following  
24 members: the Director of Agriculture, who shall serve  
25 as chairman; 2 representatives of organization  
26 licensees conducting thoroughbred race meetings in

1           this State, recommended by those licensees; 2  
2           representatives of organization licensees conducting  
3           standardbred race meetings in this State, recommended  
4           by those licensees; a representative of the Illinois  
5           Thoroughbred Breeders and Owners Foundation,  
6           recommended by that Foundation; a representative of  
7           the Illinois Standardbred Owners and Breeders  
8           Association, recommended by that Association; a  
9           representative of the Horsemen's Benevolent and  
10          Protective Association or any successor organization  
11          thereto established in Illinois comprised of the  
12          largest number of owners and trainers, recommended by  
13          that Association or that successor organization; and a  
14          representative of the Illinois Harness Horsemen's  
15          Association, recommended by that Association.  
16          Committee members shall serve for terms of 2 years,  
17          commencing January 1 of each even-numbered year. If a  
18          representative of any of the above-named entities has  
19          not been recommended by January 1 of any even-numbered  
20          year, the Governor shall appoint a committee member to  
21          fill that position. Committee members shall receive no  
22          compensation for their services as members but shall be  
23          reimbursed for all actual and necessary expenses and  
24          disbursements incurred in the performance of their  
25          official duties. The remaining 50% of this  
26          two-sevenths shall be distributed to county fairs for



1 premiums and rehabilitation as set forth in the  
2 Agricultural Fair Act;

3 Four-sevenths to museums and aquariums located in  
4 park districts of over 500,000 population; provided  
5 that the monies are distributed in accordance with the  
6 previous year's distribution of the maintenance tax  
7 for such museums and aquariums as provided in Section 2  
8 of the Park District Aquarium and Museum Act; and

9 One-seventh to the Agricultural Premium Fund to be  
10 used for distribution to agricultural home economics  
11 extension councils in accordance with "An Act in  
12 relation to additional support and finances for the  
13 Agricultural and Home Economic Extension Councils in  
14 the several counties of this State and making an  
15 appropriation therefor", approved July 24, 1967. This  
16 subparagraph (C) shall be inoperative and of no force  
17 and effect on and after January 1, 2000.

18 (D) Except as provided in paragraph (11) of this  
19 subsection (h), with respect to purse allocation from  
20 inter-track wagering, the monies so retained shall be  
21 divided as follows:

22 (i) If the inter-track wagering licensee,  
23 except an inter-track wagering licensee that  
24 derives its license from an organization licensee  
25 located in a county with a population in excess of  
26 230,000 and bounded by the Mississippi River, is

1 not conducting its own race meeting during the same  
2 dates, then the entire purse allocation shall be to  
3 purses at the track where the races wagered on are  
4 being conducted.

5 (ii) If the inter-track wagering licensee,  
6 except an inter-track wagering licensee that  
7 derives its license from an organization licensee  
8 located in a county with a population in excess of  
9 230,000 and bounded by the Mississippi River, is  
10 also conducting its own race meeting during the  
11 same dates, then the purse allocation shall be as  
12 follows: 50% to purses at the track where the races  
13 wagered on are being conducted; 50% to purses at  
14 the track where the inter-track wagering licensee  
15 is accepting such wagers.

16 (iii) If the inter-track wagering is being  
17 conducted by an inter-track wagering location  
18 licensee, except an inter-track wagering location  
19 licensee that derives its license from an  
20 organization licensee located in a county with a  
21 population in excess of 230,000 and bounded by the  
22 Mississippi River, the entire purse allocation for  
23 Illinois races shall be to purses at the track  
24 where the race meeting being wagered on is being  
25 held.

26 (12) The Board shall have all powers necessary and

1 proper to fully supervise and control the conduct of  
2 inter-track wagering and simulcast wagering by inter-track  
3 wagering licensees and inter-track wagering location  
4 licensees, including, but not limited to the following:

5 (A) The Board is vested with power to promulgate  
6 reasonable rules and regulations for the purpose of  
7 administering the conduct of this wagering and to  
8 prescribe reasonable rules, regulations and conditions  
9 under which such wagering shall be held and conducted.  
10 Such rules and regulations are to provide for the  
11 prevention of practices detrimental to the public  
12 interest and for the best interests of said wagering  
13 and to impose penalties for violations thereof.

14 (B) The Board, and any person or persons to whom it  
15 delegates this power, is vested with the power to enter  
16 the facilities of any licensee to determine whether  
17 there has been compliance with the provisions of this  
18 Act and the rules and regulations relating to the  
19 conduct of such wagering.

20 (C) The Board, and any person or persons to whom it  
21 delegates this power, may eject or exclude from any  
22 licensee's facilities, any person whose conduct or  
23 reputation is such that his presence on such premises  
24 may, in the opinion of the Board, call into the  
25 question the honesty and integrity of, or interfere  
26 with the orderly conduct of such wagering; provided,

1           however, that no person shall be excluded or ejected  
2           from such premises solely on the grounds of race,  
3           color, creed, national origin, ancestry, or sex.

4           (D) (Blank).

5           (E) The Board is vested with the power to appoint  
6           delegates to execute any of the powers granted to it  
7           under this Section for the purpose of administering  
8           this wagering and any rules and regulations  
9           promulgated in accordance with this Act.

10          (F) The Board shall name and appoint a State  
11          director of this wagering who shall be a representative  
12          of the Board and whose duty it shall be to supervise  
13          the conduct of inter-track wagering as may be provided  
14          for by the rules and regulations of the Board; such  
15          rules and regulation shall specify the method of  
16          appointment and the Director's powers, authority and  
17          duties.

18          (G) The Board is vested with the power to impose  
19          civil penalties of up to \$5,000 against individuals and  
20          up to \$10,000 against licensees for each violation of  
21          any provision of this Act relating to the conduct of  
22          this wagering, any rules adopted by the Board, any  
23          order of the Board or any other action which in the  
24          Board's discretion, is a detriment or impediment to  
25          such wagering.

26          (13) The Department of Agriculture may enter into

1 agreements with licensees authorizing such licensees to  
2 conduct inter-track wagering on races to be held at the  
3 licensed race meetings conducted by the Department of  
4 Agriculture. Such agreement shall specify the races of the  
5 Department of Agriculture's licensed race meeting upon  
6 which the licensees will conduct wagering. In the event  
7 that a licensee conducts inter-track pari-mutuel wagering  
8 on races from the Illinois State Fair or DuQuoin State Fair  
9 which are in addition to the licensee's previously approved  
10 racing program, those races shall be considered a separate  
11 racing day for the purpose of determining the daily handle  
12 and computing the privilege or pari-mutuel tax on that  
13 daily handle as provided in Sections 27 and 27.1. Such  
14 agreements shall be approved by the Board before such  
15 wagering may be conducted. In determining whether to grant  
16 approval, the Board shall give due consideration to the  
17 best interests of the public and of horse racing. The  
18 provisions of paragraphs (1), (8), (8.1), and (8.2) of  
19 subsection (h) of this Section which are not specified in  
20 this paragraph (13) shall not apply to licensed race  
21 meetings conducted by the Department of Agriculture at the  
22 Illinois State Fair in Sangamon County or the DuQuoin State  
23 Fair in Perry County, or to any wagering conducted on those  
24 race meetings.

25 (14) An inter-track wagering location license  
26 authorized by the Board in 2016 that is owned and operated

1 by a race track in Rock Island County shall be transferred  
2 to a commonly owned race track in Cook County on August 12,  
3 2016 (the effective date of Public Act 99-757). The  
4 licensee shall retain its status in relation to purse  
5 distribution under paragraph (11) of this subsection (h)  
6 following the transfer to the new entity. The pari-mutuel  
7 tax credit under Section 32.1 shall not be applied toward  
8 any pari-mutuel tax obligation of the inter-track wagering  
9 location licensee of the license that is transferred under  
10 this paragraph (14).

11 (i) Notwithstanding the other provisions of this Act, the  
12 conduct of wagering at wagering facilities is authorized on all  
13 days, except as limited by subsection (b) of Section 19 of this  
14 Act.

15 (Source: P.A. 99-756, eff. 8-12-16; 99-757, eff. 8-12-16;  
16 100-201, eff. 8-18-17.)

17 (230 ILCS 5/26.8)

18 Sec. 26.8. Beginning on February 1, 2014 ~~and through~~  
19 ~~December 31, 2018~~, each wagering licensee may impose a  
20 surcharge of up to 0.5% on winning wagers and winnings from  
21 wagers. The surcharge shall be deducted from winnings prior to  
22 payout. All amounts collected from the imposition of this  
23 surcharge shall be evenly distributed to the organization  
24 licensee and the purse account of the organization licensee  
25 with which the licensee is affiliated. The amounts distributed

1 under this Section shall be in addition to the amounts paid  
2 pursuant to paragraph (10) of subsection (h) of Section 26,  
3 Section 26.3, Section 26.4, Section 26.5, and Section 26.7.  
4 (Source: P.A. 98-624, eff. 1-29-14; 99-756, eff. 8-12-16.)

5 (230 ILCS 5/26.9)

6 Sec. 26.9. Beginning on February 1, 2014 ~~and through~~  
7 ~~December 31, 2018~~, in addition to the surcharge imposed in  
8 Sections 26.3, 26.4, 26.5, 26.7, and 26.8 of this Act, each  
9 licensee shall impose a surcharge of 0.2% on winning wagers and  
10 winnings from wagers. The surcharge shall be deducted from  
11 winnings prior to payout. All amounts collected from the  
12 surcharges imposed under this Section shall be remitted to the  
13 Board. From amounts collected under this Section, the Board  
14 shall deposit an amount not to exceed \$100,000 annually into  
15 the Quarter Horse Purse Fund and all remaining amounts into the  
16 Horse Racing Fund.

17 (Source: P.A. 98-624, eff. 1-29-14; 99-756, eff. 8-12-16.)

18 (230 ILCS 5/27) (from Ch. 8, par. 37-27)

19 Sec. 27. (a) In addition to the organization license fee  
20 provided by this Act, until January 1, 2000, a graduated  
21 privilege tax is hereby imposed for conducting the pari-mutuel  
22 system of wagering permitted under this Act. Until January 1,  
23 2000, except as provided in subsection (g) of Section 27 of  
24 this Act, all of the breakage of each racing day held by any

1 licensee in the State shall be paid to the State. Until January  
2 1, 2000, such daily graduated privilege tax shall be paid by  
3 the licensee from the amount permitted to be retained under  
4 this Act. Until January 1, 2000, each day's graduated privilege  
5 tax, breakage, and Horse Racing Tax Allocation funds shall be  
6 remitted to the Department of Revenue within 48 hours after the  
7 close of the racing day upon which it is assessed or within  
8 such other time as the Board prescribes. The privilege tax  
9 hereby imposed, until January 1, 2000, shall be a flat tax at  
10 the rate of 2% of the daily pari-mutuel handle except as  
11 provided in Section 27.1.

12 In addition, every organization licensee, except as  
13 provided in Section 27.1 of this Act, which conducts multiple  
14 wagering shall pay, until January 1, 2000, as a privilege tax  
15 on multiple wagers an amount equal to 1.25% of all moneys  
16 wagered each day on such multiple wagers, plus an additional  
17 amount equal to 3.5% of the amount wagered each day on any  
18 other multiple wager which involves a single betting interest  
19 on 3 or more horses. The licensee shall remit the amount of  
20 such taxes to the Department of Revenue within 48 hours after  
21 the close of the racing day on which it is assessed or within  
22 such other time as the Board prescribes.

23 This subsection (a) shall be inoperative and of no force  
24 and effect on and after January 1, 2000.

25 (a-5) Beginning on January 1, 2000, a flat pari-mutuel tax  
26 at the rate of 1.5% of the daily pari-mutuel handle is imposed



1 at all pari-mutuel wagering facilities and on advance deposit  
2 wagering from a location other than a wagering facility, except  
3 as otherwise provided for in this subsection (a-5). In addition  
4 to the pari-mutuel tax imposed on advance deposit wagering  
5 pursuant to this subsection (a-5), beginning on August 24, 2012  
6 (the effective date of Public Act 97-1060) ~~and through December~~  
7 ~~31, 2018~~, an additional pari-mutuel tax at the rate of 0.25%  
8 shall be imposed on advance deposit wagering. Until August 25,  
9 2012, the additional 0.25% pari-mutuel tax imposed on advance  
10 deposit wagering by Public Act 96-972 shall be deposited into  
11 the Quarter Horse Purse Fund, which shall be created as a  
12 non-appropriated trust fund administered by the Board for  
13 grants to thoroughbred organization licensees for payment of  
14 purses for quarter horse races conducted by the organization  
15 licensee. Beginning on August 26, 2012, the additional 0.25%  
16 pari-mutuel tax imposed on advance deposit wagering shall be  
17 deposited into the Standardbred Purse Fund, which shall be  
18 created as a non-appropriated trust fund administered by the  
19 Board, for grants to the standardbred organization licensees  
20 for payment of purses for standardbred horse races conducted by  
21 the organization licensee. Thoroughbred organization licensees  
22 may petition the Board to conduct quarter horse racing and  
23 receive purse grants from the Quarter Horse Purse Fund. The  
24 Board shall have complete discretion in distributing the  
25 Quarter Horse Purse Fund to the petitioning organization  
26 licensees. Beginning on July 26, 2010 (the effective date of

1 Public Act 96-1287), a pari-mutuel tax at the rate of 0.75% of  
2 the daily pari-mutuel handle is imposed at a pari-mutuel  
3 facility whose license is derived from a track located in a  
4 county that borders the Mississippi River and conducted live  
5 racing in the previous year. The pari-mutuel tax imposed by  
6 this subsection (a-5) shall be remitted to the Department of  
7 Revenue within 48 hours after the close of the racing day upon  
8 which it is assessed or within such other time as the Board  
9 prescribes.

10 (a-10) Beginning on the date when an organization licensee  
11 begins conducting electronic gaming pursuant to an electronic  
12 gaming license, the following pari-mutuel tax is imposed upon  
13 an organization licensee on Illinois races at the licensee's  
14 race track:

15 1.5% of the pari-mutuel handle at or below the average  
16 daily pari-mutuel handle for 2011.

17 2% of the pari-mutuel handle above the average daily  
18 pari-mutuel handle for 2011 up to 125% of the average daily  
19 pari-mutuel handle for 2011.

20 2.5% of the pari-mutuel handle 125% or more above the  
21 average daily pari-mutuel handle for 2011 up to 150% of the  
22 average daily pari-mutuel handle for 2011.

23 3% of the pari-mutuel handle 150% or more above the  
24 average daily pari-mutuel handle for 2011 up to 175% of the  
25 average daily pari-mutuel handle for 2011.

26 3.5% of the pari-mutuel handle 175% or more above the

1           average daily pari-mutuel handle for 2011.

2           The pari-mutuel tax imposed by this subsection (a-10) shall  
3 be remitted to the Board within 48 hours after the close of the  
4 racing day upon which it is assessed or within such other time  
5 as the Board prescribes.

6           (b) On or before December 31, 1999, in the event that any  
7 organization licensee conducts 2 separate programs of races on  
8 any day, each such program shall be considered a separate  
9 racing day for purposes of determining the daily handle and  
10 computing the privilege tax on such daily handle as provided in  
11 subsection (a) of this Section.

12           (c) Licensees shall at all times keep accurate books and  
13 records of all monies wagered on each day of a race meeting and  
14 of the taxes paid to the Department of Revenue under the  
15 provisions of this Section. The Board or its duly authorized  
16 representative or representatives shall at all reasonable  
17 times have access to such records for the purpose of examining  
18 and checking the same and ascertaining whether the proper  
19 amount of taxes is being paid as provided. The Board shall  
20 require verified reports and a statement of the total of all  
21 monies wagered daily at each wagering facility upon which the  
22 taxes are assessed and may prescribe forms upon which such  
23 reports and statement shall be made.

24           (d) Before a license is issued or re-issued, the licensee  
25 shall post a bond in the sum of \$500,000 to the State of  
26 Illinois. The bond shall be used to guarantee that the licensee

1 faithfully makes the payments, keeps the books and records and  
2 makes reports, and conducts games of chance in conformity with  
3 this Act and the rules adopted by the Board. The bond shall not  
4 be canceled by a surety on less than 30 days' notice in writing  
5 to the Board. If a bond is canceled and the licensee fails to  
6 file a new bond with the Board in the required amount on or  
7 before the effective date of cancellation, the licensee's  
8 license shall be revoked. The total and aggregate liability of  
9 the surety on the bond is limited to the amount specified in  
10 the bond. ~~Any licensee failing or refusing to pay the amount of~~  
11 ~~any tax due under this Section shall be guilty of a business~~  
12 ~~offense and upon conviction shall be fined not more than \$5,000~~  
13 ~~in addition to the amount found due as tax under this Section.~~  
14 ~~Each day's violation shall constitute a separate offense. All~~  
15 ~~finer paid into Court by a licensee hereunder shall be~~  
16 ~~transmitted and paid over by the Clerk of the Court to the~~  
17 ~~Board.~~

18 (e) No other license fee, privilege tax, excise tax, or  
19 racing fee, except as provided in this Act, shall be assessed  
20 or collected from any such licensee by the State.

21 (f) No other license fee, privilege tax, excise tax or  
22 racing fee shall be assessed or collected from any such  
23 licensee by units of local government except as provided in  
24 paragraph 10.1 of subsection (h) and subsection (f) of Section  
25 26 of this Act. However, any municipality that has a Board  
26 licensed horse race meeting at a race track wholly within its

1 corporate boundaries or a township that has a Board licensed  
2 horse race meeting at a race track wholly within the  
3 unincorporated area of the township may charge a local  
4 amusement tax not to exceed 10¢ per admission to such horse  
5 race meeting by the enactment of an ordinance. However, any  
6 municipality or county that has a Board licensed inter-track  
7 wagering location facility wholly within its corporate  
8 boundaries may each impose an admission fee not to exceed \$1.00  
9 per admission to such inter-track wagering location facility,  
10 so that a total of not more than \$2.00 per admission may be  
11 imposed. Except as provided in subparagraph (g) of Section 27  
12 of this Act, the inter-track wagering location licensee shall  
13 collect any and all such fees and ~~within 48 hours~~ remit the  
14 fees to the Board as the Board prescribes, which shall,  
15 pursuant to rule, cause the fees to be distributed to the  
16 county or municipality.

17 (g) Notwithstanding any provision in this Act to the  
18 contrary, if in any calendar year the total taxes and fees from  
19 wagering on live racing and from inter-track wagering required  
20 to be collected from licensees and distributed under this Act  
21 to all State and local governmental authorities exceeds the  
22 amount of such taxes and fees distributed to each State and  
23 local governmental authority to which each State and local  
24 governmental authority was entitled under this Act for calendar  
25 year 1994, then the first \$11 million of that excess amount  
26 shall be allocated at the earliest possible date for

1 distribution as purse money for the succeeding calendar year.  
2 Upon reaching the 1994 level, and until the excess amount of  
3 taxes and fees exceeds \$11 million, the Board shall direct all  
4 licensees to cease paying the subject taxes and fees and the  
5 Board shall direct all licensees to allocate any such excess  
6 amount for purses as follows:

7 (i) the excess amount shall be initially divided  
8 between thoroughbred and standardbred purses based on the  
9 thoroughbred's and standardbred's respective percentages  
10 of total Illinois live wagering in calendar year 1994;

11 (ii) each thoroughbred and standardbred organization  
12 licensee issued an organization license in that  
13 succeeding allocation year shall be allocated an amount  
14 equal to the product of its percentage of total Illinois  
15 live thoroughbred or standardbred wagering in calendar  
16 year 1994 (the total to be determined based on the sum of  
17 1994 on-track wagering for all organization licensees  
18 issued organization licenses in both the allocation year  
19 and the preceding year) multiplied by the total amount  
20 allocated for standardbred or thoroughbred purses,  
21 provided that the first \$1,500,000 of the amount allocated  
22 to standardbred purses under item (i) shall be allocated to  
23 the Department of Agriculture to be expended with the  
24 assistance and advice of the Illinois Standardbred  
25 Breeders Funds Advisory Board for the purposes listed in  
26 subsection (g) of Section 31 of this Act, before the amount

1 allocated to standardbred purses under item (i) is  
2 allocated to standardbred organization licensees in the  
3 succeeding allocation year.

4 To the extent the excess amount of taxes and fees to be  
5 collected and distributed to State and local governmental  
6 authorities exceeds \$11 million, that excess amount shall be  
7 collected and distributed to State and local authorities as  
8 provided for under this Act.

9 (Source: P.A. 98-18, eff. 6-7-13; 98-624, eff. 1-29-14; 99-756,  
10 eff. 8-12-16.)

11 (230 ILCS 5/30) (from Ch. 8, par. 37-30)

12 Sec. 30. (a) The General Assembly declares that it is the  
13 policy of this State to encourage the breeding of thoroughbred  
14 horses in this State and the ownership of such horses by  
15 residents of this State in order to provide for: sufficient  
16 numbers of high quality thoroughbred horses to participate in  
17 thoroughbred racing meetings in this State, and to establish  
18 and preserve the agricultural and commercial benefits of such  
19 breeding and racing industries to the State of Illinois. It is  
20 the intent of the General Assembly to further this policy by  
21 the provisions of this Act.

22 (b) Each organization licensee conducting a thoroughbred  
23 racing meeting pursuant to this Act shall provide at least two  
24 races each day limited to Illinois conceived and foaled horses  
25 or Illinois foaled horses or both. A minimum of 6 races shall

1 be conducted each week limited to Illinois conceived and foaled  
2 or Illinois foaled horses or both. No horses shall be permitted  
3 to start in such races unless duly registered under the rules  
4 of the Department of Agriculture.

5 (c) Conditions of races under subsection (b) shall be  
6 commensurate with past performance, quality, and class of  
7 Illinois conceived and foaled and Illinois foaled horses  
8 available. If, however, sufficient competition cannot be had  
9 among horses of that class on any day, the races may, with  
10 consent of the Board, be eliminated for that day and substitute  
11 races provided.

12 (d) There is hereby created a special fund of the State  
13 Treasury to be known as the Illinois Thoroughbred Breeders  
14 Fund.

15 Beginning on the effective date of this amendatory Act of  
16 the 100th General Assembly, the Illinois Thoroughbred Breeders  
17 Fund shall become a non-appropriated trust fund held separately  
18 from State moneys. Expenditures from this Fund shall no longer  
19 be subject to appropriation.

20 Except as provided in subsection (g) of Section 27 of this  
21 Act, 8.5% of all the monies received by the State as privilege  
22 taxes on Thoroughbred racing meetings shall be paid into the  
23 Illinois Thoroughbred Breeders Fund.

24 Notwithstanding any provision of law to the contrary,  
25 amounts deposited into the Illinois Thoroughbred Breeders Fund  
26 from revenues generated by electronic gaming after the



1 effective date of this amendatory Act of the 100th General  
2 Assembly shall be in addition to tax and fee amounts paid under  
3 this Section for calendar year 2018 and thereafter.

4 (e) The Illinois Thoroughbred Breeders Fund shall be  
5 administered by the Department of Agriculture with the advice  
6 and assistance of the Advisory Board created in subsection (f)  
7 of this Section.

8 (f) The Illinois Thoroughbred Breeders Fund Advisory Board  
9 shall consist of the Director of the Department of Agriculture,  
10 who shall serve as Chairman; a member of the Illinois Racing  
11 Board, designated by it; 2 representatives of the organization  
12 licensees conducting thoroughbred racing meetings, recommended  
13 by them; 2 representatives of the Illinois Thoroughbred  
14 Breeders and Owners Foundation, recommended by it; one  
15 representative ~~and 2 representatives~~ of the Horsemen's  
16 Benevolent Protective Association; and one representative from  
17 the Illinois Thoroughbred Horsemen's Association ~~or any~~  
18 ~~successor organization established in Illinois comprised of~~  
19 ~~the largest number of owners and trainers, recommended by it,~~  
20 ~~with one representative of the Horsemen's Benevolent and~~  
21 ~~Protective Association to come from its Illinois Division, and~~  
22 ~~one from its Chicago Division.~~ Advisory Board members shall  
23 serve for 2 years commencing January 1 of each odd numbered  
24 year. If representatives of the organization licensees  
25 conducting thoroughbred racing meetings, the Illinois  
26 Thoroughbred Breeders and Owners Foundation, ~~and~~ the

1 Horsemen's Benevolent Protection Association, and the Illinois  
2 Thoroughbred Horsemen's Association have not been recommended  
3 by January 1, of each odd numbered year, the Director of the  
4 Department of Agriculture shall make an appointment for the  
5 organization failing to so recommend a member of the Advisory  
6 Board. Advisory Board members shall receive no compensation for  
7 their services as members but shall be reimbursed for all  
8 actual and necessary expenses and disbursements incurred in the  
9 execution of their official duties.

10 (g) ~~No monies shall be expended from the Illinois~~  
11 ~~Thoroughbred Breeders Fund except as appropriated by the~~  
12 ~~General Assembly.~~ Monies expended ~~appropriated~~ from the  
13 Illinois Thoroughbred Breeders Fund shall be expended by the  
14 Department of Agriculture, with the advice and assistance of  
15 the Illinois Thoroughbred Breeders Fund Advisory Board, for the  
16 following purposes only:

17 (1) To provide purse supplements to owners of horses  
18 participating in races limited to Illinois conceived and  
19 foaled and Illinois foaled horses. Any such purse  
20 supplements shall not be included in and shall be paid in  
21 addition to any purses, stakes, or breeders' awards offered  
22 by each organization licensee as determined by agreement  
23 between such organization licensee and an organization  
24 representing the horsemen. No monies from the Illinois  
25 Thoroughbred Breeders Fund shall be used to provide purse  
26 supplements for claiming races in which the minimum

1 claiming price is less than \$7,500.

2 (2) To provide stakes and awards to be paid to the  
3 owners of the winning horses in certain races limited to  
4 Illinois conceived and foaled and Illinois foaled horses  
5 designated as stakes races.

6 (2.5) To provide an award to the owner or owners of an  
7 Illinois conceived and foaled or Illinois foaled horse that  
8 wins a maiden special weight, an allowance, overnight  
9 handicap race, or claiming race with claiming price of  
10 \$10,000 or more providing the race is not restricted to  
11 Illinois conceived and foaled or Illinois foaled horses.  
12 Awards shall also be provided to the owner or owners of  
13 Illinois conceived and foaled and Illinois foaled horses  
14 that place second or third in those races. To the extent  
15 that additional moneys are required to pay the minimum  
16 additional awards of 40% of the purse the horse earns for  
17 placing first, second or third in those races for Illinois  
18 foaled horses and of 60% of the purse the horse earns for  
19 placing first, second or third in those races for Illinois  
20 conceived and foaled horses, those moneys shall be provided  
21 from the purse account at the track where earned.

22 (3) To provide stallion awards to the owner or owners  
23 of any stallion that is duly registered with the Illinois  
24 Thoroughbred Breeders Fund Program ~~prior to the effective~~  
25 ~~date of this amendatory Act of 1995~~ whose duly registered  
26 Illinois conceived and foaled offspring wins a race

1 conducted at an Illinois thoroughbred racing meeting other  
2 than a claiming race, provided that the stallion stood  
3 service within Illinois at the time the offspring was  
4 conceived and that the stallion did not stand for service  
5 outside of Illinois at any time during the year in which  
6 the offspring was conceived. ~~Such award shall not be paid~~  
7 ~~to the owner or owners of an Illinois stallion that served~~  
8 ~~outside this State at any time during the calendar year in~~  
9 ~~which such race was conducted.~~

10 (4) To provide \$75,000 annually for purses to be  
11 distributed to county fairs that provide for the running of  
12 races during each county fair exclusively for the  
13 thoroughbreds conceived and foaled in Illinois. The  
14 conditions of the races shall be developed by the county  
15 fair association and reviewed by the Department with the  
16 advice and assistance of the Illinois Thoroughbred  
17 Breeders Fund Advisory Board. There shall be no wagering of  
18 any kind on the running of Illinois conceived and foaled  
19 races at county fairs.

20 (4.1) To provide purse money for an Illinois stallion  
21 stakes program.

22 (5) No less than 90% ~~80%~~ of all monies appropriated  
23 from the Illinois Thoroughbred Breeders Fund shall be  
24 expended for the purposes in (1), (2), (2.5), (3), (4),  
25 (4.1), and (5) as shown above.

26 (6) To provide for educational programs regarding the

1 thoroughbred breeding industry.

2 (7) To provide for research programs concerning the  
3 health, development and care of the thoroughbred horse.

4 (8) To provide for a scholarship and training program  
5 for students of equine veterinary medicine.

6 (9) To provide for dissemination of public information  
7 designed to promote the breeding of thoroughbred horses in  
8 Illinois.

9 (10) To provide for all expenses incurred in the  
10 administration of the Illinois Thoroughbred Breeders Fund.

11 (h) The Illinois Thoroughbred Breeders Fund is not subject  
12 to administrative charges or chargebacks, including, but not  
13 limited to, those authorized under Section 8h of the State  
14 Finance Act. ~~Whenever the Governor finds that the amount in the~~  
15 ~~Illinois Thoroughbred Breeders Fund is more than the total of~~  
16 ~~the outstanding appropriations from such fund, the Governor~~  
17 ~~shall notify the State Comptroller and the State Treasurer of~~  
18 ~~such fact. The Comptroller and the State Treasurer, upon~~  
19 ~~receipt of such notification, shall transfer such excess amount~~  
20 ~~from the Illinois Thoroughbred Breeders Fund to the General~~  
21 ~~Revenue Fund.~~

22 (i) A sum equal to 13% of the first prize money of every  
23 purse won by an Illinois foaled or Illinois conceived and  
24 foaled horse in races not limited to Illinois foaled horses or  
25 Illinois conceived and foaled horses, or both, shall be paid by  
26 the organization licensee conducting the horse race meeting.

1 Such sum shall be paid 50% from the organization licensee's  
2 share of the money wagered and 50% from the purse account as  
3 follows: 11 1/2% to the breeder of the winning horse and 1 1/2%  
4 to the organization representing thoroughbred breeders and  
5 owners who representative serves on the Illinois Thoroughbred  
6 Breeders Fund Advisory Board for verifying the amounts of  
7 breeders' awards earned, ensuring their distribution in  
8 accordance with this Act, and servicing and promoting the  
9 Illinois thoroughbred horse racing industry. Beginning in the  
10 calendar year in which an organization licensee that is  
11 eligible to receive payments under paragraph (13) of subsection  
12 (g) of Section 26 of this Act begins to receive funds from  
13 electronic gaming, a sum equal to 21 1/2% of the first prize  
14 money of every purse won by an Illinois foaled or an Illinois  
15 conceived and foaled horse in races not limited to an Illinois  
16 conceived and foaled horse, or both, shall be paid 30% from the  
17 organization licensee's account and 70% from the purse account  
18 as follows: 20% to the breeder of the winning horse and 1 1/2%  
19 to the organization representing thoroughbred breeders and  
20 owners whose representatives serves on the Illinois  
21 Thoroughbred Breeders Fund Advisory Board for verifying the  
22 amounts of breeders' awards earned, ensuring their  
23 distribution in accordance with this Act, and servicing and  
24 promoting the Illinois Thoroughbred racing industry. A sum  
25 equal to 12 1/2% of the first prize money of every purse won by  
26 an Illinois foaled or an Illinois conceived and foaled horse in

1 ~~races not limited to Illinois foaled horses or Illinois~~  
2 ~~conceived and foaled horses, or both, shall be paid by the~~  
3 ~~organization licensee conducting the horse race meeting. Such~~  
4 ~~sum shall be paid from the organization licensee's share of the~~  
5 ~~money wagered as follows: 11 1/2% to the breeder of the winning~~  
6 ~~horse and 1% to the organization representing thoroughbred~~  
7 ~~breeders and owners whose representative serves on the Illinois~~  
8 ~~Thoroughbred Breeders Fund Advisory Board for verifying the~~  
9 ~~amounts of breeders' awards earned, assuring their~~  
10 ~~distribution in accordance with this Act, and servicing and~~  
11 ~~promoting the Illinois thoroughbred horse racing industry. The~~  
12 organization representing thoroughbred breeders and owners  
13 shall cause all expenditures of monies received under this  
14 subsection (i) to be audited at least annually by a registered  
15 public accountant. The organization shall file copies of each  
16 annual audit with the Racing Board, the Clerk of the House of  
17 Representatives and the Secretary of the Senate, and shall make  
18 copies of each annual audit available to the public upon  
19 request and upon payment of the reasonable cost of photocopying  
20 the requested number of copies. Such payments shall not reduce  
21 any award to the owner of the horse or reduce the taxes payable  
22 under this Act. Upon completion of its racing meet, each  
23 organization licensee shall deliver to the organization  
24 representing thoroughbred breeders and owners whose  
25 representative serves on the Illinois Thoroughbred Breeders  
26 Fund Advisory Board a listing of all the Illinois foaled and

1 the Illinois conceived and foaled horses which won breeders'  
2 awards and the amount of such breeders' awards under this  
3 subsection to verify accuracy of payments and assure proper  
4 distribution of breeders' awards in accordance with the  
5 provisions of this Act. Such payments shall be delivered by the  
6 organization licensee within 30 days of the end of each race  
7 meeting.

8 (j) A sum equal to 13% of the first prize money won in  
9 every race limited to Illinois foaled horses or Illinois  
10 conceived and foaled horses, or both, shall be paid in the  
11 following manner by the organization licensee conducting the  
12 horse race meeting, 50% from the organization licensee's share  
13 of the money wagered and 50% from the purse account as follows:  
14 11 1/2% to the breeders of the horses in each such race which  
15 are the official first, second, third, and fourth finishers and  
16 1 1/2% to the organization representing thoroughbred breeders  
17 and owners whose representatives serves on the Illinois  
18 Thoroughbred Breeders Fund Advisory Board for verifying the  
19 amounts of breeders' awards earned, ensuring their proper  
20 distribution in accordance with this Act, and servicing and  
21 promoting the Illinois horse racing industry. Beginning in the  
22 calendar year in which an organization licensee that is  
23 eligible to receive payments under paragraph (13) of subsection  
24 (g) of Section 26 of this Act begins to receive funds from  
25 electronic gaming, a sum of 21 1/2% of every purse in a race  
26 limited to Illinois foaled horses or Illinois conceived and



1 foaled horses, or both, shall be paid by the organization  
2 licensee conducting the horse race meeting. Such sum shall be  
3 paid 30% from the organization licensee's account and 70% from  
4 the purse account as follows: 20% to the breeders of the horses  
5 in each such race who are official first, second, third and  
6 fourth finishers and 1 1/2% to the organization representing  
7 thoroughbred breeders and owners whose representatives serve  
8 on the Illinois Thoroughbred Breeders Fund Advisory Board for  
9 verifying the amounts of breeders' awards earned, ensuring  
10 their proper distribution in accordance with this Act, and  
11 servicing and promoting the Illinois thoroughbred horse racing  
12 industry. The organization representing thoroughbred breeders  
13 and owners shall cause all expenditures of moneys received  
14 under this subsection (j) to be audited at least annually by a  
15 registered public accountant. The organization shall file  
16 copies of each annual audit with the Racing Board, the Clerk of  
17 the House of Representatives and the Secretary of the Senate,  
18 and shall make copies of each annual audit available to the  
19 public upon request and upon payment of the reasonable cost of  
20 photocopying the requested number of copies. A sum equal to 12  
21 1/2% of the first prize money won in each race limited to  
22 Illinois foaled horses or Illinois conceived and foaled horses,  
23 or both, shall be paid in the following manner by the  
24 organization licensee conducting the horse race meeting, from  
25 the organization licensee's share of the money wagered: 11 1/2%  
26 to the breeders of the horses in each such race which are the

1 ~~official first, second, third and fourth finishers and 1% to~~  
2 ~~the organization representing thoroughbred breeders and owners~~  
3 ~~whose representative serves on the Illinois Thoroughbred~~  
4 ~~Breeders Fund Advisory Board for verifying the amounts of~~  
5 ~~breeders' awards earned, assuring their proper distribution in~~  
6 ~~accordance with this Act, and servicing and promoting the~~  
7 ~~Illinois thoroughbred horse racing industry. The organization~~  
8 ~~representing thoroughbred breeders and owners shall cause all~~  
9 ~~expenditures of monies received under this subsection (j) to be~~  
10 ~~audited at least annually by a registered public accountant.~~  
11 ~~The organization shall file copies of each annual audit with~~  
12 ~~the Racing Board, the Clerk of the House of Representatives and~~  
13 ~~the Secretary of the Senate, and shall make copies of each~~  
14 ~~annual audit available to the public upon request and upon~~  
15 ~~payment of the reasonable cost of photocopying the requested~~  
16 ~~number of copies.~~

17 The amounts ~~11 1/2%~~ paid to the breeders in accordance with  
18 this subsection shall be distributed as follows:

19 (1) 60% of such sum shall be paid to the breeder of the  
20 horse which finishes in the official first position;

21 (2) 20% of such sum shall be paid to the breeder of the  
22 horse which finishes in the official second position;

23 (3) 15% of such sum shall be paid to the breeder of the  
24 horse which finishes in the official third position; and

25 (4) 5% of such sum shall be paid to the breeder of the  
26 horse which finishes in the official fourth position.

1           Such payments shall not reduce any award to the owners of a  
2 horse or reduce the taxes payable under this Act. Upon  
3 completion of its racing meet, each organization licensee shall  
4 deliver to the organization representing thoroughbred breeders  
5 and owners whose representative serves on the Illinois  
6 Thoroughbred Breeders Fund Advisory Board a listing of all the  
7 Illinois foaled and the Illinois conceived and foaled horses  
8 which won breeders' awards and the amount of such breeders'  
9 awards in accordance with the provisions of this Act. Such  
10 payments shall be delivered by the organization licensee within  
11 30 days of the end of each race meeting.

12           (k) The term "breeder", as used herein, means the owner of  
13 the mare at the time the foal is dropped. An "Illinois foaled  
14 horse" is a foal dropped by a mare which enters this State on  
15 or before December 1, in the year in which the horse is bred,  
16 provided the mare remains continuously in this State until its  
17 foal is born. An "Illinois foaled horse" also means a foal born  
18 of a mare in the same year as the mare enters this State on or  
19 before March 1, and remains in this State at least 30 days  
20 after foaling, is bred back during the season of the foaling to  
21 an Illinois Registered Stallion (unless a veterinarian  
22 certifies that the mare should not be bred for health reasons),  
23 and is not bred to a stallion standing in any other state  
24 during the season of foaling. An "Illinois foaled horse" also  
25 means a foal born in Illinois of a mare purchased at public  
26 auction subsequent to the mare entering this State on or before

1 March 1 ~~prior to February 1~~ of the foaling year providing the  
2 mare is owned solely by one or more Illinois residents or an  
3 Illinois entity that is entirely owned by one or more Illinois  
4 residents.

5 (1) The Department of Agriculture shall, by rule, with the  
6 advice and assistance of the Illinois Thoroughbred Breeders  
7 Fund Advisory Board:

8 (1) Qualify stallions for Illinois breeding; such  
9 stallions to stand for service within the State of Illinois  
10 at the time of a foal's conception. Such stallion must not  
11 stand for service at any place outside the State of  
12 Illinois during the calendar year in which the foal is  
13 conceived. The Department of Agriculture may assess and  
14 collect an application fee of up to \$500 ~~fees~~ for the  
15 registration of Illinois-eligible stallions. All fees  
16 collected are to be held in trust accounts for the purposes  
17 set forth in this Act and in accordance with Section 205-15  
18 of the Department of Agriculture Law ~~paid into the Illinois~~  
19 ~~Thoroughbred Breeders Fund.~~

20 (2) Provide for the registration of Illinois conceived  
21 and foaled horses and Illinois foaled horses. No such horse  
22 shall compete in the races limited to Illinois conceived  
23 and foaled horses or Illinois foaled horses or both unless  
24 registered with the Department of Agriculture. The  
25 Department of Agriculture may prescribe such forms as are  
26 necessary to determine the eligibility of such horses. The

1 Department of Agriculture may assess and collect  
2 application fees for the registration of Illinois-eligible  
3 foals. All fees collected are to be held in trust accounts  
4 for the purposes set forth in this Act and in accordance  
5 with Section 205-15 of the Department of Agriculture Law  
6 ~~paid into the Illinois Thoroughbred Breeders Fund.~~ No  
7 person shall knowingly prepare or cause preparation of an  
8 application for registration of such foals containing  
9 false information.

10 (m) The Department of Agriculture, with the advice and  
11 assistance of the Illinois Thoroughbred Breeders Fund Advisory  
12 Board, shall provide that certain races limited to Illinois  
13 conceived and foaled and Illinois foaled horses be stakes races  
14 and determine the total amount of stakes and awards to be paid  
15 to the owners of the winning horses in such races.

16 In determining the stakes races and the amount of awards  
17 for such races, the Department of Agriculture shall consider  
18 factors, including but not limited to, the amount of money  
19 appropriated for the Illinois Thoroughbred Breeders Fund  
20 program, organization licensees' contributions, availability  
21 of stakes caliber horses as demonstrated by past performances,  
22 whether the race can be coordinated into the proposed racing  
23 dates within organization licensees' racing dates, opportunity  
24 for colts and fillies and various age groups to race, public  
25 wagering on such races, and the previous racing schedule.

26 (n) The Board and the organizational licensee shall notify

1 the Department of the conditions and minimum purses for races  
2 limited to Illinois conceived and foaled and Illinois foaled  
3 horses conducted for each organizational licensee conducting a  
4 thoroughbred racing meeting. The Department of Agriculture  
5 with the advice and assistance of the Illinois Thoroughbred  
6 Breeders Fund Advisory Board may allocate monies for purse  
7 supplements for such races. In determining whether to allocate  
8 money and the amount, the Department of Agriculture shall  
9 consider factors, including but not limited to, the amount of  
10 money appropriated for the Illinois Thoroughbred Breeders Fund  
11 program, the number of races that may occur, and the  
12 organizational licensee's purse structure.

13 (o) (Blank).

14 (Source: P.A. 98-692, eff. 7-1-14.)

15 (230 ILCS 5/30.5)

16 Sec. 30.5. Illinois Racing Quarter Horse Breeders Fund.

17 (a) The General Assembly declares that it is the policy of  
18 this State to encourage the breeding of racing quarter horses  
19 in this State and the ownership of such horses by residents of  
20 this State in order to provide for sufficient numbers of high  
21 quality racing quarter horses in this State and to establish  
22 and preserve the agricultural and commercial benefits of such  
23 breeding and racing industries to the State of Illinois. It is  
24 the intent of the General Assembly to further this policy by  
25 the provisions of this Act.

1           (b) There is hereby created non-appropriated trust ~~a~~  
2 ~~special fund in the State Treasury~~ to be known as the Illinois  
3 Racing Quarter Horse Breeders Fund, which is held separately  
4 from State moneys. Except as provided in subsection (g) of  
5 Section 27 of this Act, 8.5% of all the moneys received by the  
6 State as pari-mutuel taxes on quarter horse racing shall be  
7 paid into the Illinois Racing Quarter Horse Breeders Fund. The  
8 Illinois Racing Quarter Horse Breeders Fund shall not be  
9 subject to administrative charges or chargebacks, including,  
10 but not limited to, those authorized under Section 8h of the  
11 State Finance Act.

12           (c) The Illinois Racing Quarter Horse Breeders Fund shall  
13 be administered by the Department of Agriculture with the  
14 advice and assistance of the Advisory Board created in  
15 subsection (d) of this Section.

16           (d) The Illinois Racing Quarter Horse Breeders Fund  
17 Advisory Board shall consist of the Director of the Department  
18 of Agriculture, who shall serve as Chairman; a member of the  
19 Illinois Racing Board, designated by it; one representative of  
20 the organization licensees conducting pari-mutuel quarter  
21 horse racing meetings, recommended by them; 2 representatives  
22 of the Illinois Running Quarter Horse Association, recommended  
23 by it; and the Superintendent of Fairs and Promotions from the  
24 Department of Agriculture. Advisory Board members shall serve  
25 for 2 years commencing January 1 of each odd numbered year. If  
26 representatives have not been recommended by January 1 of each

1 odd numbered year, the Director of the Department of  
2 Agriculture may make an appointment for the organization  
3 failing to so recommend a member of the Advisory Board.  
4 Advisory Board members shall receive no compensation for their  
5 services as members but may be reimbursed for all actual and  
6 necessary expenses and disbursements incurred in the execution  
7 of their official duties.

8 (e) Moneys in ~~No moneys shall be expended from the Illinois~~  
9 ~~Racing Quarter Horse Breeders Fund except as appropriated by~~  
10 ~~the General Assembly. Moneys appropriated from the Illinois~~  
11 Racing Quarter Horse Breeders Fund shall be expended by the  
12 Department of Agriculture, with the advice and assistance of  
13 the Illinois Racing Quarter Horse Breeders Fund Advisory Board,  
14 for the following purposes only:

15 (1) To provide stakes and awards to be paid to the  
16 owners of the winning horses in certain races. This  
17 provision is limited to Illinois conceived and foaled  
18 horses.

19 (2) To provide an award to the owner or owners of an  
20 Illinois conceived and foaled horse that wins a race when  
21 pari-mutuel wagering is conducted; providing the race is  
22 not restricted to Illinois conceived and foaled horses.

23 (3) To provide purse money for an Illinois stallion  
24 stakes program.

25 (4) To provide for purses to be distributed for the  
26 running of races during the Illinois State Fair and the



1 DuQuoin State Fair exclusively for quarter horses  
2 conceived and foaled in Illinois.

3 (5) To provide for purses to be distributed for the  
4 running of races at Illinois county fairs exclusively for  
5 quarter horses conceived and foaled in Illinois.

6 (6) To provide for purses to be distributed for running  
7 races exclusively for quarter horses conceived and foaled  
8 in Illinois at locations in Illinois determined by the  
9 Department of Agriculture with advice and consent of the  
10 Illinois Racing Quarter Horse Breeders Fund Advisory  
11 Board.

12 (7) No less than 90% of all moneys appropriated from  
13 the Illinois Racing Quarter Horse Breeders Fund shall be  
14 expended for the purposes in items (1), (2), (3), (4), and  
15 (5) of this subsection (e).

16 (8) To provide for research programs concerning the  
17 health, development, and care of racing quarter horses.

18 (9) To provide for dissemination of public information  
19 designed to promote the breeding of racing quarter horses  
20 in Illinois.

21 (10) To provide for expenses incurred in the  
22 administration of the Illinois Racing Quarter Horse  
23 Breeders Fund.

24 (f) The Department of Agriculture shall, by rule, with the  
25 advice and assistance of the Illinois Racing Quarter Horse  
26 Breeders Fund Advisory Board:

1           (1) Qualify stallions for Illinois breeding; such  
2 stallions to stand for service within the State of  
3 Illinois, at the time of a foal's conception. Such stallion  
4 must not stand for service at any place outside the State  
5 of Illinois during the calendar year in which the foal is  
6 conceived. The Department of Agriculture may assess and  
7 collect application fees for the registration of  
8 Illinois-eligible stallions. All fees collected are to be  
9 paid into the Illinois Racing Quarter Horse Breeders Fund.

10           (2) Provide for the registration of Illinois conceived  
11 and foaled horses. No such horse shall compete in the races  
12 limited to Illinois conceived and foaled horses unless it  
13 is registered with the Department of Agriculture. The  
14 Department of Agriculture may prescribe such forms as are  
15 necessary to determine the eligibility of such horses. The  
16 Department of Agriculture may assess and collect  
17 application fees for the registration of Illinois-eligible  
18 foals. All fees collected are to be paid into the Illinois  
19 Racing Quarter Horse Breeders Fund. No person shall  
20 knowingly prepare or cause preparation of an application  
21 for registration of such foals that contains false  
22 information.

23           (g) The Department of Agriculture, with the advice and  
24 assistance of the Illinois Racing Quarter Horse Breeders Fund  
25 Advisory Board, shall provide that certain races limited to  
26 Illinois conceived and foaled be stakes races and determine the

1 total amount of stakes and awards to be paid to the owners of  
2 the winning horses in such races.

3 (Source: P.A. 98-463, eff. 8-16-13.)

4 (230 ILCS 5/31) (from Ch. 8, par. 37-31)

5 Sec. 31. (a) The General Assembly declares that it is the  
6 policy of this State to encourage the breeding of standardbred  
7 horses in this State and the ownership of such horses by  
8 residents of this State in order to provide for: sufficient  
9 numbers of high quality standardbred horses to participate in  
10 harness racing meetings in this State, and to establish and  
11 preserve the agricultural and commercial benefits of such  
12 breeding and racing industries to the State of Illinois. It is  
13 the intent of the General Assembly to further this policy by  
14 the provisions of this Section of this Act.

15 (b) Each organization licensee conducting a harness racing  
16 meeting pursuant to this Act shall provide for at least two  
17 races each race program limited to Illinois conceived and  
18 foaled horses. A minimum of 6 races shall be conducted each  
19 week limited to Illinois conceived and foaled horses. No horses  
20 shall be permitted to start in such races unless duly  
21 registered under the rules of the Department of Agriculture.

22 (b-5) Organization licensees, not including the Illinois  
23 State Fair or the DuQuoin State Fair, shall provide stake races  
24 and early closer races for Illinois conceived and foaled horses  
25 so that purses distributed for such races shall be no less than

1 17% of total purses distributed for harness racing in that  
2 calendar year in addition to any stakes payments and starting  
3 fees contributed by horse owners.

4 (b-10) Each organization licensee conducting a harness  
5 racing meeting pursuant to this Act shall provide an owner  
6 award to be paid from the purse account equal to 25% of the  
7 amount earned by Illinois conceived and foaled horses in races  
8 that are not restricted to Illinois conceived and foaled  
9 horses. The owner awards shall not be paid on races below the  
10 \$10,000 claiming class.

11 (c) Conditions of races under subsection (b) shall be  
12 commensurate with past performance, quality and class of  
13 Illinois conceived and foaled horses available. If, however,  
14 sufficient competition cannot be had among horses of that class  
15 on any day, the races may, with consent of the Board, be  
16 eliminated for that day and substitute races provided.

17 (d) There is hereby created a special fund of the State  
18 Treasury to be known as the Illinois Standardbred Breeders  
19 Fund.

20 During the calendar year 1981, and each year thereafter,  
21 except as provided in subsection (g) of Section 27 of this Act,  
22 eight and one-half per cent of all the monies received by the  
23 State as privilege taxes on harness racing meetings shall be  
24 paid into the Illinois Standardbred Breeders Fund.

25 (e) The Illinois Standardbred Breeders Fund shall be  
26 administered by the Department of Agriculture with the

1 assistance and advice of the Advisory Board created in  
2 subsection (f) of this Section.

3 (f) The Illinois Standardbred Breeders Fund Advisory Board  
4 is hereby created. The Advisory Board shall consist of the  
5 Director of the Department of Agriculture, who shall serve as  
6 Chairman; the Superintendent of the Illinois State Fair; a  
7 member of the Illinois Racing Board, designated by it; a  
8 representative of the largest association of Illinois  
9 standardbred owners and breeders, recommended by it; a  
10 representative of a statewide association representing  
11 agricultural fairs in Illinois, recommended by it, such  
12 representative to be from a fair at which Illinois conceived  
13 and foaled racing is conducted; a representative of the  
14 organization licensees conducting harness racing meetings,  
15 recommended by them; a representative of the Breeder's  
16 Committee of the association representing the largest number of  
17 standardbred owners, breeders, trainers, caretakers, and  
18 drivers, recommended by it; and a representative of the  
19 association representing the largest number of standardbred  
20 owners, breeders, trainers, caretakers, and drivers,  
21 recommended by it. Advisory Board members shall serve for 2  
22 years commencing January 1 of each odd numbered year. If  
23 representatives of the largest association of Illinois  
24 standardbred owners and breeders, a statewide association of  
25 agricultural fairs in Illinois, the association representing  
26 the largest number of standardbred owners, breeders, trainers,

1 caretakers, and drivers, a member of the Breeder's Committee of  
2 the association representing the largest number of  
3 standardbred owners, breeders, trainers, caretakers, and  
4 drivers, and the organization licensees conducting harness  
5 racing meetings have not been recommended by January 1 of each  
6 odd numbered year, the Director of the Department of  
7 Agriculture shall make an appointment for the organization  
8 failing to so recommend a member of the Advisory Board.  
9 Advisory Board members shall receive no compensation for their  
10 services as members but shall be reimbursed for all actual and  
11 necessary expenses and disbursements incurred in the execution  
12 of their official duties.

13 (g) No monies shall be expended from the Illinois  
14 Standardbred Breeders Fund except as appropriated by the  
15 General Assembly. Monies appropriated from the Illinois  
16 Standardbred Breeders Fund shall be expended by the Department  
17 of Agriculture, with the assistance and advice of the Illinois  
18 Standardbred Breeders Fund Advisory Board for the following  
19 purposes only:

20 1. To provide purses for races limited to Illinois  
21 conceived and foaled horses at the State Fair and the  
22 DuQuoin State Fair.

23 2. To provide purses for races limited to Illinois  
24 conceived and foaled horses at county fairs.

25 3. To provide purse supplements for races limited to  
26 Illinois conceived and foaled horses conducted by

1 associations conducting harness racing meetings.

2 4. No less than 75% of all monies in the Illinois  
3 Standardbred Breeders Fund shall be expended for purses in  
4 1, 2 and 3 as shown above.

5 5. In the discretion of the Department of Agriculture  
6 to provide awards to harness breeders of Illinois conceived  
7 and foaled horses which win races conducted by organization  
8 licensees conducting harness racing meetings. A breeder is  
9 the owner of a mare at the time of conception. No more than  
10 10% of all monies appropriated from the Illinois  
11 Standardbred Breeders Fund shall be expended for such  
12 harness breeders awards. No more than 25% of the amount  
13 expended for harness breeders awards shall be expended for  
14 expenses incurred in the administration of such harness  
15 breeders awards.

16 6. To pay for the improvement of racing facilities  
17 located at the State Fair and County fairs.

18 7. To pay the expenses incurred in the administration  
19 of the Illinois Standardbred Breeders Fund.

20 8. To promote the sport of harness racing, including  
21 grants up to a maximum of \$7,500 per fair per year for  
22 conducting pari-mutuel wagering during the advertised  
23 dates of a county fair.

24 9. To pay up to \$50,000 annually for the Department of  
25 Agriculture to conduct drug testing at county fairs racing  
26 standardbred horses.

1           (h) (Blank) ~~Whenever the Governor finds that the amount in~~  
2 ~~the Illinois Standardbred Breeders Fund is more than the total~~  
3 ~~of the outstanding appropriations from such fund, the Governor~~  
4 ~~shall notify the State Comptroller and the State Treasurer of~~  
5 ~~such fact. The Comptroller and the State Treasurer, upon~~  
6 ~~receipt of such notification, shall transfer such excess amount~~  
7 ~~from the Illinois Standardbred Breeders Fund to the General~~  
8 ~~Revenue Fund.~~

9           (i) A sum equal to 13% ~~12-1/2%~~ of the first prize money of  
10 the gross ~~every~~ purse won by an Illinois conceived and foaled  
11 horse shall be paid 50% by the organization licensee conducting  
12 the horse race meeting to the breeder of such winning horse  
13 from the organization licensee's account and 50% from the purse  
14 account of the licensee ~~share of the money wagered~~. Such  
15 payment shall not reduce any award to the owner of the horse or  
16 reduce the taxes payable under this Act. Such payment shall be  
17 delivered by the organization licensee at the end of each  
18 quarter ~~race meeting~~.

19           (j) The Department of Agriculture shall, by rule, with the  
20 assistance and advice of the Illinois Standardbred Breeders  
21 Fund Advisory Board:

22           1. Qualify stallions for Illinois Standardbred  
23 Breeders Fund breeding; ~~such stallion shall be owned by a~~  
24 ~~resident of the State of Illinois or by an Illinois~~  
25 ~~corporation all of whose shareholders, directors, officers~~  
26 ~~and incorporators are residents of the State of Illinois.~~



1 Such stallion shall stand for service at and within the  
2 State of Illinois at the time of a foal's conception, and  
3 such stallion must not stand for service at any place, ~~nor~~  
4 ~~may semen from such stallion be transported,~~ outside the  
5 State of Illinois during that calendar year in which the  
6 foal is conceived ~~and that the owner of the stallion was~~  
7 ~~for the 12 months prior, a resident of Illinois.~~ Foals  
8 conceived outside the State of Illinois from shipped semen  
9 from a stallion qualified for breeders' awards under this  
10 Section are not eligible to participate in the Illinois  
11 conceived and foaled program. ~~The articles of agreement of~~  
12 ~~any partnership, joint venture, limited partnership,~~  
13 ~~syndicate, association or corporation and any bylaws and~~  
14 ~~stock certificates must contain a restriction that~~  
15 ~~provides that the ownership or transfer of interest by any~~  
16 ~~one of the persons a party to the agreement can only be~~  
17 ~~made to a person who qualifies as an Illinois resident.~~

18 2. Provide for the registration of Illinois conceived  
19 and foaled horses and no such horse shall compete in the  
20 races limited to Illinois conceived and foaled horses  
21 unless registered with the Department of Agriculture. The  
22 Department of Agriculture may prescribe such forms as may  
23 be necessary to determine the eligibility of such horses.  
24 No person shall knowingly prepare or cause preparation of  
25 an application for registration of such foals containing  
26 false information. A mare (dam) must be in the state at

1       least 180 ~~30~~ days prior to foaling or remain in the State  
2       at least 30 days at the time of foaling. Beginning with the  
3       1996 breeding season and for foals of 1997 and thereafter,  
4       a foal conceived in the State of Illinois by transported  
5       fresh semen may be eligible for Illinois conceived and  
6       foaled registration provided all breeding and foaling  
7       requirements are met. The stallion must be qualified for  
8       Illinois Standardbred Breeders Fund breeding at the time of  
9       conception and the mare must be inseminated within the  
10      State of Illinois. The foal must be dropped in Illinois and  
11      properly registered with the Department of Agriculture in  
12      accordance with this Act.

13             3. Provide that at least a 5 day racing program shall  
14      be conducted at the State Fair each year, which program  
15      shall include at least the following races limited to  
16      Illinois conceived and foaled horses: (a) a two year old  
17      Trot and Pace, and Filly Division of each; (b) a three year  
18      old Trot and Pace, and Filly Division of each; (c) an aged  
19      Trot and Pace, and Mare Division of each.

20             4. Provide for the payment of nominating, sustaining  
21      and starting fees for races promoting the sport of harness  
22      racing and for the races to be conducted at the State Fair  
23      as provided in subsection (j) 3 of this Section provided  
24      that the nominating, sustaining and starting payment  
25      required from an entrant shall not exceed 2% of the purse  
26      of such race. All nominating, sustaining and starting

1 payments shall be held for the benefit of entrants and  
2 shall be paid out as part of the respective purses for such  
3 races. Nominating, sustaining and starting fees shall be  
4 held in trust accounts for the purposes as set forth in  
5 this Act and in accordance with Section 205-15 of the  
6 Department of Agriculture Law (20 ILCS 205/205-15).

7 5. Provide for the registration with the Department of  
8 Agriculture of Colt Associations or county fairs desiring  
9 to sponsor races at county fairs.

10 6. Provide for the promotion of producing standardbred  
11 racehorses by providing a bonus award program for owners of  
12 2-year-old horses that win multiple major stakes races that  
13 are limited to Illinois conceived and foaled horses.

14 (k) The Department of Agriculture, with the advice and  
15 assistance of the Illinois Standardbred Breeders Fund Advisory  
16 Board, may allocate monies for purse supplements for such  
17 races. In determining whether to allocate money and the amount,  
18 the Department of Agriculture shall consider factors,  
19 including but not limited to, the amount of money appropriated  
20 for the Illinois Standardbred Breeders Fund program, the number  
21 of races that may occur, and an organizational licensee's purse  
22 structure. The organizational licensee shall notify the  
23 Department of Agriculture of the conditions and minimum purses  
24 for races limited to Illinois conceived and foaled horses to be  
25 conducted by each organizational licensee conducting a harness  
26 racing meeting for which purse supplements have been

1 negotiated.

2 (l) All races held at county fairs and the State Fair which  
3 receive funds from the Illinois Standardbred Breeders Fund  
4 shall be conducted in accordance with the rules of the United  
5 States Trotting Association unless otherwise modified by the  
6 Department of Agriculture.

7 (m) At all standardbred race meetings held or conducted  
8 under authority of a license granted by the Board, and at all  
9 standardbred races held at county fairs which are approved by  
10 the Department of Agriculture or at the Illinois or DuQuoin  
11 State Fairs, no one shall jog, train, warm up or drive a  
12 standardbred horse unless he or she is wearing a protective  
13 safety helmet, with the chin strap fastened and in place, which  
14 meets the standards and requirements as set forth in the 1984  
15 Standard for Protective Headgear for Use in Harness Racing and  
16 Other Equestrian Sports published by the Snell Memorial  
17 Foundation, or any standards and requirements for headgear the  
18 Illinois Racing Board may approve. Any other standards and  
19 requirements so approved by the Board shall equal or exceed  
20 those published by the Snell Memorial Foundation. Any  
21 equestrian helmet bearing the Snell label shall be deemed to  
22 have met those standards and requirements.

23 (Source: P.A. 99-756, eff. 8-12-16.)

24 (230 ILCS 5/32.1)

25 Sec. 32.1. Pari-mutuel tax credit; statewide racetrack

1 real estate equalization.

2 (a) In order to encourage new investment in Illinois  
3 racetrack facilities and mitigate differing real estate tax  
4 burdens among all racetracks, the licensees affiliated or  
5 associated with each racetrack that has been awarded live  
6 racing dates in the current year shall receive an immediate  
7 pari-mutuel tax credit in an amount equal to the greater of (i)  
8 50% of the amount of the real estate taxes paid in the prior  
9 year attributable to that racetrack, or (ii) the amount by  
10 which the real estate taxes paid in the prior year attributable  
11 to that racetrack exceeds 60% of the average real estate taxes  
12 paid in the prior year for all racetracks awarded live horse  
13 racing meets in the current year.

14 Each year, regardless of whether the organization licensee  
15 conducted live racing in the year of certification, the Board  
16 shall certify in writing, prior to December 31, the real estate  
17 taxes paid in that year for each racetrack and the amount of  
18 the pari-mutuel tax credit that each organization licensee,  
19 inter-track wagering licensee, and inter-track wagering  
20 location licensee that derives its license from such racetrack  
21 is entitled in the succeeding calendar year. The real estate  
22 taxes considered under this Section for any racetrack shall be  
23 those taxes on the real estate parcels and related facilities  
24 used to conduct a horse race meeting and inter-track wagering  
25 at such racetrack under this Act. In no event shall the amount  
26 of the tax credit under this Section exceed the amount of

1 pari-mutuel taxes otherwise calculated under this Act. The  
2 amount of the tax credit under this Section shall be retained  
3 by each licensee and shall not be subject to any reallocation  
4 or further distribution under this Act. The Board may  
5 promulgate emergency rules to implement this Section.

6 (b) If the organization licensee is operating electronic  
7 gaming, then, for the 5-year period beginning on the January 1  
8 of the calendar year immediately following the calendar year  
9 during which an organization licensee begins conducting  
10 electronic gaming operations pursuant to an electronic gaming  
11 license issued under the Illinois Gambling Act, the  
12 organization licensee shall make capital expenditures, in an  
13 amount equal to no less than 50% of the tax credit under this  
14 Section, to the improvement and maintenance of the backstretch,  
15 including, but not limited to, backstretch barns, dormitories,  
16 and services for backstretch workers. Those capital  
17 expenditures must be in addition to, and not in lieu of, the  
18 capital expenditures made for backstretch improvements in  
19 calendar year 2015, as reported to the Board in the  
20 organization licensee's application for racing dates and as  
21 certified by the Board. The organization licensee is required  
22 to annually submit the list and amounts of these capital  
23 expenditures to the Board by January 30th of the year following  
24 the expenditure.

25 (c) If the organization licensee is operating electronic  
26 gaming in accordance with paragraph (b), then, after the 5-year

1 period beginning on January 1 of the calendar year immediately  
2 following the calendar year during which an organization  
3 licensee begins conducting electronic gaming operations  
4 pursuant to an electronic gaming license issued under the  
5 Illinois Gambling Act, the organization license is ineligible  
6 to receive a tax credit under this Section.

7 (Source: P.A. 100-201, eff. 8-18-17.)

8 (230 ILCS 5/34.3 new)

9 Sec. 34.3. Drug testing. The Illinois Racing Board and the  
10 Department of Agriculture shall jointly establish a program for  
11 the purpose of conducting drug testing of horses at county  
12 fairs and shall adopt any rules necessary for enforcement of  
13 the program. The rules shall include appropriate penalties for  
14 violations.

15 (230 ILCS 5/36) (from Ch. 8, par. 37-36)

16 Sec. 36. (a) Whoever administers or conspires to administer  
17 to any horse a hypnotic, narcotic, stimulant, depressant or any  
18 chemical substance which may affect the speed of a horse at any  
19 time in any race where the purse or any part of the purse is  
20 made of money authorized by any Section of this Act, except  
21 those chemical substances permitted by ruling of the Board,  
22 internally, externally or by hypodermic method in a race or  
23 prior thereto, or whoever knowingly enters a horse in any race  
24 within a period of 24 hours after any hypnotic, narcotic,

1 stimulant, depressant or any other chemical substance which may  
2 affect the speed of a horse at any time, except those chemical  
3 substances permitted by ruling of the Board, has been  
4 administered to such horse either internally or externally or  
5 by hypodermic method for the purpose of increasing or retarding  
6 the speed of such horse shall be guilty of a Class 4 felony.  
7 The Board shall suspend or revoke such violator's license.

8 (b) The term "hypnotic" as used in this Section includes  
9 all barbituric acid preparations and derivatives.

10 (c) The term "narcotic" as used in this Section includes  
11 opium and all its alkaloids, salts, preparations and  
12 derivatives, cocaine and all its salts, preparations and  
13 derivatives and substitutes.

14 (d) The provisions of this Section 36 and the treatment  
15 authorized herein apply to horses entered in and competing in  
16 race meetings as defined in Section 3.07 of this Act and to  
17 horses entered in and competing at any county fair.

18 (Source: P.A. 79-1185.)

19 (230 ILCS 5/40) (from Ch. 8, par. 37-40)

20 Sec. 40. (a) The imposition of any fine or penalty provided  
21 in this Act shall not preclude the Board in its rules and  
22 regulations from imposing a fine or penalty for any other  
23 action which, in the Board's discretion, is a detriment or  
24 impediment to horse racing.

25 (b) The Director of Agriculture or his or her authorized



1 representative shall impose the following monetary penalties  
2 and hold administrative hearings as required for failure to  
3 submit the following applications, lists, or reports within the  
4 time period, date or manner required by statute or rule or for  
5 removing a foal from Illinois prior to inspection:

6 (1) late filing of a renewal application for offering  
7 or standing stallion for service:

8 (A) if an application is submitted no more than 30  
9 days late, \$50;

10 (B) if an application is submitted no more than 45  
11 days late, \$150; or

12 (C) if an application is submitted more than 45  
13 days late, if filing of the application is allowed  
14 under an administrative hearing, \$250;

15 (2) late filing of list or report of mares bred:

16 (A) if a list or report is submitted no more than  
17 30 days late, \$50;

18 (B) if a list or report is submitted no more than  
19 60 days late, \$150; or

20 (C) if a list or report is submitted more than 60  
21 days late, if filing of the list or report is allowed  
22 under an administrative hearing, \$250;

23 (3) filing an Illinois foaled thoroughbred mare status  
24 report after the statutory deadline as provided in  
25 subsection (k) of Section 30 of this Act ~~December 31:~~

26 (A) if a report is submitted no more than 30 days

1 late, \$50;

2 (B) if a report is submitted no more than 90 days  
3 late, \$150;

4 (C) if a report is submitted no more than 150 days  
5 late, \$250; or

6 (D) if a report is submitted more than 150 days  
7 late, if filing of the report is allowed under an  
8 administrative hearing, \$500;

9 (4) late filing of application for foal eligibility  
10 certificate:

11 (A) if an application is submitted no more than 30  
12 days late, \$50;

13 (B) if an application is submitted no more than 90  
14 days late, \$150;

15 (C) if an application is submitted no more than 150  
16 days late, \$250; or

17 (D) if an application is submitted more than 150  
18 days late, if filing of the application is allowed  
19 under an administrative hearing, \$500;

20 (5) failure to report the intent to remove a foal from  
21 Illinois prior to inspection, identification and  
22 certification by a Department of Agriculture investigator,  
23 \$50; and

24 (6) if a list or report of mares bred is incomplete,  
25 \$50 per mare not included on the list or report.

26 Any person upon whom monetary penalties are imposed under

1 this Section 3 times within a 5-year period shall have any  
2 further monetary penalties imposed at double the amounts set  
3 forth above. All monies assessed and collected for violations  
4 relating to thoroughbreds shall be paid into the Illinois  
5 Thoroughbred Breeders Fund. All monies assessed and collected  
6 for violations relating to standardbreds shall be paid into the  
7 Illinois Standardbred Breeders Fund.

8 (Source: P.A. 99-933, eff. 1-27-17; 100-201, eff. 8-18-17.)

9 (230 ILCS 5/54.75)

10 Sec. 54.75. Horse Racing Equity Trust Fund.

11 (a) There is created a Fund to be known as the Horse Racing  
12 Equity Trust Fund, which is a non-appropriated trust fund held  
13 separate and apart from State moneys. The Fund shall consist of  
14 moneys paid into it by owners licensees under the Illinois  
15 ~~Riverboat~~ Gambling Act for the purposes described in this  
16 Section. The Fund shall be administered by the Board. Moneys in  
17 the Fund shall be distributed as directed and certified by the  
18 Board in accordance with the provisions of subsection (b).

19 (b) The moneys deposited into the Fund, plus any accrued  
20 interest on those moneys, shall be distributed within 10 days  
21 after those moneys are deposited into the Fund as follows:

22 (1) Sixty percent of all moneys distributed under this  
23 subsection shall be distributed to organization licensees  
24 to be distributed at their race meetings as purses.  
25 Fifty-seven percent of the amount distributed under this

1 paragraph (1) shall be distributed for thoroughbred race  
2 meetings and 43% shall be distributed for standardbred race  
3 meetings. Within each breed, moneys shall be allocated to  
4 each organization licensee's purse fund in accordance with  
5 the ratio between the purses generated for that breed by  
6 that licensee during the prior calendar year and the total  
7 purses generated throughout the State for that breed during  
8 the prior calendar year by licensees in the current  
9 calendar year.

10 (2) The remaining 40% of the moneys distributed under  
11 this subsection (b) shall be distributed as follows:

12 (A) 11% shall be distributed to any person (or its  
13 successors or assigns) who had operating control of a  
14 racetrack that conducted live racing in 2002 at a  
15 racetrack in a county with at least 230,000 inhabitants  
16 that borders the Mississippi River and is a licensee in  
17 the current year; and

18 (B) the remaining 89% shall be distributed pro rata  
19 according to the aggregate proportion of total handle  
20 from wagering on live races conducted in Illinois  
21 (irrespective of where the wagers are placed) for  
22 calendar years 2004 and 2005 to any person (or its  
23 successors or assigns) who (i) had majority operating  
24 control of a racing facility at which live racing was  
25 conducted in calendar year 2002, (ii) is a licensee in  
26 the current year, and (iii) is not eligible to receive

1 moneys under subparagraph (A) of this paragraph (2).

2 The moneys received by an organization licensee  
3 under this paragraph (2) shall be used by each  
4 organization licensee to improve, maintain, market,  
5 and otherwise operate its racing facilities to conduct  
6 live racing, which shall include backstretch services  
7 and capital improvements related to live racing and the  
8 backstretch. Any organization licensees sharing common  
9 ownership may pool the moneys received and spent at all  
10 racing facilities commonly owned in order to meet these  
11 requirements.

12 If any person identified in this paragraph (2) becomes  
13 ineligible to receive moneys from the Fund, such amount  
14 shall be redistributed among the remaining persons in  
15 proportion to their percentages otherwise calculated.

16 (c) The Board shall monitor organization licensees to  
17 ensure that moneys paid to organization licensees under this  
18 Section are distributed by the organization licensees as  
19 provided in subsection (b).

20 (Source: P.A. 95-1008, eff. 12-15-08.)

21 (230 ILCS 5/56 new)

22 Sec. 56. Electronic gaming.

23 (a) A person, firm, corporation, or limited liability  
24 company having operating control of a race track may apply to  
25 the Gaming Board for an electronic gaming license. An

1 electronic gaming license shall authorize its holder to conduct  
2 electronic gaming on the grounds of the race track of which the  
3 electronic gaming licensee has operating control. Only one  
4 electronic gaming license may be awarded for any race track. A  
5 holder of an electronic gaming license shall be subject to the  
6 Illinois Gambling Act and rules of the Illinois Gaming Board  
7 concerning electronic gaming. If the person, firm,  
8 corporation, or limited liability company having operating  
9 control of a race track is found by the Illinois Gaming Board  
10 to be unsuitable for an electronic gaming license under the  
11 Illinois Gambling Act and rules of the Gaming Board, that  
12 person, firm, corporation, or limited liability company shall  
13 not be granted an electronic gaming license. Each license shall  
14 specify the number of gaming positions that its holder may  
15 operate.

16 An electronic gaming licensee may not permit persons under  
17 21 years of age to be present in its electronic gaming  
18 facility, but the licensee may accept wagers on live racing and  
19 inter-track wagers at its electronic gaming facility.

20 (b) For purposes of this subsection, "adjusted gross  
21 receipts" means an electronic gaming licensee's gross receipts  
22 less winnings paid to wagerers and shall also include any  
23 amounts that would otherwise be deducted pursuant to subsection  
24 (a-9) of Section 13 of the Illinois Gambling Act. The adjusted  
25 gross receipts by an electronic gaming licensee from electronic  
26 gaming remaining after the payment of taxes under Section 13 of

1 the Illinois Gambling Act shall be distributed as follows:

2 (1) Amounts shall be paid to the purse account at the  
3 track at which the organization licensee is conducting  
4 racing equal to the following:

5 12.75% of annual adjusted gross receipts up to and  
6 including \$75,000,000;

7 20% of annual adjusted gross receipts in excess of  
8 \$75,000,000 but not exceeding \$100,000,000;

9 26.5% of annual adjusted gross receipts in excess  
10 of \$100,000,000 but not exceeding \$125,000,000; and

11 20.5% of annual adjusted gross receipts in excess  
12 of \$125,000,000.

13 (2) The remainder shall be retained by the electronic  
14 gaming licensee.

15 (c) Electronic gaming receipts placed into the purse  
16 account of an organization licensee racing thoroughbred horses  
17 shall be used for purses, for health care services or worker's  
18 compensation for racing industry workers, for equine research,  
19 for programs to care for and transition injured and retired  
20 thoroughbred horses that race at the race track, or for horse  
21 ownership promotion, in accordance with the agreement of the  
22 horsemen's association representing the largest number of  
23 owners and trainers who race at that organization licensee's  
24 race meetings.

25 Annually, from the purse account of an organization  
26 licensee racing thoroughbred horses in this State, except for

1 in Madison County, an amount equal to 12% of the electronic  
2 gaming receipts placed into the purse accounts shall be paid to  
3 the Illinois Thoroughbred Breeders Fund and shall be used for  
4 owner awards; a stallion program pursuant to paragraph (3) of  
5 subsection (g) of Section 30 of this Act; and Illinois  
6 conceived and foaled stakes races pursuant to paragraph (2) of  
7 subsection (g) of Section 30 of this Act, as specifically  
8 designated by the horsemen's association representing the  
9 largest number of owners and trainers who race at the  
10 organization licensee's race meetings.

11 Annually, from the purse account of an organization  
12 licensee racing thoroughbred horses in Madison County, an  
13 amount equal to 10% of the electronic gaming receipts placed  
14 into the purse accounts shall be paid to the Illinois  
15 Thoroughbred Breeders Fund and shall be used for owner awards;  
16 a stallion program pursuant to paragraph (3) of subsection (g)  
17 of Section 30 of this Act; and Illinois conceived and foaled  
18 stakes races pursuant to paragraph (2) of subsection (g) of  
19 Section 30 of this Act, as specifically designated by the  
20 horsemen's association representing the largest number of  
21 owners and trainers who race at the organization licensee's  
22 race meetings.

23 Annually, from the purse account of an organization  
24 licensee conducting thoroughbred races at a race track in  
25 Madison County, an amount equal to 1% of the electronic gaming  
26 receipts distributed to purses per subsection (b) of this



1 Section 56 shall be paid as follows: 0.33 1/3% to Southern  
2 Illinois University Department of Animal Sciences for equine  
3 research and education, an amount equal to 0.33 1/3% of the  
4 electronic gaming receipts shall be used to operate laundry  
5 facilities or a kitchen for backstretch workers at that race  
6 track, and an amount equal to 0.33 1/3% of the electronic  
7 gaming receipts shall be paid to R.A.C.E., Inc., a 501(c)(3)  
8 non-profit organization that cares for injured and unwanted  
9 horses that race at that race track.

10 Annually, from the purse account of organization licensees  
11 conducting thoroughbred races at race tracks in Cook County,  
12 \$100,000 shall be paid for division and equal distribution to  
13 the animal sciences department of each Illinois public  
14 university system engaged in equine research and education on  
15 or before the effective date of this amendatory Act of the  
16 100th General Assembly for equine research and education.

17 (d) Annually, from the purse account of an organization  
18 licensee racing standardbred horses, an amount equal to 15% of  
19 the electronic gaming receipts placed into that purse account  
20 shall be paid to the Illinois Colt Stakes Purse Distribution  
21 Fund. Moneys deposited into the Illinois Colt Stakes Purse  
22 Distribution Fund shall be used for standardbred racing as  
23 authorized in paragraphs 1, 2, 3, 8, 9, 10, and 11 of  
24 subsection (g) of Section 31 of this Act and for bonus awards  
25 as authorized under paragraph 6 of subsection (j) of Section 31  
26 of this Act.

1 Section 90-40. The Riverboat Gambling Act is amended by  
2 changing Sections 1, 2, 3, 4, 5, 5.1, 6, 7, 7.3, 7.5, 8, 9, 11,  
3 11.1, 12, 13, 14, 15, 16, 17, 17.1, 18, 18.1, 19, 20, 21, 23,  
4 and 24 and by adding Sections 5.3, 7.7, 7.8, 7.9, 7.10, 7.11,  
5 7.12, 7.13, and 25 as follows:

6 (230 ILCS 10/1) (from Ch. 120, par. 2401)

7 Sec. 1. Short title. This Act shall be known and may be  
8 cited as the Illinois ~~Riverboat~~ Gambling Act.

9 (Source: P.A. 86-1029.)

10 (230 ILCS 10/2) (from Ch. 120, par. 2402)

11 Sec. 2. Legislative Intent.

12 (a) This Act is intended to benefit the people of the State  
13 of Illinois by assisting economic development, ~~and~~ promoting  
14 Illinois tourism, ~~and~~ ~~by~~ increasing the amount of revenues  
15 available to the State to assist and support education, and to  
16 defray State expenses, including unpaid bills.

17 (b) While authorization of riverboat and casino gambling  
18 will enhance investment, beautification, development and  
19 tourism in Illinois, it is recognized that it will do so  
20 successfully only if public confidence and trust in the  
21 credibility and integrity of the gambling operations and the  
22 regulatory process is maintained. Therefore, regulatory  
23 provisions of this Act are designed to strictly regulate the

1 facilities, persons, associations and practices related to  
2 gambling operations pursuant to the police powers of the State,  
3 including comprehensive law enforcement supervision.

4 (c) The Illinois Gaming Board established under this Act  
5 should, as soon as possible, inform each applicant for an  
6 owners license of the Board's intent to grant or deny a  
7 license.

8 (Source: P.A. 93-28, eff. 6-20-03.)

9 (230 ILCS 10/3) (from Ch. 120, par. 2403)

10 Sec. 3. ~~Riverboat~~ Gambling Authorized.

11 (a) Riverboat and casino gambling operations and  
12 electronic gaming operations ~~and the system of wagering~~  
13 ~~incorporated therein~~, as defined in this Act, are hereby  
14 authorized to the extent that they are carried out in  
15 accordance with the provisions of this Act.

16 (b) This Act does not apply to the pari-mutuel system of  
17 wagering used or intended to be used in connection with the  
18 horse-race meetings as authorized under the Illinois Horse  
19 Racing Act of 1975, lottery games authorized under the Illinois  
20 Lottery Law, bingo authorized under the Bingo License and Tax  
21 Act, charitable games authorized under the Charitable Games Act  
22 or pull tabs and jar games conducted under the Illinois Pull  
23 Tabs and Jar Games Act. This Act applies to electronic gaming  
24 authorized under the Illinois Horse Racing Act of 1975 to the  
25 extent provided in that Act and in this Act.

1 (c) Riverboat gambling conducted pursuant to this Act may  
2 be authorized upon any water within the State of Illinois or  
3 any water other than Lake Michigan which constitutes a boundary  
4 of the State of Illinois. Notwithstanding any provision in this  
5 subsection (c) to the contrary, a licensee that receives its  
6 license pursuant to subsection (e-5) of Section 7 may conduct  
7 riverboat gambling on Lake Michigan from a home dock located on  
8 Lake Michigan subject to any limitations contained in Section  
9 7. Notwithstanding any provision in this subsection (c) to the  
10 contrary, a licensee may conduct gambling at its home dock  
11 facility as provided in Sections 7 and 11. A licensee may  
12 conduct riverboat gambling authorized under this Act  
13 regardless of whether it conducts excursion cruises. A licensee  
14 may permit the continuous ingress and egress of passengers for  
15 the purpose of gambling.

16 (d) Gambling that is conducted in accordance with this Act  
17 using slot machines and video games of chance and other  
18 electronic gambling games as defined in both this Act and the  
19 Illinois Horse Racing Act of 1975 is authorized.

20 (Source: P.A. 91-40, eff. 6-25-99.)

21 (230 ILCS 10/4) (from Ch. 120, par. 2404)

22 Sec. 4. Definitions. As used in this Act:

23 ~~(a)~~ "Board" means the Illinois Gaming Board.

24 ~~(b)~~ "Occupational license" means a license issued by the  
25 Board to a person or entity to perform an occupation which the

1 Board has identified as requiring a license to engage in  
2 riverboat gambling, casino gambling, or electronic gaming in  
3 Illinois.

4 ~~(e)~~ "Gambling game" includes, but is not limited to,  
5 baccarat, twenty-one, poker, craps, slot machine, video game of  
6 chance, roulette wheel, klondike table, punchboard, faro  
7 layout, keno layout, numbers ticket, push card, jar ticket, or  
8 pull tab which is authorized by the Board as a wagering device  
9 under this Act.

10 ~~(d)~~ "Riverboat" means a self-propelled excursion boat, a  
11 permanently moored barge, or permanently moored barges that are  
12 permanently fixed together to operate as one vessel, on which  
13 lawful gambling is authorized and licensed as provided in this  
14 Act.

15 "Slot machine" means any mechanical, electrical, or other  
16 device, contrivance, or machine that is authorized by the Board  
17 as a wagering device under this Act which, upon insertion of a  
18 coin, currency, token, or similar object therein, or upon  
19 payment of any consideration whatsoever, is available to play  
20 or operate, the play or operation of which may deliver or  
21 entitle the person playing or operating the machine to receive  
22 cash, premiums, merchandise, tokens, or anything of value  
23 whatsoever, whether the payoff is made automatically from the  
24 machine or in any other manner whatsoever. A slot machine:

25 (1) may utilize spinning reels or video displays or  
26 both;

1           (2) may or may not dispense coins, tickets, or tokens  
2           to winning patrons;

3           (3) may use an electronic credit system for receiving  
4           wagers and making payouts; and

5           (4) may simulate a table game.

6           "Slot machine" does not include table games authorized by  
7           the Board as a wagering device under this Act.

8           ~~(e)~~ "Managers license" means a license issued by the Board  
9           to a person or entity to manage gambling operations conducted  
10          by the State pursuant to Section 7.3.

11          ~~(f)~~ "Dock" means the location where a riverboat moors for  
12          the purpose of embarking passengers for and disembarking  
13          passengers from the riverboat.

14          ~~(g)~~ "Gross receipts" means the total amount of money  
15          exchanged for the purchase of chips, tokens, or electronic  
16          cards by riverboat patrons.

17          ~~(h)~~ "Adjusted gross receipts" means the gross receipts less  
18          winnings paid to wagerers.

19          ~~(i)~~ "Cheat" means to alter the selection of criteria which  
20          determine the result of a gambling game or the amount or  
21          frequency of payment in a gambling game.

22          ~~(j) (Blank).~~

23          ~~(k)~~ "Gambling operation" means the conduct of ~~authorized~~  
24          gambling games authorized under this Act upon a riverboat or in  
25          a casino or authorized under this Act and the Illinois Horse  
26          Racing Act of 1975 at an electronic gaming facility.

1       ~~(1)~~ "License bid" means the lump sum amount of money that  
2       an applicant bids and agrees to pay the State in return for an  
3       owners license that is issued or re-issued on or after July 1,  
4       2003.

5       "Table game" means a live gaming apparatus upon which  
6       gaming is conducted or that determines an outcome that is the  
7       object of a wager, including, but not limited to, baccarat,  
8       twenty-one, blackjack, poker, craps, roulette wheel, klondike  
9       table, punchboard, faro layout, keno layout, numbers ticket,  
10       push card, jar ticket, pull tab, or other similar games that  
11       are authorized by the Board as a wagering device under this  
12       Act. "Table game" does not include slot machines or video games  
13       of chance.

14       ~~(m)~~ The terms "minority person", "woman", and "person with  
15       a disability" shall have the same meaning as defined in Section  
16       2 of the Business Enterprise for Minorities, Women, and Persons  
17       with Disabilities Act.

18       "Authority" means the Chicago Casino Development  
19       Authority.

20       "Casino" means a facility at which lawful gambling is  
21       authorized as provided in this Act.

22       "Owners license" means a license to conduct riverboat or  
23       casino gambling operations, but does not include an electronic  
24       gaming license.

25       "Licensed owner" means a person who holds an owners  
26       license.

1       "Electronic gaming" means slot machine gambling, video  
2 game of chance gambling, or gambling with electronic gambling  
3 games as defined in this Act or defined by the Board that is  
4 conducted at a race track pursuant to an electronic gaming  
5 license.

6       "Electronic gaming facility" means the area where the Board  
7 has authorized electronic gaming at a race track of an  
8 organization licensee under the Illinois Horse Racing Act of  
9 1975 that holds an electronic gaming license.

10       "Electronic gaming license" means a license issued by the  
11 Board under Section 7.7 of this Act authorizing electronic  
12 gaming at an electronic gaming facility.

13       "Electronic gaming licensee" means an entity that holds an  
14 electronic gaming license.

15       "Organization licensee" means an entity authorized by the  
16 Illinois Racing Board to conduct pari-mutuel wagering in  
17 accordance with the Illinois Horse Racing Act of 1975. With  
18 respect only to electronic gaming, "organization licensee"  
19 includes the authorization for electronic gaming created under  
20 subsection (a) of Section 56 of the Illinois Horse Racing Act  
21 of 1975.

22       "Casino operator license" means the license held by the  
23 person or entity selected by the Authority to manage and  
24 operate a riverboat or casino within the geographic area of the  
25 authorized municipality pursuant to this Act and the Chicago  
26 Casino Development Authority Act.



1       "Wide area progressive system" means a method of linking  
2       progressive slot machines or electronic gaming machines across  
3       telecommunication lines as part of a network connecting  
4       participating facilities. Wide area progressive systems offer  
5       a common progressive jackpot at all participating locations and  
6       the award of the jackpot is at random.

7       (Source: P.A. 100-391, eff. 8-25-17.)

8               (230 ILCS 10/5) (from Ch. 120, par. 2405)

9               Sec. 5. Gaming Board.

10           (a) (1) There is hereby established the Illinois Gaming  
11       Board, which shall have the powers and duties specified in this  
12       Act and in the Chicago Casino Development Authority Act, and  
13       all other powers necessary and proper to fully and effectively  
14       execute this Act for the purpose of administering, regulating,  
15       and enforcing the system of riverboat and casino gambling and  
16       electronic gaming established by this Act and by the Chicago  
17       Casino Development Authority Act. Its jurisdiction shall  
18       extend under this Act and the Chicago Casino Development  
19       Authority Act to every person, association, corporation,  
20       partnership and trust involved in riverboat and casino gambling  
21       operations and electronic gaming in the State of Illinois.

22           (2) The Board shall consist of 5 members to be appointed by  
23       the Governor with the advice and consent of the Senate, one of  
24       whom shall be designated by the Governor to be chairperson  
25       ~~chairman~~. Each member shall have a reasonable knowledge of the

1 practice, procedure and principles of gambling operations.  
2 Each member shall either be a resident of Illinois or shall  
3 certify that he or she will become a resident of Illinois  
4 before taking office.

5 On and after the effective date of this amendatory Act of  
6 the 100th General Assembly, new appointees to the Board must  
7 include the following:

8 (A) One member who has received, at a minimum, a  
9 bachelor's degree from an accredited school and at least 10  
10 years of verifiable training and experience in the fields  
11 of investigation and law enforcement.

12 (B) One member who is a certified public accountant  
13 with experience in auditing and with knowledge of complex  
14 corporate structures and transactions.

15 (C) One member who has 5 years' experience as a  
16 principal, senior officer, or director of a company or  
17 business with either material responsibility for the daily  
18 operations and management of the overall company or  
19 business or material responsibility for the policy making  
20 of the company or business.

21 (D) One member who is a lawyer licensed to practice law  
22 in Illinois.

23 Notwithstanding any provision of this subsection (a), the  
24 requirements of subparagraphs (A) through (D) of this paragraph  
25 (2) shall not apply to any person reappointed pursuant to  
26 paragraph (3).

1       No more than 3 members of the Board may be from the same  
2 political party. The Board should reflect the ethnic, cultural,  
3 and geographic diversity of the State. No Board member shall,  
4 within a period of one year immediately preceding nomination,  
5 have been employed or received compensation or fees for  
6 services from a person or entity, or its parent or affiliate,  
7 that has engaged in business with the Board, a licensee, or a  
8 licensee under the Illinois Horse Racing Act of 1975. Board  
9 members must publicly disclose all prior affiliations with  
10 gaming interests, including any compensation, fees, bonuses,  
11 salaries, and other reimbursement received from a person or  
12 entity, or its parent or affiliate, that has engaged in  
13 business with the Board, a licensee, or a licensee under the  
14 Illinois Horse Racing Act of 1975. This disclosure must be made  
15 within 30 days after nomination but prior to confirmation by  
16 the Senate and must be made available to the members of the  
17 Senate. ~~At least one member shall be experienced in law~~  
18 ~~enforcement and criminal investigation, at least one member~~  
19 ~~shall be a certified public accountant experienced in~~  
20 ~~accounting and auditing, and at least one member shall be a~~  
21 ~~lawyer licensed to practice law in Illinois.~~

22       (3) The terms of office of the Board members shall be 3  
23 years, except that the terms of office of the initial Board  
24 members appointed pursuant to this Act will commence from the  
25 effective date of this Act and run as follows: one for a term  
26 ending July 1, 1991, 2 for a term ending July 1, 1992, and 2 for

1 a term ending July 1, 1993. Upon the expiration of the  
2 foregoing terms, the successors of such members shall serve a  
3 term for 3 years and until their successors are appointed and  
4 qualified for like terms. Vacancies in the Board shall be  
5 filled for the unexpired term in like manner as original  
6 appointments. Each member of the Board shall be eligible for  
7 reappointment at the discretion of the Governor with the advice  
8 and consent of the Senate.

9 (4) Each member of the Board shall receive \$300 for each  
10 day the Board meets and for each day the member conducts any  
11 hearing pursuant to this Act. Each member of the Board shall  
12 also be reimbursed for all actual and necessary expenses and  
13 disbursements incurred in the execution of official duties.

14 (5) No person shall be appointed a member of the Board or  
15 continue to be a member of the Board who is, or whose spouse,  
16 child or parent is, a member of the board of directors of, or a  
17 person financially interested in, any gambling operation  
18 subject to the jurisdiction of this Board, or any race track,  
19 race meeting, racing association or the operations thereof  
20 subject to the jurisdiction of the Illinois Racing Board. No  
21 Board member shall hold any other public office. No person  
22 shall be a member of the Board who is not of good moral  
23 character or who has been convicted of, or is under indictment  
24 for, a felony under the laws of Illinois or any other state, or  
25 the United States.

26 (5.5) No member of the Board shall engage in any political

1 activity. For the purposes of this Section, "political" means  
2 any activity in support of or in connection with any campaign  
3 for federal, State, or local elective office or any political  
4 organization, but does not include activities (i) relating to  
5 the support or opposition of any executive, legislative, or  
6 administrative action (as those terms are defined in Section 2  
7 of the Lobbyist Registration Act), (ii) relating to collective  
8 bargaining, or (iii) that are otherwise in furtherance of the  
9 person's official State duties or governmental and public  
10 service functions.

11 (6) Any member of the Board may be removed by the Governor  
12 for neglect of duty, misfeasance, malfeasance, or nonfeasance  
13 in office or for engaging in any political activity.

14 (7) Before entering upon the discharge of the duties of his  
15 office, each member of the Board shall take an oath that he  
16 will faithfully execute the duties of his office according to  
17 the laws of the State and the rules and regulations adopted  
18 therewith and shall give bond to the State of Illinois,  
19 approved by the Governor, in the sum of \$25,000. Every such  
20 bond, when duly executed and approved, shall be recorded in the  
21 office of the Secretary of State. Whenever the Governor  
22 determines that the bond of any member of the Board has become  
23 or is likely to become invalid or insufficient, he shall  
24 require such member forthwith to renew his bond, which is to be  
25 approved by the Governor. Any member of the Board who fails to  
26 take oath and give bond within 30 days from the date of his

1 appointment, or who fails to renew his bond within 30 days  
2 after it is demanded by the Governor, shall be guilty of  
3 neglect of duty and may be removed by the Governor. The cost of  
4 any bond given by any member of the Board under this Section  
5 shall be taken to be a part of the necessary expenses of the  
6 Board.

7 (7.5) For the examination of all mechanical,  
8 electromechanical, or electronic table games, slot machines,  
9 slot accounting systems, and other electronic gaming equipment  
10 for compliance with this Act, the Board may utilize the  
11 services of one or more independent outside testing  
12 laboratories that have been accredited by a national  
13 accreditation body and that, in the judgment of the Board, are  
14 qualified to perform such examinations.

15 (8) The Board shall employ such personnel as may be  
16 necessary to carry out its functions and shall determine the  
17 salaries of all personnel, except those personnel whose  
18 salaries are determined under the terms of a collective  
19 bargaining agreement. No person shall be employed to serve the  
20 Board who is, or whose spouse, parent or child is, an official  
21 of, or has a financial interest in or financial relation with,  
22 any operator engaged in gambling operations within this State  
23 or any organization engaged in conducting horse racing within  
24 this State. For the one year immediately preceding employment,  
25 an employee shall not have been employed or received  
26 compensation or fees for services from a person or entity, or

1 its parent or affiliate, that has engaged in business with the  
2 Board, a licensee, or a licensee under the Illinois Horse  
3 Racing Act of 1975. Any employee violating these prohibitions  
4 shall be subject to termination of employment. In addition, all  
5 Board members and employees are subject to the restrictions set  
6 forth in Section 5-45 of the State Officials and Employees  
7 Ethics Act.

8 (9) An Administrator shall perform any and all duties that  
9 the Board shall assign him. The salary of the Administrator  
10 shall be determined by the Board and, in addition, he shall be  
11 reimbursed for all actual and necessary expenses incurred by  
12 him in discharge of his official duties. The Administrator  
13 shall keep records of all proceedings of the Board and shall  
14 preserve all records, books, documents and other papers  
15 belonging to the Board or entrusted to its care. The  
16 Administrator shall devote his full time to the duties of the  
17 office and shall not hold any other office or employment.

18 (b) The Board shall have general responsibility for the  
19 implementation of this Act. Its duties include, without  
20 limitation, the following:

21 (1) To decide promptly and in reasonable order all  
22 license applications. Any party aggrieved by an action of  
23 the Board denying, suspending, revoking, restricting or  
24 refusing to renew a license may request a hearing before  
25 the Board. A request for a hearing must be made to the  
26 Board in writing within 5 days after service of notice of

1 the action of the Board. Notice of the action of the Board  
2 shall be served either by personal delivery or by certified  
3 mail, postage prepaid, to the aggrieved party. Notice  
4 served by certified mail shall be deemed complete on the  
5 business day following the date of such mailing. The Board  
6 shall conduct all requested hearings promptly and in  
7 reasonable order;

8 (2) To conduct all hearings pertaining to civil  
9 violations of this Act or rules and regulations promulgated  
10 hereunder;

11 (3) To promulgate such rules and regulations as in its  
12 judgment may be necessary to protect or enhance the  
13 credibility and integrity of gambling operations  
14 authorized by this Act and the regulatory process  
15 hereunder;

16 (4) To provide for the establishment and collection of  
17 all license and registration fees and taxes imposed by this  
18 Act and the rules and regulations issued pursuant hereto.  
19 All such fees and taxes shall be deposited into the State  
20 Gaming Fund;

21 (5) To provide for the levy and collection of penalties  
22 and fines for the violation of provisions of this Act and  
23 the rules and regulations promulgated hereunder. All such  
24 fines and penalties shall be deposited into the Education  
25 Assistance Fund, created by Public Act 86-0018, of the  
26 State of Illinois;



1           (6) To be present through its inspectors and agents any  
2 time gambling operations are conducted on any riverboat, in  
3 any casino, or at any electronic gaming facility for the  
4 purpose of certifying the revenue thereof, receiving  
5 complaints from the public, and conducting such other  
6 investigations into the conduct of the gambling games and  
7 the maintenance of the equipment as from time to time the  
8 Board may deem necessary and proper;

9           (7) To review and rule upon any complaint by a licensee  
10 regarding any investigative procedures of the State which  
11 are unnecessarily disruptive of gambling operations. The  
12 need to inspect and investigate shall be presumed at all  
13 times. The disruption of a licensee's operations shall be  
14 proved by clear and convincing evidence, and establish  
15 that: (A) the procedures had no reasonable law enforcement  
16 purposes, and (B) the procedures were so disruptive as to  
17 unreasonably inhibit gambling operations;

18           (8) To hold at least one meeting each quarter of the  
19 fiscal year. In addition, special meetings may be called by  
20 the Chairman or any 2 Board members upon 72 hours written  
21 notice to each member. All Board meetings shall be subject  
22 to the Open Meetings Act. Three members of the Board shall  
23 constitute a quorum, and 3 votes shall be required for any  
24 final determination by the Board. The Board shall keep a  
25 complete and accurate record of all its meetings. A  
26 majority of the members of the Board shall constitute a

1 quorum for the transaction of any business, for the  
2 performance of any duty, or for the exercise of any power  
3 which this Act requires the Board members to transact,  
4 perform or exercise en banc, except that, upon order of the  
5 Board, one of the Board members or an administrative law  
6 judge designated by the Board may conduct any hearing  
7 provided for under this Act or by Board rule and may  
8 recommend findings and decisions to the Board. The Board  
9 member or administrative law judge conducting such hearing  
10 shall have all powers and rights granted to the Board in  
11 this Act. The record made at the time of the hearing shall  
12 be reviewed by the Board, or a majority thereof, and the  
13 findings and decision of the majority of the Board shall  
14 constitute the order of the Board in such case;

15 (9) To maintain records which are separate and distinct  
16 from the records of any other State board or commission.  
17 Such records shall be available for public inspection and  
18 shall accurately reflect all Board proceedings;

19 (10) To file a written annual report with the Governor  
20 on or before March 1 each year and such additional reports  
21 as the Governor may request. The annual report shall  
22 include a statement of receipts and disbursements by the  
23 Board, actions taken by the Board, and any additional  
24 information and recommendations which the Board may deem  
25 valuable or which the Governor may request;

26 (11) (Blank);

1 (12) (Blank);

2 (13) To assume responsibility for administration and  
3 enforcement of the Video Gaming Act; ~~and~~

4 (13.1) To assume responsibility for the administration  
5 and enforcement of operations at electronic gaming  
6 facilities pursuant to this Act and the Illinois Horse  
7 Racing Act of 1975;

8 (13.2) To assume responsibility for the administration  
9 and enforcement of gambling operations at the Chicago  
10 Casino Development Authority's casino pursuant to this Act  
11 and the Chicago Casino Development Authority Act; and

12 (14) To adopt, by rule, a code of conduct governing  
13 Board members and employees that ensure, to the maximum  
14 extent possible, that persons subject to this Code avoid  
15 situations, relationships, or associations that may  
16 represent or lead to a conflict of interest.

17 Internal controls and changes submitted by licensees must  
18 be reviewed and either approved or denied with cause within 90  
19 days after receipt of submission is deemed final by the  
20 Illinois Gaming Board. In the event an internal control  
21 submission or change does not meet the standards set by the  
22 Board, staff of the Board must provide technical assistance to  
23 the licensee to rectify such deficiencies within 90 days after  
24 the initial submission and the revised submission must be  
25 reviewed and approved or denied with cause within 90 days after  
26 the date the revised submission is deemed final by the Board.

1 For the purposes of this paragraph, "with cause" means that the  
2 approval of the submission would jeopardize the integrity of  
3 gaming. In the event the Board staff has not acted within the  
4 timeframe, the submission shall be deemed approved.

5 (c) The Board shall have jurisdiction over and shall  
6 supervise all gambling operations governed by this Act and the  
7 Chicago Casino Development Authority Act. The Board shall have  
8 all powers necessary and proper to fully and effectively  
9 execute the provisions of this Act and the Chicago Casino  
10 Development Authority Act, including, but not limited to, the  
11 following:

12 (1) To investigate applicants and determine the  
13 eligibility of applicants for licenses and to select among  
14 competing applicants the applicants which best serve the  
15 interests of the citizens of Illinois.

16 (2) To have jurisdiction and supervision over all  
17 ~~riverboat~~ gambling operations authorized under this Act  
18 and the Chicago Casino Development Authority Act ~~in this~~  
19 ~~State~~ and all persons in places ~~on riverboats~~ where  
20 gambling operations are conducted.

21 (3) To promulgate rules and regulations for the purpose  
22 of administering the provisions of this Act and the Chicago  
23 Casino Development Authority Act and to prescribe rules,  
24 regulations and conditions under which all ~~riverboat~~  
25 gambling operations subject to this Act and the Chicago  
26 Casino Development Authority Act ~~in the State~~ shall be

1 conducted. Such rules and regulations are to provide for  
2 the prevention of practices detrimental to the public  
3 interest and for the best interests of ~~riverboat~~ gambling,  
4 including rules and regulations regarding the inspection  
5 of electronic gaming facilities, casinos, and ~~such~~  
6 riverboats, and the review of any permits or licenses  
7 necessary to operate a riverboat, casino, or electronic  
8 gaming facilities under any laws or regulations applicable  
9 to riverboats, casinos, or electronic gaming facilities  
10 and to impose penalties for violations thereof.

11 (4) To enter the office, riverboats, casinos,  
12 electronic gaming facilities, and other facilities, or  
13 other places of business of a licensee, where evidence of  
14 the compliance or noncompliance with the provisions of this  
15 Act and the Chicago Casino Development Authority Act is  
16 likely to be found.

17 (5) To investigate alleged violations of this Act, the  
18 Chicago Casino Development Authority Act, or the rules of  
19 the Board and to take appropriate disciplinary action  
20 against a licensee or a holder of an occupational license  
21 for a violation, or institute appropriate legal action for  
22 enforcement, or both.

23 (6) To adopt standards for the licensing of all persons  
24 and entities under this Act and the Chicago Casino  
25 Development Authority Act, as well as for electronic or  
26 mechanical gambling games, and to establish fees for such

1 licenses.

2 (7) To adopt appropriate standards for all electronic  
3 gaming facilities, riverboats, casinos, and other  
4 facilities authorized under this Act and the Chicago Casino  
5 Development Authority Act.

6 (8) To require that the records, including financial or  
7 other statements of any licensee under this Act and the  
8 Chicago Casino Development Authority Act, shall be kept in  
9 such manner as prescribed by the Board and that any such  
10 licensee involved in the ownership or management of  
11 gambling operations submit to the Board an annual balance  
12 sheet and profit and loss statement, list of the  
13 stockholders or other persons having a 1% or greater  
14 beneficial interest in the gambling activities of each  
15 licensee, and any other information the Board deems  
16 necessary in order to effectively administer this Act and  
17 the Chicago Casino Development Authority Act and all rules,  
18 regulations, orders and final decisions promulgated under  
19 this Act and the Chicago Casino Development Authority Act.

20 (9) To conduct hearings, issue subpoenas for the  
21 attendance of witnesses and subpoenas duces tecum for the  
22 production of books, records and other pertinent documents  
23 in accordance with the Illinois Administrative Procedure  
24 Act, and to administer oaths and affirmations to the  
25 witnesses, when, in the judgment of the Board, it is  
26 necessary to administer or enforce this Act, the Chicago

1 Casino Development Authority Act, or the Board rules.

2 (10) To prescribe a form to be used by any licensee  
3 involved in the ownership or management of gambling  
4 operations as an application for employment for their  
5 employees.

6 (11) To revoke or suspend licenses, other than the  
7 license issued to the Chicago Casino Development  
8 Authority, as the Board may see fit and in compliance with  
9 applicable laws of the State regarding administrative  
10 procedures, and to review applications for the renewal of  
11 licenses. The Board may suspend an owners license (other  
12 than the license issued to the Chicago Casino Development  
13 Authority), electronic gaming license, or casino operator  
14 license, without notice or hearing upon a determination  
15 that the safety or health of patrons or employees is  
16 jeopardized by continuing a gambling operation conducted  
17 under that license ~~riverboat's operation~~. The suspension  
18 may remain in effect until the Board determines that the  
19 cause for suspension has been abated. The Board may revoke  
20 ~~an~~ ~~the~~ owners license (other than the license issued to the  
21 Chicago Casino Development Authority), electronic gaming  
22 license, or casino operator license upon a determination  
23 that the licensee ~~owner~~ has not made satisfactory progress  
24 toward abating the hazard.

25 (12) To eject or exclude or authorize the ejection or  
26 exclusion of, any person from ~~riverboat~~ gambling

1 facilities where that ~~such~~ person is in violation of this  
2 Act or the Chicago Casino Development Authority Act, rules  
3 and regulations thereunder, or final orders of the Board,  
4 or where such person's conduct or reputation is such that  
5 his or her presence within the ~~riverboat~~ gambling  
6 facilities may, in the opinion of the Board, call into  
7 question the honesty and integrity of the gambling  
8 operations or interfere with the orderly conduct thereof;  
9 provided that the propriety of such ejection or exclusion  
10 is subject to subsequent hearing by the Board.

11 (13) To require all licensees of gambling operations to  
12 utilize a cashless wagering system whereby all players'  
13 money is converted to tokens, electronic cards, or chips  
14 which shall be used only for wagering in the gambling  
15 establishment.

16 (14) (Blank).

17 (15) To suspend, revoke or restrict licenses, other  
18 than the license issued to the Chicago Casino Development  
19 Authority, to require the removal of a licensee or an  
20 employee of a licensee for a violation of this Act, the  
21 Chicago Casino Development Authority Act, or a Board rule  
22 or for engaging in a fraudulent practice, and to impose  
23 civil penalties of up to \$5,000 against individuals and up  
24 to \$10,000 or an amount equal to the daily gross receipts,  
25 whichever is larger, against licensees for each violation  
26 of any provision of the Act, the Chicago Casino Development



1        Authority Act, any rules adopted by the Board, any order of  
2        the Board or any other action which, in the Board's  
3        discretion, is a detriment or impediment to ~~riverboat~~  
4        gambling operations.

5            (16) To hire employees to gather information, conduct  
6        investigations and carry out any other tasks contemplated  
7        under this Act or the Chicago Casino Development Authority  
8        Act.

9            (17) To establish minimum levels of insurance to be  
10       maintained by licensees.

11           (18) To authorize a licensee to sell or serve alcoholic  
12       liquors, wine or beer as defined in the Liquor Control Act  
13       of 1934 on board a riverboat or in a casino and to have  
14       exclusive authority to establish the hours for sale and  
15       consumption of alcoholic liquor on board a riverboat or in  
16       a casino, notwithstanding any provision of the Liquor  
17       Control Act of 1934 or any local ordinance, and regardless  
18       of whether the riverboat makes excursions. The  
19       establishment of the hours for sale and consumption of  
20       alcoholic liquor on board a riverboat or in a casino is an  
21       exclusive power and function of the State. A home rule unit  
22       may not establish the hours for sale and consumption of  
23       alcoholic liquor on board a riverboat or in a casino. This  
24       subdivision (18) amendatory Act of 1991 is a denial and  
25       limitation of home rule powers and functions under  
26       subsection (h) of Section 6 of Article VII of the Illinois

1 Constitution.

2 (19) After consultation with the U.S. Army Corps of  
3 Engineers, to establish binding emergency orders upon the  
4 concurrence of a majority of the members of the Board  
5 regarding the navigability of water, relative to  
6 excursions, in the event of extreme weather conditions,  
7 acts of God or other extreme circumstances.

8 (20) To delegate the execution of any of its powers  
9 under this Act or the Chicago Casino Development Authority  
10 Act for the purpose of administering and enforcing this  
11 Act, the Chicago Casino Development Authority Act, and the  
12 its rules adopted by the Board under both Acts ~~and~~  
13 ~~regulations hereunder.~~

14 (20.5) To approve any contract entered into on its  
15 behalf.

16 (20.6) To appoint investigators to conduct  
17 investigations, searches, seizures, arrests, and other  
18 duties imposed under this Act, as deemed necessary by the  
19 Board. These investigators have and may exercise all of the  
20 rights and powers of peace officers, provided that these  
21 powers shall be limited to offenses or violations occurring  
22 or committed in a casino, in an electronic gaming facility,  
23 or on a riverboat or dock, as defined in subsections (d)  
24 and (f) of Section 4, or as otherwise provided by this Act,   
25 the Chicago Casino Development Authority Act, or any other  
26 law.

1           (20.7) To contract with the Department of State Police  
2           for the use of trained and qualified State police officers  
3           and with the Department of Revenue for the use of trained  
4           and qualified Department of Revenue investigators to  
5           conduct investigations, searches, seizures, arrests, and  
6           other duties imposed under this Act or the Chicago Casino  
7           Development Authority Act and to exercise all of the rights  
8           and powers of peace officers, provided that the powers of  
9           Department of Revenue investigators under this subdivision  
10          (20.7) shall be limited to offenses or violations occurring  
11          or committed in a casino, in an electronic gaming facility,  
12          or on a riverboat or dock, as defined in subsections (d)  
13          and (f) of Section 4, or as otherwise provided by this Act  
14          or any other law. In the event the Department of State  
15          Police or the Department of Revenue is unable to fill  
16          contracted police or investigative positions, the Board  
17          may appoint investigators to fill those positions pursuant  
18          to subdivision (20.6).

19          (21) To adopt rules concerning the conduct of  
20          electronic gaming.

21          (22) To have the same jurisdiction and supervision over  
22          casinos and electronic gaming facilities as the Board has  
23          over riverboats, including, but not limited to, the power  
24          to (i) investigate, review, and approve contracts as that  
25          power is applied to riverboats, (ii) adopt rules for  
26          administering the provisions of this Act or the Chicago

1 Casino Development Authority Act, (iii) adopt standards  
2 for the licensing of all persons involved with a casino or  
3 electronic gaming facility, (iv) investigate alleged  
4 violations of this Act by any person involved with a casino  
5 or electronic gaming facility, and (v) require that  
6 records, including financial or other statements of any  
7 casino or electronic gaming facility, shall be kept in such  
8 manner as prescribed by the Board.

9 (23) To supervise and regulate the Chicago Casino  
10 Development Authority in accordance with the Chicago  
11 Casino Development Authority Act and the provisions of this  
12 Act.

13 (24) ~~(21)~~ To take any other action as may be reasonable  
14 or appropriate to enforce this Act, the Chicago Casino  
15 Development Authority Act, and the rules adopted by the  
16 Board under both Acts and regulations hereunder.

17 All Board powers enumerated in this Section in relation to  
18 licensees shall apply equally to the holder of any casino  
19 management contract entered into pursuant to the Chicago Casino  
20 Development Authority Act.

21 (d) The Board may seek and shall receive the cooperation of  
22 the Department of State Police in conducting background  
23 investigations of applicants and in fulfilling its  
24 responsibilities under this Section. Costs incurred by the  
25 Department of State Police as a result of such cooperation  
26 shall be paid by the Board in conformance with the requirements

1 of Section 2605-400 of the Department of State Police Law (20  
2 ILCS 2605/2605-400).

3 (e) The Board must authorize to each investigator and to  
4 any other employee of the Board exercising the powers of a  
5 peace officer a distinct badge that, on its face, (i) clearly  
6 states that the badge is authorized by the Board and (ii)  
7 contains a unique identifying number. No other badge shall be  
8 authorized by the Board.

9 (Source: P.A. 98-377, eff. 1-1-14; 98-582, eff. 8-27-13.)

10 (230 ILCS 10/5.1) (from Ch. 120, par. 2405.1)

11 Sec. 5.1. Disclosure of records.

12 (a) Notwithstanding any applicable statutory provision to  
13 the contrary, the Board shall, on written request from any  
14 person, provide information furnished by an applicant or  
15 licensee concerning the applicant or licensee, his products,  
16 services or gambling enterprises and his business holdings, as  
17 follows:

18 (1) The name, business address and business telephone  
19 number of any applicant or licensee.

20 (2) An identification of any applicant or licensee  
21 including, if an applicant or licensee is not an  
22 individual, the names and addresses of all stockholders and  
23 directors, if the entity is a corporation; the names and  
24 addresses of all members, if the entity is a limited  
25 liability company; the names and addresses of all partners,

1       both general and limited, if the entity is a partnership;  
2       and the names and addresses of all beneficiaries, if the  
3       entity is a trust ~~the state of incorporation or~~  
4       ~~registration, the corporate officers, and the identity of~~  
5       ~~all shareholders or participants.~~ If an applicant or  
6       licensee has a pending registration statement filed with  
7       the Securities and Exchange Commission, only the names of  
8       those persons or entities holding interest of 5% or more  
9       must be provided.

10       (3) An identification of any business, including, if  
11       applicable, the state of incorporation or registration, in  
12       which an applicant or licensee or an applicant's or  
13       licensee's spouse or children has an equity interest of  
14       more than 1%. If an applicant or licensee is a corporation,  
15       partnership or other business entity, the applicant or  
16       licensee shall identify any other corporation, partnership  
17       or business entity in which it has an equity interest of 1%  
18       or more, including, if applicable, the state of  
19       incorporation or registration. This information need not  
20       be provided by a corporation, partnership or other business  
21       entity that has a pending registration statement filed with  
22       the Securities and Exchange Commission.

23       (4) Whether an applicant or licensee has been indicted,  
24       convicted, pleaded guilty or nolo contendere, or forfeited  
25       bail concerning any criminal offense under the laws of any  
26       jurisdiction, either felony or misdemeanor (except for

1 traffic violations), including the date, the name and  
2 location of the court, arresting agency and prosecuting  
3 agency, the case number, the offense, the disposition and  
4 the location and length of incarceration.

5 (5) Whether an applicant or licensee has had any  
6 license or certificate issued by a licensing authority in  
7 Illinois or any other jurisdiction denied, restricted,  
8 suspended, revoked or not renewed and a statement  
9 describing the facts and circumstances concerning the  
10 denial, restriction, suspension, revocation or  
11 non-renewal, including the licensing authority, the date  
12 each such action was taken, and the reason for each such  
13 action.

14 (6) Whether an applicant or licensee has ever filed or  
15 had filed against it a proceeding in bankruptcy or has ever  
16 been involved in any formal process to adjust, defer,  
17 suspend or otherwise work out the payment of any debt  
18 including the date of filing, the name and location of the  
19 court, the case and number of the disposition.

20 (7) Whether an applicant or licensee has filed, or been  
21 served with a complaint or other notice filed with any  
22 public body, regarding the delinquency in the payment of,  
23 or a dispute over the filings concerning the payment of,  
24 any tax required under federal, State or local law,  
25 including the amount, type of tax, the taxing agency and  
26 time periods involved.

1           (8) A statement listing the names and titles of all  
2 public officials or officers of any unit of government, and  
3 relatives of said public officials or officers who,  
4 directly or indirectly, own any financial interest in, have  
5 any beneficial interest in, are the creditors of or hold  
6 any debt instrument issued by, or hold or have any interest  
7 in any contractual or service relationship with, an  
8 applicant or licensee.

9           (9) Whether an applicant or licensee has made, directly  
10 or indirectly, any political contribution, or any loans,  
11 donations or other payments, to any candidate or office  
12 holder, within 5 years from the date of filing the  
13 application, including the amount and the method of  
14 payment.

15           (10) The name and business telephone number of the  
16 counsel representing an applicant or licensee in matters  
17 before the Board.

18           (11) A description of any proposed or approved  
19 riverboat or casino gaming or electronic gaming operation,  
20 including the type of boat, home dock or casino or  
21 electronic gaming location, expected economic benefit to  
22 the community, anticipated or actual number of employees,  
23 any statement from an applicant or licensee regarding  
24 compliance with federal and State affirmative action  
25 guidelines, projected or actual admissions and projected  
26 or actual adjusted gross gaming receipts.



1           (12) A description of the product or service to be  
2           supplied by an applicant for a supplier's license.

3           (b) Notwithstanding any applicable statutory provision to  
4           the contrary, the Board shall, on written request from any  
5           person, also provide the following information:

6           (1) The amount of the wagering tax and admission tax  
7           paid daily to the State of Illinois by the holder of an  
8           owner's license.

9           (2) Whenever the Board finds an applicant for an  
10          owner's license unsuitable for licensing, a copy of the  
11          written letter outlining the reasons for the denial.

12          (3) Whenever the Board has refused to grant leave for  
13          an applicant to withdraw his application, a copy of the  
14          letter outlining the reasons for the refusal.

15          (c) Subject to the above provisions, the Board shall not  
16          disclose any information which would be barred by:

17                 (1) Section 7 of the Freedom of Information Act; or

18                 (2) The statutes, rules, regulations or  
19                 intergovernmental agreements of any jurisdiction.

20          (d) The Board may assess fees for the copying of  
21          information in accordance with Section 6 of the Freedom of  
22          Information Act.

23          (Source: P.A. 96-1392, eff. 1-1-11.)

24                 (230 ILCS 10/5.3 new)

25                 Sec. 5.3. Ethical conduct.

1       (a) Officials and employees of the corporate authority of a  
2 host community must carry out their duties and responsibilities  
3 in such a manner as to promote and preserve public trust and  
4 confidence in the integrity and conduct of gaming.

5       (b) Officials and employees of the corporate authority of a  
6 host community shall not use or attempt to use his or her  
7 official position to secure or attempt to secure any privilege,  
8 advantage, favor, or influence for himself or herself or  
9 others.

10       (c) Officials and employees of the corporate authority of a  
11 host community may not have a financial interest, directly or  
12 indirectly, in his or her own name or in the name of any other  
13 person, partnership, association, trust, corporation, or other  
14 entity in any contract or subcontract for the performance of  
15 any work for a riverboat or casino that is located in the host  
16 community. This prohibition shall extend to the holding or  
17 acquisition of an interest in any entity identified by Board  
18 action that, in the Board's judgment, could represent the  
19 potential for or the appearance of a financial interest. The  
20 holding or acquisition of an interest in such entities through  
21 an indirect means, such as through a mutual fund, shall not be  
22 prohibited, except that the Board may identify specific  
23 investments or funds that, in its judgment, are so influenced  
24 by gaming holdings as to represent the potential for or the  
25 appearance of a conflict of interest.

26       (d) Officials and employees of the corporate authority of a

1 host community may not accept any gift, gratuity, service,  
2 compensation, travel, lodging, or thing of value, with the  
3 exception of unsolicited items of an incidental nature, from  
4 any person, corporation, or entity doing business with the  
5 riverboat or casino that is located in the host community.

6 (e) Officials and employees of the corporate authority of a  
7 host community shall not, during the period that the person is  
8 an official or employee of the corporate authority or for a  
9 period of 2 years immediately after leaving such office,  
10 knowingly accept employment or receive compensation or fees for  
11 services from a person or entity, or its parent or affiliate,  
12 that has engaged in business with the riverboat or casino that  
13 is located in the host community that resulted in contracts  
14 with an aggregate value of at least \$25,000 or if that official  
15 or employee has made a decision that directly applied to the  
16 person or entity, or its parent or affiliate.

17 (f) A spouse, child, or parent of an official or employee  
18 of the corporate authority of a host community may not have a  
19 financial interest, directly or indirectly, in his or her own  
20 name or in the name of any other person, partnership,  
21 association, trust, corporation, or other entity in any  
22 contract or subcontract for the performance of any work for a  
23 riverboat or casino in the host community. This prohibition  
24 shall extend to the holding or acquisition of an interest in  
25 any entity identified by Board action that, in the judgment of  
26 the Board, could represent the potential for or the appearance

1 of a conflict of interest. The holding or acquisition of an  
2 interest in such entities through an indirect means, such as  
3 through a mutual fund, shall not be prohibited, except that the  
4 Board may identify specific investments or funds that, in its  
5 judgment, are so influenced by gaming holdings as to represent  
6 the potential for or the appearance of a conflict of interest.

7 (g) A spouse, child, or parent of an official or employee  
8 of the corporate authority of a host community may not accept  
9 any gift, gratuity, service, compensation, travel, lodging, or  
10 thing of value, with the exception of unsolicited items of an  
11 incidental nature, from any person, corporation, or entity  
12 doing business with the riverboat or casino that is located in  
13 the host community.

14 (h) A spouse, child, or parent of an official or employee  
15 of the corporate authority of a host community may not, during  
16 the period that the person is an official of the corporate  
17 authority or for a period of 2 years immediately after leaving  
18 such office or employment, knowingly accept employment or  
19 receive compensation or fees for services from a person or  
20 entity, or its parent or affiliate, that has engaged in  
21 business with the riverboat or casino that is located in the  
22 host community that resulted in contracts with an aggregate  
23 value of at least \$25,000 or if that official or employee has  
24 made a decision that directly applied to the person or entity,  
25 or its parent or affiliate.

26 (i) Officials and employees of the corporate authority of a

1 host community shall not attempt, in any way, to influence any  
2 person or entity doing business with the riverboat or casino  
3 that is located in the host community or any officer, agent, or  
4 employee thereof to hire or contract with any person or entity  
5 for any compensated work.

6 (j) Any communication between an official of the corporate  
7 authority of a host community and any applicant for an owners  
8 license in the host community, or an officer, director, or  
9 employee of a riverboat or casino in the host community,  
10 concerning any matter relating in any way to gaming shall be  
11 disclosed to the Board. Such disclosure shall be in writing by  
12 the official within 30 days after the communication and shall  
13 be filed with the Board. Disclosure must consist of the date of  
14 the communication, the identity and job title of the person  
15 with whom the communication was made, a brief summary of the  
16 communication, the action requested or recommended, all  
17 responses made, the identity and job title of the person making  
18 the response, and any other pertinent information. Public  
19 disclosure of the written summary provided to the Board and the  
20 Gaming Board shall be subject to the exemptions provided under  
21 the Freedom of Information Act.

22 This subsection (j) shall not apply to communications  
23 regarding traffic, law enforcement, security, environmental  
24 issues, city services, transportation, or other routine  
25 matters concerning the ordinary operations of the riverboat or  
26 casino. For purposes of this subsection (j), "ordinary

1 operations" means operations relating to the casino or  
2 riverboat facility other than the conduct of gambling  
3 activities, and "routine matters" includes the application  
4 for, issuance of, renewal of, and other processes associated  
5 with municipal permits and licenses.

6 (k) Any official or employee who violates any provision of  
7 this Section is guilty of a Class 4 felony.

8 (l) For purposes of this Section, "host community" or "host  
9 municipality" means a unit of local government that contains a  
10 riverboat or casino within its borders, but does not include  
11 the City of Chicago or the Chicago Casino Development  
12 Authority.

13 (230 ILCS 10/6) (from Ch. 120, par. 2406)

14 Sec. 6. Application for Owners License.

15 (a) A qualified person may apply to the Board for an owners  
16 license to conduct a riverboat gambling operation as provided  
17 in this Act. The application shall be made on forms provided by  
18 the Board and shall contain such information as the Board  
19 prescribes, including but not limited to the identity of the  
20 riverboat on which such gambling operation is to be conducted,  
21 if applicable, and the exact location where such riverboat or  
22 casino will be located ~~docked~~, a certification that the  
23 riverboat will be registered under this Act at all times during  
24 which gambling operations are conducted on board, detailed  
25 information regarding the ownership and management of the

1 applicant, and detailed personal information regarding the  
2 applicant. Any application for an owners license to be  
3 re-issued on or after June 1, 2003 shall also include the  
4 applicant's license bid in a form prescribed by the Board.  
5 Information provided on the application shall be used as a  
6 basis for a thorough background investigation which the Board  
7 shall conduct with respect to each applicant. An incomplete  
8 application shall be cause for denial of a license by the  
9 Board.

10 (a-5) In addition to any other information required under  
11 this Section, each application for an owners license must  
12 include the following information:

13 (1) The history and success of the applicant and each  
14 person and entity disclosed under subsection (c) of this  
15 Section in developing tourism facilities ancillary to  
16 gaming, if applicable.

17 (2) The likelihood that granting a license to the  
18 applicant will lead to the creation of quality, living wage  
19 jobs and permanent, full-time jobs for residents of the  
20 State and residents of the unit of local government that is  
21 designated as the home dock of the proposed facility where  
22 gambling is to be conducted by the applicant.

23 (3) The projected number of jobs that would be created  
24 if the license is granted and the projected number of new  
25 employees at the proposed facility where gambling is to be  
26 conducted by the applicant.

1           (4) The record, if any, of the applicant and its  
2           developer in meeting commitments to local agencies,  
3           community-based organizations, and employees at other  
4           locations where the applicant or its developer has  
5           performed similar functions as they would perform if the  
6           applicant were granted a license.

7           (5) Identification of adverse effects that might be  
8           caused by the proposed facility where gambling is to be  
9           conducted by the applicant, including the costs of meeting  
10           increased demand for public health care, child care, public  
11           transportation, affordable housing, and social services,  
12           and a plan to mitigate those adverse effects.

13           (6) The record, if any, of the applicant and its  
14           developer regarding compliance with:

15                   (A) federal, state, and local discrimination, wage  
16                   and hour, disability, and occupational and  
17                   environmental health and safety laws; and

18                   (B) state and local labor relations and employment  
19                   laws.

20           (7) The applicant's record, if any, in dealing with its  
21           employees and their representatives at other locations.

22           (8) A plan concerning the utilization of  
23           minority-owned and female-owned businesses and concerning  
24           the hiring of minorities and females.

25           (9) Evidence the applicant used its best efforts to  
26           reach a goal of 25% ownership representation by minority



1       persons and 5% ownership representation by females.

2       (b) Applicants shall submit with their application all  
3 documents, resolutions, and letters of support from the  
4 governing body that represents the municipality or county  
5 wherein the licensee will be located ~~deck~~.

6       (c) Each applicant shall disclose the identity of every  
7 person or entity , ~~association, trust or corporation~~ having a  
8 greater than 1% direct or indirect pecuniary interest in the  
9 ~~riverboat~~ gambling operation with respect to which the license  
10 is sought. If the disclosed entity is a trust, the application  
11 shall disclose the names and addresses of all ~~the~~  
12 beneficiaries; if a corporation, the names and addresses of all  
13 stockholders and directors; if a partnership, the names and  
14 addresses of all partners, both general and limited.

15       (d) An application shall be filed and considered in  
16 accordance with the rules of the Board. Each application shall  
17 be accompanied by a non-refundable ~~An~~ application fee of  
18 \$100,000. In addition, a non-refundable fee of \$50,000 shall be  
19 paid at the time of filing to defray the costs associated with  
20 the background investigation conducted by the Board. If the  
21 costs of the investigation exceed \$50,000, the applicant shall  
22 pay the additional amount to the Board within 7 days after  
23 requested by the Board. If the costs of the investigation are  
24 less than \$50,000, the applicant shall receive a refund of the  
25 remaining amount. All information, records, interviews,  
26 reports, statements, memoranda or other data supplied to or

1 used by the Board in the course of its review or investigation  
2 of an application for a license or a renewal under this Act  
3 shall be privileged, strictly confidential and shall be used  
4 only for the purpose of evaluating an applicant for a license  
5 or a renewal. Such information, records, interviews, reports,  
6 statements, memoranda or other data shall not be admissible as  
7 evidence, nor discoverable in any action of any kind in any  
8 court or before any tribunal, board, agency or person, except  
9 for any action deemed necessary by the Board. The application  
10 fee shall be deposited into the Gaming Facilities Fee Revenue  
11 Fund.

12 (e) The Board shall charge each applicant a fee set by the  
13 Department of State Police to defray the costs associated with  
14 the search and classification of fingerprints obtained by the  
15 Board with respect to the applicant's application. These fees  
16 shall be paid into the State Police Services Fund. In order to  
17 expedite the application process, the Board may establish rules  
18 allowing applicants to acquire criminal background checks and  
19 financial integrity reviews as part of the initial application  
20 process from a list of vendors approved by the Board.

21 (f) The licensed owner shall be the person primarily  
22 responsible for the boat or casino itself. Only one ~~riverboat~~  
23 gambling operation may be authorized by the Board on any  
24 riverboat or in any casino. The applicant must identify the  
25 ~~each~~ riverboat or premises it intends to use and certify that  
26 the riverboat or premises: (1) has the authorized capacity

1 required in this Act; (2) is accessible to persons with  
2 disabilities; and (3) is fully registered and licensed in  
3 accordance with any applicable laws.

4 (g) A person who knowingly makes a false statement on an  
5 application is guilty of a Class A misdemeanor.

6 (Source: P.A. 99-143, eff. 7-27-15.)

7 (230 ILCS 10/7) (from Ch. 120, par. 2407)

8 Sec. 7. Owners licenses.

9 (a) The Board shall issue owners licenses to persons or  
10 entities, ~~firms or corporations~~ which apply for such licenses  
11 upon payment to the Board of the non-refundable license fee as  
12 provided in subsection (e) or (e-5) set by the Board, upon  
13 payment of a \$25,000 license fee for the first year of  
14 operation and a \$5,000 license fee for each succeeding year and  
15 upon a determination by the Board that the applicant is  
16 eligible for an owners license pursuant to this Act, the  
17 Chicago Casino Development Authority Act, and the rules of the  
18 Board. From the effective date of this amendatory Act of the  
19 95th General Assembly until (i) 3 years after the effective  
20 date of this amendatory Act of the 95th General Assembly, (ii)  
21 the date any organization licensee begins to operate a slot  
22 machine or video game of chance under the Illinois Horse Racing  
23 Act of 1975 or this Act, (iii) the date that payments begin  
24 under subsection (c-5) of Section 13 of the Act, ~~or~~ (iv) the  
25 wagering tax imposed under Section 13 of this Act is increased

1 by law to reflect a tax rate that is at least as stringent or  
2 more stringent than the tax rate contained in subsection (a-3)  
3 of Section 13, or (v) when an owners licensee holding a license  
4 issued pursuant to Section 7.1 of this Act begins conducting  
5 gaming, whichever occurs first, as a condition of licensure and  
6 as an alternative source of payment for those funds payable  
7 under subsection (c-5) of Section 13 of this ~~the Riverboat~~  
8 ~~Gambling~~ Act, any owners licensee that holds or receives its  
9 owners license on or after the effective date of this  
10 amendatory Act of the 94th General Assembly, other than an  
11 owners licensee operating a riverboat with adjusted gross  
12 receipts in calendar year 2004 of less than \$200,000,000, must  
13 pay into the Horse Racing Equity Trust Fund, in addition to any  
14 other payments required under this Act, an amount equal to 3%  
15 of the adjusted gross receipts received by the owners licensee.  
16 The payments required under this Section shall be made by the  
17 owners licensee to the State Treasurer no later than 3:00  
18 o'clock p.m. of the day after the day when the adjusted gross  
19 receipts were received by the owners licensee. A person, ~~firm~~  
20 or entity ~~corporation~~ is ineligible to receive an owners  
21 license if:

22 (1) the person has been convicted of a felony under the  
23 laws of this State, any other state, or the United States;

24 (2) the person has been convicted of any violation of  
25 Article 28 of the Criminal Code of 1961 or the Criminal  
26 Code of 2012, or substantially similar laws of any other

1 jurisdiction;

2 (3) the person has submitted an application for a  
3 license under this Act or the Chicago Casino Development  
4 Authority Act which contains false information;

5 (4) the person is a member of the Board;

6 (5) a person defined in (1), (2), (3) or (4) is an  
7 officer, director or managerial employee of the entity ~~firm~~  
8 ~~or corporation~~;

9 (6) the entity ~~firm or corporation~~ employs a person  
10 defined in (1), (2), (3) or (4) who participates in the  
11 management or operation of gambling operations authorized  
12 under this Act or the Chicago Casino Development Authority  
13 Act;

14 (7) (blank); or

15 (8) a license of the person or entity ~~, firm or~~  
16 ~~corporation~~ issued under this Act or the Chicago Casino  
17 Development Authority Act, or a license to own or operate  
18 gambling facilities in any other jurisdiction, has been  
19 revoked.

20 The Board is expressly prohibited from making changes to  
21 the requirement that licensees make payment into the Horse  
22 Racing Equity Trust Fund without the express authority of the  
23 Illinois General Assembly and making any other rule to  
24 implement or interpret this amendatory Act of the 95th General  
25 Assembly. For the purposes of this paragraph, "rules" is given  
26 the meaning given to that term in Section 1-70 of the Illinois

1 Administrative Procedure Act.

2 (a-1) Upon approval of the members of the Chicago Casino  
3 Development Board, the Chicago Casino Development Authority's  
4 executive director, and the Chicago casino operator licensee,  
5 the Board shall issue an owners license to the Chicago Casino  
6 Development Authority that authorizes the conduct of gambling  
7 operations in a casino or in an airport located in the City of  
8 Chicago.

9 (b) In determining whether to grant an owners license to an  
10 applicant other than the Chicago Casino Development Authority,  
11 the Board shall consider:

12 (1) the character, reputation, experience and  
13 financial integrity of the applicants and of any other or  
14 separate person that either:

15 (A) controls, directly or indirectly, such  
16 applicant, or

17 (B) is controlled, directly or indirectly, by such  
18 applicant or by a person which controls, directly or  
19 indirectly, such applicant;

20 (2) the facilities or proposed facilities for the  
21 conduct of ~~riverboat~~ gambling;

22 (3) the highest prospective total revenue to be derived  
23 by the State from the conduct of ~~riverboat~~ gambling;

24 (4) the extent to which the ownership of the applicant  
25 reflects the diversity of the State by including minority  
26 persons, women, and persons with a disability and the good

1 faith affirmative action plan of each applicant to recruit,  
2 train and upgrade minority persons, women, and persons with  
3 a disability in all employment classifications;

4 (5) the financial ability of the applicant to purchase  
5 and maintain adequate liability and casualty insurance;

6 (6) whether the applicant has adequate capitalization  
7 to provide and maintain, for the duration of a license, a  
8 riverboat or casino;

9 (7) the extent to which the applicant exceeds or meets  
10 other standards for the issuance of an owners license which  
11 the Board may adopt by rule; ~~and~~

12 (8) ~~the~~ The amount of the applicant's license bid;~~-~~

13 (9) the extent to which the applicant or the proposed  
14 host municipality plans to enter into revenue sharing  
15 agreements with communities other than the host  
16 municipality; and

17 (10) the extent to which the ownership of an applicant  
18 includes the most qualified number of minority persons,  
19 females, and persons with a disability.

20 (c) Each owners license shall specify the place where the  
21 casino ~~riverboats~~ shall operate or the riverboat shall operate  
22 and dock.

23 (d) Each applicant shall submit with his application, on  
24 forms provided by the Board, 2 sets of his fingerprints.

25 (e) In addition to any licenses authorized under subsection  
26 (e-5) of this Section, the ~~The~~ Board may issue up to 10

1 licenses authorizing the holders of such licenses to own  
2 riverboats. In the application for an owners license, the  
3 applicant shall state the dock at which the riverboat is based  
4 and the water on which the riverboat will be located. The Board  
5 shall issue 5 licenses to become effective not earlier than  
6 January 1, 1991. Three of such licenses shall authorize  
7 riverboat gambling on the Mississippi River, or, with approval  
8 by the municipality in which the riverboat was docked on August  
9 7, 2003 and with Board approval, be authorized to relocate to a  
10 new location, in a municipality that (1) borders on the  
11 Mississippi River or is within 5 miles of the city limits of a  
12 municipality that borders on the Mississippi River and (2), on  
13 August 7, 2003, had a riverboat conducting riverboat gambling  
14 operations pursuant to a license issued under this Act; one of  
15 which shall authorize riverboat gambling from a home dock in  
16 the city of East St. Louis. One other license shall authorize  
17 riverboat gambling on the Illinois River in Tazewell County or,  
18 with Board approval, shall authorize the riverboat to relocate  
19 to a new location that is no more than 10 miles away from its  
20 original location, in a municipality that borders on the  
21 Illinois River or is within 5 miles of the city limits of a  
22 municipality that borders on the Illinois River ~~south of~~  
23 ~~Marshall County~~. The Board shall issue one additional license  
24 to become effective not earlier than March 1, 1992, which shall  
25 authorize riverboat gambling on the Des Plaines River in Will  
26 County. The Board may issue 4 additional licenses to become



1 effective not earlier than March 1, 1992. In determining the  
2 water upon which riverboats will operate, the Board shall  
3 consider the economic benefit which riverboat gambling confers  
4 on the State, and shall seek to assure that all regions of the  
5 State share in the economic benefits of riverboat gambling.

6 In granting all licenses, the Board may give favorable  
7 consideration to economically depressed areas of the State, to  
8 applicants presenting plans which provide for significant  
9 economic development over a large geographic area, and to  
10 applicants who currently operate non-gambling riverboats in  
11 Illinois. The Board shall review all applications for owners  
12 licenses, and shall inform each applicant of the Board's  
13 decision. The Board may grant an owners license to an applicant  
14 that has not submitted the highest license bid, but if it does  
15 not select the highest bidder, the Board shall issue a written  
16 decision explaining why another applicant was selected and  
17 identifying the factors set forth in this Section that favored  
18 the winning bidder. The fee for issuance or renewal of a  
19 license pursuant to this subsection (e) shall be \$100,000.

20 (e-5) In addition to licenses authorized under subsection  
21 (e) of this Section:

22 (1) the Board shall issue one owners license  
23 authorizing the conduct of casino gambling in the City of  
24 Chicago;

25 (2) the Board may issue one owners license authorizing  
26 the conduct of riverboat gambling in the City of Danville;

1           (3) the Board may issue one owners license authorizing  
2           the conduct of riverboat gambling located in one of the  
3           following municipalities in Lake County: Park City, North  
4           Chicago, or Waukegan;

5           (4) the Board may issue one owners license authorizing  
6           the conduct of riverboat gambling in the City of Rockford;

7           (5) the Board may issue one owners license authorizing  
8           the conduct of riverboat gambling in a municipality that is  
9           wholly or partially located in one of the following  
10           townships of Cook County: Bloom, Bremen, Calumet, Rich,  
11           Thornton, or Worth Township;

12           (6) the Board may issue one owners license authorizing  
13           the conduct of riverboat gambling in the unincorporated  
14           area of Williamson County adjacent to the Big Muddy River;  
15           and

16           (7) the Board may issue one owners license authorizing  
17           the conduct of casino gambling in the City of Springfield.

18           Each application for a license pursuant to this subsection  
19           (e-5) shall be submitted to the Board no later than 120 days  
20           after the effective date of this amendatory Act of the 100th  
21           General Assembly and shall include the non-refundable  
22           application fee and the non-refundable background  
23           investigation fee as provided in subsection (d) of Section 6 of  
24           this Act. In the event that an applicant submits an application  
25           for a license pursuant to this subsection (e-5) prior to the  
26           effective date of this amendatory Act of the 100th General

1 Assembly, such applicant shall submit the non-refundable  
2 application fee and background investigation fee as provided in  
3 subsection (d) of Section 6 of this Act no later than 6 months  
4 after the effective date of this amendatory Act of the 100th  
5 General Assembly.

6 The Board shall consider issuing a license pursuant to  
7 paragraphs (2) through (6) of this subsection only after the  
8 corporate authority of the municipality or the county board of  
9 the county in which the riverboat shall be located has  
10 certified to the Board the following:

11 (i) that the applicant has negotiated with the  
12 corporate authority or county board in good faith;

13 (ii) that the applicant and the corporate authority or  
14 county board have mutually agreed on the permanent location  
15 of the riverboat;

16 (iii) that the applicant and the corporate authority or  
17 county board have mutually agreed on the temporary location  
18 of the riverboat;

19 (iv) that the applicant and the corporate authority or  
20 the county board have mutually agreed on the percentage of  
21 revenues that will be shared with the municipality or  
22 county, if any; and

23 (v) that the applicant and the corporate authority or  
24 county board have mutually agreed on any zoning, licensing,  
25 public health, or other issues that are within the  
26 jurisdiction of the municipality or county.

1       At least 7 days before the corporate authority of a  
2 municipality or county board of the county submits a  
3 certification to the Board concerning items (i) through (v) of  
4 this subsection, it shall hold a public hearing to discuss  
5 items (i) through (v), as well as any other details concerning  
6 the proposed riverboat in the municipality or county. The  
7 corporate authority or county board must subsequently  
8 memorialize the details concerning the proposed riverboat in a  
9 resolution that must be adopted by a majority of the corporate  
10 authority or county board before any certification is sent to  
11 the Board. The Board shall not alter, amend, change, or  
12 otherwise interfere with any agreement between the applicant  
13 and the corporate authority of the municipality or county board  
14 of the county regarding the location of any temporary or  
15 permanent facility.

16       In addition, prior to the Board issuing the owners license  
17 authorized under paragraph (4) of subsection (e-5), an impact  
18 study shall be completed to determine what location in the city  
19 will provide the greater impact to the region, including the  
20 creation of jobs and the generation of tax revenue.

21       (e-10) The licenses authorized under subsection (e-5) of  
22 this Section shall be issued within 12 months after the date  
23 the license application is submitted. If the Board does not  
24 issue the licenses within that time period, then the Board  
25 shall give a written explanation to the applicant as to why it  
26 has not reached a determination and when it reasonably expects

1 to make a determination. The fee for the issuance or renewal of  
2 a license issued pursuant to this subsection (e-10) shall be  
3 \$100,000. Additionally, a licensee located outside of Cook  
4 County shall pay a minimum initial fee of \$17,500 per gaming  
5 position, and a licensee located in Cook County shall pay a  
6 minimum initial fee of \$30,000 per gaming position. The initial  
7 fees payable under this subsection (e-10) shall be deposited  
8 into the Gaming Facilities Fee Revenue Fund.

9 (e-15) Each licensee of a license authorized under  
10 subsection (e-5) of this Section shall make a reconciliation  
11 payment 3 years after the date the licensee begins operating in  
12 an amount equal to 75% of the adjusted gross receipts for the  
13 most lucrative 12-month period of operations, minus an amount  
14 equal to the initial payment per gaming position paid by the  
15 specific licensee. If this calculation results in a negative  
16 amount, then the licensee is not entitled to any reimbursement  
17 of fees previously paid. This reconciliation payment may be  
18 made in installments over a period of no more than 2 years,  
19 subject to Board approval. Any installment payments shall  
20 include an annual market interest rate as determined by the  
21 Board. All payments by licensees under this subsection (e-15)  
22 shall be deposited into the Gaming Facilities Fee Revenue Fund.

23 (e-20) In addition to any other revocation powers granted  
24 to the Board under this Act, the Board may revoke the owners  
25 license of a licensee, other than the Chicago Casino  
26 Development Authority, which fails to begin conducting

1 gambling within 15 months of receipt of the Board's approval of  
2 the application if the Board determines that license revocation  
3 is in the best interests of the State.

4 (f) The first 10 owners licenses issued under this Act  
5 shall permit the holder to own up to 2 riverboats and equipment  
6 thereon for a period of 3 years after the effective date of the  
7 license. Holders of the first 10 owners licenses must pay the  
8 annual license fee for each of the 3 years during which they  
9 are authorized to own riverboats.

10 (g) Upon the termination, expiration, or revocation of each  
11 of the first 10 licenses, which shall be issued for a 3 year  
12 period, all licenses are renewable annually upon payment of the  
13 fee and a determination by the Board that the licensee  
14 continues to meet all of the requirements of this Act and the  
15 Board's rules. However, for licenses renewed on or after May 1,  
16 1998, including casino operator licenses, renewal shall be for  
17 a period of 4 years, unless the Board sets a shorter period.  
18 Notwithstanding any provision in this subsection (g) to the  
19 contrary, any license that is awarded to the Chicago Casino  
20 Development Authority shall not expire, but it shall be subject  
21 to the provisions of this Act and the rules of the Board.

22 (h) An owners license, except for an owners license issued  
23 under subsection (e-5) of this Section, shall entitle the  
24 licensee to own up to 2 riverboats.

25 An owners licensee of a casino or riverboat that is located  
26 in the City of Chicago pursuant to paragraph (1) of subsection

1 (e-5) of this Section shall limit the number of gaming  
2 positions to 4,000 for such owner. An owners licensee  
3 authorized under subsection (e) or paragraph (2), (3), (4), or  
4 (5) of subsection (e-5) of this Section shall limit the number  
5 of gaming positions to 1,600 for any such owners license,  
6 except as further provided in subsection (h-10) of this  
7 Section. An owners licensee authorized under paragraph (6) of  
8 subsection (e-5) of this Section ~~A licensee~~ shall limit the  
9 number of gaming positions ~~gambling participants~~ to 1,200 for  
10 ~~any~~ such owner. An owners licensee authorized under paragraph  
11 (7) of subsection (e-5) of this Section shall limit the number  
12 of positions to 900 for such owner. The initial fee for each  
13 gaming position obtained on or after the effective date of this  
14 amendatory Act of the 100th General Assembly shall be a minimum  
15 of \$17,500 for licensees not located in Cook County and a  
16 minimum of \$30,000 for licensees located in Cook County, in  
17 addition to the reconciliation payment, as set forth in  
18 subsections (e-15) or (h-5) of this Section ~~owners license. The~~  
19 fees under this subsection (h) shall be deposited into the  
20 Gaming Facilities Fee Revenue Fund.

21 Each owners licensee shall reserve its gaming positions  
22 within 90 days after issuance of its owners license. The Board  
23 may grant an extension to this 90-day period, provided that the  
24 owners licensee submits a written request and explanation as to  
25 why it is unable to reserve its positions within the 90-day  
26 period.

1           A licensee may operate both of its riverboats concurrently,  
2 provided that the total number of gaming positions ~~gambling~~  
3 ~~participants~~ on both riverboats does not exceed the limit  
4 established pursuant to this subsection and subsection (h-10)  
5 of this Section 1,200. Riverboats licensed to operate on the  
6 Mississippi River and the Illinois River south of Marshall  
7 County shall have an authorized capacity of at least 500  
8 persons. Any other riverboat licensed under this Act shall have  
9 an authorized capacity of at least 400 persons.

10           (h-5) An owners licensee who conducted gambling operations  
11 prior to January 1, 2012 and purchases positions pursuant to  
12 subsection (h-10) of this Section on or after the effective  
13 date of this amendatory Act of the 100th General Assembly must  
14 pay a minimum initial fee of \$17,500 per additional gaming  
15 position if the licensee is located outside Cook County and a  
16 minimum initial fee of \$30,000 per additional gaming position  
17 if the licensee is located in Cook County, as stated in  
18 subsection (h) of this Section. These initial fees shall be  
19 deposited into the Gaming Facilities Fee Revenue Fund.  
20 Additionally, that owners licensee shall make a reconciliation  
21 payment 3 years after any additional gaming positions obtained  
22 pursuant to subsection (h-10) begin operating in an amount  
23 equal to 75% of the owners licensee's average gross receipts  
24 for the most lucrative 12-month period of operations minus an  
25 amount equal to the initial fee that the owners licensee paid  
26 per additional gaming position. For purposes of this subsection



1 (h-5), "average gross receipts" means (i) the increase in  
2 adjusted gross receipts for the most lucrative 12-month period  
3 of operations over the adjusted gross receipts for 2017,  
4 multiplied by (ii) the percentage derived by dividing the  
5 number of additional gaming positions that an owners licensee  
6 had obtained pursuant to subsection (h-10) by the total number  
7 of gaming positions operated by the owners licensee. If this  
8 calculation results in a negative amount, then the owners  
9 licensee is not entitled to any reimbursement of fees  
10 previously paid. This reconciliation payment may be made in  
11 installments over a period of no more than 2 years, subject to  
12 Board approval. Any installment payments shall include an  
13 annual market interest rate as determined by the Board. These  
14 reconciliation payments shall be deposited into the Gaming  
15 Facilities Fee Revenue Fund.

16 (h-10) For owners licensees authorized under paragraphs  
17 (2) through (5) of subsection (e-5) of this Section, the  
18 application for such new owners licenses shall ask the  
19 applicants to stipulate in their applications the number of  
20 gaming positions each applicant would like to reserve, up to  
21 1,600 gaming positions. Once the last winning applicant for  
22 each of these owners licenses has been selected by the Board,  
23 the Board shall publish the number of gaming positions reserved  
24 and unreserved by each winning applicant, shall accept requests  
25 for additional gaming positions from any winning applicants or  
26 owners licensee who initially reserved 1,600 gaming positions,

1 and shall allocate expeditiously the unreserved gaming  
2 positions to such requesting winning applicants or owners  
3 licensees in a manner to maximize revenue to the State;  
4 provided, however, that no owners licensee (other than the  
5 Chicago Casino Development Authority) shall obtain more than  
6 2,000 positions total.

7 In the event that not all of the unreserved gaming  
8 positions described in the first and second paragraphs of this  
9 subsection (h-10) were requested by owners licensees and  
10 applicants, then until there are no longer unreserved gaming  
11 positions, the Board periodically shall govern a process to  
12 allocate the unreserved gaming positions in a manner to  
13 maximize revenue to the State.

14 Unreserved gaming positions retained from and allocated to  
15 owners licensees by the Board pursuant to this subsection  
16 (h-10) shall not be allocated to electronic gaming licensees  
17 pursuant to subsection (e) of Section 7.7 of this Act.

18 (i) A licensed owner is authorized to apply to the Board  
19 for and, if approved therefor, to receive all licenses from the  
20 Board necessary for the operation of a riverboat or casino,  
21 including a liquor license, a license to prepare and serve food  
22 for human consumption, and other necessary licenses. All use,  
23 occupation and excise taxes which apply to the sale of food and  
24 beverages in this State and all taxes imposed on the sale or  
25 use of tangible personal property apply to such sales aboard  
26 the riverboat or in the casino.

1           (j) The Board may issue or re-issue a license authorizing a  
2 riverboat to dock in a municipality or approve a relocation  
3 under Section 11.2 only if, prior to the issuance or  
4 re-issuance of the license or approval, the governing body of  
5 the municipality in which the riverboat will dock has by a  
6 majority vote approved the docking of riverboats in the  
7 municipality. The Board may issue or re-issue a license  
8 authorizing a riverboat to dock in areas of a county outside  
9 any municipality or approve a relocation under Section 11.2  
10 only if, prior to the issuance or re-issuance of the license or  
11 approval, the governing body of the county has by a majority  
12 vote approved of the docking of riverboats within such areas.

13           (k) An owners licensee may conduct land-based gambling  
14 operations upon approval by the Board.

15           (l) An owners licensee may conduct gaming at a temporary  
16 facility pending the construction of a permanent facility or  
17 the remodeling or relocation of an existing facility to  
18 accommodate gaming participants for up to 24 months after the  
19 temporary facility begins to conduct gaming. Upon request by an  
20 owners licensee and upon a showing of good cause by the owners  
21 licensee, the Board shall extend the period during which the  
22 licensee may conduct gaming at a temporary facility by up to 12  
23 months. The Board shall make rules concerning the conduct of  
24 gaming from temporary facilities.

25           (Source: P.A. 100-391, eff. 8-25-17.)

1 (230 ILCS 10/7.3)

2 Sec. 7.3. State conduct of gambling operations.

3 (a) If, after reviewing each application for a re-issued  
4 license, the Board determines that the highest prospective  
5 total revenue to the State would be derived from State conduct  
6 of the gambling operation in lieu of re-issuing the license,  
7 the Board shall inform each applicant of its decision. The  
8 Board shall thereafter have the authority, without obtaining an  
9 owners license, to conduct casino or riverboat gambling  
10 operations as previously authorized by the terminated,  
11 expired, revoked, or nonrenewed license through a licensed  
12 manager selected pursuant to an open and competitive bidding  
13 process as set forth in Section 7.5 and as provided in Section  
14 7.4.

15 (b) The Board may locate any casino or riverboat on which a  
16 gambling operation is conducted by the State in any home dock  
17 or other location authorized by Section 3(c) upon receipt of  
18 approval from a majority vote of the governing body of the  
19 municipality or county, as the case may be, in which the  
20 riverboat will dock.

21 (c) The Board shall have jurisdiction over and shall  
22 supervise all gambling operations conducted by the State  
23 provided for in this Act and the Chicago Casino Development  
24 Authority Act and shall have all powers necessary and proper to  
25 fully and effectively execute the provisions of this Act and  
26 the Chicago Casino Development Authority Act relating to

1 gambling operations conducted by the State.

2 (d) The maximum number of owners licenses authorized under  
3 Section 7 ~~7(e)~~ shall be reduced by one for each instance in  
4 which the Board authorizes the State to conduct a casino or  
5 riverboat gambling operation under subsection (a) in lieu of  
6 re-issuing a license to an applicant under Section 7.1.

7 (Source: P.A. 93-28, eff. 6-20-03.)

8 (230 ILCS 10/7.5)

9 Sec. 7.5. Competitive Bidding. When the Board determines  
10 that (i) it will re-issue an owners license pursuant to an open  
11 and competitive bidding process, as set forth in Section 7.1,  
12 (ii) ~~or that~~ it will issue a managers license pursuant to an  
13 open and competitive bidding process, as set forth in Section  
14 7.4, or (iii) it will issue an owners license pursuant to an  
15 open and competitive bidding process, as set forth in Section  
16 7.12, the open and competitive bidding process shall adhere to  
17 the following procedures:

18 (1) The Board shall make applications for owners and  
19 managers licenses available to the public and allow a  
20 reasonable time for applicants to submit applications to the  
21 Board.

22 (2) During the filing period for owners or managers license  
23 applications, the Board may retain the services of an  
24 investment banking firm to assist the Board in conducting the  
25 open and competitive bidding process.

1           (3) After receiving all of the bid proposals, the Board  
2 shall open all of the proposals in a public forum and disclose  
3 the prospective owners or managers names, venture partners, if  
4 any, and, in the case of applicants for owners licenses, the  
5 locations of the proposed development sites.

6           (4) The Board shall summarize the terms of the proposals  
7 and may make this summary available to the public.

8           (5) The Board shall evaluate the proposals within a  
9 reasonable time and select no more than 3 final applicants to  
10 make presentations of their proposals to the Board.

11           (6) The final applicants shall make their presentations to  
12 the Board on the same day during an open session of the Board.

13           (7) As soon as practicable after the public presentations  
14 by the final applicants, the Board, in its discretion, may  
15 conduct further negotiations among the 3 final applicants.  
16 During such negotiations, each final applicant may increase its  
17 license bid or otherwise enhance its bid proposal. At the  
18 conclusion of such negotiations, the Board shall select the  
19 winning proposal. In the case of negotiations for an owners  
20 license, the Board may, at the conclusion of such negotiations,  
21 make the determination allowed under Section 7.3(a).

22           (8) Upon selection of a winning bid, the Board shall  
23 evaluate the winning bid within a reasonable period of time for  
24 licensee suitability in accordance with all applicable  
25 statutory and regulatory criteria.

26           (9) If the winning bidder is unable or otherwise fails to

1 consummate the transaction, (including if the Board determines  
2 that the winning bidder does not satisfy the suitability  
3 requirements), the Board may, on the same criteria, select from  
4 the remaining bidders or make the determination allowed under  
5 Section 7.3(a).

6 (Source: P.A. 93-28, eff. 6-20-03.)

7 (230 ILCS 10/7.7 new)

8 Sec. 7.7. Electronic gaming.

9 (a) The General Assembly finds that the horse racing and  
10 riverboat gambling industries share many similarities and  
11 collectively comprise the bulk of the State's gaming industry.  
12 One feature common to both industries is that each is highly  
13 regulated by the State of Illinois. The General Assembly  
14 further finds, however, that despite their shared features each  
15 industry is distinct from the other in that horse racing is and  
16 continues to be intimately tied to Illinois' agricultural  
17 economy and is, at its core, a spectator sport. This  
18 distinction requires the General Assembly to utilize different  
19 methods to regulate and promote the horse racing industry  
20 throughout the State. The General Assembly finds that in order  
21 to promote live horse racing as a spectator sport in Illinois  
22 and the agricultural economy of this State, it is necessary to  
23 allow electronic gaming at Illinois race tracks as an ancillary  
24 use given the success of other states in increasing live racing  
25 purse accounts and improving the quality of horses

1 participating in horse race meetings.

2 (b) The Illinois Gaming Board shall award one electronic  
3 gaming license to each person or entity having operating  
4 control of a race track that applies under Section 56 of the  
5 Illinois Horse Racing Act of 1975, subject to the application  
6 and eligibility requirements of this Section. Within 60 days  
7 after the effective date of this amendatory Act of the 100th  
8 General Assembly, a person or entity having operating control  
9 of a race track may submit an application for an electronic  
10 gaming license. The application shall be made on such forms as  
11 provided by the Board and shall contain such information as the  
12 Board prescribes, including, but not limited to, the identity  
13 of any race track at which electronic gaming will be conducted,  
14 detailed information regarding the ownership and management of  
15 the applicant, and detailed personal information regarding the  
16 applicant. The application shall specify the number of gaming  
17 positions the applicant intends to use and the place where the  
18 electronic gaming facility will operate. A person who knowingly  
19 makes a false statement on an application is guilty of a Class  
20 A misdemeanor.

21 Each applicant shall disclose the identity of every person  
22 or entity having a direct or indirect pecuniary interest  
23 greater than 1% in any race track with respect to which the  
24 license is sought. If the disclosed entity is a corporation,  
25 the applicant shall disclose the names and addresses of all  
26 stockholders and directors. If the disclosed entity is a



1 limited liability company, the applicant shall disclose the  
2 names and addresses of all members and managers. If the  
3 disclosed entity is a partnership, the applicant shall disclose  
4 the names and addresses of all partners, both general and  
5 limited. If the disclosed entity is a trust, the applicant  
6 shall disclose the names and addresses of all beneficiaries.

7 An application shall be filed and considered in accordance  
8 with the rules of the Board. Each application for an electronic  
9 gaming license shall include a non-refundable application fee  
10 of \$100,000. In addition, a non-refundable fee of \$50,000 shall  
11 be paid at the time of filing to defray the costs associated  
12 with background investigations conducted by the Board. If the  
13 costs of the background investigation exceed \$50,000, the  
14 applicant shall pay the additional amount to the Board within 7  
15 days after a request by the Board. If the costs of the  
16 investigation are less than \$50,000, the applicant shall  
17 receive a refund of the remaining amount. All information,  
18 records, interviews, reports, statements, memoranda, or other  
19 data supplied to or used by the Board in the course of this  
20 review or investigation of an applicant for an electronic  
21 gaming license under this Act shall be privileged and strictly  
22 confidential and shall be used only for the purpose of  
23 evaluating an applicant for an electronic gaming license or a  
24 renewal. Such information, records, interviews, reports,  
25 statements, memoranda, or other data shall not be admissible as  
26 evidence nor discoverable in any action of any kind in any

1 court or before any tribunal, board, agency or person, except  
2 for any action deemed necessary by the Board. The application  
3 fee shall be deposited into the Gaming Facilities Fee Revenue  
4 Fund.

5 Each applicant shall submit with his or her application, on  
6 forms provided by the Board, 2 sets of his or her fingerprints.  
7 The Board shall charge each applicant a fee set by the  
8 Department of State Police to defray the costs associated with  
9 the search and classification of fingerprints obtained by the  
10 Board with respect to the applicant's application. This fee  
11 shall be paid into the State Police Services Fund.

12 (c) The Board shall determine within 120 days after  
13 receiving an application for an electronic gaming license  
14 whether to grant an electronic gaming license to the applicant.  
15 If the Board does not make a determination within that time  
16 period, then the Board shall give a written explanation to the  
17 applicant as to why it has not reached a determination and when  
18 it reasonably expects to make a determination.

19 The electronic gaming licensee shall purchase up to the  
20 amount of electronic gaming positions authorized under this Act  
21 within 120 days after receiving its electronic gaming license.  
22 If an electronic gaming licensee is prepared to purchase the  
23 electronic gaming positions, but is temporarily prohibited  
24 from doing so by order of a court of competent jurisdiction or  
25 the Board, then the 120-day period is tolled until a resolution  
26 is reached.

1       An electronic gaming license shall authorize its holder to  
2 conduct gaming under this Act at its racetracks on the same  
3 days of the year and hours of the day that owner licenses are  
4 allowed to operate under approval of the Board.

5       A license to conduct electronic gaming and any renewal of  
6 an electronic gaming license shall authorize electronic gaming  
7 for a period of 4 years. The fee for the issuance or renewal of  
8 an electronic gaming license shall be \$100,000.

9       (d) To be eligible to conduct electronic gaming, a person  
10 or entity having operating control of a race track must (i)  
11 obtain an electronic gaming license, (ii) hold an organization  
12 license under the Illinois Horse Racing Act of 1975, (iii) hold  
13 an inter-track wagering license, (iv) pay an initial fee of  
14 \$30,000 per gaming position from electronic gaming licensees  
15 where electronic gaming is conducted in Cook County and \$17,500  
16 for electronic gaming licensees where electronic gaming is  
17 located outside of Cook County before beginning to conduct  
18 electronic gaming plus make the reconciliation payment  
19 required under subsection (k), (v) conduct live racing in  
20 accordance with subsections (e-1), (e-2), and (e-3) of Section  
21 20 of the Illinois Horse Racing Act of 1975 or for a licensee  
22 that is only authorized 350 gaming positions pursuant to  
23 subsection (d) of Section 7.7 of this Act, have a fully  
24 operational facility running at least 96 live races over a  
25 period of at least 15 days per year until such time as the  
26 total number of gaming positions is increased to 900, (vi) meet

1 the requirements of subsection (a) of Section 56 of the  
2 Illinois Horse Racing Act of 1975, (vii) for organization  
3 licensees conducting standardbred race meetings, keep  
4 backstretch barns and dormitories open and operational  
5 year-round unless a lesser schedule is mutually agreed to by  
6 the organization licensee and the horsemen's association  
7 racinq at that organization licensee's race meeting, (viii) for  
8 organization licensees conducting thoroughbred race meetings,  
9 the organization licensee must maintain accident medical  
10 expense liability insurance coverage of \$1,000,000 for  
11 jockeys, and (ix) meet all other requirements of this Act that  
12 apply to owners licensees.

13 An electronic gaming licensee may enter into a joint  
14 venture with a licensed owner to own, manage, conduct, or  
15 otherwise operate the electronic gaming licensee's electronic  
16 gaming facilities, unless the electronic gaming licensee has a  
17 parent company or other affiliated company that is, directly or  
18 indirectly, wholly owned by a parent company that is also  
19 licensed to conduct electronic gaming, casino gaming, or their  
20 equivalent in another state.

21 All payments by licensees under this subsection (c) shall  
22 be deposited into the Gaming Facilities Fee Revenue Fund.

23 (e) A person or entity is ineligible to receive an  
24 electronic gaming license if:

25 (1) the person or entity has been convicted of a felony  
26 under the laws of this State, any other state, or the

1 United States, including a conviction under the Racketeer  
2 Influenced and Corrupt Organizations Act;

3 (2) the person or entity has been convicted of any  
4 violation of Article 28 of the Criminal Code of 2012, or  
5 substantially similar laws of any other jurisdiction;

6 (3) the person or entity has submitted an application  
7 for a license under this Act that contains false  
8 information;

9 (4) the person is a member of the Board;

10 (5) a person defined in (1), (2), (3), or (4) of this  
11 subsection (e) is an officer, director, or managerial  
12 employee of the entity;

13 (6) the person or entity employs a person defined in  
14 (1), (2), (3), or (4) of this subsection (e) who  
15 participates in the management or operation of gambling  
16 operations authorized under this Act; or

17 (7) a license of the person or entity issued under this  
18 Act or a license to own or operate gambling facilities in  
19 any other jurisdiction has been revoked.

20 (f) The Board may approve electronic gaming positions  
21 statewide as provided in this Section. The authority to operate  
22 electronic gaming positions under this Section shall be  
23 allocated as follows: up to 1,200 gaming positions for any  
24 electronic gaming licensee in Cook County; up to 900 gaming  
25 positions for any electronic gaming licensee outside of Cook  
26 County; and up to 350 gaming positions for any electronic

1 gaming licensee whose electronic gaming license originates  
2 with an organization licensee that did not conduct live racing  
3 in calendar year 2010, which shall increase to 900 gaming  
4 positions in the calendar year following the year in which the  
5 electronic gaming licensee conducts 96 live races.

6 (g) Each applicant for an electronic gaming license shall  
7 specify in its application for licensure the number of gaming  
8 positions it will operate, up to the applicable limitation set  
9 forth in subsection (f) of this Section. Any unreserved gaming  
10 positions that are not specified shall be forfeited and  
11 retained by the Board. For the purposes of this subsection (g),  
12 an electronic gaming licensee that did not conduct live racing  
13 in 2010 may reserve up to 900 positions and shall not be  
14 penalized under this Section for not operating those positions  
15 until it meets the requirements of subsection (f) of this  
16 Section, but such licensee shall not request unreserved gaming  
17 positions under this subsection (g) until its 900 positions are  
18 all operational.

19 Thereafter, the Board shall publish the number of  
20 unreserved electronic gaming positions and shall accept  
21 requests for additional positions from any electronic gaming  
22 licensee that initially reserved all of the positions that were  
23 offered. The Board shall allocate expeditiously the unreserved  
24 electronic gaming positions to requesting electronic gaming  
25 licensees in a manner that maximizes revenue to the State. The  
26 Board may allocate any such unused electronic gaming positions

1 pursuant to an open and competitive bidding process, as  
2 provided under Section 7.5 of this Act. This process shall  
3 continue until all unreserved gaming positions have been  
4 purchased. All positions obtained pursuant to this process and  
5 all positions the electronic gaming licensee specified it would  
6 operate in its application must be in operation within 18  
7 months after they were obtained or the electronic gaming  
8 licensee forfeits the right to operate those positions, but is  
9 not entitled to a refund of any fees paid. The Board may, after  
10 holding a public hearing, grant extensions so long as the  
11 electronic gaming licensee is working in good faith to make the  
12 positions operational. The extension may be for a period of 6  
13 months. If, after the period of the extension, the electronic  
14 gaming licensee has not made the positions operational, then  
15 another public hearing must be held by the Board before it may  
16 grant another extension.

17 Unreserved gaming positions retained from and allocated to  
18 electronic gaming licensees by the Board pursuant to this  
19 subsection (g) shall not be allocated to owners licensees  
20 pursuant to subsection (h-10) of Section 7 of this Act.

21 For the purpose of this subsection (g), the unreserved  
22 gaming positions for each electronic gaming licensee shall be  
23 the applicable limitation set forth in subsection (f) of this  
24 Section, less the number of reserved gaming positions by such  
25 electronic gaming licensee, and the total unreserved gaming  
26 positions shall be the aggregate of the unreserved gaming

1 positions for all electronic gaming licensees.

2 (h) Subject to the approval of the Illinois Gaming Board,  
3 an electronic gaming licensee may make modification or  
4 additions to any existing buildings and structures to comply  
5 with the requirements of this Act. The Illinois Gaming Board  
6 shall make its decision after consulting with the Illinois  
7 Racing Board. In no case, however, shall the Illinois Gaming  
8 Board approve any modification or addition that alters the  
9 grounds of the organizational licensee such that the act of  
10 live racing is an ancillary activity to electronic gaming.  
11 Electronic gaming may take place in existing structures where  
12 inter-track wagering is conducted at the race track or a  
13 facility within 300 yards of the race track in accordance with  
14 the provisions of this Act and the Illinois Horse Racing Act of  
15 1975.

16 (i) An electronic gaming licensee may conduct electronic  
17 gaming at a temporary facility pending the construction of a  
18 permanent facility or the remodeling or relocation of an  
19 existing facility to accommodate electronic gaming  
20 participants for up to 24 months after the temporary facility  
21 begins to conduct electronic gaming. Upon request by an  
22 electronic gaming licensee and upon a showing of good cause by  
23 the electronic gaming licensee, the Board shall extend the  
24 period during which the licensee may conduct electronic gaming  
25 at a temporary facility by up to 12 months. The Board shall  
26 make rules concerning the conduct of electronic gaming from



1 temporary facilities.

2 Electronic gaming may take place in existing structures  
3 where inter-track wagering is conducted at the race track or a  
4 facility within 300 yards of the race track in accordance with  
5 the provisions of this Act and the Illinois Horse Racing Act of  
6 1975.

7 (i-5) Under no circumstances shall an electronic gaming  
8 licensee conduct electronic gaming at any State or county fair.

9 (j) The Illinois Gaming Board must adopt emergency rules in  
10 accordance with Section 5-45 of the Illinois Administrative  
11 Procedure Act as necessary to ensure compliance with the  
12 provisions of this amendatory Act of the 100th General Assembly  
13 concerning electronic gaming. The adoption of emergency rules  
14 authorized by this subsection (j) shall be deemed to be  
15 necessary for the public interest, safety, and welfare.

16 (k) Each electronic gaming licensee who obtains electronic  
17 gaming positions must make a reconciliation payment 3 years  
18 after the date the electronic gaming licensee begins operating  
19 the positions in an amount equal to 75% of the difference  
20 between its adjusted gross receipts from electronic gaming and  
21 amounts paid to its purse accounts pursuant to item (1) of  
22 subsection (b) of Section 56 of the Illinois Horse Racing Act  
23 of 1975 for the 12-month period for which such difference was  
24 the largest, minus an amount equal to the initial per position  
25 fee paid by the electronic gaming licensee. If this calculation  
26 results in a negative amount, then the electronic gaming

1 licensee is not entitled to any reimbursement of fees  
2 previously paid. This reconciliation payment may be made in  
3 installments over a period of no more than 2 years, subject to  
4 Board approval. Any installment payments shall include an  
5 annual market interest rate as determined by the Board.

6 All payments by licensees under this subsection (i) shall  
7 be deposited into the Gaming Facilities Fee Revenue Fund.

8 (1) As soon as practical after a request is made by the  
9 Illinois Gaming Board, to minimize duplicate submissions by the  
10 applicant, the Illinois Racing Board must provide information  
11 on an applicant for an electronic gaming license to the  
12 Illinois Gaming Board.

13 (230 ILCS 10/7.8 new)

14 Sec. 7.8. Home rule. The regulation and licensing of  
15 electronic gaming and electronic gaming licensees are  
16 exclusive powers and functions of the State. A home rule unit  
17 may not regulate or license electronic gaming or electronic  
18 gaming licensees. This Section is a denial and limitation of  
19 home rule powers and functions under subsection (h) of Section  
20 6 of Article VII of the Illinois Constitution.

21 (230 ILCS 10/7.9 new)

22 Sec. 7.9. Casino operator license.

23 (a) A qualified person may apply to the Board for a casino  
24 operator license to operate and manage any gambling operation

1 conducted by the Authority. The application shall be made on  
2 forms provided by the Board and shall contain such information  
3 as the Board prescribes, including but not limited to  
4 information required in Sections 6(a), (b), and (c) and  
5 information relating to the applicant's proposed price to  
6 manage the Authority's gambling operations and to provide the  
7 casino, gambling equipment, and supplies necessary to conduct  
8 Authority gambling operations. The application shall also  
9 include a non-refundable application fee of \$100,000. This  
10 application fee shall be deposited into the Gaming Facilities  
11 Fee Revenue Fund.

12 (b) A person or entity is ineligible to receive a casino  
13 operator license if:

14 (1) the person has been convicted of a felony under the  
15 laws of this State, any other state, or the United States;

16 (2) the person has been convicted of any violation of  
17 Article 28 of the Criminal Code of 2012, or substantially  
18 similar laws of any other jurisdiction;

19 (3) the person has submitted an application for a  
20 license under this Act or the Chicago Casino Development  
21 Authority Act which contains false information;

22 (4) the person is a member of the Board or the Chicago  
23 Casino Development Board or the person is an official or  
24 employee of the Chicago Casino Development Authority or the  
25 City of Chicago;

26 (5) a person defined in (1), (2), (3), or (4) is an

1 officer, director, or managerial employee of the entity;

2 (6) the entity employs a person defined in (1), (2),  
3 (3), or (4) who participates in the management or operation  
4 of gambling operations authorized under this Act; or

5 (7) a license of the person or entity issued under this  
6 Act, or a license to own or operate gambling facilities in  
7 any other jurisdiction, has been revoked.

8 (c) In determining whether to grant a casino operator  
9 license, the Board shall consider:

10 (1) the character, reputation, experience and  
11 financial integrity of the applicants and of any other or  
12 separate person that either:

13 (A) controls, directly or indirectly, such  
14 applicant, or

15 (B) is controlled, directly or indirectly, by such  
16 applicant or by a person which controls, directly or  
17 indirectly, such applicant;

18 (2) the facilities or proposed facilities for the  
19 conduct of gambling;

20 (3) the preference of the municipality in which the  
21 licensee will operate;

22 (4) the extent to which the ownership of the applicant  
23 reflects the diversity of the State by including minority  
24 persons and females and the good faith affirmative action  
25 plan of each applicant to recruit, train, and upgrade  
26 minority persons and females in all employment

1 classifications;

2 (5) the financial ability of the applicant to purchase  
3 and maintain adequate liability and casualty insurance;

4 (6) whether the applicant has adequate capitalization  
5 to provide and maintain, for the duration of a license, a  
6 casino; and

7 (7) the extent to which the applicant exceeds or meets  
8 other standards for the issuance of a casino operator  
9 license that the Board may adopt by rule.

10 (d) Each applicant shall submit with his or her  
11 application, on forms prescribed by the Board, 2 sets of his or  
12 her fingerprints. The Board shall charge each applicant a fee  
13 set by the Department of State Police to defray the costs  
14 associated with the search and classification of fingerprints  
15 obtained by the Board with respect to the applicant's  
16 application. This fee shall be paid into the State Police  
17 Services Fund.

18 (e) A person who knowingly makes a false statement on an  
19 application is guilty of a Class A misdemeanor.

20 (f) The Board shall charge each applicant a non-refundable  
21 fee of \$50,000 to defray the costs associated with the  
22 background investigation conducted by the Board. This fee shall  
23 be exclusive of any other fee or fees charged in connection  
24 with an application for and, if applicable, the issuance of, a  
25 casino operator license. If the costs of the investigation  
26 exceed \$50,000, the Board shall immediately notify the

1 applicant of the additional amount owed, payment of which must  
2 be submitted to the Board within 7 days after such  
3 notification. All information, records, interviews, reports,  
4 statements, memoranda, or other data supplied to or used by the  
5 Board in the course of its review or investigation of an  
6 application for a license or a renewal under this Act shall be  
7 privileged and strictly confidential and shall be used only for  
8 the purpose of evaluating an applicant for a license or a  
9 renewal. Such information, records, interviews, reports,  
10 statements, memoranda, or other data shall not be admissible as  
11 evidence, nor discoverable in any action of any kind in any  
12 court or before any tribunal, board, agency, or person, except  
13 for any action deemed necessary by the Board.

14 (g) The casino operator license shall be issued only upon  
15 proof that the applicant has entered into a labor peace  
16 agreement with each labor organization that is actively engaged  
17 in representing and attempting to represent casino and  
18 hospitality industry workers in this State. The labor peace  
19 agreement must be a valid and enforceable agreement under 29  
20 U.S.C. 185 that protects the city's and State's revenues from  
21 the operation of the casino facility by prohibiting the labor  
22 organization and its members from engaging in any picketing,  
23 work stoppages, boycotts, or any other economic interference  
24 with the casino facility for at least the first 5 years of the  
25 casino license and must cover all operations at the casino  
26 facility that are conducted by lessees or tenants or under

1 management agreements.

2 (h) The casino operator license shall be for a term of 4  
3 years, shall be renewable by the Board, and shall contain such  
4 terms and provisions as the Board deems necessary to protect or  
5 enhance the credibility and integrity of State gambling  
6 operations, achieve the highest prospective total revenue to  
7 the State, and otherwise serve the interests of the citizens of  
8 Illinois. The Board may suspend, restrict, or revoke the  
9 license:

10 (1) for violation of any provision of this Act;

11 (2) for violation of any rules of the Board;

12 (3) for any cause which, if known to the Board, would  
13 have disqualified the applicant from receiving the  
14 license; or

15 (4) for any other just cause.

16 (230 ILCS 10/7.10 new)

17 Sec. 7.10. Diversity program.

18 (a) Each owners licensee, electronic gaming licensee,  
19 casino operator licensee, and suppliers licensee shall  
20 establish and maintain a diversity program to ensure  
21 non-discrimination in the award and administration of  
22 contracts. The programs shall establish goals of awarding not  
23 less than 20% of the annual dollar value of all contracts,  
24 purchase orders, or other agreements to minority-owned  
25 businesses and 5% of the annual dollar value of all contracts

1 to female-owned businesses.

2 (b) Each owners licensee, electronic gaming licensee,  
3 casino operator licensee, and suppliers licensee shall  
4 establish and maintain a diversity program designed to promote  
5 equal opportunity for employment. The program shall establish  
6 hiring goals as the Board and each licensee determines  
7 appropriate. The Board shall monitor the progress of the gaming  
8 licensee's progress with respect to the program's goals.

9 (c) No later than May 31 of each year, each licensee shall  
10 report to the Board (1) the number of respective employees and  
11 the number of its respective employees who have designated  
12 themselves as members of a minority group and gender and (2)  
13 the total goals achieved under subsection (a) of this Section  
14 as a percentage of the total contracts awarded by the license.  
15 In addition, all licensees shall submit a report with respect  
16 to the minority-owned and female-owned businesses program  
17 created in this Section to the Board.

18 (d) When considering whether to re-issue or renew a license  
19 to an owners licensee, electronic gaming licensee, casino  
20 operator licensee, or suppliers licensee, the Board shall take  
21 into account the licensee's success in complying with the  
22 provisions of this Section. If an owners licensee, electronic  
23 gaming licensee, casino operator licensee, or suppliers  
24 licensee has not satisfied the goals contained in this Section,  
25 the Board shall require a written explanation as to why the  
26 licensee is not in compliance and shall require the licensee to



1 file multi-year metrics designed to achieve compliance with the  
2 provisions by the next renewal period, consistent with State  
3 and federal law.

4 (230 ILCS 10/7.11 new)

5 Sec. 7.11. Annual report on diversity.

6 (a) Each licensee that receives a license under Sections 7,  
7 7.1, and 7.7 shall execute and file a report with the Board no  
8 later than December 31 of each year that shall contain, but not  
9 be limited to, the following information:

10 (i) a good faith affirmative action plan to recruit,  
11 train, and upgrade minority persons, females, and persons  
12 with a disability in all employment classifications;

13 (ii) the total dollar amount of contracts that were  
14 awarded to businesses owned by minority persons, females,  
15 and persons with a disability;

16 (iii) the total number of businesses owned by minority  
17 persons, females, and persons with a disability that were  
18 utilized by the licensee;

19 (iv) the utilization of businesses owned by minority  
20 persons, females, and persons with disabilities during the  
21 preceding year; and

22 (v) the outreach efforts used by the licensee to  
23 attract investors and businesses consisting of minority  
24 persons, females, and persons with a disability.

25 (b) The Board shall forward a copy of each licensee's

1 annual reports to the General Assembly no later than February 1  
2 of each year.

3 (230 ILCS 10/7.12 new)

4 Sec. 7.12. Issuance of new owners licenses.

5 (a) Except for the owners license issued to the Chicago  
6 Casino Development Authority, owners licenses newly authorized  
7 pursuant to this amendatory Act of the 100th General Assembly  
8 may be issued by the Board to a qualified applicant pursuant to  
9 an open and competitive bidding process, as set forth in  
10 Section 7.5, and subject to the maximum number of authorized  
11 licenses set forth in subsection (e-5) of Section 7 of this  
12 Act.

13 (b) To be a qualified applicant, a person or entity may not  
14 be ineligible to receive an owners license under subsection (a)  
15 of Section 7 of this Act and must submit an application for an  
16 owners license that complies with Section 6 of this Act.

17 (c) In determining whether to grant an owners license to an  
18 applicant, the Board shall consider all of the factors set  
19 forth in subsections (b) and (e-10) of Section 7 of this Act,  
20 as well as the amount of the applicant's license bid. The Board  
21 may grant the owners license to an applicant that has not  
22 submitted the highest license bid, but if it does not select  
23 the highest bidder, the Board shall issue a written decision  
24 explaining why another applicant was selected and identifying  
25 the factors set forth in subsections (b) and (e-10) of Section

1 7 of this Act that favored the winning bidder.

2 (230 ILCS 10/7.13 new)

3 Sec. 7.13. Environmental standards. All permanent  
4 casinos, riverboats, and electronic gaming facilities shall  
5 consist of buildings that are certified as meeting the U.S.  
6 Green Building Council's Leadership in Energy and  
7 Environmental Design standards. The provisions of this Section  
8 apply to a holder of an owners license, casino operator  
9 license, or electronic gaming license that (i) begins  
10 operations on or after January 1, 2018 or (ii) relocates its  
11 facilities on or after the effective date of this amendatory  
12 Act of the 100th General Assembly.

13 (230 ILCS 10/8) (from Ch. 120, par. 2408)

14 Sec. 8. Suppliers licenses.

15 (a) The Board may issue a suppliers license to such  
16 persons, firms or corporations which apply therefor upon the  
17 payment of a non-refundable application fee set by the Board,  
18 upon a determination by the Board that the applicant is  
19 eligible for a suppliers license and upon payment of a \$5,000  
20 annual license fee.

21 (b) The holder of a suppliers license is authorized to sell  
22 or lease, and to contract to sell or lease, gambling equipment  
23 and supplies to any licensee involved in the ownership or  
24 management of gambling operations.

1 (c) Gambling supplies and equipment may not be distributed  
2 unless supplies and equipment conform to standards adopted by  
3 rules of the Board.

4 (d) A person, firm or corporation is ineligible to receive  
5 a suppliers license if:

6 (1) the person has been convicted of a felony under the  
7 laws of this State, any other state, or the United States;

8 (2) the person has been convicted of any violation of  
9 Article 28 of the Criminal Code of 1961 or the Criminal  
10 Code of 2012, or substantially similar laws of any other  
11 jurisdiction;

12 (3) the person has submitted an application for a  
13 license under this Act which contains false information;

14 (4) the person is a member of the Board;

15 (5) the entity ~~firm or corporation~~ is one in which a  
16 person defined in (1), (2), (3) or (4), is an officer,  
17 director or managerial employee;

18 (6) the firm or corporation employs a person who  
19 participates in the management or operation of riverboat  
20 gambling authorized under this Act or the Chicago Casino  
21 Development Authority Act;

22 (7) the license of the person, firm or corporation  
23 issued under this Act or the Chicago Casino Development  
24 Authority Act, or a license to own or operate gambling  
25 facilities in any other jurisdiction, has been revoked.

26 (e) Any person that supplies any equipment, devices, or

1 supplies to a licensed riverboat gambling operation or casino  
2 or electronic gaming operation must first obtain a suppliers  
3 license. A supplier shall furnish to the Board a list of all  
4 equipment, devices and supplies offered for sale or lease in  
5 connection with gambling games authorized under this Act. A  
6 supplier shall keep books and records for the furnishing of  
7 equipment, devices and supplies to gambling operations  
8 separate and distinct from any other business that the supplier  
9 might operate. A supplier shall file a quarterly return with  
10 the Board listing all sales and leases. A supplier shall  
11 permanently affix its name or a distinctive logo or other mark  
12 or design element identifying the manufacturer or supplier to  
13 all its equipment, devices, and supplies, except gaming chips  
14 without a value impressed, engraved, or imprinted on it, for  
15 gambling operations. The Board may waive this requirement for  
16 any specific product or products if it determines that the  
17 requirement is not necessary to protect the integrity of the  
18 game. Items purchased from a licensed supplier may continue to  
19 be used even though the supplier subsequently changes its name,  
20 distinctive logo, or other mark or design element; undergoes a  
21 change in ownership; or ceases to be licensed as a supplier for  
22 any reason. Any supplier's equipment, devices or supplies which  
23 are used by any person in an unauthorized gambling operation  
24 shall be forfeited to the State. A holder of an owners license  
25 or an electronic gaming license ~~A licensed owner~~ may own its  
26 own equipment, devices and supplies. Each holder of an owners

1 license or an electronic gaming license under the Act shall  
2 file an annual report listing its inventories of gambling  
3 equipment, devices and supplies.

4 (f) Any person who knowingly makes a false statement on an  
5 application is guilty of a Class A misdemeanor.

6 (g) Any gambling equipment, devices and supplies provided  
7 by any licensed supplier may either be repaired on the  
8 riverboat, in the casino, or at the electronic gaming facility  
9 or removed from the riverboat, casino, or electronic gaming  
10 facility to a an on-shore facility owned by the holder of an  
11 owners license or electronic gaming license for repair.

12 (Source: P.A. 97-1150, eff. 1-25-13; 98-12, eff. 5-10-13;  
13 98-756, eff. 7-16-14.)

14 (230 ILCS 10/9) (from Ch. 120, par. 2409)

15 Sec. 9. Occupational licenses.

16 (a) The Board may issue an occupational license to an  
17 applicant upon the payment of a non-refundable fee set by the  
18 Board, upon a determination by the Board that the applicant is  
19 eligible for an occupational license and upon payment of an  
20 annual license fee in an amount to be established. To be  
21 eligible for an occupational license, an applicant must:

22 (1) be at least 21 years of age if the applicant will  
23 perform any function involved in gaming by patrons. Any  
24 applicant seeking an occupational license for a non-gaming  
25 function shall be at least 18 years of age;

1           (2) not have been convicted of a felony offense, a  
2 violation of Article 28 of the Criminal Code of 1961 or the  
3 Criminal Code of 2012, or a similar statute of any other  
4 jurisdiction;

5           (2.5) not have been convicted of a crime, other than a  
6 crime described in item (2) of this subsection (a),  
7 involving dishonesty or moral turpitude, except that the  
8 Board may, in its discretion, issue an occupational license  
9 to a person who has been convicted of a crime described in  
10 this item (2.5) more than 10 years prior to his or her  
11 application and has not subsequently been convicted of any  
12 other crime;

13           (3) have demonstrated a level of skill or knowledge  
14 which the Board determines to be necessary in order to  
15 operate gambling aboard a riverboat, in a casino, or at an  
16 electronic gaming facility; and

17           (4) have met standards for the holding of an  
18 occupational license as adopted by rules of the Board. Such  
19 rules shall provide that any person or entity seeking an  
20 occupational license to manage gambling operations under  
21 this Act or the Chicago Casino Development Authority Act  
22 ~~hereunder~~ shall be subject to background inquiries and  
23 further requirements similar to those required of  
24 applicants for an owners license. Furthermore, such rules  
25 shall provide that each such entity shall be permitted to  
26 manage gambling operations for only one licensed owner.

1 (b) Each application for an occupational license shall be  
2 on forms prescribed by the Board and shall contain all  
3 information required by the Board. The applicant shall set  
4 forth in the application: whether he has been issued prior  
5 gambling related licenses; whether he has been licensed in any  
6 other state under any other name, and, if so, such name and his  
7 age; and whether or not a permit or license issued to him in  
8 any other state has been suspended, restricted or revoked, and,  
9 if so, for what period of time.

10 (c) Each applicant shall submit with his application, on  
11 forms provided by the Board, 2 sets of his fingerprints. The  
12 Board shall charge each applicant a fee set by the Department  
13 of State Police to defray the costs associated with the search  
14 and classification of fingerprints obtained by the Board with  
15 respect to the applicant's application. These fees shall be  
16 paid into the State Police Services Fund.

17 (d) The Board may in its discretion refuse an occupational  
18 license to any person: (1) who is unqualified to perform the  
19 duties required of such applicant; (2) who fails to disclose or  
20 states falsely any information called for in the application;  
21 (3) who has been found guilty of a violation of this Act or the  
22 Chicago Casino Development Authority Act or whose prior  
23 gambling related license or application therefor has been  
24 suspended, restricted, revoked or denied for just cause in any  
25 other state; or (4) for any other just cause.

26 (e) The Board may suspend, revoke or restrict any



1 occupational licensee: (1) for violation of any provision of  
2 this Act; (2) for violation of any of the rules and regulations  
3 of the Board; (3) for any cause which, if known to the Board,  
4 would have disqualified the applicant from receiving such  
5 license; or (4) for default in the payment of any obligation or  
6 debt due to the State of Illinois; or (5) for any other just  
7 cause.

8 (f) A person who knowingly makes a false statement on an  
9 application is guilty of a Class A misdemeanor.

10 (g) Any license issued pursuant to this Section shall be  
11 valid for a period of one year from the date of issuance.

12 (h) Nothing in this Act shall be interpreted to prohibit a  
13 licensed owner or electronic gaming licensee from entering into  
14 an agreement with a public community college or a school  
15 approved under the Private Business and Vocational Schools Act  
16 of 2012 for the training of any occupational licensee. Any  
17 training offered by such a school shall be in accordance with a  
18 written agreement between the licensed owner or electronic  
19 gaming licensee and the school.

20 (i) Any training provided for occupational licensees may be  
21 conducted either at the site of the gambling facility ~~on the~~  
22 ~~riverboat~~ or at a school with which a licensed owner or  
23 electronic gaming licensee has entered into an agreement  
24 pursuant to subsection (h).

25 (Source: P.A. 96-1392, eff. 1-1-11; 97-650, eff. 2-1-12;  
26 97-1150, eff. 1-25-13.)

1 (230 ILCS 10/11) (from Ch. 120, par. 2411)

2 Sec. 11. Conduct of gambling. Gambling may be conducted by  
3 licensed owners or licensed managers on behalf of the State  
4 aboard riverboats. Gambling may be conducted by electronic  
5 gaming licensees at electronic gaming facilities. Gambling may  
6 be conducted by a casino operator licensee at a casino.  
7 Gambling authorized under this Section is<sup>7</sup> subject to the  
8 following standards:

9 (1) A licensee may conduct riverboat gambling  
10 authorized under this Act regardless of whether it conducts  
11 excursion cruises. A licensee may permit the continuous  
12 ingress and egress of patrons ~~passengers~~ on a riverboat not  
13 used for excursion cruises for the purpose of gambling.  
14 Excursion cruises shall not exceed 4 hours for a round  
15 trip. However, the Board may grant express approval for an  
16 extended cruise on a case-by-case basis.

17 (2) (Blank).

18 (3) Minimum and maximum wagers on games shall be set by  
19 the licensee.

20 (4) Agents of the Board and the Department of State  
21 Police may board and inspect any riverboat, enter and  
22 inspect any portion of a casino, or enter and inspect any  
23 portion of an electronic gaming facility at any time for  
24 the purpose of determining whether this Act or the Chicago  
25 Casino Development Authority Act is being complied with.

1 Every riverboat, if under way and being hailed by a law  
2 enforcement officer or agent of the Board, must stop  
3 immediately and lay to.

4 (5) Employees of the Board shall have the right to be  
5 present on the riverboat or in the casino or on adjacent  
6 facilities under the control of the licensee and at the  
7 electronic gaming facility under the control of the  
8 electronic gaming licensee.

9 (6) Gambling equipment and supplies customarily used  
10 in conducting riverboat or casino gambling or electronic  
11 gaming must be purchased or leased only from suppliers  
12 licensed for such purpose under this Act. The Board may  
13 approve the transfer, sale, or lease of gambling equipment  
14 and supplies by a licensed owner from or to an affiliate of  
15 the licensed owner as long as the gambling equipment and  
16 supplies were initially acquired from a supplier licensed  
17 in Illinois.

18 (7) Persons licensed under this Act or the Chicago  
19 Casino Development Authority Act shall permit no form of  
20 wagering on gambling games except as permitted by this Act.

21 (8) Wagers may be received only from a person present  
22 on a licensed riverboat, in a casino, or at an electronic  
23 gaming facility. No person present on a licensed riverboat,  
24 in a casino, or at an electronic gaming facility shall  
25 place or attempt to place a wager on behalf of another  
26 person who is not present on the riverboat, in a casino, or

1           at the electronic gaming facility.

2           (9) Wagering, including electronic gaming, shall not  
3 be conducted with money or other negotiable currency.

4           (10) A person under age 21 shall not be permitted on an  
5 area of a riverboat or casino where gambling is being  
6 conducted or at an electronic gaming facility where  
7 gambling is being conducted, except for a person at least  
8 18 years of age who is an employee of the riverboat or  
9 casino gambling operation or electronic gaming operation.

10 No employee under age 21 shall perform any function  
11 involved in gambling by the patrons. No person under age 21  
12 shall be permitted to make a wager under this Act or the  
13 Chicago Casino Development Authority Act, and any winnings  
14 that are a result of a wager by a person under age 21,  
15 whether or not paid by a licensee, shall be treated as  
16 winnings for the privilege tax purposes, confiscated, and  
17 forfeited to the State and deposited into the Education  
18 Assistance Fund.

19           (11) Gambling excursion cruises are permitted only  
20 when the waterway for which the riverboat is licensed is  
21 navigable, as determined by the Board in consultation with  
22 the U.S. Army Corps of Engineers. This paragraph (11) does  
23 not limit the ability of a licensee to conduct gambling  
24 authorized under this Act when gambling excursion cruises  
25 are not permitted.

26           (12) All tokens, chips or electronic cards used to make

1 wagers must be purchased (i) from a licensed owner or  
2 manager, in the case of a riverboat, either aboard a  
3 riverboat or at an onshore facility which has been approved  
4 by the Board and which is located where the riverboat  
5 docks, (ii) in the case of a casino, from a licensed owner  
6 or licensed casino operator at the casino, or (iii) from an  
7 electronic gaming licensee at the electronic gaming  
8 facility. The tokens, chips or electronic cards may be  
9 purchased by means of an agreement under which the owner,  
10 ~~or~~ manager, or licensed casino operator extends credit to  
11 the patron. Such tokens, chips or electronic cards may be  
12 used while aboard the riverboat, in the casino, or at the  
13 electronic gaming facility only for the purpose of making  
14 wagers on gambling games.

15 (13) Notwithstanding any other Section of this Act or  
16 the Chicago Casino Development Authority Act, in addition  
17 to the other licenses authorized under this Act or the  
18 Chicago Casino Development Authority Act, the Board may  
19 issue special event licenses allowing persons who are not  
20 otherwise licensed to conduct riverboat gambling to  
21 conduct such gambling on a specified date or series of  
22 dates. Riverboat gambling under such a license may take  
23 place on a riverboat not normally used for riverboat  
24 gambling. The Board shall establish standards, fees and  
25 fines for, and limitations upon, such licenses, which may  
26 differ from the standards, fees, fines and limitations

1 otherwise applicable under this Act or the Chicago Casino  
2 Development Authority Act. All such fees shall be deposited  
3 into the State Gaming Fund. All such fines shall be  
4 deposited into the Education Assistance Fund, created by  
5 Public Act 86-0018, of the State of Illinois.

6 (14) In addition to the above, gambling must be  
7 conducted in accordance with all rules adopted by the  
8 Board.

9 (Source: P.A. 96-1392, eff. 1-1-11.)

10 (230 ILCS 10/11.1) (from Ch. 120, par. 2411.1)

11 Sec. 11.1. Collection of amounts owing under credit  
12 agreements. Notwithstanding any applicable statutory provision  
13 to the contrary, a licensed owner, licensed ~~or~~ manager,  
14 licensed casino operator, or electronic gaming licensee who  
15 extends credit to a ~~riverboat~~ gambling patron or an electronic  
16 gaming patron pursuant to Section 11 (a) (12) of this Act is  
17 expressly authorized to institute a cause of action to collect  
18 any amounts due and owing under the extension of credit, as  
19 well as the licensed owner's, licensed ~~or~~ manager's, licensed  
20 casino operator's, or electronic gaming licensee's costs,  
21 expenses and reasonable attorney's fees incurred in  
22 collection.

23 (Source: P.A. 93-28, eff. 6-20-03.)

24 (230 ILCS 10/12) (from Ch. 120, par. 2412)

1           Sec. 12. Admission tax; fees.

2           (a) A tax is hereby imposed upon admissions to riverboat  
3 and casino gambling facilities ~~riverboats~~ operated by licensed  
4 owners authorized pursuant to this Act and the Chicago Casino  
5 Development Authority Act. Until July 1, 2002, the rate is \$2  
6 per person admitted. From July 1, 2002 until July 1, 2003, the  
7 rate is \$3 per person admitted. From July 1, 2003 until August  
8 23, 2005 (the effective date of Public Act 94-673), for a  
9 licensee that admitted 1,000,000 persons or fewer in the  
10 previous calendar year, the rate is \$3 per person admitted; for  
11 a licensee that admitted more than 1,000,000 but no more than  
12 2,300,000 persons in the previous calendar year, the rate is \$4  
13 per person admitted; and for a licensee that admitted more than  
14 2,300,000 persons in the previous calendar year, the rate is \$5  
15 per person admitted. Beginning on August 23, 2005 (the  
16 effective date of Public Act 94-673), for a licensee that  
17 admitted 1,000,000 persons or fewer in calendar year 2004, the  
18 rate is \$2 per person admitted, and for all other licensees,  
19 including licensees that were not conducting gambling  
20 operations in 2004, the rate is \$3 per person admitted. This  
21 admission tax is imposed upon the licensed owner conducting  
22 gambling.

23           (1) The admission tax shall be paid for each admission,  
24 except that a person who exits a riverboat gambling  
25 facility and reenters that riverboat gambling facility  
26 within the same gaming day shall be subject only to the

1 initial admission tax.

2 (2) (Blank).

3 (3) The riverboat licensee may issue tax-free passes to  
4 actual and necessary officials and employees of the  
5 licensee or other persons actually working on the  
6 riverboat.

7 (4) The number and issuance of tax-free passes is  
8 subject to the rules of the Board, and a list of all  
9 persons to whom the tax-free passes are issued shall be  
10 filed with the Board.

11 (a-5) A fee is hereby imposed upon admissions operated by  
12 licensed managers on behalf of the State pursuant to Section  
13 7.3 at the rates provided in this subsection (a-5). For a  
14 licensee that admitted 1,000,000 persons or fewer in the  
15 previous calendar year, the rate is \$3 per person admitted; for  
16 a licensee that admitted more than 1,000,000 but no more than  
17 2,300,000 persons in the previous calendar year, the rate is \$4  
18 per person admitted; and for a licensee that admitted more than  
19 2,300,000 persons in the previous calendar year, the rate is \$5  
20 per person admitted.

21 (1) The admission fee shall be paid for each admission.

22 (2) (Blank).

23 (3) The licensed manager may issue fee-free passes to  
24 actual and necessary officials and employees of the manager  
25 or other persons actually working on the riverboat.

26 (4) The number and issuance of fee-free passes is



1 subject to the rules of the Board, and a list of all  
2 persons to whom the fee-free passes are issued shall be  
3 filed with the Board.

4 (b) Except as provided in subsection (b-5), from ~~From~~ the  
5 tax imposed under subsection (a) and the fee imposed under  
6 subsection (a-5), a municipality shall receive from the State  
7 \$1 for each person embarking on a riverboat docked within the  
8 municipality or entering a casino located within the  
9 municipality, and a county shall receive \$1 for each person  
10 entering a casino or embarking on a riverboat docked within the  
11 county but outside the boundaries of any municipality. The  
12 municipality's or county's share shall be collected by the  
13 Board on behalf of the State and remitted quarterly by the  
14 State, subject to appropriation, to the treasurer of the unit  
15 of local government for deposit in the general fund.

16 (b-5) From the tax imposed under subsection (a) and the fee  
17 imposed under subsection (a-5), \$1 for each person embarking on  
18 a riverboat designated in paragraph (4) of subsection (e-5) of  
19 Section 7 shall be divided as follows: \$0.70 to the City of  
20 Rockford, \$0.05 to the City of Loves Park, \$0.05 to the Village  
21 of Machesney Park, and \$0.20 to Winnebago County.

22 The municipality's or county's share shall be collected by  
23 the Board on behalf of the State and remitted monthly by the  
24 State, subject to appropriation, to the treasurer of the unit  
25 of local government for deposit in the general fund.

26 (c) The licensed owner shall pay the entire admission tax

1 to the Board and the licensed manager or the casino operator  
2 licensee shall pay the entire admission fee to the Board. Such  
3 payments shall be made daily. Accompanying each payment shall  
4 be a return on forms provided by the Board which shall include  
5 other information regarding admissions as the Board may  
6 require. Failure to submit either the payment or the return  
7 within the specified time may result in suspension or  
8 revocation of the owners or managers license.

9 (c-5) A tax is imposed on admissions to electronic gaming  
10 facilities at the rate of \$3 per person admitted by an  
11 electronic gaming licensee. The tax is imposed upon the  
12 electronic gaming licensee.

13 (1) The admission tax shall be paid for each admission,  
14 except that a person who exits an electronic gaming  
15 facility and reenters that electronic gaming facility  
16 within the same gaming day, as the term "gaming day" is  
17 defined by the Board by rule, shall be subject only to the  
18 initial admission tax. The Board shall establish, by rule,  
19 a procedure to determine whether a person admitted to an  
20 electronic gaming facility has paid the admission tax.

21 (2) An electronic gaming licensee may issue tax-free  
22 passes to actual and necessary officials and employees of  
23 the licensee and other persons associated with electronic  
24 gaming operations.

25 (3) The number and issuance of tax-free passes is  
26 subject to the rules of the Board, and a list of all

1 persons to whom the tax-free passes are issued shall be  
2 filed with the Board.

3 (4) The electronic gaming licensee shall pay the entire  
4 admission tax to the Board.

5 Such payments shall be made daily. Accompanying each  
6 payment shall be a return on forms provided by the Board, which  
7 shall include other information regarding admission as the  
8 Board may require. Failure to submit either the payment or the  
9 return within the specified time may result in suspension or  
10 revocation of the electronic gaming license.

11 From the tax imposed under this subsection (c-5), a  
12 municipality other than the Village of Stickney or the City of  
13 Collinsville in which an electronic gaming facility is located,  
14 or if the electronic gaming facility is not located within a  
15 municipality, then the county in which the electronic gaming  
16 facility is located, except as otherwise provided in this  
17 Section, shall receive, subject to appropriation, \$1 for each  
18 person who enters the electronic gaming facility. For each  
19 admission to the electronic gaming facility in excess of  
20 1,500,000 in a year, from the tax imposed under this subsection  
21 (c-5), the county in which the electronic gaming facility is  
22 located shall receive, subject to appropriation, \$0.30, which  
23 shall be in addition to any other moneys paid to the county  
24 under this Section.

25 From the tax imposed under this subsection (c-5) on an  
26 electronic gaming facility located in the Village of Stickney,

1 \$1 for each person who enters the electronic gaming facility  
2 shall be distributed as follows, subject to appropriation:  
3 \$0.24 to the Village of Stickney, \$0.49 to the Town of Cicero,  
4 \$0.05 to the City of Berwyn, and \$0.17 to the Stickney Public  
5 Health District, and \$0.05 to the City of Bridgeview.

6 From the tax imposed under this subsection (c-5) on an  
7 electronic gaming facility located in the City of Collinsville,  
8 \$1 for each person who enters the electronic gaming facility  
9 shall be distributed as follows, subject to appropriation:  
10 \$0.45 to the City of Alton, \$0.45 to the City of East St.  
11 Louis, and \$0.10 to the City of Collinsville.

12 After payments required under this subsection (c-5) have  
13 been made, all remaining amounts shall be deposited into the  
14 Education Assistance Fund.

15 (d) The Board shall administer and collect the admission  
16 tax imposed by this Section, to the extent practicable, in a  
17 manner consistent with the provisions of Sections 4, 5, 5a, 5b,  
18 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9 and 10 of the  
19 Retailers' Occupation Tax Act and Section 3-7 of the Uniform  
20 Penalty and Interest Act.

21 (Source: P.A. 95-663, eff. 10-11-07; 96-1392, eff. 1-1-11.)

22 (230 ILCS 10/13) (from Ch. 120, par. 2413)

23 Sec. 13. Wagering tax; rate; distribution.

24 (a) Until January 1, 1998, a tax is imposed on the adjusted  
25 gross receipts received from gambling games authorized under

1 this Act at the rate of 20%.

2 (a-1) From January 1, 1998 until July 1, 2002, a privilege  
3 tax is imposed on persons engaged in the business of conducting  
4 riverboat gambling operations, based on the adjusted gross  
5 receipts received by a licensed owner from gambling games  
6 authorized under this Act at the following rates:

7 15% of annual adjusted gross receipts up to and  
8 including \$25,000,000;

9 20% of annual adjusted gross receipts in excess of  
10 \$25,000,000 but not exceeding \$50,000,000;

11 25% of annual adjusted gross receipts in excess of  
12 \$50,000,000 but not exceeding \$75,000,000;

13 30% of annual adjusted gross receipts in excess of  
14 \$75,000,000 but not exceeding \$100,000,000;

15 35% of annual adjusted gross receipts in excess of  
16 \$100,000,000.

17 (a-2) From July 1, 2002 until July 1, 2003, a privilege tax  
18 is imposed on persons engaged in the business of conducting  
19 riverboat gambling operations, other than licensed managers  
20 conducting riverboat gambling operations on behalf of the  
21 State, based on the adjusted gross receipts received by a  
22 licensed owner from gambling games authorized under this Act at  
23 the following rates:

24 15% of annual adjusted gross receipts up to and  
25 including \$25,000,000;

26 22.5% of annual adjusted gross receipts in excess of

1           \$25,000,000 but not exceeding \$50,000,000;  
2           27.5% of annual adjusted gross receipts in excess of  
3           \$50,000,000 but not exceeding \$75,000,000;  
4           32.5% of annual adjusted gross receipts in excess of  
5           \$75,000,000 but not exceeding \$100,000,000;  
6           37.5% of annual adjusted gross receipts in excess of  
7           \$100,000,000 but not exceeding \$150,000,000;  
8           45% of annual adjusted gross receipts in excess of  
9           \$150,000,000 but not exceeding \$200,000,000;  
10          50% of annual adjusted gross receipts in excess of  
11          \$200,000,000.

12          (a-3) Beginning July 1, 2003, a privilege tax is imposed on  
13 persons engaged in the business of conducting riverboat  
14 gambling operations, other than licensed managers conducting  
15 riverboat gambling operations on behalf of the State, based on  
16 the adjusted gross receipts received by a licensed owner from  
17 gambling games authorized under this Act at the following  
18 rates:

19           15% of annual adjusted gross receipts up to and  
20 including \$25,000,000;  
21           27.5% of annual adjusted gross receipts in excess of  
22 \$25,000,000 but not exceeding \$37,500,000;  
23           32.5% of annual adjusted gross receipts in excess of  
24 \$37,500,000 but not exceeding \$50,000,000;  
25           37.5% of annual adjusted gross receipts in excess of  
26 \$50,000,000 but not exceeding \$75,000,000;

1           45% of annual adjusted gross receipts in excess of  
2           \$75,000,000 but not exceeding \$100,000,000;

3           50% of annual adjusted gross receipts in excess of  
4           \$100,000,000 but not exceeding \$250,000,000;

5           70% of annual adjusted gross receipts in excess of  
6           \$250,000,000.

7           An amount equal to the amount of wagering taxes collected  
8           under this subsection (a-3) that are in addition to the amount  
9           of wagering taxes that would have been collected if the  
10          wagering tax rates under subsection (a-2) were in effect shall  
11          be paid into the Common School Fund.

12          The privilege tax imposed under this subsection (a-3) shall  
13          no longer be imposed beginning on the earlier of (i) July 1,  
14          2005; (ii) the first date after June 20, 2003 that riverboat  
15          gambling operations are conducted pursuant to a dormant  
16          license; or (iii) the first day that riverboat gambling  
17          operations are conducted under the authority of an owners  
18          license that is in addition to the 10 owners licenses initially  
19          authorized under this Act. For the purposes of this subsection  
20          (a-3), the term "dormant license" means an owners license that  
21          is authorized by this Act under which no riverboat gambling  
22          operations are being conducted on June 20, 2003.

23          (a-4) Beginning on the first day on which the tax imposed  
24          under subsection (a-3) is no longer imposed and ending upon the  
25          imposition of the privilege tax under subsection (a-5) of this  
26          Section, a privilege tax is imposed on persons engaged in the

1 business of conducting riverboat or casino gambling or  
2 electronic gaming operations, other than licensed managers  
3 conducting riverboat gambling operations on behalf of the  
4 State, based on the adjusted gross receipts received by a  
5 licensed owner from gambling games authorized under this Act at  
6 the following rates:

7 15% of annual adjusted gross receipts up to and  
8 including \$25,000,000;

9 22.5% of annual adjusted gross receipts in excess of  
10 \$25,000,000 but not exceeding \$50,000,000;

11 27.5% of annual adjusted gross receipts in excess of  
12 \$50,000,000 but not exceeding \$75,000,000;

13 32.5% of annual adjusted gross receipts in excess of  
14 \$75,000,000 but not exceeding \$100,000,000;

15 37.5% of annual adjusted gross receipts in excess of  
16 \$100,000,000 but not exceeding \$150,000,000;

17 45% of annual adjusted gross receipts in excess of  
18 \$150,000,000 but not exceeding \$200,000,000;

19 50% of annual adjusted gross receipts in excess of  
20 \$200,000,000.

21 For the imposition of the privilege tax in this subsection  
22 (a-4), amounts paid pursuant to item (1) of subsection (b) of  
23 Section 56 of the Illinois Horse Racing Act of 1975 shall not  
24 be included in the determination of adjusted gross receipts.

25 (a-4.5) Beginning on the first day of the calendar month  
26 immediately following 24 months after the effective date of



1 this amendatory Act of the 100th General Assembly and ending on  
2 the date gambling operations, commence at a permanent facility  
3 with respect to the owners license authorized under paragraph  
4 (1) of subsection (e-5) of Section 7 of this Act, a privilege  
5 tax is imposed on persons engaged in the business of conducting  
6 riverboat or casino gambling or electronic gaming operations,  
7 other than licensed managers conducting riverboat gambling  
8 operations on behalf of the State, based on the adjusted gross  
9 receipts received by such licensee from the gambling games  
10 authorized under this Act. The privilege tax shall be the  
11 average of the privilege tax, in terms of dollar amounts,  
12 calculated pursuant to subsection (a-4) and subsection (a-6).

13 (a-5) Beginning on January 1 following the opening of the  
14 permanent casino at which gambling operations are conducted  
15 pursuant to the Chicago Casino Development Authority Act, a  
16 privilege tax is imposed on persons engaged in the business of  
17 conducting riverboat or casino gambling or electronic gaming  
18 operations, other than licensed managers conducting riverboat  
19 gambling operations on behalf of the State, based on the  
20 adjusted gross receipts received by such licensee from the  
21 gambling games authorized under this Act and the Chicago Casino  
22 Development Authority Act. The privilege tax for all gambling  
23 games other than table games, including, but not limited to,  
24 slot machines, video game of chance gambling, and electronic  
25 gambling games shall be at the following rates:

26 10% of annual adjusted gross receipts up to and

1 including \$25,000,000;

2 17.5% of annual adjusted gross receipts in excess of  
3 \$25,000,000 but not exceeding \$50,000,000;

4 22.5% of annual adjusted gross receipts in excess of  
5 \$50,000,000 but not exceeding \$75,000,000;

6 27.5% of annual adjusted gross receipts in excess of  
7 \$75,000,000 but not exceeding \$100,000,000;

8 32.5% of annual adjusted gross receipts in excess of  
9 \$100,000,000 but not exceeding \$150,000,000;

10 35% of annual adjusted gross receipts in excess of  
11 \$150,000,000 but not exceeding \$200,000,000;

12 40% of annual adjusted gross receipts in excess of  
13 \$200,000,000 but not exceeding \$300,000,000;

14 30% of annual adjusted gross receipts in excess of  
15 \$300,000,000 but not exceeding \$350,000,000;

16 20% of annual adjusted gross receipts in excess of  
17 \$350,000,000, but not exceeding \$800,000,000;

18 50% of annual adjusted gross receipts in excess of  
19 \$800,000,000.

20 The privilege tax for table games shall be at the following  
21 rates:

22 10% of annual adjusted gross receipts up to and  
23 including \$25,000,000;

24 17.5% of annual adjusted gross receipts in excess of  
25 \$25,000,000 but not exceeding \$50,000,000;

26 22.5% of annual adjusted gross receipts in excess of

1 \$50,000,000 but not exceeding \$70,000,000;

2 16% of annual adjusted gross receipts in excess of  
3 \$70,000,000.

4 For the imposition of the privilege tax in this subsection  
5 (a-5), amounts paid pursuant to item (1) of subsection (b) of  
6 Section 56 of the Illinois Horse Racing Act of 1975 shall not  
7 be included in the determination of adjusted gross receipts.

8 (a-6) From the effective date of this amendatory Act of the  
9 100th General Assembly until June 30, 2022, an owners licensee  
10 that conducted gambling operations prior to January 1, 2011  
11 shall receive a dollar-for-dollar credit against the tax  
12 imposed under this Section for any renovation or construction  
13 costs paid by the owners licensee, but in no event shall the  
14 credit exceed \$2,000,000.

15 Additionally, from the effective date of this amendatory  
16 Act of the 100th General Assembly until December 31, 2021, an  
17 owners licensee that (i) is located within 15 miles of the  
18 Missouri border, and (ii) has at least 3 riverboats, casinos,  
19 or their equivalent within a 45-mile radius, may be authorized  
20 to relocate to a new location with the approval of both the  
21 unit of local government designated as the home dock and the  
22 Board, so long as the new location is within the same unit of  
23 local government and no more than 3 miles away from its  
24 original location. Such owners licensee shall receive a credit  
25 against the tax imposed under this Section equal to 8% of the  
26 total project costs, as approved by the Board, for any

1 renovation or construction costs paid by the owners licensee  
2 for the construction of the new facility, provided that the new  
3 facility is operational by July 1, 2021. In determining whether  
4 or not to approve a relocation, the Board must consider the  
5 extent to which the relocation will diminish the gaming  
6 revenues received by other Illinois gaming facilities.

7 (a-7) Beginning in the initial adjustment year and through  
8 the final adjustment year, if the total obligation imposed  
9 pursuant to either subsection (a-5) or (a-6) will result in an  
10 owners licensee receiving less after-tax adjusted gross  
11 receipts than it received in calendar year 2017, then the total  
12 amount of privilege taxes that the owners licensee is required  
13 to pay for that calendar year shall be reduced to the extent  
14 necessary so that the after-tax adjusted gross receipts in that  
15 calendar year equals the after-tax adjusted gross receipts in  
16 calendar year 2017, but the privilege tax reduction shall not  
17 exceed the annual adjustment cap. If pursuant to this  
18 subsection (a-7), the total obligation imposed pursuant to  
19 either subsection (a-5) or (a-6) shall be reduced, then the  
20 owners licensee shall not receive a refund from the State at  
21 the end of the subject calendar year but instead shall be able  
22 to apply that amount as a credit against any payments it owes  
23 to the State in the following calendar year to satisfy its  
24 total obligation under either subsection (a-5) or (a-6). The  
25 credit for the final adjustment year shall occur in the  
26 calendar year following the final adjustment year.

1       If an owners licensee that conducted gambling operations  
2 prior to January 1, 2018 expands its riverboat or casino,  
3 including, but not limited to, with respect to its gaming  
4 floor, additional non-gaming amenities such as restaurants,  
5 bars, and hotels and other additional facilities, and incurs  
6 construction and other costs related to such expansion from the  
7 effective date of this amendatory Act of the 100th General  
8 Assembly until the 5th anniversary of the effective date of  
9 this amendatory Act of the 100th General Assembly, then for  
10 each \$15,000,000 spent for any such construction or other costs  
11 related to expansion paid by the owners licensee, the final  
12 adjustment year shall be extended by one year and the annual  
13 adjustment cap shall increase by 0.2% of adjusted gross  
14 receipts during each calendar year until and including the  
15 final adjustment year. No further modifications to the final  
16 adjustment year or annual adjustment cap shall be made after  
17 \$75,000,000 is incurred in construction or other costs related  
18 to expansion so that the final adjustment year shall not extend  
19 beyond the 9th calendar year after the initial adjustment year,  
20 not including the initial adjustment year, and the annual  
21 adjustment cap shall not exceed 4% of adjusted gross receipts  
22 in a particular calendar year. Construction and other costs  
23 related to expansion shall include all project related costs,  
24 including, but not limited to, all hard and soft costs,  
25 financing costs, on or off-site ground, road or utility work,  
26 cost of gaming equipment and all other personal property,

1 initial fees assessed for each incremental gaming position, and  
2 the cost of incremental land acquired for such expansion. Soft  
3 costs shall include, but not be limited to, legal fees,  
4 architect, engineering and design costs, other consultant  
5 costs, insurance cost, permitting costs, and pre-opening costs  
6 related to the expansion, including, but not limited to, any of  
7 the following: marketing, real estate taxes, personnel,  
8 training, travel and out-of-pocket expenses, supply,  
9 inventory, and other costs, and any other project related soft  
10 costs.

11 Notwithstanding any other provision of this subsection  
12 (a-7), this subsection (a-7) does not apply to an owners  
13 licensee unless such owners licensee spends at least  
14 \$15,000,000 on construction and other costs related to its  
15 expansion, excluding the initial fees assessed for each  
16 incremental gaming position.

17 This subsection (a-7) does not apply to owners licensees  
18 authorized pursuant to subsection (e-5) of Section 7 of this  
19 Act.

20 For purposes of this subsection (a-7):

21 "Initial adjustment year" means the year commencing on  
22 January 1 of the calendar year immediately following the  
23 earlier of the following:

24 (1) the commencement of gambling operations, either in  
25 a temporary or permanent facility, with respect to the  
26 owners license authorized under paragraph (1) of

1 subsection (e-5) of Section 7 of this Act; or

2 (2) 36 months after the effective date of this  
3 amendatory Act of the 100th General Assembly, provided the  
4 initial adjustment year shall not commence earlier than 24  
5 months after the effective date of this amendatory Act of  
6 the 100th General Assembly.

7 "Final adjustment year" means the 4th calendar year after  
8 the initial adjustment year, not including the initial  
9 adjustment year, and as may be extended further as described in  
10 this subsection (a-7).

11 "After-tax adjusted gross receipts" means, for calendar  
12 year 2017, the adjusted gross receipts less privilege taxes  
13 paid to the State and for subsequent calendar years, the  
14 adjusted gross receipts less privilege taxes paid to the State,  
15 then divided by the owners licensee's average number of gaming  
16 positions operating in that calendar year and then multiplied  
17 by the owners licensee's average number of gaming positions  
18 operating in calendar year 2017.

19 "Annual adjustment cap" means 3% of adjusted gross receipts  
20 in a particular calendar year, and as may be increased further  
21 as otherwise described in this subsection (a-7).

22 (a-8) Riverboat gambling operations conducted by a  
23 licensed manager on behalf of the State are not subject to the  
24 tax imposed under this Section.

25 (a-9) Beginning on January 1, 2019, the calculation of  
26 gross receipts or adjusted gross receipts, for the purposes of

1 this Section, for a riverboat, casino, or electronic gaming  
2 facility shall not include the dollar amount of non-cashable  
3 vouchers, coupons, and electronic promotions redeemed by  
4 wagerers upon the riverboat, in the casino, or in the  
5 electronic gaming facility up to and including an amount not to  
6 exceed 30% of a riverboat casino or electronic gaming  
7 facility's adjusted gross receipts.

8 The Illinois Gaming Board shall submit to the General  
9 Assembly a comprehensive report no later than March 31, 2022  
10 detailing, at a minimum, the effect of removing non-cashable  
11 vouchers, coupons, and electronic promotions from this  
12 calculation on net gaming revenues to the State in calendar  
13 years 2019 through 2021, the increase or reduction in wagerers  
14 as a result of removing non-cashable vouchers, coupons, and  
15 electronic promotions from this calculation, the effect of the  
16 tax rates in subsection (a-5) on net gaming revenues to the  
17 State, and proposed modifications to the calculation.

18 (a-10) The taxes imposed by this Section shall be paid by  
19 the licensed owner or the electronic gaming licensee to the  
20 Board not later than 5:00 o'clock p.m. of the day after the day  
21 when the wagers were made.

22 (a-15) If the privilege tax imposed under subsection (a-3)  
23 is no longer imposed pursuant to item (i) of the last paragraph  
24 of subsection (a-3), then by June 15 of each year, each owners  
25 licensee, other than an owners licensee that admitted 1,000,000  
26 persons or fewer in calendar year 2004, must, in addition to



1 the payment of all amounts otherwise due under this Section,  
2 pay to the Board a reconciliation payment in the amount, if  
3 any, by which the licensed owner's base amount exceeds the  
4 amount of net privilege tax paid by the licensed owner to the  
5 Board in the then current State fiscal year. A licensed owner's  
6 net privilege tax obligation due for the balance of the State  
7 fiscal year shall be reduced up to the total of the amount paid  
8 by the licensed owner in its June 15 reconciliation payment.  
9 The obligation imposed by this subsection (a-15) is binding on  
10 any person, firm, corporation, or other entity that acquires an  
11 ownership interest in any such owners license. The obligation  
12 imposed under this subsection (a-15) terminates on the earliest  
13 of: (i) July 1, 2007, (ii) the first day after the effective  
14 date of this amendatory Act of the 94th General Assembly that  
15 riverboat gambling operations are conducted pursuant to a  
16 dormant license, (iii) the first day that riverboat gambling  
17 operations are conducted under the authority of an owners  
18 license that is in addition to the 10 owners licenses initially  
19 authorized under this Act, or (iv) the first day that a  
20 licensee under the Illinois Horse Racing Act of 1975 conducts  
21 gaming operations with slot machines or other electronic gaming  
22 devices. The Board must reduce the obligation imposed under  
23 this subsection (a-15) by an amount the Board deems reasonable  
24 for any of the following reasons: (A) an act or acts of God,  
25 (B) an act of bioterrorism or terrorism or a bioterrorism or  
26 terrorism threat that was investigated by a law enforcement

1 agency, or (C) a condition beyond the control of the owners  
2 licensee that does not result from any act or omission by the  
3 owners licensee or any of its agents and that poses a hazardous  
4 threat to the health and safety of patrons. If an owners  
5 licensee pays an amount in excess of its liability under this  
6 Section, the Board shall apply the overpayment to future  
7 payments required under this Section.

8 For purposes of this subsection (a-15):

9 "Act of God" means an incident caused by the operation of  
10 an extraordinary force that cannot be foreseen, that cannot be  
11 avoided by the exercise of due care, and for which no person  
12 can be held liable.

13 "Base amount" means the following:

14 For a riverboat in Alton, \$31,000,000.

15 For a riverboat in East Peoria, \$43,000,000.

16 For the Empress riverboat in Joliet, \$86,000,000.

17 For a riverboat in Metropolis, \$45,000,000.

18 For the Harrah's riverboat in Joliet, \$114,000,000.

19 For a riverboat in Aurora, \$86,000,000.

20 For a riverboat in East St. Louis, \$48,500,000.

21 For a riverboat in Elgin, \$198,000,000.

22 "Dormant license" has the meaning ascribed to it in  
23 subsection (a-3).

24 "Net privilege tax" means all privilege taxes paid by a  
25 licensed owner to the Board under this Section, less all  
26 payments made from the State Gaming Fund pursuant to subsection

1 (b) of this Section.

2 The changes made to this subsection (a-15) by Public Act  
3 94-839 are intended to restate and clarify the intent of Public  
4 Act 94-673 with respect to the amount of the payments required  
5 to be made under this subsection by an owners licensee to the  
6 Board.

7 (b) Until January 1, 1998, 25% of the tax revenue deposited  
8 in the State Gaming Fund under this Section shall be paid,  
9 subject to appropriation by the General Assembly, to the unit  
10 of local government which is designated as the home dock of the  
11 riverboat. Beginning January 1, 1998, from the tax revenue from  
12 riverboat or casino gambling deposited in the State Gaming Fund  
13 under this Section, an amount equal to 5% of adjusted gross  
14 receipts generated by a riverboat or a casino other than a  
15 riverboat designated in paragraph (3) or (4) of subsection  
16 (e-5) of Section 7, shall be paid monthly, subject to  
17 appropriation by the General Assembly, to the unit of local  
18 government in which the casino is located or that is designated  
19 as the home dock of the riverboat. From the tax revenue  
20 deposited in the State Gaming Fund pursuant to riverboat or  
21 casino gambling operations conducted by a licensed manager on  
22 behalf of the State, an amount equal to 5% of adjusted gross  
23 receipts generated pursuant to those riverboat or casino  
24 gambling operations shall be paid monthly, subject to  
25 appropriation by the General Assembly, to the unit of local  
26 government that is designated as the home dock of the riverboat

1 upon which those riverboat gambling operations are conducted or  
2 in which the casino is located. From the tax revenue from  
3 riverboat or casino gambling deposited in the State Gaming Fund  
4 under this Section, an amount equal to 5% of the adjusted gross  
5 receipts generated by a riverboat designated in paragraph (3)  
6 of subsection (e-5) of Section 7 shall be divided and remitted  
7 monthly, subject to appropriation, as follows: 50% to Waukegan,  
8 25% to Park City, and 25% to North Chicago. From the tax  
9 revenue from riverboat or casino gambling deposited in the  
10 State Gaming Fund under this Section, an amount equal to 5% of  
11 the adjusted gross receipts generated by a riverboat designated  
12 in paragraph (4) of subsection (e-5) of Section 7 shall be  
13 remitted monthly, subject to appropriation, as follows: 70% to  
14 the City of Rockford, 5% to the City of Loves Park, 5% to the  
15 Village of Machesney, and 20% to Winnebago County. Units of  
16 local government may refund any portion of the payment that  
17 they receive pursuant to this subsection (b) to the riverboat  
18 or casino.

19 (b-5) Beginning on the effective date of this amendatory  
20 Act of the 100th General Assembly, from the tax revenue  
21 deposited in the State Gaming Fund under this Section, an  
22 amount equal to 3% of adjusted gross receipts generated by each  
23 electronic gaming facility located outside Madison County  
24 shall be paid monthly, subject to appropriation by the General  
25 Assembly, to a municipality other than the Village of Stickney  
26 in which each electronic gaming facility is located or, if the

1 electronic gaming facility is not located within a  
2 municipality, to the county in which the electronic gaming  
3 facility is located, except as otherwise provided in this  
4 Section. From the tax revenue deposited in the State Gaming  
5 Fund under this Section, an amount equal to 3% of adjusted  
6 gross receipts generated by an electronic gaming facility  
7 located in the Village of Stickney shall be paid monthly,  
8 subject to appropriation by the General Assembly, as follows:  
9 25% to the Village of Stickney, 5% to the City of Berwyn, 50%  
10 to the Town of Cicero, and 20% to the Stickney Public Health  
11 District.

12 From the tax revenue deposited in the State Gaming Fund  
13 under this Section, an amount equal to 5% of adjusted gross  
14 receipts generated by an electronic gaming facility located in  
15 the City of Collinsville shall be paid monthly, subject to  
16 appropriation by the General Assembly, as follows: 45% to the  
17 City of Alton, 45% to the City of East St. Louis, and 10% to the  
18 City of Collinsville.

19 Municipalities and counties may refund any portion of the  
20 payment that they receive pursuant to this subsection (b-5) to  
21 the electronic gaming facility.

22 (b-6) Beginning on the effective date of this amendatory  
23 Act of the 100th General Assembly, from the tax revenue  
24 deposited in the State Gaming Fund under this Section, an  
25 amount equal to 2% of adjusted gross receipts generated by an  
26 electronic gaming facility located outside Madison County

1 shall be paid monthly, subject to appropriation by the General  
2 Assembly, to the county in which the electronic gaming facility  
3 is located for the purposes of its criminal justice system or  
4 health care system.

5 Counties may refund any portion of the payment that they  
6 receive pursuant to this subsection (b-6) to the electronic  
7 gaming facility.

8 (b-7) After payments required under subsection (b) have  
9 been made from the tax revenue from the owners license  
10 authorizing the conduct of casino gaming in the City of  
11 Springfield deposited in the State Gaming Fund under this  
12 Section, the remainder of that tax revenue shall be paid,  
13 subject to appropriation by the General Assembly, as follows:

14 (1) 40% to Springfield School District 186 to be used  
15 for infrastructure improvements associated with the  
16 demolition and rebuilding of new schools and the renovation  
17 and upgrading of existing schools within the City of  
18 Springfield;

19 (2) 20% to the Illinois State Fairgrounds Foundation  
20 for infrastructure improvements associated with the  
21 demolition and rebuilding of State fairground facilities  
22 and the renovation and upgrading of existing State  
23 fairground facilities located in Sangamon County;

24 (3) 5% to the Abraham Lincoln Presidential Library and  
25 Museum Foundation for infrastructure improvements and  
26 programming;

1           (4) 5% to the City of Springfield for infrastructure  
2           and beautification improvements;

3           (5) 5% to the Prairie Capitol Convention Center for  
4           infrastructure improvements and programming located in the  
5           City of Springfield; and

6           (6) 25% percent shall be retained in the State Gaming  
7           Fund.

8           (c) Appropriations, as approved by the General Assembly,  
9           may be made from the State Gaming Fund to the Board (i) for the  
10           administration and enforcement of this Act, the Chicago Casino  
11           Development Authority Act, and the Video Gaming Act, (ii) for  
12           distribution to the Department of State Police and to the  
13           Department of Revenue for the enforcement of this Act, the  
14           Chicago Casino Development Authority Act, and the Video Gaming  
15           Act, and (iii) to the Department of Human Services for the  
16           administration of programs to treat problem gambling. The  
17           Board's annual appropriations request must separately state  
18           its funding needs for the regulation of electronic gaming,  
19           riverboat gaming, casino gaming within the City of Chicago, and  
20           video gaming. From the tax revenue deposited in the Gaming  
21           Facilities Fee Revenue Fund, the first \$50,000,000 shall be  
22           paid to the Board, subject to appropriation, for the  
23           administration and enforcement of the provisions of this  
24           amendatory Act of the 100th General Assembly.

25           (c-3) Appropriations, as approved by the General Assembly,  
26           may be made from the tax revenue deposited into the State

1 Gaming Fund from electronic gaming pursuant to this Section for  
2 the administration and enforcement of this Act.

3 (c-4) After payments required under subsections (b),  
4 (b-5), (b-6), (c), and (c-3) have been made from the tax  
5 revenue from electronic gaming deposited into the State Gaming  
6 Fund under this Section, all remaining amounts from electronic  
7 gaming shall be deposited into the Education Assistance Fund.

8 (c-5) Before May 26, 2006 (the effective date of Public Act  
9 94-804) and beginning on the effective date of this amendatory  
10 Act of the 95th General Assembly, unless any organization  
11 licensee under the Illinois Horse Racing Act of 1975 begins to  
12 operate a slot machine or video game of chance under the  
13 Illinois Horse Racing Act of 1975 or this Act, after the  
14 payments required under subsections (b) and (c) have been made,  
15 an amount equal to 15% of the adjusted gross receipts of (1) an  
16 owners licensee that relocates pursuant to Section 11.2, (2) an  
17 owners licensee conducting riverboat gambling operations  
18 pursuant to an owners license that is initially issued after  
19 June 25, 1999, or (3) the first riverboat gambling operations  
20 conducted by a licensed manager on behalf of the State under  
21 Section 7.3, whichever comes first, shall be paid from the  
22 State Gaming Fund into the Horse Racing Equity Fund.

23 (c-10) Each year the General Assembly shall appropriate  
24 from the General Revenue Fund to the Education Assistance Fund  
25 an amount equal to the amount paid into the Horse Racing Equity  
26 Fund pursuant to subsection (c-5) in the prior calendar year.



1 (c-15) After the payments required under subsections (b),  
2 (c), and (c-5) have been made, an amount equal to 2% of the  
3 adjusted gross receipts of (1) an owners licensee that  
4 relocates pursuant to Section 11.2, (2) an owners licensee  
5 conducting riverboat gambling operations pursuant to an owners  
6 license that is initially issued after June 25, 1999, or (3)  
7 the first riverboat gambling operations conducted by a licensed  
8 manager on behalf of the State under Section 7.3, whichever  
9 comes first, shall be paid, subject to appropriation from the  
10 General Assembly, from the State Gaming Fund to each home rule  
11 county with a population of over 3,000,000 inhabitants for the  
12 purpose of enhancing the county's criminal justice system.

13 (c-20) Each year the General Assembly shall appropriate  
14 from the General Revenue Fund to the Education Assistance Fund  
15 an amount equal to the amount paid to each home rule county  
16 with a population of over 3,000,000 inhabitants pursuant to  
17 subsection (c-15) in the prior calendar year.

18 (c-25) On July 1, 2013 and each July 1 thereafter,  
19 \$1,600,000 shall be transferred from the State Gaming Fund to  
20 the Chicago State University Education Improvement Fund.

21 (c-30) On July 1, 2013 or as soon as possible thereafter,  
22 \$92,000,000 shall be transferred from the State Gaming Fund to  
23 the School Infrastructure Fund and \$23,000,000 shall be  
24 transferred from the State Gaming Fund to the Horse Racing  
25 Equity Fund.

26 (c-35) Beginning on July 1, 2013, in addition to any amount

1 transferred under subsection (c-30) of this Section,  
2 \$5,530,000 shall be transferred monthly from the State Gaming  
3 Fund to the School Infrastructure Fund.

4 (d) From time to time, the Board shall transfer the  
5 remainder of the funds generated by this Act into the Education  
6 Assistance Fund, created by Public Act 86-0018, of the State of  
7 Illinois.

8 (e) Nothing in this Act shall prohibit the unit of local  
9 government designated as the home dock of the riverboat from  
10 entering into agreements with other units of local government  
11 in this State or in other states to share its portion of the  
12 tax revenue.

13 (f) To the extent practicable, the Board shall administer  
14 and collect the wagering taxes imposed by this Section in a  
15 manner consistent with the provisions of Sections 4, 5, 5a, 5b,  
16 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, and 10 of the  
17 Retailers' Occupation Tax Act and Section 3-7 of the Uniform  
18 Penalty and Interest Act.

19 (Source: P.A. 98-18, eff. 6-7-13.)

20 (230 ILCS 10/14) (from Ch. 120, par. 2414)

21 Sec. 14. Licensees - Records - Reports - Supervision.

22 (a) Licensed owners and electronic gaming licensees ~~A~~  
23 ~~licensed owner~~ shall keep ~~his~~ books and records so as to  
24 clearly show the following:

25 (1) The amount received daily from admission fees.

1 (2) The total amount of gross receipts.

2 (3) The total amount of the adjusted gross receipts.

3 (b) Licensed owners and electronic gaming licensees ~~The~~  
4 ~~licensed owner~~ shall furnish to the Board reports and  
5 information as the Board may require with respect to its  
6 activities on forms designed and supplied for such purpose by  
7 the Board.

8 (c) The books and records kept by a licensed owner as  
9 provided by this Section are public records and the  
10 examination, publication, and dissemination of the books and  
11 records are governed by the provisions of The Freedom of  
12 Information Act.

13 (Source: P.A. 86-1029.)

14 (230 ILCS 10/15) (from Ch. 120, par. 2415)

15 Sec. 15. Audit of Licensee Operations. Annually, the  
16 licensed owner, ~~or~~ manager, or electronic gaming licensee shall  
17 transmit to the Board an audit of the financial transactions  
18 and condition of the licensee's or manager's total operations.  
19 Additionally, within 90 days after the end of each quarter of  
20 each fiscal year, the licensed owner, ~~or~~ manager, or electronic  
21 gaming licensee shall transmit to the Board a compliance report  
22 on engagement procedures determined by the Board. All audits  
23 and compliance engagements shall be conducted by certified  
24 public accountants selected by the Board. Each certified public  
25 accountant must be registered in the State of Illinois under

1 the Illinois Public Accounting Act. The compensation for each  
2 certified public accountant shall be paid directly by the  
3 licensed owner, ~~or~~ manager, or electronic gaming licensee to  
4 the certified public accountant.

5 (Source: P.A. 96-1392, eff. 1-1-11.)

6 (230 ILCS 10/16) (from Ch. 120, par. 2416)

7 Sec. 16. Annual Report of Board. The Board shall make an  
8 annual report to the Governor, for the period ending December  
9 31 of each year. Included in the report shall be an account of  
10 the Board actions, its financial position and results of  
11 operation under this Act and the Chicago Casino Development  
12 Authority Act, the practical results attained under this Act  
13 and the Chicago Casino Development Authority Act and any  
14 recommendations for legislation which the Board deems  
15 advisable.

16 (Source: P.A. 86-1029.)

17 (230 ILCS 10/17) (from Ch. 120, par. 2417)

18 Sec. 17. Administrative Procedures. The Illinois  
19 Administrative Procedure Act shall apply to all administrative  
20 rules and procedures of the Board under this Act, the Chicago  
21 Casino Development Authority Act, and ~~or~~ the Video Gaming Act,  
22 except that: (1) subsection (b) of Section 5-10 of the Illinois  
23 Administrative Procedure Act does not apply to final orders,  
24 decisions and opinions of the Board; (2) subsection (a) of

1 Section 5-10 of the Illinois Administrative Procedure Act does  
2 not apply to forms established by the Board for use under this  
3 Act, the Chicago Casino Development Authority Act, and or the  
4 Video Gaming Act; (3) the provisions of Section 10-45 of the  
5 Illinois Administrative Procedure Act regarding proposals for  
6 decision are excluded under this Act, the Chicago Casino  
7 Development Authority Act, and ~~or~~ the Video Gaming Act; and (4)  
8 the provisions of subsection (d) of Section 10-65 of the  
9 Illinois Administrative Procedure Act do not apply so as to  
10 prevent summary suspension of any license pending revocation or  
11 other action, which suspension shall remain in effect unless  
12 modified by the Board or unless the Board's decision is  
13 reversed on the merits upon judicial review.

14 (Source: P.A. 96-34, eff. 7-13-09.)

15 (230 ILCS 10/17.1) (from Ch. 120, par. 2417.1)

16 Sec. 17.1. Judicial Review.

17 (a) Jurisdiction and venue for the judicial review of a  
18 final order of the Board relating to licensed owners,  
19 suppliers, electronic gaming licensees, and ~~or~~ special event  
20 licenses is vested in the Appellate Court of the judicial  
21 district in which Sangamon County is located. A petition for  
22 judicial review of a final order of the Board must be filed in  
23 the Appellate Court, within 35 days from the date that a copy  
24 of the decision sought to be reviewed was served upon the party  
25 affected by the decision.

1 (b) Judicial review of all other final orders of the Board  
2 shall be conducted in accordance with the Administrative Review  
3 Law.

4 (Source: P.A. 88-1.)

5 (230 ILCS 10/18) (from Ch. 120, par. 2418)

6 Sec. 18. Prohibited Activities - Penalty.

7 (a) A person is guilty of a Class A misdemeanor for doing  
8 any of the following:

9 (1) Conducting gambling where wagering is used or to be  
10 used without a license issued by the Board.

11 (2) Conducting gambling where wagering is permitted  
12 other than in the manner specified by Section 11.

13 (b) A person is guilty of a Class B misdemeanor for doing  
14 any of the following:

15 (1) permitting a person under 21 years to make a wager;  
16 or

17 (2) violating paragraph (12) of subsection (a) of  
18 Section 11 of this Act.

19 (c) A person wagering or accepting a wager at any location  
20 outside the riverboat, casino, or electronic gaming facility in  
21 violation of paragraph ~~is subject to the penalties in~~  
22 ~~paragraphs~~ (1) or (2) of subsection (a) of Section 28-1 of the  
23 Criminal Code of 2012 is subject to the penalties provided in  
24 that Section.

25 (d) A person commits a Class 4 felony and, in addition,

1 shall be barred for life from gambling operations ~~riverboats~~  
2 under the jurisdiction of the Board, if the person does any of  
3 the following:

4 (1) Offers, promises, or gives anything of value or  
5 benefit to a person who is connected with a riverboat or  
6 casino owner or electronic gaming licensee, including, but  
7 not limited to, an officer or employee of a licensed owner,  
8 electronic gaming licensee, or holder of an occupational  
9 license pursuant to an agreement or arrangement or with the  
10 intent that the promise or thing of value or benefit will  
11 influence the actions of the person to whom the offer,  
12 promise, or gift was made in order to affect or attempt to  
13 affect the outcome of a gambling game, or to influence  
14 official action of a member of the Board.

15 (2) Solicits or knowingly accepts or receives a promise  
16 of anything of value or benefit while the person is  
17 connected with a riverboat, casino, or electronic gaming  
18 facility, including, but not limited to, an officer or  
19 employee of a licensed owner or electronic gaming licensee,  
20 or the holder of an occupational license, pursuant to an  
21 understanding or arrangement or with the intent that the  
22 promise or thing of value or benefit will influence the  
23 actions of the person to affect or attempt to affect the  
24 outcome of a gambling game, or to influence official action  
25 of a member of the Board.

26 (3) Uses or possesses with the intent to use a device

1 to assist:

2 (i) In projecting the outcome of the game.

3 (ii) In keeping track of the cards played.

4 (iii) In analyzing the probability of the  
5 occurrence of an event relating to the gambling game.

6 (iv) In analyzing the strategy for playing or  
7 betting to be used in the game except as permitted by  
8 the Board.

9 (4) Cheats at a gambling game.

10 (5) Manufactures, sells, or distributes any cards,  
11 chips, dice, game or device which is intended to be used to  
12 violate any provision of this Act or the Chicago Casino  
13 Development Authority Act.

14 (6) Alters or misrepresents the outcome of a gambling  
15 game on which wagers have been made after the outcome is  
16 made sure but before it is revealed to the players.

17 (7) Places a bet after acquiring knowledge, not  
18 available to all players, of the outcome of the gambling  
19 game which is subject of the bet or to aid a person in  
20 acquiring the knowledge for the purpose of placing a bet  
21 contingent on that outcome.

22 (8) Claims, collects, or takes, or attempts to claim,  
23 collect, or take, money or anything of value in or from the  
24 gambling games, with intent to defraud, without having made  
25 a wager contingent on winning a gambling game, or claims,  
26 collects, or takes an amount of money or thing of value of



1 greater value than the amount won.

2 (9) Uses counterfeit chips or tokens in a gambling  
3 game.

4 (10) Possesses any key or device designed for the  
5 purpose of opening, entering, or affecting the operation of  
6 a gambling game, drop box, or an electronic or mechanical  
7 device connected with the gambling game or for removing  
8 coins, tokens, chips or other contents of a gambling game.  
9 This paragraph (10) does not apply to a gambling licensee  
10 or employee of a gambling licensee acting in furtherance of  
11 the employee's employment.

12 (e) The possession of more than one of the devices  
13 described in subsection (d), paragraphs (3), (5), or (10)  
14 permits a rebuttable presumption that the possessor intended to  
15 use the devices for cheating.

16 (f) A person under the age of 21 who, except as authorized  
17 under paragraph (10) of Section 11, enters upon a riverboat or  
18 in a casino or electronic gaming facility commits a petty  
19 offense and is subject to a fine of not less than \$100 or more  
20 than \$250 for a first offense and of not less than \$200 or more  
21 than \$500 for a second or subsequent offense.

22 An action to prosecute any crime occurring on a riverboat  
23 shall be tried in the county of the dock at which the riverboat  
24 is based. An action to prosecute any crime occurring in a  
25 casino or electronic gaming facility shall be tried in the  
26 county in which the casino or electronic gaming facility is

1 located.

2 (Source: P.A. 96-1392, eff. 1-1-11; 97-1150, eff. 1-25-13.)

3 (230 ILCS 10/18.1)

4 Sec. 18.1. Distribution of certain fines. If a fine is  
5 imposed on an owner licensee or an electronic gaming licensee  
6 for knowingly sending marketing or promotional materials to any  
7 person placed on the self-exclusion list, then the Board shall  
8 distribute an amount equal to 15% of the fine imposed to the  
9 unit of local government in which the casino, riverboat, or  
10 electronic gaming facility is located for the purpose of  
11 awarding grants to non-profit entities that assist gambling  
12 addicts.

13 (Source: P.A. 96-224, eff. 8-11-09.)

14 (230 ILCS 10/19) (from Ch. 120, par. 2419)

15 Sec. 19. Forfeiture of property.

16 (a) Except as provided in subsection (b), any riverboat,  
17 casino, or electronic gaming facility used for the conduct of  
18 gambling games in violation of this Act shall be considered a  
19 gambling place in violation of Section 28-3 of the Criminal  
20 Code of 2012. Every gambling device found on a riverboat, in a  
21 casino, or at an electronic gaming facility operating gambling  
22 games in violation of this Act and every slot machine and video  
23 game of chance found at an electronic gaming facility operating  
24 gambling games in violation of this Act or the Chicago Casino

1 Development Authority Act shall be subject to seizure,  
2 confiscation and destruction as provided in Section 28-5 of the  
3 Criminal Code of 2012.

4 (b) It is not a violation of this Act for a riverboat or  
5 other watercraft which is licensed for gaming by a contiguous  
6 state to dock on the shores of this State if the municipality  
7 having jurisdiction of the shores, or the county in the case of  
8 unincorporated areas, has granted permission for docking and no  
9 gaming is conducted on the riverboat or other watercraft while  
10 it is docked on the shores of this State. No gambling device  
11 shall be subject to seizure, confiscation or destruction if the  
12 gambling device is located on a riverboat or other watercraft  
13 which is licensed for gaming by a contiguous state and which is  
14 docked on the shores of this State if the municipality having  
15 jurisdiction of the shores, or the county in the case of  
16 unincorporated areas, has granted permission for docking and no  
17 gaming is conducted on the riverboat or other watercraft while  
18 it is docked on the shores of this State.

19 (Source: P.A. 97-1150, eff. 1-25-13.)

20 (230 ILCS 10/20) (from Ch. 120, par. 2420)

21 Sec. 20. Prohibited activities - civil penalties. Any  
22 person who conducts a gambling operation without first  
23 obtaining a license to do so, or who continues to conduct such  
24 games after revocation of his license, or any licensee who  
25 conducts or allows to be conducted any unauthorized gambling

1 games on a riverboat, in a casino, or at an electronic gaming  
2 facility where it is authorized to conduct its ~~riverboat~~  
3 gambling operation, in addition to other penalties provided,  
4 shall be subject to a civil penalty equal to the amount of  
5 gross receipts derived from wagering on the gambling games,  
6 whether unauthorized or authorized, conducted on that day as  
7 well as confiscation and forfeiture of all gambling game  
8 equipment used in the conduct of unauthorized gambling games.

9 (Source: P.A. 86-1029.)

10 (230 ILCS 10/21) (from Ch. 120, par. 2421)

11 Sec. 21. Limitation on taxation of licensees. Licensees  
12 shall not be subjected to any excise tax, license tax, permit  
13 tax, privilege tax, occupation tax or excursion tax which is  
14 imposed exclusively upon the licensee by the State or any  
15 political subdivision thereof, except as provided in this Act  
16 or the Chicago Casino Development Authority Act.

17 (Source: P.A. 86-1029.)

18 (230 ILCS 10/23) (from Ch. 120, par. 2423)

19 Sec. 23. The State Gaming Fund. On or after the effective  
20 date of this Act, except as provided for payments into the  
21 Horse Racing Equity Trust Fund under subsection (a) of Section  
22 7, all of the fees and taxes collected pursuant to this Act or  
23 the Chicago Casino Development Authority Act shall be deposited  
24 into the State Gaming Fund, a special fund in the State

1 Treasury, which is hereby created. The adjusted gross receipts  
2 of any riverboat gambling operations conducted by a licensed  
3 manager on behalf of the State remaining after the payment of  
4 the fees and expenses of the licensed manager shall be  
5 deposited into the State Gaming Fund. Fines and penalties  
6 collected pursuant to this Act or the Chicago Casino  
7 Development Authority Act shall be deposited into the Education  
8 Assistance Fund, created by Public Act 86-0018, of the State of  
9 Illinois.

10 (Source: P.A. 93-28, eff. 6-20-03; 94-804, eff. 5-26-06.)

11 (230 ILCS 10/24)

12 Sec. 24. Applicability of this Illinois Riverboat Gambling  
13 Act. The provisions of the this Illinois Riverboat Gambling  
14 Act, and all rules promulgated thereunder, shall apply to the  
15 Chicago Casino Development Authority Act and the Video Gaming  
16 Act, except where there is a conflict between the 2 Acts. In  
17 the event of a conflict between this Act and the Chicago Casino  
18 Development Authority Act, the terms of the Chicago Casino  
19 Development Authority Act shall prevail. In the event of a  
20 conflict between this Act and the Video Gaming Act, the terms  
21 of this Act shall prevail.

22 (Source: P.A. 96-37, eff. 7-13-09.)

23 (230 ILCS 10/25 new)

24 Sec. 25. Wide area progressive systems. The operation of a

1 wide area progressive system is permitted in gambling  
2 operations authorized under this Act subject to the following  
3 conditions:

4 (1) The method of communication over the wide area  
5 progressive system must consist of dedicated on-line  
6 communication lines or the equivalent, as determined by the  
7 Administrator, or wireless communication, which may be  
8 subject to certain restrictions imposed by the  
9 Administrator.

10 (2) All communication between each facility location  
11 and the central system site must be encrypted.

12 (3) The central system site must be located within the  
13 State of Illinois and be equipped with a non-interruptible  
14 power supply and the central computer must be capable of  
15 on-line data redundancy should hard disk peripherals fail  
16 during operation. The office containing the central  
17 computer shall be equipped with a surveillance system that  
18 has been approved by the Administrator. The wide area  
19 progressive system provider shall be required to keep and  
20 maintain an entry and exit log for the office containing  
21 the central computer. The wide area progressive system  
22 provider shall provide access to the office containing the  
23 central computer to the Administrator and shall make  
24 available to the Administrator all books, records, and  
25 information required by the Administrator in fulfilling  
26 his or her regulatory purpose.

1           (4) A wide area progressive system provider must  
2           suspend play on the wide area progressive system if a  
3           communication failure of the system cannot be corrected  
4           within 24 consecutive hours.

5           (5) Approval by the Board of any wide area progressive  
6           system shall occur only after the Administrator has  
7           reviewed the wide area progressive system software and  
8           hardware and is satisfied that the operation of the system  
9           meets accepted industry standards for wide area  
10           progressive system products, as well as any other  
11           requirements that the Administrator may impose to ensure  
12           the integrity, security, and legal operation of the wide  
13           area progressive system.

14           (6) A meter that shows the amount of the common  
15           progressive jackpot must be conspicuously displayed at or  
16           near the machines to which the jackpot applies. The common  
17           progressive jackpot meter need not precisely show the  
18           actual moneys in the common progressive jackpot award at  
19           each instant. Nothing shall prohibit the use of an odometer  
20           or other paced updating progressive display to show updates  
21           to the jackpot. When a paced updating display is used and  
22           the remote site is communicating to the central computer,  
23           the common progressive jackpot meter must display the  
24           winning value after the jackpot broadcast is received from  
25           the central system. If a common progressive jackpot is  
26           recognized in the middle of a systemwide poll cycle, the

1 common progressive jackpot display may contain a value less  
2 than the aggregated amount calculated by the central  
3 system. The fund values from the remaining portion of the  
4 poll cycle shall be received by the central system, but not  
5 the local site, in which case the common progressive  
6 jackpot amount paid shall always be the higher of the 2  
7 reporting amounts.

8 (7) When a common progressive jackpot is won, the wide  
9 area progressive system provider shall have the  
10 opportunity to inspect the machine, storage media, the  
11 error events received by the central system, and any other  
12 data which could reasonably be used to ascertain the  
13 validity of the jackpot.

14 (A) The central system shall produce reports that  
15 clearly demonstrate the method of arriving at the  
16 payoff amount. This shall include the funds  
17 contributed beginning with the polling cycle  
18 immediately following the previous jackpot and all  
19 funds contributed up to and including the polling cycle  
20 that includes the jackpot signal. Funds contributed to  
21 and registered by the system before the jackpot message  
22 is received shall be deemed to have been contributed to  
23 the progressive amount prior to the current jackpot.  
24 Funds contributed to the system subsequent to the  
25 jackpot message's being received, as well as funds  
26 contributed to the system before the jackpot message is



1           received by the system but registered after the jackpot  
2           message is received at the system, shall be deemed to  
3           have been contributed to the progressive amount of the  
4           next jackpot.

5           (B) The common progressive jackpot may be  
6           disbursed in periodic payments as long as each machine  
7           clearly displays the fact that the jackpot shall be  
8           paid in such periodic payments. In addition, the number  
9           of periodic payments and time between payments must be  
10          clearly displayed on the slot machine in a  
11          non-misleading manner.

12          (C) A wide area progressive system provider must,  
13          upon request, supply to the Board reports that support  
14          and verify the economic activity of the system.

15          (8) In calculating adjusted gross revenue, a facility  
16          may deduct its pro rata share of the present value of any  
17          common progressive jackpots awarded. The deduction shall  
18          be listed on the detailed accounting records provided by  
19          the wide area progressive system provider. A facility's pro  
20          rata share is based on the number of funds in from that  
21          facility's machines on the wide area progressive system,  
22          compared to the total amount of funds in on the whole  
23          system for the time period between jackpots awarded.

24          (9) In the event a facility ceases operations and a  
25          progressive jackpot is awarded subsequent to the last day  
26          of the final month of operation, the facility may not file

1 an amended wagering tax submission or make a claim for a  
2 wagering tax refund based on its contributions to that  
3 particular progressive prize pool.

4 (10) A facility, or an entity that is licensed as a  
5 manufacturer or distributor, shall provide the wide area  
6 progressive system in accordance with a written agreement  
7 that shall be reviewed and approved by the Board prior to  
8 offering the jackpots.

9 (11) The payment of any common progressive jackpot  
10 offered on a wide area progressive system shall be  
11 administered by the wide area progressive system provider,  
12 and the provider shall have primary liability for payment  
13 of any common progressive jackpot the person administers.

14 (12) A wide area progressive system provider shall  
15 comply with the following:

16 (A) A reserve shall be established and maintained  
17 by the provider of the wide area progressive system in  
18 an amount of not less than the sum of the following  
19 amounts:

20 (i) the present value of the aggregate  
21 remaining balances owed on all jackpots previously  
22 won by patrons on the wide area progressive system;

23 (ii) the present value of the amount currently  
24 reflected on the jackpot meters of the wide area  
25 progressive system; and

26 (iii) the present value of one additional

1           reset of the wide area progressive system.

2           (B) The reserve shall continue to be maintained  
3 until all payments owed to winners of the common  
4 progressive jackpots have been made.

5           (C) For common progressive jackpots disbursed in  
6 periodic payments, any qualified investment shall be  
7 purchased within 90 days following notice of the win of  
8 the common progressive jackpot, and a copy of such  
9 qualified investment shall be provided to the Board  
10 within 30 days of purchase. Any qualified investment  
11 shall have a surrender value at maturity and shall have  
12 a maturity date prior to the date the periodic jackpot  
13 payment is required to be made.

14           (D) The person authorized to provide the wide area  
15 progressive system shall not be permitted to sell,  
16 trade, or otherwise dispose of any qualified  
17 investments prior to their maturity unless approval to  
18 do so is first obtained from the Board.

19           (E) Upon becoming aware of an event of  
20 noncompliance with the terms of the reserve  
21 requirement mandated by subparagraph (A) in this  
22 paragraph (12), the wide area progressive system  
23 provider must immediately notify the Board of such  
24 event. An event of noncompliance includes a  
25 non-payment of a jackpot periodic payment or a  
26 circumstance which may cause the wide area progressive

1 system provider to be unable to fulfill, or which may  
2 otherwise impair the person's ability to satisfy, the  
3 person's jackpot payment obligations.

4 (F) On a quarterly basis, the wide area progressive  
5 system provider must deliver to the Board a calculation  
6 of system reserves required under subparagraph (A) in  
7 this paragraph (12). The calculation shall come with a  
8 certification of financial compliance signed by a duly  
9 authorized financial officer of the wide area  
10 progressive system provider, on a form prescribed by  
11 the Board, validating the calculation.

12 (13) For common progressive jackpots disbursed in  
13 periodic payments, subsequent to the date of the win, a  
14 winner may be offered the option to receive, in lieu of  
15 periodic payments, a discounted single cash payment in the  
16 form of a qualified prize option, as that term is defined  
17 in Section 451(h) of the Internal Revenue Code of 1986. The  
18 wide area progressive system provider shall calculate the  
19 single cash payment based on the discount rate. Until the  
20 new discount rate becomes effective, the discount rate  
21 selected by the wide area progressive system provider shall  
22 be used to calculate the single cash payment for all  
23 qualified prizes that occur subsequent to the date of the  
24 selected discount rate.

25 Section 90-42. The Video Gaming Act is amended by changing

1 Sections 5, 20, 25, 45, 79, and 80 and by adding Section 90 as  
2 follows:

3 (230 ILCS 40/5)

4 Sec. 5. Definitions. As used in this Act:

5 "Board" means the Illinois Gaming Board.

6 "Credit" means one, 5, 10, or 25 cents either won or  
7 purchased by a player.

8 "Distributor" means an individual, partnership,  
9 corporation, or limited liability company licensed under this  
10 Act to buy, sell, lease, or distribute video gaming terminals  
11 or major components or parts of video gaming terminals to or  
12 from terminal operators.

13 "Electronic card" means a card purchased from a licensed  
14 establishment, licensed fraternal establishment, licensed  
15 veterans establishment, or licensed truck stop establishment  
16 for use in that establishment as a substitute for cash in the  
17 conduct of gaming on a video gaming terminal.

18 "Electronic voucher" means a voucher printed by an  
19 electronic video game machine that is redeemable in the  
20 licensed establishment for which it was issued.

21 "Terminal operator" means an individual, partnership,  
22 corporation, or limited liability company that is licensed  
23 under this Act and that owns, services, and maintains video  
24 gaming terminals for placement in licensed establishments,  
25 licensed truck stop establishments, licensed fraternal

1 establishments, or licensed veterans establishments.

2 "Licensed technician" means an individual who is licensed  
3 under this Act to repair, service, and maintain video gaming  
4 terminals.

5 "Licensed terminal handler" means a person, including but  
6 not limited to an employee or independent contractor working  
7 for a manufacturer, distributor, supplier, technician, or  
8 terminal operator, who is licensed under this Act to possess or  
9 control a video gaming terminal or to have access to the inner  
10 workings of a video gaming terminal. A licensed terminal  
11 handler does not include an individual, partnership,  
12 corporation, or limited liability company defined as a  
13 manufacturer, distributor, supplier, technician, or terminal  
14 operator under this Act.

15 "Manufacturer" means an individual, partnership,  
16 corporation, or limited liability company that is licensed  
17 under this Act and that manufactures or assembles video gaming  
18 terminals.

19 "Supplier" means an individual, partnership, corporation,  
20 or limited liability company that is licensed under this Act to  
21 supply major components or parts to video gaming terminals to  
22 licensed terminal operators.

23 "Net terminal income" means money put into a video gaming  
24 terminal minus credits paid out to players.

25 "Video gaming terminal" means any electronic video game  
26 machine that, upon insertion of cash, electronic cards or

1 vouchers, or any combination thereof, is available to play or  
2 simulate the play of a video game, including but not limited to  
3 video poker, line up, and blackjack, as authorized by the Board  
4 utilizing a video display and microprocessors in which the  
5 player may receive free games or credits that can be redeemed  
6 for cash. The term does not include a machine that directly  
7 dispenses coins, cash, or tokens or is for amusement purposes  
8 only.

9 "Licensed establishment" means any licensed retail  
10 establishment where alcoholic liquor is drawn, poured, mixed,  
11 or otherwise served for consumption on the premises, whether  
12 the establishment operates on a nonprofit or for-profit basis.  
13 "Licensed establishment" includes any such establishment that  
14 has a contractual relationship with an inter-track wagering  
15 location licensee licensed under the Illinois Horse Racing Act  
16 of 1975, provided any contractual relationship shall not  
17 include any transfer or offer of revenue from the operation of  
18 video gaming under this Act to any licensee licensed under the  
19 Illinois Horse Racing Act of 1975. Provided, however, that the  
20 licensed establishment that has such a contractual  
21 relationship with an inter-track wagering location licensee  
22 may not, itself, be (i) an inter-track wagering location  
23 licensee, (ii) the corporate parent or subsidiary of any  
24 licensee licensed under the Illinois Horse Racing Act of 1975,  
25 or (iii) the corporate subsidiary of a corporation that is also  
26 the corporate parent or subsidiary of any licensee licensed

1 under the Illinois Horse Racing Act of 1975. "Licensed  
2 establishment" does not include a facility operated by an  
3 organization licensee, an inter-track wagering licensee, or an  
4 inter-track wagering location licensee licensed under the  
5 Illinois Horse Racing Act of 1975 or a riverboat licensed under  
6 the Illinois Riverboat Gambling Act, except as provided in this  
7 paragraph. The changes made to this definition by Public Act  
8 98-587 are declarative of existing law.

9 "Licensed fraternal establishment" means the location  
10 where a qualified fraternal organization that derives its  
11 charter from a national fraternal organization regularly  
12 meets.

13 "Licensed veterans establishment" means the location where  
14 a qualified veterans organization that derives its charter from  
15 a national veterans organization regularly meets.

16 "Licensed truck stop establishment" means a facility (i)  
17 that is at least a 3-acre facility with a convenience store,  
18 (ii) with separate diesel islands for fueling commercial motor  
19 vehicles, (iii) that sells at retail more than 10,000 gallons  
20 of diesel or biodiesel fuel per month, and (iv) with parking  
21 spaces for commercial motor vehicles. "Commercial motor  
22 vehicles" has the same meaning as defined in Section 18b-101 of  
23 the Illinois Vehicle Code. The requirement of item (iii) of  
24 this paragraph may be met by showing that estimated future  
25 sales or past sales average at least 10,000 gallons per month.

26 (Source: P.A. 97-333, eff. 8-12-11; 98-31, eff. 6-24-13;



1 98-582, eff. 8-27-13; 98-587, eff. 8-27-13; 98-756, eff.  
2 7-16-14.)

3 (230 ILCS 40/20)

4 Sec. 20. Direct dispensing of receipt tickets only. A video  
5 gaming terminal may not directly dispense coins, cash, tokens,  
6 or any other article of exchange or value except for receipt  
7 tickets. Tickets shall be dispensed by pressing the ticket  
8 dispensing button on the video gaming terminal at the end of  
9 one's turn or play. The ticket shall indicate the total amount  
10 of credits and the cash award, the time of day in a 24-hour  
11 format showing hours and minutes, the date, the terminal serial  
12 number, the sequential number of the ticket, and an encrypted  
13 validation number from which the validity of the prize may be  
14 determined. The player shall turn in this ticket to the  
15 appropriate person at the licensed establishment, licensed  
16 truck stop establishment, licensed fraternal establishment, or  
17 licensed veterans establishment to receive the cash award. The  
18 cost of the credit shall be one cent, 5 cents, 10 cents, or 25  
19 cents, and the maximum wager played per hand shall not exceed  
20 \$4 ~~\$2~~. No cash award for the maximum wager on any individual  
21 hand shall exceed \$1,199, except in the case of a wide area  
22 progressive system, as defined in the Illinois Gambling Act,  
23 which shall have no limits for cash awards ~~\$500~~.

24 (Source: P.A. 96-34, eff. 7-13-09; 96-1410, eff. 7-30-10.)

1 (230 ILCS 40/25)

2 Sec. 25. Restriction of licensees.

3 (a) Manufacturer. A person may not be licensed as a  
4 manufacturer of a video gaming terminal in Illinois unless the  
5 person has a valid manufacturer's license issued under this  
6 Act. A manufacturer may only sell video gaming terminals for  
7 use in Illinois to persons having a valid distributor's  
8 license.

9 (b) Distributor. A person may not sell, distribute, or  
10 lease or market a video gaming terminal in Illinois unless the  
11 person has a valid distributor's license issued under this Act.  
12 A distributor may only sell video gaming terminals for use in  
13 Illinois to persons having a valid distributor's or terminal  
14 operator's license.

15 (c) Terminal operator. A person may not own, maintain, or  
16 place a video gaming terminal unless he has a valid terminal  
17 operator's license issued under this Act. A terminal operator  
18 may only place video gaming terminals for use in Illinois in  
19 licensed establishments, licensed truck stop establishments,  
20 licensed fraternal establishments, and licensed veterans  
21 establishments. No terminal operator may give anything of  
22 value, including but not limited to a loan or financing  
23 arrangement, to a licensed establishment, licensed truck stop  
24 establishment, licensed fraternal establishment, or licensed  
25 veterans establishment as any incentive or inducement to locate  
26 video terminals in that establishment. Of the after-tax profits

1 from a video gaming terminal, 50% shall be paid to the terminal  
2 operator and 50% shall be paid to the licensed establishment,  
3 licensed truck stop establishment, licensed fraternal  
4 establishment, or licensed veterans establishment,  
5 notwithstanding any agreement to the contrary. A video terminal  
6 operator that violates one or more requirements of this  
7 subsection is guilty of a Class 4 felony and is subject to  
8 termination of his or her license by the Board.

9 (d) Licensed technician. A person may not service,  
10 maintain, or repair a video gaming terminal in this State  
11 unless he or she (1) has a valid technician's license issued  
12 under this Act, (2) is a terminal operator, or (3) is employed  
13 by a terminal operator, distributor, or manufacturer.

14 (d-5) Licensed terminal handler. No person, including, but  
15 not limited to, an employee or independent contractor working  
16 for a manufacturer, distributor, supplier, technician, or  
17 terminal operator licensed pursuant to this Act, shall have  
18 possession or control of a video gaming terminal, or access to  
19 the inner workings of a video gaming terminal, unless that  
20 person possesses a valid terminal handler's license issued  
21 under this Act.

22 (e) Licensed establishment. No video gaming terminal may be  
23 placed in any licensed establishment, licensed veterans  
24 establishment, licensed truck stop establishment, or licensed  
25 fraternal establishment unless the owner or agent of the owner  
26 of the licensed establishment, licensed veterans

1 establishment, licensed truck stop establishment, or licensed  
2 fraternal establishment has entered into a written use  
3 agreement with the terminal operator for placement of the  
4 terminals. A copy of the use agreement shall be on file in the  
5 terminal operator's place of business and available for  
6 inspection by individuals authorized by the Board. A licensed  
7 establishment, licensed truck stop establishment, licensed  
8 veterans establishment, or licensed fraternal establishment  
9 may operate up to 5 video gaming terminals on its premises at  
10 any time.

11 (f) (Blank).

12 (g) Financial interest restrictions. As used in this Act,  
13 "substantial interest" in a partnership, a corporation, an  
14 organization, an association, a business, or a limited  
15 liability company means:

16 (A) When, with respect to a sole proprietorship, an  
17 individual or his or her spouse owns, operates, manages, or  
18 conducts, directly or indirectly, the organization,  
19 association, or business, or any part thereof; or

20 (B) When, with respect to a partnership, the individual  
21 or his or her spouse shares in any of the profits, or  
22 potential profits, of the partnership activities; or

23 (C) When, with respect to a corporation, an individual  
24 or his or her spouse is an officer or director, or the  
25 individual or his or her spouse is a holder, directly or  
26 beneficially, of 5% or more of any class of stock of the

1 corporation; or

2 (D) When, with respect to an organization not covered  
3 in (A), (B) or (C) above, an individual or his or her  
4 spouse is an officer or manages the business affairs, or  
5 the individual or his or her spouse is the owner of or  
6 otherwise controls 10% or more of the assets of the  
7 organization; or

8 (E) When an individual or his or her spouse furnishes  
9 5% or more of the capital, whether in cash, goods, or  
10 services, for the operation of any business, association,  
11 or organization during any calendar year; or

12 (F) When, with respect to a limited liability company,  
13 an individual or his or her spouse is a member, or the  
14 individual or his or her spouse is a holder, directly or  
15 beneficially, of 5% or more of the membership interest of  
16 the limited liability company.

17 For purposes of this subsection (g), "individual" includes  
18 all individuals or their spouses whose combined interest would  
19 qualify as a substantial interest under this subsection (g) and  
20 whose activities with respect to an organization, association,  
21 or business are so closely aligned or coordinated as to  
22 constitute the activities of a single entity.

23 (h) Location restriction. A licensed establishment,  
24 licensed truck stop establishment, licensed fraternal  
25 establishment, or licensed veterans establishment that is (i)  
26 located within 1,000 feet of a facility operated by an

1 organization licensee licensed under the Illinois Horse Racing  
2 Act of 1975 or the home dock of a riverboat licensed under the  
3 Illinois Riverboat Gambling Act or (ii) located within 100 feet  
4 of a school or a place of worship under the Religious  
5 Corporation Act, is ineligible to operate a video gaming  
6 terminal. The location restrictions in this subsection (h) do  
7 not apply if (A) a facility operated by an organization  
8 licensee, a school, or a place of worship moves to or is  
9 established within the restricted area after a licensed  
10 establishment, licensed truck stop establishment, licensed  
11 fraternal establishment, or licensed veterans establishment  
12 becomes licensed under this Act or (B) a school or place of  
13 worship moves to or is established within the restricted area  
14 after a licensed establishment, licensed truck stop  
15 establishment, licensed fraternal establishment, or licensed  
16 veterans establishment obtains its original liquor license.  
17 For the purpose of this subsection, "school" means an  
18 elementary or secondary public school, or an elementary or  
19 secondary private school registered with or recognized by the  
20 State Board of Education.

21 Notwithstanding the provisions of this subsection (h), the  
22 Board may waive the requirement that a licensed establishment,  
23 licensed truck stop establishment, licensed fraternal  
24 establishment, or licensed veterans establishment not be  
25 located within 1,000 feet from a facility operated by an  
26 organization licensee licensed under the Illinois Horse Racing

1 Act of 1975 or the home dock of a riverboat licensed under the  
2 Illinois Riverboat Gambling Act. The Board shall not grant such  
3 waiver if there is any common ownership or control, shared  
4 business activity, or contractual arrangement of any type  
5 between the establishment and the organization licensee or  
6 owners licensee of a riverboat. The Board shall adopt rules to  
7 implement the provisions of this paragraph.

8 (i) Undue economic concentration. In addition to  
9 considering all other requirements under this Act, in deciding  
10 whether to approve the operation of video gaming terminals by a  
11 terminal operator in a location, the Board shall consider the  
12 impact of any economic concentration of such operation of video  
13 gaming terminals. The Board shall not allow a terminal operator  
14 to operate video gaming terminals if the Board determines such  
15 operation will result in undue economic concentration. For  
16 purposes of this Section, "undue economic concentration" means  
17 that a terminal operator would have such actual or potential  
18 influence over video gaming terminals in Illinois as to:

19 (1) substantially impede or suppress competition among  
20 terminal operators;

21 (2) adversely impact the economic stability of the  
22 video gaming industry in Illinois; or

23 (3) negatively impact the purposes of the Video Gaming  
24 Act.

25 The Board shall adopt rules concerning undue economic  
26 concentration with respect to the operation of video gaming

1 terminals in Illinois. The rules shall include, but not be  
2 limited to, (i) limitations on the number of video gaming  
3 terminals operated by any terminal operator within a defined  
4 geographic radius and (ii) guidelines on the discontinuation of  
5 operation of any such video gaming terminals the Board  
6 determines will cause undue economic concentration.

7 (j) The provisions of the Illinois Antitrust Act are fully  
8 and equally applicable to the activities of any licensee under  
9 this Act.

10 (Source: P.A. 97-333, eff. 8-12-11; 98-31, eff. 6-24-13; 98-77,  
11 eff. 7-15-13; 98-112, eff. 7-26-13; 98-756, eff. 7-16-14.)

12 (230 ILCS 40/45)

13 Sec. 45. Issuance of license.

14 (a) The burden is upon each applicant to demonstrate his  
15 suitability for licensure. Each video gaming terminal  
16 manufacturer, distributor, supplier, operator, handler,  
17 licensed establishment, licensed truck stop establishment,  
18 licensed fraternal establishment, and licensed veterans  
19 establishment shall be licensed by the Board. The Board may  
20 issue or deny a license under this Act to any person pursuant  
21 to the same criteria set forth in Section 9 of the Illinois  
22 ~~Riverboat~~ Gambling Act.

23 (a-5) The Board shall not grant a license to a person who  
24 has facilitated, enabled, or participated in the use of  
25 coin-operated devices for gambling purposes or who is under the



1 significant influence or control of such a person. For the  
2 purposes of this Act, "facilitated, enabled, or participated in  
3 the use of coin-operated amusement devices for gambling  
4 purposes" means that the person has been convicted of any  
5 violation of Article 28 of the Criminal Code of 1961 or the  
6 Criminal Code of 2012. If there is pending legal action against  
7 a person for any such violation, then the Board shall delay the  
8 licensure of that person until the legal action is resolved.

9 (b) Each person seeking and possessing a license as a video  
10 gaming terminal manufacturer, distributor, supplier, operator,  
11 handler, licensed establishment, licensed truck stop  
12 establishment, licensed fraternal establishment, or licensed  
13 veterans establishment shall submit to a background  
14 investigation conducted by the Board with the assistance of the  
15 State Police or other law enforcement. To the extent that the  
16 corporate structure of the applicant allows, the background  
17 investigation shall include any or all of the following as the  
18 Board deems appropriate or as provided by rule for each  
19 category of licensure: (i) each beneficiary of a trust, (ii)  
20 each partner of a partnership, (iii) each member of a limited  
21 liability company, (iv) each director and officer of a publicly  
22 or non-publicly held corporation, (v) each stockholder of a  
23 non-publicly held corporation, (vi) each stockholder of 5% or  
24 more of a publicly held corporation, or (vii) each stockholder  
25 of 5% or more in a parent or subsidiary corporation.

26 (c) Each person seeking and possessing a license as a video

1 gaming terminal manufacturer, distributor, supplier, operator,  
2 handler, licensed establishment, licensed truck stop  
3 establishment, licensed fraternal establishment, or licensed  
4 veterans establishment shall disclose the identity of every  
5 person, association, trust, corporation, or limited liability  
6 company having a greater than 1% direct or indirect pecuniary  
7 interest in the video gaming terminal operation for which the  
8 license is sought. If the disclosed entity is a trust, the  
9 application shall disclose the names and addresses of the  
10 beneficiaries; if a corporation, the names and addresses of all  
11 stockholders and directors; if a limited liability company, the  
12 names and addresses of all members; or if a partnership, the  
13 names and addresses of all partners, both general and limited.

14 (d) No person may be licensed as a video gaming terminal  
15 manufacturer, distributor, supplier, operator, handler,  
16 licensed establishment, licensed truck stop establishment,  
17 licensed fraternal establishment, or licensed veterans  
18 establishment if that person has been found by the Board to:

19 (1) have a background, including a criminal record,  
20 reputation, habits, social or business associations, or  
21 prior activities that pose a threat to the public interests  
22 of the State or to the security and integrity of video  
23 gaming;

24 (2) create or enhance the dangers of unsuitable,  
25 unfair, or illegal practices, methods, and activities in  
26 the conduct of video gaming; or

1           (3) present questionable business practices and  
 2           financial arrangements incidental to the conduct of video  
 3           gaming activities.

4           (e) Any applicant for any license under this Act has the  
 5           burden of proving his or her qualifications to the satisfaction  
 6           of the Board. The Board may adopt rules to establish additional  
 7           qualifications and requirements to preserve the integrity and  
 8           security of video gaming in this State.

9           (f) A non-refundable application fee shall be paid at the  
 10          time an application for a license is filed with the Board in  
 11          the following amounts:

- 12           (1) Manufacturer ..... \$5,000
- 13           (2) Distributor..... \$5,000
- 14           (3) Terminal operator..... \$5,000
- 15           (4) Supplier ..... \$2,500
- 16           (5) Technician ..... \$100
- 17           (6) Terminal Handler ..... \$50

18          (g) The Board shall establish an annual fee for each  
 19          license not to exceed the following:

- 20           (1) Manufacturer ..... \$10,000
- 21           (2) Distributor..... \$10,000
- 22           (3) Terminal operator..... \$5,000
- 23           (4) Supplier ..... \$2,000
- 24           (5) Technician ..... \$100
- 25           (6) Licensed establishment, licensed truck stop  
 26          establishment, licensed fraternal establishment,

- 1 or licensed veterans establishment ..... \$100
- 2 (7) Video gaming terminal..... \$100
- 3 (8) Terminal Handler ..... \$50
- 4 (h) A terminal operator and a licensed establishment,
- 5 licensed truck stop establishment, licensed fraternal
- 6 establishment, or licensed veterans establishment shall
- 7 equally split the fees specified in item (7) of subsection (g).
- 8 (Source: P.A. 97-1150, eff. 1-25-13; 98-31, eff. 6-24-13;
- 9 98-587, eff. 8-27-13; 98-756, eff. 7-16-14.)

10 (230 ILCS 40/79)

11 Sec. 79. Investigators. Investigators appointed by the

12 Board pursuant to the powers conferred upon the Board by

13 paragraph (20.6) of subsection (c) of Section 5 of the Illinois

14 ~~Riverboat~~ Gambling Act and Section 80 of this Act shall have

15 authority to conduct investigations, searches, seizures,

16 arrests, and other duties imposed under this Act and the

17 Illinois ~~Riverboat~~ Gambling Act, as deemed necessary by the

18 Board. These investigators have and may exercise all of the

19 rights and powers of peace officers, provided that these powers

20 shall be (1) limited to offenses or violations occurring or

21 committed in connection with conduct subject to this Act,

22 including, but not limited to, the manufacture, distribution,

23 supply, operation, placement, service, maintenance, or play of

24 video gaming terminals and the distribution of profits and

25 collection of revenues resulting from such play, and (2)

1 exercised, to the fullest extent practicable, in cooperation  
2 with the local police department of the applicable municipality  
3 or, if these powers are exercised outside the boundaries of an  
4 incorporated municipality or within a municipality that does  
5 not have its own police department, in cooperation with the  
6 police department whose jurisdiction encompasses the  
7 applicable locality.

8 (Source: P.A. 97-809, eff. 7-13-12.)

9 (230 ILCS 40/80)

10 Sec. 80. Applicability of Illinois ~~Riverboat~~ Gambling Act.  
11 The provisions of the Illinois ~~Riverboat~~ Gambling Act, and all  
12 rules promulgated thereunder, shall apply to the Video Gaming  
13 Act, except where there is a conflict between the 2 Acts. In  
14 the event of a conflict between the 2 Acts, the provisions of  
15 the Illinois Gambling Act shall prevail. All provisions of the  
16 Uniform Penalty and Interest Act shall apply, as far as  
17 practicable, to the subject matter of this Act to the same  
18 extent as if such provisions were included herein.

19 (Source: P.A. 96-37, eff. 7-13-09.)

20 (230 ILCS 40/90 new)

21 Sec. 90. Wide area progressive systems. The operation of a  
22 wide area progressive system, as defined in the Illinois  
23 Gambling Act, is permitted, subject to the provisions of the  
24 Illinois Gambling Act, and the following conditions:

1           (1) Licensed terminal operators and manufacturer or  
2           supplier licensees may operate one or more wide area  
3           progressive systems in licensed establishments, licensed  
4           truck stop establishments, licensed veterans  
5           establishments, and licensed fraternal establishments. A  
6           designated portion of a player's wager may be allocated to  
7           the jackpot. The jackpot may be awarded to a player on any  
8           of the video gaming terminals that are linked to the wide  
9           area progressive system.

10           (2) A wide area progressive system shall at all times  
11           be installed and operated in accordance with relevant  
12           requirements of this Act and technical standards of wide  
13           area progressive systems.

14           (3) A wide area progressive system shall be operated  
15           and administered by participating licensees in accordance  
16           with the terms and conditions of a written approved policy,  
17           which must be submitted in writing and approved by the  
18           Board prior to implementation and must comply with this Act  
19           and technical standards of wide area progressive systems.

20           (4) Approved policies must address:

21                   (A) responsibility for the funding and payment of  
22                   all jackpots, fees, and taxes associated with the  
23                   operation of the wide area progressive system;

24                   (B) control and operation of the computer  
25                   monitoring room required under paragraph (5); and

26                   (C) other requirements in the technical standards

1 on wide area progressive systems.

2 (5) A wide area progressive system shall be controlled  
3 and operated from a computer monitoring room. The computer  
4 monitoring room must:

5 (A) be under the sole possession and control of,  
6 and maintained and operated by, employees of the  
7 licensee designated in the approved policy for that  
8 system; the employees of the licensee may be required  
9 to obtain a terminal handler license if the Board  
10 determines, after a review of the work being performed,  
11 the employees require a license or permit for the  
12 protection of the integrity of gaming;

13 (B) have its monitoring equipment subjected to  
14 surveillance coverage either by the surveillance  
15 system of a licensee or by a dedicated surveillance  
16 system maintained by the terminal operator;

17 (C) be accessible through a locked door; the door  
18 must be alarmed in a manner that audibly signals the  
19 surveillance monitoring room for the surveillance  
20 system elected under subparagraph (B) of this  
21 paragraph (5); and

22 (D) have a computer monitoring room entry log.

23 This Section shall not be construed to impact the maximum  
24 wager as set forth in this Act.

25 Section 90-45. The Liquor Control Act of 1934 is amended by

1 changing Sections 5-1 and 6-30 as follows:

2 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

3 Sec. 5-1. Licenses issued by the Illinois Liquor Control  
4 Commission shall be of the following classes:

5 (a) Manufacturer's license - Class 1. Distiller, Class 2.  
6 Rectifier, Class 3. Brewer, Class 4. First Class Wine  
7 Manufacturer, Class 5. Second Class Wine Manufacturer, Class 6.  
8 First Class Winemaker, Class 7. Second Class Winemaker, Class  
9 8. Limited Wine Manufacturer, Class 9. Craft Distiller, Class  
10 10. Class 1 Brewer, Class 11. Class 2 Brewer,

11 (b) Distributor's license,

12 (c) Importing Distributor's license,

13 (d) Retailer's license,

14 (e) Special Event Retailer's license (not-for-profit),

15 (f) Railroad license,

16 (g) Boat license,

17 (h) Non-Beverage User's license,

18 (i) Wine-maker's premises license,

19 (j) Airplane license,

20 (k) Foreign importer's license,

21 (l) Broker's license,

22 (m) Non-resident dealer's license,

23 (n) Brew Pub license,

24 (o) Auction liquor license,

25 (p) Caterer retailer license,



- 1 (q) Special use permit license,  
2 (r) Winery shipper's license,  
3 (s) Craft distiller tasting permit.

4 No person, firm, partnership, corporation, or other legal  
5 business entity that is engaged in the manufacturing of wine  
6 may concurrently obtain and hold a wine-maker's license and a  
7 wine manufacturer's license.

8 (a) A manufacturer's license shall allow the manufacture,  
9 importation in bulk, storage, distribution and sale of  
10 alcoholic liquor to persons without the State, as may be  
11 permitted by law and to licensees in this State as follows:

12 Class 1. A Distiller may make sales and deliveries of  
13 alcoholic liquor to distillers, rectifiers, importing  
14 distributors, distributors and non-beverage users and to no  
15 other licensees.

16 Class 2. A Rectifier, who is not a distiller, as defined  
17 herein, may make sales and deliveries of alcoholic liquor to  
18 rectifiers, importing distributors, distributors, retailers  
19 and non-beverage users and to no other licensees.

20 Class 3. A Brewer may make sales and deliveries of beer to  
21 importing distributors and distributors and may make sales as  
22 authorized under subsection (e) of Section 6-4 of this Act.

23 Class 4. A first class wine-manufacturer may make sales and  
24 deliveries of up to 50,000 gallons of wine to manufacturers,  
25 importing distributors and distributors, and to no other  
26 licensees.

1           Class 5. A second class Wine manufacturer may make sales  
2 and deliveries of more than 50,000 gallons of wine to  
3 manufacturers, importing distributors and distributors and to  
4 no other licensees.

5           Class 6. A first-class wine-maker's license shall allow the  
6 manufacture of up to 50,000 gallons of wine per year, and the  
7 storage and sale of such wine to distributors in the State and  
8 to persons without the State, as may be permitted by law. A  
9 person who, prior to June 1, 2008 (the effective date of Public  
10 Act 95-634), is a holder of a first-class wine-maker's license  
11 and annually produces more than 25,000 gallons of its own wine  
12 and who distributes its wine to licensed retailers shall cease  
13 this practice on or before July 1, 2008 in compliance with  
14 Public Act 95-634.

15           Class 7. A second-class wine-maker's license shall allow  
16 the manufacture of between 50,000 and 150,000 gallons of wine  
17 per year, and the storage and sale of such wine to distributors  
18 in this State and to persons without the State, as may be  
19 permitted by law. A person who, prior to June 1, 2008 (the  
20 effective date of Public Act 95-634), is a holder of a  
21 second-class wine-maker's license and annually produces more  
22 than 25,000 gallons of its own wine and who distributes its  
23 wine to licensed retailers shall cease this practice on or  
24 before July 1, 2008 in compliance with Public Act 95-634.

25           Class 8. A limited wine-manufacturer may make sales and  
26 deliveries not to exceed 40,000 gallons of wine per year to

1 distributors, and to non-licensees in accordance with the  
2 provisions of this Act.

3 Class 9. A craft distiller license shall allow the  
4 manufacture of up to 100,000 gallons of spirits by distillation  
5 per year and the storage of such spirits. If a craft distiller  
6 licensee, including a craft distiller licensee who holds more  
7 than one craft distiller license, is not affiliated with any  
8 other manufacturer of spirits, then the craft distiller  
9 licensee may sell such spirits to distributors in this State  
10 and up to 2,500 gallons of such spirits to non-licensees to the  
11 extent permitted by any exemption approved by the Commission  
12 pursuant to Section 6-4 of this Act. A craft distiller license  
13 holder may store such spirits at a non-contiguous licensed  
14 location, but at no time shall a craft distiller license holder  
15 directly or indirectly produce in the aggregate more than  
16 100,000 gallons of spirits per year.

17 A craft distiller licensee may hold more than one craft  
18 distiller's license. However, a craft distiller that holds more  
19 than one craft distiller license shall not manufacture, in the  
20 aggregate, more than 100,000 gallons of spirits by distillation  
21 per year and shall not sell, in the aggregate, more than 2,500  
22 gallons of such spirits to non-licensees in accordance with an  
23 exemption approved by the State Commission pursuant to Section  
24 6-4 of this Act.

25 Any craft distiller licensed under this Act who on July 28,  
26 2010 (the effective date of Public Act 96-1367) was licensed as

1 a distiller and manufactured no more spirits than permitted by  
2 this Section shall not be required to pay the initial licensing  
3 fee.

4 Class 10. A class 1 brewer license, which may only be  
5 issued to a licensed brewer or licensed non-resident dealer,  
6 shall allow the manufacture of up to 930,000 gallons of beer  
7 per year provided that the class 1 brewer licensee does not  
8 manufacture more than a combined 930,000 gallons of beer per  
9 year and is not a member of or affiliated with, directly or  
10 indirectly, a manufacturer that produces more than 930,000  
11 gallons of beer per year or any other alcoholic liquor. A class  
12 1 brewer licensee may make sales and deliveries to importing  
13 distributors and distributors and to retail licensees in  
14 accordance with the conditions set forth in paragraph (18) of  
15 subsection (a) of Section 3-12 of this Act.

16 Class 11. A class 2 brewer license, which may only be  
17 issued to a licensed brewer or licensed non-resident dealer,  
18 shall allow the manufacture of up to 3,720,000 gallons of beer  
19 per year provided that the class 2 brewer licensee does not  
20 manufacture more than a combined 3,720,000 gallons of beer per  
21 year and is not a member of or affiliated with, directly or  
22 indirectly, a manufacturer that produces more than 3,720,000  
23 gallons of beer per year or any other alcoholic liquor. A class  
24 2 brewer licensee may make sales and deliveries to importing  
25 distributors and distributors, but shall not make sales or  
26 deliveries to any other licensee. If the State Commission

1 provides prior approval, a class 2 brewer licensee may annually  
2 transfer up to 3,720,000 gallons of beer manufactured by that  
3 class 2 brewer licensee to the premises of a licensed class 2  
4 brewer wholly owned and operated by the same licensee.

5 (a-1) A manufacturer which is licensed in this State to  
6 make sales or deliveries of alcoholic liquor to licensed  
7 distributors or importing distributors and which enlists  
8 agents, representatives, or individuals acting on its behalf  
9 who contact licensed retailers on a regular and continual basis  
10 in this State must register those agents, representatives, or  
11 persons acting on its behalf with the State Commission.

12 Registration of agents, representatives, or persons acting  
13 on behalf of a manufacturer is fulfilled by submitting a form  
14 to the Commission. The form shall be developed by the  
15 Commission and shall include the name and address of the  
16 applicant, the name and address of the manufacturer he or she  
17 represents, the territory or areas assigned to sell to or  
18 discuss pricing terms of alcoholic liquor, and any other  
19 questions deemed appropriate and necessary. All statements in  
20 the forms required to be made by law or by rule shall be deemed  
21 material, and any person who knowingly misstates any material  
22 fact under oath in an application is guilty of a Class B  
23 misdemeanor. Fraud, misrepresentation, false statements,  
24 misleading statements, evasions, or suppression of material  
25 facts in the securing of a registration are grounds for  
26 suspension or revocation of the registration. The State

1 Commission shall post a list of registered agents on the  
2 Commission's website.

3 (b) A distributor's license shall allow the wholesale  
4 purchase and storage of alcoholic liquors and sale of alcoholic  
5 liquors to licensees in this State and to persons without the  
6 State, as may be permitted by law. No person licensed as a  
7 distributor shall be granted a non-resident dealer's license.

8 (c) An importing distributor's license may be issued to and  
9 held by those only who are duly licensed distributors, upon the  
10 filing of an application by a duly licensed distributor, with  
11 the Commission and the Commission shall, without the payment of  
12 any fee, immediately issue such importing distributor's  
13 license to the applicant, which shall allow the importation of  
14 alcoholic liquor by the licensee into this State from any point  
15 in the United States outside this State, and the purchase of  
16 alcoholic liquor in barrels, casks or other bulk containers and  
17 the bottling of such alcoholic liquors before resale thereof,  
18 but all bottles or containers so filled shall be sealed,  
19 labeled, stamped and otherwise made to comply with all  
20 provisions, rules and regulations governing manufacturers in  
21 the preparation and bottling of alcoholic liquors. The  
22 importing distributor's license shall permit such licensee to  
23 purchase alcoholic liquor from Illinois licensed non-resident  
24 dealers and foreign importers only. No person licensed as an  
25 importing distributor shall be granted a non-resident dealer's  
26 license.

1 (d) A retailer's license shall allow the licensee to sell  
2 and offer for sale at retail, only in the premises specified in  
3 the license, alcoholic liquor for use or consumption, but not  
4 for resale in any form. Nothing in Public Act 95-634 shall  
5 deny, limit, remove, or restrict the ability of a holder of a  
6 retailer's license to transfer, deliver, or ship alcoholic  
7 liquor to the purchaser for use or consumption subject to any  
8 applicable local law or ordinance. Any retail license issued to  
9 a manufacturer shall only permit the manufacturer to sell beer  
10 at retail on the premises actually occupied by the  
11 manufacturer. For the purpose of further describing the type of  
12 business conducted at a retail licensed premises, a retailer's  
13 licensee may be designated by the State Commission as (i) an on  
14 premise consumption retailer, (ii) an off premise sale  
15 retailer, or (iii) a combined on premise consumption and off  
16 premise sale retailer.

17 Notwithstanding any other provision of this subsection  
18 (d), a retail licensee may sell alcoholic liquors to a special  
19 event retailer licensee for resale to the extent permitted  
20 under subsection (e).

21 (e) A special event retailer's license (not-for-profit)  
22 shall permit the licensee to purchase alcoholic liquors from an  
23 Illinois licensed distributor (unless the licensee purchases  
24 less than \$500 of alcoholic liquors for the special event, in  
25 which case the licensee may purchase the alcoholic liquors from  
26 a licensed retailer) and shall allow the licensee to sell and

1 offer for sale, at retail, alcoholic liquors for use or  
2 consumption, but not for resale in any form and only at the  
3 location and on the specific dates designated for the special  
4 event in the license. An applicant for a special event retailer  
5 license must (i) furnish with the application: (A) a resale  
6 number issued under Section 2c of the Retailers' Occupation Tax  
7 Act or evidence that the applicant is registered under Section  
8 2a of the Retailers' Occupation Tax Act, (B) a current, valid  
9 exemption identification number issued under Section 1g of the  
10 Retailers' Occupation Tax Act, and a certification to the  
11 Commission that the purchase of alcoholic liquors will be a  
12 tax-exempt purchase, or (C) a statement that the applicant is  
13 not registered under Section 2a of the Retailers' Occupation  
14 Tax Act, does not hold a resale number under Section 2c of the  
15 Retailers' Occupation Tax Act, and does not hold an exemption  
16 number under Section 1g of the Retailers' Occupation Tax Act,  
17 in which event the Commission shall set forth on the special  
18 event retailer's license a statement to that effect; (ii)  
19 submit with the application proof satisfactory to the State  
20 Commission that the applicant will provide dram shop liability  
21 insurance in the maximum limits; and (iii) show proof  
22 satisfactory to the State Commission that the applicant has  
23 obtained local authority approval.

24 (f) A railroad license shall permit the licensee to import  
25 alcoholic liquors into this State from any point in the United  
26 States outside this State and to store such alcoholic liquors



1 in this State; to make wholesale purchases of alcoholic liquors  
2 directly from manufacturers, foreign importers, distributors  
3 and importing distributors from within or outside this State;  
4 and to store such alcoholic liquors in this State; provided  
5 that the above powers may be exercised only in connection with  
6 the importation, purchase or storage of alcoholic liquors to be  
7 sold or dispensed on a club, buffet, lounge or dining car  
8 operated on an electric, gas or steam railway in this State;  
9 and provided further, that railroad licensees exercising the  
10 above powers shall be subject to all provisions of Article VIII  
11 of this Act as applied to importing distributors. A railroad  
12 license shall also permit the licensee to sell or dispense  
13 alcoholic liquors on any club, buffet, lounge or dining car  
14 operated on an electric, gas or steam railway regularly  
15 operated by a common carrier in this State, but shall not  
16 permit the sale for resale of any alcoholic liquors to any  
17 licensee within this State. A license shall be obtained for  
18 each car in which such sales are made.

19 (g) A boat license shall allow the sale of alcoholic liquor  
20 in individual drinks, on any passenger boat regularly operated  
21 as a common carrier on navigable waters in this State or on any  
22 riverboat operated under the Illinois Riverboat ~~Riverboat~~ Gambling Act,  
23 which boat or riverboat maintains a public dining room or  
24 restaurant thereon.

25 (h) A non-beverage user's license shall allow the licensee  
26 to purchase alcoholic liquor from a licensed manufacturer or

1 importing distributor, without the imposition of any tax upon  
 2 the business of such licensed manufacturer or importing  
 3 distributor as to such alcoholic liquor to be used by such  
 4 licensee solely for the non-beverage purposes set forth in  
 5 subsection (a) of Section 8-1 of this Act, and such licenses  
 6 shall be divided and classified and shall permit the purchase,  
 7 possession and use of limited and stated quantities of  
 8 alcoholic liquor as follows:

- 9 Class 1, not to exceed ..... 500 gallons
- 10 Class 2, not to exceed ..... 1,000 gallons
- 11 Class 3, not to exceed ..... 5,000 gallons
- 12 Class 4, not to exceed ..... 10,000 gallons
- 13 Class 5, not to exceed ..... 50,000 gallons

14 (i) A wine-maker's premises license shall allow a licensee  
 15 that concurrently holds a first-class wine-maker's license to  
 16 sell and offer for sale at retail in the premises specified in  
 17 such license not more than 50,000 gallons of the first-class  
 18 wine-maker's wine that is made at the first-class wine-maker's  
 19 licensed premises per year for use or consumption, but not for  
 20 resale in any form. A wine-maker's premises license shall allow  
 21 a licensee who concurrently holds a second-class wine-maker's  
 22 license to sell and offer for sale at retail in the premises  
 23 specified in such license up to 100,000 gallons of the  
 24 second-class wine-maker's wine that is made at the second-class  
 25 wine-maker's licensed premises per year for use or consumption  
 26 but not for resale in any form. A wine-maker's premises license

1 shall allow a licensee that concurrently holds a first-class  
2 wine-maker's license or a second-class wine-maker's license to  
3 sell and offer for sale at retail at the premises specified in  
4 the wine-maker's premises license, for use or consumption but  
5 not for resale in any form, any beer, wine, and spirits  
6 purchased from a licensed distributor. Upon approval from the  
7 State Commission, a wine-maker's premises license shall allow  
8 the licensee to sell and offer for sale at (i) the wine-maker's  
9 licensed premises and (ii) at up to 2 additional locations for  
10 use and consumption and not for resale. Each location shall  
11 require additional licensing per location as specified in  
12 Section 5-3 of this Act. A wine-maker's premises licensee shall  
13 secure liquor liability insurance coverage in an amount at  
14 least equal to the maximum liability amounts set forth in  
15 subsection (a) of Section 6-21 of this Act.

16 (j) An airplane license shall permit the licensee to import  
17 alcoholic liquors into this State from any point in the United  
18 States outside this State and to store such alcoholic liquors  
19 in this State; to make wholesale purchases of alcoholic liquors  
20 directly from manufacturers, foreign importers, distributors  
21 and importing distributors from within or outside this State;  
22 and to store such alcoholic liquors in this State; provided  
23 that the above powers may be exercised only in connection with  
24 the importation, purchase or storage of alcoholic liquors to be  
25 sold or dispensed on an airplane; and provided further, that  
26 airplane licensees exercising the above powers shall be subject

1 to all provisions of Article VIII of this Act as applied to  
2 importing distributors. An airplane licensee shall also permit  
3 the sale or dispensing of alcoholic liquors on any passenger  
4 airplane regularly operated by a common carrier in this State,  
5 but shall not permit the sale for resale of any alcoholic  
6 liquors to any licensee within this State. A single airplane  
7 license shall be required of an airline company if liquor  
8 service is provided on board aircraft in this State. The annual  
9 fee for such license shall be as determined in Section 5-3.

10 (k) A foreign importer's license shall permit such licensee  
11 to purchase alcoholic liquor from Illinois licensed  
12 non-resident dealers only, and to import alcoholic liquor other  
13 than in bulk from any point outside the United States and to  
14 sell such alcoholic liquor to Illinois licensed importing  
15 distributors and to no one else in Illinois; provided that (i)  
16 the foreign importer registers with the State Commission every  
17 brand of alcoholic liquor that it proposes to sell to Illinois  
18 licensees during the license period, (ii) the foreign importer  
19 complies with all of the provisions of Section 6-9 of this Act  
20 with respect to registration of such Illinois licensees as may  
21 be granted the right to sell such brands at wholesale, and  
22 (iii) the foreign importer complies with the provisions of  
23 Sections 6-5 and 6-6 of this Act to the same extent that these  
24 provisions apply to manufacturers.

25 (l) (i) A broker's license shall be required of all persons  
26 who solicit orders for, offer to sell or offer to supply

1 alcoholic liquor to retailers in the State of Illinois, or who  
2 offer to retailers to ship or cause to be shipped or to make  
3 contact with distillers, rectifiers, brewers or manufacturers  
4 or any other party within or without the State of Illinois in  
5 order that alcoholic liquors be shipped to a distributor,  
6 importing distributor or foreign importer, whether such  
7 solicitation or offer is consummated within or without the  
8 State of Illinois.

9 No holder of a retailer's license issued by the Illinois  
10 Liquor Control Commission shall purchase or receive any  
11 alcoholic liquor, the order for which was solicited or offered  
12 for sale to such retailer by a broker unless the broker is the  
13 holder of a valid broker's license.

14 The broker shall, upon the acceptance by a retailer of the  
15 broker's solicitation of an order or offer to sell or supply or  
16 deliver or have delivered alcoholic liquors, promptly forward  
17 to the Illinois Liquor Control Commission a notification of  
18 said transaction in such form as the Commission may by  
19 regulations prescribe.

20 (ii) A broker's license shall be required of a person  
21 within this State, other than a retail licensee, who, for a fee  
22 or commission, promotes, solicits, or accepts orders for  
23 alcoholic liquor, for use or consumption and not for resale, to  
24 be shipped from this State and delivered to residents outside  
25 of this State by an express company, common carrier, or  
26 contract carrier. This Section does not apply to any person who

1 promotes, solicits, or accepts orders for wine as specifically  
2 authorized in Section 6-29 of this Act.

3 A broker's license under this subsection (1) shall not  
4 entitle the holder to buy or sell any alcoholic liquors for his  
5 own account or to take or deliver title to such alcoholic  
6 liquors.

7 This subsection (1) shall not apply to distributors,  
8 employees of distributors, or employees of a manufacturer who  
9 has registered the trademark, brand or name of the alcoholic  
10 liquor pursuant to Section 6-9 of this Act, and who regularly  
11 sells such alcoholic liquor in the State of Illinois only to  
12 its registrants thereunder.

13 Any agent, representative, or person subject to  
14 registration pursuant to subsection (a-1) of this Section shall  
15 not be eligible to receive a broker's license.

16 (m) A non-resident dealer's license shall permit such  
17 licensee to ship into and warehouse alcoholic liquor into this  
18 State from any point outside of this State, and to sell such  
19 alcoholic liquor to Illinois licensed foreign importers and  
20 importing distributors and to no one else in this State;  
21 provided that (i) said non-resident dealer shall register with  
22 the Illinois Liquor Control Commission each and every brand of  
23 alcoholic liquor which it proposes to sell to Illinois  
24 licensees during the license period, (ii) it shall comply with  
25 all of the provisions of Section 6-9 hereof with respect to  
26 registration of such Illinois licensees as may be granted the

1 right to sell such brands at wholesale, and (iii) the  
2 non-resident dealer shall comply with the provisions of  
3 Sections 6-5 and 6-6 of this Act to the same extent that these  
4 provisions apply to manufacturers. No person licensed as a  
5 non-resident dealer shall be granted a distributor's or  
6 importing distributor's license.

7 (n) A brew pub license shall allow the licensee to only (i)  
8 manufacture up to 155,000 gallons of beer per year only on the  
9 premises specified in the license, (ii) make sales of the beer  
10 manufactured on the premises or, with the approval of the  
11 Commission, beer manufactured on another brew pub licensed  
12 premises that is wholly owned and operated by the same licensee  
13 to importing distributors, distributors, and to non-licensees  
14 for use and consumption, (iii) store the beer upon the  
15 premises, (iv) sell and offer for sale at retail from the  
16 licensed premises for off-premises consumption no more than  
17 155,000 gallons per year so long as such sales are only made  
18 in-person, (v) sell and offer for sale at retail for use and  
19 consumption on the premises specified in the license any form  
20 of alcoholic liquor purchased from a licensed distributor or  
21 importing distributor, and (vi) with the prior approval of the  
22 Commission, annually transfer no more than 155,000 gallons of  
23 beer manufactured on the premises to a licensed brew pub wholly  
24 owned and operated by the same licensee.

25 A brew pub licensee shall not under any circumstance sell  
26 or offer for sale beer manufactured by the brew pub licensee to

1 retail licensees.

2 A person who holds a class 2 brewer license may  
3 simultaneously hold a brew pub license if the class 2 brewer  
4 (i) does not, under any circumstance, sell or offer for sale  
5 beer manufactured by the class 2 brewer to retail licensees;  
6 (ii) does not hold more than 3 brew pub licenses in this State;  
7 (iii) does not manufacture more than a combined 3,720,000  
8 gallons of beer per year, including the beer manufactured at  
9 the brew pub; and (iv) is not a member of or affiliated with,  
10 directly or indirectly, a manufacturer that produces more than  
11 3,720,000 gallons of beer per year or any other alcoholic  
12 liquor.

13 Notwithstanding any other provision of this Act, a licensed  
14 brewer, class 2 brewer, or non-resident dealer who before July  
15 1, 2015 manufactured less than 3,720,000 gallons of beer per  
16 year and held a brew pub license on or before July 1, 2015 may  
17 (i) continue to qualify for and hold that brew pub license for  
18 the licensed premises and (ii) manufacture more than 3,720,000  
19 gallons of beer per year and continue to qualify for and hold  
20 that brew pub license if that brewer, class 2 brewer, or  
21 non-resident dealer does not simultaneously hold a class 1  
22 brewer license and is not a member of or affiliated with,  
23 directly or indirectly, a manufacturer that produces more than  
24 3,720,000 gallons of beer per year or that produces any other  
25 alcoholic liquor.

26 (o) A caterer retailer license shall allow the holder to



1 serve alcoholic liquors as an incidental part of a food service  
2 that serves prepared meals which excludes the serving of snacks  
3 as the primary meal, either on or off-site whether licensed or  
4 unlicensed.

5 (p) An auction liquor license shall allow the licensee to  
6 sell and offer for sale at auction wine and spirits for use or  
7 consumption, or for resale by an Illinois liquor licensee in  
8 accordance with provisions of this Act. An auction liquor  
9 license will be issued to a person and it will permit the  
10 auction liquor licensee to hold the auction anywhere in the  
11 State. An auction liquor license must be obtained for each  
12 auction at least 14 days in advance of the auction date.

13 (q) A special use permit license shall allow an Illinois  
14 licensed retailer to transfer a portion of its alcoholic liquor  
15 inventory from its retail licensed premises to the premises  
16 specified in the license hereby created, and to sell or offer  
17 for sale at retail, only in the premises specified in the  
18 license hereby created, the transferred alcoholic liquor for  
19 use or consumption, but not for resale in any form. A special  
20 use permit license may be granted for the following time  
21 periods: one day or less; 2 or more days to a maximum of 15 days  
22 per location in any 12-month period. An applicant for the  
23 special use permit license must also submit with the  
24 application proof satisfactory to the State Commission that the  
25 applicant will provide dram shop liability insurance to the  
26 maximum limits and have local authority approval.

1 (r) A winery shipper's license shall allow a person with a  
2 first-class or second-class wine manufacturer's license, a  
3 first-class or second-class wine-maker's license, or a limited  
4 wine manufacturer's license or who is licensed to make wine  
5 under the laws of another state to ship wine made by that  
6 licensee directly to a resident of this State who is 21 years  
7 of age or older for that resident's personal use and not for  
8 resale. Prior to receiving a winery shipper's license, an  
9 applicant for the license must provide the Commission with a  
10 true copy of its current license in any state in which it is  
11 licensed as a manufacturer of wine. An applicant for a winery  
12 shipper's license must also complete an application form that  
13 provides any other information the Commission deems necessary.  
14 The application form shall include all addresses from which the  
15 applicant for a winery shipper's license intends to ship wine,  
16 including the name and address of any third party, except for a  
17 common carrier, authorized to ship wine on behalf of the  
18 manufacturer. The application form shall include an  
19 acknowledgement consenting to the jurisdiction of the  
20 Commission, the Illinois Department of Revenue, and the courts  
21 of this State concerning the enforcement of this Act and any  
22 related laws, rules, and regulations, including authorizing  
23 the Department of Revenue and the Commission to conduct audits  
24 for the purpose of ensuring compliance with Public Act 95-634,  
25 and an acknowledgement that the wine manufacturer is in  
26 compliance with Section 6-2 of this Act. Any third party,

1 except for a common carrier, authorized to ship wine on behalf  
2 of a first-class or second-class wine manufacturer's licensee,  
3 a first-class or second-class wine-maker's licensee, a limited  
4 wine manufacturer's licensee, or a person who is licensed to  
5 make wine under the laws of another state shall also be  
6 disclosed by the winery shipper's licensee, and a copy of the  
7 written appointment of the third-party wine provider, except  
8 for a common carrier, to the wine manufacturer shall be filed  
9 with the State Commission as a supplement to the winery  
10 shipper's license application or any renewal thereof. The  
11 winery shipper's license holder shall affirm under penalty of  
12 perjury, as part of the winery shipper's license application or  
13 renewal, that he or she only ships wine, either directly or  
14 indirectly through a third-party provider, from the licensee's  
15 own production.

16 Except for a common carrier, a third-party provider  
17 shipping wine on behalf of a winery shipper's license holder is  
18 the agent of the winery shipper's license holder and, as such,  
19 a winery shipper's license holder is responsible for the acts  
20 and omissions of the third-party provider acting on behalf of  
21 the license holder. A third-party provider, except for a common  
22 carrier, that engages in shipping wine into Illinois on behalf  
23 of a winery shipper's license holder shall consent to the  
24 jurisdiction of the State Commission and the State. Any  
25 third-party, except for a common carrier, holding such an  
26 appointment shall, by February 1 of each calendar year and upon

1 request by the State Commission or the Department of Revenue,  
2 file with the State Commission a statement detailing each  
3 shipment made to an Illinois resident. The statement shall  
4 include the name and address of the third-party provider filing  
5 the statement, the time period covered by the statement, and  
6 the following information:

7 (1) the name, address, and license number of the winery  
8 shipper on whose behalf the shipment was made;

9 (2) the quantity of the products delivered; and

10 (3) the date and address of the shipment.

11 If the Department of Revenue or the State Commission requests a  
12 statement under this paragraph, the third-party provider must  
13 provide that statement no later than 30 days after the request  
14 is made. Any books, records, supporting papers, and documents  
15 containing information and data relating to a statement under  
16 this paragraph shall be kept and preserved for a period of 3  
17 years, unless their destruction sooner is authorized, in  
18 writing, by the Director of Revenue, and shall be open and  
19 available to inspection by the Director of Revenue or the State  
20 Commission or any duly authorized officer, agent, or employee  
21 of the State Commission or the Department of Revenue, at all  
22 times during business hours of the day. Any person who violates  
23 any provision of this paragraph or any rule of the State  
24 Commission for the administration and enforcement of the  
25 provisions of this paragraph is guilty of a Class C  
26 misdemeanor. In case of a continuing violation, each day's

1 continuance thereof shall be a separate and distinct offense.

2 The State Commission shall adopt rules as soon as  
3 practicable to implement the requirements of Public Act 99-904  
4 and shall adopt rules prohibiting any such third-party  
5 appointment of a third-party provider, except for a common  
6 carrier, that has been deemed by the State Commission to have  
7 violated the provisions of this Act with regard to any winery  
8 shipper licensee.

9 A winery shipper licensee must pay to the Department of  
10 Revenue the State liquor gallonage tax under Section 8-1 for  
11 all wine that is sold by the licensee and shipped to a person  
12 in this State. For the purposes of Section 8-1, a winery  
13 shipper licensee shall be taxed in the same manner as a  
14 manufacturer of wine. A licensee who is not otherwise required  
15 to register under the Retailers' Occupation Tax Act must  
16 register under the Use Tax Act to collect and remit use tax to  
17 the Department of Revenue for all gallons of wine that are sold  
18 by the licensee and shipped to persons in this State. If a  
19 licensee fails to remit the tax imposed under this Act in  
20 accordance with the provisions of Article VIII of this Act, the  
21 winery shipper's license shall be revoked in accordance with  
22 the provisions of Article VII of this Act. If a licensee fails  
23 to properly register and remit tax under the Use Tax Act or the  
24 Retailers' Occupation Tax Act for all wine that is sold by the  
25 winery shipper and shipped to persons in this State, the winery  
26 shipper's license shall be revoked in accordance with the

1 provisions of Article VII of this Act.

2 A winery shipper licensee must collect, maintain, and  
3 submit to the Commission on a semi-annual basis the total  
4 number of cases per resident of wine shipped to residents of  
5 this State. A winery shipper licensed under this subsection (r)  
6 must comply with the requirements of Section 6-29 of this Act.

7 Pursuant to paragraph (5.1) or (5.3) of subsection (a) of  
8 Section 3-12, the State Commission may receive, respond to, and  
9 investigate any complaint and impose any of the remedies  
10 specified in paragraph (1) of subsection (a) of Section 3-12.

11 As used in this subsection, "third-party provider" means  
12 any entity that provides fulfillment house services, including  
13 warehousing, packaging, distribution, order processing, or  
14 shipment of wine, but not the sale of wine, on behalf of a  
15 licensed winery shipper.

16 (s) A craft distiller tasting permit license shall allow an  
17 Illinois licensed craft distiller to transfer a portion of its  
18 alcoholic liquor inventory from its craft distiller licensed  
19 premises to the premises specified in the license hereby  
20 created and to conduct a sampling, only in the premises  
21 specified in the license hereby created, of the transferred  
22 alcoholic liquor in accordance with subsection (c) of Section  
23 6-31 of this Act. The transferred alcoholic liquor may not be  
24 sold or resold in any form. An applicant for the craft  
25 distiller tasting permit license must also submit with the  
26 application proof satisfactory to the State Commission that the

1 applicant will provide dram shop liability insurance to the  
2 maximum limits and have local authority approval.

3 (Source: P.A. 99-448, eff. 8-24-15; 99-642, eff. 7-28-16;  
4 99-800, eff. 8-12-16; 99-902, eff. 8-26-16; 99-904, eff.  
5 1-1-17; 100-17, eff. 6-30-17; 100-201, eff. 8-18-17.)

6 (235 ILCS 5/6-30) (from Ch. 43, par. 144f)

7 Sec. 6-30. Notwithstanding any other provision of this Act,  
8 the Illinois Gaming Board shall have exclusive authority to  
9 establish the hours for sale and consumption of alcoholic  
10 liquor on board a riverboat during riverboat gambling  
11 excursions and in a casino conducted in accordance with the  
12 Illinois Riverboat Gambling Act.

13 (Source: P.A. 87-826.)

14 Section 90-46. The Illinois Public Aid Code is amended by  
15 changing Section 10-17.15 as follows:

16 (305 ILCS 5/10-17.15)

17 Sec. 10-17.15. Certification of information to State  
18 gaming licensees.

19 (a) For purposes of this Section, "State gaming licensee"  
20 means, as applicable, an organization licensee or advance  
21 deposit wagering licensee licensed under the Illinois Horse  
22 Racing Act of 1975, an owners licensee licensed under the  
23 Illinois Riverboat Gambling Act, or a licensee that operates,

1 under any law of this State, one or more facilities or gaming  
2 locations at which lawful gambling is authorized and licensed  
3 as provided in the Illinois Riverboat Gambling Act.

4 (b) The Department may provide, by rule, for certification  
5 to any State gaming licensee of past due child support owed by  
6 a responsible relative under a support order entered by a court  
7 or administrative body of this or any other State on behalf of  
8 a resident or non-resident receiving child support services  
9 under this Article in accordance with the requirements of Title  
10 IV-D, Part D, of the Social Security Act. The State gaming  
11 licensee shall have the ability to withhold from winnings  
12 required to be reported to the Internal Revenue Service on Form  
13 W-2G, up to the full amount of winnings necessary to pay the  
14 winner's past due child support. The rule shall provide for  
15 notice to and an opportunity to be heard by each responsible  
16 relative affected and any final administrative decision  
17 rendered by the Department shall be reviewed only under and in  
18 accordance with the Administrative Review Law.

19 (c) For withholding of winnings, the State gaming licensee  
20 shall be entitled to an administrative fee not to exceed the  
21 lesser of 4% of the total amount of cash winnings paid to the  
22 gambling winner or \$150.

23 (d) In no event may the total amount withheld from the cash  
24 payout, including the administrative fee, exceed the total cash  
25 winnings claimed by the obligor. If the cash payout claimed is  
26 greater than the amount sufficient to satisfy the obligor's



1 delinquent child support payments, the State gaming licensee  
2 shall pay the obligor the remaining balance of the payout, less  
3 the administrative fee authorized by subsection (c) of this  
4 Section, at the time it is claimed.

5 (e) A State gaming licensee who in good faith complies with  
6 the requirements of this Section shall not be liable to the  
7 gaming winner or any other individual or entity.

8 (Source: P.A. 98-318, eff. 8-12-13.)

9 Section 90-47. The Firearm Concealed Carry Act is amended  
10 by changing Section 65 as follows:

11 (430 ILCS 66/65)

12 Sec. 65. Prohibited areas.

13 (a) A licensee under this Act shall not knowingly carry a  
14 firearm on or into:

15 (1) Any building, real property, and parking area under  
16 the control of a public or private elementary or secondary  
17 school.

18 (2) Any building, real property, and parking area under  
19 the control of a pre-school or child care facility,  
20 including any room or portion of a building under the  
21 control of a pre-school or child care facility. Nothing in  
22 this paragraph shall prevent the operator of a child care  
23 facility in a family home from owning or possessing a  
24 firearm in the home or license under this Act, if no child

1 under child care at the home is present in the home or the  
2 firearm in the home is stored in a locked container when a  
3 child under child care at the home is present in the home.

4 (3) Any building, parking area, or portion of a  
5 building under the control of an officer of the executive  
6 or legislative branch of government, provided that nothing  
7 in this paragraph shall prohibit a licensee from carrying a  
8 concealed firearm onto the real property, bikeway, or trail  
9 in a park regulated by the Department of Natural Resources  
10 or any other designated public hunting area or building  
11 where firearm possession is permitted as established by the  
12 Department of Natural Resources under Section 1.8 of the  
13 Wildlife Code.

14 (4) Any building designated for matters before a  
15 circuit court, appellate court, or the Supreme Court, or  
16 any building or portion of a building under the control of  
17 the Supreme Court.

18 (5) Any building or portion of a building under the  
19 control of a unit of local government.

20 (6) Any building, real property, and parking area under  
21 the control of an adult or juvenile detention or  
22 correctional institution, prison, or jail.

23 (7) Any building, real property, and parking area under  
24 the control of a public or private hospital or hospital  
25 affiliate, mental health facility, or nursing home.

26 (8) Any bus, train, or form of transportation paid for

1 in whole or in part with public funds, and any building,  
2 real property, and parking area under the control of a  
3 public transportation facility paid for in whole or in part  
4 with public funds.

5 (9) Any building, real property, and parking area under  
6 the control of an establishment that serves alcohol on its  
7 premises, if more than 50% of the establishment's gross  
8 receipts within the prior 3 months is from the sale of  
9 alcohol. The owner of an establishment who knowingly fails  
10 to prohibit concealed firearms on its premises as provided  
11 in this paragraph or who knowingly makes a false statement  
12 or record to avoid the prohibition on concealed firearms  
13 under this paragraph is subject to the penalty under  
14 subsection (c-5) of Section 10-1 of the Liquor Control Act  
15 of 1934.

16 (10) Any public gathering or special event conducted on  
17 property open to the public that requires the issuance of a  
18 permit from the unit of local government, provided this  
19 prohibition shall not apply to a licensee who must walk  
20 through a public gathering in order to access his or her  
21 residence, place of business, or vehicle.

22 (11) Any building or real property that has been issued  
23 a Special Event Retailer's license as defined in Section  
24 1-3.17.1 of the Liquor Control Act during the time  
25 designated for the sale of alcohol by the Special Event  
26 Retailer's license, or a Special use permit license as

1 defined in subsection (q) of Section 5-1 of the Liquor  
2 Control Act during the time designated for the sale of  
3 alcohol by the Special use permit license.

4 (12) Any public playground.

5 (13) Any public park, athletic area, or athletic  
6 facility under the control of a municipality or park  
7 district, provided nothing in this Section shall prohibit a  
8 licensee from carrying a concealed firearm while on a trail  
9 or bikeway if only a portion of the trail or bikeway  
10 includes a public park.

11 (14) Any real property under the control of the Cook  
12 County Forest Preserve District.

13 (15) Any building, classroom, laboratory, medical  
14 clinic, hospital, artistic venue, athletic venue,  
15 entertainment venue, officially recognized  
16 university-related organization property, whether owned or  
17 leased, and any real property, including parking areas,  
18 sidewalks, and common areas under the control of a public  
19 or private community college, college, or university.

20 (16) Any building, real property, or parking area under  
21 the control of a gaming facility licensed under the  
22 Illinois Riverboat ~~Riverboat~~ Gambling Act or the Illinois Horse  
23 Racing Act of 1975, including an inter-track wagering  
24 location licensee.

25 (17) Any stadium, arena, or the real property or  
26 parking area under the control of a stadium, arena, or any

1 collegiate or professional sporting event.

2 (18) Any building, real property, or parking area under  
3 the control of a public library.

4 (19) Any building, real property, or parking area under  
5 the control of an airport.

6 (20) Any building, real property, or parking area under  
7 the control of an amusement park.

8 (21) Any building, real property, or parking area under  
9 the control of a zoo or museum.

10 (22) Any street, driveway, parking area, property,  
11 building, or facility, owned, leased, controlled, or used  
12 by a nuclear energy, storage, weapons, or development site  
13 or facility regulated by the federal Nuclear Regulatory  
14 Commission. The licensee shall not under any circumstance  
15 store a firearm or ammunition in his or her vehicle or in a  
16 compartment or container within a vehicle located anywhere  
17 in or on the street, driveway, parking area, property,  
18 building, or facility described in this paragraph.

19 (23) Any area where firearms are prohibited under  
20 federal law.

21 (a-5) Nothing in this Act shall prohibit a public or  
22 private community college, college, or university from:

23 (1) prohibiting persons from carrying a firearm within  
24 a vehicle owned, leased, or controlled by the college or  
25 university;

26 (2) developing resolutions, regulations, or policies

1 regarding student, employee, or visitor misconduct and  
2 discipline, including suspension and expulsion;

3 (3) developing resolutions, regulations, or policies  
4 regarding the storage or maintenance of firearms, which  
5 must include designated areas where persons can park  
6 vehicles that carry firearms; and

7 (4) permitting the carrying or use of firearms for the  
8 purpose of instruction and curriculum of officially  
9 recognized programs, including but not limited to military  
10 science and law enforcement training programs, or in any  
11 designated area used for hunting purposes or target  
12 shooting.

13 (a-10) The owner of private real property of any type may  
14 prohibit the carrying of concealed firearms on the property  
15 under his or her control. The owner must post a sign in  
16 accordance with subsection (d) of this Section indicating that  
17 firearms are prohibited on the property, unless the property is  
18 a private residence.

19 (b) Notwithstanding subsections (a), (a-5), and (a-10) of  
20 this Section except under paragraph (22) or (23) of subsection  
21 (a), any licensee prohibited from carrying a concealed firearm  
22 into the parking area of a prohibited location specified in  
23 subsection (a), (a-5), or (a-10) of this Section shall be  
24 permitted to carry a concealed firearm on or about his or her  
25 person within a vehicle into the parking area and may store a  
26 firearm or ammunition concealed in a case within a locked

1 vehicle or locked container out of plain view within the  
2 vehicle in the parking area. A licensee may carry a concealed  
3 firearm in the immediate area surrounding his or her vehicle  
4 within a prohibited parking lot area only for the limited  
5 purpose of storing or retrieving a firearm within the vehicle's  
6 trunk. For purposes of this subsection, "case" includes a glove  
7 compartment or console that completely encloses the concealed  
8 firearm or ammunition, the trunk of the vehicle, or a firearm  
9 carrying box, shipping box, or other container.

10 (c) A licensee shall not be in violation of this Section  
11 while he or she is traveling along a public right of way that  
12 touches or crosses any of the premises under subsection (a),  
13 (a-5), or (a-10) of this Section if the concealed firearm is  
14 carried on his or her person in accordance with the provisions  
15 of this Act or is being transported in a vehicle by the  
16 licensee in accordance with all other applicable provisions of  
17 law.

18 (d) Signs stating that the carrying of firearms is  
19 prohibited shall be clearly and conspicuously posted at the  
20 entrance of a building, premises, or real property specified in  
21 this Section as a prohibited area, unless the building or  
22 premises is a private residence. Signs shall be of a uniform  
23 design as established by the Department and shall be 4 inches  
24 by 6 inches in size. The Department shall adopt rules for  
25 standardized signs to be used under this subsection.

26 (Source: P.A. 98-63, eff. 7-9-13; 99-29, eff. 7-10-15.)

1           Section 90-50. The Criminal Code of 2012 is amended by  
2 changing Sections 28-1, 28-1.1, 28-3, 28-5, and 28-7 as  
3 follows:

4           (720 ILCS 5/28-1) (from Ch. 38, par. 28-1)

5           Sec. 28-1. Gambling.

6           (a) A person commits gambling when he or she:

7                 (1) knowingly plays a game of chance or skill for money  
8 or other thing of value, unless excepted in subsection (b)  
9 of this Section;

10                (2) knowingly makes a wager upon the result of any  
11 game, contest, or any political nomination, appointment or  
12 election;

13                (3) knowingly operates, keeps, owns, uses, purchases,  
14 exhibits, rents, sells, bargains for the sale or lease of,  
15 manufactures or distributes any gambling device;

16                (4) contracts to have or give himself or herself or  
17 another the option to buy or sell, or contracts to buy or  
18 sell, at a future time, any grain or other commodity  
19 whatsoever, or any stock or security of any company, where  
20 it is at the time of making such contract intended by both  
21 parties thereto that the contract to buy or sell, or the  
22 option, whenever exercised, or the contract resulting  
23 therefrom, shall be settled, not by the receipt or delivery  
24 of such property, but by the payment only of differences in



1 prices thereof; however, the issuance, purchase, sale,  
2 exercise, endorsement or guarantee, by or through a person  
3 registered with the Secretary of State pursuant to Section  
4 8 of the Illinois Securities Law of 1953, or by or through  
5 a person exempt from such registration under said Section  
6 8, of a put, call, or other option to buy or sell  
7 securities which have been registered with the Secretary of  
8 State or which are exempt from such registration under  
9 Section 3 of the Illinois Securities Law of 1953 is not  
10 gambling within the meaning of this paragraph (4);

11 (5) knowingly owns or possesses any book, instrument or  
12 apparatus by means of which bets or wagers have been, or  
13 are, recorded or registered, or knowingly possesses any  
14 money which he has received in the course of a bet or  
15 wager;

16 (6) knowingly sells pools upon the result of any game  
17 or contest of skill or chance, political nomination,  
18 appointment or election;

19 (7) knowingly sets up or promotes any lottery or sells,  
20 offers to sell or transfers any ticket or share for any  
21 lottery;

22 (8) knowingly sets up or promotes any policy game or  
23 sells, offers to sell or knowingly possesses or transfers  
24 any policy ticket, slip, record, document or other similar  
25 device;

26 (9) knowingly drafts, prints or publishes any lottery

1 ticket or share, or any policy ticket, slip, record,  
2 document or similar device, except for such activity  
3 related to lotteries, bingo games and raffles authorized by  
4 and conducted in accordance with the laws of Illinois or  
5 any other state or foreign government;

6 (10) knowingly advertises any lottery or policy game,  
7 except for such activity related to lotteries, bingo games  
8 and raffles authorized by and conducted in accordance with  
9 the laws of Illinois or any other state;

10 (11) knowingly transmits information as to wagers,  
11 betting odds, or changes in betting odds by telephone,  
12 telegraph, radio, semaphore or similar means; or knowingly  
13 installs or maintains equipment for the transmission or  
14 receipt of such information; except that nothing in this  
15 subdivision (11) prohibits transmission or receipt of such  
16 information for use in news reporting of sporting events or  
17 contests; or

18 (12) knowingly establishes, maintains, or operates an  
19 Internet site that permits a person to play a game of  
20 chance or skill for money or other thing of value by means  
21 of the Internet or to make a wager upon the result of any  
22 game, contest, political nomination, appointment, or  
23 election by means of the Internet. This item (12) does not  
24 apply to activities referenced in items (6) and (6.1) of  
25 subsection (b) of this Section.

26 (b) Participants in any of the following activities shall

1 not be convicted of gambling:

2 (1) Agreements to compensate for loss caused by the  
3 happening of chance including without limitation contracts  
4 of indemnity or guaranty and life or health or accident  
5 insurance.

6 (2) Offers of prizes, award or compensation to the  
7 actual contestants in any bona fide contest for the  
8 determination of skill, speed, strength or endurance or to  
9 the owners of animals or vehicles entered in such contest.

10 (3) Pari-mutuel betting as authorized by the law of  
11 this State.

12 (4) Manufacture of gambling devices, including the  
13 acquisition of essential parts therefor and the assembly  
14 thereof, for transportation in interstate or foreign  
15 commerce to any place outside this State when such  
16 transportation is not prohibited by any applicable Federal  
17 law; or the manufacture, distribution, or possession of  
18 video gaming terminals, as defined in the Video Gaming Act,  
19 by manufacturers, distributors, and terminal operators  
20 licensed to do so under the Video Gaming Act.

21 (5) The game commonly known as "bingo", when conducted  
22 in accordance with the Bingo License and Tax Act.

23 (6) Lotteries when conducted by the State of Illinois  
24 in accordance with the Illinois Lottery Law. This exemption  
25 includes any activity conducted by the Department of  
26 Revenue to sell lottery tickets pursuant to the provisions

1 of the Illinois Lottery Law and its rules.

2 (6.1) The purchase of lottery tickets through the  
3 Internet for a lottery conducted by the State of Illinois  
4 under the program established in Section 7.12 of the  
5 Illinois Lottery Law.

6 (7) Possession of an antique slot machine that is  
7 neither used nor intended to be used in the operation or  
8 promotion of any unlawful gambling activity or enterprise.  
9 For the purpose of this subparagraph (b)(7), an antique  
10 slot machine is one manufactured 25 years ago or earlier.

11 (8) Raffles and poker runs when conducted in accordance  
12 with the Raffles and Poker Runs Act.

13 (9) Charitable games when conducted in accordance with  
14 the Charitable Games Act.

15 (10) Pull tabs and jar games when conducted under the  
16 Illinois Pull Tabs and Jar Games Act.

17 (11) Gambling games ~~conducted on riverboats~~ when  
18 authorized by the Illinois ~~Riverboat~~ Gambling Act.

19 (12) Video gaming terminal games at a licensed  
20 establishment, licensed truck stop establishment, licensed  
21 fraternal establishment, or licensed veterans  
22 establishment when conducted in accordance with the Video  
23 Gaming Act.

24 (13) Games of skill or chance where money or other  
25 things of value can be won but no payment or purchase is  
26 required to participate.

1           (14) Savings promotion raffles authorized under  
2           Section 5g of the Illinois Banking Act, Section 7008 of the  
3           Savings Bank Act, Section 42.7 of the Illinois Credit Union  
4           Act, Section 5136B of the National Bank Act (12 U.S.C.  
5           25a), or Section 4 of the Home Owners' Loan Act (12 U.S.C.  
6           1463).

7           (c) Sentence.

8           Gambling is a Class A misdemeanor. A second or subsequent  
9           conviction under subsections (a) (3) through (a) (12), is a Class  
10          4 felony.

11          (d) Circumstantial evidence.

12          In prosecutions under this Section circumstantial evidence  
13          shall have the same validity and weight as in any criminal  
14          prosecution.

15          (Source: P.A. 98-644, eff. 6-10-14; 99-149, eff. 1-1-16.)

16          (720 ILCS 5/28-1.1) (from Ch. 38, par. 28-1.1)

17          Sec. 28-1.1. Syndicated gambling.

18          (a) Declaration of Purpose. Recognizing the close  
19          relationship between professional gambling and other organized  
20          crime, it is declared to be the policy of the legislature to  
21          restrain persons from engaging in the business of gambling for  
22          profit in this State. This Section shall be liberally construed  
23          and administered with a view to carrying out this policy.

24          (b) A person commits syndicated gambling when he or she  
25          operates a "policy game" or engages in the business of

1 bookmaking.

2 (c) A person "operates a policy game" when he or she  
3 knowingly uses any premises or property for the purpose of  
4 receiving or knowingly does receive from what is commonly  
5 called "policy":

6 (1) money from a person other than the bettor or player  
7 whose bets or plays are represented by the money; or

8 (2) written "policy game" records, made or used over  
9 any period of time, from a person other than the bettor or  
10 player whose bets or plays are represented by the written  
11 record.

12 (d) A person engages in bookmaking when he or she knowingly  
13 receives or accepts more than five bets or wagers upon the  
14 result of any trials or contests of skill, speed or power of  
15 endurance or upon any lot, chance, casualty, unknown or  
16 contingent event whatsoever, which bets or wagers shall be of  
17 such size that the total of the amounts of money paid or  
18 promised to be paid to the bookmaker on account thereof shall  
19 exceed \$2,000. Bookmaking is the receiving or accepting of bets  
20 or wagers regardless of the form or manner in which the  
21 bookmaker records them.

22 (e) Participants in any of the following activities shall  
23 not be convicted of syndicated gambling:

24 (1) Agreements to compensate for loss caused by the  
25 happening of chance including without limitation contracts  
26 of indemnity or guaranty and life or health or accident

1 insurance;

2 (2) Offers of prizes, award or compensation to the  
3 actual contestants in any bona fide contest for the  
4 determination of skill, speed, strength or endurance or to  
5 the owners of animals or vehicles entered in the contest;

6 (3) Pari-mutuel betting as authorized by law of this  
7 State;

8 (4) Manufacture of gambling devices, including the  
9 acquisition of essential parts therefor and the assembly  
10 thereof, for transportation in interstate or foreign  
11 commerce to any place outside this State when the  
12 transportation is not prohibited by any applicable Federal  
13 law;

14 (5) Raffles and poker runs when conducted in accordance  
15 with the Raffles and Poker Runs Act;

16 (6) Gambling games conducted on riverboats, in  
17 casinos, or at electronic gaming facilities when  
18 authorized by the Illinois Riverboat ~~Riverboat~~ Gambling Act;

19 (7) Video gaming terminal games at a licensed  
20 establishment, licensed truck stop establishment, licensed  
21 fraternal establishment, or licensed veterans  
22 establishment when conducted in accordance with the Video  
23 Gaming Act; and

24 (8) Savings promotion raffles authorized under Section  
25 5g of the Illinois Banking Act, Section 7008 of the Savings  
26 Bank Act, Section 42.7 of the Illinois Credit Union Act,

1 Section 5136B of the National Bank Act (12 U.S.C. 25a), or  
2 Section 4 of the Home Owners' Loan Act (12 U.S.C. 1463).

3 (f) Sentence. Syndicated gambling is a Class 3 felony.  
4 (Source: P.A. 98-644, eff. 6-10-14; 99-149, eff. 1-1-16.)

5 (720 ILCS 5/28-3) (from Ch. 38, par. 28-3)

6 Sec. 28-3. Keeping a Gambling Place. A "gambling place" is  
7 any real estate, vehicle, boat or any other property whatsoever  
8 used for the purposes of gambling other than gambling conducted  
9 in the manner authorized by the Illinois ~~Riverboat~~ Gambling Act  
10 or the Video Gaming Act. Any person who knowingly permits any  
11 premises or property owned or occupied by him or under his  
12 control to be used as a gambling place commits a Class A  
13 misdemeanor. Each subsequent offense is a Class 4 felony. When  
14 any premises is determined by the circuit court to be a  
15 gambling place:

16 (a) Such premises is a public nuisance and may be proceeded  
17 against as such, and

18 (b) All licenses, permits or certificates issued by the  
19 State of Illinois or any subdivision or public agency thereof  
20 authorizing the serving of food or liquor on such premises  
21 shall be void; and no license, permit or certificate so  
22 cancelled shall be reissued for such premises for a period of  
23 60 days thereafter; nor shall any person convicted of keeping a  
24 gambling place be reissued such license for one year from his  
25 conviction and, after a second conviction of keeping a gambling



1 place, any such person shall not be reissued such license, and

2 (c) Such premises of any person who knowingly permits  
3 thereon a violation of any Section of this Article shall be  
4 held liable for, and may be sold to pay any unsatisfied  
5 judgment that may be recovered and any unsatisfied fine that  
6 may be levied under any Section of this Article.

7 (Source: P.A. 96-34, eff. 7-13-09.)

8 (720 ILCS 5/28-5) (from Ch. 38, par. 28-5)

9 (Text of Section before amendment by P.A. 100-512)

10 Sec. 28-5. Seizure of gambling devices and gambling funds.

11 (a) Every device designed for gambling which is incapable  
12 of lawful use or every device used unlawfully for gambling  
13 shall be considered a "gambling device", and shall be subject  
14 to seizure, confiscation and destruction by the Department of  
15 State Police or by any municipal, or other local authority,  
16 within whose jurisdiction the same may be found. As used in  
17 this Section, a "gambling device" includes any slot machine,  
18 and includes any machine or device constructed for the  
19 reception of money or other thing of value and so constructed  
20 as to return, or to cause someone to return, on chance to the  
21 player thereof money, property or a right to receive money or  
22 property. With the exception of any device designed for  
23 gambling which is incapable of lawful use, no gambling device  
24 shall be forfeited or destroyed unless an individual with a  
25 property interest in said device knows of the unlawful use of

1 the device.

2 (b) Every gambling device shall be seized and forfeited to  
3 the county wherein such seizure occurs. Any money or other  
4 thing of value integrally related to acts of gambling shall be  
5 seized and forfeited to the county wherein such seizure occurs.

6 (c) If, within 60 days after any seizure pursuant to  
7 subparagraph (b) of this Section, a person having any property  
8 interest in the seized property is charged with an offense, the  
9 court which renders judgment upon such charge shall, within 30  
10 days after such judgment, conduct a forfeiture hearing to  
11 determine whether such property was a gambling device at the  
12 time of seizure. Such hearing shall be commenced by a written  
13 petition by the State, including material allegations of fact,  
14 the name and address of every person determined by the State to  
15 have any property interest in the seized property, a  
16 representation that written notice of the date, time and place  
17 of such hearing has been mailed to every such person by  
18 certified mail at least 10 days before such date, and a request  
19 for forfeiture. Every such person may appear as a party and  
20 present evidence at such hearing. The quantum of proof required  
21 shall be a preponderance of the evidence, and the burden of  
22 proof shall be on the State. If the court determines that the  
23 seized property was a gambling device at the time of seizure,  
24 an order of forfeiture and disposition of the seized property  
25 shall be entered: a gambling device shall be received by the  
26 State's Attorney, who shall effect its destruction, except that

1 valuable parts thereof may be liquidated and the resultant  
2 money shall be deposited in the general fund of the county  
3 wherein such seizure occurred; money and other things of value  
4 shall be received by the State's Attorney and, upon  
5 liquidation, shall be deposited in the general fund of the  
6 county wherein such seizure occurred. However, in the event  
7 that a defendant raises the defense that the seized slot  
8 machine is an antique slot machine described in subparagraph  
9 (b) (7) of Section 28-1 of this Code and therefore he is exempt  
10 from the charge of a gambling activity participant, the seized  
11 antique slot machine shall not be destroyed or otherwise  
12 altered until a final determination is made by the Court as to  
13 whether it is such an antique slot machine. Upon a final  
14 determination by the Court of this question in favor of the  
15 defendant, such slot machine shall be immediately returned to  
16 the defendant. Such order of forfeiture and disposition shall,  
17 for the purposes of appeal, be a final order and judgment in a  
18 civil proceeding.

19 (d) If a seizure pursuant to subparagraph (b) of this  
20 Section is not followed by a charge pursuant to subparagraph  
21 (c) of this Section, or if the prosecution of such charge is  
22 permanently terminated or indefinitely discontinued without  
23 any judgment of conviction or acquittal (1) the State's  
24 Attorney shall commence an in rem proceeding for the forfeiture  
25 and destruction of a gambling device, or for the forfeiture and  
26 deposit in the general fund of the county of any seized money

1 or other things of value, or both, in the circuit court and (2)  
2 any person having any property interest in such seized gambling  
3 device, money or other thing of value may commence separate  
4 civil proceedings in the manner provided by law.

5 (e) Any gambling device displayed for sale to a riverboat  
6 gambling operation, casino gambling operation, or electronic  
7 gaming facility or used to train occupational licensees of a  
8 riverboat gambling operation, casino gambling operation, or  
9 electronic gaming facility as authorized under the Illinois  
10 ~~Riverboat~~ Gambling Act is exempt from seizure under this  
11 Section.

12 (f) Any gambling equipment, devices and supplies provided  
13 by a licensed supplier in accordance with the Illinois  
14 ~~Riverboat~~ Gambling Act which are removed from a the riverboat,  
15 casino, or electronic gaming facility for repair are exempt  
16 from seizure under this Section.

17 (g) The following video gaming terminals are exempt from  
18 seizure under this Section:

19 (1) Video gaming terminals for sale to a licensed  
20 distributor or operator under the Video Gaming Act.

21 (2) Video gaming terminals used to train licensed  
22 technicians or licensed terminal handlers.

23 (3) Video gaming terminals that are removed from a  
24 licensed establishment, licensed truck stop establishment,  
25 licensed fraternal establishment, or licensed veterans  
26 establishment for repair.

1 (Source: P.A. 98-31, eff. 6-24-13.)

2 (Text of Section after amendment by P.A. 100-512)

3 Sec. 28-5. Seizure of gambling devices and gambling funds.

4 (a) Every device designed for gambling which is incapable  
5 of lawful use or every device used unlawfully for gambling  
6 shall be considered a "gambling device", and shall be subject  
7 to seizure, confiscation and destruction by the Department of  
8 State Police or by any municipal, or other local authority,  
9 within whose jurisdiction the same may be found. As used in  
10 this Section, a "gambling device" includes any slot machine,  
11 and includes any machine or device constructed for the  
12 reception of money or other thing of value and so constructed  
13 as to return, or to cause someone to return, on chance to the  
14 player thereof money, property or a right to receive money or  
15 property. With the exception of any device designed for  
16 gambling which is incapable of lawful use, no gambling device  
17 shall be forfeited or destroyed unless an individual with a  
18 property interest in said device knows of the unlawful use of  
19 the device.

20 (b) Every gambling device shall be seized and forfeited to  
21 the county wherein such seizure occurs. Any money or other  
22 thing of value integrally related to acts of gambling shall be  
23 seized and forfeited to the county wherein such seizure occurs.

24 (c) If, within 60 days after any seizure pursuant to  
25 subparagraph (b) of this Section, a person having any property

1 interest in the seized property is charged with an offense, the  
2 court which renders judgment upon such charge shall, within 30  
3 days after such judgment, conduct a forfeiture hearing to  
4 determine whether such property was a gambling device at the  
5 time of seizure. Such hearing shall be commenced by a written  
6 petition by the State, including material allegations of fact,  
7 the name and address of every person determined by the State to  
8 have any property interest in the seized property, a  
9 representation that written notice of the date, time and place  
10 of such hearing has been mailed to every such person by  
11 certified mail at least 10 days before such date, and a request  
12 for forfeiture. Every such person may appear as a party and  
13 present evidence at such hearing. The quantum of proof required  
14 shall be a preponderance of the evidence, and the burden of  
15 proof shall be on the State. If the court determines that the  
16 seized property was a gambling device at the time of seizure,  
17 an order of forfeiture and disposition of the seized property  
18 shall be entered: a gambling device shall be received by the  
19 State's Attorney, who shall effect its destruction, except that  
20 valuable parts thereof may be liquidated and the resultant  
21 money shall be deposited in the general fund of the county  
22 wherein such seizure occurred; money and other things of value  
23 shall be received by the State's Attorney and, upon  
24 liquidation, shall be deposited in the general fund of the  
25 county wherein such seizure occurred. However, in the event  
26 that a defendant raises the defense that the seized slot

1 machine is an antique slot machine described in subparagraph  
2 (b) (7) of Section 28-1 of this Code and therefore he is exempt  
3 from the charge of a gambling activity participant, the seized  
4 antique slot machine shall not be destroyed or otherwise  
5 altered until a final determination is made by the Court as to  
6 whether it is such an antique slot machine. Upon a final  
7 determination by the Court of this question in favor of the  
8 defendant, such slot machine shall be immediately returned to  
9 the defendant. Such order of forfeiture and disposition shall,  
10 for the purposes of appeal, be a final order and judgment in a  
11 civil proceeding.

12 (d) If a seizure pursuant to subparagraph (b) of this  
13 Section is not followed by a charge pursuant to subparagraph  
14 (c) of this Section, or if the prosecution of such charge is  
15 permanently terminated or indefinitely discontinued without  
16 any judgment of conviction or acquittal (1) the State's  
17 Attorney shall commence an in rem proceeding for the forfeiture  
18 and destruction of a gambling device, or for the forfeiture and  
19 deposit in the general fund of the county of any seized money  
20 or other things of value, or both, in the circuit court and (2)  
21 any person having any property interest in such seized gambling  
22 device, money or other thing of value may commence separate  
23 civil proceedings in the manner provided by law.

24 (e) Any gambling device displayed for sale to a riverboat  
25 gambling operation, casino gambling operation, or electronic  
26 gaming facility or used to train occupational licensees of a

1 riverboat gambling operation, casino gambling operation, or  
2 electronic gaming facility as authorized under the Illinois  
3 ~~Riverboat~~ Gambling Act is exempt from seizure under this  
4 Section.

5 (f) Any gambling equipment, devices and supplies provided  
6 by a licensed supplier in accordance with the Illinois  
7 ~~Riverboat~~ Gambling Act which are removed from a the riverboat,  
8 casino, or electronic gaming facility for repair are exempt  
9 from seizure under this Section.

10 (g) The following video gaming terminals are exempt from  
11 seizure under this Section:

12 (1) Video gaming terminals for sale to a licensed  
13 distributor or operator under the Video Gaming Act.

14 (2) Video gaming terminals used to train licensed  
15 technicians or licensed terminal handlers.

16 (3) Video gaming terminals that are removed from a  
17 licensed establishment, licensed truck stop establishment,  
18 licensed fraternal establishment, or licensed veterans  
19 establishment for repair.

20 (h) Property seized or forfeited under this Section is  
21 subject to reporting under the Seizure and Forfeiture Reporting  
22 Act.

23 (Source: P.A. 100-512, eff. 7-1-18.)

24 (720 ILCS 5/28-7) (from Ch. 38, par. 28-7)  
25 Sec. 28-7. Gambling contracts void.



1 (a) All promises, notes, bills, bonds, covenants,  
2 contracts, agreements, judgments, mortgages, or other  
3 securities or conveyances made, given, granted, drawn, or  
4 entered into, or executed by any person whatsoever, where the  
5 whole or any part of the consideration thereof is for any money  
6 or thing of value, won or obtained in violation of any Section  
7 of this Article are null and void.

8 (b) Any obligation void under this Section may be set aside  
9 and vacated by any court of competent jurisdiction, upon a  
10 complaint filed for that purpose, by the person so granting,  
11 giving, entering into, or executing the same, or by his  
12 executors or administrators, or by any creditor, heir, legatee,  
13 purchaser or other person interested therein; or if a judgment,  
14 the same may be set aside on motion of any person stated above,  
15 on due notice thereof given.

16 (c) No assignment of any obligation void under this Section  
17 may in any manner affect the defense of the person giving,  
18 granting, drawing, entering into or executing such obligation,  
19 or the remedies of any person interested therein.

20 (d) This Section shall not prevent a licensed owner of a  
21 riverboat gambling operation, casino gambling operation, or an  
22 electronic gaming licensee under the Illinois Gambling Act and  
23 the Illinois Horse Racing Act of 1975 from instituting a cause  
24 of action to collect any amount due and owing under an  
25 extension of credit to a ~~riverboat~~ gambling patron as  
26 authorized under Section 11.1 of the Illinois Riverboat

1 Gambling Act.

2 (Source: P.A. 87-826.)

3 Section 90-55. The Eminent Domain Act is amended by adding  
4 Section 15-5-48 as follows:

5 (735 ILCS 30/15-5-48 new)

6 Sec. 15-5-48. Eminent domain powers in new Acts. The  
7 following provisions of law may include express grants of the  
8 power to acquire property by condemnation or eminent domain:

9 Chicago Casino Development Authority Act; City of Chicago; for  
10 the purposes of the Act.

11 Section 90-60. The Payday Loan Reform Act is amended by  
12 changing Section 3-5 as follows:

13 (815 ILCS 122/3-5)

14 Sec. 3-5. Licensure.

15 (a) A license to make a payday loan shall state the  
16 address, including city and state, at which the business is to  
17 be conducted and shall state fully the name of the licensee.  
18 The license shall be conspicuously posted in the place of  
19 business of the licensee and shall not be transferable or  
20 assignable.

21 (b) An application for a license shall be in writing and in

1 a form prescribed by the Secretary. The Secretary may not issue  
2 a payday loan license unless and until the following findings  
3 are made:

4 (1) that the financial responsibility, experience,  
5 character, and general fitness of the applicant are such as  
6 to command the confidence of the public and to warrant the  
7 belief that the business will be operated lawfully and  
8 fairly and within the provisions and purposes of this Act;  
9 and

10 (2) that the applicant has submitted such other  
11 information as the Secretary may deem necessary.

12 (c) A license shall be issued for no longer than one year,  
13 and no renewal of a license may be provided if a licensee has  
14 substantially violated this Act and has not cured the violation  
15 to the satisfaction of the Department.

16 (d) A licensee shall appoint, in writing, the Secretary as  
17 attorney-in-fact upon whom all lawful process against the  
18 licensee may be served with the same legal force and validity  
19 as if served on the licensee. A copy of the written  
20 appointment, duly certified, shall be filed in the office of  
21 the Secretary, and a copy thereof certified by the Secretary  
22 shall be sufficient evidence to subject a licensee to  
23 jurisdiction in a court of law. This appointment shall remain  
24 in effect while any liability remains outstanding in this State  
25 against the licensee. When summons is served upon the Secretary  
26 as attorney-in-fact for a licensee, the Secretary shall

1 immediately notify the licensee by registered mail, enclosing  
2 the summons and specifying the hour and day of service.

3 (e) A licensee must pay an annual fee of \$1,000. In  
4 addition to the license fee, the reasonable expense of any  
5 examination or hearing by the Secretary under any provisions of  
6 this Act shall be borne by the licensee. If a licensee fails to  
7 renew its license by December 31, its license shall  
8 automatically expire; however, the Secretary, in his or her  
9 discretion, may reinstate an expired license upon:

10 (1) payment of the annual fee within 30 days of the  
11 date of expiration; and

12 (2) proof of good cause for failure to renew.

13 (f) Not more than one place of business shall be maintained  
14 under the same license, but the Secretary may issue more than  
15 one license to the same licensee upon compliance with all the  
16 provisions of this Act governing issuance of a single license.  
17 The location, except those locations already in existence as of  
18 June 1, 2005, may not be within one mile of a horse race track  
19 subject to the Illinois Horse Racing Act of 1975, within one  
20 mile of a facility at which gambling is conducted under the  
21 Illinois ~~Riverboat~~ Gambling Act, within one mile of the  
22 location at which a riverboat subject to the Illinois ~~Riverboat~~  
23 Gambling Act docks, or within one mile of any State of Illinois  
24 or United States military base or naval installation.

25 (g) No licensee shall conduct the business of making loans  
26 under this Act within any office, suite, room, or place of

1 business in which (1) any loans are offered or made under the  
2 Consumer Installment Loan Act other than title secured loans as  
3 defined in subsection (a) of Section 15 of the Consumer  
4 Installment Loan Act and governed by Title 38, Section 110.330  
5 of the Illinois Administrative Code or (2) any other business  
6 is solicited or engaged in unless the other business is  
7 licensed by the Department or, in the opinion of the Secretary,  
8 the other business would not be contrary to the best interests  
9 of consumers and is authorized by the Secretary in writing.

10 (g-5) Notwithstanding subsection (g) of this Section, a  
11 licensee may obtain a license under the Consumer Installment  
12 Loan Act (CILA) for the exclusive purpose and use of making  
13 title secured loans, as defined in subsection (a) of Section 15  
14 of CILA and governed by Title 38, Section 110.300 of the  
15 Illinois Administrative Code. A licensee may continue to  
16 service Consumer Installment Loan Act loans that were  
17 outstanding as of the effective date of this amendatory Act of  
18 the 96th General Assembly.

19 (h) The Secretary shall maintain a list of licensees that  
20 shall be available to interested consumers and lenders and the  
21 public. The Secretary shall maintain a toll-free number whereby  
22 consumers may obtain information about licensees. The  
23 Secretary shall also establish a complaint process under which  
24 an aggrieved consumer may file a complaint against a licensee  
25 or non-licensee who violates any provision of this Act.

26 (Source: P.A. 96-936, eff. 3-21-11.)

1 Section 90-65. The Travel Promotion Consumer Protection  
2 Act is amended by changing Section 2 as follows:

3 (815 ILCS 420/2) (from Ch. 121 1/2, par. 1852)

4 Sec. 2. Definitions.

5 (a) "Travel promoter" means a person, including a tour  
6 operator, who sells, provides, furnishes, contracts for,  
7 arranges or advertises that he or she will arrange wholesale or  
8 retail transportation by air, land, sea or navigable stream,  
9 either separately or in conjunction with other services.  
10 "Travel promoter" does not include (1) an air carrier; (2) a  
11 sea carrier; (3) an officially appointed agent of an air  
12 carrier who is a member in good standing of the Airline  
13 Reporting Corporation; (4) a travel promoter who has in force  
14 \$1,000,000 or more of liability insurance coverage for  
15 professional errors and omissions and a surety bond or  
16 equivalent surety in the amount of \$100,000 or more for the  
17 benefit of consumers in the event of a bankruptcy on the part  
18 of the travel promoter; or (5) a riverboat subject to  
19 regulation under the Illinois Riverboat ~~Riverboat~~ Gambling Act.

20 (b) "Advertise" means to make any representation in the  
21 solicitation of passengers and includes communication with  
22 other members of the same partnership, corporation, joint  
23 venture, association, organization, group or other entity.

24 (c) "Passenger" means a person on whose behalf money or

1 other consideration has been given or is to be given to  
2 another, including another member of the same partnership,  
3 corporation, joint venture, association, organization, group  
4 or other entity, for travel.

5 (d) "Ticket or voucher" means a writing or combination of  
6 writings which is itself good and sufficient to obtain  
7 transportation and other services for which the passenger has  
8 contracted.

9 (Source: P.A. 91-357, eff. 7-29-99.)

10 (30 ILCS 105/5.490 rep.)

11 Section 90-70. The State Finance Act is amended by  
12 repealing Section 5.490.

13 (230 ILCS 5/54 rep.)

14 Section 90-75. The Illinois Horse Racing Act of 1975 is  
15 amended by repealing Section 54.

16 ARTICLE 99.

17 Section 99-95. No acceleration or delay. Where this Act  
18 makes changes in a statute that is represented in this Act by  
19 text that is not yet or no longer in effect (for example, a  
20 Section represented by multiple versions), the use of that text  
21 does not accelerate or delay the taking effect of (i) the  
22 changes made by this Act or (ii) provisions derived from any

1 other Public Act.

2 Section 99-97. Severability. The provisions of this Act are  
3 severable under Section 1.31 of the Statute on Statutes.

4 Section 99-99. Effective date. This Act takes effect upon  
5 becoming law.



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