



Rep. Robert Rita

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1 AMENDMENT TO SENATE BILL 7

2 AMENDMENT NO. _____. Amend Senate Bill 7 by replacing
3 everything after the enacting clause with the following:

4 "Article 1. Chicago Casino Development Authority Act

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

1 enhance investment, development, and tourism in Illinois, it is
2 recognized that it will do so successfully only if public
3 confidence and trust in the credibility and integrity of the
4 gambling operations and the regulatory process is maintained.
5 Therefore, the provisions of this Act are designed to allow the
6 Illinois Gaming Board to strictly regulate the facilities,
7 persons, associations, and practices related to gambling
8 operations pursuant to the police powers of the State,
9 including comprehensive law enforcement supervision.
10 Consistent with the Gaming Board's authority, the Gaming Board
11 alone shall regulate any Chicago casino, just as it now
12 regulates every other casino in Illinois.

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

14 "Authority" means the Chicago Casino Development Authority
15 created by this Act.

16 "Casino" means one temporary land-based or water-based
17 facility and one permanent land-based or water-based facility
18 and airport gaming locations pursuant to Section 1-67 of this
19 Act at which lawful gambling is authorized and licensed as
20 provided in the Illinois Gambling Act.

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

23 "Casino management contract" means a legally binding
24 agreement between the Authority and a casino operator licensee
25 to operate or manage a casino.

1 "Casino operator licensee" means any person or entity
2 selected by the Authority and approved and licensed by the
3 Gaming Board to manage and operate a casino within the City of
4 Chicago pursuant to a casino management contract.

5 "City" means the City of Chicago.

6 "Entity" means a corporation, joint venture, partnership,
7 limited liability company, trust, or unincorporated
8 association.

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

11 "Gaming Board" means the Illinois Gaming Board created by
12 the Illinois Gambling Act.

13 "Mayor" means the Mayor of the City.

14 Section 1-12. Creation of the Authority. There is hereby
15 created a political subdivision, unit of local government with
16 only the powers authorized by law, body politic, and municipal
17 corporation, by the name and style of the Chicago Casino
18 Development Authority.

19 Section 1-13. Duties of the Authority. It shall be the duty
20 of the Authority, as an owners licensee under the Illinois
21 Gambling Act, to promote and maintain a casino in the City. The
22 Authority shall own, acquire, construct, lease, equip, and
23 maintain grounds, buildings, and facilities for that purpose.
24 However, the Authority shall contract with a casino operator

1 licensee to manage and operate the casino and in no event shall
2 the Authority or City manage or operate the casino. The
3 Authority may contract pursuant to the procedures set forth in
4 Section 1-115 with other third parties in order to fulfill its
5 purpose. The Authority is responsible for the payment of any
6 fees required of a casino operator under subsection (a) of
7 Section 7.9 of the Illinois Gambling Act if the casino operator
8 licensee is late in paying any such fees. The Authority is
9 granted all rights and powers necessary to perform such duties.
10 Subject to the provisions of this Act, the Authority and casino
11 operator licensee are subject to the Illinois Gambling Act and
12 all of the rules of the Gaming Board, which shall be applied to
13 the Authority and the casino operator licensee in a manner
14 consistent with that of other owners licensees under the
15 Illinois Gambling Act. Nothing in this Act shall confer
16 regulatory authority on the Chicago Casino Development
17 Authority. The Illinois Gaming Board shall have exclusive
18 regulatory authority over all gambling operations governed by
19 this Act.

20 Section 1-15. Casino Board.

21 (a) The governing and administrative powers of the
22 Authority shall be vested in a body known as the Chicago Casino
23 Development Board. The Casino Board shall consist of 5 members
24 appointed by the Mayor. One of these members shall be
25 designated by the Mayor to serve as chairperson. All of the

1 members appointed by the Mayor shall be residents of the City.

2 Each Casino Board appointee shall be subject to a
3 preliminary background investigation completed by the Gaming
4 Board within 30 days after the appointee's submission of his or
5 her application to the Gaming Board. If the Gaming Board
6 determines that there is a substantial likelihood that it will
7 not find the appointee to be suitable to serve on the Casino
8 Board (applying the same standards for suitability to the
9 appointee as the Gaming Board would apply to an owners licensee
10 key person under the Gaming Board's adopted rules), then the
11 Gaming Board shall provide a written notice of such
12 determination to the appointee and the Corporation Counsel of
13 the City. The Mayor may then appoint a new candidate. If no
14 such notice is delivered with respect to a particular
15 appointee, then commencing on the 31st day following the date
16 of the appointee's submission of his or her application to the
17 Gaming Board, the appointee shall be deemed an acting member of
18 the Casino Board and shall participate as a Casino Board
19 member.

20 Each appointee shall be subject to a full background
21 investigation and final approval by the Gaming Board prior to
22 the opening of the casino. The Gaming Board shall complete its
23 full background investigation of the Casino Board appointee
24 within 3 months after the date of the appointee's submission of
25 his or her application to the Gaming Board. If the Gaming Board
26 does not complete its background investigation within the

1 3-month period, then the Gaming Board shall give a written
2 explanation to the appointee, as well as the Mayor, the
3 Governor, the President of the Senate, and the Speaker of the
4 House of Representatives, as to why it has not reached a final
5 determination and set forth a reasonable time when such
6 determination shall be made.

7 (b) Casino Board members shall receive \$300 for each day
8 the Authority meets and shall be entitled to reimbursement of
9 reasonable expenses incurred in the performance of their
10 official duties. A Casino Board member who serves in the office
11 of secretary-treasurer may also receive compensation for
12 services provided as that officer.

13 Section 1-20. Terms of appointments; resignation and
14 removal.

15 (a) The Mayor shall appoint 2 members of the Casino Board
16 for an initial term expiring July 1 of the year following final
17 approval by the Gaming Board, 2 members for an initial term
18 expiring July 1 three years following final approval by the
19 Gaming Board, and one member for an initial term expiring July
20 1 five years following final approval by the Gaming Board.

21 (b) All successors shall be appointed by the Mayor to hold
22 office for a term of 5 years from the first day of July of the
23 year in which they are appointed, except in the case of an
24 appointment to fill a vacancy. Each member, including the
25 chairperson, shall hold office until the expiration of his or

1 her term and until his or her successor is appointed and
2 qualified. Nothing shall preclude a member from serving
3 consecutive terms. Any member may resign from office, to take
4 effect when a successor has been appointed and qualified. A
5 vacancy in office shall occur in the case of a member's death
6 or indictment, conviction, or plea of guilty to a felony. A
7 vacancy shall be filled for the unexpired term by the Mayor
8 subject to the approval of the Gaming Board as provided in this
9 Section.

10 (c) Members of the Casino Board shall serve at the pleasure
11 of the Mayor. The Mayor or the Gaming Board may remove any
12 member of the Casino Board upon a finding of incompetence,
13 neglect of duty, or misfeasance or malfeasance in office or for
14 a violation of this Act. The Gaming Board may remove any member
15 of the Casino Board for any violation of the Illinois Gambling
16 Act or the rules and regulations of the Gaming Board.

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

1 and public service functions.

2 Section 1-25. Organization of Casino Board; meetings.
3 After appointment by the Mayor, the Casino Board shall organize
4 for the transaction of business, provided that the Casino Board
5 shall not take any formal action until after the Gaming Board
6 has completed its preliminary background investigation of at
7 least a quorum of the Casino Board as provided in subsection
8 (a) of Section 1-15. The Casino Board shall prescribe the time
9 and place for meetings, the manner in which special meetings
10 may be called, and the notice that must be given to members.
11 All actions and meetings of the Casino Board shall be subject
12 to the provisions of the Open Meetings Act. Three members of
13 the Casino Board shall constitute a quorum. All substantive
14 action of the Casino Board shall be by resolution with an
15 affirmative vote of a majority of the members.

16 Section 1-30. Executive director; officers.

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

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

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

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

25 (b) The Casino Board shall fix the compensation of the
26 executive director. Subject to the general control of the

1 Casino Board, the executive director shall be responsible for
2 the management of the business, properties, and employees of
3 the Authority. The executive director shall direct the
4 enforcement of all resolutions, rules, and regulations of the
5 Casino Board, and shall perform such other duties as may be
6 prescribed from time to time by the Casino Board. All employees
7 and independent contractors, consultants, engineers,
8 architects, accountants, attorneys, financial experts,
9 construction experts and personnel, superintendents, managers,
10 and other personnel appointed or employed pursuant to this Act
11 shall report to the executive director. In addition to any
12 other duties set forth in this Act, the executive director
13 shall do or shall delegate to an employee or agent of the
14 Authority to do all of the following:

15 (1) Direct and supervise the administrative affairs
16 and activities of the Authority in accordance with its
17 rules, regulations, and policies.

18 (2) Attend meetings of the Casino Board.

19 (3) Keep minutes of all proceedings of the Casino
20 Board.

21 (4) Approve all accounts for salaries, per diem
22 payments, and allowable expenses of the Casino Board and
23 its employees and consultants.

24 (5) Report and make recommendations to the Casino Board
25 concerning the terms and conditions of any casino
26 management contract.

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

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

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

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

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

11 (1) Adopt and alter an official seal.

12 (2) Establish and change its fiscal year.

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

16 (4) Adopt, amend, and repeal bylaws, rules, and
17 regulations consistent with the furtherance of the powers
18 and duties provided for.

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

21 (6) Select locations in the City for a temporary and a
22 permanent casino.

23 (7) Subject to the bidding procedures of Section 1-115
24 of this Act, retain or employ, either as regular employees
25 or independent contractors, consultants, engineers,

1 architects, accountants, attorneys, financial experts,
2 construction experts and personnel, superintendents,
3 managers and other professional personnel, and such other
4 personnel as may be necessary in the judgment of the Casino
5 Board, and fix their compensation; however, employees of
6 the Authority shall be hired pursuant to and in accordance
7 with the rules and policies the Authority may adopt.

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

12 (9) Pursuant to Section 1-115, and subject to the
13 oversight, review, and approval of the Gaming Board, enter
14 into, revoke, and modify contracts in accordance with the
15 rules of the Gaming Board as consistently applied to all
16 owners licensees under the Illinois Gambling Act, provided
17 that the Authority may enter into contracts for the design,
18 construction, and outfitting of a temporary casino prior to
19 the Gaming Board's final approval of the Authority's
20 executive director and the members of the Casino Board and
21 prior to the Gaming Board's issuance of the Authority's
22 owners license. Provided further that the entities
23 selected by the Authority for the design, construction, and
24 outfitting of the temporary casino shall be subject to a
25 preliminary background investigation to be completed by
26 the Gaming Board within 30 days after the Gaming Board is

1 provided the identities of the entities. If the Gaming
2 Board determines that there is a substantial likelihood
3 that the entities are not suitable or acceptable to perform
4 their respective functions, then the Gaming Board shall
5 immediately provide notice of that determination to the
6 Authority. If no such notice is delivered, then, commencing
7 on the 31st day following the date on which the information
8 identifying such entities is provided to the Gaming Board,
9 such entities shall be permitted to commence the services
10 contemplated for the design, construction, and outfitting
11 of the temporary casino. In no event, however, shall the
12 Authority open a casino until after the Gaming Board has
13 finally approved the Authority's executive director and
14 the members of the Casino Board and the Gaming Board has
15 issued the Authority's owners license and the casino
16 operator's casino operator license.

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

19 (11) Negotiate and enter into intergovernmental
20 agreements with the State and its agencies, the City, and
21 other units of local government, in furtherance of the
22 powers and duties of the Casino Board.

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

25 (13) Borrow money from any source, public or private,
26 for any corporate purpose, including, without limitation,

1 working capital for its operations, reserve funds, or
2 payment of interest, and to mortgage, pledge, or otherwise
3 encumber the property or funds of the Authority and to
4 contract with or engage the services of any person in
5 connection with any financing, including financial
6 institutions, issuers of letters of credit, or insurers and
7 enter into reimbursement agreements with this person or
8 entity which may be secured as if money were borrowed from
9 the person or entity.

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

11 (15) Receive and accept from any source, private or
12 public, contributions, gifts, or grants of money or
13 property to the Authority.

14 (16) Provide for the insurance of any property,
15 operations, officers, members, agents, or employees of the
16 Authority against any risk or hazard, to self-insure or
17 participate in joint self-insurance pools or entities to
18 insure against such risk or hazard, and to provide for the
19 indemnification of its officers, members, employees,
20 contractors, or agents against any and all risks.

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

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

1 (b) The Casino Board shall comply with all applicable legal
2 requirements imposed on other owners licensees to conduct all
3 background investigations required under the Illinois Gambling
4 Act and the rules of the Gaming Board. This requirement shall
5 also extend to senior legal, financial, and administrative
6 staff of the Authority.

7 Section 1-32. Ethical conduct.

8 (a) Casino Board members and employees of the Authority
9 must carry out their duties and responsibilities in such a
10 manner as to promote and preserve public trust and confidence
11 in the integrity and conduct of gaming.

12 (b) Except as may be required in the conduct of official
13 duties, Casino Board members and employees of the Authority
14 shall not engage in gambling on any riverboat, in any casino,
15 or in an organization gaming facility licensed by the Illinois
16 Gaming Board or engage in legalized gambling in any
17 establishment identified by Gaming Board action that, in the
18 judgment of the Gaming Board, could represent a potential for a
19 conflict of interest.

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

24 (d) Casino Board members and employees of the Authority
25 shall not hold or pursue employment, office, position,

1 business, or occupation that may conflict with his or her
2 official duties. Employees may engage in other gainful
3 employment so long as that employment does not interfere or
4 conflict with their duties. Such employment must be disclosed
5 to the executive director and approved by the Casino Board.

6 (e) Casino Board members, employees of the Authority, and
7 elected officials and employees of the City may not engage in
8 employment, communications, or any activity identified by the
9 Casino Board or Gaming Board that, in the judgment of either
10 entity, could represent the potential for or the appearance of
11 a conflict of interest.

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

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

3 (g) Casino Board members, employees of the Authority, and
4 elected officials and employees of the City may not accept any
5 gift, gratuity, service, compensation, travel, lodging, or
6 thing of value, with the exception of unsolicited items of an
7 incidental nature, from any person, corporation, or entity
8 doing business with the Authority.

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

19 (i) A spouse, child, or parent of a Casino Board member,
20 employee of the Authority, or elected official or employee of
21 the City may not have a financial interest, directly or
22 indirectly, in his or her own name or in the name of any other
23 person, partnership, association, trust, corporation, or other
24 entity in any contract or subcontract for the performance of
25 any work for the Authority. This prohibition shall extend to
26 the holding or acquisition of an interest in any entity

1 identified by the Casino Board or Gaming Board that, in the
2 judgment of either entity, could represent the potential for or
3 the appearance of a conflict of interest. The holding or
4 acquisition of an interest in such entities through an indirect
5 means, such as through a mutual fund, shall not be prohibited,
6 except that the Gaming Board may identify specific investments
7 or funds that, in its judgment, are so influenced by gaming
8 holdings as to represent the potential for or the appearance of
9 a conflict of interest.

10 (j) 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 accept any gift, gratuity, service,
13 compensation, travel, lodging, or thing of value, with the
14 exception of unsolicited items of an incidental nature, from
15 any person, corporation, or entity doing business with the
16 Authority.

17 (k) A spouse, child, or parent of a Casino Board member,
18 employee of the Authority, or elected official or employee of
19 the City may not, while the person is a Board member or
20 employee of the spouse or within a period of 2 years
21 immediately after termination of employment, knowingly accept
22 employment or receive compensation or fees for services from a
23 person or entity, or its parent or affiliate, that has engaged
24 in business with the Authority that resulted in contracts with
25 an aggregate value of at least \$25,000 or if that Casino Board
26 member, employee, or elected official or employee of the City

1 has made a decision that directly applied to the person or
2 entity, or its parent or affiliate.

3 (l) No Casino Board member, employee of the Authority, or
4 elected official or employee of the City may attempt, in any
5 way, to influence any person or entity doing business with the
6 Authority or any officer, agent, or employee thereof to hire or
7 contract with any person or entity for any compensated work.

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

20 (n) Any communication between an elected official of the
21 City and any applicant for or party to a casino management
22 contract with the Authority, or an officer, director, or
23 employee thereof, concerning any matter relating in any way to
24 gaming or the Authority shall be disclosed to the Casino Board
25 and the Gaming Board. Such disclosure shall be in writing by
26 the official within 30 days after the communication and shall

1 be filed with the Casino Board and the Gaming Board. Disclosure
2 must consist of the date of the communication, the identity and
3 job title of the person with whom the communication was made, a
4 brief summary of the communication, the action requested or
5 recommended, all responses made, the identity and job title of
6 the person making the response, and any other pertinent
7 information. In addition, if the communication is written or
8 digital, then the entire communication shall be disclosed.

9 Public disclosure of the written summary provided to the
10 Casino Board and the Gaming Board shall be subject to the
11 exemptions provided under Section 7 of the Freedom of
12 Information Act.

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

17 (o) For purposes of this Section:

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

20 "Routine matters" includes the application for, issuance,
21 renewal, and other processes associated with City permits and
22 licenses.

23 "Employee of the City" means only those employees of the
24 City who provide services to the Authority or otherwise
25 influence the decisions of the Authority or the Casino Board.

26 (p) Any Casino Board member or employee of the Authority

1 who violates any provision of this Section is guilty of a Class
2 4 felony.

3 Section 1-45. Casino management contracts.

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

23 (b) After (1) the Authority has been issued an owners
24 license, (2) the Gaming Board has issued a casino operator
25 license, and (3) the Gaming Board has approved the members of

1 the Casino Board, the Authority may conduct gaming operations
2 at a temporary facility, subject to the adopted rules of the
3 Gaming Board, for no longer than 24 months after gaming
4 operations begin. The Gaming Board may, after holding a public
5 hearing, grant an extension so long as a permanent facility is
6 not operational and the Authority is working in good faith to
7 complete the permanent facility. The Gaming Board may grant
8 additional extensions following further public hearings. Each
9 extension may be for a period of no longer than 6 months.

10 Section 1-47. Freedom of Information Act. The Authority
11 shall be a public body as defined in the Freedom of Information
12 Act and shall be subject to the provisions of the Freedom of
13 Information Act.

14 Section 1-50. Transfer of funds. The revenues received by
15 the Authority (other than amounts required to be paid pursuant
16 to the Illinois Gambling Act and amounts required to pay the
17 operating expenses of the Authority, to pay amounts due the
18 casino operator licensee pursuant to a casino management
19 contract, to repay any borrowing of the Authority made pursuant
20 to Section 1-31, to pay debt service on any bonds issued under
21 Section 1-75, and to pay any expenses in connection with the
22 issuance of such bonds pursuant to Section 1-75 or derivative
23 products pursuant to Section 1-85) shall be transferred to the
24 City by the Authority. Moneys transferred to the City pursuant

1 to this Section shall be expended or obligated by the City for
2 pension payments in accordance with Public Act 99-506.

3 Section 1-60. Auditor General.

4 (a) Prior to the issuance of bonds under this Act, the
5 Authority shall submit to the Auditor General a certification
6 that:

7 (1) it is legally authorized to issue bonds;

8 (2) scheduled annual payments of principal and
9 interest on the bonds to be issued meet the requirements of
10 Section 1-75 of this Act;

11 (3) no bond shall mature later than 30 years; and

12 (4) after payment of costs of issuance and necessary
13 deposits to funds and accounts established with respect to
14 debt service on the bonds, the net bond proceeds (exclusive
15 of any proceeds to be used to refund outstanding bonds)
16 will be used only for the purposes set forth in this Act.

17 The Authority also shall submit to the Auditor General its
18 projections on revenues to be generated and pledged to
19 repayment of the bonds as scheduled and such other information
20 as the Auditor General may reasonably request.

21 The Auditor General shall examine the certifications and
22 information submitted and submit a report to the Authority and
23 the Gaming Board indicating whether the required
24 certifications, projections, and other information have been
25 submitted by the Authority and whether the assumptions

1 underlying the projections are not unreasonable in the
2 aggregate. The Auditor General shall submit the report no later
3 than 60 days after receiving the information required to be
4 submitted by the Authority.

5 The Auditor General shall submit a bill to the Authority
6 for costs associated with the examinations and report required
7 under this Section. The Authority shall reimburse in a timely
8 manner.

9 (b) The Authority shall enter into an intergovernmental
10 agreement with the Auditor General authorizing the Auditor
11 General to, every 2 years, (i) review the financial audit of
12 the Authority performed by the Authority's certified public
13 accountants, (ii) perform a management audit of the Authority,
14 and (iii) perform a management audit of the casino operator
15 licensee. The Auditor General shall provide the Authority and
16 the General Assembly with the audits and shall post on his or
17 her Internet website such portions of the audit or other
18 financial information as generally would be made publicly
19 available for other owners licensees under the Illinois
20 Gambling Act. The Auditor General shall submit a bill to the
21 Authority for costs associated with the review and the audit
22 required under this Section, and the Authority shall reimburse
23 the Auditor General for such costs in a timely manner.

24 Section 1-62. Advisory committee. An Advisory Committee is
25 established to monitor, review, and report on (1) the

1 Authority's utilization of minority-owned business enterprises
2 and female-owned business enterprises, (2) employment of
3 females, and (3) employment of minorities with regard to the
4 development and construction of the casino as authorized under
5 Section 7 of the Illinois Gambling Act. The Authority shall
6 work with the Advisory Committee in accumulating necessary
7 information for the Committee to submit reports, as necessary,
8 to the General Assembly and to the City.

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

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

24 Section 1-65. Acquisition of property; eminent domain
25 proceedings. For the lawful purposes of this Act, the City may

1 acquire, by eminent domain or by condemnation proceedings in
2 the manner provided by the Eminent Domain Act, real or personal
3 property or interests in real or personal property located in
4 the City, and the City may convey to the Authority property so
5 acquired. The acquisition of property under this Section is
6 declared to be for a public use.

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

1 Section 1-70. Local regulation. In addition to this Act,
2 the Illinois Gambling Act, and all of the rules of the Gaming
3 Board, the casino facilities and operations therein shall be
4 subject to all ordinances and regulations of the City. The
5 construction, development, and operation of the casino shall
6 comply with all ordinances, regulations, rules, and controls of
7 the City, including, but not limited to, those relating to
8 zoning and planned development, building, fire prevention, and
9 land use. However, the regulation of gaming operations is
10 subject to the exclusive jurisdiction of the Gaming Board. The
11 Gaming Board shall be responsible for the investigation for and
12 issuance of all licenses required by this Act and the Illinois
13 Gambling Act.

14 Section 1-75. Borrowing.

15 (a) The Authority may borrow money and issue bonds as
16 provided in this Section. Bonds of the Authority may be issued
17 to provide funds for land acquisition, site assembly and
18 preparation, and the design and construction of the casino, as
19 defined in the Illinois Gambling Act, all ancillary and related
20 facilities comprising the casino complex, and all on-site and
21 off-site infrastructure improvements required in connection
22 with the development of the casino; to refund (at the time or
23 in advance of any maturity or redemption) or redeem any bonds
24 of the Authority; to provide or increase a debt service reserve
25 fund or other reserves with respect to any or all of its bonds;

1 or to pay the legal, financial, administrative, bond insurance,
2 credit enhancement, and other legal expenses of the
3 authorization, issuance, or delivery of bonds. In this Act, the
4 term "bonds" also includes notes of any kind, interim
5 certificates, refunding bonds, or any other evidence of
6 obligation for borrowed money issued under this Section. Bonds
7 may be issued in one or more series and may be payable and
8 secured either on a parity with or separately from other bonds.

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

24 (c) Bonds shall be authorized by a resolution of the
25 Authority and may be secured by a trust indenture by and
26 between the Authority and a corporate trustee or trustees,

1 which may be any trust company or bank having the powers of a
2 trust company within or without the State. Bonds shall meet the
3 following requirements:

4 (1) Bonds may bear interest payable at any time or
5 times and at any rate or rates, notwithstanding any other
6 provision of law to the contrary, and may be subject to
7 such other terms and conditions as may be provided by the
8 resolution or indenture authorizing the issuance of such
9 bonds.

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

15 (3) Bonds issued pursuant to this Section may be sold
16 pursuant to notice of sale and public bid or by negotiated
17 sale.

18 (4) Bonds shall be payable at a time or times, in the
19 denominations and form, including book entry form, either
20 coupon, registered, or both, and carry the registration and
21 privileges as to exchange, transfer or conversion, and
22 replacement of mutilated, lost, or destroyed bonds as the
23 resolution or trust indenture may provide.

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

26 (6) Bonds shall be subject to the terms of purchase,

1 payment, redemption, refunding, or refinancing that the
2 resolution or trust indenture provides.

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

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

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

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

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

6 (1) Pledging, assigning, or directing the use,
7 investment, or disposition of revenues of the Authority or
8 proceeds or benefits of any contract, including without
9 limitation any rights in any casino management contract.

10 (2) The setting aside of loan funding deposits, debt
11 service reserves, replacement or operating reserves, cost
12 of issuance accounts and sinking funds, and the regulation,
13 investment, and disposition thereof.

14 (3) Limitations on the purposes to which or the
15 investments in which the proceeds of sale of any issue of
16 bonds or the Authority's revenues and receipts may be
17 applied or made.

18 (4) Limitations on the issue of additional bonds, the
19 terms upon which additional bonds may be issued and
20 secured, the terms upon which additional bonds may rank on
21 a parity with, or be subordinate or superior to, other
22 bonds.

23 (5) The refunding, advance refunding, or refinancing
24 of outstanding bonds.

25 (6) The procedure, if any, by which the terms of any
26 contract with bondholders may be altered or amended and the

1 amount of bonds and holders of which must consent thereto
2 and the manner in which consent shall be given.

3 (7) Defining the acts or omissions that shall
4 constitute a default in the duties of the Authority to
5 holders of bonds and providing the rights or remedies of
6 such holders in the event of a default, which may include
7 provisions restricting individual rights of action by
8 bondholders.

9 (8) Providing for guarantees, pledges of property,
10 letters of credit, or other security, or insurance for the
11 benefit of bondholders.

12 (f) No member of the Casino Board, nor any person executing
13 the bonds, shall be liable personally on the bonds or subject
14 to any personal liability by reason of the issuance of the
15 bonds.

16 (g) The Authority may issue and secure bonds in accordance
17 with the provisions of the Local Government Credit Enhancement
18 Act.

19 (h) A pledge by the Authority of revenues and receipts as
20 security for an issue of bonds or for the performance of its
21 obligations under any casino management contract shall be valid
22 and binding from the time when the pledge is made. The revenues
23 and receipts pledged shall immediately be subject to the lien
24 of the pledge without any physical delivery or further act, and
25 the lien of any pledge shall be valid and binding against any
26 person having any claim of any kind in tort, contract, or

1 otherwise against the Authority, irrespective of whether the
2 person has notice. No resolution, trust indenture, management
3 agreement or financing statement, continuation statement, or
4 other instrument adopted or entered into by the Authority need
5 be filed or recorded in any public record other than the
6 records of the Authority in order to perfect the lien against
7 third persons, regardless of any contrary provision of law.

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

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

23 (k) The State of Illinois pledges and agrees with the
24 owners of the bonds that it will not limit or alter the rights
25 and powers vested in the Authority by this Act so as to impair
26 the terms of any contract made by the Authority with the owners

1 or in any way impair the rights and remedies of the owners
2 until the bonds, together with interest on them, and all costs
3 and expenses in connection with any action or proceedings by or
4 on behalf of the owners, are fully met and discharged. The
5 Authority is authorized to include this pledge and agreement in
6 any contract with the owners of bonds issued under this
7 Section.

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

20 Section 1-85. Derivative products. With respect to all or
21 part of any issue of its bonds, the Authority may enter into
22 agreements or contracts with any necessary or appropriate
23 person, which will have the benefit of providing to the
24 Authority an interest rate basis, cash flow basis, or other
25 basis different from that provided in the bonds for the payment

1 of interest. Such agreements or contracts may include, without
2 limitation, agreements or contracts commonly known as
3 "interest rate swap agreements", "forward payment conversion
4 agreements", "futures", "options", "puts", or "calls" and
5 agreements or contracts providing for payments based on levels
6 of or changes in interest rates, agreements or contracts to
7 exchange cash flows or a series of payments, or to hedge
8 payment, rate spread, or similar exposure. Any such agreement
9 or contract shall be solely an obligation or indebtedness of
10 the Authority and shall not be an obligation or indebtedness of
11 the State, nor shall any party thereto have any recourse
12 against the State in connection with the agreement or contract.

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

1 securities for purchase or investment.

2 Section 1-105. Budgets and reporting.

3 (a) The Casino Board shall annually adopt a budget for each
4 fiscal year. The budget may be modified from time to time in
5 the same manner and upon the same vote as it may be adopted.
6 The budget shall include the Authority's available funds and
7 estimated revenues and shall provide for payment of its
8 obligations and estimated expenditures for the fiscal year,
9 including, without limitation, expenditures for
10 administration, operation, maintenance and repairs, debt
11 service, and deposits into reserve and other funds and capital
12 projects.

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

19 (c) The Casino Board shall, for each fiscal year, prepare
20 an annual report setting forth information concerning its
21 activities in the fiscal year and the status of the development
22 of the casino. The annual report shall include financial
23 information of the Authority consistent with that which is
24 required for all other owners licensees under the Illinois
25 Gambling Act, the budget for the succeeding fiscal year, and

1 the current capital plan as of the date of the report. Copies
2 of the annual report shall be made available to persons who
3 request them and shall be submitted not later than 120 days
4 after the end of the Authority's fiscal year or, if the audit
5 of the Authority's financial statements is not completed within
6 120 days after the end of the Authority's fiscal year, as soon
7 as practical after completion of the audit, to the Governor,
8 the Mayor, the General Assembly, and the Commission on
9 Government Forecasting and Accountability.

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

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

22 No bank or savings and loan association shall receive
23 public funds as permitted by this Section unless it has
24 complied with the requirements established pursuant to Section
25 6 of the Public Funds Investment Act.

1 (b) If any officer or employee whose signature appears upon
2 any check or draft issued pursuant to this Act ceases (after
3 attaching his signature) to hold his or her office before the
4 delivery of such a check or draft to the payee, his or her
5 signature shall nevertheless be valid and sufficient for all
6 purposes with the same effect as if he or she had remained in
7 office until delivery thereof.

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

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

1 beneficial interest of more than 1%. Notwithstanding the
2 provisions of this subsection (a), the Gaming Board may adopt
3 rules in connection with contractors for contracts with the
4 Authority or the casino operator licensee.

5 (b) A bidder, respondent, offeror, or contractor for
6 contracts with an annual value of \$25,000 or more or for a
7 period to exceed one year shall disclose all political
8 contributions of the bidder, respondent, offeror, or
9 contractor and any affiliated person or entity. Disclosure
10 shall include at least the names and addresses of the
11 contributors and the dollar amounts of any contributions to any
12 political committee made within the previous 2 years. The
13 disclosure must be submitted to the Gaming Board with a copy of
14 the contract. All such disclosures shall be posted on the
15 websites of the Authority and the Gaming Board.

16 (c) As used in this Section:

17 "Contribution" means contribution as defined in Section
18 9-1.4 of the Election Code.

19 "Affiliated person" means (i) any person with any ownership
20 interest or distributive share of the bidding, responding, or
21 contracting entity in excess of 1%, (ii) executive employees of
22 the bidding, responding, or contracting entity, and (iii) the
23 spouse, minor children, and parents of any such persons.

24 "Affiliated entity" means (i) any parent or subsidiary of
25 the bidding or contracting entity, (ii) any member of the same
26 unitary business group, or (iii) any political committee for

1 which the bidding, responding, or contracting entity is the
2 sponsoring entity.

3 (d) The Gaming Board may direct the Authority or a casino
4 operator licensee to void a contract if a violation of this
5 Section occurs. The Authority may direct a casino operator
6 licensee to void a contract if a violation of this Section
7 occurs.

8 (e) All contracts pertaining to the actual operation of the
9 casino and related gaming activities shall be entered into by
10 the casino operator licensee and not the Authority and shall be
11 subject to the regulation, oversight, and approval of the
12 Gaming Board, applying the same regulation, oversight, and
13 approval requirements as would be applied to any other owners
14 licensee under the Illinois Gambling Act.

15 Section 1-115. Purchasing.

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

1 (b) All contracts for amounts greater than \$25,000 must be
2 approved by the Casino Board and executed by the chairperson of
3 the Casino Board and executive director of the Authority.
4 Contracts for amounts of \$25,000 or less may be approved and
5 executed by the Chief Procurement Officer for the Authority and
6 executive director of the Authority, with approval by the chief
7 legal counsel for the Authority as to form and legality.

8 (c) All construction contracts and contracts for supplies,
9 materials, equipment, and services for amounts greater than
10 \$25,000 shall be let by a competitive selection process to the
11 lowest responsible proposer, after advertising for proposals,
12 except for the following:

13 (1) when repair parts, accessories, equipment, or
14 services are required for equipment or services previously
15 furnished or contracted for;

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

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

21 (4) contracts where there is only one economically
22 feasible source;

23 (5) when a purchase is needed on an immediate,
24 emergency basis because there exists a threat to public
25 health or public safety, or when immediate expenditure is
26 necessary for repairs to Authority property in order to

1 protect against further loss of or damage to Authority
2 property, to prevent or minimize serious disruption in
3 Authority services or to ensure the integrity of Authority
4 records;

5 (6) contracts for professional services other than for
6 management of the casino, except such contracts described
7 in subsection (d) of this Section; and

8 (7) contracts for the use, purchase, delivery,
9 movement, or installation of (i) data processing
10 equipment, software, and services and (ii)
11 telecommunications equipment, software, and services.

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

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

22 (f) In determining the responsibility of any proposer, the
23 Authority may take into account the proposer's (or an
24 individual having a beneficial interest, directly or
25 indirectly, of more than 1% in such proposing entity) past
26 record of dealings with the Authority, the proposer's

1 experience, adequacy of equipment, and ability to complete
2 performance within the time set, and other factors besides
3 financial responsibility. No such contract shall be awarded to
4 any proposer other than the lowest proposer (in case of
5 purchase or expenditure) unless authorized or approved by a
6 vote of at least 3 members of the Casino Board and such action
7 is accompanied by a written statement setting forth the reasons
8 for not awarding the contract to the highest or lowest
9 proposer, as the case may be. The statement shall be kept on
10 file in the principal office of the Authority and open to
11 public inspection.

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

20 (h) Advertisements for proposals and re-proposals shall be
21 published at least once in a daily newspaper of general
22 circulation published in the City at least 10 calendar days
23 before the time for receiving proposals and in an online
24 bulletin published on the Authority's website. Such
25 advertisements shall state the time and place for receiving and
26 opening of proposals and, by reference to plans and

1 specifications on file at the time of the first publication or
2 in the advertisement itself, shall describe the character of
3 the proposed contract in sufficient detail to fully advise
4 prospective proposers of their obligations and to ensure free
5 and open competitive selection.

6 (i) All proposals in response to advertisements shall be
7 sealed and shall be publicly opened by the Authority. All
8 proposers shall be entitled to be present in person or by
9 representatives. Cash or a certified or satisfactory cashier's
10 check, as a deposit of good faith, in a reasonable amount to be
11 fixed by the Authority before advertising for proposals, shall
12 be required with the proposal. A bond for faithful performance
13 of the contract with surety or sureties satisfactory to the
14 Authority and adequate insurance may be required in reasonable
15 amounts to be fixed by the Authority before advertising for
16 proposals.

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

26 (k) Notice of each and every contract that is offered,

1 including renegotiated contracts and change orders, shall be
2 published in an online bulletin. The online bulletin must
3 include at least the date first offered, the date submission of
4 offers is due, the location that offers are to be submitted to,
5 a brief purchase description, the method of source selection,
6 information of how to obtain a comprehensive purchase
7 description and any disclosure and contract forms, and
8 encouragement to prospective vendors to hire qualified
9 veterans, as defined by Section 45-67 of the Illinois
10 Procurement Code, and Illinois residents discharged from any
11 Illinois adult correctional center subject to Gaming Board
12 licensing and eligibility rules. Notice of each and every
13 contract that is let or awarded, including renegotiated
14 contracts and change orders, shall be published in the online
15 bulletin and must include at least all of the information
16 specified in this subsection (k), as well as the name of the
17 successful responsible proposer or offeror, the contract
18 price, and the number of unsuccessful responsive proposers and
19 any other disclosure specified in this Section. This notice
20 must be posted in the online electronic bulletin prior to
21 execution of the contract.

22 Section 1-130. Affirmative action and equal opportunity
23 obligations of Authority.

24 (a) The Authority is subject to the requirements of Article
25 IV of Chapter 2-92 (Sections 2-92-650 through 2-92-720

1 inclusive) of the Chicago Municipal Code, as now or hereafter
2 amended, renumbered, or succeeded, concerning a Minority-Owned
3 and Women-Owned Business Enterprise Procurement Program for
4 construction contracts, and Section 2-92-420 et seq. of the
5 Chicago Municipal Code, as now or hereafter amended,
6 renumbered, or succeeded, concerning a Minority-Owned and
7 Women-Owned Business Enterprise Procurement Program.

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

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

24 Section 1-140. Home rule. The regulation and licensing of

1 casinos and casino gaming, casino gaming facilities, and casino
2 operator licensees under this Act are exclusive powers and
3 functions of the State. A home rule unit may not regulate or
4 license casinos, casino gaming, casino gaming facilities, or
5 casino operator licensees under this Act, except as provided
6 under this Act. This Section is a denial and limitation of home
7 rule powers and functions under subsection (h) of Section 6 of
8 Article VII of the Illinois Constitution.

9 Article 5. Fantasy Sports Contest Act

10 Section 5-1. Short title. This Article may be cited as the
11 Fantasy Sports Contest Act. References in this Article to "this
12 Act" mean this Article.

13 Article 10. Internet Gaming Act

14 Section 10-1. Short title. This Article may be cited as the
15 Internet Gaming Act. References in this Article to "this Act"
16 mean this Article.

17 Article 15. Sports Wagering Act

18 Section 15-1. Short title. This Article may be cited as the
19 Sports Wagering Act. References in this Article to "this Act"
20 mean this Article.

1 Article 90. Miscellaneous Provisions

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

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

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

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

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

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

23 (6) That allowing the State's horse racing venues to
24 maximize their capacities with gaming machines, would

1 generate up to \$120 million to \$200 million for the State
2 in the form of extra licensing fees, plus an additional
3 \$100 million to \$300 million in recurring annual tax
4 revenue for the State to help ensure that school, road, and
5 other building projects promised under the capital plan
6 occur on schedule.

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

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

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

23 Section 90-3. The State Officials and Employees Ethics Act
24 is amended by changing Section 5-45 as follows:

1 (5 ILCS 430/5-45)

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

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

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

25 (c) Within 6 months after the effective date of this
26 amendatory Act of the 96th General Assembly, each executive

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

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

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

22 (e) The Joint Committee on Legislative Support Services,
23 the Auditor General, and each of the executive branch
24 constitutional officers and legislative leaders subject to
25 subsection (c) of this Section shall provide written
26 notification to all employees in positions subject to the

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

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

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

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

19 On appeal, the Ethics Commission or Auditor General shall
20 seek, accept, and consider written public comments regarding a
21 determination. In deciding whether to uphold an Inspector
22 General's determination, the appropriate Ethics Commission or
23 Auditor General shall assess, in addition to any other relevant
24 information, the effect of the prospective employment or
25 relationship upon the decisions referred to in subsections (a)
26 and (b), based on the totality of the participation by the

1 former officer, member, or State employee in those decisions.
2 The Ethics Commission shall decide whether to uphold an
3 Inspector General's determination within 10 calendar days or
4 the person is deemed eligible for the employment opportunity.

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

19 (1) members or officers;

20 (2) members of a commission or board created by the
21 Illinois Constitution;

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

24 (4) the head of a department, commission, board,
25 division, bureau, authority, or other administrative unit
26 within the government of this State;

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

4 (6) chiefs of staff, deputy chiefs of staff, associate
5 chiefs of staff, assistant chiefs of staff, and deputy
6 governors;

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

8 (8) employees of the Illinois Gaming Board.

9 (i) For the purposes of this Section, with respect to
10 officers or employees of a regional transit board, as defined
11 in this Act, the phrase "person or entity" does not include:

12 (i) the United States government, (ii) the State, (iii)
13 municipalities, as defined under Article VII, Section 1 of the
14 Illinois Constitution, (iv) units of local government, as
15 defined under Article VII, Section 1 of the Illinois
16 Constitution, or (v) school districts.

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

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

20 (20 ILCS 301/5-20)

21 Sec. 5-20. Compulsive gambling program.

22 (a) Subject to appropriation, the Department shall
23 establish a program for public education, research, and
24 training regarding problem and compulsive gambling and the

1 treatment and prevention of problem and compulsive gambling.
2 Subject to specific appropriation for these stated purposes,
3 the program must include all of the following:

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

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

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

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

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

25 (c) Subject to appropriation, the Department shall produce
26 and supply the signs specified in Section 10.7 of the Illinois

1 Lottery Law, Section 34.1 of the Illinois Horse Racing Act of
2 1975, Section 4.3 of the Bingo License and Tax Act, Section 8.1
3 of the Charitable Games Act, and Section 13.1 of the Illinois
4 ~~Riverboat~~ Gambling Act.

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

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

9 (20 ILCS 605/605-530 new)

10 Sec. 605-530. The Depressed Communities Economic
11 Development Board.

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

16 (1) 3 members appointed by the Governor, one of whom
17 shall be appointed to serve an initial term of one year and
18 2 of whom shall be appointed to serve an initial term of 2
19 years;

20 (2) 2 members appointed by the Speaker of the House of
21 Representatives, one of whom shall be appointed to serve an
22 initial term of one year and one of whom shall be appointed
23 to serve an initial term of 2 years;

24 (3) 2 members appointed by the President of the Senate,

1 one of whom shall be appointed to serve an initial term of
2 one year and one of whom shall be appointed to serve an
3 initial term of 2 years;

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

8 (5) 2 members appointed by the Minority Leader of the
9 Senate, one of whom shall be appointed to serve an initial
10 term of one year and one of whom shall be appointed to
11 serve an initial term of 2 years.

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

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

25 (b) Board members shall serve without compensation, but may
26 be reimbursed for their reasonable travel expenses from funds

1 available for that purpose. The Department of Commerce and
2 Economic Opportunity shall provide staff and administrative
3 support services to the Board.

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

22 (20 ILCS 605/605-535 new)

23 Sec. 605-535. The Commission on the Future of Economic
24 Development of the Latino Community.

25 (a) There is hereby created the Commission on the Future of

1 Economic Development of the Latino Community within the
2 Department. The purpose of the Commission shall be to maintain
3 and develop the economy of Latinos and to provide opportunities
4 for this community, which will enhance and expand the quality
5 of their lives.

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

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

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

18 The comprehensive statewide economic development strategy
19 may include, but is not limited to:

20 (1) an assessment of the Latino community's economic
21 vitality;

22 (2) recommended goals, objectives, and priorities for
23 the next biennium and the future;

24 (3) a common set of outcomes and benchmarks for the
25 economic development system as a whole for the Latino
26 community;

1 (4) recommendations for removing barriers for Latinos
2 in employment;

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

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

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

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

20 State agencies shall cooperate with the Commission and
21 provide information as the Commission may reasonably request.

22 The Commission shall review and make budget
23 recommendations to the Governor's Office of Management and
24 Budget and the General Assembly in areas relating to the
25 economic development in the State's Latino community.

26 The Commission shall evaluate its own performance on a

1 regular basis.

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

7 (b) The Commission shall consist of the following voting
8 members:

9 (1) 12 members appointed by the Governor, 4 of whom
10 shall be appointed to serve an initial term of one year, 4
11 of whom shall be appointed to serve an initial term of 2
12 years, and 4 of whom shall be appointed to serve an initial
13 term of 3 years; after the initial term, each member shall
14 be appointed to a term of 3 years; members of the
15 Commission shall serve at the pleasure of the Governor for
16 not more than 2 consecutive 3-year terms; in appointing
17 members, the Governor shall appoint individuals from the
18 following private industry sectors:

19 (A) production agriculture;

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

23 (C) transportation, construction, and logistics;

24 (D) travel and tourism;

25 (E) financial services and insurance;

26 (F) information technology and communications; and

1 (G) biotechnology;

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

6 (3) 2 members appointed by the President of the Senate,
7 one of whom shall be appointed to serve an initial term of
8 one year and one of whom shall be appointed to serve an
9 initial term of 2 years;

10 (4) 2 members appointed by the Minority Leader of the
11 House of Representatives, one of whom shall be appointed to
12 serve an initial term of one year and one of whom shall be
13 appointed to serve an initial term of 2 years; and

14 (5) 2 members appointed by the Minority Leader of the
15 Senate, one of whom shall be appointed to serve an initial
16 term of one year and one of whom shall be appointed to
17 serve an initial term of 2 years.

18 The members of the Commission shall choose a member to
19 serve as chair of the Commission. The members of the Commission
20 shall be representative, to the extent possible, of the various
21 geographic areas of the State. The Director shall serve as an
22 ad hoc nonvoting member of the Commission. Vacancies shall be
23 filled in the same manner as the original appointments. The
24 members of the Commission shall serve without compensation.

25 (c) The Commission shall meet at least 4 times per year,
26 with at least one meeting each calendar quarter, at the call of

1 the director or 4 voting members of the Commission. The staff
2 and support for the Commission shall be provided by the
3 Department.

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

7 (1) public universities;

8 (2) community colleges;

9 (3) other educational institutions; and

10 (4) the Department of Labor.

11 (e) The Commission shall make recommendations, which must
12 be approved by a majority of the members of the Commission, to
13 the Department concerning the award of grants from amounts
14 appropriated to the Department from the Latino Community
15 Economic Development Fund, a special fund in the State
16 treasury. The Department shall make grants to public or private
17 entities submitting proposals to the Commission to assist in
18 the economic development of the Latino community. Grants may be
19 used by these entities only for those purposes conditioned with
20 the grant. The Commission shall coordinate with the Department
21 to develop grant criteria.

22 (f) For the purposes of this Section:

23 "Department" means the Department of Commerce and Economic
24 Development.

25 "Director" means the Director of Commerce and Economic
26 Development.

1 "Educational institutions" means nonprofit public and
2 private colleges, community colleges, State colleges, and
3 universities in this State.

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

6 (20 ILCS 1605/9.1)

7 Sec. 9.1. Private manager and management agreement.

8 (a) As used in this Section:

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

11 "Request for qualifications" means all materials and
12 documents prepared by the Department to solicit the following
13 from offerors:

14 (1) Statements of qualifications.

15 (2) Proposals to enter into a management agreement,
16 including the identity of any prospective vendor or vendors
17 that the offeror intends to initially engage to assist the
18 offeror in performing its obligations under the management
19 agreement.

20 "Final offer" means the last proposal submitted by an
21 offeror in response to the request for qualifications,
22 including the identity of any prospective vendor or vendors
23 that the offeror intends to initially engage to assist the
24 offeror in performing its obligations under the management

1 agreement.

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

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

10 (c) Pursuant to the terms of this subsection, the
11 Department shall endeavor to expeditiously terminate the
12 existing contracts in support of the Lottery in effect on the
13 effective date of this amendatory Act of the 96th General
14 Assembly in connection with the selection of the private
15 manager. As part of its obligation to terminate these contracts
16 and select the private manager, the Department shall establish
17 a mutually agreeable timetable to transfer the functions of
18 existing contractors to the private manager so that existing
19 Lottery operations are not materially diminished or impaired
20 during the transition. To that end, the Department shall do the
21 following:

22 (1) where such contracts contain a provision
23 authorizing termination upon notice, the Department shall
24 provide notice of termination to occur upon the mutually
25 agreed timetable for transfer of functions;

26 (2) upon the expiration of any initial term or renewal

1 term of the current Lottery contracts, the Department shall
2 not renew such contract for a term extending beyond the
3 mutually agreed timetable for transfer of functions; or

4 (3) in the event any current contract provides for
5 termination of that contract upon the implementation of a
6 contract with the private manager, the Department shall
7 perform all necessary actions to terminate the contract on
8 the date that coincides with the mutually agreed timetable
9 for transfer of functions.

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

16 (c-5) The Department shall include provisions in the
17 management agreement whereby the private manager shall, for a
18 fee, and pursuant to a contract negotiated with the Department
19 (the "Employee Use Contract"), utilize the services of current
20 Department employees to assist in the administration and
21 operation of the Lottery. The Department shall be the employer
22 of all such bargaining unit employees assigned to perform such
23 work for the private manager, and such employees shall be State
24 employees, as defined by the Personnel Code. Department
25 employees shall operate under the same employment policies,
26 rules, regulations, and procedures, as other employees of the

1 Department. In addition, neither historical representation
2 rights under the Illinois Public Labor Relations Act, nor
3 existing collective bargaining agreements, shall be disturbed
4 by the management agreement with the private manager for the
5 management of the Lottery.

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

8 (1) A term not to exceed 10 years, including any
9 renewals.

10 (2) A provision specifying that the Department:

11 (A) shall exercise actual control over all
12 significant business decisions;

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

15 (B) has ready access at any time to information
16 regarding Lottery operations;

17 (C) has the right to demand and receive information
18 from the private manager concerning any aspect of the
19 Lottery operations at any time; and

20 (D) retains ownership of all trade names,
21 trademarks, and intellectual property associated with
22 the Lottery.

23 (3) A provision imposing an affirmative duty on the
24 private manager to provide the Department with material
25 information and with any information the private manager
26 reasonably believes the Department would want to know to

1 enable the Department to conduct the Lottery.

2 (4) A provision requiring the private manager to
3 provide the Department with advance notice of any operating
4 decision that bears significantly on the public interest,
5 including, but not limited to, decisions on the kinds of
6 games to be offered to the public and decisions affecting
7 the relative risk and reward of the games being offered, so
8 the Department has a reasonable opportunity to evaluate and
9 countermand that decision.

10 (5) A provision providing for compensation of the
11 private manager that may consist of, among other things, a
12 fee for services and a performance based bonus as
13 consideration for managing the Lottery, including terms
14 that may provide the private manager with an increase in
15 compensation if Lottery revenues grow by a specified
16 percentage in a given year.

17 (6) (Blank).

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

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

23 (8-5) A provision encouraging that at least 20% of the
24 cost of contracts entered into for goods and services by
25 the private manager in connection with its management of
26 the Lottery, other than contracts with sales agents or

1 technical advisors, be awarded to businesses that are a
2 minority-owned business, a women-owned business, or a
3 business owned by a person with disability, as those terms
4 are defined in the Business Enterprise for Minorities,
5 Women, and Persons with Disabilities Act.

6 (9) A requirement that so long as the private manager
7 complies with all the conditions of the agreement under the
8 oversight of the Department, the private manager shall have
9 the following duties and obligations with respect to the
10 management of the Lottery:

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

13 (B) The rights and obligations under contracts
14 with retailers and vendors.

15 (C) The implementation of a comprehensive security
16 program by the private manager.

17 (D) The implementation of a comprehensive system
18 of internal audits.

19 (E) The implementation of a program by the private
20 manager to curb compulsive gambling by persons playing
21 the Lottery.

22 (F) A system for determining (i) the type of
23 Lottery games, (ii) the method of selecting winning
24 tickets, (iii) the manner of payment of prizes to
25 holders of winning tickets, (iv) the frequency of
26 drawings of winning tickets, (v) the method to be used

1 in selling tickets, (vi) a system for verifying the
2 validity of tickets claimed to be winning tickets,
3 (vii) the basis upon which retailer commissions are
4 established by the manager, and (viii) minimum
5 payouts.

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

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

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

15 (13) A requirement that the Department monitor and
16 oversee the private manager's practices and take action
17 that the Department considers appropriate to ensure that
18 the private manager is in compliance with the terms of the
19 management agreement, while allowing the manager, unless
20 specifically prohibited by law or the management
21 agreement, to negotiate and sign its own contracts with
22 vendors.

23 (14) A provision requiring the private manager to
24 periodically file, at least on an annual basis, appropriate
25 financial statements in a form and manner acceptable to the
26 Department.

1 (15) Cash reserves requirements.

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

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

8 (18) Procedures for amendment of the agreement.

9 (19) A provision requiring the private manager to
10 engage in an open and competitive bidding process for any
11 procurement having a cost in excess of \$50,000 that is not
12 a part of the private manager's final offer. The process
13 shall favor the selection of a vendor deemed to have
14 submitted a proposal that provides the Lottery with the
15 best overall value. The process shall not be subject to the
16 provisions of the Illinois Procurement Code, unless
17 specifically required by the management agreement.

18 (20) The transition of rights and obligations,
19 including any associated equipment or other assets used in
20 the operation of the Lottery, from the manager to any
21 successor manager of the lottery, including the
22 Department, following the termination of or foreclosure
23 upon the management agreement.

24 (21) Right of use of copyrights, trademarks, and
25 service marks held by the Department in the name of the
26 State. The agreement must provide that any use of them by

1 the manager shall only be for the purpose of fulfilling its
2 obligations under the management agreement during the term
3 of the agreement.

4 (22) The disclosure of any information requested by the
5 Department to enable it to comply with the reporting
6 requirements and information requests provided for under
7 subsection (p) of this Section.

8 (e) Notwithstanding any other law to the contrary, the
9 Department shall select a private manager through a competitive
10 request for qualifications process consistent with Section
11 20-35 of the Illinois Procurement Code, which shall take into
12 account:

13 (1) the offeror's ability to market the Lottery to
14 those residents who are new, infrequent, or lapsed players
15 of the Lottery, especially those who are most likely to
16 make regular purchases on the Internet;

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

20 (3) the offeror's ability to provide the most
21 successful management of the Lottery for the benefit of the
22 people of the State based on current and past business
23 practices or plans of the offeror; and

24 (4) the offeror's poor or inadequate past performance
25 in servicing, equipping, operating or managing a lottery on
26 behalf of Illinois, another State or foreign government and

1 attracting persons who are not currently regular players of
2 a lottery.

3 (f) The Department may retain the services of an advisor or
4 advisors with significant experience in financial services or
5 the management, operation, and procurement of goods, services,
6 and equipment for a government-run lottery to assist in the
7 preparation of the terms of the request for qualifications and
8 selection of the private manager. Any prospective advisor
9 seeking to provide services under this subsection (f) shall
10 disclose any material business or financial relationship
11 during the past 3 years with any potential offeror, or with a
12 contractor or subcontractor presently providing goods,
13 services, or equipment to the Department to support the
14 Lottery. The Department shall evaluate the material business or
15 financial relationship of each prospective advisor. The
16 Department shall not select any prospective advisor with a
17 substantial business or financial relationship that the
18 Department deems to impair the objectivity of the services to
19 be provided by the prospective advisor. During the course of
20 the advisor's engagement by the Department, and for a period of
21 one year thereafter, the advisor shall not enter into any
22 business or financial relationship with any offeror or any
23 vendor identified to assist an offeror in performing its
24 obligations under the management agreement. Any advisor
25 retained by the Department shall be disqualified from being an
26 offeror. The Department shall not include terms in the request

1 for qualifications that provide a material advantage whether
2 directly or indirectly to any potential offeror, or any
3 contractor or subcontractor presently providing goods,
4 services, or equipment to the Department to support the
5 Lottery, including terms contained in previous responses to
6 requests for proposals or qualifications submitted to
7 Illinois, another State or foreign government when those terms
8 are uniquely associated with a particular potential offeror,
9 contractor, or subcontractor. The request for proposals
10 offered by the Department on December 22, 2008 as
11 "LOT08GAMESYS" and reference number "22016176" is declared
12 void.

13 (g) The Department shall select at least 2 offerors as
14 finalists to potentially serve as the private manager no later
15 than August 9, 2010. Upon making preliminary selections, the
16 Department shall schedule a public hearing on the finalists'
17 proposals and provide public notice of the hearing at least 7
18 calendar days before the hearing. The notice must include all
19 of the following:

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

21 (2) The subject matter of the hearing.

22 (3) A brief description of the management agreement to
23 be awarded.

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

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

1 (h) At the public hearing, the Department shall (i) provide
2 sufficient time for each finalist to present and explain its
3 proposal to the Department and the Governor or the Governor's
4 designee, including an opportunity to respond to questions
5 posed by the Department, Governor, or designee and (ii) allow
6 the public and non-selected offerors to comment on the
7 presentations. The Governor or a designee shall attend the
8 public hearing. After the public hearing, the Department shall
9 have 14 calendar days to recommend to the Governor whether a
10 management agreement should be entered into with a particular
11 finalist. After reviewing the Department's recommendation, the
12 Governor may accept or reject the Department's recommendation,
13 and shall select a final offeror as the private manager by
14 publication of a notice in the Illinois Procurement Bulletin on
15 or before September 15, 2010. The Governor shall include in the
16 notice a detailed explanation and the reasons why the final
17 offeror is superior to other offerors and will provide
18 management services in a manner that best achieves the
19 objectives of this Section. The Governor shall also sign the
20 management agreement with the private manager.

21 (i) Any action to contest the private manager selected by
22 the Governor under this Section must be brought within 7
23 calendar days after the publication of the notice of the
24 designation of the private manager as provided in subsection
25 (h) of this Section.

26 (j) The Lottery shall remain, for so long as a private

1 manager manages the Lottery in accordance with provisions of
2 this Act, a Lottery conducted by the State, and the State shall
3 not be authorized to sell or transfer the Lottery to a third
4 party.

5 (k) Any tangible personal property used exclusively in
6 connection with the lottery that is owned by the Department and
7 leased to the private manager shall be owned by the Department
8 in the name of the State and shall be considered to be public
9 property devoted to an essential public and governmental
10 function.

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

14 (m) Neither this Section nor any management agreement
15 entered into under this Section prohibits the General Assembly
16 from authorizing forms of gambling that are not in direct
17 competition with the Lottery. The forms of gambling authorized
18 by this amendatory Act of the 100th General Assembly constitute
19 authorized forms of gambling that are not in direct competition
20 with the Lottery.

21 (n) The private manager shall be subject to a complete
22 investigation in the third, seventh, and tenth years of the
23 agreement (if the agreement is for a 10-year term) by the
24 Department in cooperation with the Auditor General to determine
25 whether the private manager has complied with this Section and
26 the management agreement. The private manager shall bear the

1 cost of an investigation or reinvestigation of the private
2 manager under this subsection.

3 (o) The powers conferred by this Section are in addition
4 and supplemental to the powers conferred by any other law. If
5 any other law or rule is inconsistent with this Section,
6 including, but not limited to, provisions of the Illinois
7 Procurement Code, then this Section controls as to any
8 management agreement entered into under this Section. This
9 Section and any rules adopted under this Section contain full
10 and complete authority for a management agreement between the
11 Department and a private manager. No law, procedure,
12 proceeding, publication, notice, consent, approval, order, or
13 act by the Department or any other officer, Department, agency,
14 or instrumentality of the State or any political subdivision is
15 required for the Department to enter into a management
16 agreement under this Section. This Section contains full and
17 complete authority for the Department to approve any contracts
18 entered into by a private manager with a vendor providing
19 goods, services, or both goods and services to the private
20 manager under the terms of the management agreement, including
21 subcontractors of such vendors.

22 Upon receipt of a written request from the Chief
23 Procurement Officer, the Department shall provide to the Chief
24 Procurement Officer a complete and un-redacted copy of the
25 management agreement or any contract that is subject to the
26 Department's approval authority under this subsection (o). The

1 Department shall provide a copy of the agreement or contract to
2 the Chief Procurement Officer in the time specified by the
3 Chief Procurement Officer in his or her written request, but no
4 later than 5 business days after the request is received by the
5 Department. The Chief Procurement Officer must retain any
6 portions of the management agreement or of any contract
7 designated by the Department as confidential, proprietary, or
8 trade secret information in complete confidence pursuant to
9 subsection (g) of Section 7 of the Freedom of Information Act.
10 The Department shall also provide the Chief Procurement Officer
11 with reasonable advance written notice of any contract that is
12 pending Department approval.

13 Notwithstanding any other provision of this Section to the
14 contrary, the Chief Procurement Officer shall adopt
15 administrative rules, including emergency rules, to establish
16 a procurement process to select a successor private manager if
17 a private management agreement has been terminated. The
18 selection process shall at a minimum take into account the
19 criteria set forth in items (1) through (4) of subsection (e)
20 of this Section and may include provisions consistent with
21 subsections (f), (g), (h), and (i) of this Section. The Chief
22 Procurement Officer shall also implement and administer the
23 adopted selection process upon the termination of a private
24 management agreement. The Department, after the Chief
25 Procurement Officer certifies that the procurement process has
26 been followed in accordance with the rules adopted under this

1 subsection (o), shall select a final offeror as the private
2 manager and sign the management agreement with the private
3 manager.

4 Except as provided in Sections 21.5, 21.6, 21.7, 21.8, and
5 21.9, the Department shall distribute all proceeds of lottery
6 tickets and shares sold in the following priority and manner:

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

8 (2) The payment of costs incurred in the operation and
9 administration of the Lottery, including the payment of
10 sums due to the private manager under the management
11 agreement with the Department.

12 (3) On the last day of each month or as soon thereafter
13 as possible, the State Comptroller shall direct and the
14 State Treasurer shall transfer from the State Lottery Fund
15 to the Common School Fund an amount that is equal to the
16 proceeds transferred in the corresponding month of fiscal
17 year 2009, as adjusted for inflation, to the Common School
18 Fund.

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

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

25 (1) the Department shall submit written quarterly
26 reports to the Governor and the General Assembly on the

1 activities and actions of the private manager selected
2 under this Section;

3 (2) upon request of the Chief Procurement Officer, the
4 Department shall promptly produce information related to
5 the procurement activities of the Department and the
6 private manager requested by the Chief Procurement
7 Officer; the Chief Procurement Officer must retain
8 confidential, proprietary, or trade secret information
9 designated by the Department in complete confidence
10 pursuant to subsection (g) of Section 7 of the Freedom of
11 Information Act; and

12 (3) at least 30 days prior to the beginning of the
13 Department's fiscal year, the Department shall prepare an
14 annual written report on the activities of the private
15 manager selected under this Section and deliver that report
16 to the Governor and General Assembly.

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

18 Section 90-10. The Department of Revenue Law of the Civil
19 Administrative Code of Illinois is amended by changing Section
20 2505-305 as follows:

21 (20 ILCS 2505/2505-305) (was 20 ILCS 2505/39b15.1)

22 Sec. 2505-305. Investigators.

23 (a) The Department has the power to appoint investigators
24 to conduct all investigations, searches, seizures, arrests,

1 and other duties imposed under the provisions of any law
2 administered by the Department. Except as provided in
3 subsection (c), these investigators have and may exercise all
4 the powers of peace officers solely for the purpose of
5 enforcing taxing measures administered by the Department.

6 (b) The Director must authorize to each investigator
7 employed under this Section and to any other employee of the
8 Department exercising the powers of a peace officer a distinct
9 badge that, on its face, (i) clearly states that the badge is
10 authorized by the Department and (ii) contains a unique
11 identifying number. No other badge shall be authorized by the
12 Department.

13 (c) The Department may enter into agreements with the
14 Illinois Gaming Board providing that investigators appointed
15 under this Section shall exercise the peace officer powers set
16 forth in paragraph (20.6) of subsection (c) of Section 5 of the
17 Illinois Riverboat Gambling Act.

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

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

21 (30 ILCS 5/3-1) (from Ch. 15, par. 303-1)

22 Sec. 3-1. Jurisdiction of Auditor General. The Auditor
23 General has jurisdiction over all State agencies to make post
24 audits and investigations authorized by or under this Act or

1 the Constitution.

2 The Auditor General has jurisdiction over local government
3 agencies and private agencies only:

4 (a) to make such post audits authorized by or under
5 this Act as are necessary and incidental to a post audit of
6 a State agency or of a program administered by a State
7 agency involving public funds of the State, but this
8 jurisdiction does not include any authority to review local
9 governmental agencies in the obligation, receipt,
10 expenditure or use of public funds of the State that are
11 granted without limitation or condition imposed by law,
12 other than the general limitation that such funds be used
13 for public purposes;

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

16 (c) to make audits of the records of local government
17 agencies to verify actual costs of state-mandated programs
18 when directed to do so by the Legislative Audit Commission
19 at the request of the State Board of Appeals under the
20 State Mandates Act.

21 In addition to the foregoing, the Auditor General may
22 conduct an audit of the Metropolitan Pier and Exposition
23 Authority, the Regional Transportation Authority, the Suburban
24 Bus Division, the Commuter Rail Division and the Chicago
25 Transit Authority and any other subsidized carrier when
26 authorized by the Legislative Audit Commission. Such audit may

1 be a financial, management or program audit, or any combination
2 thereof.

3 The audit shall determine whether they are operating in
4 accordance with all applicable laws and regulations. Subject to
5 the limitations of this Act, the Legislative Audit Commission
6 may by resolution specify additional determinations to be
7 included in the scope of the audit.

8 In addition to the foregoing, the Auditor General must also
9 conduct a financial audit of the Illinois Sports Facilities
10 Authority's expenditures of public funds in connection with the
11 reconstruction, renovation, remodeling, extension, or
12 improvement of all or substantially all of any existing
13 "facility", as that term is defined in the Illinois Sports
14 Facilities Authority Act.

15 The Auditor General may also conduct an audit, when
16 authorized by the Legislative Audit Commission, of any hospital
17 which receives 10% or more of its gross revenues from payments
18 from the State of Illinois, Department of Healthcare and Family
19 Services (formerly Department of Public Aid), Medical
20 Assistance Program.

21 The Auditor General is authorized to conduct financial and
22 compliance audits of the Illinois Distance Learning Foundation
23 and the Illinois Conservation Foundation.

24 As soon as practical after the effective date of this
25 amendatory Act of 1995, the Auditor General shall conduct a
26 compliance and management audit of the City of Chicago and any

1 other entity with regard to the operation of Chicago O'Hare
2 International Airport, Chicago Midway Airport and Merrill C.
3 Meigs Field. The audit shall include, but not be limited to, an
4 examination of revenues, expenses, and transfers of funds;
5 purchasing and contracting policies and practices; staffing
6 levels; and hiring practices and procedures. When completed,
7 the audit required by this paragraph shall be distributed in
8 accordance with Section 3-14.

9 The Auditor General shall conduct a financial and
10 compliance and program audit of distributions from the
11 Municipal Economic Development Fund during the immediately
12 preceding calendar year pursuant to Section 8-403.1 of the
13 Public Utilities Act at no cost to the city, village, or
14 incorporated town that received the distributions.

15 The Auditor General must conduct an audit of the Health
16 Facilities and Services Review Board pursuant to Section 19.5
17 of the Illinois Health Facilities Planning Act.

18 The Auditor General must conduct an audit of the Chicago
19 Casino Development Authority pursuant to Section 1-60 of the
20 Chicago Casino Development Authority Act.

21 The Auditor General of the State of Illinois shall annually
22 conduct or cause to be conducted a financial and compliance
23 audit of the books and records of any county water commission
24 organized pursuant to the Water Commission Act of 1985 and
25 shall file a copy of the report of that audit with the Governor
26 and the Legislative Audit Commission. The filed audit shall be

1 open to the public for inspection. The cost of the audit shall
2 be charged to the county water commission in accordance with
3 Section 6z-27 of the State Finance Act. The county water
4 commission shall make available to the Auditor General its
5 books and records and any other documentation, whether in the
6 possession of its trustees or other parties, necessary to
7 conduct the audit required. These audit requirements apply only
8 through July 1, 2007.

9 The Auditor General must conduct audits of the Rend Lake
10 Conservancy District as provided in Section 25.5 of the River
11 Conservancy Districts Act.

12 The Auditor General must conduct financial audits of the
13 Southeastern Illinois Economic Development Authority as
14 provided in Section 70 of the Southeastern Illinois Economic
15 Development Authority Act.

16 The Auditor General shall conduct a compliance audit in
17 accordance with subsections (d) and (f) of Section 30 of the
18 Innovation Development and Economy Act.

19 (Source: P.A. 95-331, eff. 8-21-07; 96-31, eff. 6-30-09;
20 96-939, eff. 6-24-10.)

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

24 (30 ILCS 105/5.886 new)

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

2 (30 ILCS 105/5.887 new)

3 Sec. 5.887. The Depressed Communities Economic Development
4 Fund.

5 (30 ILCS 105/5.888 new)

6 Sec. 5.888. The Latino Community Economic Development
7 Fund.

8 (30 ILCS 105/6z-45)

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

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

12 In addition to any other deposits authorized by law,
13 beginning January 1, 2000, on the first day of each month, or
14 as soon thereafter as may be practical, the State Treasurer and
15 State Comptroller shall transfer the sum of \$5,000,000 from the
16 General Revenue Fund to the School Infrastructure Fund, except
17 that, notwithstanding any other provision of law, and in
18 addition to any other transfers that may be provided for by
19 law, before June 30, 2012, the Comptroller and the Treasurer
20 shall transfer \$45,000,000 from the General Revenue Fund into
21 the School Infrastructure Fund, and, for fiscal year 2013 only,
22 the Treasurer and the Comptroller shall transfer \$1,250,000
23 from the General Revenue Fund to the School Infrastructure Fund

1 on the first day of each month; provided, however, that no such
2 transfers shall be made from July 1, 2001 through June 30,
3 2003.

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

10 (b) Subject to the transfer provisions set forth below,
11 money in the School Infrastructure Fund shall, if and when the
12 State of Illinois incurs any bonded indebtedness for the
13 construction of school improvements under subsection (e) of
14 Section 5 of the General Obligation Bond Act, be set aside and
15 used for the purpose of paying and discharging annually the
16 principal and interest on that bonded indebtedness then due and
17 payable, and for no other purpose.

18 In addition to other transfers to the General Obligation
19 Bond Retirement and Interest Fund made pursuant to Section 15
20 of the General Obligation Bond Act, upon each delivery of bonds
21 issued for construction of school improvements under the School
22 Construction Law, the State Comptroller shall compute and
23 certify to the State Treasurer the total amount of principal
24 of, interest on, and premium, if any, on such bonds during the
25 then current and each succeeding fiscal year. With respect to
26 the interest payable on variable rate bonds, such

1 certifications shall be calculated at the maximum rate of
2 interest that may be payable during the fiscal year, after
3 taking into account any credits permitted in the related
4 indenture or other instrument against the amount of such
5 interest required to be appropriated for that period.

6 On or before the last day of each month, the State
7 Treasurer and State Comptroller shall transfer from the School
8 Infrastructure Fund to the General Obligation Bond Retirement
9 and Interest Fund an amount sufficient to pay the aggregate of
10 the principal of, interest on, and premium, if any, on the
11 bonds payable on their next payment date, divided by the number
12 of monthly transfers occurring between the last previous
13 payment date (or the delivery date if no payment date has yet
14 occurred) and the next succeeding payment date. Interest
15 payable on variable rate bonds shall be calculated at the
16 maximum rate of interest that may be payable for the relevant
17 period, after taking into account any credits permitted in the
18 related indenture or other instrument against the amount of
19 such interest required to be appropriated for that period.
20 Interest for which moneys have already been deposited into the
21 capitalized interest account within the General Obligation
22 Bond Retirement and Interest Fund shall not be included in the
23 calculation of the amounts to be transferred under this
24 subsection.

25 (b-5) The money deposited into the School Infrastructure
26 Fund from transfers pursuant to subsections (c-30) and (c-35)

1 of Section 13 of the Illinois Riverboat ~~Riverboat~~ Gambling Act shall be
2 applied, without further direction, as provided in subsection
3 (b-3) of Section 5-35 of the School Construction Law.

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

8 First - to make 3 payments to the School Technology
9 Revolving Loan Fund as follows:

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

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

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

13 Second - to pay any amounts due for grants for school
14 construction projects and debt service under the School
15 Construction Law.

16 Third - to pay any amounts due for grants for school
17 maintenance projects under the School Construction Law.

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

19 (30 ILCS 105/6z-105 new)

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

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

23 (b) The revenues in the Fund shall be used, subject to
24 appropriation, by the Comptroller for the purpose of providing
25 appropriations to the Illinois Gaming Board for the

1 administration and enforcement of the Illinois Gambling Act and
2 the applicable provisions of the Chicago Casino Development
3 Authority Act, with any remaining amounts transferred in equal
4 amounts to the State Construction Account Fund, the Pension
5 Stabilization Fund, and the Common School Fund.

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

13 (d) Except as otherwise provided in Section 6z-27 of the
14 State Finance Act, the Fund shall not be subject to
15 administrative charges or chargebacks, including, but not
16 limited to, those authorized under subsection (h) of Section 8
17 of this Act.

18 Section 90-20. The Illinois Income Tax Act is amended by
19 changing Sections 201, 303, 304 and 710 as follows:

20 (35 ILCS 5/201) (from Ch. 120, par. 2-201)

21 Sec. 201. Tax imposed.

22 (a) In general. A tax measured by net income is hereby
23 imposed on every individual, corporation, trust and estate for
24 each taxable year ending after July 31, 1969 on the privilege

1 of earning or receiving income in or as a resident of this
2 State. Such tax shall be in addition to all other occupation or
3 privilege taxes imposed by this State or by any municipal
4 corporation or political subdivision thereof.

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

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

12 (2) In the case of an individual, trust or estate, for
13 taxable years beginning prior to July 1, 1989 and ending
14 after June 30, 1989, an amount equal to the sum of (i) 2
15 1/2% of the taxpayer's net income for the period prior to
16 July 1, 1989, as calculated under Section 202.3, and (ii)
17 3% of the taxpayer's net income for the period after June
18 30, 1989, as calculated under Section 202.3.

19 (3) In the case of an individual, trust or estate, for
20 taxable years beginning after June 30, 1989, and ending
21 prior to January 1, 2011, an amount equal to 3% of the
22 taxpayer's net income for the taxable year.

23 (4) In the case of an individual, trust, or estate, for
24 taxable years beginning prior to January 1, 2011, and
25 ending after December 31, 2010, an amount equal to the sum
26 of (i) 3% of the taxpayer's net income for the period prior

1 to January 1, 2011, as calculated under Section 202.5, and
2 (ii) 5% of the taxpayer's net income for the period after
3 December 31, 2010, as calculated under Section 202.5.

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

8 (5.1) In the case of an individual, trust, or estate,
9 for taxable years beginning prior to January 1, 2015, and
10 ending after December 31, 2014, an amount equal to the sum
11 of (i) 5% of the taxpayer's net income for the period prior
12 to January 1, 2015, as calculated under Section 202.5, and
13 (ii) 3.75% of the taxpayer's net income for the period
14 after December 31, 2014, as calculated under Section 202.5.

15 (5.2) In the case of an individual, trust, or estate,
16 for taxable years beginning on or after January 1, 2015,
17 and ending prior to July 1, 2017, an amount equal to 3.75%
18 of the taxpayer's net income for the taxable year.

19 (5.3) In the case of an individual, trust, or estate,
20 for taxable years beginning prior to July 1, 2017, and
21 ending after June 30, 2017, an amount equal to the sum of
22 (i) 3.75% of the taxpayer's net income for the period prior
23 to July 1, 2017, as calculated under Section 202.5, and
24 (ii) 4.95% of the taxpayer's net income for the period
25 after June 30, 2017, as calculated under Section 202.5.

26 (5.4) In the case of an individual, trust, or estate,

1 for taxable years beginning on or after July 1, 2017, an
2 amount equal to 4.95% of the taxpayer's net income for the
3 taxable year.

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

7 (7) In the case of a corporation, for taxable years
8 beginning prior to July 1, 1989 and ending after June 30,
9 1989, an amount equal to the sum of (i) 4% of the
10 taxpayer's net income for the period prior to July 1, 1989,
11 as calculated under Section 202.3, and (ii) 4.8% of the
12 taxpayer's net income for the period after June 30, 1989,
13 as calculated under Section 202.3.

14 (8) In the case of a corporation, for taxable years
15 beginning after June 30, 1989, and ending prior to January
16 1, 2011, an amount equal to 4.8% of the taxpayer's net
17 income for the taxable year.

18 (9) In the case of a corporation, for taxable years
19 beginning prior to January 1, 2011, and ending after
20 December 31, 2010, an amount equal to the sum of (i) 4.8%
21 of the taxpayer's net income for the period prior to
22 January 1, 2011, as calculated under Section 202.5, and
23 (ii) 7% of the taxpayer's net income for the period after
24 December 31, 2010, as calculated under Section 202.5.

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

1 January 1, 2015, an amount equal to 7% of the taxpayer's
2 net income for the taxable year.

3 (11) In the case of a corporation, for taxable years
4 beginning prior to January 1, 2015, and ending after
5 December 31, 2014, an amount equal to the sum of (i) 7% of
6 the taxpayer's net income for the period prior to January
7 1, 2015, as calculated under Section 202.5, and (ii) 5.25%
8 of the taxpayer's net income for the period after December
9 31, 2014, as calculated under Section 202.5.

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

14 (13) In the case of a corporation, for taxable years
15 beginning prior to July 1, 2017, and ending after June 30,
16 2017, an amount equal to the sum of (i) 5.25% of the
17 taxpayer's net income for the period prior to July 1, 2017,
18 as calculated under Section 202.5, and (ii) 7% of the
19 taxpayer's net income for the period after June 30, 2017,
20 as calculated under Section 202.5.

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

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

26 (b-5) Surcharge; sale or exchange of assets, properties,

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

12 (1) the organization gaming license, organization
13 license, or racetrack property is transferred as a result
14 of any of the following:

15 (A) bankruptcy, a receivership, or a debt
16 adjustment initiated by or against the initial
17 licensee or the substantial owners of the initial
18 licensee;

19 (B) cancellation, revocation, or termination of
20 any such license by the Illinois Gaming Board or the
21 Illinois Racing Board;

22 (C) a determination by the Illinois Gaming Board
23 that transfer of the license is in the best interests
24 of Illinois gaming;

25 (D) the death of an owner of the equity interest in
26 a licensee;

1 (E) the acquisition of a controlling interest in
2 the stock or substantially all of the assets of a
3 publicly traded company;

4 (F) a transfer by a parent company to a wholly
5 owned subsidiary; or

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

9 (2) the controlling interest in the organization
10 gaming license, organization license, or racetrack
11 property is transferred in a transaction to lineal
12 descendants in which no gain or loss is recognized or as a
13 result of a transaction in accordance with Section 351 of
14 the Internal Revenue Code in which no gain or loss is
15 recognized; or

16 (3) live horse racing was not conducted in 2010 at a
17 racetrack located within 3 miles of the Mississippi River
18 under a license issued pursuant to the Illinois Horse
19 Racing Act of 1975.

20 The transfer of an organization gaming license,
21 organization license, or racetrack property by a person other
22 than the initial licensee to receive the organization gaming
23 license is not subject to a surcharge. The Department shall
24 adopt rules necessary to implement and administer this
25 subsection.

26 (c) Personal Property Tax Replacement Income Tax.

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

13 (d) Additional Personal Property Tax Replacement Income
14 Tax Rates. The personal property tax replacement income tax
15 imposed by this subsection and subsection (c) of this Section
16 in the case of a corporation, other than a Subchapter S
17 corporation and except as adjusted by subsection (d-1), shall
18 be an additional amount equal to 2.85% of such taxpayer's net
19 income for the taxable year, except that beginning on January
20 1, 1981, and thereafter, the rate of 2.85% specified in this
21 subsection shall be reduced to 2.5%, and in the case of a
22 partnership, trust or a Subchapter S corporation shall be an
23 additional amount equal to 1.5% of such taxpayer's net income
24 for the taxable year.

25 (d-1) Rate reduction for certain foreign insurers. In the
26 case of a foreign insurer, as defined by Section 35A-5 of the

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

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

26 (A) the total amount of tax imposed on such foreign

1 insurer under this Act for a taxable year, net of all
2 credits allowed under this Act, plus

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

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

22 This subsection (d-1) is exempt from the provisions of
23 Section 250.

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

1 (1) A taxpayer shall be allowed a credit equal to .5%
2 of the basis of qualified property placed in service during
3 the taxable year, provided such property is placed in
4 service on or after July 1, 1984. There shall be allowed an
5 additional credit equal to .5% of the basis of qualified
6 property placed in service during the taxable year,
7 provided such property is placed in service on or after
8 July 1, 1986, and the taxpayer's base employment within
9 Illinois has increased by 1% or more over the preceding
10 year as determined by the taxpayer's employment records
11 filed with the Illinois Department of Employment Security.
12 Taxpayers who are new to Illinois shall be deemed to have
13 met the 1% growth in base employment for the first year in
14 which they file employment records with the Illinois
15 Department of Employment Security. The provisions added to
16 this Section by Public Act 85-1200 (and restored by Public
17 Act 87-895) shall be construed as declaratory of existing
18 law and not as a new enactment. If, in any year, the
19 increase in base employment within Illinois over the
20 preceding year is less than 1%, the additional credit shall
21 be limited to that percentage times a fraction, the
22 numerator of which is .5% and the denominator of which is
23 1%, but shall not exceed .5%. The investment credit shall
24 not be allowed to the extent that it would reduce a
25 taxpayer's liability in any tax year below zero, nor may
26 any credit for qualified property be allowed for any year

1 other than the year in which the property was placed in
2 service in Illinois. For tax years ending on or after
3 December 31, 1987, and on or before December 31, 1988, the
4 credit shall be allowed for the tax year in which the
5 property is placed in service, or, if the amount of the
6 credit exceeds the tax liability for that year, whether it
7 exceeds the original liability or the liability as later
8 amended, such excess may be carried forward and applied to
9 the tax liability of the 5 taxable years following the
10 excess credit years if the taxpayer (i) makes investments
11 which cause the creation of a minimum of 2,000 full-time
12 equivalent jobs in Illinois, (ii) is located in an
13 enterprise zone established pursuant to the Illinois
14 Enterprise Zone Act and (iii) is certified by the
15 Department of Commerce and Community Affairs (now
16 Department of Commerce and Economic Opportunity) as
17 complying with the requirements specified in clause (i) and
18 (ii) by July 1, 1986. The Department of Commerce and
19 Community Affairs (now Department of Commerce and Economic
20 Opportunity) shall notify the Department of Revenue of all
21 such certifications immediately. For tax years ending
22 after December 31, 1988, the credit shall be allowed for
23 the tax year in which the property is placed in service,
24 or, if the amount of the credit exceeds the tax liability
25 for that year, whether it exceeds the original liability or
26 the liability as later amended, such excess may be carried

1 forward and applied to the tax liability of the 5 taxable
2 years following the excess credit years. The credit shall
3 be applied to the earliest year for which there is a
4 liability. If there is credit from more than one tax year
5 that is available to offset a liability, earlier credit
6 shall be applied first.

7 (2) The term "qualified property" means property
8 which:

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

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

21 (C) is acquired by purchase as defined in Section
22 179(d) of the Internal Revenue Code;

23 (D) is used in Illinois by a taxpayer who is
24 primarily engaged in manufacturing, or in mining coal
25 or fluorite, or in retailing, or was placed in service
26 on or after July 1, 2006 in a River Edge Redevelopment

1 Zone established pursuant to the River Edge
2 Redevelopment Zone Act; and

3 (E) has not previously been used in Illinois in
4 such a manner and by such a person as would qualify for
5 the credit provided by this subsection (e) or
6 subsection (f).

7 (3) For purposes of this subsection (e),
8 "manufacturing" means the material staging and production
9 of tangible personal property by procedures commonly
10 regarded as manufacturing, processing, fabrication, or
11 assembling which changes some existing material into new
12 shapes, new qualities, or new combinations. For purposes of
13 this subsection (e) the term "mining" shall have the same
14 meaning as the term "mining" in Section 613(c) of the
15 Internal Revenue Code. For purposes of this subsection (e),
16 the term "retailing" means the sale of tangible personal
17 property for use or consumption and not for resale, or
18 services rendered in conjunction with the sale of tangible
19 personal property for use or consumption and not for
20 resale. For purposes of this subsection (e), "tangible
21 personal property" has the same meaning as when that term
22 is used in the Retailers' Occupation Tax Act, and, for
23 taxable years ending after December 31, 2008, does not
24 include the generation, transmission, or distribution of
25 electricity.

26 (4) The basis of qualified property shall be the basis

1 used to compute the depreciation deduction for federal
2 income tax purposes.

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

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

10 (7) If during any taxable year, any property ceases to
11 be qualified property in the hands of the taxpayer within
12 48 months after being placed in service, or the situs of
13 any qualified property is moved outside Illinois within 48
14 months after being placed in service, the Personal Property
15 Tax Replacement Income Tax for such taxable year shall be
16 increased. Such increase shall be determined by (i)
17 recomputing the investment credit which would have been
18 allowed for the year in which credit for such property was
19 originally allowed by eliminating such property from such
20 computation and, (ii) subtracting such recomputed credit
21 from the amount of credit previously allowed. For the
22 purposes of this paragraph (7), a reduction of the basis of
23 qualified property resulting from a redetermination of the
24 purchase price shall be deemed a disposition of qualified
25 property to the extent of such reduction.

26 (8) Unless the investment credit is extended by law,

1 the basis of qualified property shall not include costs
2 incurred after December 31, 2018, except for costs incurred
3 pursuant to a binding contract entered into on or before
4 December 31, 2018.

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

21 For taxable years ending on or after December 31, 2000,
22 a partner that qualifies its partnership for a subtraction
23 under subparagraph (I) of paragraph (2) of subsection (d)
24 of Section 203 or a shareholder that qualifies a Subchapter
25 S corporation for a subtraction under subparagraph (S) of
26 paragraph (2) of subsection (b) of Section 203 shall be

1 allowed a credit under this subsection (e) equal to its
2 share of the credit earned under this subsection (e) during
3 the taxable year by the partnership or Subchapter S
4 corporation, determined in accordance with the
5 determination of income and distributive share of income
6 under Sections 702 and 704 and Subchapter S of the Internal
7 Revenue Code. This paragraph is exempt from the provisions
8 of Section 250.

9 (f) Investment credit; Enterprise Zone; River Edge
10 Redevelopment Zone.

11 (1) A taxpayer shall be allowed a credit against the
12 tax imposed by subsections (a) and (b) of this Section for
13 investment in qualified property which is placed in service
14 in an Enterprise Zone created pursuant to the Illinois
15 Enterprise Zone Act or, for property placed in service on
16 or after July 1, 2006, a River Edge Redevelopment Zone
17 established pursuant to the River Edge Redevelopment Zone
18 Act. For partners, shareholders of Subchapter S
19 corporations, and owners of limited liability companies,
20 if the liability company is treated as a partnership for
21 purposes of federal and State income taxation, there shall
22 be allowed a credit under this subsection (f) to be
23 determined in accordance with the determination of income
24 and distributive share of income under Sections 702 and 704
25 and Subchapter S of the Internal Revenue Code. The credit
26 shall be .5% of the basis for such property. The credit

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

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

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

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

26 (C) is acquired by purchase as defined in Section

1 179(d) of the Internal Revenue Code;

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

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

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

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

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

19 (6) If during any taxable year, any property ceases to
20 be qualified property in the hands of the taxpayer within
21 48 months after being placed in service, or the situs of
22 any qualified property is moved outside the Enterprise Zone
23 or River Edge Redevelopment Zone within 48 months after
24 being placed in service, the tax imposed under subsections
25 (a) and (b) of this Section for such taxable year shall be
26 increased. Such increase shall be determined by (i)

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

10 (7) There shall be allowed an additional credit equal
11 to 0.5% of the basis of qualified property placed in
12 service during the taxable year in a River Edge
13 Redevelopment Zone, provided such property is placed in
14 service on or after July 1, 2006, and the taxpayer's base
15 employment within Illinois has increased by 1% or more over
16 the preceding year as determined by the taxpayer's
17 employment records filed with the Illinois Department of
18 Employment Security. Taxpayers who are new to Illinois
19 shall be deemed to have met the 1% growth in base
20 employment for the first year in which they file employment
21 records with the Illinois Department of Employment
22 Security. If, in any year, the increase in base employment
23 within Illinois over the preceding year is less than 1%,
24 the additional credit shall be limited to that percentage
25 times a fraction, the numerator of which is 0.5% and the
26 denominator of which is 1%, but shall not exceed 0.5%.

1 (g) (Blank).

2 (h) Investment credit; High Impact Business.

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

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

16 Changes made in this subdivision (h)(1) by Public Act
17 88-670 restore changes made by Public Act 85-1182 and
18 reflect existing law.

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

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

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

1 (C) is acquired by purchase as defined in Section
2 179(d) of the Internal Revenue Code; and

3 (D) is not eligible for the Enterprise Zone
4 Investment Credit provided by subsection (f) of this
5 Section.

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

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

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

17 (6) If during any taxable year ending on or before
18 December 31, 1996, any property ceases to be qualified
19 property in the hands of the taxpayer within 48 months
20 after being placed in service, or the situs of any
21 qualified property is moved outside Illinois within 48
22 months after being placed in service, the tax imposed under
23 subsections (a) and (b) of this Section for such taxable
24 year shall be increased. Such increase shall be determined
25 by (i) recomputing the investment credit which would have
26 been allowed for the year in which credit for such property

1 was originally allowed by eliminating such property from
2 such computation, and (ii) subtracting such recomputed
3 credit from the amount of credit previously allowed. For
4 the purposes of this paragraph (6), a reduction of the
5 basis of qualified property resulting from a
6 redetermination of the purchase price shall be deemed a
7 disposition of qualified property to the extent of such
8 reduction.

9 (7) Beginning with tax years ending after December 31,
10 1996, if a taxpayer qualifies for the credit under this
11 subsection (h) and thereby is granted a tax abatement and
12 the taxpayer relocates its entire facility in violation of
13 the explicit terms and length of the contract under Section
14 18-183 of the Property Tax Code, the tax imposed under
15 subsections (a) and (b) of this Section shall be increased
16 for the taxable year in which the taxpayer relocated its
17 facility by an amount equal to the amount of credit
18 received by the taxpayer under this subsection (h).

19 (i) Credit for Personal Property Tax Replacement Income
20 Tax. For tax years ending prior to December 31, 2003, a credit
21 shall be allowed against the tax imposed by subsections (a) and
22 (b) of this Section for the tax imposed by subsections (c) and
23 (d) of this Section. This credit shall be computed by
24 multiplying the tax imposed by subsections (c) and (d) of this
25 Section by a fraction, the numerator of which is base income
26 allocable to Illinois and the denominator of which is Illinois

1 base income, and further multiplying the product by the tax
2 rate imposed by subsections (a) and (b) of this Section.

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

17 If, during any taxable year ending on or after December 31,
18 1986, the tax imposed by subsections (c) and (d) of this
19 Section for which a taxpayer has claimed a credit under this
20 subsection (i) is reduced, the amount of credit for such tax
21 shall also be reduced. Such reduction shall be determined by
22 recomputing the credit to take into account the reduced tax
23 imposed by subsections (c) and (d). If any portion of the
24 reduced amount of credit has been carried to a different
25 taxable year, an amended return shall be filed for such taxable
26 year to reduce the amount of credit claimed.

1 (j) Training expense credit. Beginning with tax years
2 ending on or after December 31, 1986 and prior to December 31,
3 2003, a taxpayer shall be allowed a credit against the tax
4 imposed by subsections (a) and (b) under this Section for all
5 amounts paid or accrued, on behalf of all persons employed by
6 the taxpayer in Illinois or Illinois residents employed outside
7 of Illinois by a taxpayer, for educational or vocational
8 training in semi-technical or technical fields or semi-skilled
9 or skilled fields, which were deducted from gross income in the
10 computation of taxable income. The credit against the tax
11 imposed by subsections (a) and (b) shall be 1.6% of such
12 training expenses. For partners, shareholders of subchapter S
13 corporations, and owners of limited liability companies, if the
14 liability company is treated as a partnership for purposes of
15 federal and State income taxation, there shall be allowed a
16 credit under this subsection (j) to be determined in accordance
17 with the determination of income and distributive share of
18 income under Sections 702 and 704 and subchapter S of the
19 Internal Revenue Code.

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

1 credit arising under this subsection shall be applied first. No
2 carryforward credit may be claimed in any tax year ending on or
3 after December 31, 2003.

4 (k) Research and development credit. For tax years ending
5 after July 1, 1990 and prior to December 31, 2003, and
6 beginning again for tax years ending on or after December 31,
7 2004, and ending prior to January 1, 2022, a taxpayer shall be
8 allowed a credit against the tax imposed by subsections (a) and
9 (b) of this Section for increasing research activities in this
10 State. The credit allowed against the tax imposed by
11 subsections (a) and (b) shall be equal to 6 1/2% of the
12 qualifying expenditures for increasing research activities in
13 this State. For partners, shareholders of subchapter S
14 corporations, and owners of limited liability companies, if the
15 liability company is treated as a partnership for purposes of
16 federal and State income taxation, there shall be allowed a
17 credit under this subsection to be determined in accordance
18 with the determination of income and distributive share of
19 income under Sections 702 and 704 and subchapter S of the
20 Internal Revenue Code.

21 For purposes of this subsection, "qualifying expenditures"
22 means the qualifying expenditures as defined for the federal
23 credit for increasing research activities which would be
24 allowable under Section 41 of the Internal Revenue Code and
25 which are conducted in this State, "qualifying expenditures for
26 increasing research activities in this State" means the excess

1 of qualifying expenditures for the taxable year in which
2 incurred over qualifying expenditures for the base period,
3 "qualifying expenditures for the base period" means the average
4 of the qualifying expenditures for each year in the base
5 period, and "base period" means the 3 taxable years immediately
6 preceding the taxable year for which the determination is being
7 made.

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

16 If an unused credit is carried forward to a given year from
17 2 or more earlier years, that credit arising in the earliest
18 year will be applied first against the tax liability for the
19 given year. If a tax liability for the given year still
20 remains, the credit from the next earliest year will then be
21 applied, and so on, until all credits have been used or no tax
22 liability for the given year remains. Any remaining unused
23 credit or credits then will be carried forward to the next
24 following year in which a tax liability is incurred, except
25 that no credit can be carried forward to a year which is more
26 than 5 years after the year in which the expense for which the

1 credit is given was incurred.

2 No inference shall be drawn from this amendatory Act of the
3 91st General Assembly in construing this Section for taxable
4 years beginning before January 1, 1999.

5 It is the intent of the General Assembly that the research
6 and development credit under this subsection (k) shall apply
7 continuously for all tax years ending on or after December 31,
8 2004 and ending prior to January 1, 2022, including, but not
9 limited to, the period beginning on January 1, 2016 and ending
10 on the effective date of this amendatory Act of the 100th
11 General Assembly. All actions taken in reliance on the
12 continuation of the credit under this subsection (k) by any
13 taxpayer are hereby validated.

14 (l) Environmental Remediation Tax Credit.

15 (i) For tax years ending after December 31, 1997 and on
16 or before December 31, 2001, a taxpayer shall be allowed a
17 credit against the tax imposed by subsections (a) and (b)
18 of this Section for certain amounts paid for unreimbursed
19 eligible remediation costs, as specified in this
20 subsection. For purposes of this Section, "unreimbursed
21 eligible remediation costs" means costs approved by the
22 Illinois Environmental Protection Agency ("Agency") under
23 Section 58.14 of the Environmental Protection Act that were
24 paid in performing environmental remediation at a site for
25 which a No Further Remediation Letter was issued by the
26 Agency and recorded under Section 58.10 of the

1 Environmental Protection Act. The credit must be claimed
2 for the taxable year in which Agency approval of the
3 eligible remediation costs is granted. The credit is not
4 available to any taxpayer if the taxpayer or any related
5 party caused or contributed to, in any material respect, a
6 release of regulated substances on, in, or under the site
7 that was identified and addressed by the remedial action
8 pursuant to the Site Remediation Program of the
9 Environmental Protection Act. After the Pollution Control
10 Board rules are adopted pursuant to the Illinois
11 Administrative Procedure Act for the administration and
12 enforcement of Section 58.9 of the Environmental
13 Protection Act, determinations as to credit availability
14 for purposes of this Section shall be made consistent with
15 those rules. For purposes of this Section, "taxpayer"
16 includes a person whose tax attributes the taxpayer has
17 succeeded to under Section 381 of the Internal Revenue Code
18 and "related party" includes the persons disallowed a
19 deduction for losses by paragraphs (b), (c), and (f)(1) of
20 Section 267 of the Internal Revenue Code by virtue of being
21 a related taxpayer, as well as any of its partners. The
22 credit allowed against the tax imposed by subsections (a)
23 and (b) shall be equal to 25% of the unreimbursed eligible
24 remediation costs in excess of \$100,000 per site, except
25 that the \$100,000 threshold shall not apply to any site
26 contained in an enterprise zone as determined by the

1 Department of Commerce and Community Affairs (now
2 Department of Commerce and Economic Opportunity). The
3 total credit allowed shall not exceed \$40,000 per year with
4 a maximum total of \$150,000 per site. For partners and
5 shareholders of subchapter S corporations, there shall be
6 allowed a credit under this subsection to be determined in
7 accordance with the determination of income and
8 distributive share of income under Sections 702 and 704 and
9 subchapter S of the Internal Revenue Code.

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

1 transfer, the assignor shall record the transfer in the
2 chain of title for the site and provide written notice to
3 the Director of the Illinois Department of Revenue of the
4 assignor's intent to sell the remediation site and the
5 amount of the tax credit to be transferred as a portion of
6 the sale. In no event may a credit be transferred to any
7 taxpayer if the taxpayer or a related party would not be
8 eligible under the provisions of subsection (i).

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

12 (m) Education expense credit. Beginning with tax years
13 ending after December 31, 1999, a taxpayer who is the custodian
14 of one or more qualifying pupils shall be allowed a credit
15 against the tax imposed by subsections (a) and (b) of this
16 Section for qualified education expenses incurred on behalf of
17 the qualifying pupils. The credit shall be equal to 25% of
18 qualified education expenses, but in no event may the total
19 credit under this subsection claimed by a family that is the
20 custodian of qualifying pupils exceed (i) \$500 for tax years
21 ending prior to December 31, 2017, and (ii) \$750 for tax years
22 ending on or after December 31, 2017. In no event shall a
23 credit under this subsection reduce the taxpayer's liability
24 under this Act to less than zero. Notwithstanding any other
25 provision of law, for taxable years beginning on or after
26 January 1, 2017, no taxpayer may claim a credit under this

1 subsection (m) if the taxpayer's adjusted gross income for the
2 taxable year exceeds (i) \$500,000, in the case of spouses
3 filing a joint federal tax return or (ii) \$250,000, in the case
4 of all other taxpayers. This subsection is exempt from the
5 provisions of Section 250 of this Act.

6 For purposes of this subsection:

7 "Qualifying pupils" means individuals who (i) are
8 residents of the State of Illinois, (ii) are under the age of
9 21 at the close of the school year for which a credit is
10 sought, and (iii) during the school year for which a credit is
11 sought were full-time pupils enrolled in a kindergarten through
12 twelfth grade education program at any school, as defined in
13 this subsection.

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

18 "School" means any public or nonpublic elementary or
19 secondary school in Illinois that is in compliance with Title
20 VI of the Civil Rights Act of 1964 and attendance at which
21 satisfies the requirements of Section 26-1 of the School Code,
22 except that nothing shall be construed to require a child to
23 attend any particular public or nonpublic school to qualify for
24 the credit under this Section.

25 "Custodian" means, with respect to qualifying pupils, an
26 Illinois resident who is a parent, the parents, a legal

1 guardian, or the legal guardians of the qualifying pupils.

2 (n) River Edge Redevelopment Zone site remediation tax
3 credit.

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

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

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. This
18 credit shall be applied first to the earliest year for
19 which there is a liability. If there is a credit under this
20 subsection from more than one tax year that is available to
21 offset a liability, the earliest credit arising under this
22 subsection shall be applied first. A credit allowed under
23 this subsection may be sold to a buyer as part of a sale of
24 all or part of the remediation site for which the credit
25 was granted. The purchaser of a remediation site and the
26 tax credit shall succeed to the unused credit and remaining

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

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

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

23 (1) the medical cannabis cultivation center
24 registration, medical cannabis dispensary registration, or
25 the property of a registration is transferred as a result
26 of any of the following:

1 (A) bankruptcy, a receivership, or a debt
2 adjustment initiated by or against the initial
3 registration or the substantial owners of the initial
4 registration;

5 (B) cancellation, revocation, or termination of
6 any registration by the Illinois Department of Public
7 Health;

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

13 (D) the death of an owner of the equity interest in
14 a registrant;

15 (E) the acquisition of a controlling interest in
16 the stock or substantially all of the assets of a
17 publicly traded company;

18 (F) a transfer by a parent company to a wholly
19 owned subsidiary; or

20 (G) the transfer or sale to or by one person to
21 another person where both persons were initial owners
22 of the registration when the registration was issued;
23 or

24 (2) the cannabis cultivation center registration,
25 medical cannabis dispensary registration, or the
26 controlling interest in a registrant's property is

1 transferred in a transaction to lineal descendants in which
2 no gain or loss is recognized or as a result of a
3 transaction in accordance with Section 351 of the Internal
4 Revenue Code in which no gain or loss is recognized.

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

6 (35 ILCS 5/303) (from Ch. 120, par. 3-303)

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

18 (b) Capital gains and losses.

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

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

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

2 (B) The taxpayer had its commercial domicile in
3 this State and was not taxable in the state in which
4 the property had its situs.

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

9 (c) Rents and royalties.

10 (1) Real property. Rents and royalties from real
11 property are allocable to this State if the property is
12 located in this State.

13 (2) Tangible personal property. Rents and royalties
14 from tangible personal property are allocable to this
15 State:

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

18 (B) In their entirety if, at the time such rents or
19 royalties were paid or accrued, the taxpayer had its
20 commercial domicile in this State and was not organized
21 under the laws of or taxable with respect to such rents
22 or royalties in the state in which the property was
23 utilized. The extent of utilization of tangible
24 personal property in a state is determined by
25 multiplying the rents or royalties derived from such
26 property by a fraction, the numerator of which is the

1 number of days of physical location of the property in
2 the state during the rental or royalty period in the
3 taxable year and the denominator of which is the number
4 of days of physical location of the property everywhere
5 during all rental or royalty periods in the taxable
6 year. If the physical location of the property during
7 the rental or royalty period is unknown or
8 unascertainable by the taxpayer, tangible personal
9 property is utilized in the state in which the property
10 was located at the time the rental or royalty payer
11 obtained possession.

12 (d) Patent and copyright royalties.

13 (1) Allocation. Patent and copyright royalties are
14 allocable to this State:

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

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

23 (2) Utilization.

24 (A) A patent is utilized in a state to the extent
25 that it is employed in production, fabrication,
26 manufacturing or other processing in the state or to

1 the extent that a patented product is produced in the
2 state. If the basis of receipts from patent royalties
3 does not permit allocation to states or if the
4 accounting procedures do not reflect states of
5 utilization, the patent is utilized in this State if
6 the taxpayer has its commercial domicile in this State.

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

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

19 (e-1) Wagering and gambling winnings. Payments received in
20 taxable years ending on or after December 31, 2018 of winnings
21 from pari-mutuel wagering conducted at a wagering facility
22 licensed under the Illinois Horse Racing Act of 1975 and from
23 gambling games conducted on a riverboat or in a casino or
24 organization gaming facility licensed under the Illinois
25 Gambling Act are allocable to this State.

26 (e-5) Unemployment benefits. Unemployment benefits paid by

1 the Illinois Department of Employment Security are allocable to
2 this State.

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

6 (1) In that state he is subject to a net income tax, a
7 franchise tax measured by net income, a franchise tax for
8 the privilege of doing business, or a corporate stock tax;
9 or

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

13 (g) Cross references.

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

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

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

19 (35 ILCS 5/304) (from Ch. 120, par. 3-304)

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

21 (a) In general. The business income of a person other than
22 a resident shall be allocated to this State if such person's
23 business income is derived solely from this State. If a person
24 other than a resident derives business income from this State
25 and one or more other states, then, for tax years ending on or

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

16 (1) Property factor.

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

25 (B) Property owned by the person is valued at its
26 original cost. Property rented by the person is valued at 8

1 times the net annual rental rate. Net annual rental rate is
2 the annual rental rate paid by the person less any annual
3 rental rate received by the person from sub-rentals.

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

10 (2) Payroll factor.

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

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

17 (i) The individual's service is performed entirely
18 within this State;

19 (ii) The individual's service is performed both
20 within and without this State, but the service
21 performed without this State is incidental to the
22 individual's service performed within this State; or

23 (iii) Some of the service is performed within this
24 State and either the base of operations, or if there is
25 no base of operations, the place from which the service
26 is directed or controlled is within this State, or the

1 base of operations or the place from which the service
2 is directed or controlled is not in any state in which
3 some part of the service is performed, but the
4 individual's residence is in this State.

5 (iv) Compensation paid to nonresident professional
6 athletes.

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

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

23 (c) Definitions. For purposes of this subpart
24 (iv):

25 (1) The term "professional athletic team"
26 includes, but is not limited to, any professional

1 baseball, basketball, football, soccer, or hockey
2 team.

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

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

23 (A) Duty days shall also include days on
24 which a member of a professional athletic team
25 performs service for a team on a date that does
26 not fall within the foregoing period (e.g.,

1 participation in instructional leagues, the
2 "All Star Game", or promotional "caravans").
3 Performing a service for a professional
4 athletic team includes conducting training and
5 rehabilitation activities, when such
6 activities are conducted at team facilities.

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

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

26 (D) Days for which a member of a

1 professional athletic team is not compensated
2 and is not performing services for the team in
3 any manner, including days when such member of
4 a professional athletic team has been
5 suspended without pay and prohibited from
6 performing any services for the team, shall not
7 be treated as duty days.

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

18 (4) The term "total compensation for services
19 performed as a member of a professional athletic
20 team" means the total compensation received during
21 the taxable year for services performed:

22 (A) from the beginning of the official
23 pre-season training period through the last
24 game in which the team competes or is scheduled
25 to compete during that taxable year; and

26 (B) during the taxable year on a date which

1 does not fall within the foregoing period
2 (e.g., participation in instructional leagues,
3 the "All Star Game", or promotional caravans).

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

15 For purposes of this subparagraph, "bonuses"
16 included in "total compensation for services
17 performed as a member of a professional athletic
18 team" subject to the allocation described in
19 Section 302(c)(1) are: bonuses earned as a result
20 of play (i.e., performance bonuses) during the
21 season, including bonuses paid for championship,
22 playoff or "bowl" games played by a team, or for
23 selection to all-star league or other honorary
24 positions; and bonuses paid for signing a
25 contract, unless the payment of the signing bonus
26 is not conditional upon the signee playing any

1 games for the team or performing any subsequent
2 services for the team or even making the team, the
3 signing bonus is payable separately from the
4 salary and any other compensation, and the signing
5 bonus is nonrefundable.

6 (3) Sales factor.

7 (A) The sales factor is a fraction, the numerator of
8 which is the total sales of the person in this State during
9 the taxable year, and the denominator of which is the total
10 sales of the person everywhere during the taxable year.

11 (B) Sales of tangible personal property are in this
12 State if:

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

17 (ii) The property is shipped from an office, store,
18 warehouse, factory or other place of storage in this
19 State and either the purchaser is the United States
20 government or the person is not taxable in the state of
21 the purchaser; provided, however, that premises owned
22 or leased by a person who has independently contracted
23 with the seller for the printing of newspapers,
24 periodicals or books shall not be deemed to be an
25 office, store, warehouse, factory or other place of
26 storage for purposes of this Section. Sales of tangible

1 personal property are not in this State if the seller
2 and purchaser would be members of the same unitary
3 business group but for the fact that either the seller
4 or purchaser is a person with 80% or more of total
5 business activity outside of the United States and the
6 property is purchased for resale.

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

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

16 (ii) Place of utilization.

17 (I) A patent is utilized in a state to the
18 extent that it is employed in production,
19 fabrication, manufacturing, or other processing in
20 the state or to the extent that a patented product
21 is produced in the state. If a patent is utilized
22 in more than one state, the extent to which it is
23 utilized in any one state shall be a fraction equal
24 to the gross receipts of the licensee or purchaser
25 from sales or leases of items produced,
26 fabricated, manufactured, or processed within that

1 state using the patent and of patented items
2 produced within that state, divided by the total of
3 such gross receipts for all states in which the
4 patent is utilized.

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

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

18 (iii) If the state of utilization of an item of
19 property governed by this paragraph (B-1) cannot be
20 determined from the taxpayer's books and records or
21 from the books and records of any person related to the
22 taxpayer within the meaning of Section 267(b) of the
23 Internal Revenue Code, 26 U.S.C. 267, the gross
24 receipts attributable to that item shall be excluded
25 from both the numerator and the denominator of the
26 sales factor.

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

14 (B-5) For taxable years ending on or after December 31,
15 2008, except as provided in subsections (ii) through (vii),
16 receipts from the sale of telecommunications service or
17 mobile telecommunications service are in this State if the
18 customer's service address is in this State.

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

21 "Ancillary services" means services that are
22 associated with or incidental to the provision of
23 "telecommunications services", including but not
24 limited to "detailed telecommunications billing",
25 "directory assistance", "vertical service", and "voice
26 mail services".

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

6 "Call-by-call Basis" means any method of charging
7 for telecommunications services where the price is
8 measured by individual calls.

9 "Communications Channel" means a physical or
10 virtual path of communications over which signals are
11 transmitted between or among customer channel
12 termination points.

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

19 "Customer Channel Termination Point" means the
20 location where the customer either inputs or receives
21 the communications.

22 "Detailed telecommunications billing service"
23 means an "ancillary service" of separately stating
24 information pertaining to individual calls on a
25 customer's billing statement.

26 "Directory assistance" means an "ancillary

1 service" of providing telephone number information,
2 and/or address information.

3 "Home service provider" means the facilities based
4 carrier or reseller with which the customer contracts
5 for the provision of mobile telecommunications
6 services.

7 "Mobile telecommunications service" means
8 commercial mobile radio service, as defined in Section
9 20.3 of Title 47 of the Code of Federal Regulations as
10 in effect on June 1, 1999.

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

19 "Post-paid telecommunication service" means the
20 telecommunications service obtained by making a
21 payment on a call-by-call basis either through the use
22 of a credit card or payment mechanism such as a bank
23 card, travel card, credit card, or debit card, or by
24 charge made to a telephone number which is not
25 associated with the origination or termination of the
26 telecommunications service. A post-paid calling

1 service includes telecommunications service, except a
2 prepaid wireless calling service, that would be a
3 prepaid calling service except it is not exclusively a
4 telecommunication service.

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

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

21 "Private communication service" means a
22 telecommunication service that entitles the customer
23 to exclusive or priority use of a communications
24 channel or group of channels between or among
25 termination points, regardless of the manner in which
26 such channel or channels are connected, and includes

1 switching capacity, extension lines, stations, and any
2 other associated services that are provided in
3 connection with the use of such channel or channels.

4 "Service address" means:

5 (a) The location of the telecommunications
6 equipment to which a customer's call is charged and
7 from which the call originates or terminates,
8 regardless of where the call is billed or paid;

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

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

20 "Telecommunications service" means the electronic
21 transmission, conveyance, or routing of voice, data,
22 audio, video, or any other information or signals to a
23 point, or between or among points. The term
24 "telecommunications service" includes such
25 transmission, conveyance, or routing in which computer
26 processing applications are used to act on the form,

1 code or protocol of the content for purposes of
2 transmission, conveyance or routing without regard to
3 whether such service is referred to as voice over
4 Internet protocol services or is classified by the
5 Federal Communications Commission as enhanced or value
6 added. "Telecommunications service" does not include:

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

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

15 (c) Tangible personal property;

16 (d) Advertising, including but not limited to
17 directory advertising;

18 (e) Billing and collection services provided
19 to third parties;

20 (f) Internet access service;

21 (g) Radio and television audio and video
22 programming services, regardless of the medium,
23 including the furnishing of transmission,
24 conveyance and routing of such services by the
25 programming service provider. Radio and television
26 audio and video programming services shall include

1 but not be limited to cable service as defined in
2 47 USC 522(6) and audio and video programming
3 services delivered by commercial mobile radio
4 service providers, as defined in 47 CFR 20.3;

5 (h) "Ancillary services"; or

6 (i) Digital products "delivered
7 electronically", including but not limited to
8 software, music, video, reading materials or ring
9 tones.

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

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

22 (ii) Receipts from the sale of telecommunications
23 service sold on an individual call-by-call basis are in
24 this State if either of the following applies:

25 (a) The call both originates and terminates in
26 this State.

1 (b) The call either originates or terminates
2 in this State and the service address is located in
3 this State.

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

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

22 (v) Receipts from the sale of private
23 communication services are in this State as follows:

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

26 (b) 100% of receipts from charges for the total

1 channel mileage between each channel termination
2 point in this State.

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

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

17 (vi) Receipts from charges for ancillary services
18 for telecommunications service sold to customers at
19 retail are in this State if the customer's primary
20 place of use of telecommunications services associated
21 with those ancillary services is in this State. If the
22 seller of those ancillary services cannot determine
23 where the associated telecommunications are located,
24 then the ancillary services shall be based on the
25 location of the purchaser.

26 (vii) Receipts to access a carrier's network or

1 from the sale of telecommunication services or
2 ancillary services for resale are in this State as
3 follows:

4 (a) 100% of the receipts from access fees
5 attributable to intrastate telecommunications
6 service that both originates and terminates in
7 this State.

8 (b) 50% of the receipts from access fees
9 attributable to interstate telecommunications
10 service if the interstate call either originates
11 or terminates in this State.

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

19 (d) Gross receipts from sales of
20 telecommunication services or from ancillary
21 services for telecommunications services sold to
22 other telecommunication service providers for
23 resale shall be sourced to this State using the
24 apportionment concepts used for non-resale
25 receipts of telecommunications services if the
26 information is readily available to make that

1 determination. If the information is not readily
2 available, then the taxpayer may use any other
3 reasonable and consistent method.

4 (B-7) For taxable years ending on or after December 31,
5 2008, receipts from the sale of broadcasting services are
6 in this State if the broadcasting services are received in
7 this State. For purposes of this paragraph (B-7), the
8 following terms have the following meanings:

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

16 "Audience factor" means the ratio that the
17 audience or subscribers located in this State of a
18 station, a network, or a cable system bears to the
19 total audience or total subscribers for that station,
20 network, or cable system. The audience factor for film
21 or radio programming shall be determined by reference
22 to the books and records of the taxpayer or by
23 reference to published rating statistics provided the
24 method used by the taxpayer is consistently used from
25 year to year for this purpose and fairly represents the
26 taxpayer's activity in this State.

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

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

18 "Radio" or "radio programming" means the broadcast
19 on radio of any and all performances, events, or
20 productions, including but not limited to news,
21 sporting events, plays, stories, or other literary,
22 commercial, educational, or artistic works, either
23 live or through the use of an audio tape, disc, or any
24 other format or medium. Each episode in a series of
25 radio programming produced for radio broadcast shall
26 constitute a separate "radio programming"

1 notwithstanding that the series relates to the same
2 principal subject and is produced during one or more
3 tax periods.

4 (i) In the case of advertising revenue from
5 broadcasting, the customer is the advertiser and
6 the service is received in this State if the
7 commercial domicile of the advertiser is in this
8 State.

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

26 (iii) In the case where film or radio

1 programming is broadcast by a station, a network,
2 or a cable system for a fee or other remuneration
3 from the person providing the programming, the
4 portion of the broadcast service that is received
5 by such station, network, or cable system in this
6 State is measured by the portion of recipients of
7 the broadcast located in this State. Accordingly,
8 the amount of revenue related to such an
9 arrangement that is included in the Illinois
10 numerator of the sales factor is the total fee or
11 other total remuneration from the person providing
12 the programming related to that broadcast
13 multiplied by the Illinois audience factor for
14 that broadcast.

15 (iv) In the case where film or radio
16 programming is provided by a taxpayer that is a
17 network or station to a customer for broadcast in
18 exchange for a fee or other remuneration from that
19 customer the broadcasting service is received at
20 the location of the office of the customer from
21 which the services were ordered in the regular
22 course of the customer's trade or business.
23 Accordingly, in such a case the revenue derived by
24 the taxpayer that is included in the taxpayer's
25 Illinois numerator of the sales factor is the
26 revenue from such customers who receive the

1 broadcasting service in Illinois.

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

15 (B-8) Gross receipts from winnings under the Illinois
16 Lottery Law from the assignment of a prize under Section
17 13.1 of the Illinois Lottery Law are received in this
18 State. This paragraph (B-8) applies only to taxable years
19 ending on or after December 31, 2013.

20 (B-9) For taxable years ending on or after December 31,
21 2018, gross receipts from winnings from pari-mutuel
22 wagering conducted at a wagering facility licensed under
23 the Illinois Horse Racing Act of 1975 or from winnings from
24 gambling games conducted on a riverboat or in a casino or
25 organization gaming facility licensed under the Illinois
26 Gambling Act are in this State.

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

4 (i) The income-producing activity is performed in
5 this State; or

6 (ii) The income-producing activity is performed
7 both within and without this State and a greater
8 proportion of the income-producing activity is
9 performed within this State than without this State,
10 based on performance costs.

11 (C-5) For taxable years ending on or after December 31,
12 2008, sales, other than sales governed by paragraphs (B),
13 (B-1), (B-2), (B-5), and (B-7), are in this State if any of
14 the following criteria are met:

15 (i) Sales from the sale or lease of real property
16 are in this State if the property is located in this
17 State.

18 (ii) Sales from the lease or rental of tangible
19 personal property are in this State if the property is
20 located in this State during the rental period. Sales
21 from the lease or rental of tangible personal property
22 that is characteristically moving property, including,
23 but not limited to, motor vehicles, rolling stock,
24 aircraft, vessels, or mobile equipment are in this
25 State to the extent that the property is used in this
26 State.

1 (iii) In the case of interest, net gains (but not
2 less than zero) and other items of income from
3 intangible personal property, the sale is in this State
4 if:

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

20 (b) in all other cases, if the
21 income-producing activity of the taxpayer is
22 performed in this State or, if the
23 income-producing activity of the taxpayer is
24 performed both within and without this State, if a
25 greater proportion of the income-producing
26 activity of the taxpayer is performed within this

1 State than in any other state, based on performance
2 costs.

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

26 (D) For taxable years ending on or after December 31,

1 1995, the following items of income shall not be included
2 in the numerator or denominator of the sales factor:
3 dividends; amounts included under Section 78 of the
4 Internal Revenue Code; and Subpart F income as defined in
5 Section 952 of the Internal Revenue Code. No inference
6 shall be drawn from the enactment of this paragraph (D) in
7 construing this Section for taxable years ending before
8 December 31, 1995.

9 (E) Paragraphs (B-1) and (B-2) shall apply to tax years
10 ending on or after December 31, 1999, provided that a
11 taxpayer may elect to apply the provisions of these
12 paragraphs to prior tax years. Such election shall be made
13 in the form and manner prescribed by the Department, shall
14 be irrevocable, and shall apply to all tax years; provided
15 that, if a taxpayer's Illinois income tax liability for any
16 tax year, as assessed under Section 903 prior to January 1,
17 1999, was computed in a manner contrary to the provisions
18 of paragraphs (B-1) or (B-2), no refund shall be payable to
19 the taxpayer for that tax year to the extent such refund is
20 the result of applying the provisions of paragraph (B-1) or
21 (B-2) retroactively. In the case of a unitary business
22 group, such election shall apply to all members of such
23 group for every tax year such group is in existence, but
24 shall not apply to any taxpayer for any period during which
25 that taxpayer is not a member of such group.

26 (b) Insurance companies.

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

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

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

21 (c) Financial organizations.

22 (1) In general. For taxable years ending before
23 December 31, 2008, business income of a financial
24 organization shall be apportioned to this State by
25 multiplying such income by a fraction, the numerator of
26 which is its business income from sources within this

1 State, and the denominator of which is its business income
2 from all sources. For the purposes of this subsection, the
3 business income of a financial organization from sources
4 within this State is the sum of the amounts referred to in
5 subparagraphs (A) through (E) following, but excluding the
6 adjusted income of an international banking facility as
7 determined in paragraph (2):

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

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

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

14 (D) Interest charged to customers at places of
15 business maintained within this State for carrying
16 debit balances of margin accounts, without deduction
17 of any costs incurred in carrying such accounts; and

18 (E) Any other gross income resulting from the
19 operation as a financial organization within this
20 State. In computing the amounts referred to in
21 paragraphs (A) through (E) of this subsection, any
22 amount received by a member of an affiliated group
23 (determined under Section 1504(a) of the Internal
24 Revenue Code but without reference to whether any such
25 corporation is an "includible corporation" under
26 Section 1504(b) of the Internal Revenue Code) from

1 another member of such group shall be included only to
2 the extent such amount exceeds expenses of the
3 recipient directly related thereto.

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

6 (A) Adjusted Income. The adjusted income of an
7 international banking facility is its income reduced
8 by the amount of the floor amount.

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

13 (i) The numerator shall be:

14 The average aggregate, determined on a
15 quarterly basis, of the financial organization's
16 loans to banks in foreign countries, to foreign
17 domiciled borrowers (except where secured
18 primarily by real estate) and to foreign
19 governments and other foreign official
20 institutions, as reported for its branches,
21 agencies and offices within the state on its
22 "Consolidated Report of Condition", Schedule A,
23 Lines 2.c., 5.b., and 7.a., which was filed with
24 the Federal Deposit Insurance Corporation and
25 other regulatory authorities, for the year 1980,
26 minus

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

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

20 (C) Change to Consolidated Report of Condition and
21 in Qualification. In the event the Consolidated Report
22 of Condition which is filed with the Federal Deposit
23 Insurance Corporation and other regulatory authorities
24 is altered so that the information required for
25 determining the floor amount is not found on Schedule
26 A, lines 2.c., 5.b. and 7.a., the financial institution

1 shall notify the Department and the Department may, by
2 regulations or otherwise, prescribe or authorize the
3 use of an alternative source for such information. The
4 financial institution shall also notify the Department
5 should its international banking facility fail to
6 qualify as such, in whole or in part, or should there
7 be any amendment or change to the Consolidated Report
8 of Condition, as originally filed, to the extent such
9 amendment or change alters the information used in
10 determining the floor amount.

11 (3) For taxable years ending on or after December 31,
12 2008, the business income of a financial organization shall
13 be apportioned to this State by multiplying such income by
14 a fraction, the numerator of which is its gross receipts
15 from sources in this State or otherwise attributable to
16 this State's marketplace and the denominator of which is
17 its gross receipts everywhere during the taxable year.
18 "Gross receipts" for purposes of this subparagraph (3)
19 means gross income, including net taxable gain on
20 disposition of assets, including securities and money
21 market instruments, when derived from transactions and
22 activities in the regular course of the financial
23 organization's trade or business. The following examples
24 are illustrative:

25 (i) Receipts from the lease or rental of real or
26 tangible personal property are in this State if the

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

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

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

18 (iv) Interest income, commissions, fees, gains on
19 disposition, and other receipts from commercial loans
20 and installment obligations that are not secured by
21 real or tangible personal property are from sources in
22 this State if the proceeds of the loan are to be
23 applied in this State. If it cannot be determined where
24 the funds are to be applied, the income and receipts
25 are from sources in this State if the office of the
26 borrower from which the loan was negotiated in the

1 regular course of business is located in this State. If
2 the location of this office cannot be determined, the
3 income and receipts shall be excluded from the
4 numerator and denominator of the sales factor.

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

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

15 (vii) Receipts from the issuance of travelers
16 checks and money orders are from sources in this State
17 if the checks and money orders are issued from a
18 location within this State.

19 (viii) Receipts from investment assets and
20 activities and trading assets and activities are
21 included in the receipts factor as follows:

22 (1) Interest, dividends, net gains (but not
23 less than zero) and other income from investment
24 assets and activities from trading assets and
25 activities shall be included in the receipts
26 factor. Investment assets and activities and

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

13 (A) The receipts factor shall include the
14 amount by which interest from federal funds
15 sold and securities purchased under resale
16 agreements exceeds interest expense on federal
17 funds purchased and securities sold under
18 repurchase agreements.

19 (B) The receipts factor shall include the
20 amount by which interest, dividends, gains and
21 other income from trading assets and
22 activities, including but not limited to
23 assets and activities in the matched book, in
24 the arbitrage book, and foreign currency
25 transactions, exceed amounts paid in lieu of
26 interest, amounts paid in lieu of dividends,

1 and losses from such assets and activities.

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

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

21 (B) The amount of interest from federal
22 funds sold and purchased and from securities
23 purchased under resale agreements and
24 securities sold under repurchase agreements
25 attributable to this State and included in the
26 numerator is determined by multiplying the

1 amount described in subparagraph (A) of
2 paragraph (1) of this subsection from such
3 funds and such securities by a fraction, the
4 numerator of which is the gross income from
5 such funds and such securities which are
6 properly assigned to a fixed place of business
7 of the taxpayer within this State and the
8 denominator of which is the gross income from
9 all such funds and such securities.

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

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

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

15 (ii) such assignment on its records is
16 based upon substantive contacts of the
17 asset or activity to such fixed place of
18 business; and

19 (iii) the taxpayer uses such records
20 reflecting assignment of such assets or
21 activities for the filing of all state and
22 local tax returns for which an assignment
23 of such assets or activities to a fixed
24 place of business is required.

25 (E) The presumption of proper assignment
26 of an investment or trading asset or activity

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

1 services of such employees are performed, as of
2 the last day of the taxable year.

3 (4) (Blank).

4 (5) (Blank).

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

15 (1) Receipts attributable to transactions executed on
16 a physical trading floor if that physical trading floor is
17 located in this State.

18 (2) Receipts attributable to all other matching,
19 execution, or clearing transactions, including without
20 limitation receipts from the provision of matching,
21 execution, or clearing services to another entity,
22 multiplied by (i) for taxable years ending on or after
23 December 31, 2012 but before December 31, 2013, 63.77%; and
24 (ii) for taxable years ending on or after December 31,
25 2013, 27.54%.

26 (3) All other receipts not governed by subparagraphs

1 (1) or (2) of this subsection (c-1), to the extent the
2 receipts would be characterized as "sales in this State"
3 under item (3) of subsection (a) of this Section.

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

21 In no event shall the Illinois apportionment percentage
22 computed in accordance with this subsection (c-1) for any
23 taxpayer for any tax year be less than the Illinois
24 apportionment percentage computed under this subsection (c-1)
25 for that taxpayer for the first full tax year ending on or
26 after December 31, 2013 for which this subsection (c-1) applied

1 to the taxpayer.

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

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

20 (A) relative railway operating income from total
21 passenger and total freight service, as reported to the
22 Interstate Commerce Commission, in the case of
23 transportation by railroad, and

24 (B) relative gross receipts from passenger and
25 freight transportation, in case of transportation
26 other than by railroad.

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

11 (3) For taxable years ending on or after December 31,
12 2008, business income derived from providing
13 transportation services other than airline services shall
14 be apportioned to this State by using a fraction, (a) the
15 numerator of which shall be (i) all receipts from any
16 movement or shipment of people, goods, mail, oil, gas, or
17 any other substance (other than by airline) that both
18 originates and terminates in this State, plus (ii) that
19 portion of the person's gross receipts from movements or
20 shipments of people, goods, mail, oil, gas, or any other
21 substance (other than by airline) that originates in one
22 state or jurisdiction and terminates in another state or
23 jurisdiction, that is determined by the ratio that the
24 miles traveled in this State bears to total miles
25 everywhere and (b) the denominator of which shall be all
26 revenue derived from the movement or shipment of people,

1 goods, mail, oil, gas, or any other substance (other than
2 by airline). Where a taxpayer is engaged in the
3 transportation of both passengers and freight, the
4 fraction above referred to shall first be determined
5 separately for passenger miles and freight miles. Then an
6 average of the passenger miles fraction and the freight
7 miles fraction shall be weighted to reflect the taxpayer's:

8 (A) relative railway operating income from total
9 passenger and total freight service, as reported to the
10 Surface Transportation Board, in the case of
11 transportation by railroad; and

12 (B) relative gross receipts from passenger and
13 freight transportation, in case of transportation
14 other than by railroad.

15 (4) For taxable years ending on or after December 31,
16 2008, business income derived from furnishing airline
17 transportation services shall be apportioned to this State
18 by multiplying such income by a fraction, the numerator of
19 which is the revenue miles of the person in this State, and
20 the denominator of which is the revenue miles of the person
21 everywhere. For purposes of this paragraph, a revenue mile
22 is the transportation of one passenger or one net ton of
23 freight the distance of one mile for a consideration. If a
24 person is engaged in the transportation of both passengers
25 and freight, the fraction above referred to shall be
26 determined by means of an average of the passenger revenue

1 mile fraction and the freight revenue mile fraction,
2 weighted to reflect the person's relative gross receipts
3 from passenger and freight airline transportation.

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

10 (f) Alternative allocation. If the allocation and
11 apportionment provisions of subsections (a) through (e) and of
12 subsection (h) do not, for taxable years ending before December
13 31, 2008, fairly represent the extent of a person's business
14 activity in this State, or, for taxable years ending on or
15 after December 31, 2008, fairly represent the market for the
16 person's goods, services, or other sources of business income,
17 the person may petition for, or the Director may, without a
18 petition, permit or require, in respect of all or any part of
19 the person's business activity, if reasonable:

20 (1) Separate accounting;

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

22 (3) The inclusion of one or more additional factors
23 which will fairly represent the person's business
24 activities or market in this State; or

25 (4) The employment of any other method to effectuate an
26 equitable allocation and apportionment of the person's

1 business income.

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

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

7 (1) for tax years ending on or after December 31, 1998
8 and before December 31, 1999, 16 2/3% of the property
9 factor plus 16 2/3% of the payroll factor plus 66 2/3% of
10 the sales factor;

11 (2) for tax years ending on or after December 31, 1999
12 and before December 31, 2000, 8 1/3% of the property factor
13 plus 8 1/3% of the payroll factor plus 83 1/3% of the sales
14 factor;

15 (3) for tax years ending on or after December 31, 2000,
16 the sales factor.

17 If, in any tax year ending on or after December 31, 1998 and
18 before December 31, 2000, the denominator of the payroll,
19 property, or sales factor is zero, the apportionment factor
20 computed in paragraph (1) or (2) of this subsection for that
21 year shall be divided by an amount equal to 100% minus the
22 percentage weight given to each factor whose denominator is
23 equal to zero.

24 (Source: P.A. 99-642, eff. 7-28-16; 100-201, eff. 8-18-17.)

25 (35 ILCS 5/710) (from Ch. 120, par. 7-710)

1 Sec. 710. Withholding from lottery winnings.

2 (a) In general.

3 (1) Any person making a payment to a resident or
4 nonresident of winnings under the Illinois Lottery Law and
5 not required to withhold Illinois income tax from such
6 payment under Subsection (b) of Section 701 of this Act
7 because those winnings are not subject to Federal income
8 tax withholding, must withhold Illinois income tax from
9 such payment at a rate equal to the percentage tax rate for
10 individuals provided in subsection (b) of Section 201,
11 provided that withholding is not required if such payment
12 of winnings is less than \$1,000.

13 (2) In the case of an assignment of a lottery prize
14 under Section 13.1 of the Illinois Lottery Law, any person
15 making a payment of the purchase price after December 31,
16 2013, shall withhold from the amount of each payment at a
17 rate equal to the percentage tax rate for individuals
18 provided in subsection (b) of Section 201.

19 (3) Any person making a payment after December 31, 2018
20 to a resident or nonresident of winnings from pari-mutuel
21 wagering conducted at a wagering facility licensed under
22 the Illinois Horse Racing Act of 1975 or from gambling
23 games conducted on a riverboat or in a casino or
24 organization gaming facility licensed under the Illinois
25 Gambling Act must withhold Illinois income tax from such
26 payment at a rate equal to the percentage tax rate for

1 individuals provided in subsection (b) of Section 201,
2 provided that the person making the payment is required to
3 withhold under Section 3402(g) of the Internal Revenue
4 Code.

5 (b) Credit for taxes withheld. Any amount withheld under
6 Subsection (a) shall be a credit against the Illinois income
7 tax liability of the person to whom the payment of winnings was
8 made for the taxable year in which that person incurred an
9 Illinois income tax liability with respect to those winnings.

10 (Source: P.A. 98-496, eff. 1-1-14.)

11 Section 90-23. The Property Tax Code is amended by adding
12 Section 15-144 as follows:

13 (35 ILCS 200/15-144 new)

14 Sec. 15-144. Chicago Casino Development Authority. All
15 property owned by the Chicago Casino Development Authority is
16 exempt. Any property owned by the Chicago Casino Development
17 Authority and leased to any other entity is not exempt.

18 Section 90-24. The Illinois Municipal Code is amended by
19 adding Section 8-10-2.6 as follows:

20 (65 ILCS 5/8-10-2.6 new)

21 Sec. 8-10-2.6. Chicago Casino Development Authority.
22 Except as otherwise provided in the Chicago Casino Development

1 Authority Act, this Division 10 applies to purchase orders and
2 contracts relating to the Chicago Casino Development
3 Authority.

4 Section 90-25. The Joliet Regional Port District Act is
5 amended by changing Section 5.1 as follows:

6 (70 ILCS 1825/5.1) (from Ch. 19, par. 255.1)

7 Sec. 5.1. Riverboat and casino gambling. Notwithstanding
8 any other provision of this Act, the District may not regulate
9 the operation, conduct, or navigation of any riverboat gambling
10 casino licensed under the Illinois ~~Riverboat~~ Gambling Act, and
11 the District may not license, tax, or otherwise levy any
12 assessment of any kind on any riverboat gambling casino
13 licensed under the Illinois ~~Riverboat~~ Gambling Act. The General
14 Assembly declares that the powers to regulate the operation,
15 conduct, and navigation of riverboat gambling casinos and to
16 license, tax, and levy assessments upon riverboat gambling
17 casinos are exclusive powers of the State of Illinois and the
18 Illinois Gaming Board as provided in the Illinois ~~Riverboat~~
19 Gambling Act.

20 (Source: P.A. 87-1175.)

21 Section 90-30. The Consumer Installment Loan Act is amended
22 by changing Section 12.5 as follows:

1 (205 ILCS 670/12.5)

2 Sec. 12.5. Limited purpose branch.

3 (a) Upon the written approval of the Director, a licensee
4 may maintain a limited purpose branch for the sole purpose of
5 making loans as permitted by this Act. A limited purpose branch
6 may include an automatic loan machine. No other activity shall
7 be conducted at the site, including but not limited to,
8 accepting payments, servicing the accounts, or collections.

9 (b) The licensee must submit an application for a limited
10 purpose branch to the Director on forms prescribed by the
11 Director with an application fee of \$300. The approval for the
12 limited purpose branch must be renewed concurrently with the
13 renewal of the licensee's license along with a renewal fee of
14 \$300 for the limited purpose branch.

15 (c) The books, accounts, records, and files of the limited
16 purpose branch's transactions shall be maintained at the
17 licensee's licensed location. The licensee shall notify the
18 Director of the licensed location at which the books, accounts,
19 records, and files shall be maintained.

20 (d) The licensee shall prominently display at the limited
21 purpose branch the address and telephone number of the
22 licensee's licensed location.

23 (e) No other business shall be conducted at the site of the
24 limited purpose branch unless authorized by the Director.

25 (f) The Director shall make and enforce reasonable rules
26 for the conduct of a limited purpose branch.

1 (g) A limited purpose branch may not be located within
2 1,000 feet of a facility operated by an inter-track wagering
3 licensee or an organization licensee subject to the Illinois
4 Horse Racing Act of 1975, on a riverboat or in a casino subject
5 to the Illinois Riverboat Gambling Act, or within 1,000 feet of
6 the location at which the riverboat docks or within 1,000 feet
7 of a casino.

8 (Source: P.A. 90-437, eff. 1-1-98.)

9 Section 90-35. The Illinois Horse Racing Act of 1975 is
10 amended by changing Sections 1.2, 3.11, 3.12, 6, 9, 15, 18, 19,
11 20, 21, 24, 25, 26, 26.8, 26.9, 27, 30, 30.5, 31, 32.1, 36, 40,
12 and 54.75 and by adding Sections 3.31, 3.32, 3.33, 3.34, 19.5,
13 34.3, and 56 as follows:

14 (230 ILCS 5/1.2)

15 Sec. 1.2. Legislative intent. This Act is intended to
16 benefit the people of the State of Illinois by encouraging the
17 breeding and production of race horses, assisting economic
18 development and promoting Illinois tourism. The General
19 Assembly finds and declares it to be the public policy of the
20 State of Illinois to:

21 (a) support and enhance Illinois' horse racing industry,
22 which is a significant component within the agribusiness
23 industry;

24 (b) ensure that Illinois' horse racing industry remains

1 competitive with neighboring states;

2 (c) stimulate growth within Illinois' horse racing
3 industry, thereby encouraging new investment and development
4 to produce additional tax revenues and to create additional
5 jobs;

6 (d) promote the further growth of tourism;

7 (e) encourage the breeding of thoroughbred and
8 standardbred horses in this State; and

9 (f) ensure that public confidence and trust in the
10 credibility and integrity of racing operations and the
11 regulatory process is maintained.

12 (Source: P.A. 91-40, eff. 6-25-99.)

13 (230 ILCS 5/3.11) (from Ch. 8, par. 37-3.11)

14 Sec. 3.11. "Organization Licensee" means any person
15 receiving an organization license from the Board to conduct a
16 race meeting or meetings. With respect only to organization
17 gaming, "organization licensee" includes the authorization for
18 an organization gaming license under subsection (a) of Section
19 56 of this Act.

20 (Source: P.A. 79-1185.)

21 (230 ILCS 5/3.12) (from Ch. 8, par. 37-3.12)

22 Sec. 3.12. Pari-mutuel system of wagering. "Pari-mutuel
23 system of wagering" means a form of wagering on the outcome of
24 horse races in which wagers are made in various denominations

1 on a horse or horses and all wagers for each race are pooled
2 and held by a licensee for distribution in a manner approved by
3 the Board. "Pari-mutuel system of wagering" shall not include
4 wagering on historic races. Wagers may be placed via any method
5 or at any location authorized under this Act.

6 (Source: P.A. 96-762, eff. 8-25-09.)

7 (230 ILCS 5/3.31 new)

8 Sec. 3.31. Adjusted gross receipts. "Adjusted gross
9 receipts" means the gross receipts less winnings paid to
10 wagerers.

11 (230 ILCS 5/3.32 new)

12 Sec. 3.32. Gross receipts. "Gross receipts" means the total
13 amount of money exchanged for the purchase of chips, tokens, or
14 electronic cards by riverboat or casino patrons or organization
15 gaming patrons.

16 (230 ILCS 5/3.33 new)

17 Sec. 3.33. Organization gaming facility. "Organization
18 gaming facility" means that portion of an organization
19 licensee's racetrack facilities at which gaming authorized
20 under Section 7.7 of the Illinois Gambling Act is conducted.

21 (230 ILCS 5/3.34 new)

22 Sec. 3.34. Organization gaming license. "Organization

1 gaming license" means a license issued by the Illinois Gaming
2 Board under Section 7.7 of the Illinois Gambling Act
3 authorizing gaming pursuant to that Section at an organization
4 gaming facility.

5 (230 ILCS 5/6) (from Ch. 8, par. 37-6)

6 Sec. 6. Restrictions on Board members.

7 (a) No person shall be appointed a member of the Board or
8 continue to be a member of the Board if the person or any
9 member of their immediate family is a member of the Board of
10 Directors, employee, or financially interested in any of the
11 following: (i) any licensee or other person who has applied for
12 racing dates to the Board, or the operations thereof including,
13 but not limited to, concessions, data processing, track
14 maintenance, track security, and pari-mutuel operations,
15 located, scheduled or doing business within the State of
16 Illinois, (ii) any race horse competing at a meeting under the
17 Board's jurisdiction, or (iii) any licensee under the Illinois
18 Gambling Act. No person shall be appointed a member of the
19 Board or continue to be a member of the Board who is (or any
20 member of whose family is) a member of the Board of Directors
21 of, or who is a person financially interested in, any licensee
22 or other person who has applied for racing dates to the Board,
23 or the operations thereof including, but not limited to,
24 concessions, data processing, track maintenance, track
25 security and pari mutuel operations, located, scheduled or

1 ~~doing business within the State of Illinois, or in any race~~
2 ~~horse competing at a meeting under the Board's jurisdiction. No~~
3 ~~Board member shall hold any other public office for which he~~
4 ~~shall receive compensation other than necessary travel or other~~
5 ~~incidental expenses.~~

6 (b) No person shall be a member of the Board who is not of
7 good moral character or who has been convicted of, or is under
8 indictment for, a felony under the laws of Illinois or any
9 other state, or the United States.

10 (c) No member of the Board or employee shall engage in any
11 political activity.

12 For the purposes of this subsection (c):

13 "Political" means any activity in support of or in
14 connection with any campaign for State or local elective office
15 or any political organization, but does not include activities
16 (i) relating to the support or opposition of any executive,
17 legislative, or administrative action (as those terms are
18 defined in Section 2 of the Lobbyist Registration Act), (ii)
19 relating to collective bargaining, or (iii) that are otherwise
20 in furtherance of the person's official State duties or
21 governmental and public service functions.

22 "Political organization" means a party, committee,
23 association, fund, or other organization (whether or not
24 incorporated) that is required to file a statement of
25 organization with the State Board of Elections or county clerk
26 under Section 9-3 of the Election Code, but only with regard to

1 those activities that require filing with the State Board of
2 Elections or county clerk.

3 (d) Board members and employees may not engage in
4 communications or any activity that may cause or have the
5 appearance of causing a conflict of interest. A conflict of
6 interest exists if a situation influences or creates the
7 appearance that it may influence judgment or performance of
8 regulatory duties and responsibilities. This prohibition shall
9 extend to any act identified by Board action that, in the
10 judgment of the Board, could represent the potential for or the
11 appearance of a conflict of interest.

12 (e) Board members and employees may not accept any gift,
13 gratuity, service, compensation, travel, lodging, or thing of
14 value, with the exception of unsolicited items of an incidental
15 nature, from any person, corporation, limited liability
16 company, or entity doing business with the Board.

17 (f) A Board member or employee shall not use or attempt to
18 use his or her official position to secure, or attempt to
19 secure, any privilege, advantage, favor, or influence for
20 himself or herself or others. No Board member or employee,
21 within a period of one year immediately preceding nomination by
22 the Governor or employment, shall have been employed or
23 received compensation or fees for services from a person or
24 entity, or its parent or affiliate, that has engaged in
25 business with the Board, a licensee or a licensee under the
26 Illinois Gambling Act. In addition, all Board members and

1 employees are subject to the restrictions set forth in Section
2 5-45 of the State Officials and Employees Ethics Act.

3 (Source: P.A. 89-16, eff. 5-30-95.)

4 (230 ILCS 5/9) (from Ch. 8, par. 37-9)

5 Sec. 9. The Board shall have all powers necessary and
6 proper to fully and effectively execute the provisions of this
7 Act, including, but not limited to, the following:

8 (a) The Board is vested with jurisdiction and supervision
9 over all race meetings in this State, over all licensees doing
10 business in this State, over all occupation licensees, and over
11 all persons on the facilities of any licensee. Such
12 jurisdiction shall include the power to issue licenses to the
13 Illinois Department of Agriculture authorizing the pari-mutuel
14 system of wagering on harness and Quarter Horse races held (1)
15 at the Illinois State Fair in Sangamon County, and (2) at the
16 DuQuoin State Fair in Perry County. The jurisdiction of the
17 Board shall also include the power to issue licenses to county
18 fairs which are eligible to receive funds pursuant to the
19 Agricultural Fair Act, as now or hereafter amended, or their
20 agents, authorizing the pari-mutuel system of wagering on horse
21 races conducted at the county fairs receiving such licenses.
22 Such licenses shall be governed by subsection (n) of this
23 Section.

24 Upon application, the Board shall issue a license to the
25 Illinois Department of Agriculture to conduct harness and

1 Quarter Horse races at the Illinois State Fair and at the
2 DuQuoin State Fairgrounds during the scheduled dates of each
3 fair. The Board shall not require and the Department of
4 Agriculture shall be exempt from the requirements of Sections
5 15.3, 18 and 19, paragraphs (a)(2), (b), (c), (d), (e), (e-5),
6 (e-10), (f), (g), and (h) of Section 20, and Sections 21, 24
7 and 25. The Board and the Department of Agriculture may extend
8 any or all of these exemptions to any contractor or agent
9 engaged by the Department of Agriculture to conduct its race
10 meetings when the Board determines that this would best serve
11 the public interest and the interest of horse racing.

12 Notwithstanding any provision of law to the contrary, it
13 shall be lawful for any licensee to operate pari-mutuel
14 wagering or contract with the Department of Agriculture to
15 operate pari-mutuel wagering at the DuQuoin State Fairgrounds
16 or for the Department to enter into contracts with a licensee,
17 employ its owners, employees or agents and employ such other
18 occupation licensees as the Department deems necessary in
19 connection with race meetings and wagerings.

20 (b) The Board is vested with the full power to promulgate
21 reasonable rules and regulations for the purpose of
22 administering the provisions of this Act and to prescribe
23 reasonable rules, regulations and conditions under which all
24 horse race meetings or wagering in the State shall be
25 conducted. Such reasonable rules and regulations are to provide
26 for the prevention of practices detrimental to the public

1 interest and to promote the best interests of horse racing and
2 to impose penalties for violations thereof.

3 (c) The Board, and any person or persons to whom it
4 delegates this power, is vested with the power to enter the
5 facilities and other places of business of any licensee to
6 determine whether there has been compliance with the provisions
7 of this Act and its rules and regulations.

8 (d) The Board, and any person or persons to whom it
9 delegates this power, is vested with the authority to
10 investigate alleged violations of the provisions of this Act,
11 its reasonable rules and regulations, orders and final
12 decisions; the Board shall take appropriate disciplinary
13 action against any licensee or occupation licensee for
14 violation thereof or institute appropriate legal action for the
15 enforcement thereof.

16 (e) The Board, and any person or persons to whom it
17 delegates this power, may eject or exclude from any race
18 meeting or the facilities of any licensee, or any part thereof,
19 any occupation licensee or any other individual whose conduct
20 or reputation is such that his presence on those facilities
21 may, in the opinion of the Board, call into question the
22 honesty and integrity of horse racing or wagering or interfere
23 with the orderly conduct of horse racing or wagering; provided,
24 however, that no person shall be excluded or ejected from the
25 facilities of any licensee solely on the grounds of race,
26 color, creed, national origin, ancestry, or sex. The power to

1 eject or exclude an occupation licensee or other individual may
2 be exercised for just cause by the licensee or the Board,
3 subject to subsequent hearing by the Board as to the propriety
4 of said exclusion.

5 (f) The Board is vested with the power to acquire,
6 establish, maintain and operate (or provide by contract to
7 maintain and operate) testing laboratories and related
8 facilities, for the purpose of conducting saliva, blood, urine
9 and other tests on the horses run or to be run in any horse race
10 meeting, including races run at county fairs, and to purchase
11 all equipment and supplies deemed necessary or desirable in
12 connection with any such testing laboratories and related
13 facilities and all such tests.

14 (g) The Board may require that the records, including
15 financial or other statements of any licensee or any person
16 affiliated with the licensee who is involved directly or
17 indirectly in the activities of any licensee as regulated under
18 this Act to the extent that those financial or other statements
19 relate to such activities be kept in such manner as prescribed
20 by the Board, and that Board employees shall have access to
21 those records during reasonable business hours. Within 120 days
22 of the end of its fiscal year, each licensee shall transmit to
23 the Board an audit of the financial transactions and condition
24 of the licensee's total operations. All audits shall be
25 conducted by certified public accountants. Each certified
26 public accountant must be registered in the State of Illinois

1 under the Illinois Public Accounting Act. The compensation for
2 each certified public accountant shall be paid directly by the
3 licensee to the certified public accountant. A licensee shall
4 also submit any other financial or related information the
5 Board deems necessary to effectively administer this Act and
6 all rules, regulations, and final decisions promulgated under
7 this Act.

8 (h) The Board shall name and appoint in the manner provided
9 by the rules and regulations of the Board: an Executive
10 Director; a State director of mutuels; State veterinarians and
11 representatives to take saliva, blood, urine and other tests on
12 horses; licensing personnel; revenue inspectors; and State
13 seasonal employees (excluding admission ticket sellers and
14 mutuel clerks). All of those named and appointed as provided in
15 this subsection shall serve during the pleasure of the Board;
16 their compensation shall be determined by the Board and be paid
17 in the same manner as other employees of the Board under this
18 Act.

19 (i) The Board shall require that there shall be 3 stewards
20 at each horse race meeting, at least 2 of whom shall be named
21 and appointed by the Board. Stewards appointed or approved by
22 the Board, while performing duties required by this Act or by
23 the Board, shall be entitled to the same rights and immunities
24 as granted to Board members and Board employees in Section 10
25 of this Act.

26 (j) The Board may discharge any Board employee who fails or

1 refuses for any reason to comply with the rules and regulations
2 of the Board, or who, in the opinion of the Board, is guilty of
3 fraud, dishonesty or who is proven to be incompetent. The Board
4 shall have no right or power to determine who shall be
5 officers, directors or employees of any licensee, or their
6 salaries except the Board may, by rule, require that all or any
7 officials or employees in charge of or whose duties relate to
8 the actual running of races be approved by the Board.

9 (k) The Board is vested with the power to appoint delegates
10 to execute any of the powers granted to it under this Section
11 for the purpose of administering this Act and any rules or
12 regulations promulgated in accordance with this Act.

13 (l) The Board is vested with the power to impose civil
14 penalties of up to \$5,000 against an individual and up to
15 \$10,000 against a licensee for each violation of any provision
16 of this Act, any rules adopted by the Board, any order of the
17 Board or any other action which, in the Board's discretion, is
18 a detriment or impediment to horse racing or wagering.
19 Beginning on the date when any organization licensee begins
20 conducting gaming pursuant to an organization gaming license
21 issued under the Illinois Gambling Act, the power granted to
22 the Board pursuant to this subsection (l) shall authorize the
23 Board to impose penalties of up to \$10,000 against an
24 individual and up to \$25,000 against a licensee. All such civil
25 penalties shall be deposited into the Horse Racing Fund.

26 (m) The Board is vested with the power to prescribe a form

1 to be used by licensees as an application for employment for
2 employees of each licensee.

3 (n) The Board shall have the power to issue a license to
4 any county fair, or its agent, authorizing the conduct of the
5 pari-mutuel system of wagering. The Board is vested with the
6 full power to promulgate reasonable rules, regulations and
7 conditions under which all horse race meetings licensed
8 pursuant to this subsection shall be held and conducted,
9 including rules, regulations and conditions for the conduct of
10 the pari-mutuel system of wagering. The rules, regulations and
11 conditions shall provide for the prevention of practices
12 detrimental to the public interest and for the best interests
13 of horse racing, and shall prescribe penalties for violations
14 thereof. Any authority granted the Board under this Act shall
15 extend to its jurisdiction and supervision over county fairs,
16 or their agents, licensed pursuant to this subsection. However,
17 the Board may waive any provision of this Act or its rules or
18 regulations which would otherwise apply to such county fairs or
19 their agents.

20 (o) Whenever the Board is authorized or required by law to
21 consider some aspect of criminal history record information for
22 the purpose of carrying out its statutory powers and
23 responsibilities, then, upon request and payment of fees in
24 conformance with the requirements of Section 2605-400 of the
25 Department of State Police Law (20 ILCS 2605/2605-400), the
26 Department of State Police is authorized to furnish, pursuant

1 to positive identification, such information contained in
2 State files as is necessary to fulfill the request.

3 (p) To insure the convenience, comfort, and wagering
4 accessibility of race track patrons, to provide for the
5 maximization of State revenue, and to generate increases in
6 purse allotments to the horsemen, the Board shall require any
7 licensee to staff the pari-mutuel department with adequate
8 personnel.

9 (Source: P.A. 97-1060, eff. 8-24-12.)

10 (230 ILCS 5/15) (from Ch. 8, par. 37-15)

11 Sec. 15. (a) The Board shall, in its discretion, issue
12 occupation licenses to horse owners, trainers, harness
13 drivers, jockeys, agents, apprentices, grooms, stable foremen,
14 exercise persons, veterinarians, valets, blacksmiths,
15 concessionaires and others designated by the Board whose work,
16 in whole or in part, is conducted upon facilities within the
17 State. Such occupation licenses will be obtained prior to the
18 persons engaging in their vocation upon such facilities. The
19 Board shall not license pari-mutuel clerks, parking
20 attendants, security guards and employees of concessionaires.
21 No occupation license shall be required of any person who works
22 at facilities within this State as a pari-mutuel clerk, parking
23 attendant, security guard or as an employee of a
24 concessionaire. Concessionaires of the Illinois State Fair and
25 DuQuoin State Fair and employees of the Illinois Department of

1 Agriculture shall not be required to obtain an occupation
2 license by the Board.

3 (b) Each application for an occupation license shall be on
4 forms prescribed by the Board. Such license, when issued, shall
5 be for the period ending December 31 of each year, except that
6 the Board in its discretion may grant 3-year licenses. The
7 application shall be accompanied by a fee of not more than \$25
8 per year or, in the case of 3-year occupation license
9 applications, a fee of not more than \$60. Each applicant shall
10 set forth in the application his full name and address, and if
11 he had been issued prior occupation licenses or has been
12 licensed in any other state under any other name, such name,
13 his age, whether or not a permit or license issued to him in
14 any other state has been suspended or revoked and if so whether
15 such suspension or revocation is in effect at the time of the
16 application, and such other information as the Board may
17 require. Fees for registration of stable names shall not exceed
18 \$50.00. Beginning on the date when any organization licensee
19 begins conducting gaming pursuant to an organization gaming
20 license issued under the Illinois Gambling Act, the fee for
21 registration of stable names shall not exceed \$150, and the
22 application fee for an occupation license shall not exceed \$75,
23 per year or, in the case of a 3-year occupation license
24 application, the fee shall not exceed \$180.

25 (c) The Board may in its discretion refuse an occupation
26 license to any person:

- 1 (1) who has been convicted of a crime;
- 2 (2) who is unqualified to perform the duties required
3 of such applicant;
- 4 (3) who fails to disclose or states falsely any
5 information called for in the application;
- 6 (4) who has been found guilty of a violation of this
7 Act or of the rules and regulations of the Board; or
- 8 (5) whose license or permit has been suspended, revoked
9 or denied for just cause in any other state.
- 10 (d) The Board may suspend or revoke any occupation license:
- 11 (1) for violation of any of the provisions of this Act;
12 or
- 13 (2) for violation of any of the rules or regulations of
14 the Board; or
- 15 (3) for any cause which, if known to the Board, would
16 have justified the Board in refusing to issue such
17 occupation license; or
- 18 (4) for any other just cause.
- 19 (e) Each applicant shall submit his or her fingerprints
20 to the Department of State Police in the form and manner
21 prescribed by the Department of State Police. These
22 fingerprints shall be checked against the fingerprint records
23 now and hereafter filed in the Department of State Police and
24 Federal Bureau of Investigation criminal history records
25 databases. The Department of State Police shall charge a fee
26 for conducting the criminal history records check, which shall

1 be deposited in the State Police Services Fund and shall not
2 exceed the actual cost of the records check. The Department of
3 State Police shall furnish, pursuant to positive
4 identification, records of conviction to the Board. Each
5 applicant for licensure shall submit with his occupation
6 license application, on forms provided by the Board, 2 sets of
7 his fingerprints. All such applicants shall appear in person at
8 the location designated by the Board for the purpose of
9 submitting such sets of fingerprints; however, with the prior
10 approval of a State steward, an applicant may have such sets of
11 fingerprints taken by an official law enforcement agency and
12 submitted to the Board.

13 (f) The Board may, in its discretion, issue an occupation
14 license without submission of fingerprints if an applicant has
15 been duly licensed in another recognized racing jurisdiction
16 after submitting fingerprints that were subjected to a Federal
17 Bureau of Investigation criminal history background check in
18 that jurisdiction.

19 (g) Beginning on the date when any organization licensee
20 begins conducting gaming pursuant to an organization gaming
21 license issued under the Illinois Gambling Act, the Board may
22 charge each applicant a reasonable non-refundable fee to defray
23 the costs associated with the background investigation
24 conducted by the Board. This fee shall be exclusive of any
25 other fee or fees charged in connection with an application for
26 and, if applicable, the issuance of, an organization gaming

1 license. If the costs of the investigation exceed the amount of
2 the fee charged, the Board shall immediately notify the
3 applicant of the additional amount owed, payment of which must
4 be submitted to the Board within 7 days after such
5 notification. All information, records, interviews, reports,
6 statements, memoranda, or other data supplied to or used by the
7 Board in the course of its review or investigation of an
8 applicant for a license or renewal under this Act shall be
9 privileged, strictly confidential, and shall be used only for
10 the purpose of evaluating an applicant for a license or a
11 renewal. Such information, records, interviews, reports,
12 statements, memoranda, or other data shall not be admissible as
13 evidence, nor discoverable, in any action of any kind in any
14 court or before any tribunal, board, agency, or person, except
15 for any action deemed necessary by the Board.

16 (Source: P.A. 93-418, eff. 1-1-04.)

17 (230 ILCS 5/18) (from Ch. 8, par. 37-18)

18 Sec. 18. (a) Together with its application, each applicant
19 for racing dates shall deliver to the Board a certified check
20 or bank draft payable to the order of the Board for \$1,000. In
21 the event the applicant applies for racing dates in 2 or 3
22 successive calendar years as provided in subsection (b) of
23 Section 21, the fee shall be \$2,000. Filing fees shall not be
24 refunded in the event the application is denied. Beginning on
25 the date when any organization licensee begins conducting

1 gaming pursuant to an organization gaming license issued under
2 the Illinois Gambling Act, the application fee for racing dates
3 imposed by this subsection (a) shall be \$10,000 and the
4 application fee for racing dates in 2 or 3 successive calendar
5 years as provided in subsection (b) of Section 21 shall be
6 \$20,000. All filing fees shall be deposited into the Horse
7 Racing Fund.

8 (b) In addition to the filing fee imposed by subsection (a)
9 of \$1000 and the fees provided in subsection (j) of Section 20,
10 each organization licensee shall pay a license fee of \$100 for
11 each racing program on which its daily pari-mutuel handle is
12 \$400,000 or more but less than \$700,000, and a license fee of
13 \$200 for each racing program on which its daily pari-mutuel
14 handle is \$700,000 or more. The additional fees required to be
15 paid under this Section by this amendatory Act of 1982 shall be
16 remitted by the organization licensee to the Illinois Racing
17 Board with each day's graduated privilege tax or pari-mutuel
18 tax and breakage as provided under Section 27. Beginning on the
19 date when any organization licensee begins conducting gaming
20 pursuant to an organization gaming license issued under the
21 Illinois Gambling Act, the license fee imposed by this
22 subsection (b) shall be \$200 for each racing program on which
23 the organization licensee's daily pari-mutuel handle is
24 \$100,000 or more, but less than \$400,000, and the license fee
25 imposed by this subsection (b) shall be \$400 for each racing
26 program on which the organization licensee's daily pari-mutuel

1 handle is \$400,000 or more.

2 (c) Sections 11-42-1, 11-42-5, and 11-54-1 of the "Illinois
3 Municipal Code," approved May 29, 1961, as now or hereafter
4 amended, shall not apply to any license under this Act.

5 (Source: P.A. 97-1060, eff. 8-24-12.)

6 (230 ILCS 5/19) (from Ch. 8, par. 37-19)

7 Sec. 19. (a) No organization license may be granted to
8 conduct a horse race meeting:

9 (1) except as provided in subsection (c) of Section 21
10 of this Act, to any person at any place within 35 miles of
11 any other place licensed by the Board to hold a race
12 meeting on the same date during the same hours, the mileage
13 measurement used in this subsection (a) shall be certified
14 to the Board by the Bureau of Systems and Services in the
15 Illinois Department of Transportation as the most commonly
16 used public way of vehicular travel;

17 (2) to any person in default in the payment of any
18 obligation or debt due the State under this Act, provided
19 no applicant shall be deemed in default in the payment of
20 any obligation or debt due to the State under this Act as
21 long as there is pending a hearing of any kind relevant to
22 such matter;

23 (3) to any person who has been convicted of the
24 violation of any law of the United States or any State law
25 which provided as all or part of its penalty imprisonment

1 in any penal institution; to any person against whom there
2 is pending a Federal or State criminal charge; to any
3 person who is or has been connected with or engaged in the
4 operation of any illegal business; to any person who does
5 not enjoy a general reputation in his community of being an
6 honest, upright, law-abiding person; provided that none of
7 the matters set forth in this subparagraph (3) shall make
8 any person ineligible to be granted an organization license
9 if the Board determines, based on circumstances of any such
10 case, that the granting of a license would not be
11 detrimental to the interests of horse racing and of the
12 public;

13 (4) to any person who does not at the time of
14 application for the organization license own or have a
15 contract or lease for the possession of a finished race
16 track suitable for the type of racing intended to be held
17 by the applicant and for the accommodation of the public.

18 (b) (Blank) ~~Horse racing on Sunday shall be prohibited~~
19 ~~unless authorized by ordinance or referendum of the~~
20 ~~municipality in which a race track or any of its appurtenances~~
21 ~~or facilities are located, or utilized.~~

22 (c) If any person is ineligible to receive an organization
23 license because of any of the matters set forth in subsection
24 (a) (2) or subsection (a) (3) of this Section, any other or
25 separate person that either (i) controls, directly or
26 indirectly, such ineligible person or (ii) is controlled,

1 directly or indirectly, by such ineligible person or by a
2 person which controls, directly or indirectly, such ineligible
3 person shall also be ineligible.

4 (Source: P.A. 88-495; 89-16, eff. 5-30-95.)

5 (230 ILCS 5/19.5 new)

6 Sec. 19.5. Standardbred racetrack in Cook County.
7 Notwithstanding anything in this Act to the contrary, in
8 addition to organization licenses issued by the Board on the
9 effective date of this amendatory Act of the 100th General
10 Assembly, the Board shall issue an organization license limited
11 to standardbred racing to a racetrack located in Cook County.
12 The organization license shall be granted upon application, and
13 the licensee shall have all of the current and future rights of
14 existing Illinois racetracks, including, but not limited to,
15 the ability to obtain an inter-track wagering license, the
16 ability to obtain inter-track wagering location licenses, the
17 ability to obtain an organization gaming license pursuant to
18 the Illinois Gambling Act, and the ability to offer internet
19 wagering on horse racing.

20 (230 ILCS 5/20) (from Ch. 8, par. 37-20)

21 Sec. 20. (a) Any person desiring to conduct a horse race
22 meeting may apply to the Board for an organization license. The
23 application shall be made on a form prescribed and furnished by
24 the Board. The application shall specify:

1 (1) the dates on which it intends to conduct the horse
2 race meeting, which dates shall be provided under Section
3 21;

4 (2) the hours of each racing day between which it
5 intends to hold or conduct horse racing at such meeting;

6 (3) the location where it proposes to conduct the
7 meeting; and

8 (4) any other information the Board may reasonably
9 require.

10 (b) A separate application for an organization license
11 shall be filed for each horse race meeting which such person
12 proposes to hold. Any such application, if made by an
13 individual, or by any individual as trustee, shall be signed
14 and verified under oath by such individual. If the application
15 is made by individuals, then it shall be signed and verified
16 under oath by at least 2 of the individuals; if the application
17 is made by or a partnership, it shall be signed and verified
18 under oath by at least 2 of such individuals or members of such
19 partnership as the case may be. If made by an association, a
20 corporation, a corporate trustee, a limited liability company,
21 or any other entity, it shall be signed by an authorized
22 officer, a partner, a member, or a manager, as the case may be,
23 of the entity the president and attested by the secretary or
24 assistant secretary under the seal of such association, trust
25 or corporation if it has a seal, and shall also be verified
26 under oath by one of the signing officers.

1 (c) The application shall specify:

2 (1) the name of the persons, association, trust, or
3 corporation making such application; ~~and~~

4 (2) the principal ~~post office~~ address of the applicant;

5 (3) if the applicant is a trustee, the names and
6 addresses of the beneficiaries; if the applicant is a
7 corporation, the names and ~~post office~~ addresses of all
8 officers, stockholders and directors; or if such
9 stockholders hold stock as a nominee or fiduciary, the
10 names and ~~post office~~ addresses of the parties ~~these~~
11 ~~persons, partnerships, corporations, or trusts~~ who are the
12 beneficial owners thereof or who are beneficially
13 interested therein; ~~and~~ if the applicant is a partnership,
14 the names and ~~post office~~ addresses of all partners,
15 general or limited; if the applicant is a limited liability
16 company, the names and addresses of the manager and
17 members; and if the applicant is any other entity, the
18 names and addresses of all officers or other authorized
19 persons of the entity ~~corporation, the name of the state of~~
20 ~~its incorporation shall be specified.~~

21 (d) The applicant shall execute and file with the Board a
22 good faith affirmative action plan to recruit, train, and
23 upgrade minorities in all classifications within the
24 association.

25 (e) With such application there shall be delivered to the
26 Board a certified check or bank draft payable to the order of

1 the Board for an amount equal to \$1,000. All applications for
2 the issuance of an organization license shall be filed with the
3 Board before August 1 of the year prior to the year for which
4 application is made and shall be acted upon by the Board at a
5 meeting to be held on such date as shall be fixed by the Board
6 during the last 15 days of September of such prior year. At
7 such meeting, the Board shall announce the award of the racing
8 meets, live racing schedule, and designation of host track to
9 the applicants and its approval or disapproval of each
10 application. No announcement shall be considered binding until
11 a formal order is executed by the Board, which shall be
12 executed no later than October 15 of that prior year. Absent
13 the agreement of the affected organization licensees, the Board
14 shall not grant overlapping race meetings to 2 or more tracks
15 that are within 100 miles of each other to conduct the
16 thoroughbred racing.

17 (e-1) In awarding standardbred racing dates for calendar
18 year 2019, the Board shall award at least 160 racing dates, and
19 each organization licensee shall average at least 10 races for
20 each racing date awarded. In awarding standardbred racing dates
21 for calendar year 2020, the Board shall award at least 200
22 racing dates, and each organization licensee shall average at
23 least 11 races for each racing date awarded. In awarding
24 standardbred racing dates for calendar year 2021 and
25 thereafter, the Board shall award at least 260 racing dates,
26 and each organization licensee shall average at least 11 races

1 for each racing date awarded unless a lesser schedule of live
2 racing is a result of an agreement with the organization
3 representing the largest number of standardbred owners,
4 breeders, trainers, drivers, caretakers in the State.
5 Standardbred racing conducted in Sangamon County shall not be
6 considered races under this subsection (e-1).

7 (e-2) In awarding racing dates for calendar year 2019 and
8 thereafter, the Board shall award thoroughbred racing days to
9 Cook County organization licensees commensurate with these
10 organization licensees' requirement that they shall run at
11 least 1,950 thoroughbred races in the aggregate, so long as 2
12 organization licensees are conducting gaming operations
13 pursuant to an organization license. Additionally, if the
14 organization licensees that run thoroughbred races in Cook
15 County are conducting gaming operations pursuant to an
16 organization license under the Illinois Gambling Act, the Board
17 shall increase the number of thoroughbred races to be run in
18 Cook County in the aggregate to at least the following:

19 (i) 2,050 races in any year following the most recent
20 preceding complete calendar year when the combined
21 adjusted gross receipts of the organization gaming
22 licensees operating at Cook County racetracks total in
23 excess of \$200,000,000, but do not exceed \$250,000,000;

24 (ii) 2,125 races in any year following the most recent
25 preceding complete calendar year when the combined
26 adjusted gross receipts of the organization gaming

1 licensees operating at Cook County racetracks total in
2 excess of \$250,000,000, but do not exceed \$300,000,000;

3 (iii) 2,200 races in any year following the most recent
4 preceding complete calendar year when the combined
5 adjusted gross receipts of the organization gaming
6 licensees operating at Cook County racetracks total in
7 excess of \$300,000,000, but do not exceed \$350,000,000;

8 (iv) 2,300 races in any year following the most recent
9 preceding complete calendar year when the combined
10 adjusted gross receipts of the organization gaming
11 licensees operating at Cook County racetracks total in
12 excess of \$350,000,000, but do not exceed \$400,000,000;

13 (v) 2,375 races in any year following the most recent
14 preceding complete calendar year when the combined
15 adjusted gross receipts of the organization gaming
16 licensees operating at Cook County racetracks total in
17 excess of \$400,000,000, but do not exceed \$450,000,000;

18 (vi) 2,450 races in any year following the most recent
19 preceding complete calendar year when the combined
20 adjusted gross receipts of the organization gaming
21 licensees operating at Cook County racetracks total in
22 excess of \$450,000,000, but do not exceed \$500,000,000;

23 (vii) 2,550 races in any year following the most recent
24 preceding complete calendar year when the combined
25 adjusted gross receipts of the organization gaming
26 licensees operating at Cook County racetracks exceed

1 \$500,000,000.

2 In awarding racing dates under this subsection (e-2), the
3 Board shall have the discretion to allocate those thoroughbred
4 racing dates among these Cook County organization licensees.

5 (e-3) In awarding racing dates for calendar year 2019 and
6 thereafter in connection with a racetrack in Madison County,
7 the Board shall award racing dates and such organization
8 licensee shall run at least 700 thoroughbred races at the
9 racetrack in Madison County each year.

10 Notwithstanding Section 7.7 of the Illinois Gambling Act or
11 any provision of this Act other than subsection (e-4.5), for
12 each calendar year for which an organization gaming licensee
13 located in Madison County requests racing dates resulting in
14 less than 700 live thoroughbred races at its racetrack
15 facility, the organization gaming licensee may not conduct
16 gaming pursuant to an organization gaming license issued under
17 the Illinois Gambling Act for the calendar year of such
18 requested live races.

19 (e-4) Notwithstanding the provisions of Section 7.7 of the
20 Illinois Gambling Act or any provision of this Act other than
21 subsections (e-3) and (e-4.5), for each calendar year for which
22 an organization gaming licensee requests thoroughbred racing
23 dates which results in a number of live races under its
24 organization license that is less than the total number of live
25 races which it conducted in 2017 at its racetrack facility, the
26 organization gaming licensee may not conduct gaming pursuant to

1 its organization gaming license for the calendar year of such
2 requested live races.

3 (e-4.1) Notwithstanding the provisions of Section 7.7 of
4 the Illinois Gambling Act or any provision of this Act other
5 than subsections (e-3) and (e-4.5), for each calendar year for
6 which an organization licensee requests racing dates for
7 standardbred racing which results in a number of live races
8 that is less than the total number of live races required in
9 subsection (e-1), the organization gaming licensee may not
10 conduct gaming pursuant to its organization gaming license for
11 the calendar year of such requested live races.

12 (e-4.5) The Board shall ensure that each organization
13 licensee shall individually run a sufficient number of races
14 per year to qualify for an organization gaming license under
15 this Act. The General Assembly finds that the minimum live
16 racing guarantees contained in subsections (e-1), (e-2), and
17 (e-3) are in the best interest of the sport of horse racing,
18 and that such guarantees may only be reduced in the limited
19 circumstances described in this subsection. The Board may
20 decrease the number of racing days without affecting an
21 organization licensee's ability to conduct gaming pursuant to
22 an organization gaming license issued under the Illinois
23 Gambling Act only if the Board determines, after notice and
24 hearing, that:

25 (i) a decrease is necessary to maintain a sufficient
26 number of betting interests per race to ensure the

1 integrity of racing;

2 (ii) there are unsafe track conditions due to weather
3 or acts of God;

4 (iii) there is an agreement between an organization
5 licensee and the breed association that is applicable to
6 the involved live racing guarantee, such association
7 representing either the largest number of thoroughbred
8 owners and trainers or the largest number of standardbred
9 owners, trainers and drivers who race horses at the
10 involved organization licensee's racing meeting, so long
11 as the agreement does not compromise the integrity of the
12 sport of horse racing; or

13 (iv) the horse population or purse levels are
14 insufficient to provide the number of racing opportunities
15 otherwise required in this Act.

16 In decreasing the number of racing dates in accordance with
17 this subsection, the Board shall hold a hearing and shall
18 provide the public and all interested parties notice and an
19 opportunity to be heard. The Board shall accept testimony from
20 all interested parties, including any association representing
21 owners, trainers, jockeys, or drivers who will be affected by
22 the decrease in racing dates. The Board shall provide a written
23 explanation of the reasons for the decrease and the Board's
24 findings. The written explanation shall include a listing and
25 content of all communication between any party and any Illinois
26 Racing Board member or staff that does not take place at a

1 public meeting of the Board.

2 (e-5) In reviewing an application for the purpose of
3 granting an organization license consistent with the best
4 interests of the public and the sport of horse racing, the
5 Board shall consider:

6 (1) the character, reputation, experience, and
7 financial integrity of the applicant and of any other
8 separate person that either:

9 (i) controls the applicant, directly or
10 indirectly, or

11 (ii) is controlled, directly or indirectly, by
12 that applicant or by a person who controls, directly or
13 indirectly, that applicant;

14 (2) the applicant's facilities or proposed facilities
15 for conducting horse racing;

16 (3) the total revenue without regard to Section 32.1 to
17 be derived by the State and horsemen from the applicant's
18 conducting a race meeting;

19 (4) the applicant's good faith affirmative action plan
20 to recruit, train, and upgrade minorities in all employment
21 classifications;

22 (5) the applicant's financial ability to purchase and
23 maintain adequate liability and casualty insurance;

24 (6) the applicant's proposed and prior year's
25 promotional and marketing activities and expenditures of
26 the applicant associated with those activities;

1 (7) an agreement, if any, among organization licensees
2 as provided in subsection (b) of Section 21 of this Act;
3 and

4 (8) the extent to which the applicant exceeds or meets
5 other standards for the issuance of an organization license
6 that the Board shall adopt by rule.

7 In granting organization licenses and allocating dates for
8 horse race meetings, the Board shall have discretion to
9 determine an overall schedule, including required simulcasts
10 of Illinois races by host tracks that will, in its judgment, be
11 conducive to the best interests of the public and the sport of
12 horse racing.

13 (e-10) The Illinois Administrative Procedure Act shall
14 apply to administrative procedures of the Board under this Act
15 for the granting of an organization license, except that (1)
16 notwithstanding the provisions of subsection (b) of Section
17 10-40 of the Illinois Administrative Procedure Act regarding
18 cross-examination, the Board may prescribe rules limiting the
19 right of an applicant or participant in any proceeding to award
20 an organization license to conduct cross-examination of
21 witnesses at that proceeding where that cross-examination
22 would unduly obstruct the timely award of an organization
23 license under subsection (e) of Section 20 of this Act; (2) the
24 provisions of Section 10-45 of the Illinois Administrative
25 Procedure Act regarding proposals for decision are excluded
26 under this Act; (3) notwithstanding the provisions of

1 subsection (a) of Section 10-60 of the Illinois Administrative
2 Procedure Act regarding ex parte communications, the Board may
3 prescribe rules allowing ex parte communications with
4 applicants or participants in a proceeding to award an
5 organization license where conducting those communications
6 would be in the best interest of racing, provided all those
7 communications are made part of the record of that proceeding
8 pursuant to subsection (c) of Section 10-60 of the Illinois
9 Administrative Procedure Act; (4) the provisions of Section 14a
10 of this Act and the rules of the Board promulgated under that
11 Section shall apply instead of the provisions of Article 10 of
12 the Illinois Administrative Procedure Act regarding
13 administrative law judges; and (5) the provisions of subsection
14 (d) of Section 10-65 of the Illinois Administrative Procedure
15 Act that prevent summary suspension of a license pending
16 revocation or other action shall not apply.

17 (f) The Board may allot racing dates to an organization
18 licensee for more than one calendar year but for no more than 3
19 successive calendar years in advance, provided that the Board
20 shall review such allotment for more than one calendar year
21 prior to each year for which such allotment has been made. The
22 granting of an organization license to a person constitutes a
23 privilege to conduct a horse race meeting under the provisions
24 of this Act, and no person granted an organization license
25 shall be deemed to have a vested interest, property right, or
26 future expectation to receive an organization license in any

1 subsequent year as a result of the granting of an organization
2 license. Organization licenses shall be subject to revocation
3 if the organization licensee has violated any provision of this
4 Act or the rules and regulations promulgated under this Act or
5 has been convicted of a crime or has failed to disclose or has
6 stated falsely any information called for in the application
7 for an organization license. Any organization license
8 revocation proceeding shall be in accordance with Section 16
9 regarding suspension and revocation of occupation licenses.

10 (f-5) If, (i) an applicant does not file an acceptance of
11 the racing dates awarded by the Board as required under part
12 (1) of subsection (h) of this Section 20, or (ii) an
13 organization licensee has its license suspended or revoked
14 under this Act, the Board, upon conducting an emergency hearing
15 as provided for in this Act, may reaward on an emergency basis
16 pursuant to rules established by the Board, racing dates not
17 accepted or the racing dates associated with any suspension or
18 revocation period to one or more organization licensees, new
19 applicants, or any combination thereof, upon terms and
20 conditions that the Board determines are in the best interest
21 of racing, provided, the organization licensees or new
22 applicants receiving the awarded racing dates file an
23 acceptance of those reawarded racing dates as required under
24 paragraph (1) of subsection (h) of this Section 20 and comply
25 with the other provisions of this Act. The Illinois
26 Administrative Procedure Act shall not apply to the

1 administrative procedures of the Board in conducting the
2 emergency hearing and the reallocation of racing dates on an
3 emergency basis.

4 (g) (Blank).

5 (h) The Board shall send the applicant a copy of its
6 formally executed order by certified mail addressed to the
7 applicant at the address stated in his application, which
8 notice shall be mailed within 5 days of the date the formal
9 order is executed.

10 Each applicant notified shall, within 10 days after receipt
11 of the final executed order of the Board awarding racing dates:

12 (1) file with the Board an acceptance of such award in
13 the form prescribed by the Board;

14 (2) pay to the Board an additional amount equal to \$110
15 for each racing date awarded; and

16 (3) file with the Board the bonds required in Sections
17 21 and 25 at least 20 days prior to the first day of each
18 race meeting.

19 Upon compliance with the provisions of paragraphs (1), (2), and
20 (3) of this subsection (h), the applicant shall be issued an
21 organization license.

22 If any applicant fails to comply with this Section or fails
23 to pay the organization license fees herein provided, no
24 organization license shall be issued to such applicant.

25 (Source: P.A. 97-333, eff. 8-12-11.)

1 (230 ILCS 5/21) (from Ch. 8, par. 37-21)

2 Sec. 21. (a) Applications for organization licenses must be
3 filed with the Board at a time and place prescribed by the
4 rules and regulations of the Board. The Board shall examine the
5 applications within 21 days after the date allowed for filing
6 with respect to their conformity with this Act and such rules
7 and regulations as may be prescribed by the Board. If any
8 application does not comply with this Act or the rules and
9 regulations prescribed by the Board, such application may be
10 rejected and an organization license refused to the applicant,
11 or the Board may, within 21 days of the receipt of such
12 application, advise the applicant of the deficiencies of the
13 application under the Act or the rules and regulations of the
14 Board, and require the submittal of an amended application
15 within a reasonable time determined by the Board; and upon
16 submittal of the amended application by the applicant, the
17 Board may consider the application consistent with the process
18 described in subsection (e-5) of Section 20 of this Act. If it
19 is found to be in compliance with this Act and the rules and
20 regulations of the Board, the Board may then issue an
21 organization license to such applicant.

22 (b) The Board may exercise discretion in granting racing
23 dates to qualified applicants different from those requested by
24 the applicants in their applications. However, if all eligible
25 applicants for organization licenses whose tracks are located
26 within 100 miles of each other execute and submit to the Board

1 a written agreement among such applicants as to the award of
2 racing dates, including where applicable racing programs, for
3 up to 3 consecutive years, then subject to annual review of
4 each applicant's compliance with Board rules and regulations,
5 provisions of this Act and conditions contained in annual dates
6 orders issued by the Board, the Board may grant such dates and
7 programs to such applicants as so agreed by them if the Board
8 determines that the grant of these racing dates is in the best
9 interests of racing. The Board shall treat any such agreement
10 as the agreement signatories' joint and several application for
11 racing dates during the term of the agreement.

12 (c) Where 2 or more applicants propose to conduct horse
13 race meetings within 35 miles of each other, as certified to
14 the Board under Section 19 (a) (1) of this Act, on conflicting
15 dates, the Board may determine and grant the number of racing
16 days to be awarded to the several applicants in accordance with
17 the provisions of subsection (e-5) of Section 20 of this Act.

18 (d) (Blank).

19 (e) Prior to the issuance of an organization license, the
20 applicant shall file with the Board a bond payable to the State
21 of Illinois in the sum of \$200,000, executed by the applicant
22 and a surety company or companies authorized to do business in
23 this State, and conditioned upon the payment by the
24 organization licensee of all taxes due under Section 27, other
25 monies due and payable under this Act, all purses due and
26 payable, and that the organization licensee will upon

1 presentation of the winning ticket or tickets distribute all
2 sums due to the patrons of pari-mutuel pools. Beginning on the
3 date when any organization licensee begins conducting gaming
4 pursuant to an organization gaming license issued under the
5 Illinois Gambling Act, the amount of the bond required under
6 this subsection (e) shall be \$500,000.

7 (f) Each organization license shall specify the person to
8 whom it is issued, the dates upon which horse racing is
9 permitted, and the location, place, track, or enclosure where
10 the horse race meeting is to be held.

11 (g) Any person who owns one or more race tracks within the
12 State may seek, in its own name, a separate organization
13 license for each race track.

14 (h) All racing conducted under such organization license is
15 subject to this Act and to the rules and regulations from time
16 to time prescribed by the Board, and every such organization
17 license issued by the Board shall contain a recital to that
18 effect.

19 (i) Each such organization licensee may provide that at
20 least one race per day may be devoted to the racing of quarter
21 horses, appaloosas, arabians, or paints.

22 (j) In acting on applications for organization licenses,
23 the Board shall give weight to an organization license which
24 has implemented a good faith affirmative action effort to
25 recruit, train and upgrade minorities in all classifications
26 within the organization license.

1 (Source: P.A. 90-754, eff. 1-1-99; 91-40, eff. 6-25-99.)

2 (230 ILCS 5/24) (from Ch. 8, par. 37-24)

3 Sec. 24. (a) No license shall be issued to or held by an
4 organization licensee unless all of its officers, directors,
5 and holders of ownership interests of at least 5% are first
6 approved by the Board. The Board shall not give approval of an
7 organization license application to any person who has been
8 convicted of or is under an indictment for a crime of moral
9 turpitude or has violated any provision of the racing law of
10 this State or any rules of the Board.

11 (b) An organization licensee must notify the Board within
12 10 days of any change in the holders of a direct or indirect
13 interest in the ownership of the organization licensee. The
14 Board may, after hearing, revoke the organization license of
15 any person who registers on its books or knowingly permits a
16 direct or indirect interest in the ownership of that person
17 without notifying the Board of the name of the holder in
18 interest within this period.

19 (c) In addition to the provisions of subsection (a) of this
20 Section, no person shall be granted an organization license if
21 any public official of the State or member of his or her family
22 holds any ownership or financial interest, directly or
23 indirectly, in the person.

24 (d) No person which has been granted an organization
25 license to hold a race meeting shall give to any public

1 official or member of his family, directly or indirectly, for
2 or without consideration, any interest in the person. The Board
3 shall, after hearing, revoke the organization license granted
4 to a person which has violated this subsection.

5 (e) (Blank).

6 (f) No organization licensee or concessionaire or officer,
7 director or holder or controller of 5% or more legal or
8 beneficial interest in any organization licensee or concession
9 shall make any sort of gift or contribution that is prohibited
10 under Article 10 of the State Officials and Employees Ethics
11 Act ~~of any kind~~ or pay or give any money or other thing of value
12 to any person who is a public official, or a candidate or
13 nominee for public office if that payment or gift is prohibited
14 under Article 10 of the State Officials and Employees Ethics
15 Act.

16 (Source: P.A. 89-16, eff. 5-30-95.)

17 (230 ILCS 5/25) (from Ch. 8, par. 37-25)

18 Sec. 25. Admission charge; bond; fine.

19 (a) There shall be paid to the Board at such time or times
20 as it shall prescribe, the sum of fifteen cents (15¢) for each
21 person entering the grounds or enclosure of each organization
22 licensee and inter-track wagering licensee upon a ticket of
23 admission except as provided in subsection (g) of Section 27 of
24 this Act. If tickets are issued for more than one day then the
25 sum of fifteen cents (15¢) shall be paid for each person using

1 such ticket on each day that the same shall be used. Provided,
2 however, that no charge shall be made on tickets of admission
3 issued to and in the name of directors, officers, agents or
4 employees of the organization licensee, or inter-track
5 wagering licensee, or to owners, trainers, jockeys, drivers and
6 their employees or to any person or persons entering the
7 grounds or enclosure for the transaction of business in
8 connection with such race meeting. The organization licensee or
9 inter-track wagering licensee may, if it desires, collect such
10 amount from each ticket holder in addition to the amount or
11 amounts charged for such ticket of admission. Beginning on the
12 date when any organization licensee begins conducting gaming
13 pursuant to an organization gaming license issued under the
14 Illinois Gambling Act, the admission charge imposed by this
15 subsection (a) shall be 40 cents for each person entering the
16 grounds or enclosure of each organization licensee and
17 inter-track wagering licensee upon a ticket of admission, and
18 if such tickets are issued for more than one day, 40 cents
19 shall be paid for each person using such ticket on each day
20 that the same shall be used.

21 (b) Accurate records and books shall at all times be kept
22 and maintained by the organization licensees and inter-track
23 wagering licensees showing the admission tickets issued and
24 used on each racing day and the attendance thereat of each
25 horse racing meeting. The Board or its duly authorized
26 representative or representatives shall at all reasonable

1 times have access to the admission records of any organization
2 licensee and inter-track wagering licensee for the purpose of
3 examining and checking the same and ascertaining whether or not
4 the proper amount has been or is being paid the State of
5 Illinois as herein provided. The Board shall also require,
6 before issuing any license, that the licensee shall execute and
7 deliver to it a bond, payable to the State of Illinois, in such
8 sum as it shall determine, not, however, in excess of fifty
9 thousand dollars (\$50,000), with a surety or sureties to be
10 approved by it, conditioned for the payment of all sums due and
11 payable or collected by it under this Section upon admission
12 fees received for any particular racing meetings. The Board may
13 also from time to time require sworn statements of the number
14 or numbers of such admissions and may prescribe blanks upon
15 which such reports shall be made. Any organization licensee or
16 inter-track wagering licensee failing or refusing to pay the
17 amount found to be due as herein provided, shall be deemed
18 guilty of a business offense and upon conviction shall be
19 punished by a fine of not more than five thousand dollars
20 (\$5,000) in addition to the amount due from such organization
21 licensee or inter-track wagering licensee as herein provided.
22 All fines paid into court by an organization licensee or
23 inter-track wagering licensee found guilty of violating this
24 Section shall be transmitted and paid over by the clerk of the
25 court to the Board. Beginning on the date when any organization
26 licensee begins conducting gaming pursuant to an organization

1 gaming license issued under the Illinois Gambling Act, any fine
2 imposed pursuant to this subsection (b) shall not exceed
3 \$10,000.

4 (Source: P.A. 88-495; 89-16, eff. 5-30-95.)

5 (230 ILCS 5/26) (from Ch. 8, par. 37-26)

6 Sec. 26. Wagering.

7 (a) Any licensee may conduct and supervise the pari-mutuel
8 system of wagering, as defined in Section 3.12 of this Act, on
9 horse races conducted by an Illinois organization licensee or
10 conducted at a racetrack located in another state or country
11 ~~and televised in Illinois~~ in accordance with subsection (g) of
12 Section 26 of this Act. Subject to the prior consent of the
13 Board, licensees may supplement any pari-mutuel pool in order
14 to guarantee a minimum distribution. Such pari-mutuel method of
15 wagering shall not, under any circumstances if conducted under
16 the provisions of this Act, be held or construed to be
17 unlawful, other statutes of this State to the contrary
18 notwithstanding. Subject to rules for advance wagering
19 promulgated by the Board, any licensee may accept wagers in
20 advance of the day of the race wagered upon occurs.

21 (b) Except for those gaming activities for which a license
22 is obtained and authorized under the Illinois Lottery Law, the
23 Charitable Games Act, the Raffles and Poker Runs Act, or the
24 Illinois Gambling Act, no ~~no~~ other method of betting, pool
25 making, wagering or gambling shall be used or permitted by the

1 licensee. Each licensee may retain, subject to the payment of
2 all applicable taxes and purses, an amount not to exceed 17% of
3 all money wagered under subsection (a) of this Section, except
4 as may otherwise be permitted under this Act.

5 (b-5) An individual may place a wager under the pari-mutuel
6 system from any licensed location authorized under this Act
7 provided that wager is electronically recorded in the manner
8 described in Section 3.12 of this Act. Any wager made
9 electronically by an individual while physically on the
10 premises of a licensee shall be deemed to have been made at the
11 premises of that licensee.

12 (c) Until January 1, 2000, the sum held by any licensee for
13 payment of outstanding pari-mutuel tickets, if unclaimed prior
14 to December 31 of the next year, shall be retained by the
15 licensee for payment of such tickets until that date. Within 10
16 days thereafter, the balance of such sum remaining unclaimed,
17 less any uncashed supplements contributed by such licensee for
18 the purpose of guaranteeing minimum distributions of any
19 pari-mutuel pool, shall be paid to the Illinois Veterans'
20 Rehabilitation Fund of the State treasury, except as provided
21 in subsection (g) of Section 27 of this Act.

22 (c-5) Beginning January 1, 2000, the sum held by any
23 licensee for payment of outstanding pari-mutuel tickets, if
24 unclaimed prior to December 31 of the next year, shall be
25 retained by the licensee for payment of such tickets until that
26 date. Within 10 days thereafter, the balance of such sum

1 remaining unclaimed, less any uncashed supplements contributed
2 by such licensee for the purpose of guaranteeing minimum
3 distributions of any pari-mutuel pool, shall be evenly
4 distributed to the purse account of the organization licensee
5 and the organization licensee.

6 (d) A pari-mutuel ticket shall be honored until December 31
7 of the next calendar year, and the licensee shall pay the same
8 and may charge the amount thereof against unpaid money
9 similarly accumulated on account of pari-mutuel tickets not
10 presented for payment.

11 (e) No licensee shall knowingly permit any minor, other
12 than an employee of such licensee or an owner, trainer, jockey,
13 driver, or employee thereof, to be admitted during a racing
14 program unless accompanied by a parent or guardian, or any
15 minor to be a patron of the pari-mutuel system of wagering
16 conducted or supervised by it. The admission of any
17 unaccompanied minor, other than an employee of the licensee or
18 an owner, trainer, jockey, driver, or employee thereof at a
19 race track is a Class C misdemeanor.

20 (f) Notwithstanding the other provisions of this Act, an
21 organization licensee may contract with an entity in another
22 state or country to permit any legal wagering entity in another
23 state or country to accept wagers solely within such other
24 state or country on races conducted by the organization
25 licensee in this State. Beginning January 1, 2000, these wagers
26 shall not be subject to State taxation. Until January 1, 2000,

1 when the out-of-State entity conducts a pari-mutuel pool
2 separate from the organization licensee, a privilege tax equal
3 to 7 1/2% of all monies received by the organization licensee
4 from entities in other states or countries pursuant to such
5 contracts is imposed on the organization licensee, and such
6 privilege tax shall be remitted to the Department of Revenue
7 within 48 hours of receipt of the moneys from the simulcast.
8 When the out-of-State entity conducts a combined pari-mutuel
9 pool with the organization licensee, the tax shall be 10% of
10 all monies received by the organization licensee with 25% of
11 the receipts from this 10% tax to be distributed to the county
12 in which the race was conducted.

13 An organization licensee may permit one or more of its
14 races to be utilized for pari-mutuel wagering at one or more
15 locations in other states and may transmit audio and visual
16 signals of races the organization licensee conducts to one or
17 more locations outside the State or country and may also permit
18 pari-mutuel pools in other states or countries to be combined
19 with its gross or net wagering pools or with wagering pools
20 established by other states.

21 (g) A host track may accept interstate simulcast wagers on
22 horse races conducted in other states or countries and shall
23 control the number of signals and types of breeds of racing in
24 its simulcast program, subject to the disapproval of the Board.
25 The Board may prohibit a simulcast program only if it finds
26 that the simulcast program is clearly adverse to the integrity

1 of racing. The host track simulcast program shall include the
2 signal of live racing of all organization licensees. All
3 non-host licensees and advance deposit wagering licensees
4 shall carry the signal of and accept wagers on live racing of
5 all organization licensees. Advance deposit wagering licensees
6 shall not be permitted to accept out-of-state wagers on any
7 Illinois signal provided pursuant to this Section without the
8 approval and consent of the organization licensee providing the
9 signal. For one year after August 15, 2014 (the effective date
10 of Public Act 98-968), non-host licensees may carry the host
11 track simulcast program and shall accept wagers on all races
12 included as part of the simulcast program of horse races
13 conducted at race tracks located within North America upon
14 which wagering is permitted. For a period of one year after
15 August 15, 2014 (the effective date of Public Act 98-968), on
16 horse races conducted at race tracks located outside of North
17 America, non-host licensees may accept wagers on all races
18 included as part of the simulcast program upon which wagering
19 is permitted. Beginning August 15, 2015 (one year after the
20 effective date of Public Act 98-968), non-host licensees may
21 carry the host track simulcast program and shall accept wagers
22 on all races included as part of the simulcast program upon
23 which wagering is permitted. All organization licensees shall
24 provide their live signal to all advance deposit wagering
25 licensees for a simulcast commission fee not to exceed 6% of
26 the advance deposit wagering licensee's Illinois handle on the

1 organization licensee's signal without prior approval by the
2 Board. The Board may adopt rules under which it may permit
3 simulcast commission fees in excess of 6%. The Board shall
4 adopt rules limiting the interstate commission fees charged to
5 an advance deposit wagering licensee. The Board shall adopt
6 rules regarding advance deposit wagering on interstate
7 simulcast races that shall reflect, among other things, the
8 General Assembly's desire to maximize revenues to the State,
9 horsemen purses, and organizational licensees. However,
10 organization licensees providing live signals pursuant to the
11 requirements of this subsection (g) may petition the Board to
12 withhold their live signals from an advance deposit wagering
13 licensee if the organization licensee discovers and the Board
14 finds reputable or credible information that the advance
15 deposit wagering licensee is under investigation by another
16 state or federal governmental agency, the advance deposit
17 wagering licensee's license has been suspended in another
18 state, or the advance deposit wagering licensee's license is in
19 revocation proceedings in another state. The organization
20 licensee's provision of their live signal to an advance deposit
21 wagering licensee under this subsection (g) pertains to wagers
22 placed from within Illinois. Advance deposit wagering
23 licensees may place advance deposit wagering terminals at
24 wagering facilities as a convenience to customers. The advance
25 deposit wagering licensee shall not charge or collect any fee
26 from purses for the placement of the advance deposit wagering

1 terminals. The costs and expenses of the host track and
2 non-host licensees associated with interstate simulcast
3 wagering, other than the interstate commission fee, shall be
4 borne by the host track and all non-host licensees incurring
5 these costs. The interstate commission fee shall not exceed 5%
6 of Illinois handle on the interstate simulcast race or races
7 without prior approval of the Board. The Board shall promulgate
8 rules under which it may permit interstate commission fees in
9 excess of 5%. The interstate commission fee and other fees
10 charged by the sending racetrack, including, but not limited
11 to, satellite decoder fees, shall be uniformly applied to the
12 host track and all non-host licensees.

13 Notwithstanding any other provision of this Act, ~~through~~
14 ~~December 31, 2018,~~ an organization licensee, with the consent
15 of the horsemen association representing the largest number of
16 owners, trainers, jockeys, or standardbred drivers who race
17 horses at that organization licensee's racing meeting, may
18 maintain a system whereby advance deposit wagering may take
19 place or an organization licensee, with the consent of the
20 horsemen association representing the largest number of
21 owners, trainers, jockeys, or standardbred drivers who race
22 horses at that organization licensee's racing meeting, may
23 contract with another person to carry out a system of advance
24 deposit wagering. Such consent may not be unreasonably
25 withheld. Only with respect to an appeal to the Board that
26 consent for an organization licensee that maintains its own

1 advance deposit wagering system is being unreasonably
2 withheld, the Board shall issue a final order within 30 days
3 after initiation of the appeal, and the organization licensee's
4 advance deposit wagering system may remain operational during
5 that 30-day period. The actions of any organization licensee
6 who conducts advance deposit wagering or any person who has a
7 contract with an organization licensee to conduct advance
8 deposit wagering who conducts advance deposit wagering on or
9 after January 1, 2013 and prior to June 7, 2013 (the effective
10 date of Public Act 98-18) taken in reliance on the changes made
11 to this subsection (g) by Public Act 98-18 are hereby
12 validated, provided payment of all applicable pari-mutuel
13 taxes are remitted to the Board. All advance deposit wagers
14 placed from within Illinois must be placed through a
15 Board-approved advance deposit wagering licensee; no other
16 entity may accept an advance deposit wager from a person within
17 Illinois. All advance deposit wagering is subject to any rules
18 adopted by the Board. The Board may adopt rules necessary to
19 regulate advance deposit wagering through the use of emergency
20 rulemaking in accordance with Section 5-45 of the Illinois
21 Administrative Procedure Act. The General Assembly finds that
22 the adoption of rules to regulate advance deposit wagering is
23 deemed an emergency and necessary for the public interest,
24 safety, and welfare. An advance deposit wagering licensee may
25 retain all moneys as agreed to by contract with an organization
26 licensee. Any moneys retained by the organization licensee from

1 advance deposit wagering, not including moneys retained by the
2 advance deposit wagering licensee, shall be paid 50% to the
3 organization licensee's purse account and 50% to the
4 organization licensee. With the exception of any organization
5 licensee that is owned by a publicly traded company that is
6 incorporated in a state other than Illinois and advance deposit
7 wagering licensees under contract with such organization
8 licensees, organization licensees that maintain advance
9 deposit wagering systems and advance deposit wagering
10 licensees that contract with organization licensees shall
11 provide sufficiently detailed monthly accountings to the
12 horsemen association representing the largest number of
13 owners, trainers, jockeys, or standardbred drivers who race
14 horses at that organization licensee's racing meeting so that
15 the horsemen association, as an interested party, can confirm
16 the accuracy of the amounts paid to the purse account at the
17 horsemen association's affiliated organization licensee from
18 advance deposit wagering. If more than one breed races at the
19 same race track facility, then the 50% of the moneys to be paid
20 to an organization licensee's purse account shall be allocated
21 among all organization licensees' purse accounts operating at
22 that race track facility proportionately based on the actual
23 number of host days that the Board grants to that breed at that
24 race track facility in the current calendar year. To the extent
25 any fees from advance deposit wagering conducted in Illinois
26 for wagers in Illinois or other states have been placed in

1 escrow or otherwise withheld from wagers pending a
2 determination of the legality of advance deposit wagering, no
3 action shall be brought to declare such wagers or the
4 disbursement of any fees previously escrowed illegal.

5 (1) Between the hours of 6:30 a.m. and 6:30 p.m. an
6 inter-track wagering licensee other than the host track may
7 supplement the host track simulcast program with
8 additional simulcast races or race programs, provided that
9 between January 1 and the third Friday in February of any
10 year, inclusive, if no live thoroughbred racing is
11 occurring in Illinois during this period, only
12 thoroughbred races may be used for supplemental interstate
13 simulcast purposes. The Board shall withhold approval for a
14 supplemental interstate simulcast only if it finds that the
15 simulcast is clearly adverse to the integrity of racing. A
16 supplemental interstate simulcast may be transmitted from
17 an inter-track wagering licensee to its affiliated
18 non-host licensees. The interstate commission fee for a
19 supplemental interstate simulcast shall be paid by the
20 non-host licensee and its affiliated non-host licensees
21 receiving the simulcast.

22 (2) Between the hours of 6:30 p.m. and 6:30 a.m. an
23 inter-track wagering licensee other than the host track may
24 receive supplemental interstate simulcasts only with the
25 consent of the host track, except when the Board finds that
26 the simulcast is clearly adverse to the integrity of

1 racing. Consent granted under this paragraph (2) to any
2 inter-track wagering licensee shall be deemed consent to
3 all non-host licensees. The interstate commission fee for
4 the supplemental interstate simulcast shall be paid by all
5 participating non-host licensees.

6 (3) Each licensee conducting interstate simulcast
7 wagering may retain, subject to the payment of all
8 applicable taxes and the purses, an amount not to exceed
9 17% of all money wagered. If any licensee conducts the
10 pari-mutuel system wagering on races conducted at
11 racetracks in another state or country, each such race or
12 race program shall be considered a separate racing day for
13 the purpose of determining the daily handle and computing
14 the privilege tax of that daily handle as provided in
15 subsection (a) of Section 27. Until January 1, 2000, from
16 the sums permitted to be retained pursuant to this
17 subsection, each inter-track wagering location licensee
18 shall pay 1% of the pari-mutuel handle wagered on simulcast
19 wagering to the Horse Racing Tax Allocation Fund, subject
20 to the provisions of subparagraph (B) of paragraph (11) of
21 subsection (h) of Section 26 of this Act.

22 (4) A licensee who receives an interstate simulcast may
23 combine its gross or net pools with pools at the sending
24 racetracks pursuant to rules established by the Board. All
25 licensees combining their gross pools at a sending
26 racetrack shall adopt the take-out percentages of the

1 sending racetrack. A licensee may also establish a separate
2 pool and takeout structure for wagering purposes on races
3 conducted at race tracks outside of the State of Illinois.
4 The licensee may permit pari-mutuel wagers placed in other
5 states or countries to be combined with its gross or net
6 wagering pools or other wagering pools.

7 (5) After the payment of the interstate commission fee
8 (except for the interstate commission fee on a supplemental
9 interstate simulcast, which shall be paid by the host track
10 and by each non-host licensee through the host-track) and
11 all applicable State and local taxes, except as provided in
12 subsection (g) of Section 27 of this Act, the remainder of
13 moneys retained from simulcast wagering pursuant to this
14 subsection (g), and Section 26.2 shall be divided as
15 follows:

16 (A) For interstate simulcast wagers made at a host
17 track, 50% to the host track and 50% to purses at the
18 host track.

19 (B) For wagers placed on interstate simulcast
20 races, supplemental simulcasts as defined in
21 subparagraphs (1) and (2), and separately pooled races
22 conducted outside of the State of Illinois made at a
23 non-host licensee, 25% to the host track, 25% to the
24 non-host licensee, and 50% to the purses at the host
25 track.

26 (6) Notwithstanding any provision in this Act to the

1 contrary, non-host licensees who derive their licenses
2 from a track located in a county with a population in
3 excess of 230,000 and that borders the Mississippi River
4 may receive supplemental interstate simulcast races at all
5 times subject to Board approval, which shall be withheld
6 only upon a finding that a supplemental interstate
7 simulcast is clearly adverse to the integrity of racing.

8 (7) Notwithstanding any provision of this Act to the
9 contrary, after payment of all applicable State and local
10 taxes and interstate commission fees, non-host licensees
11 who derive their licenses from a track located in a county
12 with a population in excess of 230,000 and that borders the
13 Mississippi River shall retain 50% of the retention from
14 interstate simulcast wagers and shall pay 50% to purses at
15 the track from which the non-host licensee derives its
16 license as follows:

17 (A) Between January 1 and the third Friday in
18 February, inclusive, if no live thoroughbred racing is
19 occurring in Illinois during this period, when the
20 interstate simulcast is a standardbred race, the purse
21 share to its standardbred purse account;

22 (B) Between January 1 and the third Friday in
23 February, inclusive, if no live thoroughbred racing is
24 occurring in Illinois during this period, and the
25 interstate simulcast is a thoroughbred race, the purse
26 share to its interstate simulcast purse pool to be

1 distributed under paragraph (10) of this subsection
2 (g);

3 (C) Between January 1 and the third Friday in
4 February, inclusive, if live thoroughbred racing is
5 occurring in Illinois, between 6:30 a.m. and 6:30 p.m.
6 the purse share from wagers made during this time
7 period to its thoroughbred purse account and between
8 6:30 p.m. and 6:30 a.m. the purse share from wagers
9 made during this time period to its standardbred purse
10 accounts;

11 (D) Between the third Saturday in February and
12 December 31, when the interstate simulcast occurs
13 between the hours of 6:30 a.m. and 6:30 p.m., the purse
14 share to its thoroughbred purse account;

15 (E) Between the third Saturday in February and
16 December 31, when the interstate simulcast occurs
17 between the hours of 6:30 p.m. and 6:30 a.m., the purse
18 share to its standardbred purse account.

19 (7.1) Notwithstanding any other provision of this Act
20 to the contrary, if no standardbred racing is conducted at
21 a racetrack located in Madison County during any calendar
22 year beginning on or after January 1, 2002, all moneys
23 derived by that racetrack from simulcast wagering and
24 inter-track wagering that (1) are to be used for purses and
25 (2) are generated between the hours of 6:30 p.m. and 6:30
26 a.m. during that calendar year shall be paid as follows:

1 (A) If the licensee that conducts horse racing at
2 that racetrack requests from the Board at least as many
3 racing dates as were conducted in calendar year 2000,
4 80% shall be paid to its thoroughbred purse account;
5 and

6 (B) Twenty percent shall be deposited into the
7 Illinois Colt Stakes Purse Distribution Fund and shall
8 be paid to purses for standardbred races for Illinois
9 conceived and foaled horses conducted at any county
10 fairgrounds. The moneys deposited into the Fund
11 pursuant to this subparagraph (B) shall be deposited
12 within 2 weeks after the day they were generated, shall
13 be in addition to and not in lieu of any other moneys
14 paid to standardbred purses under this Act, and shall
15 not be commingled with other moneys paid into that
16 Fund. The moneys deposited pursuant to this
17 subparagraph (B) shall be allocated as provided by the
18 Department of Agriculture, with the advice and
19 assistance of the Illinois Standardbred Breeders Fund
20 Advisory Board.

21 (7.2) Notwithstanding any other provision of this Act
22 to the contrary, if no thoroughbred racing is conducted at
23 a racetrack located in Madison County during any calendar
24 year beginning on or after January 1, 2002, all moneys
25 derived by that racetrack from simulcast wagering and
26 inter-track wagering that (1) are to be used for purses and

1 (2) are generated between the hours of 6:30 a.m. and 6:30
2 p.m. during that calendar year shall be deposited as
3 follows:

4 (A) If the licensee that conducts horse racing at
5 that racetrack requests from the Board at least as many
6 racing dates as were conducted in calendar year 2000,
7 80% shall be deposited into its standardbred purse
8 account; and

9 (B) Twenty percent shall be deposited into the
10 Illinois Colt Stakes Purse Distribution Fund. Moneys
11 deposited into the Illinois Colt Stakes Purse
12 Distribution Fund pursuant to this subparagraph (B)
13 shall be paid to Illinois conceived and foaled
14 thoroughbred breeders' programs and to thoroughbred
15 purses for races conducted at any county fairgrounds
16 for Illinois conceived and foaled horses at the
17 discretion of the Department of Agriculture, with the
18 advice and assistance of the Illinois Thoroughbred
19 Breeders Fund Advisory Board. The moneys deposited
20 into the Illinois Colt Stakes Purse Distribution Fund
21 pursuant to this subparagraph (B) shall be deposited
22 within 2 weeks after the day they were generated, shall
23 be in addition to and not in lieu of any other moneys
24 paid to thoroughbred purses under this Act, and shall
25 not be commingled with other moneys deposited into that
26 Fund.

1 (7.3) If no live standardbred racing is conducted at a
2 racetrack located in Madison County in calendar year 2000
3 or 2001, an organization licensee who is licensed to
4 conduct horse racing at that racetrack shall, before
5 January 1, 2002, pay all moneys derived from simulcast
6 wagering and inter-track wagering in calendar years 2000
7 and 2001 and paid into the licensee's standardbred purse
8 account as follows:

9 (A) Eighty percent to that licensee's thoroughbred
10 purse account to be used for thoroughbred purses; and

11 (B) Twenty percent to the Illinois Colt Stakes
12 Purse Distribution Fund.

13 Failure to make the payment to the Illinois Colt Stakes
14 Purse Distribution Fund before January 1, 2002 shall result
15 in the immediate revocation of the licensee's organization
16 license, inter-track wagering license, and inter-track
17 wagering location license.

18 Moneys paid into the Illinois Colt Stakes Purse
19 Distribution Fund pursuant to this paragraph (7.3) shall be
20 paid to purses for standardbred races for Illinois
21 conceived and foaled horses conducted at any county
22 fairgrounds. Moneys paid into the Illinois Colt Stakes
23 Purse Distribution Fund pursuant to this paragraph (7.3)
24 shall be used as determined by the Department of
25 Agriculture, with the advice and assistance of the Illinois
26 Standardbred Breeders Fund Advisory Board, shall be in

1 addition to and not in lieu of any other moneys paid to
2 standardbred purses under this Act, and shall not be
3 commingled with any other moneys paid into that Fund.

4 (7.4) If live standardbred racing is conducted at a
5 racetrack located in Madison County at any time in calendar
6 year 2001 before the payment required under paragraph (7.3)
7 has been made, the organization licensee who is licensed to
8 conduct racing at that racetrack shall pay all moneys
9 derived by that racetrack from simulcast wagering and
10 inter-track wagering during calendar years 2000 and 2001
11 that (1) are to be used for purses and (2) are generated
12 between the hours of 6:30 p.m. and 6:30 a.m. during 2000 or
13 2001 to the standardbred purse account at that racetrack to
14 be used for standardbred purses.

15 (8) Notwithstanding any provision in this Act to the
16 contrary, an organization licensee from a track located in
17 a county with a population in excess of 230,000 and that
18 borders the Mississippi River and its affiliated non-host
19 licensees shall not be entitled to share in any retention
20 generated on racing, inter-track wagering, or simulcast
21 wagering at any other Illinois wagering facility.

22 (8.1) Notwithstanding any provisions in this Act to the
23 contrary, if 2 organization licensees are conducting
24 standardbred race meetings concurrently between the hours
25 of 6:30 p.m. and 6:30 a.m., after payment of all applicable
26 State and local taxes and interstate commission fees, the

1 remainder of the amount retained from simulcast wagering
2 otherwise attributable to the host track and to host track
3 purses shall be split daily between the 2 organization
4 licensees and the purses at the tracks of the 2
5 organization licensees, respectively, based on each
6 organization licensee's share of the total live handle for
7 that day, provided that this provision shall not apply to
8 any non-host licensee that derives its license from a track
9 located in a county with a population in excess of 230,000
10 and that borders the Mississippi River.

11 (9) (Blank).

12 (10) (Blank).

13 (11) (Blank).

14 (12) The Board shall have authority to compel all host
15 tracks to receive the simulcast of any or all races
16 conducted at the Springfield or DuQuoin State fairgrounds
17 and include all such races as part of their simulcast
18 programs.

19 (13) Notwithstanding any other provision of this Act,
20 in the event that the total Illinois pari-mutuel handle on
21 Illinois horse races at all wagering facilities in any
22 calendar year is less than 75% of the total Illinois
23 pari-mutuel handle on Illinois horse races at all such
24 wagering facilities for calendar year 1994, then each
25 wagering facility that has an annual total Illinois
26 pari-mutuel handle on Illinois horse races that is less

1 than 75% of the total Illinois pari-mutuel handle on
2 Illinois horse races at such wagering facility for calendar
3 year 1994, shall be permitted to receive, from any amount
4 otherwise payable to the purse account at the race track
5 with which the wagering facility is affiliated in the
6 succeeding calendar year, an amount equal to 2% of the
7 differential in total Illinois pari-mutuel handle on
8 Illinois horse races at the wagering facility between that
9 calendar year in question and 1994 provided, however, that
10 a wagering facility shall not be entitled to any such
11 payment until the Board certifies in writing to the
12 wagering facility the amount to which the wagering facility
13 is entitled and a schedule for payment of the amount to the
14 wagering facility, based on: (i) the racing dates awarded
15 to the race track affiliated with the wagering facility
16 during the succeeding year; (ii) the sums available or
17 anticipated to be available in the purse account of the
18 race track affiliated with the wagering facility for purses
19 during the succeeding year; and (iii) the need to ensure
20 reasonable purse levels during the payment period. The
21 Board's certification shall be provided no later than
22 January 31 of the succeeding year. In the event a wagering
23 facility entitled to a payment under this paragraph (13) is
24 affiliated with a race track that maintains purse accounts
25 for both standardbred and thoroughbred racing, the amount
26 to be paid to the wagering facility shall be divided

1 between each purse account pro rata, based on the amount of
2 Illinois handle on Illinois standardbred and thoroughbred
3 racing respectively at the wagering facility during the
4 previous calendar year. Annually, the General Assembly
5 shall appropriate sufficient funds from the General
6 Revenue Fund to the Department of Agriculture for payment
7 into the thoroughbred and standardbred horse racing purse
8 accounts at Illinois pari-mutuel tracks. The amount paid to
9 each purse account shall be the amount certified by the
10 Illinois Racing Board in January to be transferred from
11 each account to each eligible racing facility in accordance
12 with the provisions of this Section. Beginning in the
13 calendar year in which an organization licensee that is
14 eligible to receive payment under this paragraph (13)
15 begins to receive funds from gaming pursuant to an
16 organization gaming license issued under the Illinois
17 Gambling Act, the amount of the payment due to all wagering
18 facilities licensed under that organization licensee under
19 this paragraph (13) shall be the amount certified by the
20 Board in January of that year. An organization licensee and
21 its related wagering facilities shall no longer be able to
22 receive payments under this paragraph (13) beginning in the
23 year subsequent to the first year in which the organization
24 licensee begins to receive funds from gaming pursuant to an
25 organization gaming license issued under the Illinois
26 Gambling Act.

1 (h) The Board may approve and license the conduct of
2 inter-track wagering and simulcast wagering by inter-track
3 wagering licensees and inter-track wagering location licensees
4 subject to the following terms and conditions:

5 (1) Any person licensed to conduct a race meeting (i)
6 at a track where 60 or more days of racing were conducted
7 during the immediately preceding calendar year or where
8 over the 5 immediately preceding calendar years an average
9 of 30 or more days of racing were conducted annually may be
10 issued an inter-track wagering license; (ii) at a track
11 located in a county that is bounded by the Mississippi
12 River, which has a population of less than 150,000
13 according to the 1990 decennial census, and an average of
14 at least 60 days of racing per year between 1985 and 1993
15 may be issued an inter-track wagering license; ~~or~~ (iii) at
16 a track awarded standardbred racing dates; or (iv) at a
17 track located in Madison County that conducted at least 100
18 days of live racing during the immediately preceding
19 calendar year may be issued an inter-track wagering
20 license, unless a lesser schedule of live racing is the
21 result of (A) weather, unsafe track conditions, or other
22 acts of God; (B) an agreement between the organization
23 licensee and the associations representing the largest
24 number of owners, trainers, jockeys, or standardbred
25 drivers who race horses at that organization licensee's
26 racing meeting; or (C) a finding by the Board of

1 extraordinary circumstances and that it was in the best
2 interest of the public and the sport to conduct fewer than
3 100 days of live racing. Any such person having operating
4 control of the racing facility may receive inter-track
5 wagering location licenses. An eligible race track located
6 in a county that has a population of more than 230,000 and
7 that is bounded by the Mississippi River may establish up
8 to 9 inter-track wagering locations, an eligible race track
9 located in Stickney Township in Cook County may establish
10 up to 16 inter-track wagering locations, and an eligible
11 race track located in Palatine Township in Cook County may
12 establish up to 18 inter-track wagering locations. An
13 eligible racetrack conducting standardbred racing may have
14 up to 16 inter-track wagering locations. An application for
15 said license shall be filed with the Board prior to such
16 dates as may be fixed by the Board. With an application for
17 an inter-track wagering location license there shall be
18 delivered to the Board a certified check or bank draft
19 payable to the order of the Board for an amount equal to
20 \$500. The application shall be on forms prescribed and
21 furnished by the Board. The application shall comply with
22 all other rules, regulations and conditions imposed by the
23 Board in connection therewith.

24 (2) The Board shall examine the applications with
25 respect to their conformity with this Act and the rules and
26 regulations imposed by the Board. If found to be in

1 compliance with the Act and rules and regulations of the
2 Board, the Board may then issue a license to conduct
3 inter-track wagering and simulcast wagering to such
4 applicant. All such applications shall be acted upon by the
5 Board at a meeting to be held on such date as may be fixed
6 by the Board.

7 (3) In granting licenses to conduct inter-track
8 wagering and simulcast wagering, the Board shall give due
9 consideration to the best interests of the public, of horse
10 racing, and of maximizing revenue to the State.

11 (4) Prior to the issuance of a license to conduct
12 inter-track wagering and simulcast wagering, the applicant
13 shall file with the Board a bond payable to the State of
14 Illinois in the sum of \$50,000, executed by the applicant
15 and a surety company or companies authorized to do business
16 in this State, and conditioned upon (i) the payment by the
17 licensee of all taxes due under Section 27 or 27.1 and any
18 other monies due and payable under this Act, and (ii)
19 distribution by the licensee, upon presentation of the
20 winning ticket or tickets, of all sums payable to the
21 patrons of pari-mutuel pools.

22 (5) Each license to conduct inter-track wagering and
23 simulcast wagering shall specify the person to whom it is
24 issued, the dates on which such wagering is permitted, and
25 the track or location where the wagering is to be
26 conducted.

1 (6) All wagering under such license is subject to this
2 Act and to the rules and regulations from time to time
3 prescribed by the Board, and every such license issued by
4 the Board shall contain a recital to that effect.

5 (7) An inter-track wagering licensee or inter-track
6 wagering location licensee may accept wagers at the track
7 or location where it is licensed, or as otherwise provided
8 under this Act.

9 (8) Inter-track wagering or simulcast wagering shall
10 not be conducted at any track less than 4 ~~5~~ miles from a
11 track at which a racing meeting is in progress.

12 (8.1) Inter-track wagering location licensees who
13 derive their licenses from a particular organization
14 licensee shall conduct inter-track wagering and simulcast
15 wagering only at locations that are within 160 miles of
16 that race track where the particular organization licensee
17 is licensed to conduct racing. However, inter-track
18 wagering and simulcast wagering shall not be conducted by
19 those licensees at any location within 5 miles of any race
20 track at which a horse race meeting has been licensed in
21 the current year, unless the person having operating
22 control of such race track has given its written consent to
23 such inter-track wagering location licensees, which
24 consent must be filed with the Board at or prior to the
25 time application is made. In the case of any inter-track
26 wagering location licensee initially licensed after

1 December 31, 2013, inter-track wagering and simulcast
2 wagering shall not be conducted by those inter-track
3 wagering location licensees that are located outside the
4 City of Chicago at any location within 8 miles of any race
5 track at which a horse race meeting has been licensed in
6 the current year, unless the person having operating
7 control of such race track has given its written consent to
8 such inter-track wagering location licensees, which
9 consent must be filed with the Board at or prior to the
10 time application is made.

11 (8.2) Inter-track wagering or simulcast wagering shall
12 not be conducted by an inter-track wagering location
13 licensee at any location within 500 feet of an existing
14 church, an ~~or~~ existing elementary or secondary public
15 school, or an existing elementary or secondary private
16 school registered with or recognized by the State Board of
17 Education school, nor within 500 feet of the residences of
18 more than 50 registered voters without receiving written
19 permission from a majority of the registered voters at such
20 residences. Such written permission statements shall be
21 filed with the Board. The distance of 500 feet shall be
22 measured to the nearest part of any building used for
23 worship services, education programs, residential
24 purposes, or conducting inter-track wagering by an
25 inter-track wagering location licensee, and not to
26 property boundaries. However, inter-track wagering or

1 simulcast wagering may be conducted at a site within 500
2 feet of a church, school or residences of 50 or more
3 registered voters if such church, school or residences have
4 been erected or established, or such voters have been
5 registered, after the Board issues the original
6 inter-track wagering location license at the site in
7 question. Inter-track wagering location licensees may
8 conduct inter-track wagering and simulcast wagering only
9 in areas that are zoned for commercial or manufacturing
10 purposes or in areas for which a special use has been
11 approved by the local zoning authority. However, no license
12 to conduct inter-track wagering and simulcast wagering
13 shall be granted by the Board with respect to any
14 inter-track wagering location within the jurisdiction of
15 any local zoning authority which has, by ordinance or by
16 resolution, prohibited the establishment of an inter-track
17 wagering location within its jurisdiction. However,
18 inter-track wagering and simulcast wagering may be
19 conducted at a site if such ordinance or resolution is
20 enacted after the Board licenses the original inter-track
21 wagering location licensee for the site in question.

22 (9) (Blank).

23 (10) An inter-track wagering licensee or an
24 inter-track wagering location licensee may retain, subject
25 to the payment of the privilege taxes and the purses, an
26 amount not to exceed 17% of all money wagered. Each program

1 of racing conducted by each inter-track wagering licensee
2 or inter-track wagering location licensee shall be
3 considered a separate racing day for the purpose of
4 determining the daily handle and computing the privilege
5 tax or pari-mutuel tax on such daily handle as provided in
6 Section 27.

7 (10.1) Except as provided in subsection (g) of Section
8 27 of this Act, inter-track wagering location licensees
9 shall pay 1% of the pari-mutuel handle at each location to
10 the municipality in which such location is situated and 1%
11 of the pari-mutuel handle at each location to the county in
12 which such location is situated. In the event that an
13 inter-track wagering location licensee is situated in an
14 unincorporated area of a county, such licensee shall pay 2%
15 of the pari-mutuel handle from such location to such
16 county.

17 (10.2) Notwithstanding any other provision of this
18 Act, with respect to inter-track wagering at a race track
19 located in a county that has a population of more than
20 230,000 and that is bounded by the Mississippi River ("the
21 first race track"), or at a facility operated by an
22 inter-track wagering licensee or inter-track wagering
23 location licensee that derives its license from the
24 organization licensee that operates the first race track,
25 on races conducted at the first race track or on races
26 conducted at another Illinois race track and

1 simultaneously televised to the first race track or to a
2 facility operated by an inter-track wagering licensee or
3 inter-track wagering location licensee that derives its
4 license from the organization licensee that operates the
5 first race track, those moneys shall be allocated as
6 follows:

7 (A) That portion of all moneys wagered on
8 standardbred racing that is required under this Act to
9 be paid to purses shall be paid to purses for
10 standardbred races.

11 (B) That portion of all moneys wagered on
12 thoroughbred racing that is required under this Act to
13 be paid to purses shall be paid to purses for
14 thoroughbred races.

15 (11) (A) After payment of the privilege or pari-mutuel
16 tax, any other applicable taxes, and the costs and expenses
17 in connection with the gathering, transmission, and
18 dissemination of all data necessary to the conduct of
19 inter-track wagering, the remainder of the monies retained
20 under either Section 26 or Section 26.2 of this Act by the
21 inter-track wagering licensee on inter-track wagering
22 shall be allocated with 50% to be split between the 2
23 participating licensees and 50% to purses, except that an
24 inter-track wagering licensee that derives its license
25 from a track located in a county with a population in
26 excess of 230,000 and that borders the Mississippi River

1 shall not divide any remaining retention with the Illinois
2 organization licensee that provides the race or races, and
3 an inter-track wagering licensee that accepts wagers on
4 races conducted by an organization licensee that conducts a
5 race meet in a county with a population in excess of
6 230,000 and that borders the Mississippi River shall not
7 divide any remaining retention with that organization
8 licensee.

9 (B) From the sums permitted to be retained pursuant to
10 this Act each inter-track wagering location licensee shall
11 pay (i) the privilege or pari-mutuel tax to the State; (ii)
12 4.75% of the pari-mutuel handle on inter-track wagering at
13 such location on races as purses, except that an
14 inter-track wagering location licensee that derives its
15 license from a track located in a county with a population
16 in excess of 230,000 and that borders the Mississippi River
17 shall retain all purse moneys for its own purse account
18 consistent with distribution set forth in this subsection
19 (h), and inter-track wagering location licensees that
20 accept wagers on races conducted by an organization
21 licensee located in a county with a population in excess of
22 230,000 and that borders the Mississippi River shall
23 distribute all purse moneys to purses at the operating host
24 track; (iii) until January 1, 2000, except as provided in
25 subsection (g) of Section 27 of this Act, 1% of the
26 pari-mutuel handle wagered on inter-track wagering and

1 simulcast wagering at each inter-track wagering location
2 licensee facility to the Horse Racing Tax Allocation Fund,
3 provided that, to the extent the total amount collected and
4 distributed to the Horse Racing Tax Allocation Fund under
5 this subsection (h) during any calendar year exceeds the
6 amount collected and distributed to the Horse Racing Tax
7 Allocation Fund during calendar year 1994, that excess
8 amount shall be redistributed (I) to all inter-track
9 wagering location licensees, based on each licensee's
10 pro-rata share of the total handle from inter-track
11 wagering and simulcast wagering for all inter-track
12 wagering location licensees during the calendar year in
13 which this provision is applicable; then (II) the amounts
14 redistributed to each inter-track wagering location
15 licensee as described in subpart (I) shall be further
16 redistributed as provided in subparagraph (B) of paragraph
17 (5) of subsection (g) of this Section 26 provided first,
18 that the shares of those amounts, which are to be
19 redistributed to the host track or to purses at the host
20 track under subparagraph (B) of paragraph (5) of subsection
21 (g) of this Section 26 shall be redistributed based on each
22 host track's pro rata share of the total inter-track
23 wagering and simulcast wagering handle at all host tracks
24 during the calendar year in question, and second, that any
25 amounts redistributed as described in part (I) to an
26 inter-track wagering location licensee that accepts wagers

1 on races conducted by an organization licensee that
2 conducts a race meet in a county with a population in
3 excess of 230,000 and that borders the Mississippi River
4 shall be further redistributed as provided in
5 subparagraphs (D) and (E) of paragraph (7) of subsection
6 (g) of this Section 26, with the portion of that further
7 redistribution allocated to purses at that organization
8 licensee to be divided between standardbred purses and
9 thoroughbred purses based on the amounts otherwise
10 allocated to purses at that organization licensee during
11 the calendar year in question; and (iv) 8% of the
12 pari-mutuel handle on inter-track wagering wagered at such
13 location to satisfy all costs and expenses of conducting
14 its wagering. The remainder of the monies retained by the
15 inter-track wagering location licensee shall be allocated
16 40% to the location licensee and 60% to the organization
17 licensee which provides the Illinois races to the location,
18 except that an inter-track wagering location licensee that
19 derives its license from a track located in a county with a
20 population in excess of 230,000 and that borders the
21 Mississippi River shall not divide any remaining retention
22 with the organization licensee that provides the race or
23 races and an inter-track wagering location licensee that
24 accepts wagers on races conducted by an organization
25 licensee that conducts a race meet in a county with a
26 population in excess of 230,000 and that borders the

1 Mississippi River shall not divide any remaining retention
2 with the organization licensee. Notwithstanding the
3 provisions of clauses (ii) and (iv) of this paragraph, in
4 the case of the additional inter-track wagering location
5 licenses authorized under paragraph (1) of this subsection
6 (h) by Public Act 87-110, those licensees shall pay the
7 following amounts as purses: during the first 12 months the
8 licensee is in operation, 5.25% of the pari-mutuel handle
9 wagered at the location on races; during the second 12
10 months, 5.25%; during the third 12 months, 5.75%; during
11 the fourth 12 months, 6.25%; and during the fifth 12 months
12 and thereafter, 6.75%. The following amounts shall be
13 retained by the licensee to satisfy all costs and expenses
14 of conducting its wagering: during the first 12 months the
15 licensee is in operation, 8.25% of the pari-mutuel handle
16 wagered at the location; during the second 12 months,
17 8.25%; during the third 12 months, 7.75%; during the fourth
18 12 months, 7.25%; and during the fifth 12 months and
19 thereafter, 6.75%. For additional inter-track wagering
20 location licensees authorized under Public Act 89-16,
21 purses for the first 12 months the licensee is in operation
22 shall be 5.75% of the pari-mutuel wagered at the location,
23 purses for the second 12 months the licensee is in
24 operation shall be 6.25%, and purses thereafter shall be
25 6.75%. For additional inter-track location licensees
26 authorized under Public Act 89-16, the licensee shall be

1 allowed to retain to satisfy all costs and expenses: 7.75%
2 of the pari-mutuel handle wagered at the location during
3 its first 12 months of operation, 7.25% during its second
4 12 months of operation, and 6.75% thereafter.

5 (C) There is hereby created the Horse Racing Tax
6 Allocation Fund which shall remain in existence until
7 December 31, 1999. Moneys remaining in the Fund after
8 December 31, 1999 shall be paid into the General Revenue
9 Fund. Until January 1, 2000, all monies paid into the Horse
10 Racing Tax Allocation Fund pursuant to this paragraph (11)
11 by inter-track wagering location licensees located in park
12 districts of 500,000 population or less, or in a
13 municipality that is not included within any park district
14 but is included within a conservation district and is the
15 county seat of a county that (i) is contiguous to the state
16 of Indiana and (ii) has a 1990 population of 88,257
17 according to the United States Bureau of the Census, and
18 operating on May 1, 1994 shall be allocated by
19 appropriation as follows:

20 Two-sevenths to the Department of Agriculture.

21 Fifty percent of this two-sevenths shall be used to
22 promote the Illinois horse racing and breeding
23 industry, and shall be distributed by the Department of
24 Agriculture upon the advice of a 9-member committee
25 appointed by the Governor consisting of the following
26 members: the Director of Agriculture, who shall serve

1 as chairman; 2 representatives of organization
2 licensees conducting thoroughbred race meetings in
3 this State, recommended by those licensees; 2
4 representatives of organization licensees conducting
5 standardbred race meetings in this State, recommended
6 by those licensees; a representative of the Illinois
7 Thoroughbred Breeders and Owners Foundation,
8 recommended by that Foundation; a representative of
9 the Illinois Standardbred Owners and Breeders
10 Association, recommended by that Association; a
11 representative of the Horsemen's Benevolent and
12 Protective Association or any successor organization
13 thereto established in Illinois comprised of the
14 largest number of owners and trainers, recommended by
15 that Association or that successor organization; and a
16 representative of the Illinois Harness Horsemen's
17 Association, recommended by that Association.
18 Committee members shall serve for terms of 2 years,
19 commencing January 1 of each even-numbered year. If a
20 representative of any of the above-named entities has
21 not been recommended by January 1 of any even-numbered
22 year, the Governor shall appoint a committee member to
23 fill that position. Committee members shall receive no
24 compensation for their services as members but shall be
25 reimbursed for all actual and necessary expenses and
26 disbursements incurred in the performance of their

1 official duties. The remaining 50% of this
2 two-sevenths shall be distributed to county fairs for
3 premiums and rehabilitation as set forth in the
4 Agricultural Fair Act;

5 Four-sevenths to park districts or municipalities
6 that do not have a park district of 500,000 population
7 or less for museum purposes (if an inter-track wagering
8 location licensee is located in such a park district)
9 or to conservation districts for museum purposes (if an
10 inter-track wagering location licensee is located in a
11 municipality that is not included within any park
12 district but is included within a conservation
13 district and is the county seat of a county that (i) is
14 contiguous to the state of Indiana and (ii) has a 1990
15 population of 88,257 according to the United States
16 Bureau of the Census, except that if the conservation
17 district does not maintain a museum, the monies shall
18 be allocated equally between the county and the
19 municipality in which the inter-track wagering
20 location licensee is located for general purposes) or
21 to a municipal recreation board for park purposes (if
22 an inter-track wagering location licensee is located
23 in a municipality that is not included within any park
24 district and park maintenance is the function of the
25 municipal recreation board and the municipality has a
26 1990 population of 9,302 according to the United States

1 Bureau of the Census); provided that the monies are
2 distributed to each park district or conservation
3 district or municipality that does not have a park
4 district in an amount equal to four-sevenths of the
5 amount collected by each inter-track wagering location
6 licensee within the park district or conservation
7 district or municipality for the Fund. Monies that were
8 paid into the Horse Racing Tax Allocation Fund before
9 August 9, 1991 (the effective date of Public Act
10 87-110) by an inter-track wagering location licensee
11 located in a municipality that is not included within
12 any park district but is included within a conservation
13 district as provided in this paragraph shall, as soon
14 as practicable after August 9, 1991 (the effective date
15 of Public Act 87-110), be allocated and paid to that
16 conservation district as provided in this paragraph.
17 Any park district or municipality not maintaining a
18 museum may deposit the monies in the corporate fund of
19 the park district or municipality where the
20 inter-track wagering location is located, to be used
21 for general purposes; and

22 One-seventh to the Agricultural Premium Fund to be
23 used for distribution to agricultural home economics
24 extension councils in accordance with "An Act in
25 relation to additional support and finances for the
26 Agricultural and Home Economic Extension Councils in

1 the several counties of this State and making an
2 appropriation therefor", approved July 24, 1967.

3 Until January 1, 2000, all other monies paid into the
4 Horse Racing Tax Allocation Fund pursuant to this paragraph
5 (11) shall be allocated by 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 museums and aquariums located in
18 park districts of over 500,000 population; provided
19 that the monies are distributed in accordance with the
20 previous year's distribution of the maintenance tax
21 for such museums and aquariums as provided in Section 2
22 of the Park District Aquarium and Museum Act; and

23 One-seventh to the Agricultural Premium Fund to be
24 used for distribution to agricultural home economics
25 extension councils in accordance with "An Act in
26 relation to additional support and finances for the

1 Agricultural and Home Economic Extension Councils in
2 the several counties of this State and making an
3 appropriation therefor", approved July 24, 1967. This
4 subparagraph (C) shall be inoperative and of no force
5 and effect on and after January 1, 2000.

6 (D) Except as provided in paragraph (11) of this
7 subsection (h), with respect to purse allocation from
8 inter-track wagering, the monies so retained shall be
9 divided as follows:

10 (i) If the inter-track wagering licensee,
11 except an inter-track wagering licensee that
12 derives its license from an organization licensee
13 located in a county with a population in excess of
14 230,000 and bounded by the Mississippi River, is
15 not conducting its own race meeting during the same
16 dates, then the entire purse allocation shall be to
17 purses at the track where the races wagered on are
18 being conducted.

19 (ii) If the inter-track wagering licensee,
20 except an inter-track wagering licensee that
21 derives its license from an organization licensee
22 located in a county with a population in excess of
23 230,000 and bounded by the Mississippi River, is
24 also conducting its own race meeting during the
25 same dates, then the purse allocation shall be as
26 follows: 50% to purses at the track where the races

1 wagered on are being conducted; 50% to purses at
2 the track where the inter-track wagering licensee
3 is accepting such wagers.

4 (iii) If the inter-track wagering is being
5 conducted by an inter-track wagering location
6 licensee, except an inter-track wagering location
7 licensee that derives its license from an
8 organization licensee located in a county with a
9 population in excess of 230,000 and bounded by the
10 Mississippi River, the entire purse allocation for
11 Illinois races shall be to purses at the track
12 where the race meeting being wagered on is being
13 held.

14 (12) The Board shall have all powers necessary and
15 proper to fully supervise and control the conduct of
16 inter-track wagering and simulcast wagering by inter-track
17 wagering licensees and inter-track wagering location
18 licensees, including, but not limited to the following:

19 (A) The Board is vested with power to promulgate
20 reasonable rules and regulations for the purpose of
21 administering the conduct of this wagering and to
22 prescribe reasonable rules, regulations and conditions
23 under which such wagering shall be held and conducted.
24 Such rules and regulations are to provide for the
25 prevention of practices detrimental to the public
26 interest and for the best interests of said wagering

1 and to impose penalties for violations thereof.

2 (B) The Board, and any person or persons to whom it
3 delegates this power, is vested with the power to enter
4 the facilities of any licensee to determine whether
5 there has been compliance with the provisions of this
6 Act and the rules and regulations relating to the
7 conduct of such wagering.

8 (C) The Board, and any person or persons to whom it
9 delegates this power, may eject or exclude from any
10 licensee's facilities, any person whose conduct or
11 reputation is such that his presence on such premises
12 may, in the opinion of the Board, call into the
13 question the honesty and integrity of, or interfere
14 with the orderly conduct of such wagering; provided,
15 however, that no person shall be excluded or ejected
16 from such premises solely on the grounds of race,
17 color, creed, national origin, ancestry, or sex.

18 (D) (Blank).

19 (E) The Board is vested with the power to appoint
20 delegates to execute any of the powers granted to it
21 under this Section for the purpose of administering
22 this wagering and any rules and regulations
23 promulgated in accordance with this Act.

24 (F) The Board shall name and appoint a State
25 director of this wagering who shall be a representative
26 of the Board and whose duty it shall be to supervise

1 the conduct of inter-track wagering as may be provided
2 for by the rules and regulations of the Board; such
3 rules and regulation shall specify the method of
4 appointment and the Director's powers, authority and
5 duties.

6 (G) The Board is vested with the power to impose
7 civil penalties of up to \$5,000 against individuals and
8 up to \$10,000 against licensees for each violation of
9 any provision of this Act relating to the conduct of
10 this wagering, any rules adopted by the Board, any
11 order of the Board or any other action which in the
12 Board's discretion, is a detriment or impediment to
13 such wagering.

14 (13) The Department of Agriculture may enter into
15 agreements with licensees authorizing such licensees to
16 conduct inter-track wagering on races to be held at the
17 licensed race meetings conducted by the Department of
18 Agriculture. Such agreement shall specify the races of the
19 Department of Agriculture's licensed race meeting upon
20 which the licensees will conduct wagering. In the event
21 that a licensee conducts inter-track pari-mutuel wagering
22 on races from the Illinois State Fair or DuQuoin State Fair
23 which are in addition to the licensee's previously approved
24 racing program, those races shall be considered a separate
25 racing day for the purpose of determining the daily handle
26 and computing the privilege or pari-mutuel tax on that

1 daily handle as provided in Sections 27 and 27.1. Such
2 agreements shall be approved by the Board before such
3 wagering may be conducted. In determining whether to grant
4 approval, the Board shall give due consideration to the
5 best interests of the public and of horse racing. The
6 provisions of paragraphs (1), (8), (8.1), and (8.2) of
7 subsection (h) of this Section which are not specified in
8 this paragraph (13) shall not apply to licensed race
9 meetings conducted by the Department of Agriculture at the
10 Illinois State Fair in Sangamon County or the DuQuoin State
11 Fair in Perry County, or to any wagering conducted on those
12 race meetings.

13 (14) An inter-track wagering location license
14 authorized by the Board in 2016 that is owned and operated
15 by a race track in Rock Island County shall be transferred
16 to a commonly owned race track in Cook County on August 12,
17 2016 (the effective date of Public Act 99-757). The
18 licensee shall retain its status in relation to purse
19 distribution under paragraph (11) of this subsection (h)
20 following the transfer to the new entity. The pari-mutuel
21 tax credit under Section 32.1 shall not be applied toward
22 any pari-mutuel tax obligation of the inter-track wagering
23 location licensee of the license that is transferred under
24 this paragraph (14).

25 (i) Notwithstanding the other provisions of this Act, the
26 conduct of wagering at wagering facilities is authorized on all

1 days, except as limited by subsection (b) of Section 19 of this
2 Act.

3 (Source: P.A. 99-756, eff. 8-12-16; 99-757, eff. 8-12-16;
4 100-201, eff. 8-18-17.)

5 (230 ILCS 5/26.8)

6 Sec. 26.8. Beginning on February 1, 2014 ~~and through~~
7 ~~December 31, 2018~~, each wagering licensee may impose a
8 surcharge of up to 0.5% on winning wagers and winnings from
9 wagers. The surcharge shall be deducted from winnings prior to
10 payout. All amounts collected from the imposition of this
11 surcharge shall be evenly distributed to the organization
12 licensee and the purse account of the organization licensee
13 with which the licensee is affiliated. The amounts distributed
14 under this Section shall be in addition to the amounts paid
15 pursuant to paragraph (10) of subsection (h) of Section 26,
16 Section 26.3, Section 26.4, Section 26.5, and Section 26.7.

17 (Source: P.A. 98-624, eff. 1-29-14; 99-756, eff. 8-12-16.)

18 (230 ILCS 5/26.9)

19 Sec. 26.9. Beginning on February 1, 2014 ~~and through~~
20 ~~December 31, 2018~~, in addition to the surcharge imposed in
21 Sections 26.3, 26.4, 26.5, 26.7, and 26.8 of this Act, each
22 licensee shall impose a surcharge of 0.2% on winning wagers and
23 winnings from wagers. The surcharge shall be deducted from
24 winnings prior to payout. All amounts collected from the

1 surcharges imposed under this Section shall be remitted to the
2 Board. From amounts collected under this Section, the Board
3 shall deposit an amount not to exceed \$100,000 annually into
4 the Quarter Horse Purse Fund and all remaining amounts into the
5 Horse Racing Fund.

6 (Source: P.A. 98-624, eff. 1-29-14; 99-756, eff. 8-12-16.)

7 (230 ILCS 5/27) (from Ch. 8, par. 37-27)

8 Sec. 27. (a) In addition to the organization license fee
9 provided by this Act, until January 1, 2000, a graduated
10 privilege tax is hereby imposed for conducting the pari-mutuel
11 system of wagering permitted under this Act. Until January 1,
12 2000, except as provided in subsection (g) of Section 27 of
13 this Act, all of the breakage of each racing day held by any
14 licensee in the State shall be paid to the State. Until January
15 1, 2000, such daily graduated privilege tax shall be paid by
16 the licensee from the amount permitted to be retained under
17 this Act. Until January 1, 2000, each day's graduated privilege
18 tax, breakage, and Horse Racing Tax Allocation funds shall be
19 remitted to the Department of Revenue within 48 hours after the
20 close of the racing day upon which it is assessed or within
21 such other time as the Board prescribes. The privilege tax
22 hereby imposed, until January 1, 2000, shall be a flat tax at
23 the rate of 2% of the daily pari-mutuel handle except as
24 provided in Section 27.1.

25 In addition, every organization licensee, except as

1 provided in Section 27.1 of this Act, which conducts multiple
2 wagering shall pay, until January 1, 2000, as a privilege tax
3 on multiple wagers an amount equal to 1.25% of all moneys
4 wagered each day on such multiple wagers, plus an additional
5 amount equal to 3.5% of the amount wagered each day on any
6 other multiple wager which involves a single betting interest
7 on 3 or more horses. The licensee shall remit the amount of
8 such taxes to the Department of Revenue within 48 hours after
9 the close of the racing day on which it is assessed or within
10 such other time as the Board prescribes.

11 This subsection (a) shall be inoperative and of no force
12 and effect on and after January 1, 2000.

13 (a-5) Beginning on January 1, 2000, a flat pari-mutuel tax
14 at the rate of 1.5% of the daily pari-mutuel handle is imposed
15 at all pari-mutuel wagering facilities and on advance deposit
16 wagering from a location other than a wagering facility, except
17 as otherwise provided for in this subsection (a-5). In addition
18 to the pari-mutuel tax imposed on advance deposit wagering
19 pursuant to this subsection (a-5), beginning on August 24, 2012
20 (the effective date of Public Act 97-1060) ~~and through December~~
21 ~~31, 2018~~, an additional pari-mutuel tax at the rate of 0.25%
22 shall be imposed on advance deposit wagering. Until August 25,
23 2012, the additional 0.25% pari-mutuel tax imposed on advance
24 deposit wagering by Public Act 96-972 shall be deposited into
25 the Quarter Horse Purse Fund, which shall be created as a
26 non-appropriated trust fund administered by the Board for

1 grants to thoroughbred organization licensees for payment of
2 purses for quarter horse races conducted by the organization
3 licensee. Beginning on August 26, 2012, the additional 0.25%
4 pari-mutuel tax imposed on advance deposit wagering shall be
5 deposited into the Standardbred Purse Fund, which shall be
6 created as a non-appropriated trust fund administered by the
7 Board, for grants to the standardbred organization licensees
8 for payment of purses for standardbred horse races conducted by
9 the organization licensee. Thoroughbred organization licensees
10 may petition the Board to conduct quarter horse racing and
11 receive purse grants from the Quarter Horse Purse Fund. The
12 Board shall have complete discretion in distributing the
13 Quarter Horse Purse Fund to the petitioning organization
14 licensees. Beginning on July 26, 2010 (the effective date of
15 Public Act 96-1287), a pari-mutuel tax at the rate of 0.75% of
16 the daily pari-mutuel handle is imposed at a pari-mutuel
17 facility whose license is derived from a track located in a
18 county that borders the Mississippi River and conducted live
19 racing in the previous year. The pari-mutuel tax imposed by
20 this subsection (a-5) shall be remitted to the Department of
21 Revenue within 48 hours after the close of the racing day upon
22 which it is assessed or within such other time as the Board
23 prescribes.

24 (a-10) Beginning on the date when an organization licensee
25 begins conducting gaming pursuant to an organization gaming
26 license, the following pari-mutuel tax is imposed upon an

1 organization licensee on Illinois races at the licensee's
2 racetrack:

3 1.5% of the pari-mutuel handle at or below the average
4 daily pari-mutuel handle for 2011.

5 2% of the pari-mutuel handle above the average daily
6 pari-mutuel handle for 2011 up to 125% of the average daily
7 pari-mutuel handle for 2011.

8 2.5% of the pari-mutuel handle 125% or more above the
9 average daily pari-mutuel handle for 2011 up to 150% of the
10 average daily pari-mutuel handle for 2011.

11 3% of the pari-mutuel handle 150% or more above the
12 average daily pari-mutuel handle for 2011 up to 175% of the
13 average daily pari-mutuel handle for 2011.

14 3.5% of the pari-mutuel handle 175% or more above the
15 average daily pari-mutuel handle for 2011.

16 The pari-mutuel tax imposed by this subsection (a-10) shall
17 be remitted to the Board within 48 hours after the close of the
18 racing day upon which it is assessed or within such other time
19 as the Board prescribes.

20 (b) On or before December 31, 1999, in the event that any
21 organization licensee conducts 2 separate programs of races on
22 any day, each such program shall be considered a separate
23 racing day for purposes of determining the daily handle and
24 computing the privilege tax on such daily handle as provided in
25 subsection (a) of this Section.

26 (c) Licensees shall at all times keep accurate books and

1 records of all monies wagered on each day of a race meeting and
2 of the taxes paid to the Department of Revenue under the
3 provisions of this Section. The Board or its duly authorized
4 representative or representatives shall at all reasonable
5 times have access to such records for the purpose of examining
6 and checking the same and ascertaining whether the proper
7 amount of taxes is being paid as provided. The Board shall
8 require verified reports and a statement of the total of all
9 monies wagered daily at each wagering facility upon which the
10 taxes are assessed and may prescribe forms upon which such
11 reports and statement shall be made.

12 (d) Before a license is issued or re-issued, the licensee
13 shall post a bond in the sum of \$500,000 to the State of
14 Illinois. The bond shall be used to guarantee that the licensee
15 faithfully makes the payments, keeps the books and records and
16 makes reports, and conducts games of chance in conformity with
17 this Act and the rules adopted by the Board. The bond shall not
18 be canceled by a surety on less than 30 days' notice in writing
19 to the Board. If a bond is canceled and the licensee fails to
20 file a new bond with the Board in the required amount on or
21 before the effective date of cancellation, the licensee's
22 license shall be revoked. The total and aggregate liability of
23 the surety on the bond is limited to the amount specified in
24 the bond. ~~Any licensee failing or refusing to pay the amount of~~
25 ~~any tax due under this Section shall be guilty of a business~~
26 ~~offense and upon conviction shall be fined not more than \$5,000~~

1 ~~in addition to the amount found due as tax under this Section.~~
2 ~~Each day's violation shall constitute a separate offense. All~~
3 ~~finances paid into Court by a licensee hereunder shall be~~
4 ~~transmitted and paid over by the Clerk of the Court to the~~
5 ~~Board.~~

6 (e) No other license fee, privilege tax, excise tax, or
7 racing fee, except as provided in this Act, shall be assessed
8 or collected from any such licensee by the State.

9 (f) No other license fee, privilege tax, excise tax or
10 racing fee shall be assessed or collected from any such
11 licensee by units of local government except as provided in
12 paragraph 10.1 of subsection (h) and subsection (f) of Section
13 26 of this Act. However, any municipality that has a Board
14 licensed horse race meeting at a race track wholly within its
15 corporate boundaries or a township that has a Board licensed
16 horse race meeting at a race track wholly within the
17 unincorporated area of the township may charge a local
18 amusement tax not to exceed 10¢ per admission to such horse
19 race meeting by the enactment of an ordinance. However, any
20 municipality or county that has a Board licensed inter-track
21 wagering location facility wholly within its corporate
22 boundaries may each impose an admission fee not to exceed \$1.00
23 per admission to such inter-track wagering location facility,
24 so that a total of not more than \$2.00 per admission may be
25 imposed. Except as provided in subparagraph (g) of Section 27
26 of this Act, the inter-track wagering location licensee shall

1 collect any and all such fees and ~~within 48 hours~~ remit the
2 fees to the Board as the Board prescribes, which shall,
3 pursuant to rule, cause the fees to be distributed to the
4 county or municipality.

5 (g) Notwithstanding any provision in this Act to the
6 contrary, if in any calendar year the total taxes and fees from
7 wagering on live racing and from inter-track wagering required
8 to be collected from licensees and distributed under this Act
9 to all State and local governmental authorities exceeds the
10 amount of such taxes and fees distributed to each State and
11 local governmental authority to which each State and local
12 governmental authority was entitled under this Act for calendar
13 year 1994, then the first \$11 million of that excess amount
14 shall be allocated at the earliest possible date for
15 distribution as purse money for the succeeding calendar year.
16 Upon reaching the 1994 level, and until the excess amount of
17 taxes and fees exceeds \$11 million, the Board shall direct all
18 licensees to cease paying the subject taxes and fees and the
19 Board shall direct all licensees to allocate any such excess
20 amount for purses as follows:

21 (i) the excess amount shall be initially divided
22 between thoroughbred and standardbred purses based on the
23 thoroughbred's and standardbred's respective percentages
24 of total Illinois live wagering in calendar year 1994;

25 (ii) each thoroughbred and standardbred organization
26 licensee issued an organization licensee in that

1 Sec. 30. (a) The General Assembly declares that it is the
2 policy of this State to encourage the breeding of thoroughbred
3 horses in this State and the ownership of such horses by
4 residents of this State in order to provide for: sufficient
5 numbers of high quality thoroughbred horses to participate in
6 thoroughbred racing meetings in this State, and to establish
7 and preserve the agricultural and commercial benefits of such
8 breeding and racing industries to the State of Illinois. It is
9 the intent of the General Assembly to further this policy by
10 the provisions of this Act.

11 (b) Each organization licensee conducting a thoroughbred
12 racing meeting pursuant to this Act shall provide at least two
13 races each day limited to Illinois conceived and foaled horses
14 or Illinois foaled horses or both. A minimum of 6 races shall
15 be conducted each week limited to Illinois conceived and foaled
16 or Illinois foaled horses or both. No horses shall be permitted
17 to start in such races unless duly registered under the rules
18 of the Department of Agriculture.

19 (c) Conditions of races under subsection (b) shall be
20 commensurate with past performance, quality, and class of
21 Illinois conceived and foaled and Illinois foaled horses
22 available. If, however, sufficient competition cannot be had
23 among horses of that class on any day, the races may, with
24 consent of the Board, be eliminated for that day and substitute
25 races provided.

26 (d) There is hereby created a special fund of the State

1 Treasury to be known as the Illinois Thoroughbred Breeders
2 Fund.

3 Beginning on the effective date of this amendatory Act of
4 the 100th General Assembly, the Illinois Thoroughbred Breeders
5 Fund shall become a non-appropriated trust fund held separately
6 from State moneys. Expenditures from this Fund shall no longer
7 be subject to appropriation.

8 Except as provided in subsection (g) of Section 27 of this
9 Act, 8.5% of all the monies received by the State as privilege
10 taxes on Thoroughbred racing meetings shall be paid into the
11 Illinois Thoroughbred Breeders Fund.

12 Notwithstanding any provision of law to the contrary,
13 amounts deposited into the Illinois Thoroughbred Breeders Fund
14 from revenues generated by gaming pursuant to an organization
15 gaming license issued under the Illinois Gambling Act after the
16 effective date of this amendatory Act of the 100th General
17 Assembly shall be in addition to tax and fee amounts paid under
18 this Section for calendar year 2018 and thereafter.

19 (e) The Illinois Thoroughbred Breeders Fund shall be
20 administered by the Department of Agriculture with the advice
21 and assistance of the Advisory Board created in subsection (f)
22 of this Section.

23 (f) The Illinois Thoroughbred Breeders Fund Advisory Board
24 shall consist of the Director of the Department of Agriculture,
25 who shall serve as Chairman; a member of the Illinois Racing
26 Board, designated by it; 2 representatives of the organization

1 licensees conducting thoroughbred racing meetings, recommended
2 by them; 2 representatives of the Illinois Thoroughbred
3 Breeders and Owners Foundation, recommended by it; one
4 representative ~~and 2 representatives~~ of the Horsemen's
5 Benevolent Protective Association; and one representative from
6 the Illinois Thoroughbred Horsemen's Association ~~or any~~
7 ~~successor organization established in Illinois comprised of~~
8 ~~the largest number of owners and trainers, recommended by it,~~
9 ~~with one representative of the Horsemen's Benevolent and~~
10 ~~Protective Association to come from its Illinois Division, and~~
11 ~~one from its Chicago Division.~~ Advisory Board members shall
12 serve for 2 years commencing January 1 of each odd numbered
13 year. If representatives of the organization licensees
14 conducting thoroughbred racing meetings, the Illinois
15 Thoroughbred Breeders and Owners Foundation, ~~and~~ the
16 Horsemen's Benevolent Protection Association, and the Illinois
17 Thoroughbred Horsemen's Association have not been recommended
18 by January 1, of each odd numbered year, the Director of the
19 Department of Agriculture shall make an appointment for the
20 organization failing to so recommend a member of the Advisory
21 Board. Advisory Board members shall receive no compensation for
22 their services as members but shall be reimbursed for all
23 actual and necessary expenses and disbursements incurred in the
24 execution of their official duties.

25 (g) ~~No monies shall be expended from the Illinois~~
26 ~~Thoroughbred Breeders Fund except as appropriated by the~~

1 ~~General Assembly.~~ Monies expended ~~appropriated~~ from the
2 Illinois Thoroughbred Breeders Fund shall be expended by the
3 Department of Agriculture, with the advice and assistance of
4 the Illinois Thoroughbred Breeders Fund Advisory Board, for the
5 following purposes only:

6 (1) To provide purse supplements to owners of horses
7 participating in races limited to Illinois conceived and
8 foaled and Illinois foaled horses. Any such purse
9 supplements shall not be included in and shall be paid in
10 addition to any purses, stakes, or breeders' awards offered
11 by each organization licensee as determined by agreement
12 between such organization licensee and an organization
13 representing the horsemen. No monies from the Illinois
14 Thoroughbred Breeders Fund shall be used to provide purse
15 supplements for claiming races in which the minimum
16 claiming price is less than \$7,500.

17 (2) To provide stakes and awards to be paid to the
18 owners of the winning horses in certain races limited to
19 Illinois conceived and foaled and Illinois foaled horses
20 designated as stakes races.

21 (2.5) To provide an award to the owner or owners of an
22 Illinois conceived and foaled or Illinois foaled horse that
23 wins a maiden special weight, an allowance, overnight
24 handicap race, or claiming race with claiming price of
25 \$10,000 or more providing the race is not restricted to
26 Illinois conceived and foaled or Illinois foaled horses.

1 Awards shall also be provided to the owner or owners of
2 Illinois conceived and foaled and Illinois foaled horses
3 that place second or third in those races. To the extent
4 that additional moneys are required to pay the minimum
5 additional awards of 40% of the purse the horse earns for
6 placing first, second or third in those races for Illinois
7 foaled horses and of 60% of the purse the horse earns for
8 placing first, second or third in those races for Illinois
9 conceived and foaled horses, those moneys shall be provided
10 from the purse account at the track where earned.

11 (3) To provide stallion awards to the owner or owners
12 of any stallion that is duly registered with the Illinois
13 Thoroughbred Breeders Fund Program ~~prior to the effective~~
14 ~~date of this amendatory Act of 1995~~ whose duly registered
15 Illinois conceived and foaled offspring wins a race
16 conducted at an Illinois thoroughbred racing meeting other
17 than a claiming race, provided that the stallion stood
18 service within Illinois at the time the offspring was
19 conceived and that the stallion did not stand for service
20 outside of Illinois at any time during the year in which
21 the offspring was conceived. ~~Such award shall not be paid~~
22 ~~to the owner or owners of an Illinois stallion that served~~
23 ~~outside this State at any time during the calendar year in~~
24 ~~which such race was conducted.~~

25 (4) To provide \$75,000 annually for purses to be
26 distributed to county fairs that provide for the running of

1 races during each county fair exclusively for the
2 thoroughbreds conceived and foaled in Illinois. The
3 conditions of the races shall be developed by the county
4 fair association and reviewed by the Department with the
5 advice and assistance of the Illinois Thoroughbred
6 Breeders Fund Advisory Board. There shall be no wagering of
7 any kind on the running of Illinois conceived and foaled
8 races at county fairs.

9 (4.1) To provide purse money for an Illinois stallion
10 stakes program.

11 (5) No less than 90% ~~80%~~ of all monies appropriated
12 from the Illinois Thoroughbred Breeders Fund shall be
13 expended for the purposes in (1), (2), (2.5), (3), (4),
14 (4.1), and (5) as shown above.

15 (6) To provide for educational programs regarding the
16 thoroughbred breeding industry.

17 (7) To provide for research programs concerning the
18 health, development and care of the thoroughbred horse.

19 (8) To provide for a scholarship and training program
20 for students of equine veterinary medicine.

21 (9) To provide for dissemination of public information
22 designed to promote the breeding of thoroughbred horses in
23 Illinois.

24 (10) To provide for all expenses incurred in the
25 administration of the Illinois Thoroughbred Breeders Fund.

26 (h) The Illinois Thoroughbred Breeders Fund is not subject

1 to administrative charges or chargebacks, including, but not
2 limited to, those authorized under Section 8h of the State
3 Finance Act. ~~Whenever the Governor finds that the amount in the~~
4 ~~Illinois Thoroughbred Breeders Fund is more than the total of~~
5 ~~the outstanding appropriations from such fund, the Governor~~
6 ~~shall notify the State Comptroller and the State Treasurer of~~
7 ~~such fact. The Comptroller and the State Treasurer, upon~~
8 ~~receipt of such notification, shall transfer such excess amount~~
9 ~~from the Illinois Thoroughbred Breeders Fund to the General~~
10 ~~Revenue Fund.~~

11 (i) A sum equal to 13% of the first prize money of every
12 purse won by an Illinois foaled or Illinois conceived and
13 foaled horse in races not limited to Illinois foaled horses or
14 Illinois conceived and foaled horses, or both, shall be paid by
15 the organization licensee conducting the horse race meeting.
16 Such sum shall be paid 50% from the organization licensee's
17 share of the money wagered and 50% from the purse account as
18 follows: 11 1/2% to the breeder of the winning horse and 1 1/2%
19 to the organization representing thoroughbred breeders and
20 owners who representative serves on the Illinois Thoroughbred
21 Breeders Fund Advisory Board for verifying the amounts of
22 breeders' awards earned, ensuring their distribution in
23 accordance with this Act, and servicing and promoting the
24 Illinois thoroughbred horse racing industry. Beginning in the
25 calendar year in which an organization licensee that is
26 eligible to receive payments under paragraph (13) of subsection

1 (g) of Section 26 of this Act begins to receive funds from
2 gaming pursuant to an organization gaming license issued under
3 the Illinois Gambling Act, a sum equal to 21 1/2% of the first
4 prize money of every purse won by an Illinois foaled or an
5 Illinois conceived and foaled horse in races not limited to an
6 Illinois conceived and foaled horse, or both, shall be paid 30%
7 from the organization licensee's account and 70% from the purse
8 account as follows: 20% to the breeder of the winning horse and
9 1 1/2% to the organization representing thoroughbred breeders
10 and owners whose representatives serve on the Illinois
11 Thoroughbred Breeders Fund Advisory Board for verifying the
12 amounts of breeders' awards earned, ensuring their
13 distribution in accordance with this Act, and servicing and
14 promoting the Illinois Thoroughbred racing industry. A sum
15 ~~equal to 12 1/2% of the first prize money of every purse won by~~
16 ~~an Illinois foaled or an Illinois conceived and foaled horse in~~
17 ~~races not limited to Illinois foaled horses or Illinois~~
18 ~~conceived and foaled horses, or both, shall be paid by the~~
19 ~~organization licensee conducting the horse race meeting. Such~~
20 ~~sum shall be paid from the organization licensee's share of the~~
21 ~~money wagered as follows: 11 1/2% to the breeder of the winning~~
22 ~~horse and 1% to the organization representing thoroughbred~~
23 ~~breeders and owners whose representative serves on the Illinois~~
24 ~~Thoroughbred Breeders Fund Advisory Board for verifying the~~
25 ~~amounts of breeders' awards earned, assuring their~~
26 ~~distribution in accordance with this Act, and servicing and~~

1 ~~promoting the Illinois thoroughbred horse racing industry.~~ The
2 organization representing thoroughbred breeders and owners
3 shall cause all expenditures of monies received under this
4 subsection (i) to be audited at least annually by a registered
5 public accountant. The organization shall file copies of each
6 annual audit with the Racing Board, the Clerk of the House of
7 Representatives and the Secretary of the Senate, and shall make
8 copies of each annual audit available to the public upon
9 request and upon payment of the reasonable cost of photocopying
10 the requested number of copies. Such payments shall not reduce
11 any award to the owner of the horse or reduce the taxes payable
12 under this Act. Upon completion of its racing meet, each
13 organization licensee shall deliver to the organization
14 representing thoroughbred breeders and owners whose
15 representative serves on the Illinois Thoroughbred Breeders
16 Fund Advisory Board a listing of all the Illinois foaled and
17 the Illinois conceived and foaled horses which won breeders'
18 awards and the amount of such breeders' awards under this
19 subsection to verify accuracy of payments and assure proper
20 distribution of breeders' awards in accordance with the
21 provisions of this Act. Such payments shall be delivered by the
22 organization licensee within 30 days of the end of each race
23 meeting.

24 (j) A sum equal to 13% of the first prize money won in
25 every race limited to Illinois foaled horses or Illinois
26 conceived and foaled horses, or both, shall be paid in the

1 following manner by the organization licensee conducting the
2 horse race meeting, 50% from the organization licensee's share
3 of the money wagered and 50% from the purse account as follows:
4 11 1/2% to the breeders of the horses in each such race which
5 are the official first, second, third, and fourth finishers and
6 1 1/2% to the organization representing thoroughbred breeders
7 and owners whose representatives serve on the Illinois
8 Thoroughbred Breeders Fund Advisory Board for verifying the
9 amounts of breeders' awards earned, ensuring their proper
10 distribution in accordance with this Act, and servicing and
11 promoting the Illinois horse racing industry. Beginning in the
12 calendar year in which an organization licensee that is
13 eligible to receive payments under paragraph (13) of subsection
14 (g) of Section 26 of this Act begins to receive funds from
15 gaming pursuant to an organization gaming license issued under
16 the Illinois Gambling Act, a sum of 21 1/2% of every purse in a
17 race limited to Illinois foaled horses or Illinois conceived
18 and foaled horses, or both, shall be paid by the organization
19 licensee conducting the horse race meeting. Such sum shall be
20 paid 30% from the organization licensee's account and 70% from
21 the purse account as follows: 20% to the breeders of the horses
22 in each such race who are official first, second, third and
23 fourth finishers and 1 1/2% to the organization representing
24 thoroughbred breeders and owners whose representatives serve
25 on the Illinois Thoroughbred Breeders Fund Advisory Board for
26 verifying the amounts of breeders' awards earned, ensuring

1 their proper distribution in accordance with this Act, and
2 servicing and promoting the Illinois thoroughbred horse racing
3 industry. The organization representing thoroughbred breeders
4 and owners shall cause all expenditures of moneys received
5 under this subsection (j) to be audited at least annually by a
6 registered public accountant. The organization shall file
7 copies of each annual audit with the Racing Board, the Clerk of
8 the House of Representatives and the Secretary of the Senate,
9 and shall make copies of each annual audit available to the
10 public upon request and upon payment of the reasonable cost of
11 photocopying the requested number of copies. The copies of the
12 audit to the General Assembly shall be filed with the Clerk of
13 the House of Representatives and the Secretary of the Senate in
14 electronic form only, in the manner that the Clerk and the
15 Secretary shall direct. A sum equal to 12 1/2% of the first
16 prize money won in each race limited to Illinois foaled horses
17 or Illinois conceived and foaled horses, or both, shall be paid
18 in the following manner by the organization licensee conducting
19 the horse race meeting, from the organization licensee's share
20 of the money wagered: 11 1/2% to the breeders of the horses in
21 each such race which are the official first, second, third and
22 fourth finishers and 1% to the organization representing
23 thoroughbred breeders and owners whose representative serves
24 on the Illinois Thoroughbred Breeders Fund Advisory Board for
25 verifying the amounts of breeders' awards earned, assuring
26 their proper distribution in accordance with this Act, and

1 ~~servicing and promoting the Illinois thoroughbred horse racing~~
2 ~~industry. The organization representing thoroughbred breeders~~
3 ~~and owners shall cause all expenditures of monies received~~
4 ~~under this subsection (j) to be audited at least annually by a~~
5 ~~registered public accountant. The organization shall file~~
6 ~~copies of each annual audit with the Racing Board, the Clerk of~~
7 ~~the House of Representatives and the Secretary of the Senate,~~
8 ~~and shall make copies of each annual audit available to the~~
9 ~~public upon request and upon payment of the reasonable cost of~~
10 ~~photocopying the requested number of copies.~~

11 The amounts ~~11 1/2%~~ paid to the breeders in accordance with
12 this subsection shall be distributed as follows:

13 (1) 60% of such sum shall be paid to the breeder of the
14 horse which finishes in the official first position;

15 (2) 20% of such sum shall be paid to the breeder of the
16 horse which finishes in the official second position;

17 (3) 15% of such sum shall be paid to the breeder of the
18 horse which finishes in the official third position; and

19 (4) 5% of such sum shall be paid to the breeder of the
20 horse which finishes in the official fourth position.

21 Such payments shall not reduce any award to the owners of a
22 horse or reduce the taxes payable under this Act. Upon
23 completion of its racing meet, each organization licensee shall
24 deliver to the organization representing thoroughbred breeders
25 and owners whose representative serves on the Illinois
26 Thoroughbred Breeders Fund Advisory Board a listing of all the

1 Illinois foaled and the Illinois conceived and foaled horses
2 which won breeders' awards and the amount of such breeders'
3 awards in accordance with the provisions of this Act. Such
4 payments shall be delivered by the organization licensee within
5 30 days of the end of each race meeting.

6 (k) The term "breeder", as used herein, means the owner of
7 the mare at the time the foal is dropped. An "Illinois foaled
8 horse" is a foal dropped by a mare which enters this State on
9 or before December 1, in the year in which the horse is bred,
10 provided the mare remains continuously in this State until its
11 foal is born. An "Illinois foaled horse" also means a foal born
12 of a mare in the same year as the mare enters this State on or
13 before March 1, and remains in this State at least 30 days
14 after foaling, is bred back during the season of the foaling to
15 an Illinois Registered Stallion (unless a veterinarian
16 certifies that the mare should not be bred for health reasons),
17 and is not bred to a stallion standing in any other state
18 during the season of foaling. An "Illinois foaled horse" also
19 means a foal born in Illinois of a mare purchased at public
20 auction subsequent to the mare entering this State on or before
21 March 1 ~~prior to February 1~~ of the foaling year providing the
22 mare is owned solely by one or more Illinois residents or an
23 Illinois entity that is entirely owned by one or more Illinois
24 residents.

25 (l) The Department of Agriculture shall, by rule, with the
26 advice and assistance of the Illinois Thoroughbred Breeders

1 Fund Advisory Board:

2 (1) Qualify stallions for Illinois breeding; such
3 stallions to stand for service within the State of Illinois
4 at the time of a foal's conception. Such stallion must not
5 stand for service at any place outside the State of
6 Illinois during the calendar year in which the foal is
7 conceived. The Department of Agriculture may assess and
8 collect an application fee of up to \$500 ~~fees~~ for the
9 registration of Illinois-eligible stallions. All fees
10 collected are to be held in trust accounts for the purposes
11 set forth in this Act and in accordance with Section 205-15
12 of the Department of Agriculture Law ~~paid into the Illinois~~
13 ~~Thoroughbred Breeders Fund.~~

14 (2) Provide for the registration of Illinois conceived
15 and foaled horses and Illinois foaled horses. No such horse
16 shall compete in the races limited to Illinois conceived
17 and foaled horses or Illinois foaled horses or both unless
18 registered with the Department of Agriculture. The
19 Department of Agriculture may prescribe such forms as are
20 necessary to determine the eligibility of such horses. The
21 Department of Agriculture may assess and collect
22 application fees for the registration of Illinois-eligible
23 foals. All fees collected are to be held in trust accounts
24 for the purposes set forth in this Act and in accordance
25 with Section 205-15 of the Department of Agriculture Law
26 ~~paid into the Illinois Thoroughbred Breeders Fund.~~ No

1 person shall knowingly prepare or cause preparation of an
2 application for registration of such foals containing
3 false information.

4 (m) The Department of Agriculture, with the advice and
5 assistance of the Illinois Thoroughbred Breeders Fund Advisory
6 Board, shall provide that certain races limited to Illinois
7 conceived and foaled and Illinois foaled horses be stakes races
8 and determine the total amount of stakes and awards to be paid
9 to the owners of the winning horses in such races.

10 In determining the stakes races and the amount of awards
11 for such races, the Department of Agriculture shall consider
12 factors, including but not limited to, the amount of money
13 appropriated for the Illinois Thoroughbred Breeders Fund
14 program, organization licensees' contributions, availability
15 of stakes caliber horses as demonstrated by past performances,
16 whether the race can be coordinated into the proposed racing
17 dates within organization licensees' racing dates, opportunity
18 for colts and fillies and various age groups to race, public
19 wagering on such races, and the previous racing schedule.

20 (n) The Board and the organizational licensee shall notify
21 the Department of the conditions and minimum purses for races
22 limited to Illinois conceived and foaled and Illinois foaled
23 horses conducted for each organizational licensee conducting a
24 thoroughbred racing meeting. The Department of Agriculture
25 with the advice and assistance of the Illinois Thoroughbred
26 Breeders Fund Advisory Board may allocate monies for purse

1 supplements for such races. In determining whether to allocate
2 money and the amount, the Department of Agriculture shall
3 consider factors, including but not limited to, the amount of
4 money appropriated for the Illinois Thoroughbred Breeders Fund
5 program, the number of races that may occur, and the
6 organizational licensee's purse structure.

7 (o) (Blank).

8 (Source: P.A. 98-692, eff. 7-1-14.)

9 (230 ILCS 5/30.5)

10 Sec. 30.5. Illinois Racing Quarter Horse Breeders Fund.

11 (a) The General Assembly declares that it is the policy of
12 this State to encourage the breeding of racing quarter horses
13 in this State and the ownership of such horses by residents of
14 this State in order to provide for sufficient numbers of high
15 quality racing quarter horses in this State and to establish
16 and preserve the agricultural and commercial benefits of such
17 breeding and racing industries to the State of Illinois. It is
18 the intent of the General Assembly to further this policy by
19 the provisions of this Act.

20 (b) There is hereby created non-appropriated trust ~~a~~
21 ~~special fund in the State Treasury~~ to be known as the Illinois
22 Racing Quarter Horse Breeders Fund, which is held separately
23 from State moneys. Except as provided in subsection (g) of
24 Section 27 of this Act, 8.5% of all the moneys received by the
25 State as pari-mutuel taxes on quarter horse racing shall be

1 paid into the Illinois Racing Quarter Horse Breeders Fund. The
2 Illinois Racing Quarter Horse Breeders Fund shall not be
3 subject to administrative charges or chargebacks, including,
4 but not limited to, those authorized under Section 8h of the
5 State Finance Act.

6 (c) The Illinois Racing Quarter Horse Breeders Fund shall
7 be administered by the Department of Agriculture with the
8 advice and assistance of the Advisory Board created in
9 subsection (d) of this Section.

10 (d) The Illinois Racing Quarter Horse Breeders Fund
11 Advisory Board shall consist of the Director of the Department
12 of Agriculture, who shall serve as Chairman; a member of the
13 Illinois Racing Board, designated by it; one representative of
14 the organization licensees conducting pari-mutuel quarter
15 horse racing meetings, recommended by them; 2 representatives
16 of the Illinois Running Quarter Horse Association, recommended
17 by it; and the Superintendent of Fairs and Promotions from the
18 Department of Agriculture. Advisory Board members shall serve
19 for 2 years commencing January 1 of each odd numbered year. If
20 representatives have not been recommended by January 1 of each
21 odd numbered year, the Director of the Department of
22 Agriculture may make an appointment for the organization
23 failing to so recommend a member of the Advisory Board.
24 Advisory Board members shall receive no compensation for their
25 services as members but may be reimbursed for all actual and
26 necessary expenses and disbursements incurred in the execution

1 of their official duties.

2 (e) Moneys in ~~No moneys shall be expended from the Illinois~~
3 ~~Racing Quarter Horse Breeders Fund except as appropriated by~~
4 ~~the General Assembly. Moneys appropriated from the Illinois~~
5 Racing Quarter Horse Breeders Fund shall be expended by the
6 Department of Agriculture, with the advice and assistance of
7 the Illinois Racing Quarter Horse Breeders Fund Advisory Board,
8 for the following purposes only:

9 (1) To provide stakes and awards to be paid to the
10 owners of the winning horses in certain races. This
11 provision is limited to Illinois conceived and foaled
12 horses.

13 (2) To provide an award to the owner or owners of an
14 Illinois conceived and foaled horse that wins a race when
15 pari-mutuel wagering is conducted; providing the race is
16 not restricted to Illinois conceived and foaled horses.

17 (3) To provide purse money for an Illinois stallion
18 stakes program.

19 (4) To provide for purses to be distributed for the
20 running of races during the Illinois State Fair and the
21 DuQuoin State Fair exclusively for quarter horses
22 conceived and foaled in Illinois.

23 (5) To provide for purses to be distributed for the
24 running of races at Illinois county fairs exclusively for
25 quarter horses conceived and foaled in Illinois.

26 (6) To provide for purses to be distributed for running

1 races exclusively for quarter horses conceived and foaled
2 in Illinois at locations in Illinois determined by the
3 Department of Agriculture with advice and consent of the
4 Illinois Racing Quarter Horse Breeders Fund Advisory
5 Board.

6 (7) No less than 90% of all moneys appropriated from
7 the Illinois Racing Quarter Horse Breeders Fund shall be
8 expended for the purposes in items (1), (2), (3), (4), and
9 (5) of this subsection (e).

10 (8) To provide for research programs concerning the
11 health, development, and care of racing quarter horses.

12 (9) To provide for dissemination of public information
13 designed to promote the breeding of racing quarter horses
14 in Illinois.

15 (10) To provide for expenses incurred in the
16 administration of the Illinois Racing Quarter Horse
17 Breeders Fund.

18 (f) The Department of Agriculture shall, by rule, with the
19 advice and assistance of the Illinois Racing Quarter Horse
20 Breeders Fund Advisory Board:

21 (1) Qualify stallions for Illinois breeding; such
22 stallions to stand for service within the State of
23 Illinois, at the time of a foal's conception. Such stallion
24 must not stand for service at any place outside the State
25 of Illinois during the calendar year in which the foal is
26 conceived. The Department of Agriculture may assess and

1 collect application fees for the registration of
2 Illinois-eligible stallions. All fees collected are to be
3 paid into the Illinois Racing Quarter Horse Breeders Fund.

4 (2) Provide for the registration of Illinois conceived
5 and foaled horses. No such horse shall compete in the races
6 limited to Illinois conceived and foaled horses unless it
7 is registered with the Department of Agriculture. The
8 Department of Agriculture may prescribe such forms as are
9 necessary to determine the eligibility of such horses. The
10 Department of Agriculture may assess and collect
11 application fees for the registration of Illinois-eligible
12 foals. All fees collected are to be paid into the Illinois
13 Racing Quarter Horse Breeders Fund. No person shall
14 knowingly prepare or cause preparation of an application
15 for registration of such foals that contains false
16 information.

17 (g) The Department of Agriculture, with the advice and
18 assistance of the Illinois Racing Quarter Horse Breeders Fund
19 Advisory Board, shall provide that certain races limited to
20 Illinois conceived and foaled be stakes races and determine the
21 total amount of stakes and awards to be paid to the owners of
22 the winning horses in such races.

23 (Source: P.A. 98-463, eff. 8-16-13.)

24 (230 ILCS 5/31) (from Ch. 8, par. 37-31)

25 Sec. 31. (a) The General Assembly declares that it is the

1 policy of this State to encourage the breeding of standardbred
2 horses in this State and the ownership of such horses by
3 residents of this State in order to provide for: sufficient
4 numbers of high quality standardbred horses to participate in
5 harness racing meetings in this State, and to establish and
6 preserve the agricultural and commercial benefits of such
7 breeding and racing industries to the State of Illinois. It is
8 the intent of the General Assembly to further this policy by
9 the provisions of this Section of this Act.

10 (b) Each organization licensee conducting a harness racing
11 meeting pursuant to this Act shall provide for at least two
12 races each race program limited to Illinois conceived and
13 foaled horses. A minimum of 6 races shall be conducted each
14 week limited to Illinois conceived and foaled horses. No horses
15 shall be permitted to start in such races unless duly
16 registered under the rules of the Department of Agriculture.

17 (b-5) Organization licensees, not including the Illinois
18 State Fair or the DuQuoin State Fair, shall provide stake races
19 and early closer races for Illinois conceived and foaled horses
20 so that purses distributed for such races shall be no less than
21 17% of total purses distributed for harness racing in that
22 calendar year in addition to any stakes payments and starting
23 fees contributed by horse owners.

24 (b-10) Each organization licensee conducting a harness
25 racing meeting pursuant to this Act shall provide an owner
26 award to be paid from the purse account equal to 25% of the

1 amount earned by Illinois conceived and foaled horses in races
2 that are not restricted to Illinois conceived and foaled
3 horses. The owner awards shall not be paid on races below the
4 \$10,000 claiming class.

5 (c) Conditions of races under subsection (b) shall be
6 commensurate with past performance, quality and class of
7 Illinois conceived and foaled horses available. If, however,
8 sufficient competition cannot be had among horses of that class
9 on any day, the races may, with consent of the Board, be
10 eliminated for that day and substitute races provided.

11 (d) There is hereby created a special fund of the State
12 Treasury to be known as the Illinois Standardbred Breeders
13 Fund.

14 During the calendar year 1981, and each year thereafter,
15 except as provided in subsection (g) of Section 27 of this Act,
16 eight and one-half per cent of all the monies received by the
17 State as privilege taxes on harness racing meetings shall be
18 paid into the Illinois Standardbred Breeders Fund.

19 (e) The Illinois Standardbred Breeders Fund shall be
20 administered by the Department of Agriculture with the
21 assistance and advice of the Advisory Board created in
22 subsection (f) of this Section.

23 (f) The Illinois Standardbred Breeders Fund Advisory Board
24 is hereby created. The Advisory Board shall consist of the
25 Director of the Department of Agriculture, who shall serve as
26 Chairman; the Superintendent of the Illinois State Fair; a

1 member of the Illinois Racing Board, designated by it; a
2 representative of the largest association of Illinois
3 standardbred owners and breeders, recommended by it; a
4 representative of a statewide association representing
5 agricultural fairs in Illinois, recommended by it, such
6 representative to be from a fair at which Illinois conceived
7 and foaled racing is conducted; a representative of the
8 organization licensees conducting harness racing meetings,
9 recommended by them; a representative of the Breeder's
10 Committee of the association representing the largest number of
11 standardbred owners, breeders, trainers, caretakers, and
12 drivers, recommended by it; and a representative of the
13 association representing the largest number of standardbred
14 owners, breeders, trainers, caretakers, and drivers,
15 recommended by it. Advisory Board members shall serve for 2
16 years commencing January 1 of each odd numbered year. If
17 representatives of the largest association of Illinois
18 standardbred owners and breeders, a statewide association of
19 agricultural fairs in Illinois, the association representing
20 the largest number of standardbred owners, breeders, trainers,
21 caretakers, and drivers, a member of the Breeder's Committee of
22 the association representing the largest number of
23 standardbred owners, breeders, trainers, caretakers, and
24 drivers, and the organization licensees conducting harness
25 racing meetings have not been recommended by January 1 of each
26 odd numbered year, the Director of the Department of

1 Agriculture shall make an appointment for the organization
2 failing to so recommend a member of the Advisory Board.
3 Advisory Board members shall receive no compensation for their
4 services as members but shall be reimbursed for all actual and
5 necessary expenses and disbursements incurred in the execution
6 of their official duties.

7 (g) No monies shall be expended from the Illinois
8 Standardbred Breeders Fund except as appropriated by the
9 General Assembly. Monies appropriated from the Illinois
10 Standardbred Breeders Fund shall be expended by the Department
11 of Agriculture, with the assistance and advice of the Illinois
12 Standardbred Breeders Fund Advisory Board for the following
13 purposes only:

14 1. To provide purses for races limited to Illinois
15 conceived and foaled horses at the State Fair and the
16 DuQuoin State Fair.

17 2. To provide purses for races limited to Illinois
18 conceived and foaled horses at county fairs.

19 3. To provide purse supplements for races limited to
20 Illinois conceived and foaled horses conducted by
21 associations conducting harness racing meetings.

22 4. No less than 75% of all monies in the Illinois
23 Standardbred Breeders Fund shall be expended for purses in
24 1, 2 and 3 as shown above.

25 5. In the discretion of the Department of Agriculture
26 to provide awards to harness breeders of Illinois conceived

1 and foaled horses which win races conducted by organization
2 licensees conducting harness racing meetings. A breeder is
3 the owner of a mare at the time of conception. No more than
4 10% of all monies appropriated from the Illinois
5 Standardbred Breeders Fund shall be expended for such
6 harness breeders awards. No more than 25% of the amount
7 expended for harness breeders awards shall be expended for
8 expenses incurred in the administration of such harness
9 breeders awards.

10 6. To pay for the improvement of racing facilities
11 located at the State Fair and County fairs.

12 7. To pay the expenses incurred in the administration
13 of the Illinois Standardbred Breeders Fund.

14 8. To promote the sport of harness racing, including
15 grants up to a maximum of \$7,500 per fair per year for
16 conducting pari-mutuel wagering during the advertised
17 dates of a county fair.

18 9. To pay up to \$50,000 annually for the Department of
19 Agriculture to conduct drug testing at county fairs racing
20 standardbred horses.

21 (h) (Blank) ~~Whenever the Governor finds that the amount in~~
22 ~~the Illinois Standardbred Breeders Fund is more than the total~~
23 ~~of the outstanding appropriations from such fund, the Governor~~
24 ~~shall notify the State Comptroller and the State Treasurer of~~
25 ~~such fact. The Comptroller and the State Treasurer, upon~~
26 ~~receipt of such notification, shall transfer such excess amount~~

1 ~~from the Illinois Standardbred Breeders Fund to the General~~
2 ~~Revenue Fund.~~

3 (i) A sum equal to 13% ~~12-1/2%~~ of the first prize money of
4 the gross every purse won by an Illinois conceived and foaled
5 horse shall be paid 50% by the organization licensee conducting
6 the horse race meeting to the breeder of such winning horse
7 from the organization licensee's account and 50% from the purse
8 account of the licensee ~~share of the money wagered~~. Such
9 payment shall not reduce any award to the owner of the horse or
10 reduce the taxes payable under this Act. Such payment shall be
11 delivered by the organization licensee at the end of each
12 quarter ~~race meeting~~.

13 (j) The Department of Agriculture shall, by rule, with the
14 assistance and advice of the Illinois Standardbred Breeders
15 Fund Advisory Board:

16 1. Qualify stallions for Illinois Standardbred
17 Breeders Fund breeding; ~~such stallion shall be owned by a~~
18 ~~resident of the State of Illinois or by an Illinois~~
19 ~~corporation all of whose shareholders, directors, officers~~
20 ~~and incorporators are residents of the State of Illinois.~~

21 Such stallion shall stand for service at and within the
22 State of Illinois at the time of a foal's conception, and
23 such stallion must not stand for service at any place, ~~nor~~
24 ~~may semen from such stallion be transported,~~ outside the
25 State of Illinois during that calendar year in which the
26 foal is conceived ~~and that the owner of the stallion was~~

1 ~~for the 12 months prior, a resident of Illinois. Foals~~
2 ~~conceived outside the State of Illinois from shipped semen~~
3 ~~from a stallion qualified for breeders' awards under this~~
4 ~~Section are not eligible to participate in the Illinois~~
5 ~~conceived and foaled program. The articles of agreement of~~
6 ~~any partnership, joint venture, limited partnership,~~
7 ~~syndicate, association or corporation and any bylaws and~~
8 ~~stock certificates must contain a restriction that~~
9 ~~provides that the ownership or transfer of interest by any~~
10 ~~one of the persons a party to the agreement can only be~~
11 ~~made to a person who qualifies as an Illinois resident.~~

12 2. Provide for the registration of Illinois conceived
13 and foaled horses and no such horse shall compete in the
14 races limited to Illinois conceived and foaled horses
15 unless registered with the Department of Agriculture. The
16 Department of Agriculture may prescribe such forms as may
17 be necessary to determine the eligibility of such horses.
18 No person shall knowingly prepare or cause preparation of
19 an application for registration of such foals containing
20 false information. A mare (dam) must be in the state at
21 least 180 ~~30~~ days prior to foaling or remain in the State
22 at least 30 days at the time of foaling. Beginning with the
23 1996 breeding season and for foals of 1997 and thereafter,
24 a foal conceived in the State of Illinois by transported
25 fresh semen may be eligible for Illinois conceived and
26 foaled registration provided all breeding and foaling

1 requirements are met. The stallion must be qualified for
2 Illinois Standardbred Breeders Fund breeding at the time of
3 conception and the mare must be inseminated within the
4 State of Illinois. The foal must be dropped in Illinois and
5 properly registered with the Department of Agriculture in
6 accordance with this Act.

7 3. Provide that at least a 5 day racing program shall
8 be conducted at the State Fair each year, which program
9 shall include at least the following races limited to
10 Illinois conceived and foaled horses: (a) a two year old
11 Trot and Pace, and Filly Division of each; (b) a three year
12 old Trot and Pace, and Filly Division of each; (c) an aged
13 Trot and Pace, and Mare Division of each.

14 4. Provide for the payment of nominating, sustaining
15 and starting fees for races promoting the sport of harness
16 racing and for the races to be conducted at the State Fair
17 as provided in subsection (j) 3 of this Section provided
18 that the nominating, sustaining and starting payment
19 required from an entrant shall not exceed 2% of the purse
20 of such race. All nominating, sustaining and starting
21 payments shall be held for the benefit of entrants and
22 shall be paid out as part of the respective purses for such
23 races. Nominating, sustaining and starting fees shall be
24 held in trust accounts for the purposes as set forth in
25 this Act and in accordance with Section 205-15 of the
26 Department of Agriculture Law (20 ILCS 205/205-15).

1 5. Provide for the registration with the Department of
2 Agriculture of Colt Associations or county fairs desiring
3 to sponsor races at county fairs.

4 6. Provide for the promotion of producing standardbred
5 racehorses by providing a bonus award program for owners of
6 2-year-old horses that win multiple major stakes races that
7 are limited to Illinois conceived and foaled horses.

8 (k) The Department of Agriculture, with the advice and
9 assistance of the Illinois Standardbred Breeders Fund Advisory
10 Board, may allocate monies for purse supplements for such
11 races. In determining whether to allocate money and the amount,
12 the Department of Agriculture shall consider factors,
13 including but not limited to, the amount of money appropriated
14 for the Illinois Standardbred Breeders Fund program, the number
15 of races that may occur, and an organizational licensee's purse
16 structure. The organizational licensee shall notify the
17 Department of Agriculture of the conditions and minimum purses
18 for races limited to Illinois conceived and foaled horses to be
19 conducted by each organizational licensee conducting a harness
20 racing meeting for which purse supplements have been
21 negotiated.

22 (1) All races held at county fairs and the State Fair which
23 receive funds from the Illinois Standardbred Breeders Fund
24 shall be conducted in accordance with the rules of the United
25 States Trotting Association unless otherwise modified by the
26 Department of Agriculture.

1 (m) At all standardbred race meetings held or conducted
2 under authority of a license granted by the Board, and at all
3 standardbred races held at county fairs which are approved by
4 the Department of Agriculture or at the Illinois or DuQuoin
5 State Fairs, no one shall jog, train, warm up or drive a
6 standardbred horse unless he or she is wearing a protective
7 safety helmet, with the chin strap fastened and in place, which
8 meets the standards and requirements as set forth in the 1984
9 Standard for Protective Headgear for Use in Harness Racing and
10 Other Equestrian Sports published by the Snell Memorial
11 Foundation, or any standards and requirements for headgear the
12 Illinois Racing Board may approve. Any other standards and
13 requirements so approved by the Board shall equal or exceed
14 those published by the Snell Memorial Foundation. Any
15 equestrian helmet bearing the Snell label shall be deemed to
16 have met those standards and requirements.

17 (Source: P.A. 99-756, eff. 8-12-16.)

18 (230 ILCS 5/32.1)

19 Sec. 32.1. Pari-mutuel tax credit; statewide racetrack
20 real estate equalization.

21 (a) In order to encourage new investment in Illinois
22 racetrack facilities and mitigate differing real estate tax
23 burdens among all racetracks, the licensees affiliated or
24 associated with each racetrack that has been awarded live
25 racing dates in the current year shall receive an immediate

1 pari-mutuel tax credit in an amount equal to the greater of (i)
2 50% of the amount of the real estate taxes paid in the prior
3 year attributable to that racetrack, or (ii) the amount by
4 which the real estate taxes paid in the prior year attributable
5 to that racetrack exceeds 60% of the average real estate taxes
6 paid in the prior year for all racetracks awarded live horse
7 racing meets in the current year.

8 Each year, regardless of whether the organization licensee
9 conducted live racing in the year of certification, the Board
10 shall certify in writing, prior to December 31, the real estate
11 taxes paid in that year for each racetrack and the amount of
12 the pari-mutuel tax credit that each organization licensee,
13 inter-track wagering licensee, and inter-track wagering
14 location licensee that derives its license from such racetrack
15 is entitled in the succeeding calendar year. The real estate
16 taxes considered under this Section for any racetrack shall be
17 those taxes on the real estate parcels and related facilities
18 used to conduct a horse race meeting and inter-track wagering
19 at such racetrack under this Act. In no event shall the amount
20 of the tax credit under this Section exceed the amount of
21 pari-mutuel taxes otherwise calculated under this Act. The
22 amount of the tax credit under this Section shall be retained
23 by each licensee and shall not be subject to any reallocation
24 or further distribution under this Act. The Board may
25 promulgate emergency rules to implement this Section.

26 (b) If the organization licensee is operating gaming

1 pursuant to an organization gaming license issued under the
2 Illinois Gambling Act, except the organization licensee
3 described in Section 19.5, then, for the 5-year period
4 beginning on the January 1 of the calendar year immediately
5 following the calendar year during which an organization
6 licensee begins conducting gaming operations pursuant to an
7 organization gaming license issued under the Illinois Gambling
8 Act, the organization licensee shall make capital
9 expenditures, in an amount equal to no less than 50% of the tax
10 credit under this Section, to the improvement and maintenance
11 of the backstretch, including, but not limited to, backstretch
12 barns, dormitories, and services for backstretch workers.
13 Those capital expenditures must be in addition to, and not in
14 lieu of, the capital expenditures made for backstretch
15 improvements in calendar year 2015, as reported to the Board in
16 the organization licensee's application for racing dates and as
17 certified by the Board. The organization licensee is required
18 to annually submit the list and amounts of these capital
19 expenditures to the Board by January 30th of the year following
20 the expenditure.

21 (c) If the organization licensee is conducting gaming in
22 accordance with paragraph (b), then, after the 5-year period
23 beginning on January 1 of the calendar year immediately
24 following the calendar year during which an organization
25 licensee begins conducting gaming operations pursuant to an
26 organization gaming license issued under the Illinois Gambling

1 Act, the organization license is ineligible to receive a tax
2 credit under this Section.

3 (Source: P.A. 100-201, eff. 8-18-17.)

4 (230 ILCS 5/34.3 new)

5 Sec. 34.3. Drug testing. The Illinois Racing Board and the
6 Department of Agriculture shall jointly establish a program for
7 the purpose of conducting drug testing of horses at county
8 fairs and shall adopt any rules necessary for enforcement of
9 the program. The rules shall include appropriate penalties for
10 violations.

11 (230 ILCS 5/36) (from Ch. 8, par. 37-36)

12 Sec. 36. (a) Whoever administers or conspires to administer
13 to any horse a hypnotic, narcotic, stimulant, depressant or any
14 chemical substance which may affect the speed of a horse at any
15 time in any race where the purse or any part of the purse is
16 made of money authorized by any Section of this Act, except
17 those chemical substances permitted by ruling of the Board,
18 internally, externally or by hypodermic method in a race or
19 prior thereto, or whoever knowingly enters a horse in any race
20 within a period of 24 hours after any hypnotic, narcotic,
21 stimulant, depressant or any other chemical substance which may
22 affect the speed of a horse at any time, except those chemical
23 substances permitted by ruling of the Board, has been
24 administered to such horse either internally or externally or

1 by hypodermic method for the purpose of increasing or retarding
2 the speed of such horse shall be guilty of a Class 4 felony.
3 The Board shall suspend or revoke such violator's license.

4 (b) The term "hypnotic" as used in this Section includes
5 all barbituric acid preparations and derivatives.

6 (c) The term "narcotic" as used in this Section includes
7 opium and all its alkaloids, salts, preparations and
8 derivatives, cocaine and all its salts, preparations and
9 derivatives and substitutes.

10 (d) The provisions of this Section and the treatment
11 authorized in this Section apply to horses entered in and
12 competing in race meetings as defined in Section 3.07 of this
13 Act and to horses entered in and competing at any county fair.

14 (Source: P.A. 79-1185.)

15 (230 ILCS 5/40) (from Ch. 8, par. 37-40)

16 Sec. 40. (a) The imposition of any fine or penalty provided
17 in this Act shall not preclude the Board in its rules and
18 regulations from imposing a fine or penalty for any other
19 action which, in the Board's discretion, is a detriment or
20 impediment to horse racing.

21 (b) The Director of Agriculture or his or her authorized
22 representative shall impose the following monetary penalties
23 and hold administrative hearings as required for failure to
24 submit the following applications, lists, or reports within the
25 time period, date or manner required by statute or rule or for

1 removing a foal from Illinois prior to inspection:

2 (1) late filing of a renewal application for offering
3 or standing stallion for service:

4 (A) if an application is submitted no more than 30
5 days late, \$50;

6 (B) if an application is submitted no more than 45
7 days late, \$150; or

8 (C) if an application is submitted more than 45
9 days late, if filing of the application is allowed
10 under an administrative hearing, \$250;

11 (2) late filing of list or report of mares bred:

12 (A) if a list or report is submitted no more than
13 30 days late, \$50;

14 (B) if a list or report is submitted no more than
15 60 days late, \$150; or

16 (C) if a list or report is submitted more than 60
17 days late, if filing of the list or report is allowed
18 under an administrative hearing, \$250;

19 (3) filing an Illinois foaled thoroughbred mare status
20 report after the statutory deadline as provided in
21 subsection (k) of Section 30 of this Act ~~December 31:~~

22 (A) if a report is submitted no more than 30 days
23 late, \$50;

24 (B) if a report is submitted no more than 90 days
25 late, \$150;

26 (C) if a report is submitted no more than 150 days

1 late, \$250; or

2 (D) if a report is submitted more than 150 days
3 late, if filing of the report is allowed under an
4 administrative hearing, \$500;

5 (4) late filing of application for foal eligibility
6 certificate:

7 (A) if an application is submitted no more than 30
8 days late, \$50;

9 (B) if an application is submitted no more than 90
10 days late, \$150;

11 (C) if an application is submitted no more than 150
12 days late, \$250; or

13 (D) if an application is submitted more than 150
14 days late, if filing of the application is allowed
15 under an administrative hearing, \$500;

16 (5) failure to report the intent to remove a foal from
17 Illinois prior to inspection, identification and
18 certification by a Department of Agriculture investigator,
19 \$50; and

20 (6) if a list or report of mares bred is incomplete,
21 \$50 per mare not included on the list or report.

22 Any person upon whom monetary penalties are imposed under
23 this Section 3 times within a 5-year period shall have any
24 further monetary penalties imposed at double the amounts set
25 forth above. All monies assessed and collected for violations
26 relating to thoroughbreds shall be paid into the Illinois

1 Thoroughbred Breeders Fund. All monies assessed and collected
2 for violations relating to standardbreds shall be paid into the
3 Illinois Standardbred Breeders Fund.

4 (Source: P.A. 99-933, eff. 1-27-17; 100-201, eff. 8-18-17.)

5 (230 ILCS 5/54.75)

6 Sec. 54.75. Horse Racing Equity Trust Fund.

7 (a) There is created a Fund to be known as the Horse Racing
8 Equity Trust Fund, which is a non-appropriated trust fund held
9 separate and apart from State moneys. The Fund shall consist of
10 moneys paid into it by owners licensees under the Illinois
11 ~~Riverboat~~ Gambling Act for the purposes described in this
12 Section. The Fund shall be administered by the Board. Moneys in
13 the Fund shall be distributed as directed and certified by the
14 Board in accordance with the provisions of subsection (b).

15 (b) The moneys deposited into the Fund, plus any accrued
16 interest on those moneys, shall be distributed within 10 days
17 after those moneys are deposited into the Fund as follows:

18 (1) Sixty percent of all moneys distributed under this
19 subsection shall be distributed to organization licensees
20 to be distributed at their race meetings as purses.
21 Fifty-seven percent of the amount distributed under this
22 paragraph (1) shall be distributed for thoroughbred race
23 meetings and 43% shall be distributed for standardbred race
24 meetings. Within each breed, moneys shall be allocated to
25 each organization licensee's purse fund in accordance with

1 the ratio between the purses generated for that breed by
2 that licensee during the prior calendar year and the total
3 purses generated throughout the State for that breed during
4 the prior calendar year by licensees in the current
5 calendar year.

6 (2) The remaining 40% of the moneys distributed under
7 this subsection (b) shall be distributed as follows:

8 (A) 11% shall be distributed to any person (or its
9 successors or assigns) who had operating control of a
10 racetrack that conducted live racing in 2002 at a
11 racetrack in a county with at least 230,000 inhabitants
12 that borders the Mississippi River and is a licensee in
13 the current year; and

14 (B) the remaining 89% shall be distributed pro rata
15 according to the aggregate proportion of total handle
16 from wagering on live races conducted in Illinois
17 (irrespective of where the wagers are placed) for
18 calendar years 2004 and 2005 to any person (or its
19 successors or assigns) who (i) had majority operating
20 control of a racing facility at which live racing was
21 conducted in calendar year 2002, (ii) is a licensee in
22 the current year, and (iii) is not eligible to receive
23 moneys under subparagraph (A) of this paragraph (2).

24 The moneys received by an organization licensee
25 under this paragraph (2) shall be used by each
26 organization licensee to improve, maintain, market,

1 and otherwise operate its racing facilities to conduct
2 live racing, which shall include backstretch services
3 and capital improvements related to live racing and the
4 backstretch. Any organization licensees sharing common
5 ownership may pool the moneys received and spent at all
6 racing facilities commonly owned in order to meet these
7 requirements.

8 If any person identified in this paragraph (2) becomes
9 ineligible to receive moneys from the Fund, such amount
10 shall be redistributed among the remaining persons in
11 proportion to their percentages otherwise calculated.

12 (c) The Board shall monitor organization licensees to
13 ensure that moneys paid to organization licensees under this
14 Section are distributed by the organization licensees as
15 provided in subsection (b).

16 (Source: P.A. 95-1008, eff. 12-15-08.)

17 (230 ILCS 5/56 new)

18 Sec. 56. Gaming pursuant to an organization gaming license.

19 (a) A person, firm, corporation, or limited liability
20 company having operating control of a racetrack may apply to
21 the Gaming Board for an organization gaming license. An
22 organization gaming license shall authorize its holder to
23 conduct gaming on the grounds of the racetrack of which the
24 organization gaming licensee has operating control. Only one
25 organization gaming license may be awarded for any racetrack. A

1 holder of an organization gaming license shall be subject to
2 the Illinois Gambling Act and rules of the Illinois Gaming
3 Board concerning gaming pursuant to an organization gaming
4 license issued under the Illinois Gambling Act. If the person,
5 firm, corporation, or limited liability company having
6 operating control of a racetrack is found by the Illinois
7 Gaming Board to be unsuitable for an organization gaming
8 license under the Illinois Gambling Act and rules of the Gaming
9 Board, that person, firm, corporation, or limited liability
10 company shall not be granted an organization gaming license.
11 Each license shall specify the number of gaming positions that
12 its holder may operate.

13 An organization gaming licensee may not permit persons
14 under 21 years of age to be present in its organization gaming
15 facility, but the licensee may accept wagers on live racing and
16 inter-track wagers at its organization gaming facility.

17 (b) For purposes of this subsection, "adjusted gross
18 receipts" means an organization gaming licensee's gross
19 receipts less winnings paid to wagerers and shall also include
20 any amounts that would otherwise be deducted pursuant to
21 subsection (a-9) of Section 13 of the Illinois Gambling Act.
22 The adjusted gross receipts by an organization gaming licensee
23 from gaming pursuant to an organization gaming license issued
24 under the Illinois Gambling Act remaining after the payment of
25 taxes under Section 13 of the Illinois Gambling Act shall be
26 distributed as follows:

1 (1) Amounts shall be paid to the purse account at the
2 track at which the organization licensee is conducting
3 racing equal to the following:

4 12.75% of annual adjusted gross receipts up to and
5 including \$75,000,000;

6 20% of annual adjusted gross receipts in excess of
7 \$75,000,000 but not exceeding \$100,000,000;

8 26.5% of annual adjusted gross receipts in excess
9 of \$100,000,000 but not exceeding \$125,000,000; and

10 20.5% of annual adjusted gross receipts in excess
11 of \$125,000,000.

12 (2) The remainder shall be retained by the organization
13 gaming licensee.

14 (c) Gaming receipts from gaming pursuant to an organization
15 gaming license placed into the purse account of an organization
16 licensee racing thoroughbred horses shall be used for purses,
17 for health care services or worker's compensation for racing
18 industry workers, for equine research, for programs to care for
19 and transition injured and retired thoroughbred horses that
20 race at the racetrack, or for horse ownership promotion, in
21 accordance with the agreement of the horsemen's association
22 representing the largest number of owners and trainers who race
23 at that organization licensee's race meetings.

24 Annually, from the purse account of an organization
25 licensee racing thoroughbred horses in this State, except for
26 in Madison County, an amount equal to 12% of the gaming

1 receipts from gaming pursuant to an organization gaming license
2 placed into the purse accounts shall be paid to the Illinois
3 Thoroughbred Breeders Fund and shall be used for owner awards;
4 a stallion program pursuant to paragraph (3) of subsection (g)
5 of Section 30 of this Act; and Illinois conceived and foaled
6 stakes races pursuant to paragraph (2) of subsection (g) of
7 Section 30 of this Act, as specifically designated by the
8 horsemen's association representing the largest number of
9 owners and trainers who race at the organization licensee's
10 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 gaming receipts from gaming pursuant
14 to an organization gaming license placed into the purse
15 accounts shall be paid to the Illinois Thoroughbred Breeders
16 Fund and shall be used for owner awards; a stallion program
17 pursuant to paragraph (3) of subsection (g) of Section 30 of
18 this Act; and Illinois conceived and foaled stakes races
19 pursuant to paragraph (2) of subsection (g) of Section 30 of
20 this Act, as specifically designated by the horsemen's
21 association representing the largest number of owners and
22 trainers who race at the organization licensee's race meetings.

23 Annually, from the purse account of an organization
24 licensee conducting thoroughbred races at a racetrack in
25 Madison County, an amount equal to 1% of the gaming receipts
26 from gaming pursuant to an organization gaming license

1 distributed to purses per subsection (b) of this Section 56
2 shall be paid as follows: 0.33 1/3% to Southern Illinois
3 University Department of Animal Sciences for equine research
4 and education, an amount equal to 0.33 1/3% of the gaming
5 receipts from gaming pursuant to an organization gaming license
6 shall be used to operate laundry facilities or a kitchen for
7 backstretch workers at that racetrack, and an amount equal to
8 0.33 1/3% of the gaming receipts from gaming pursuant to an
9 organization gaming license shall be paid to R.A.C.E., Inc., a
10 501(c)(3) non-profit organization that cares for injured and
11 unwanted horses that race at that racetrack.

12 Annually, from the purse account of organization licensees
13 conducting thoroughbred races at racetracks in Cook County,
14 \$100,000 shall be paid for division and equal distribution to
15 the animal sciences department of each Illinois public
16 university system engaged in equine research and education on
17 or before the effective date of this amendatory Act of the
18 100th General Assembly for equine research and education.

19 (d) Annually, from the purse account of an organization
20 licensee racing standardbred horses, an amount equal to 15% of
21 the gaming receipts from gaming pursuant to an organization
22 gaming license placed into that purse account shall be paid to
23 the Illinois Colt Stakes Purse Distribution Fund. Moneys
24 deposited into the Illinois Colt Stakes Purse Distribution Fund
25 shall be used for standardbred racing as authorized in
26 paragraphs 1, 2, 3, 8, 9, 10, and 11 of subsection (g) of

1 Section 31 of this Act and for bonus awards as authorized under
2 paragraph 6 of subsection (j) of Section 31 of this Act.

3 Section 90-40. The Riverboat Gambling Act is amended by
4 changing Sections 1, 2, 3, 4, 5, 5.1, 6, 7, 7.3, 7.5, 8, 9, 11,
5 11.1, 12, 13, 14, 15, 16, 17, 17.1, 18, 18.1, 19, 20, 21, 23,
6 and 24 and by adding Sections 5.3, 7.7, 7.8, 7.9, 7.10, 7.11,
7 7.12, 7.13, and 25 as follows:

8 (230 ILCS 10/1) (from Ch. 120, par. 2401)

9 Sec. 1. Short title. This Act shall be known and may be
10 cited as the Illinois ~~Riverboat~~ Gambling Act.

11 (Source: P.A. 86-1029.)

12 (230 ILCS 10/2) (from Ch. 120, par. 2402)

13 Sec. 2. Legislative Intent.

14 (a) This Act is intended to benefit the people of the State
15 of Illinois by assisting economic development, ~~and~~ promoting
16 Illinois tourism, ~~and~~ ~~by~~ increasing the amount of revenues
17 available to the State to assist and support education, and to
18 defray State expenses.

19 (b) While authorization of riverboat and casino gambling
20 will enhance investment, beautification, development and
21 tourism in Illinois, it is recognized that it will do so
22 successfully only if public confidence and trust in the
23 credibility and integrity of the gambling operations and the

1 regulatory process is maintained. Therefore, regulatory
2 provisions of this Act are designed to strictly regulate the
3 facilities, persons, associations and practices related to
4 gambling operations pursuant to the police powers of the State,
5 including comprehensive law enforcement supervision.

6 (c) The Illinois Gaming Board established under this Act
7 should, as soon as possible, inform each applicant for an
8 owners license of the Board's intent to grant or deny a
9 license.

10 (Source: P.A. 93-28, eff. 6-20-03.)

11 (230 ILCS 10/3) (from Ch. 120, par. 2403)

12 Sec. 3. ~~Riverboat~~ Gambling Authorized.

13 (a) Riverboat and casino gambling operations and gaming
14 operations pursuant to an organization gaming license and the
15 system of wagering incorporated therein, as defined in this
16 Act, are hereby authorized to the extent that they are carried
17 out in accordance with the provisions of this Act.

18 (b) This Act does not apply to the pari-mutuel system of
19 wagering used or intended to be used in connection with the
20 horse-race meetings as authorized under the Illinois Horse
21 Racing Act of 1975, lottery games authorized under the Illinois
22 Lottery Law, bingo authorized under the Bingo License and Tax
23 Act, charitable games authorized under the Charitable Games Act
24 or pull tabs and jar games conducted under the Illinois Pull
25 Tabs and Jar Games Act. This Act applies to gaming by an

1 organization gaming licensee authorized under the Illinois
2 Horse Racing Act of 1975 to the extent provided in that Act and
3 in this Act.

4 (c) Riverboat gambling conducted pursuant to this Act may
5 be authorized upon any water within the State of Illinois or
6 any water other than Lake Michigan which constitutes a boundary
7 of the State of Illinois. Notwithstanding any provision in this
8 subsection (c) to the contrary, a licensee that receives its
9 license pursuant to subsection (e-5) of Section 7 may conduct
10 riverboat gambling on Lake Michigan from a home dock located on
11 Lake Michigan subject to any limitations contained in Section
12 7. Notwithstanding any provision in this subsection (c) to the
13 contrary, a licensee may conduct gambling at its home dock
14 facility as provided in Sections 7 and 11. A licensee may
15 conduct riverboat gambling authorized under this Act
16 regardless of whether it conducts excursion cruises. A licensee
17 may permit the continuous ingress and egress of passengers for
18 the purpose of gambling.

19 (d) Gambling that is conducted in accordance with this Act
20 using slot machines and video games of chance and other
21 electronic gambling games as defined in both this Act and the
22 Illinois Horse Racing Act of 1975 is authorized.

23 (Source: P.A. 91-40, eff. 6-25-99.)

24 (230 ILCS 10/4) (from Ch. 120, par. 2404)

25 Sec. 4. Definitions. As used in this Act:

1 ~~(a)~~ "Board" means the Illinois Gaming Board.

2 ~~(b)~~ "Occupational license" means a license issued by the
3 Board to a person or entity to perform an occupation which the
4 Board has identified as requiring a license to engage in
5 riverboat gambling, casino gambling, or gaming pursuant to an
6 organization gaming license issued under this Act in Illinois.

7 ~~(c)~~ "Gambling game" includes, but is not limited to,
8 baccarat, twenty-one, poker, craps, slot machine, video game of
9 chance, roulette wheel, klondike table, punchboard, faro
10 layout, keno layout, numbers ticket, push card, jar ticket, or
11 pull tab which is authorized by the Board as a wagering device
12 under this Act.

13 ~~(d)~~ "Riverboat" means a self-propelled excursion boat, a
14 permanently moored barge, or permanently moored barges that are
15 permanently fixed together to operate as one vessel, on which
16 lawful gambling is authorized and licensed as provided in this
17 Act.

18 "Slot machine" means any mechanical, electrical, or other
19 device, contrivance, or machine that is authorized by the Board
20 as a wagering device under this Act which, upon insertion of a
21 coin, currency, token, or similar object therein, or upon
22 payment of any consideration whatsoever, is available to play
23 or operate, the play or operation of which may deliver or
24 entitle the person playing or operating the machine to receive
25 cash, premiums, merchandise, tokens, or anything of value
26 whatsoever, whether the payoff is made automatically from the

1 machine or in any other manner whatsoever. A slot machine:

2 (1) may utilize spinning reels or video displays or
3 both;

4 (2) may or may not dispense coins, tickets, or tokens
5 to winning patrons;

6 (3) may use an electronic credit system for receiving
7 wagers and making payouts; and

8 (4) may simulate a table game.

9 "Slot machine" does not include table games authorized by
10 the Board as a wagering device under this Act.

11 ~~(e)~~ "Managers license" means a license issued by the Board
12 to a person or entity to manage gambling operations conducted
13 by the State pursuant to Section 7.3.

14 ~~(f)~~ "Dock" means the location where a riverboat moors for
15 the purpose of embarking passengers for and disembarking
16 passengers from the riverboat.

17 ~~(g)~~ "Gross receipts" means the total amount of money
18 exchanged for the purchase of chips, tokens, or electronic
19 cards by riverboat patrons.

20 ~~(h)~~ "Adjusted gross receipts" means the gross receipts less
21 winnings paid to wagerers.

22 ~~(i)~~ "Cheat" means to alter the selection of criteria which
23 determine the result of a gambling game or the amount or
24 frequency of payment in a gambling game.

25 ~~(j) (Blank).~~

26 ~~(k)~~ "Gambling operation" means the conduct of ~~authorized~~

1 gambling games authorized under this Act upon a riverboat or in
2 a casino or authorized under this Act and the Illinois Horse
3 Racing Act of 1975 at an organization gaming facility.

4 ~~(1)~~ "License bid" means the lump sum amount of money that
5 an applicant bids and agrees to pay the State in return for an
6 owners license that is issued or re-issued on or after July 1,
7 2003.

8 "Table game" means a live gaming apparatus upon which
9 gaming is conducted or that determines an outcome that is the
10 object of a wager, including, but not limited to, baccarat,
11 twenty-one, blackjack, poker, craps, roulette wheel, klondike
12 table, punchboard, faro layout, keno layout, numbers ticket,
13 push card, jar ticket, pull tab, or other similar games that
14 are authorized by the Board as a wagering device under this
15 Act. "Table game" does not include slot machines or video games
16 of chance.

17 ~~(m)~~ The terms "minority person", "woman", and "person with
18 a disability" shall have the same meaning as defined in Section
19 2 of the Business Enterprise for Minorities, Women, and Persons
20 with Disabilities Act.

21 "Authority" means the Chicago Casino Development
22 Authority.

23 "Casino" means a facility at which lawful gambling is
24 authorized as provided in this Act.

25 "Owners license" means a license to conduct riverboat or
26 casino gambling operations, but does not include an

1 organization gaming license.

2 "Licensed owner" means a person who holds an owners
3 license.

4 "Organization gaming facility" means that portion of an
5 organization licensee's racetrack facilities at which gaming
6 authorized under Section 7.7 is conducted.

7 "Organization gaming license" means a license issued by the
8 Illinois Gaming Board under Section 7.7 of this Act authorizing
9 gaming pursuant to that Section at an organization gaming
10 facility.

11 "Organization gaming licensee" means an entity that holds
12 an organization gaming license.

13 "Organization licensee" means an entity authorized by the
14 Illinois Racing Board to conduct pari-mutuel wagering in
15 accordance with the Illinois Horse Racing Act of 1975. With
16 respect only to gaming pursuant to an organization gaming
17 license, "organization licensee" includes the authorization
18 for gaming created under subsection (a) of Section 56 of the
19 Illinois Horse Racing Act of 1975.

20 "Casino operator license" means the license held by the
21 person or entity selected by the Authority to manage and
22 operate a riverboat or casino within the geographic area of the
23 authorized municipality pursuant to this Act and the Chicago
24 Casino Development Authority Act.

25 "Wide area progressive system" means a method of linking
26 progressive slot machines or electronic gaming machines across

1 telecommunication lines as part of a network connecting
2 participating facilities. Wide area progressive systems offer
3 a common progressive jackpot at all participating locations and
4 the award of the jackpot is at random.

5 (Source: P.A. 100-391, eff. 8-25-17.)

6 (230 ILCS 10/5) (from Ch. 120, par. 2405)

7 Sec. 5. Gaming Board.

8 (a) (1) There is hereby established the Illinois Gaming
9 Board, which shall have the powers and duties specified in this
10 Act and in the Chicago Casino Development Authority Act, and
11 all other powers necessary and proper to fully and effectively
12 execute this Act for the purpose of administering, regulating,
13 and enforcing the system of riverboat and casino gambling
14 established by this Act and by the Chicago Casino Development
15 Authority Act and gaming pursuant to an organization gaming
16 license issued under this Act. Its jurisdiction shall extend
17 under this Act and the Chicago Casino Development Authority Act
18 to every person, association, corporation, partnership and
19 trust involved in riverboat and casino gambling operations and
20 gaming pursuant to an organization gaming license issued under
21 this Act 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 organization 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 organization 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 organization gaming facilities, casinos, and ~~such~~
6 ~~riverboats,~~ and the review of any permits or licenses
7 necessary to operate a riverboat, casino, or organization
8 gaming facility under any laws or regulations applicable to
9 riverboats, casinos, or organization gaming facilities and
10 to impose penalties for violations thereof.

11 (4) To enter the office, riverboats, casinos,
12 organization 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
3 organization gaming facilities, riverboats, casinos, and
4 other facilities authorized under this Act and the Chicago
5 Casino 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), organization gaming license, or casino
14 operator license, without notice or hearing upon a
15 determination that the safety or health of patrons or
16 employees is jeopardized by continuing a gambling
17 operation conducted under that license ~~riverboat's~~
18 ~~operation~~. The suspension may remain in effect until the
19 Board determines that the cause for suspension has been
20 abated. The Board may revoke an ~~the~~ owners license (other
21 than the license issued to the Chicago Casino Development
22 Authority), organization gaming license, or casino
23 operator license upon a determination that the licensee
24 ~~owner~~ has not made satisfactory progress toward abating the
25 hazard.

26 (12) To eject or exclude or authorize the ejection or

1 exclusion of, any person from ~~riverboat~~ gambling
2 facilities where that ~~such~~ person is in violation of this
3 Act or the Chicago Casino Development Authority Act, rules
4 and regulations thereunder, or final orders of the Board,
5 or where such person's conduct or reputation is such that
6 his or her presence within the ~~riverboat~~ gambling
7 facilities may, in the opinion of the Board, call into
8 question the honesty and integrity of the gambling
9 operations or interfere with the orderly conduct thereof;
10 provided that the propriety of such ejection or exclusion
11 is subject to subsequent hearing by the Board.

12 (13) To require all licensees of gambling operations to
13 utilize a cashless wagering system whereby all players'
14 money is converted to tokens, electronic cards, or chips
15 which shall be used only for wagering in the gambling
16 establishment.

17 (14) (Blank).

18 (15) To suspend, revoke or restrict licenses, other
19 than the license issued to the Chicago Casino Development
20 Authority, to require the removal of a licensee or an
21 employee of a licensee for a violation of this Act, the
22 Chicago Casino Development Authority Act, or a Board rule
23 or for engaging in a fraudulent practice, and to impose
24 civil penalties of up to \$5,000 against individuals and up
25 to \$10,000 or an amount equal to the daily gross receipts,
26 whichever is larger, against licensees for each violation

1 of any provision of the Act, the Chicago Casino Development
2 Authority Act, any rules adopted by the Board, any order of
3 the Board or any other action which, in the Board's
4 discretion, is a detriment or impediment to ~~riverboat~~
5 gambling operations.

6 (16) To hire employees to gather information, conduct
7 investigations and carry out any other tasks contemplated
8 under this Act or the Chicago Casino Development Authority
9 Act.

10 (17) To establish minimum levels of insurance to be
11 maintained by licensees.

12 (18) To authorize a licensee to sell or serve alcoholic
13 liquors, wine or beer as defined in the Liquor Control Act
14 of 1934 on board a riverboat or in a casino and to have
15 exclusive authority to establish the hours for sale and
16 consumption of alcoholic liquor on board a riverboat or in
17 a casino, notwithstanding any provision of the Liquor
18 Control Act of 1934 or any local ordinance, and regardless
19 of whether the riverboat makes excursions. The
20 establishment of the hours for sale and consumption of
21 alcoholic liquor on board a riverboat or in a casino is an
22 exclusive power and function of the State. A home rule unit
23 may not establish the hours for sale and consumption of
24 alcoholic liquor on board a riverboat or in a casino. This
25 subdivision (18) amendatory Act of 1991 is a denial and
26 limitation of home rule powers and functions under

1 subsection (h) of Section 6 of Article VII of the Illinois
2 Constitution.

3 (19) After consultation with the U.S. Army Corps of
4 Engineers, to establish binding emergency orders upon the
5 concurrence of a majority of the members of the Board
6 regarding the navigability of water, relative to
7 excursions, in the event of extreme weather conditions,
8 acts of God or other extreme circumstances.

9 (20) To delegate the execution of any of its powers
10 under this Act or the Chicago Casino Development Authority
11 Act for the purpose of administering and enforcing this
12 Act, the Chicago Casino Development Authority Act, and the
13 its rules adopted by the Board under both Acts and
14 regulations hereunder.

15 (20.5) To approve any contract entered into on its
16 behalf.

17 (20.6) To appoint investigators to conduct
18 investigations, searches, seizures, arrests, and other
19 duties imposed under this Act, as deemed necessary by the
20 Board. These investigators have and may exercise all of the
21 rights and powers of peace officers, provided that these
22 powers shall be limited to offenses or violations occurring
23 or committed in a casino, in an organization gaming
24 facility, or on a riverboat or dock, as defined in
25 subsections (d) and (f) of Section 4, or as otherwise
26 provided by this Act, the Chicago Casino Development

1 Authority Act, or any other law.

2 (20.7) To contract with the Department of State Police
3 for the use of trained and qualified State police officers
4 and with the Department of Revenue for the use of trained
5 and qualified Department of Revenue investigators to
6 conduct investigations, searches, seizures, arrests, and
7 other duties imposed under this Act or the Chicago Casino
8 Development Authority Act and to exercise all of the rights
9 and powers of peace officers, provided that the powers of
10 Department of Revenue investigators under this subdivision
11 (20.7) shall be limited to offenses or violations occurring
12 or committed in a casino, in an organization gaming
13 facility, or on a riverboat or dock, as defined in
14 subsections (d) and (f) of Section 4, or as otherwise
15 provided by this Act or any other law. In the event the
16 Department of State Police or the Department of Revenue is
17 unable to fill contracted police or investigative
18 positions, the Board may appoint investigators to fill
19 those positions pursuant to subdivision (20.6).

20 (21) To adopt rules concerning the conduct of gaming
21 pursuant to an organization gaming license issued under
22 this Act.

23 (22) To have the same jurisdiction and supervision over
24 casinos and organization gaming facilities as the Board has
25 over riverboats, including, but not limited to, the power
26 to (i) investigate, review, and approve contracts as that

1 power is applied to riverboats, (ii) adopt rules for
2 administering the provisions of this Act or the Chicago
3 Casino Development Authority Act, (iii) adopt standards
4 for the licensing of all persons involved with a casino or
5 organization gaming facility, (iv) investigate alleged
6 violations of this Act by any person involved with a casino
7 or organization gaming facility, and (v) require that
8 records, including financial or other statements of any
9 casino or organization gaming facility, shall be kept in
10 such manner as prescribed by the Board.

11 (23) To supervise and regulate the Chicago Casino
12 Development Authority in accordance with the Chicago
13 Casino Development Authority Act and the provisions of this
14 Act.

15 (24) ~~(21)~~ To take any other action as may be reasonable
16 or appropriate to enforce this Act, the Chicago Casino
17 Development Authority Act, and the rules adopted by the
18 Board under both Acts ~~and regulations hereunder.~~

19 All Board powers enumerated in this Section in relation to
20 licensees shall apply equally to the holder of any casino
21 management contract entered into pursuant to the Chicago Casino
22 Development Authority Act.

23 (d) The Board may seek and shall receive the cooperation of
24 the Department of State Police in conducting background
25 investigations of applicants and in fulfilling its
26 responsibilities under this Section. Costs incurred by the

1 Department of State Police as a result of such cooperation
2 shall be paid by the Board in conformance with the requirements
3 of Section 2605-400 of the Department of State Police Law (20
4 ILCS 2605/2605-400).

5 (e) The Board must authorize to each investigator and to
6 any other employee of the Board exercising the powers of a
7 peace officer a distinct badge that, on its face, (i) clearly
8 states that the badge is authorized by the Board and (ii)
9 contains a unique identifying number. No other badge shall be
10 authorized by the Board.

11 (Source: P.A. 98-377, eff. 1-1-14; 98-582, eff. 8-27-13.)

12 (230 ILCS 10/5.1) (from Ch. 120, par. 2405.1)

13 Sec. 5.1. Disclosure of records.

14 (a) Notwithstanding any applicable statutory provision to
15 the contrary, the Board shall, on written request from any
16 person, provide information furnished by an applicant or
17 licensee concerning the applicant or licensee, his products,
18 services or gambling enterprises and his business holdings, as
19 follows:

20 (1) The name, business address and business telephone
21 number of any applicant or licensee.

22 (2) An identification of any applicant or licensee
23 including, if an applicant or licensee is not an
24 individual, the names and addresses of all stockholders and
25 directors, if the entity is a corporation; the names and

1 addresses of all members, if the entity is a limited
2 liability company; the names and addresses of all partners,
3 both general and limited, if the entity is a partnership;
4 and the names and addresses of all beneficiaries, if the
5 entity is a trust ~~the state of incorporation or~~
6 ~~registration, the corporate officers, and the identity of~~
7 ~~all shareholders or participants.~~ If an applicant or
8 licensee has a pending registration statement filed with
9 the Securities and Exchange Commission, only the names of
10 those persons or entities holding interest of 5% or more
11 must be provided.

12 (3) An identification of any business, including, if
13 applicable, the state of incorporation or registration, in
14 which an applicant or licensee or an applicant's or
15 licensee's spouse or children has an equity interest of
16 more than 1%. If an applicant or licensee is a corporation,
17 partnership or other business entity, the applicant or
18 licensee shall identify any other corporation, partnership
19 or business entity in which it has an equity interest of 1%
20 or more, including, if applicable, the state of
21 incorporation or registration. This information need not
22 be provided by a corporation, partnership or other business
23 entity that has a pending registration statement filed with
24 the Securities and Exchange Commission.

25 (4) Whether an applicant or licensee has been indicted,
26 convicted, pleaded guilty or nolo contendere, or forfeited

1 bail concerning any criminal offense under the laws of any
2 jurisdiction, either felony or misdemeanor (except for
3 traffic violations), including the date, the name and
4 location of the court, arresting agency and prosecuting
5 agency, the case number, the offense, the disposition and
6 the location and length of incarceration.

7 (5) Whether an applicant or licensee has had any
8 license or certificate issued by a licensing authority in
9 Illinois or any other jurisdiction denied, restricted,
10 suspended, revoked or not renewed and a statement
11 describing the facts and circumstances concerning the
12 denial, restriction, suspension, revocation or
13 non-renewal, including the licensing authority, the date
14 each such action was taken, and the reason for each such
15 action.

16 (6) Whether an applicant or licensee has ever filed or
17 had filed against it a proceeding in bankruptcy or has ever
18 been involved in any formal process to adjust, defer,
19 suspend or otherwise work out the payment of any debt
20 including the date of filing, the name and location of the
21 court, the case and number of the disposition.

22 (7) Whether an applicant or licensee has filed, or been
23 served with a complaint or other notice filed with any
24 public body, regarding the delinquency in the payment of,
25 or a dispute over the filings concerning the payment of,
26 any tax required under federal, State or local law,

1 including the amount, type of tax, the taxing agency and
2 time periods involved.

3 (8) A statement listing the names and titles of all
4 public officials or officers of any unit of government, and
5 relatives of said public officials or officers who,
6 directly or indirectly, own any financial interest in, have
7 any beneficial interest in, are the creditors of or hold
8 any debt instrument issued by, or hold or have any interest
9 in any contractual or service relationship with, an
10 applicant or licensee.

11 (9) Whether an applicant or licensee has made, directly
12 or indirectly, any political contribution, or any loans,
13 donations or other payments, to any candidate or office
14 holder, within 5 years from the date of filing the
15 application, including the amount and the method of
16 payment.

17 (10) The name and business telephone number of the
18 counsel representing an applicant or licensee in matters
19 before the Board.

20 (11) A description of any proposed or approved gambling
21 ~~riverboat gaming~~ operation, including the type of boat,
22 home dock, or casino or gaming location, expected economic
23 benefit to the community, anticipated or actual number of
24 employees, any statement from an applicant or licensee
25 regarding compliance with federal and State affirmative
26 action guidelines, projected or actual admissions and

1 projected or actual adjusted gross gaming receipts.

2 (12) A description of the product or service to be
3 supplied by an applicant for a supplier's license.

4 (b) Notwithstanding any applicable statutory provision to
5 the contrary, the Board shall, on written request from any
6 person, also provide the following information:

7 (1) The amount of the wagering tax and admission tax
8 paid daily to the State of Illinois by the holder of an
9 owner's license.

10 (2) Whenever the Board finds an applicant for an
11 owner's license unsuitable for licensing, a copy of the
12 written letter outlining the reasons for the denial.

13 (3) Whenever the Board has refused to grant leave for
14 an applicant to withdraw his application, a copy of the
15 letter outlining the reasons for the refusal.

16 (c) Subject to the above provisions, the Board shall not
17 disclose any information which would be barred by:

18 (1) Section 7 of the Freedom of Information Act; or

19 (2) The statutes, rules, regulations or
20 intergovernmental agreements of any jurisdiction.

21 (d) The Board may assess fees for the copying of
22 information in accordance with Section 6 of the Freedom of
23 Information Act.

24 (Source: P.A. 96-1392, eff. 1-1-11.)

25 (230 ILCS 10/5.3 new)

1 Sec. 5.3. Ethical conduct.

2 (a) Officials and employees of the corporate authority of a
3 host community must carry out their duties and responsibilities
4 in such a manner as to promote and preserve public trust and
5 confidence in the integrity and conduct of gaming.

6 (b) Officials and employees of the corporate authority of a
7 host community shall not use or attempt to use his or her
8 official position to secure or attempt to secure any privilege,
9 advantage, favor, or influence for himself or herself or
10 others.

11 (c) Officials and employees of the corporate authority of a
12 host community may not have a financial interest, directly or
13 indirectly, in his or her own name or in the name of any other
14 person, partnership, association, trust, corporation, or other
15 entity in any contract or subcontract for the performance of
16 any work for a riverboat or casino that is located in the host
17 community. This prohibition shall extend to the holding or
18 acquisition of an interest in any entity identified by Board
19 action that, in the Board's judgment, could represent the
20 potential for or the appearance of a financial interest. The
21 holding or acquisition of an interest in such entities through
22 an indirect means, such as through a mutual fund, shall not be
23 prohibited, except that the Board may identify specific
24 investments or funds that, in its judgment, are so influenced
25 by gaming holdings as to represent the potential for or the
26 appearance of a conflict of interest.

1 (d) Officials and employees of the corporate authority of a
2 host community may not accept any gift, gratuity, service,
3 compensation, travel, lodging, or thing of value, with the
4 exception of unsolicited items of an incidental nature, from
5 any person, corporation, or entity doing business with the
6 riverboat or casino that is located in the host community.

7 (e) Officials and employees of the corporate authority of a
8 host community shall not, during the period that the person is
9 an official or employee of the corporate authority or for a
10 period of 2 years immediately after leaving such office,
11 knowingly accept employment or receive compensation or fees for
12 services from a person or entity, or its parent or affiliate,
13 that has engaged in business with the riverboat or casino that
14 is located in the host community that resulted in contracts
15 with an aggregate value of at least \$25,000 or if that official
16 or employee has made a decision that directly applied to the
17 person or entity, or its parent or affiliate.

18 (f) A spouse, child, or parent of an official or employee
19 of the corporate authority of a host community may not have a
20 financial interest, directly or indirectly, in his or her own
21 name or in the name of any other person, partnership,
22 association, trust, corporation, or other entity in any
23 contract or subcontract for the performance of any work for a
24 riverboat or casino in the host community. This prohibition
25 shall extend to the holding or acquisition of an interest in
26 any entity identified by Board action that, in the judgment of

1 the Board, could represent the potential for or the appearance
2 of a conflict of interest. The holding or acquisition of an
3 interest in such entities through an indirect means, such as
4 through a mutual fund, shall not be prohibited, except that the
5 Board may identify specific investments or funds that, in its
6 judgment, are so influenced by gaming holdings as to represent
7 the potential for or the appearance of a conflict of interest.

8 (g) A spouse, child, or parent of an official or employee
9 of the corporate authority of a host community may not accept
10 any gift, gratuity, service, compensation, travel, lodging, or
11 thing of value, with the exception of unsolicited items of an
12 incidental nature, from any person, corporation, or entity
13 doing business with the riverboat or casino that is located in
14 the host community.

15 (h) A spouse, child, or parent of an official or employee
16 of the corporate authority of a host community may not, during
17 the period that the person is an official of the corporate
18 authority or for a period of 2 years immediately after leaving
19 such office or employment, knowingly accept employment or
20 receive compensation or fees for services from a person or
21 entity, or its parent or affiliate, that has engaged in
22 business with the riverboat or casino that is located in the
23 host community that resulted in contracts with an aggregate
24 value of at least \$25,000 or if that official or employee has
25 made a decision that directly applied to the person or entity,
26 or its parent or affiliate.

1 (i) Officials and employees of the corporate authority of a
2 host community shall not attempt, in any way, to influence any
3 person or entity doing business with the riverboat or casino
4 that is located in the host community or any officer, agent, or
5 employee thereof to hire or contract with any person or entity
6 for any compensated work.

7 (j) Any communication between an official of the corporate
8 authority of a host community and any applicant for an owners
9 license in the host community, or an officer, director, or
10 employee of a riverboat or casino in the host community,
11 concerning any matter relating in any way to gaming shall be
12 disclosed to the Board. Such disclosure shall be in writing by
13 the official within 30 days after the communication and shall
14 be filed with the Board. Disclosure must consist of the date of
15 the communication, the identity and job title of the person
16 with whom the communication was made, a brief summary of the
17 communication, the action requested or recommended, all
18 responses made, the identity and job title of the person making
19 the response, and any other pertinent information. Public
20 disclosure of the written summary provided to the Board and the
21 Gaming Board shall be subject to the exemptions provided under
22 the Freedom of Information Act.

23 This subsection (j) shall not apply to communications
24 regarding traffic, law enforcement, security, environmental
25 issues, city services, transportation, or other routine
26 matters concerning the ordinary operations of the riverboat or

1 casino. For purposes of this subsection (j), "ordinary
2 operations" means operations relating to the casino or
3 riverboat facility other than the conduct of gambling
4 activities, and "routine matters" includes the application
5 for, issuance of, renewal of, and other processes associated
6 with municipal permits and licenses.

7 (k) Any official or employee who violates any provision of
8 this Section is guilty of a Class 4 felony.

9 (l) For purposes of this Section, "host community" or "host
10 municipality" means a unit of local government that contains a
11 riverboat or casino within its borders, but does not include
12 the City of Chicago or the Chicago Casino Development
13 Authority.

14 (230 ILCS 10/6) (from Ch. 120, par. 2406)

15 Sec. 6. Application for Owners License.

16 (a) A qualified person may apply to the Board for an owners
17 license to conduct a riverboat gambling operation as provided
18 in this Act. The application shall be made on forms provided by
19 the Board and shall contain such information as the Board
20 prescribes, including but not limited to the identity of the
21 riverboat on which such gambling operation is to be conducted,
22 if applicable, and the exact location where such riverboat or
23 casino will be located ~~docked~~, a certification that the
24 riverboat will be registered under this Act at all times during
25 which gambling operations are conducted on board, detailed

1 information regarding the ownership and management of the
2 applicant, and detailed personal information regarding the
3 applicant. Any application for an owners license to be
4 re-issued on or after June 1, 2003 shall also include the
5 applicant's license bid in a form prescribed by the Board.
6 Information provided on the application shall be used as a
7 basis for a thorough background investigation which the Board
8 shall conduct with respect to each applicant. An incomplete
9 application shall be cause for denial of a license by the
10 Board.

11 (a-5) In addition to any other information required under
12 this Section, each application for an owners license must
13 include the following information:

14 (1) The history and success of the applicant and each
15 person and entity disclosed under subsection (c) of this
16 Section in developing tourism facilities ancillary to
17 gaming, if applicable.

18 (2) The likelihood that granting a license to the
19 applicant will lead to the creation of quality, living wage
20 jobs and permanent, full-time jobs for residents of the
21 State and residents of the unit of local government that is
22 designated as the home dock of the proposed facility where
23 gambling is to be conducted by the applicant.

24 (3) The projected number of jobs that would be created
25 if the license is granted and the projected number of new
26 employees at the proposed facility where gambling is to be

1 conducted by the applicant.

2 (4) The record, if any, of the applicant and its
3 developer in meeting commitments to local agencies,
4 community-based organizations, and employees at other
5 locations where the applicant or its developer has
6 performed similar functions as they would perform if the
7 applicant were granted a license.

8 (5) Identification of adverse effects that might be
9 caused by the proposed facility where gambling is to be
10 conducted by the applicant, including the costs of meeting
11 increased demand for public health care, child care, public
12 transportation, affordable housing, and social services,
13 and a plan to mitigate those adverse effects.

14 (6) The record, if any, of the applicant and its
15 developer regarding compliance with:

16 (A) federal, state, and local discrimination, wage
17 and hour, disability, and occupational and
18 environmental health and safety laws; and

19 (B) state and local labor relations and employment
20 laws.

21 (7) The applicant's record, if any, in dealing with its
22 employees and their representatives at other locations.

23 (8) A plan concerning the utilization of
24 minority-owned and female-owned businesses and concerning
25 the hiring of minorities and females.

26 (9) Evidence the applicant used its best efforts to

1 reach a goal of 25% ownership representation by minority
2 persons and 5% ownership representation by females.

3 (b) Applicants shall submit with their application all
4 documents, resolutions, and letters of support from the
5 governing body that represents the municipality or county
6 wherein the licensee will be located ~~dock~~.

7 (c) Each applicant shall disclose the identity of every
8 person or entity ~~, association, trust or corporation~~ having a
9 greater than 1% direct or indirect pecuniary interest in the
10 ~~riverboat~~ gambling operation with respect to which the license
11 is sought. If the disclosed entity is a trust, the application
12 shall disclose the names and addresses of all ~~the~~
13 beneficiaries; if a corporation, the names and addresses of all
14 stockholders and directors; if a partnership, the names and
15 addresses of all partners, both general and limited.

16 (d) An application shall be filed and considered in
17 accordance with the rules of the Board. Each application shall
18 be accompanied by a non-refundable ~~An~~ application fee of
19 \$100,000. In addition, a non-refundable fee of \$50,000 shall be
20 paid at the time of filing to defray the costs associated with
21 the background investigation conducted by the Board. If the
22 costs of the investigation exceed \$50,000, the applicant shall
23 pay the additional amount to the Board within 7 days after
24 requested by the Board. If the costs of the investigation are
25 less than \$50,000, the applicant shall receive a refund of the
26 remaining amount. All information, records, interviews,

1 reports, statements, memoranda or other data supplied to or
2 used by the Board in the course of its review or investigation
3 of an application for a license or a renewal under this Act
4 shall be privileged, strictly confidential and shall be used
5 only for the purpose of evaluating an applicant for a license
6 or a renewal. Such information, records, interviews, reports,
7 statements, memoranda or other data shall not be admissible as
8 evidence, nor discoverable in any action of any kind in any
9 court or before any tribunal, board, agency or person, except
10 for any action deemed necessary by the Board. The application
11 fee shall be deposited into the Gaming Facilities Fee Revenue
12 Fund.

13 (e) The Board shall charge each applicant a fee set by the
14 Department of State Police to defray the costs associated with
15 the search and classification of fingerprints obtained by the
16 Board with respect to the applicant's application. These fees
17 shall be paid into the State Police Services Fund. In order to
18 expedite the application process, the Board may establish rules
19 allowing applicants to acquire criminal background checks and
20 financial integrity reviews as part of the initial application
21 process from a list of vendors approved by the Board.

22 (f) The licensed owner shall be the person primarily
23 responsible for the boat or casino itself. Only one ~~riverboat~~
24 gambling operation may be authorized by the Board on any
25 riverboat or in any casino. The applicant must identify the
26 ~~each~~ riverboat or premises it intends to use and certify that

1 the riverboat or premises: (1) has the authorized capacity
2 required in this Act; (2) is accessible to persons with
3 disabilities; and (3) is fully registered and licensed in
4 accordance with any applicable laws.

5 (g) A person who knowingly makes a false statement on an
6 application is guilty of a Class A misdemeanor.

7 (Source: P.A. 99-143, eff. 7-27-15.)

8 (230 ILCS 10/7) (from Ch. 120, par. 2407)

9 Sec. 7. Owners licenses.

10 (a) The Board shall issue owners licenses to persons or
11 entities, ~~firms or corporations~~ which apply for such licenses
12 upon payment to the Board of the non-refundable license fee as
13 provided in subsection (e) or (e-5) ~~set by the Board, upon~~
14 ~~payment of a \$25,000 license fee for the first year of~~
15 ~~operation and a \$5,000 license fee for each succeeding year~~ and
16 upon a determination by the Board that the applicant is
17 eligible for an owners license pursuant to this Act, the
18 Chicago Casino Development Authority Act, and the rules of the
19 Board. From the effective date of this amendatory Act of the
20 95th General Assembly until (i) 3 years after the effective
21 date of this amendatory Act of the 95th General Assembly, (ii)
22 the date any organization licensee begins to operate a slot
23 machine or video game of chance under the Illinois Horse Racing
24 Act of 1975 or this Act, (iii) the date that payments begin
25 under subsection (c-5) of Section 13 of the Act, ~~or~~ (iv) the

1 wagering tax imposed under Section 13 of this Act is increased
2 by law to reflect a tax rate that is at least as stringent or
3 more stringent than the tax rate contained in subsection (a-3)
4 of Section 13, or (v) when an owners licensee holding a license
5 issued pursuant to Section 7.1 of this Act begins conducting
6 gaming, whichever occurs first, as a condition of licensure and
7 as an alternative source of payment for those funds payable
8 under subsection (c-5) of Section 13 of this ~~the Riverboat~~
9 ~~Gambling~~ Act, any owners licensee that holds or receives its
10 owners license on or after the effective date of this
11 amendatory Act of the 94th General Assembly, other than an
12 owners licensee operating a riverboat with adjusted gross
13 receipts in calendar year 2004 of less than \$200,000,000, must
14 pay into the Horse Racing Equity Trust Fund, in addition to any
15 other payments required under this Act, an amount equal to 3%
16 of the adjusted gross receipts received by the owners licensee.
17 The payments required under this Section shall be made by the
18 owners licensee to the State Treasurer no later than 3:00
19 o'clock p.m. of the day after the day when the adjusted gross
20 receipts were received by the owners licensee. A person, ~~firm~~
21 or entity ~~corporation~~ is ineligible to receive an owners
22 license if:

23 (1) the person has been convicted of a felony under the
24 laws of this State, any other state, or the United States;

25 (2) the person has been convicted of any violation of
26 Article 28 of the Criminal Code of 1961 or the Criminal

1 Code of 2012, or substantially similar laws of any other
2 jurisdiction;

3 (3) the person has submitted an application for a
4 license under this Act or the Chicago Casino Development
5 Authority Act which contains false information;

6 (4) the person is a member of the Board;

7 (5) a person defined in (1), (2), (3) or (4) is an
8 officer, director or managerial employee of the entity ~~firm~~
9 ~~or corporation~~;

10 (6) the entity ~~firm or corporation~~ employs a person
11 defined in (1), (2), (3) or (4) who participates in the
12 management or operation of gambling operations authorized
13 under this Act or the Chicago Casino Development Authority
14 Act;

15 (7) (blank); or

16 (8) a license of the person or entity ~~, firm or~~
17 ~~corporation~~ issued under this Act or the Chicago Casino
18 Development Authority Act, or a license to own or operate
19 gambling facilities in any other jurisdiction, has been
20 revoked.

21 The Board is expressly prohibited from making changes to
22 the requirement that licensees make payment into the Horse
23 Racing Equity Trust Fund without the express authority of the
24 Illinois General Assembly and making any other rule to
25 implement or interpret this amendatory Act of the 95th General
26 Assembly. For the purposes of this paragraph, "rules" is given

1 the meaning given to that term in Section 1-70 of the Illinois
2 Administrative Procedure Act.

3 (a-1) Upon approval of the members of the Chicago Casino
4 Development Board, the Chicago Casino Development Authority's
5 executive director, and the Chicago casino operator licensee,
6 the Board shall issue an owners license to the Chicago Casino
7 Development Authority that authorizes the conduct of gambling
8 operations in a casino or in an airport located in the City of
9 Chicago.

10 (b) In determining whether to grant an owners license to an
11 applicant other than the Chicago Casino Development Authority,
12 the Board shall consider:

13 (1) the character, reputation, experience and
14 financial integrity of the applicants and of any other or
15 separate person that either:

16 (A) controls, directly or indirectly, such
17 applicant, or

18 (B) is controlled, directly or indirectly, by such
19 applicant or by a person which controls, directly or
20 indirectly, such applicant;

21 (2) the facilities or proposed facilities for the
22 conduct of ~~riverboat~~ gambling;

23 (3) the highest prospective total revenue to be derived
24 by the State from the conduct of ~~riverboat~~ gambling;

25 (4) the extent to which the ownership of the applicant
26 reflects the diversity of the State by including minority

1 persons, women, and persons with a disability and the good
2 faith affirmative action plan of each applicant to recruit,
3 train and upgrade minority persons, women, and persons with
4 a disability in all employment classifications;

5 (5) the financial ability of the applicant to purchase
6 and maintain adequate liability and casualty insurance;

7 (6) whether the applicant has adequate capitalization
8 to provide and maintain, for the duration of a license, a
9 riverboat or casino;

10 (7) the extent to which the applicant exceeds or meets
11 other standards for the issuance of an owners license which
12 the Board may adopt by rule; ~~and~~

13 (8) the ~~The~~ amount of the applicant's license bid;~~;~~

14 (9) the extent to which the applicant or the proposed
15 host municipality plans to enter into revenue sharing
16 agreements with communities other than the host
17 municipality; and

18 (10) the extent to which the ownership of an applicant
19 includes the most qualified number of minority persons,
20 females, and persons with a disability.

21 (c) Each owners license shall specify the place where the
22 casino ~~riverboats~~ shall operate or the riverboat shall operate
23 and dock.

24 (d) Each applicant shall submit with his application, on
25 forms provided by the Board, 2 sets of his fingerprints.

26 (e) In addition to any licenses authorized under subsection

1 (e-5) of this Section, the ~~The~~ Board may issue up to 10
2 licenses authorizing the holders of such licenses to own
3 riverboats. In the application for an owners license, the
4 applicant shall state the dock at which the riverboat is based
5 and the water on which the riverboat will be located. The Board
6 shall issue 5 licenses to become effective not earlier than
7 January 1, 1991. Three of such licenses shall authorize
8 riverboat gambling on the Mississippi River, or, with approval
9 by the municipality in which the riverboat was docked on August
10 7, 2003 and with Board approval, be authorized to relocate to a
11 new location, in a municipality that (1) borders on the
12 Mississippi River or is within 5 miles of the city limits of a
13 municipality that borders on the Mississippi River and (2), on
14 August 7, 2003, had a riverboat conducting riverboat gambling
15 operations pursuant to a license issued under this Act; one of
16 which shall authorize riverboat gambling from a home dock in
17 the city of East St. Louis. One other license shall authorize
18 riverboat gambling on the Illinois River in Tazewell County or,
19 with Board approval, shall authorize the riverboat to relocate
20 to a new location that is no more than 10 miles away from its
21 original location, in a municipality that borders on the
22 Illinois River or is within 5 miles of the city limits of a
23 municipality that borders on the Illinois River ~~south of~~
24 ~~Marshall County~~. The Board shall issue one additional license
25 to become effective not earlier than March 1, 1992, which shall
26 authorize riverboat gambling on the Des Plaines River in Will

1 County. The Board may issue 4 additional licenses to become
2 effective not earlier than March 1, 1992. In determining the
3 water upon which riverboats will operate, the Board shall
4 consider the economic benefit which riverboat gambling confers
5 on the State, and shall seek to assure that all regions of the
6 State share in the economic benefits of riverboat gambling.

7 In granting all licenses, the Board may give favorable
8 consideration to economically depressed areas of the State, to
9 applicants presenting plans which provide for significant
10 economic development over a large geographic area, and to
11 applicants who currently operate non-gambling riverboats in
12 Illinois. The Board shall review all applications for owners
13 licenses, and shall inform each applicant of the Board's
14 decision. The Board may grant an owners license to an applicant
15 that has not submitted the highest license bid, but if it does
16 not select the highest bidder, the Board shall issue a written
17 decision explaining why another applicant was selected and
18 identifying the factors set forth in this Section that favored
19 the winning bidder. The fee for issuance or renewal of a
20 license pursuant to this subsection (e) shall be \$100,000.

21 (e-5) In addition to licenses authorized under subsection
22 (e) of this Section:

23 (1) the Board shall issue one owners license
24 authorizing the conduct of casino gambling in the City of
25 Chicago;

26 (2) the Board may issue one owners license authorizing

1 the conduct of riverboat gambling in the City of Danville;

2 (3) the Board may issue one owners license authorizing
3 the conduct of riverboat gambling located in the City of
4 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; and

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 Each application for a license pursuant to this subsection
16 (e-5) shall be submitted to the Board no later than 120 days
17 after the effective date of this amendatory Act of the 100th
18 General Assembly and shall include the non-refundable
19 application fee and the non-refundable background
20 investigation fee as provided in subsection (d) of Section 6 of
21 this Act. In the event that an applicant submits an application
22 for a license pursuant to this subsection (e-5) prior to the
23 effective date of this amendatory Act of the 100th General
24 Assembly, such applicant shall submit the non-refundable
25 application fee and background investigation fee as provided in
26 subsection (d) of Section 6 of this Act no later than 6 months

1 after the effective date of this amendatory Act of the 100th
2 General Assembly.

3 The Board shall consider issuing a license pursuant to
4 paragraphs (2) through (6) of this subsection only after the
5 corporate authority of the municipality or the county board of
6 the county in which the riverboat shall be located has
7 certified to the Board the following:

8 (i) that the applicant has negotiated with the
9 corporate authority or county board in good faith;

10 (ii) that the applicant and the corporate authority or
11 county board have mutually agreed on the permanent location
12 of the riverboat;

13 (iii) that the applicant and the corporate authority or
14 county board have mutually agreed on the temporary location
15 of the riverboat;

16 (iv) that the applicant and the corporate authority or
17 the county board have mutually agreed on the percentage of
18 revenues that will be shared with the municipality or
19 county, if any;

20 (v) that the applicant and the corporate authority or
21 county board have mutually agreed on any zoning, licensing,
22 public health, or other issues that are within the
23 jurisdiction of the municipality or county; and

24 (vi) that the corporate authority or county board has
25 passed a resolution or ordinance in support of the
26 riverboat in 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 (vi) of
4 this subsection, it shall hold a public hearing to discuss
5 items (i) through (vi), 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 The first preference for an owners license issued under
22 this subsection (e-5) shall be given to an applicant who, on
23 the effective date of this amendatory Act of the 100th General
24 Assembly, does not operate and is not licensed as an owners
25 licensee in Illinois, whose main corporate headquarters has
26 been located within the county of the proposed permanent

1 location of the riverboat for more than 3 years, and whose
2 principals have regulated gaming experience within the State.

3 (e-10) The licenses authorized under subsection (e-5) of
4 this Section shall be issued within 12 months after the date
5 the license application is submitted. If the Board does not
6 issue the licenses within that time period, then the Board
7 shall give a written explanation to the applicant as to why it
8 has not reached a determination and when it reasonably expects
9 to make a determination. The fee for the issuance or renewal of
10 a license issued pursuant to this subsection (e-10) shall be
11 \$100,000. Additionally, a licensee located outside of Cook
12 County shall pay a minimum initial fee of \$17,500 per gaming
13 position, and a licensee located in Cook County shall pay a
14 minimum initial fee of \$30,000 per gaming position. The initial
15 fees payable under this subsection (e-10) shall be deposited
16 into the Gaming Facilities Fee Revenue Fund.

17 (e-15) Each licensee of a license authorized under
18 subsection (e-5) of this Section shall make a reconciliation
19 payment 3 years after the date the licensee begins operating in
20 an amount equal to 75% of the adjusted gross receipts for the
21 most lucrative 12-month period of operations, minus an amount
22 equal to the initial payment per gaming position paid by the
23 specific licensee. If this calculation results in a negative
24 amount, then the licensee is not entitled to any reimbursement
25 of fees previously paid. This reconciliation payment may be
26 made in installments over a period of no more than 2 years,

1 subject to Board approval. Any installment payments shall
2 include an annual market interest rate as determined by the
3 Board. All payments by licensees under this subsection (e-15)
4 shall be deposited into the Gaming Facilities Fee Revenue Fund.

5 (e-20) In addition to any other revocation powers granted
6 to the Board under this Act, the Board may revoke the owners
7 license of a licensee, other than the Chicago Casino
8 Development Authority, which fails to begin conducting
9 gambling within 15 months of receipt of the Board's approval of
10 the application if the Board determines that license revocation
11 is in the best interests of the State.

12 (f) The first 10 owners licenses issued under this Act
13 shall permit the holder to own up to 2 riverboats and equipment
14 thereon for a period of 3 years after the effective date of the
15 license. Holders of the first 10 owners licenses must pay the
16 annual license fee for each of the 3 years during which they
17 are authorized to own riverboats.

18 (g) Upon the termination, expiration, or revocation of each
19 of the first 10 licenses, which shall be issued for a 3 year
20 period, all licenses are renewable annually upon payment of the
21 fee and a determination by the Board that the licensee
22 continues to meet all of the requirements of this Act and the
23 Board's rules. However, for licenses renewed on or after May 1,
24 1998, including casino operator licenses, renewal shall be for
25 a period of 4 years, unless the Board sets a shorter period.
26 Notwithstanding any provision in this subsection (g) to the

1 contrary, any license that is awarded to the Chicago Casino
2 Development Authority shall not expire, but it shall be subject
3 to the provisions of this Act and the rules of the Board.

4 (h) An owners license, except for an owners license issued
5 under subsection (e-5) of this Section, shall entitle the
6 licensee to own up to 2 riverboats.

7 An owners licensee of a casino or riverboat that is located
8 in the City of Chicago pursuant to paragraph (1) of subsection
9 (e-5) of this Section shall limit the number of gaming
10 positions to 4,000 for such owner. An owners licensee
11 authorized under subsection (e) or paragraph (2), (3), (4), or
12 (5) of subsection (e-5) of this Section shall limit the number
13 of gaming positions to 1,600 for any such owners license,
14 except as further provided in subsection (h-10) of this
15 Section. An owners licensee authorized under paragraph (6) of
16 subsection (e-5) of this Section ~~A licensee~~ shall limit the
17 number of gaming positions ~~gambling participants~~ to 1,200 for
18 ~~any~~ such owner. The initial fee for each gaming position
19 obtained on or after the effective date of this amendatory Act
20 of the 100th General Assembly shall be a minimum of \$17,500 for
21 licensees not located in Cook County and a minimum of \$30,000
22 for licensees located in Cook County, in addition to the
23 reconciliation payment, as set forth in subsections (e-15) or
24 (h-5) of this Section ~~owners license~~. The fees under this
25 subsection (h) shall be deposited into the Gaming Facilities
26 Fee Revenue Fund.

1 Each owners licensee shall reserve its gaming positions
2 within 90 days after issuance of its owners license. The Board
3 may grant an extension to this 90-day period, provided that the
4 owners licensee submits a written request and explanation as to
5 why it is unable to reserve its positions within the 90-day
6 period.

7 A licensee may operate both of its riverboats concurrently,
8 provided that the total number of gaming positions ~~gambling~~
9 ~~participants~~ on both riverboats does not exceed the limit
10 established pursuant to this subsection and subsection (h-10)
11 of this Section 1,200. Riverboats licensed to operate on the
12 Mississippi River and the Illinois River south of Marshall
13 County shall have an authorized capacity of at least 500
14 persons. Any other riverboat licensed under this Act shall have
15 an authorized capacity of at least 400 persons.

16 (h-5) An owners licensee who conducted gambling operations
17 prior to January 1, 2012 and purchases positions pursuant to
18 subsection (h-10) of this Section on or after the effective
19 date of this amendatory Act of the 100th General Assembly must
20 pay a minimum initial fee of \$17,500 per additional gaming
21 position if the licensee is located outside Cook County and a
22 minimum initial fee of \$30,000 per additional gaming position
23 if the licensee is located in Cook County, as stated in
24 subsection (h) of this Section. These initial fees shall be
25 deposited into the Gaming Facilities Fee Revenue Fund.
26 Additionally, that owners licensee shall make a reconciliation

1 payment 3 years after any additional gaming positions obtained
2 pursuant to subsection (h-10) begin operating in an amount
3 equal to 75% of the owners licensee's average gross receipts
4 for the most lucrative 12-month period of operations minus an
5 amount equal to the initial fee that the owners licensee paid
6 per additional gaming position. For purposes of this subsection
7 (h-5), "average gross receipts" means (i) the increase in
8 adjusted gross receipts for the most lucrative 12-month period
9 of operations over the adjusted gross receipts for 2017,
10 multiplied by (ii) the percentage derived by dividing the
11 number of additional gaming positions that an owners licensee
12 had obtained pursuant to subsection (h-10) by the total number
13 of gaming positions operated by the owners licensee. If this
14 calculation results in a negative amount, then the owners
15 licensee is not entitled to any reimbursement of fees
16 previously paid. This reconciliation payment may be made in
17 installments over a period of no more than 2 years, subject to
18 Board approval. Any installment payments shall include an
19 annual market interest rate as determined by the Board. These
20 reconciliation payments shall be deposited into the Gaming
21 Facilities Fee Revenue Fund.

22 (h-10) For owners licensees authorized under paragraphs
23 (2) through (5) of subsection (e-5) of this Section, the
24 application for such new owners licenses shall ask the
25 applicants to stipulate in their applications the number of
26 gaming positions each applicant would like to reserve, up to

1 1,600 gaming positions. Once the last winning applicant for
2 each of these owners licenses has been selected by the Board,
3 the Board shall publish the number of gaming positions reserved
4 and unreserved by each winning applicant, shall accept requests
5 for additional gaming positions from any winning applicants or
6 owners licensee who initially reserved 1,600 gaming positions,
7 and shall allocate expeditiously the unreserved gaming
8 positions to such requesting winning applicants or owners
9 licensees in a manner to maximize revenue to the State;
10 provided, however, that no owners licensee (other than the
11 Chicago Casino Development Authority) shall obtain more than
12 2,000 positions total.

13 In the event that not all of the unreserved gaming
14 positions described in the first and second paragraphs of this
15 subsection (h-10) were requested by owners licensees and
16 applicants, then until there are no longer unreserved gaming
17 positions, the Board periodically shall govern a process to
18 allocate the unreserved gaming positions in a manner to
19 maximize revenue to the State.

20 Unreserved gaming positions retained from and allocated to
21 owners licensees by the Board pursuant to this subsection
22 (h-10) shall not be allocated to organization gaming licensees
23 pursuant to subsection (e) of Section 7.7 of this Act.

24 (i) A licensed owner is authorized to apply to the Board
25 for and, if approved therefor, to receive all licenses from the
26 Board necessary for the operation of a riverboat or casino,

1 including a liquor license, a license to prepare and serve food
2 for human consumption, and other necessary licenses. All use,
3 occupation and excise taxes which apply to the sale of food and
4 beverages in this State and all taxes imposed on the sale or
5 use of tangible personal property apply to such sales aboard
6 the riverboat or in the casino.

7 (j) The Board may issue or re-issue a license authorizing a
8 riverboat to dock in a municipality or approve a relocation
9 under Section 11.2 only if, prior to the issuance or
10 re-issuance of the license or approval, the governing body of
11 the municipality in which the riverboat will dock has by a
12 majority vote approved the docking of riverboats in the
13 municipality. The Board may issue or re-issue a license
14 authorizing a riverboat to dock in areas of a county outside
15 any municipality or approve a relocation under Section 11.2
16 only if, prior to the issuance or re-issuance of the license or
17 approval, the governing body of the county has by a majority
18 vote approved of the docking of riverboats within such areas.

19 (k) An owners licensee may conduct land-based gambling
20 operations upon approval by the Board.

21 (l) An owners licensee may conduct gaming at a temporary
22 facility pending the construction of a permanent facility or
23 the remodeling or relocation of an existing facility to
24 accommodate gaming participants for up to 24 months after the
25 temporary facility begins to conduct gaming. Upon request by an
26 owners licensee and upon a showing of good cause by the owners

1 licensee, the Board shall extend the period during which the
2 licensee may conduct gaming at a temporary facility by up to 12
3 months. The Board shall make rules concerning the conduct of
4 gaming from temporary facilities.

5 (Source: P.A. 100-391, eff. 8-25-17.)

6 (230 ILCS 10/7.3)

7 Sec. 7.3. State conduct of gambling operations.

8 (a) If, after reviewing each application for a re-issued
9 license, the Board determines that the highest prospective
10 total revenue to the State would be derived from State conduct
11 of the gambling operation in lieu of re-issuing the license,
12 the Board shall inform each applicant of its decision. The
13 Board shall thereafter have the authority, without obtaining an
14 owners license, to conduct casino or riverboat gambling
15 operations as previously authorized by the terminated,
16 expired, revoked, or nonrenewed license through a licensed
17 manager selected pursuant to an open and competitive bidding
18 process as set forth in Section 7.5 and as provided in Section
19 7.4.

20 (b) The Board may locate any casino or riverboat on which a
21 gambling operation is conducted by the State in any home dock
22 or other location authorized by Section 3(c) upon receipt of
23 approval from a majority vote of the governing body of the
24 municipality or county, as the case may be, in which the
25 riverboat will dock.

1 (c) The Board shall have jurisdiction over and shall
2 supervise all gambling operations conducted by the State
3 provided for in this Act and the Chicago Casino Development
4 Authority Act and shall have all powers necessary and proper to
5 fully and effectively execute the provisions of this Act and
6 the Chicago Casino Development Authority Act relating to
7 gambling operations conducted by the State.

8 (d) The maximum number of owners licenses authorized under
9 Section 7 ~~7(e)~~ shall be reduced by one for each instance in
10 which the Board authorizes the State to conduct a casino or
11 riverboat gambling operation under subsection (a) in lieu of
12 re-issuing a license to an applicant under Section 7.1.

13 (Source: P.A. 93-28, eff. 6-20-03.)

14 (230 ILCS 10/7.5)

15 Sec. 7.5. Competitive Bidding. When the Board determines
16 that (i) it will re-issue an owners license pursuant to an open
17 and competitive bidding process, as set forth in Section 7.1,
18 (ii) ~~or that~~ it will issue a managers license pursuant to an
19 open and competitive bidding process, as set forth in Section
20 7.4, or (iii) it will issue an owners license pursuant to an
21 open and competitive bidding process, as set forth in Section
22 7.12, the open and competitive bidding process shall adhere to
23 the following procedures:

24 (1) The Board shall make applications for owners and
25 managers licenses available to the public and allow a

1 reasonable time for applicants to submit applications to the
2 Board.

3 (2) During the filing period for owners or managers license
4 applications, the Board may retain the services of an
5 investment banking firm to assist the Board in conducting the
6 open and competitive bidding process.

7 (3) After receiving all of the bid proposals, the Board
8 shall open all of the proposals in a public forum and disclose
9 the prospective owners or managers names, venture partners, if
10 any, and, in the case of applicants for owners licenses, the
11 locations of the proposed development sites.

12 (4) The Board shall summarize the terms of the proposals
13 and may make this summary available to the public.

14 (5) The Board shall evaluate the proposals within a
15 reasonable time and select no more than 3 final applicants to
16 make presentations of their proposals to the Board.

17 (6) The final applicants shall make their presentations to
18 the Board on the same day during an open session of the Board.

19 (7) As soon as practicable after the public presentations
20 by the final applicants, the Board, in its discretion, may
21 conduct further negotiations among the 3 final applicants.
22 During such negotiations, each final applicant may increase its
23 license bid or otherwise enhance its bid proposal. At the
24 conclusion of such negotiations, the Board shall select the
25 winning proposal. In the case of negotiations for an owners
26 license, the Board may, at the conclusion of such negotiations,

1 make the determination allowed under Section 7.3(a).

2 (8) Upon selection of a winning bid, the Board shall
3 evaluate the winning bid within a reasonable period of time for
4 licensee suitability in accordance with all applicable
5 statutory and regulatory criteria.

6 (9) If the winning bidder is unable or otherwise fails to
7 consummate the transaction, (including if the Board determines
8 that the winning bidder does not satisfy the suitability
9 requirements), the Board may, on the same criteria, select from
10 the remaining bidders or make the determination allowed under
11 Section 7.3(a).

12 (Source: P.A. 93-28, eff. 6-20-03.)

13 (230 ILCS 10/7.7 new)

14 Sec. 7.7. Organization gaming licenses.

15 (a) The General Assembly finds that the horse racing and
16 riverboat gambling industries share many similarities and
17 collectively comprise the bulk of the State's gaming industry.
18 One feature common to both industries is that each is highly
19 regulated by the State of Illinois. The General Assembly
20 further finds, however, that despite their shared features each
21 industry is distinct from the other in that horse racing is and
22 continues to be intimately tied to Illinois' agricultural
23 economy and is, at its core, a spectator sport. This
24 distinction requires the General Assembly to utilize different
25 methods to regulate and promote the horse racing industry

1 throughout the State. The General Assembly finds that in order
2 to promote live horse racing as a spectator sport in Illinois
3 and the agricultural economy of this State, it is necessary to
4 allow gaming at Illinois racetracks as an ancillary use given
5 the success of other states in increasing live racing purse
6 accounts and improving the quality of horses participating in
7 horse race meetings.

8 (b) The Illinois Gaming Board shall award one organization
9 gaming license to each person or entity having operating
10 control of a racetrack that applies under Section 56 of the
11 Illinois Horse Racing Act of 1975, subject to the application
12 and eligibility requirements of this Section. Within 60 days
13 after the effective date of this amendatory Act of the 100th
14 General Assembly, a person or entity having operating control
15 of a racetrack may submit an application for an organization
16 gaming license. The application shall be made on such forms as
17 provided by the Board and shall contain such information as the
18 Board prescribes, including, but not limited to, the identity
19 of any racetrack at which gaming will be conducted pursuant to
20 an organization gaming license, detailed information regarding
21 the ownership and management of the applicant, and detailed
22 personal information regarding the applicant. The application
23 shall specify the number of gaming positions the applicant
24 intends to use and the place where the organization gaming
25 facility will operate. A person who knowingly makes a false
26 statement on an application is guilty of a Class A misdemeanor.

1 Each applicant shall disclose the identity of every person
2 or entity having a direct or indirect pecuniary interest
3 greater than 1% in any racetrack with respect to which the
4 license is sought. If the disclosed entity is a corporation,
5 the applicant shall disclose the names and addresses of all
6 stockholders and directors. If the disclosed entity is a
7 limited liability company, the applicant shall disclose the
8 names and addresses of all members and managers. If the
9 disclosed entity is a partnership, the applicant shall disclose
10 the names and addresses of all partners, both general and
11 limited. If the disclosed entity is a trust, the applicant
12 shall disclose the names and addresses of all beneficiaries.

13 An application shall be filed and considered in accordance
14 with the rules of the Board. Each application for an
15 organization gaming license shall include a non-refundable
16 application fee of \$100,000. In addition, a non-refundable fee
17 of \$50,000 shall be paid at the time of filing to defray the
18 costs associated with background investigations conducted by
19 the Board. If the costs of the background investigation exceed
20 \$50,000, the applicant shall pay the additional amount to the
21 Board within 7 days after a request by the Board. If the costs
22 of the investigation are less than \$50,000, the applicant shall
23 receive a refund of the remaining amount. All information,
24 records, interviews, reports, statements, memoranda, or other
25 data supplied to or used by the Board in the course of this
26 review or investigation of an applicant for an organization

1 gaming license under this Act shall be privileged and strictly
2 confidential and shall be used only for the purpose of
3 evaluating an applicant for an organization gaming license or a
4 renewal. Such information, records, interviews, reports,
5 statements, memoranda, or other data shall not be admissible as
6 evidence nor discoverable in any action of any kind in any
7 court or before any tribunal, board, agency or person, except
8 for any action deemed necessary by the Board. The application
9 fee shall be deposited into the Gaming Facilities Fee Revenue
10 Fund.

11 Each applicant shall submit with his or her application, on
12 forms provided by the Board, 2 sets of his or her fingerprints.
13 The Board shall charge each applicant a fee set by the
14 Department of State Police to defray the costs associated with
15 the search and classification of fingerprints obtained by the
16 Board with respect to the applicant's application. This fee
17 shall be paid into the State Police Services Fund.

18 (c) The Board shall determine within 120 days after
19 receiving an application for an organization gaming license
20 whether to grant an organization gaming license to the
21 applicant. If the Board does not make a determination within
22 that time period, then the Board shall give a written
23 explanation to the applicant as to why it has not reached a
24 determination and when it reasonably expects to make a
25 determination.

26 The organization gaming licensee shall purchase up to the

1 amount of gaming positions authorized under this Act within 120
2 days after receiving its organization gaming license. If an
3 organization gaming licensee is prepared to purchase the gaming
4 positions, but is temporarily prohibited from doing so by order
5 of a court of competent jurisdiction or the Board, then the
6 120-day period is tolled until a resolution is reached.

7 An organization gaming license shall authorize its holder
8 to conduct gaming under this Act at its racetracks on the same
9 days of the year and hours of the day that owners licenses are
10 allowed to operate under approval of the Board.

11 An organization gaming license and any renewal of an
12 organization gaming license shall authorize gaming pursuant to
13 this Section for a period of 4 years. The fee for the issuance
14 or renewal of an organization gaming license shall be \$100,000.

15 (d) To be eligible to conduct gaming under this Section, a
16 person or entity having operating control of a racetrack must
17 (i) obtain an organization gaming license, (ii) hold an
18 organization license under the Illinois Horse Racing Act of
19 1975, (iii) hold an inter-track wagering license, (iv) pay an
20 initial fee of \$30,000 per gaming position from organization
21 gaming licensees where gaming is conducted in Cook County and
22 \$17,500 for organization gaming licensees where gaming is
23 conducted outside of Cook County before beginning to conduct
24 gaming plus make the reconciliation payment required under
25 subsection (k), (v) conduct live racing in accordance with
26 subsections (e-1), (e-2), and (e-3) of Section 20 of the

1 Illinois Horse Racing Act of 1975 or for a licensee that is
2 only authorized 350 gaming positions pursuant to subsection (d)
3 of Section 7.7 of this Act, have a fully operational facility
4 running at least 96 live races over a period of at least 15
5 days per year until such time as the total number of gaming
6 positions is increased to 900, (vi) meet the requirements of
7 subsection (a) of Section 56 of the Illinois Horse Racing Act
8 of 1975, (vii) for organization licensees conducting
9 standardbred race meetings, keep backstretch barns and
10 dormitories open and operational year-round unless a lesser
11 schedule is mutually agreed to by the organization licensee and
12 the horsemen's association racing at that organization
13 licensee's race meeting, (viii) for organization licensees
14 conducting thoroughbred race meetings, the organization
15 licensee must maintain accident medical expense liability
16 insurance coverage of \$1,000,000 for jockeys, and (ix) meet all
17 other requirements of this Act that apply to owners licensees.

18 An organization gaming licensee may enter into a joint
19 venture with a licensed owner to own, manage, conduct, or
20 otherwise operate the organization gaming licensee's
21 organization gaming facilities, unless the organization gaming
22 licensee has a parent company or other affiliated company that
23 is, directly or indirectly, wholly owned by a parent company
24 that is also licensed to conduct organization gaming, casino
25 gaming, or their equivalent in another state.

26 All payments by licensees under this subsection (c) shall

1 be deposited into the Gaming Facilities Fee Revenue Fund.

2 (d-5) The Board may not issue an organization gaming
3 license to a racetrack located in Madison County until it
4 receives an executed copy of a contractual agreement between
5 the racetrack in Madison County and an owners licensee
6 conducting riverboat gambling from a home dock in the City of
7 East St. Louis to operate authorized gaming at the racetrack in
8 Madison County to support the continued viability of the City
9 of East St. Louis' local portion of gaming taxes generated by
10 the owners licensee.

11 (e) A person or entity is ineligible to receive an
12 organization gaming license if:

13 (1) the person or entity has been convicted of a felony
14 under the laws of this State, any other state, or the
15 United States, including a conviction under the Racketeer
16 Influenced and Corrupt Organizations Act;

17 (2) the person or entity has been convicted of any
18 violation of Article 28 of the Criminal Code of 2012, or
19 substantially similar laws of any other jurisdiction;

20 (3) the person or entity has submitted an application
21 for a license under this Act that contains false
22 information;

23 (4) the person is a member of the Board;

24 (5) a person defined in (1), (2), (3), or (4) of this
25 subsection (e) is an officer, director, or managerial
26 employee of the entity;

1 (6) the person or entity employs a person defined in
2 (1), (2), (3), or (4) of this subsection (e) who
3 participates in the management or operation of gambling
4 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 (f) The Board may approve gaming positions pursuant to an
9 organization gaming license statewide as provided in this
10 Section. The authority to operate gaming positions under this
11 Section shall be allocated as follows: up to 1,200 gaming
12 positions for any organization gaming licensee in Cook County;
13 up to 900 gaming positions for any organization gaming licensee
14 outside of Cook County; and up to 350 gaming positions for any
15 organization gaming licensee whose organization gaming license
16 originates with an organization licensee that did not conduct
17 live racing in calendar year 2010 and is located within 3 miles
18 of the Mississippi River, which shall increase to 900 gaming
19 positions in the calendar year following the year in which the
20 organization gaming licensee conducts 96 live races.

21 (g) Each applicant for an organization gaming license shall
22 specify in its application for licensure the number of gaming
23 positions it will operate, up to the applicable limitation set
24 forth in subsection (f) of this Section. Any unreserved gaming
25 positions that are not specified shall be forfeited and
26 retained by the Board. For the purposes of this subsection (g),

1 an organization gaming licensee that did not conduct live
2 racing in 2010 and is located within 3 miles of the Mississippi
3 River may reserve up to 900 positions and shall not be
4 penalized under this Section for not operating those positions
5 until it meets the requirements of subsection (f) of this
6 Section, but such licensee shall not request unreserved gaming
7 positions under this subsection (g) until its 900 positions are
8 all operational.

9 Thereafter, the Board shall publish the number of
10 unreserved gaming positions and shall accept requests for
11 additional positions from any organization gaming licensee
12 that initially reserved all of the positions that were offered.
13 The Board shall allocate expeditiously the unreserved gaming
14 positions to requesting organization gaming licensees in a
15 manner that maximizes revenue to the State. The Board may
16 allocate any such unused gaming positions pursuant to an open
17 and competitive bidding process, as provided under Section 7.5
18 of this Act. This process shall continue until all unreserved
19 gaming positions have been purchased. All positions obtained
20 pursuant to this process and all positions the organization
21 gaming licensee specified it would operate in its application
22 must be in operation within 18 months after they were obtained
23 or the organization gaming licensee forfeits the right to
24 operate those positions, but is not entitled to a refund of any
25 fees paid. The Board may, after holding a public hearing, grant
26 extensions so long as the organization gaming licensee is

1 working in good faith to make the positions operational. The
2 extension may be for a period of 6 months. If, after the period
3 of the extension, the organization gaming licensee has not made
4 the positions operational, then another public hearing must be
5 held by the Board before it may grant another extension.

6 Unreserved gaming positions retained from and allocated to
7 organization gaming licensees by the Board pursuant to this
8 subsection (g) shall not be allocated to owners licensees
9 pursuant to subsection (h-10) of Section 7 of this Act.

10 For the purpose of this subsection (g), the unreserved
11 gaming positions for each organization gaming licensee shall be
12 the applicable limitation set forth in subsection (f) of this
13 Section, less the number of reserved gaming positions by such
14 organization gaming licensee, and the total unreserved gaming
15 positions shall be the aggregate of the unreserved gaming
16 positions for all organization gaming licensees.

17 (g-5) An organization gaming licensee is authorized to
18 conduct the following at a racetrack:

19 (1) slot machine gambling;

20 (2) video game of chance gambling;

21 (3) gambling with electronic gambling games as defined
22 in this Act or defined by the Illinois Gaming Board; and

23 (4) table games.

24 (h) Subject to the approval of the Illinois Gaming Board,
25 an organization gaming licensee may make modification or
26 additions to any existing buildings and structures to comply

1 with the requirements of this Act. The Illinois Gaming Board
2 shall make its decision after consulting with the Illinois
3 Racing Board. In no case, however, shall the Illinois Gaming
4 Board approve any modification or addition that alters the
5 grounds of the organizational licensee such that the act of
6 live racing is an ancillary activity to gaming authorized under
7 this Section. Gaming authorized under this Section may take
8 place in existing structures where inter-track wagering is
9 conducted at the racetrack or a facility within 300 yards of
10 the racetrack in accordance with the provisions of this Act and
11 the Illinois Horse Racing Act of 1975.

12 (i) An organization gaming licensee may conduct gaming at a
13 temporary facility pending the construction of a permanent
14 facility or the remodeling or relocation of an existing
15 facility to accommodate gaming participants for up to 24 months
16 after the temporary facility begins to conduct gaming
17 authorized under this Section. Upon request by an organization
18 gaming licensee and upon a showing of good cause by the
19 organization gaming licensee, the Board shall extend the period
20 during which the licensee may conduct gaming authorized under
21 this Section at a temporary facility by up to 12 months. The
22 Board shall make rules concerning the conduct of gaming
23 authorized under this Section from temporary facilities.

24 The gaming authorized under this Section may take place in
25 existing structures where inter-track wagering is conducted at
26 the racetrack or a facility within 300 yards of the racetrack

1 in accordance with the provisions of this Act and the Illinois
2 Horse Racing Act of 1975.

3 (i-5) Under no circumstances shall an organization gaming
4 licensee conduct gaming at any State or county fair.

5 (j) The Illinois Gaming Board must adopt emergency rules in
6 accordance with Section 5-45 of the Illinois Administrative
7 Procedure Act as necessary to ensure compliance with the
8 provisions of this amendatory Act of the 100th General Assembly
9 concerning the conduct of gaming by an organization gaming
10 licensee. The adoption of emergency rules authorized by this
11 subsection (j) shall be deemed to be necessary for the public
12 interest, safety, and welfare.

13 (k) Each organization gaming licensee who obtains gaming
14 positions must make a reconciliation payment 3 years after the
15 date the organization gaming licensee begins operating the
16 positions in an amount equal to 75% of the difference between
17 its adjusted gross receipts from gaming authorized under this
18 Section and amounts paid to its purse accounts pursuant to item
19 (1) of subsection (b) of Section 56 of the Illinois Horse
20 Racing Act of 1975 for the 12-month period for which such
21 difference was the largest, minus an amount equal to the
22 initial per position fee paid by the organization gaming
23 licensee. If this calculation results in a negative amount,
24 then the organization gaming licensee is not entitled to any
25 reimbursement of fees previously paid. This reconciliation
26 payment may be made in installments over a period of no more

1 than 2 years, subject to Board approval. Any installment
2 payments shall include an annual market interest rate as
3 determined by the Board.

4 All payments by licensees under this subsection (i) shall
5 be deposited into the Gaming Facilities Fee Revenue Fund.

6 (1) As soon as practical after a request is made by the
7 Illinois Gaming Board, to minimize duplicate submissions by the
8 applicant, the Illinois Racing Board must provide information
9 on an applicant for an organization gaming license to the
10 Illinois Gaming Board.

11 (230 ILCS 10/7.8 new)

12 Sec. 7.8. Home rule. The regulation and licensing of
13 organization gaming licensees and gaming conducted pursuant to
14 an organization gaming license are exclusive powers and
15 functions of the State. A home rule unit may not regulate or
16 license such gaming or organization gaming licensees. This
17 Section is a denial and limitation of home rule powers and
18 functions under subsection (h) of Section 6 of Article VII of
19 the Illinois Constitution.

20 (230 ILCS 10/7.9 new)

21 Sec. 7.9. Casino operator license.

22 (a) A qualified person may apply to the Board for a casino
23 operator license to operate and manage any gambling operation
24 conducted by the Authority. The application shall be made on

1 forms provided by the Board and shall contain such information
2 as the Board prescribes, including but not limited to
3 information required in Sections 6(a), (b), and (c) and
4 information relating to the applicant's proposed price to
5 manage the Authority's gambling operations and to provide the
6 casino, gambling equipment, and supplies necessary to conduct
7 Authority gambling operations. The application shall also
8 include a non-refundable application fee of \$100,000. This
9 application fee shall be deposited into the Gaming Facilities
10 Fee Revenue Fund.

11 (b) A person or entity is ineligible to receive a casino
12 operator license if:

13 (1) the person has been convicted of a felony under the
14 laws of this State, any other state, or the United States;

15 (2) the person has been convicted of any violation of
16 Article 28 of the Criminal Code of 2012, or substantially
17 similar laws of any other jurisdiction;

18 (3) the person has submitted an application for a
19 license under this Act or the Chicago Casino Development
20 Authority Act which contains false information;

21 (4) the person is a member of the Board or the Chicago
22 Casino Development Board or the person is an official or
23 employee of the Chicago Casino Development Authority or the
24 City of Chicago;

25 (5) a person defined in (1), (2), (3), or (4) is an
26 officer, director, or managerial employee of the entity;

1 (6) the entity employs a person defined in (1), (2),
2 (3), or (4) who participates in the management or operation
3 of gambling operations authorized under this Act; or

4 (7) a license of the person or entity issued under this
5 Act, or a license to own or operate gambling facilities in
6 any other jurisdiction, has been revoked.

7 (c) In determining whether to grant a casino operator
8 license, the Board shall consider:

9 (1) the character, reputation, experience and
10 financial integrity of the applicants and of any other or
11 separate person that either:

12 (A) controls, directly or indirectly, such
13 applicant, or

14 (B) is controlled, directly or indirectly, by such
15 applicant or by a person which controls, directly or
16 indirectly, such applicant;

17 (2) the facilities or proposed facilities for the
18 conduct of gambling;

19 (3) the preference of the municipality in which the
20 licensee will operate;

21 (4) the extent to which the ownership of the applicant
22 reflects the diversity of the State by including minority
23 persons and females and the good faith affirmative action
24 plan of each applicant to recruit, train, and upgrade
25 minority persons and females in all employment
26 classifications;

1 (5) the financial ability of the applicant to purchase
2 and maintain adequate liability and casualty insurance;

3 (6) whether the applicant has adequate capitalization
4 to provide and maintain, for the duration of a license, a
5 casino; and

6 (7) the extent to which the applicant exceeds or meets
7 other standards for the issuance of a casino operator
8 license that the Board may adopt by rule.

9 (d) Each applicant shall submit with his or her
10 application, on forms prescribed by the Board, 2 sets of his or
11 her fingerprints. The Board shall charge each applicant a fee
12 set by the Department of State Police to defray the costs
13 associated with the search and classification of fingerprints
14 obtained by the Board with respect to the applicant's
15 application. This fee shall be paid into the State Police
16 Services Fund.

17 (e) A person who knowingly makes a false statement on an
18 application is guilty of a Class A misdemeanor.

19 (f) The Board shall charge each applicant a non-refundable
20 fee of \$50,000 to defray the costs associated with the
21 background investigation conducted by the Board. This fee shall
22 be exclusive of any other fee or fees charged in connection
23 with an application for and, if applicable, the issuance of, a
24 casino operator license. If the costs of the investigation
25 exceed \$50,000, the Board shall immediately notify the
26 applicant of the additional amount owed, payment of which must

1 be submitted to the Board within 7 days after such
2 notification. All information, records, interviews, reports,
3 statements, memoranda, or other data supplied to or used by the
4 Board in the course of its review or investigation of an
5 application for a license or a renewal under this Act shall be
6 privileged and strictly confidential and shall be used only for
7 the purpose of evaluating an applicant for a license or a
8 renewal. Such information, records, interviews, reports,
9 statements, memoranda, or other data shall not be admissible as
10 evidence, nor discoverable in any action of any kind in any
11 court or before any tribunal, board, agency, or person, except
12 for any action deemed necessary by the Board.

13 (g) The casino operator license shall be issued only upon
14 proof that the applicant has entered into a labor peace
15 agreement with each labor organization that is actively engaged
16 in representing and attempting to represent casino and
17 hospitality industry workers in this State. The labor peace
18 agreement must be a valid and enforceable agreement under 29
19 U.S.C. 185 that protects the city's and State's revenues from
20 the operation of the casino facility by prohibiting the labor
21 organization and its members from engaging in any picketing,
22 work stoppages, boycotts, or any other economic interference
23 with the casino facility for at least the first 5 years of the
24 casino license and must cover all operations at the casino
25 facility that are conducted by lessees or tenants or under
26 management agreements.

1 (h) The casino operator license shall be for a term of 4
2 years, shall be renewable by the Board, and shall contain such
3 terms and provisions as the Board deems necessary to protect or
4 enhance the credibility and integrity of State gambling
5 operations, achieve the highest prospective total revenue to
6 the State, and otherwise serve the interests of the citizens of
7 Illinois. The Board may suspend, restrict, or revoke the
8 license:

9 (1) for violation of any provision of this Act;

10 (2) for violation of any rules of the Board;

11 (3) for any cause which, if known to the Board, would
12 have disqualified the applicant from receiving the
13 license; or

14 (4) for any other just cause.

15 (230 ILCS 10/7.10 new)

16 Sec. 7.10. Diversity program.

17 (a) Each owners licensee, organization gaming licensee,
18 casino operator licensee, and suppliers licensee shall
19 establish and maintain a diversity program to ensure
20 non-discrimination in the award and administration of
21 contracts. The programs shall establish goals of awarding not
22 less than 20% of the annual dollar value of all contracts,
23 purchase orders, or other agreements to minority-owned
24 businesses and 5% of the annual dollar value of all contracts
25 to female-owned businesses.

1 (b) Each owners licensee, organization gaming licensee,
2 casino operator licensee, and suppliers licensee shall
3 establish and maintain a diversity program designed to promote
4 equal opportunity for employment. The program shall establish
5 hiring goals as the Board and each licensee determines
6 appropriate. The Board shall monitor the progress of the gaming
7 licensee's progress with respect to the program's goals.

8 (c) No later than May 31 of each year, each licensee shall
9 report to the Board (1) the number of respective employees and
10 the number of its respective employees who have designated
11 themselves as members of a minority group and gender and (2)
12 the total goals achieved under subsection (a) of this Section
13 as a percentage of the total contracts awarded by the license.
14 In addition, all licensees shall submit a report with respect
15 to the minority-owned and female-owned businesses program
16 created in this Section to the Board.

17 (d) When considering whether to re-issue or renew a license
18 to an owners licensee, organization gaming licensee, casino
19 operator licensee, or suppliers licensee, the Board shall take
20 into account the licensee's success in complying with the
21 provisions of this Section. If an owners licensee, organization
22 gaming licensee, casino operator licensee, or suppliers
23 licensee has not satisfied the goals contained in this Section,
24 the Board shall require a written explanation as to why the
25 licensee is not in compliance and shall require the licensee to
26 file multi-year metrics designed to achieve compliance with the

1 provisions by the next renewal period, consistent with State
2 and federal law.

3 (230 ILCS 10/7.11 new)

4 Sec. 7.11. Annual report on diversity.

5 (a) Each licensee that receives a license under Sections 7,
6 7.1, and 7.7 shall execute and file a report with the Board no
7 later than December 31 of each year that shall contain, but not
8 be limited to, the following information:

9 (i) a good faith affirmative action plan to recruit,
10 train, and upgrade minority persons, females, and persons
11 with a disability in all employment classifications;

12 (ii) the total dollar amount of contracts that were
13 awarded to businesses owned by minority persons, females,
14 and persons with a disability;

15 (iii) the total number of businesses owned by minority
16 persons, females, and persons with a disability that were
17 utilized by the licensee;

18 (iv) the utilization of businesses owned by minority
19 persons, females, and persons with disabilities during the
20 preceding year; and

21 (v) the outreach efforts used by the licensee to
22 attract investors and businesses consisting of minority
23 persons, females, and persons with a disability.

24 (b) The Board shall forward a copy of each licensee's
25 annual reports to the General Assembly no later than February 1

1 of each year. The reports to the General Assembly shall be
2 filed with the Clerk of the House of Representatives and the
3 Secretary of the Senate in electronic form only, in the manner
4 that the Clerk and the Secretary shall direct.

5 (230 ILCS 10/7.12 new)

6 Sec. 7.12. Issuance of new owners licenses.

7 (a) Except for the owners license issued to the Chicago
8 Casino Development Authority, owners licenses newly authorized
9 pursuant to this amendatory Act of the 100th General Assembly
10 may be issued by the Board to a qualified applicant pursuant to
11 an open and competitive bidding process, as set forth in
12 Section 7.5, and subject to the maximum number of authorized
13 licenses set forth in subsection (e-5) of Section 7 of this
14 Act.

15 (b) To be a qualified applicant, a person or entity may not
16 be ineligible to receive an owners license under subsection (a)
17 of Section 7 of this Act and must submit an application for an
18 owners license that complies with Section 6 of this Act.

19 (c) In determining whether to grant an owners license to an
20 applicant, the Board shall consider all of the factors set
21 forth in subsections (b) and (e-10) of Section 7 of this Act,
22 as well as the amount of the applicant's license bid. The Board
23 may grant the owners license to an applicant that has not
24 submitted the highest license bid, but if it does not select
25 the highest bidder, the Board shall issue a written decision

1 explaining why another applicant was selected and identifying
2 the factors set forth in subsections (b) and (e-10) of Section
3 7 of this Act that favored the winning bidder.

4 (230 ILCS 10/7.13 new)

5 Sec. 7.13. Environmental standards. All permanent
6 casinos, riverboats, and organization gaming facilities shall
7 consist of buildings that are certified as meeting the U.S.
8 Green Building Council's Leadership in Energy and
9 Environmental Design standards. The provisions of this Section
10 apply to a holder of an owners license, casino operator
11 license, or organization gaming license that (i) begins
12 operations on or after January 1, 2018 or (ii) relocates its
13 facilities on or after the effective date of this amendatory
14 Act of the 100th General Assembly.

15 (230 ILCS 10/8) (from Ch. 120, par. 2408)

16 Sec. 8. Suppliers licenses.

17 (a) The Board may issue a suppliers license to such
18 persons, firms or corporations which apply therefor upon the
19 payment of a non-refundable application fee set by the Board,
20 upon a determination by the Board that the applicant is
21 eligible for a suppliers license and upon payment of a \$5,000
22 annual license fee.

23 (b) The holder of a suppliers license is authorized to sell
24 or lease, and to contract to sell or lease, gambling equipment

1 and supplies to any licensee involved in the ownership or
2 management of gambling operations.

3 (c) Gambling supplies and equipment may not be distributed
4 unless supplies and equipment conform to standards adopted by
5 rules of the Board.

6 (d) A person, firm or corporation is ineligible to receive
7 a suppliers license if:

8 (1) the person has been convicted of a felony under the
9 laws of this State, any other state, or the United States;

10 (2) the person has been convicted of any violation of
11 Article 28 of the Criminal Code of 1961 or the Criminal
12 Code of 2012, or substantially similar laws of any other
13 jurisdiction;

14 (3) the person has submitted an application for a
15 license under this Act which contains false information;

16 (4) the person is a member of the Board;

17 (5) the entity ~~firm or corporation~~ is one in which a
18 person defined in (1), (2), (3) or (4), is an officer,
19 director or managerial employee;

20 (6) the firm or corporation employs a person who
21 participates in the management or operation of riverboat
22 gambling authorized under this Act or the Chicago Casino
23 Development Authority Act;

24 (7) the license of the person, firm or corporation
25 issued under this Act or the Chicago Casino Development
26 Authority Act, or a license to own or operate gambling

1 facilities in any other jurisdiction, has been revoked.

2 (e) Any person that supplies any equipment, devices, or
3 supplies to a licensed ~~riverboat~~ gambling operation must first
4 obtain a suppliers license. A supplier shall furnish to the
5 Board a list of all equipment, devices and supplies offered for
6 sale or lease in connection with gambling games authorized
7 under this Act. A supplier shall keep books and records for the
8 furnishing of equipment, devices and supplies to gambling
9 operations separate and distinct from any other business that
10 the supplier might operate. A supplier shall file a quarterly
11 return with the Board listing all sales and leases. A supplier
12 shall permanently affix its name or a distinctive logo or other
13 mark or design element identifying the manufacturer or supplier
14 to all its equipment, devices, and supplies, except gaming
15 chips without a value impressed, engraved, or imprinted on it,
16 for gambling operations. The Board may waive this requirement
17 for any specific product or products if it determines that the
18 requirement is not necessary to protect the integrity of the
19 game. Items purchased from a licensed supplier may continue to
20 be used even though the supplier subsequently changes its name,
21 distinctive logo, or other mark or design element; undergoes a
22 change in ownership; or ceases to be licensed as a supplier for
23 any reason. Any supplier's equipment, devices or supplies which
24 are used by any person in an unauthorized gambling operation
25 shall be forfeited to the State. A holder of an owners license
26 or an organization gaming license ~~A licensed owner~~ may own its

1 own equipment, devices and supplies. Each holder of an owners
2 license or an organization gaming license under the Act shall
3 file an annual report listing its inventories of gambling
4 equipment, devices and supplies.

5 (f) Any person who knowingly makes a false statement on an
6 application is guilty of a Class A misdemeanor.

7 (g) Any gambling equipment, devices and supplies provided
8 by any licensed supplier may either be repaired on the
9 riverboat, in the casino, or at the organization gaming
10 facility or removed from the riverboat, casino, or organization
11 gaming facility to a ~~an on-shore~~ facility owned by the holder
12 of an owners license or organization gaming license for repair.

13 (Source: P.A. 97-1150, eff. 1-25-13; 98-12, eff. 5-10-13;
14 98-756, eff. 7-16-14.)

15 (230 ILCS 10/9) (from Ch. 120, par. 2409)

16 Sec. 9. Occupational licenses.

17 (a) The Board may issue an occupational license to an
18 applicant upon the payment of a non-refundable fee set by the
19 Board, upon a determination by the Board that the applicant is
20 eligible for an occupational license and upon payment of an
21 annual license fee in an amount to be established. To be
22 eligible for an occupational license, an applicant must:

23 (1) be at least 21 years of age if the applicant will
24 perform any function involved in gaming by patrons. Any
25 applicant seeking an occupational license for a non-gaming

1 function shall be at least 18 years of age;

2 (2) not have been convicted of a felony offense, a
3 violation of Article 28 of the Criminal Code of 1961 or the
4 Criminal Code of 2012, or a similar statute of any other
5 jurisdiction;

6 (2.5) not have been convicted of a crime, other than a
7 crime described in item (2) of this subsection (a),
8 involving dishonesty or moral turpitude, except that the
9 Board may, in its discretion, issue an occupational license
10 to a person who has been convicted of a crime described in
11 this item (2.5) more than 10 years prior to his or her
12 application and has not subsequently been convicted of any
13 other crime;

14 (3) have demonstrated a level of skill or knowledge
15 which the Board determines to be necessary in order to
16 operate gambling aboard a riverboat, in a casino, or at an
17 organization gaming facility; and

18 (4) have met standards for the holding of an
19 occupational license as adopted by rules of the Board. Such
20 rules shall provide that any person or entity seeking an
21 occupational license to manage gambling operations under
22 this Act or the Chicago Casino Development Authority Act
23 ~~hereunder~~ shall be subject to background inquiries and
24 further requirements similar to those required of
25 applicants for an owners license. Furthermore, such rules
26 shall provide that each such entity shall be permitted to

1 manage gambling operations for only one licensed owner.

2 (b) Each application for an occupational license shall be
3 on forms prescribed by the Board and shall contain all
4 information required by the Board. The applicant shall set
5 forth in the application: whether he has been issued prior
6 gambling related licenses; whether he has been licensed in any
7 other state under any other name, and, if so, such name and his
8 age; and whether or not a permit or license issued to him in
9 any other state has been suspended, restricted or revoked, and,
10 if so, for what period of time.

11 (c) Each applicant shall submit with his application, on
12 forms provided by the Board, 2 sets of his fingerprints. The
13 Board shall charge each applicant a fee set by the Department
14 of State Police to defray the costs associated with the search
15 and classification of fingerprints obtained by the Board with
16 respect to the applicant's application. These fees shall be
17 paid into the State Police Services Fund.

18 (d) The Board may in its discretion refuse an occupational
19 license to any person: (1) who is unqualified to perform the
20 duties required of such applicant; (2) who fails to disclose or
21 states falsely any information called for in the application;
22 (3) who has been found guilty of a violation of this Act or the
23 Chicago Casino Development Authority Act or whose prior
24 gambling related license or application therefor has been
25 suspended, restricted, revoked or denied for just cause in any
26 other state; or (4) for any other just cause.

1 (e) The Board may suspend, revoke or restrict any
2 occupational licensee: (1) for violation of any provision of
3 this Act; (2) for violation of any of the rules and regulations
4 of the Board; (3) for any cause which, if known to the Board,
5 would have disqualified the applicant from receiving such
6 license; or (4) for default in the payment of any obligation or
7 debt due to the State of Illinois; or (5) for any other just
8 cause.

9 (f) A person who knowingly makes a false statement on an
10 application is guilty of a Class A misdemeanor.

11 (g) Any license issued pursuant to this Section shall be
12 valid for a period of one year from the date of issuance.

13 (h) Nothing in this Act shall be interpreted to prohibit a
14 licensed owner or organization gaming licensee from entering
15 into an agreement with a public community college or a school
16 approved under the Private Business and Vocational Schools Act
17 of 2012 for the training of any occupational licensee. Any
18 training offered by such a school shall be in accordance with a
19 written agreement between the licensed owner or organization
20 gaming licensee and the school.

21 (i) Any training provided for occupational licensees may be
22 conducted either at the site of the gambling facility ~~on the~~
23 ~~riverboat~~ or at a school with which a licensed owner or
24 organization gaming licensee has entered into an agreement
25 pursuant to subsection (h).

26 (Source: P.A. 96-1392, eff. 1-1-11; 97-650, eff. 2-1-12;

1 97-1150, eff. 1-25-13.)

2 (230 ILCS 10/11) (from Ch. 120, par. 2411)

3 Sec. 11. Conduct of gambling. Gambling may be conducted by
4 licensed owners or licensed managers on behalf of the State
5 aboard riverboats. Gambling may be conducted by organization
6 gaming licensees at organization gaming facilities. Gambling
7 may be conducted by a casino operator licensee at a casino.
8 Gambling authorized under this Section is⁷ subject to the
9 following standards:

10 (1) A licensee may conduct riverboat gambling
11 authorized under this Act regardless of whether it conducts
12 excursion cruises. A licensee may permit the continuous
13 ingress and egress of patrons ~~passengers~~ on a riverboat not
14 used for excursion cruises for the purpose of gambling.
15 Excursion cruises shall not exceed 4 hours for a round
16 trip. However, the Board may grant express approval for an
17 extended cruise on a case-by-case basis.

18 (2) (Blank).

19 (3) Minimum and maximum wagers on games shall be set by
20 the licensee.

21 (4) Agents of the Board and the Department of State
22 Police may board and inspect any riverboat, enter and
23 inspect any portion of a casino, or enter and inspect any
24 portion of an organization gaming facility at any time for
25 the purpose of determining whether this Act or the Chicago

1 Casino Development Authority Act is being complied with.
2 Every riverboat, if under way and being hailed by a law
3 enforcement officer or agent of the Board, must stop
4 immediately and lay to.

5 (5) Employees of the Board shall have the right to be
6 present on the riverboat or in the casino or on adjacent
7 facilities under the control of the licensee and at the
8 organization gaming facility under the control of the
9 organization gaming licensee.

10 (6) Gambling equipment and supplies customarily used
11 in conducting ~~riverboat~~ gambling must be purchased or
12 leased only from suppliers licensed for such purpose under
13 this Act. The Board may approve the transfer, sale, or
14 lease of gambling equipment and supplies by a licensed
15 owner from or to an affiliate of the licensed owner as long
16 as the gambling equipment and supplies were initially
17 acquired from a supplier licensed 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 organization
23 gaming facility. No person present on a licensed riverboat,
24 in a casino, or at an organization 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 organization gaming facility.

2 (9) Wagering, including gaming authorized under
3 Section 7.7, shall not be conducted with money or other
4 negotiable currency.

5 (10) A person under age 21 shall not be permitted on an
6 area of a riverboat or casino where gambling is being
7 conducted or at an organization gaming facility where
8 gambling is being conducted, except for a person at least
9 18 years of age who is an employee of the riverboat or
10 casino gambling operation or gaming operation. No employee
11 under age 21 shall perform any function involved in
12 gambling by the patrons. No person under age 21 shall be
13 permitted to make a wager under this Act or the Chicago
14 Casino Development Authority Act, and any winnings that are
15 a result of a wager by a person under age 21, whether or
16 not paid by a licensee, shall be treated as winnings for
17 the privilege tax purposes, confiscated, and forfeited to
18 the State and deposited into the Education 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 organization gaming licensee at the organization 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 organization 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 organization gaming licensee who
15 extends credit to a ~~riverboat~~ gambling patron pursuant to
16 paragraph (12) of Section 11 ~~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 organization 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 organization gaming
10 facilities at the rate of \$3 per person admitted by an
11 organization gaming licensee. The tax is imposed upon the
12 organization gaming licensee.

13 (1) The admission tax shall be paid for each admission,
14 except that a person who exits an organization gaming
15 facility and reenters that organization 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 organization gaming facility has paid the admission tax.

21 (2) An organization gaming licensee may issue tax-free
22 passes to actual and necessary officials and employees of
23 the licensee and other persons associated with its gaming
24 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 organization gaming licensee shall pay the
4 entire 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 organization 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 organization gaming facility is
14 located, or if the organization gaming facility is not located
15 within a municipality, then the county in which the
16 organization gaming facility is located, except as otherwise
17 provided in this Section, shall receive, subject to
18 appropriation, \$1 for each person who enters the organization
19 gaming facility. For each admission to the organization gaming
20 facility in excess of 1,500,000 in a year, from the tax imposed
21 under this subsection (c-5), the county in which the
22 organization gaming facility is located shall receive, subject
23 to appropriation, \$0.30, which shall be in addition to any
24 other moneys paid to the county under this Section.

25 From the tax imposed under this subsection (c-5) on an
26 organization gaming facility located in the Village of

1 Stickney, \$1 for each person who enters the organization gaming
2 facility shall be distributed as follows, subject to
3 appropriation: \$0.24 to the Village of Stickney, \$0.49 to the
4 Town of Cicero, \$0.05 to the City of Berwyn, and \$0.17 to the
5 Stickney Public Health District, and \$0.05 to the City of
6 Bridgeview.

7 From the tax imposed under this subsection (c-5) on an
8 organization gaming facility located in the City of
9 Collinsville, \$1 for each person who enters the organization
10 gaming facility shall be distributed as follows, subject to
11 appropriation: \$0.45 to the City of Alton, \$0.45 to the City of
12 East St. Louis, and \$0.10 to the City of Collinsville.

13 After payments required under this subsection (c-5) have
14 been made, all remaining amounts shall be transferred in equal
15 amounts to the State Construction Account Fund, the Pension
16 Stabilization Fund, and the Common School Fund.

17 (d) The Board shall administer and collect the admission
18 tax imposed by this Section, to the extent practicable, in a
19 manner consistent with the provisions of Sections 4, 5, 5a, 5b,
20 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9 and 10 of the
21 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
22 Penalty and Interest Act.

23 (Source: P.A. 95-663, eff. 10-11-07; 96-1392, eff. 1-1-11.)

24 (230 ILCS 10/13) (from Ch. 120, par. 2413)

25 Sec. 13. Wagering tax; rate; distribution.

1 (a) Until January 1, 1998, a tax is imposed on the adjusted
2 gross receipts received from gambling games authorized under
3 this Act at the rate of 20%.

4 (a-1) From January 1, 1998 until July 1, 2002, a privilege
5 tax is imposed on persons engaged in the business of conducting
6 riverboat gambling operations, based on the adjusted gross
7 receipts received by a licensed owner from gambling games
8 authorized under this Act at the following rates:

9 15% of annual adjusted gross receipts up to and
10 including \$25,000,000;

11 20% of annual adjusted gross receipts in excess of
12 \$25,000,000 but not exceeding \$50,000,000;

13 25% of annual adjusted gross receipts in excess of
14 \$50,000,000 but not exceeding \$75,000,000;

15 30% of annual adjusted gross receipts in excess of
16 \$75,000,000 but not exceeding \$100,000,000;

17 35% of annual adjusted gross receipts in excess of
18 \$100,000,000.

19 (a-2) From July 1, 2002 until July 1, 2003, a privilege tax
20 is imposed on persons engaged in the business of conducting
21 riverboat gambling operations, other than licensed managers
22 conducting riverboat gambling operations on behalf of the
23 State, based on the adjusted gross receipts received by a
24 licensed owner from gambling games authorized under this Act at
25 the following rates:

26 15% of annual adjusted gross receipts up to and

1 including \$25,000,000;

2 22.5% of annual adjusted gross receipts in excess of
3 \$25,000,000 but not exceeding \$50,000,000;

4 27.5% of annual adjusted gross receipts in excess of
5 \$50,000,000 but not exceeding \$75,000,000;

6 32.5% of annual adjusted gross receipts in excess of
7 \$75,000,000 but not exceeding \$100,000,000;

8 37.5% of annual adjusted gross receipts in excess of
9 \$100,000,000 but not exceeding \$150,000,000;

10 45% of annual adjusted gross receipts in excess of
11 \$150,000,000 but not exceeding \$200,000,000;

12 50% of annual adjusted gross receipts in excess of
13 \$200,000,000.

14 (a-3) Beginning July 1, 2003, a privilege tax is imposed on
15 persons engaged in the business of conducting riverboat
16 gambling operations, other than licensed managers conducting
17 riverboat gambling operations on behalf of the State, based on
18 the adjusted gross receipts received by a licensed owner from
19 gambling games authorized under this Act at the following
20 rates:

21 15% of annual adjusted gross receipts up to and
22 including \$25,000,000;

23 27.5% of annual adjusted gross receipts in excess of
24 \$25,000,000 but not exceeding \$37,500,000;

25 32.5% of annual adjusted gross receipts in excess of
26 \$37,500,000 but not exceeding \$50,000,000;

1 37.5% of annual adjusted gross receipts in excess of
2 \$50,000,000 but not exceeding \$75,000,000;

3 45% of annual adjusted gross receipts in excess of
4 \$75,000,000 but not exceeding \$100,000,000;

5 50% of annual adjusted gross receipts in excess of
6 \$100,000,000 but not exceeding \$250,000,000;

7 70% of annual adjusted gross receipts in excess of
8 \$250,000,000.

9 An amount equal to the amount of wagering taxes collected
10 under this subsection (a-3) that are in addition to the amount
11 of wagering taxes that would have been collected if the
12 wagering tax rates under subsection (a-2) were in effect shall
13 be paid into the Common School Fund.

14 The privilege tax imposed under this subsection (a-3) shall
15 no longer be imposed beginning on the earlier of (i) July 1,
16 2005; (ii) the first date after June 20, 2003 that riverboat
17 gambling operations are conducted pursuant to a dormant
18 license; or (iii) the first day that riverboat gambling
19 operations are conducted under the authority of an owners
20 license that is in addition to the 10 owners licenses initially
21 authorized under this Act. For the purposes of this subsection
22 (a-3), the term "dormant license" means an owners license that
23 is authorized by this Act under which no riverboat gambling
24 operations are being conducted on June 20, 2003.

25 (a-4) Beginning on the first day on which the tax imposed
26 under subsection (a-3) is no longer imposed and ending upon the

1 imposition of the privilege tax under subsection (a-5) of this
2 Section, a privilege tax is imposed on persons engaged in the
3 business of conducting ~~riverboat~~ gambling operations, other
4 than licensed managers conducting riverboat gambling
5 operations on behalf of the State, based on the adjusted gross
6 receipts received by a licensed owner from gambling games
7 authorized under this Act at the following rates:

8 15% of annual adjusted gross receipts up to and
9 including \$25,000,000;

10 22.5% of annual adjusted gross receipts in excess of
11 \$25,000,000 but not exceeding \$50,000,000;

12 27.5% of annual adjusted gross receipts in excess of
13 \$50,000,000 but not exceeding \$75,000,000;

14 32.5% of annual adjusted gross receipts in excess of
15 \$75,000,000 but not exceeding \$100,000,000;

16 37.5% of annual adjusted gross receipts in excess of
17 \$100,000,000 but not exceeding \$150,000,000;

18 45% of annual adjusted gross receipts in excess of
19 \$150,000,000 but not exceeding \$200,000,000;

20 50% of annual adjusted gross receipts in excess of
21 \$200,000,000.

22 For the imposition of the privilege tax in this subsection
23 (a-4), amounts paid pursuant to item (1) of subsection (b) of
24 Section 56 of the Illinois Horse Racing Act of 1975 shall not
25 be included in the determination of adjusted gross receipts.

26 (a-4.5) Beginning on the first day of the calendar month

1 immediately following 24 months after the effective date of
2 this amendatory Act of the 100th General Assembly and ending on
3 the date gambling operations commence at a permanent facility
4 with respect to the owners license authorized under paragraph
5 (1) of subsection (e-5) of Section 7 of this Act, a privilege
6 tax is imposed on persons engaged in the business of conducting
7 gambling operations, other than licensed managers conducting
8 riverboat gambling operations on behalf of the State, based on
9 the adjusted gross receipts received by such licensee from the
10 gambling games authorized under this Act. The privilege tax
11 shall be the average of the privilege tax, in terms of dollar
12 amounts, calculated pursuant to subsection (a-4) and
13 subsection (a-5).

14 (a-5) Beginning on January 1 following the opening of the
15 permanent casino at which gambling operations are conducted
16 pursuant to the Chicago Casino Development Authority Act, a
17 privilege tax is imposed on persons engaged in the business of
18 conducting gambling operations, other than licensed managers
19 conducting riverboat gambling operations on behalf of the
20 State, based on the adjusted gross receipts received by such
21 licensee from the gambling games authorized under this Act and
22 the Chicago Casino Development Authority Act. The privilege tax
23 for all gambling games other than table games, including, but
24 not limited to, slot machines, video game of chance gambling,
25 and electronic 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, a casino, or an organization
2 gaming facility shall not include the dollar amount of
3 non-cashable vouchers, coupons, and electronic promotions
4 redeemed by wagerers upon the riverboat, in the casino, or in
5 the organization gaming facility up to and including an amount
6 not to exceed 30% of a riverboat's, a casino's, or an
7 organization gaming 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 this
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 organization 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: 75% to Waukegan,
8 10% to Park City, and 15% 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 organization 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 organization gaming facility is located or, if

1 the organization gaming facility is not located within a
2 municipality, to the county in which the organization 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 organization 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 organization gaming facility located
15 in 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 organization 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 organization 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 organization gaming
3 facility is located for the purposes of its criminal justice
4 system or health care system.

5 Counties may refund any portion of the payment that they
6 receive pursuant to this subsection (b-6) to the organization
7 gaming facility.

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 gaming authorized under
19 Section 7.7, riverboat gaming, casino gaming within the City of
20 Chicago, and video gaming. From the tax revenue deposited in
21 the Gaming Facilities Fee Revenue Fund, the first \$50,000,000
22 shall be 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 organization gaming licensees pursuant to this
2 Section for 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 organization gaming licensees deposited into the
6 State Gaming Fund under this Section, all remaining amounts
7 from gaming licensees shall be transferred in equal amounts to
8 the State Construction Account Fund, the Pension Stabilization
9 Fund, and the Common School Fund.

10 (c-5) Before May 26, 2006 (the effective date of Public Act
11 94-804) and beginning on the effective date of this amendatory
12 Act of the 95th General Assembly, unless any organization
13 licensee under the Illinois Horse Racing Act of 1975 begins to
14 operate a slot machine or video game of chance under the
15 Illinois Horse Racing Act of 1975 or this Act, after the
16 payments required under subsections (b) and (c) have been made,
17 an amount equal to 15% of the adjusted gross receipts of (1) an
18 owners licensee that relocates pursuant to Section 11.2, (2) an
19 owners licensee conducting riverboat gambling operations
20 pursuant to an owners license that is initially issued after
21 June 25, 1999, or (3) the first riverboat gambling operations
22 conducted by a licensed manager on behalf of the State under
23 Section 7.3, whichever comes first, shall be paid from the
24 State Gaming Fund into the Horse Racing Equity Fund.

25 (c-10) Each year the General Assembly shall appropriate
26 from the General Revenue Fund to the Education Assistance Fund

1 an amount equal to the amount paid into the Horse Racing Equity
2 Fund pursuant to subsection (c-5) in the prior calendar year.

3 (c-15) After the payments required under subsections (b),
4 (c), and (c-5) have been made, an amount equal to 2% of the
5 adjusted gross receipts of (1) an owners licensee that
6 relocates pursuant to Section 11.2, (2) an owners licensee
7 conducting riverboat gambling operations pursuant to an owners
8 license that is initially issued after June 25, 1999, or (3)
9 the first riverboat gambling operations conducted by a licensed
10 manager on behalf of the State under Section 7.3, whichever
11 comes first, shall be paid, subject to appropriation from the
12 General Assembly, from the State Gaming Fund to each home rule
13 county with a population of over 3,000,000 inhabitants for the
14 purpose of enhancing the county's criminal justice system.

15 (c-20) Each year the General Assembly shall appropriate
16 from the General Revenue Fund to the Education Assistance Fund
17 an amount equal to the amount paid to each home rule county
18 with a population of over 3,000,000 inhabitants pursuant to
19 subsection (c-15) in the prior calendar year.

20 (c-25) On July 1, 2013 and each July 1 thereafter,
21 \$1,600,000 shall be transferred from the State Gaming Fund to
22 the Chicago State University Education Improvement Fund.

23 (c-30) On July 1, 2013 or as soon as possible thereafter,
24 \$92,000,000 shall be transferred from the State Gaming Fund to
25 the School Infrastructure Fund and \$23,000,000 shall be
26 transferred from the State Gaming Fund to the Horse Racing

1 Equity Fund.

2 (c-35) Beginning on July 1, 2013, in addition to any amount
3 transferred under subsection (c-30) of this Section,
4 \$5,530,000 shall be transferred monthly from the State Gaming
5 Fund to the School Infrastructure Fund.

6 (d) From time to time, the Board shall transfer the
7 remainder of the funds generated by this Act in equal amounts
8 to the State Construction Account Fund, the Pension
9 Stabilization Fund, and the Common School Fund ~~into the~~
10 ~~Education Assistance Fund, created by Public Act 86-0018, of~~
11 ~~the State of Illinois.~~

12 (e) Nothing in this Act shall prohibit the unit of local
13 government designated as the home dock of the riverboat from
14 entering into agreements with other units of local government
15 in this State or in other states to share its portion of the
16 tax revenue.

17 (f) To the extent practicable, the Board shall administer
18 and collect the wagering taxes imposed by this Section in a
19 manner consistent with the provisions of Sections 4, 5, 5a, 5b,
20 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, and 10 of the
21 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
22 Penalty and Interest Act.

23 (Source: P.A. 98-18, eff. 6-7-13.)

24 (230 ILCS 10/14) (from Ch. 120, par. 2414)

25 Sec. 14. Licensees - Records - Reports - Supervision.

1 (a) Licensed owners and organization gaming licensees ~~A~~
2 ~~licensed owner~~ shall keep ~~his~~ books and records so as to
3 clearly show the following:

4 (1) The amount received daily from admission fees.

5 (2) The total amount of gross receipts.

6 (3) The total amount of the adjusted gross receipts.

7 (b) Licensed owners and organization gaming licensees ~~The~~
8 ~~licensed owner~~ shall furnish to the Board reports and
9 information as the Board may require with respect to its
10 activities on forms designed and supplied for such purpose by
11 the Board.

12 (c) The books and records kept by a licensed owner as
13 provided by this Section are public records and the
14 examination, publication, and dissemination of the books and
15 records are governed by the provisions of The Freedom of
16 Information Act.

17 (Source: P.A. 86-1029.)

18 (230 ILCS 10/15) (from Ch. 120, par. 2415)

19 Sec. 15. Audit of Licensee Operations. Annually, the
20 licensed owner, ~~or~~ manager, or organization gaming licensee
21 shall transmit to the Board an audit of the financial
22 transactions and condition of the licensee's or manager's total
23 operations. Additionally, within 90 days after the end of each
24 quarter of each fiscal year, the licensed owner, ~~or~~ manager, or
25 organization gaming licensee shall transmit to the Board a

1 compliance report on engagement procedures determined by the
2 Board. All audits and compliance engagements shall be conducted
3 by certified public accountants selected by the Board. Each
4 certified public accountant must be registered in the State of
5 Illinois under the Illinois Public Accounting Act. The
6 compensation for each certified public accountant shall be paid
7 directly by the licensed owner, ~~or~~ manager, or organization
8 gaming licensee to the certified public accountant.

9 (Source: P.A. 96-1392, eff. 1-1-11.)

10 (230 ILCS 10/16) (from Ch. 120, par. 2416)

11 Sec. 16. Annual Report of Board. The Board shall make an
12 annual report to the Governor, for the period ending December
13 31 of each year. Included in the report shall be an account of
14 the Board actions, its financial position and results of
15 operation under this Act and the Chicago Casino Development
16 Authority Act, the practical results attained under this Act
17 and the Chicago Casino Development Authority Act and any
18 recommendations for legislation which the Board deems
19 advisable.

20 (Source: P.A. 86-1029.)

21 (230 ILCS 10/17) (from Ch. 120, par. 2417)

22 Sec. 17. Administrative Procedures. The Illinois
23 Administrative Procedure Act shall apply to all administrative
24 rules and procedures of the Board under this Act, the Chicago

1 Casino Development Authority Act, and ~~or~~ the Video Gaming Act,
2 except that: (1) subsection (b) of Section 5-10 of the Illinois
3 Administrative Procedure Act does not apply to final orders,
4 decisions and opinions of the Board; (2) subsection (a) of
5 Section 5-10 of the Illinois Administrative Procedure Act does
6 not apply to forms established by the Board for use under this
7 Act, the Chicago Casino Development Authority Act, and or the
8 Video Gaming Act; (3) the provisions of Section 10-45 of the
9 Illinois Administrative Procedure Act regarding proposals for
10 decision are excluded under this Act, the Chicago Casino
11 Development Authority Act, and ~~or~~ the Video Gaming Act; and (4)
12 the provisions of subsection (d) of Section 10-65 of the
13 Illinois Administrative Procedure Act do not apply so as to
14 prevent summary suspension of any license pending revocation or
15 other action, which suspension shall remain in effect unless
16 modified by the Board or unless the Board's decision is
17 reversed on the merits upon judicial review.

18 (Source: P.A. 96-34, eff. 7-13-09.)

19 (230 ILCS 10/17.1) (from Ch. 120, par. 2417.1)

20 Sec. 17.1. Judicial Review.

21 (a) Jurisdiction and venue for the judicial review of a
22 final order of the Board relating to licensed owners,
23 suppliers, organization gaming licensees, and ~~or~~ special event
24 licenses is vested in the Appellate Court of the judicial
25 district in which Sangamon County is located. A petition for

1 judicial review of a final order of the Board must be filed in
2 the Appellate Court, within 35 days from the date that a copy
3 of the decision sought to be reviewed was served upon the party
4 affected by the decision.

5 (b) Judicial review of all other final orders of the Board
6 shall be conducted in accordance with the Administrative Review
7 Law.

8 (Source: P.A. 88-1.)

9 (230 ILCS 10/18) (from Ch. 120, par. 2418)

10 Sec. 18. Prohibited Activities - Penalty.

11 (a) A person is guilty of a Class A misdemeanor for doing
12 any of the following:

13 (1) Conducting gambling where wagering is used or to be
14 used without a license issued by the Board.

15 (2) Conducting gambling where wagering is permitted
16 other than in the manner specified by Section 11.

17 (b) A person is guilty of a Class B misdemeanor for doing
18 any of the following:

19 (1) permitting a person under 21 years to make a wager;

20 or

21 (2) violating paragraph (12) of subsection (a) of
22 Section 11 of this Act.

23 (c) A person wagering or accepting a wager at any location
24 outside the riverboat, casino, or organization gaming facility
25 in violation of paragraph ~~is subject to the penalties in~~

1 ~~paragraphs~~ (1) or (2) of subsection (a) of Section 28-1 of the
2 Criminal Code of 2012 is subject to the penalties provided in
3 that Section.

4 (d) A person commits a Class 4 felony and, in addition,
5 shall be barred for life from gambling operations ~~riverboats~~
6 under the jurisdiction of the Board, if the person does any of
7 the following:

8 (1) Offers, promises, or gives anything of value or
9 benefit to a person who is connected with a riverboat or
10 casino owner or organization gaming licensee, including,
11 but not limited to, an officer or employee of a licensed
12 owner, organization gaming licensee, or holder of an
13 occupational license pursuant to an agreement or
14 arrangement or with the intent that the promise or thing of
15 value or benefit will influence the actions of the person
16 to whom the offer, promise, or gift was made in order to
17 affect or attempt to affect the outcome of a gambling game,
18 or to influence official action of a member of the Board.

19 (2) Solicits or knowingly accepts or receives a promise
20 of anything of value or benefit while the person is
21 connected with a riverboat, casino, or organization gaming
22 facility, including, but not limited to, an officer or
23 employee of a licensed owner or organization gaming
24 licensee, or the holder of an occupational license,
25 pursuant to an understanding or arrangement or with the
26 intent that the promise or thing of value or benefit will

1 influence the actions of the person to affect or attempt to
2 affect the outcome of a gambling game, or to influence
3 official action of a member of the Board.

4 (3) Uses or possesses with the intent to use a device
5 to assist:

6 (i) In projecting the outcome of the game.

7 (ii) In keeping track of the cards played.

8 (iii) In analyzing the probability of the
9 occurrence of an event relating to the gambling game.

10 (iv) In analyzing the strategy for playing or
11 betting to be used in the game except as permitted by
12 the Board.

13 (4) Cheats at a gambling game.

14 (5) Manufactures, sells, or distributes any cards,
15 chips, dice, game or device which is intended to be used to
16 violate any provision of this Act or the Chicago Casino
17 Development Authority Act.

18 (6) Alters or misrepresents the outcome of a gambling
19 game on which wagers have been made after the outcome is
20 made sure but before it is revealed to the players.

21 (7) Places a bet after acquiring knowledge, not
22 available to all players, of the outcome of the gambling
23 game which is subject of the bet or to aid a person in
24 acquiring the knowledge for the purpose of placing a bet
25 contingent on that outcome.

26 (8) Claims, collects, or takes, or attempts to claim,

1 collect, or take, money or anything of value in or from the
2 gambling games, with intent to defraud, without having made
3 a wager contingent on winning a gambling game, or claims,
4 collects, or takes an amount of money or thing of value of
5 greater value than the amount won.

6 (9) Uses counterfeit chips or tokens in a gambling
7 game.

8 (10) Possesses any key or device designed for the
9 purpose of opening, entering, or affecting the operation of
10 a gambling game, drop box, or an electronic or mechanical
11 device connected with the gambling game or for removing
12 coins, tokens, chips or other contents of a gambling game.
13 This paragraph (10) does not apply to a gambling licensee
14 or employee of a gambling licensee acting in furtherance of
15 the employee's employment.

16 (e) The possession of more than one of the devices
17 described in subsection (d), paragraphs (3), (5), or (10)
18 permits a rebuttable presumption that the possessor intended to
19 use the devices for cheating.

20 (f) A person under the age of 21 who, except as authorized
21 under paragraph (10) of Section 11, enters upon a riverboat or
22 in a casino or organization gaming facility commits a petty
23 offense and is subject to a fine of not less than \$100 or more
24 than \$250 for a first offense and of not less than \$200 or more
25 than \$500 for a second or subsequent offense.

26 An action to prosecute any crime occurring on a riverboat

1 shall be tried in the county of the dock at which the riverboat
2 is based. An action to prosecute any crime occurring in a
3 casino or organization gaming facility shall be tried in the
4 county in which the casino or organization gaming facility is
5 located.

6 (Source: P.A. 96-1392, eff. 1-1-11; 97-1150, eff. 1-25-13.)

7 (230 ILCS 10/18.1)

8 Sec. 18.1. Distribution of certain fines. If a fine is
9 imposed on an owners ~~owner~~ licensee or an organization gaming
10 licensee for knowingly sending marketing or promotional
11 materials to any person placed on the self-exclusion list, then
12 the Board shall distribute an amount equal to 15% of the fine
13 imposed to the unit of local government in which the casino,
14 riverboat, or organization gaming facility is located for the
15 purpose of awarding grants to non-profit entities that assist
16 gambling addicts.

17 (Source: P.A. 96-224, eff. 8-11-09.)

18 (230 ILCS 10/19) (from Ch. 120, par. 2419)

19 Sec. 19. Forfeiture of property.

20 (a) Except as provided in subsection (b), any riverboat,
21 casino, or organization gaming facility used for the conduct of
22 gambling games in violation of this Act shall be considered a
23 gambling place in violation of Section 28-3 of the Criminal
24 Code of 2012. Every gambling device found on a riverboat, in a

1 casino, or at an organization gaming facility operating
2 gambling games in violation of this Act and every slot machine
3 and video game of chance found at an organization gaming
4 facility operating gambling games in violation of this Act or
5 the Chicago Casino Development Authority Act shall be subject
6 to seizure, confiscation and destruction as provided in Section
7 28-5 of the Criminal Code of 2012.

8 (b) It is not a violation of this Act for a riverboat or
9 other watercraft which is licensed for gaming by a contiguous
10 state to dock on the shores of this State if the municipality
11 having jurisdiction of the shores, or the county in the case of
12 unincorporated areas, has granted permission for docking and no
13 gaming is conducted on the riverboat or other watercraft while
14 it is docked on the shores of this State. No gambling device
15 shall be subject to seizure, confiscation or destruction if the
16 gambling device is located on a riverboat or other watercraft
17 which is licensed for gaming by a contiguous state and which is
18 docked on the shores of this State if the municipality having
19 jurisdiction of the shores, or the county in the case of
20 unincorporated areas, has granted permission for docking and no
21 gaming is conducted on the riverboat or other watercraft while
22 it is docked on the shores of this State.

23 (Source: P.A. 97-1150, eff. 1-25-13.)

24 (230 ILCS 10/20) (from Ch. 120, par. 2420)

25 Sec. 20. Prohibited activities - civil penalties. Any

1 person who conducts a gambling operation without first
2 obtaining a license to do so, or who continues to conduct such
3 games after revocation of his license, or any licensee who
4 conducts or allows to be conducted any unauthorized gambling
5 games on a riverboat, in a casino, or at an organization gaming
6 facility where it is authorized to conduct its ~~riverboat~~
7 gambling operation, in addition to other penalties provided,
8 shall be subject to a civil penalty equal to the amount of
9 gross receipts derived from wagering on the gambling games,
10 whether unauthorized or authorized, conducted on that day as
11 well as confiscation and forfeiture of all gambling game
12 equipment used in the conduct of unauthorized gambling games.

13 (Source: P.A. 86-1029.)

14 (230 ILCS 10/21) (from Ch. 120, par. 2421)

15 Sec. 21. Limitation on taxation of licensees. Licensees
16 shall not be subjected to any excise tax, license tax, permit
17 tax, privilege tax, occupation tax or excursion tax which is
18 imposed exclusively upon the licensee by the State or any
19 political subdivision thereof, except as provided in this Act
20 or the Chicago Casino Development Authority Act.

21 (Source: P.A. 86-1029.)

22 (230 ILCS 10/23) (from Ch. 120, par. 2423)

23 Sec. 23. The State Gaming Fund. On or after the effective
24 date of this Act, except as provided for payments into the

1 Horse Racing Equity Trust Fund under subsection (a) of Section
2 7, all of the fees and taxes collected pursuant to this Act or
3 the Chicago Casino Development Authority Act shall be deposited
4 into the State Gaming Fund, a special fund in the State
5 Treasury, which is hereby created. The adjusted gross receipts
6 of any riverboat gambling operations conducted by a licensed
7 manager on behalf of the State remaining after the payment of
8 the fees and expenses of the licensed manager shall be
9 deposited into the State Gaming Fund. Fines and penalties
10 collected pursuant to this Act or the Chicago Casino
11 Development Authority Act shall be deposited into the Education
12 Assistance Fund, created by Public Act 86-0018, of the State of
13 Illinois.

14 (Source: P.A. 93-28, eff. 6-20-03; 94-804, eff. 5-26-06.)

15 (230 ILCS 10/24)

16 Sec. 24. Applicability of this Illinois Riverboat Gambling
17 Act. The provisions of the this Illinois Riverboat Gambling
18 Act, and all rules promulgated thereunder, shall apply to the
19 Chicago Casino Development Authority Act and the Video Gaming
20 Act, except where there is a conflict between the ~~2~~ Acts. In
21 the event of a conflict between this Act and the Chicago Casino
22 Development Authority Act, the terms of the Chicago Casino
23 Development Authority Act shall prevail. In the event of a
24 conflict between this Act and the Video Gaming Act, the terms
25 of this Act shall prevail.

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

2 (230 ILCS 10/25 new)

3 Sec. 25. Wide area progressive systems. The operation of a
4 wide area progressive system is permitted in gambling
5 operations authorized under this Act subject to the following
6 conditions:

7 (1) The method of communication over the wide area
8 progressive system must consist of dedicated on-line
9 communication lines or the equivalent, as determined by the
10 Administrator, or wireless communication, which may be
11 subject to certain restrictions imposed by the
12 Administrator.

13 (2) All communication between each facility location
14 and the central system site must be encrypted.

15 (3) The central system site must be located within the
16 State of Illinois and be equipped with a non-interruptible
17 power supply and the central computer must be capable of
18 on-line data redundancy should hard disk peripherals fail
19 during operation. The office containing the central
20 computer shall be equipped with a surveillance system that
21 has been approved by the Administrator. The wide area
22 progressive system provider shall be required to keep and
23 maintain an entry and exit log for the office containing
24 the central computer. The wide area progressive system
25 provider shall provide access to the office containing the

1 central computer to the Administrator and shall make
2 available to the Administrator all books, records, and
3 information required by the Administrator in fulfilling
4 his or her regulatory purpose.

5 (4) A wide area progressive system provider must
6 suspend play on the wide area progressive system if a
7 communication failure of the system cannot be corrected
8 within 24 consecutive hours.

9 (5) Approval by the Board of any wide area progressive
10 system shall occur only after the Administrator has
11 reviewed the wide area progressive system software and
12 hardware and is satisfied that the operation of the system
13 meets accepted industry standards for wide area
14 progressive system products, as well as any other
15 requirements that the Administrator may impose to ensure
16 the integrity, security, and legal operation of the wide
17 area progressive system.

18 (6) A meter that shows the amount of the common
19 progressive jackpot must be conspicuously displayed at or
20 near the machines to which the jackpot applies. The common
21 progressive jackpot meter need not precisely show the
22 actual moneys in the common progressive jackpot award at
23 each instant. Nothing shall prohibit the use of an odometer
24 or other paced updating progressive display to show updates
25 to the jackpot. When a paced updating display is used and
26 the remote site is communicating to the central computer,

1 the common progressive jackpot meter must display the
2 winning value after the jackpot broadcast is received from
3 the central system. If a common progressive jackpot is
4 recognized in the middle of a systemwide poll cycle, the
5 common progressive jackpot display may contain a value less
6 than the aggregated amount calculated by the central
7 system. The fund values from the remaining portion of the
8 poll cycle shall be received by the central system, but not
9 the local site, in which case the common progressive
10 jackpot amount paid shall always be the higher of the 2
11 reporting amounts.

12 (7) When a common progressive jackpot is won, the wide
13 area progressive system provider shall have the
14 opportunity to inspect the machine, storage media, the
15 error events received by the central system, and any other
16 data which could reasonably be used to ascertain the
17 validity of the jackpot.

18 (A) The central system shall produce reports that
19 clearly demonstrate the method of arriving at the
20 payoff amount. This shall include the funds
21 contributed beginning with the polling cycle
22 immediately following the previous jackpot and all
23 funds contributed up to and including the polling cycle
24 that includes the jackpot signal. Funds contributed to
25 and registered by the system before the jackpot message
26 is received shall be deemed to have been contributed to

1 the progressive amount prior to the current jackpot.
2 Funds contributed to the system subsequent to the
3 jackpot message's being received, as well as funds
4 contributed to the system before the jackpot message is
5 received by the system but registered after the jackpot
6 message is received at the system, shall be deemed to
7 have been contributed to the progressive amount of the
8 next jackpot.

9 (B) The common progressive jackpot may be
10 disbursed in periodic payments as long as each machine
11 clearly displays the fact that the jackpot shall be
12 paid in such periodic payments. In addition, the number
13 of periodic payments and time between payments must be
14 clearly displayed on the slot machine in a
15 non-misleading manner.

16 (C) A wide area progressive system provider must,
17 upon request, supply to the Board reports that support
18 and verify the economic activity of the system.

19 (8) In calculating adjusted gross revenue, a facility
20 may deduct its pro rata share of the present value of any
21 common progressive jackpots awarded. The deduction shall
22 be listed on the detailed accounting records provided by
23 the wide area progressive system provider. A facility's pro
24 rata share is based on the number of funds in from that
25 facility's machines on the wide area progressive system,
26 compared to the total amount of funds in on the whole

1 system for the time period between jackpots awarded.

2 (9) In the event a facility ceases operations and a
3 progressive jackpot is awarded subsequent to the last day
4 of the final month of operation, the facility may not file
5 an amended wagering tax submission or make a claim for a
6 wagering tax refund based on its contributions to that
7 particular progressive prize pool.

8 (10) A facility, or an entity that is licensed as a
9 manufacturer or distributor, shall provide the wide area
10 progressive system in accordance with a written agreement
11 that shall be reviewed and approved by the Board prior to
12 offering the jackpots.

13 (11) The payment of any common progressive jackpot
14 offered on a wide area progressive system shall be
15 administered by the wide area progressive system provider,
16 and the provider shall have primary liability for payment
17 of any common progressive jackpot the person administers.

18 (12) A wide area progressive system provider shall
19 comply with the following:

20 (A) A reserve shall be established and maintained
21 by the provider of the wide area progressive system in
22 an amount of not less than the sum of the following
23 amounts:

24 (i) the present value of the aggregate
25 remaining balances owed on all jackpots previously
26 won by patrons on the wide area progressive system;

1 (ii) the present value of the amount currently
2 reflected on the jackpot meters of the wide area
3 progressive system; and

4 (iii) the present value of one additional
5 reset of the wide area progressive system.

6 (B) The reserve shall continue to be maintained
7 until all payments owed to winners of the common
8 progressive jackpots have been made.

9 (C) For common progressive jackpots disbursed in
10 periodic payments, any qualified investment shall be
11 purchased within 90 days following notice of the win of
12 the common progressive jackpot, and a copy of such
13 qualified investment shall be provided to the Board
14 within 30 days of purchase. Any qualified investment
15 shall have a surrender value at maturity and shall have
16 a maturity date prior to the date the periodic jackpot
17 payment is required to be made.

18 (D) The person authorized to provide the wide area
19 progressive system shall not be permitted to sell,
20 trade, or otherwise dispose of any qualified
21 investments prior to their maturity unless approval to
22 do so is first obtained from the Board.

23 (E) Upon becoming aware of an event of
24 noncompliance with the terms of the reserve
25 requirement mandated by subparagraph (A) in this
26 paragraph (12), the wide area progressive system

1 provider must immediately notify the Board of such
2 event. An event of noncompliance includes a
3 non-payment of a jackpot periodic payment or a
4 circumstance which may cause the wide area progressive
5 system provider to be unable to fulfill, or which may
6 otherwise impair the person's ability to satisfy, the
7 person's jackpot payment obligations.

8 (F) On a quarterly basis, the wide area progressive
9 system provider must deliver to the Board a calculation
10 of system reserves required under subparagraph (A) in
11 this paragraph (12). The calculation shall come with a
12 certification of financial compliance signed by a duly
13 authorized financial officer of the wide area
14 progressive system provider, on a form prescribed by
15 the Board, validating the calculation.

16 (13) For common progressive jackpots disbursed in
17 periodic payments, subsequent to the date of the win, a
18 winner may be offered the option to receive, in lieu of
19 periodic payments, a discounted single cash payment in the
20 form of a qualified prize option, as that term is defined
21 in Section 451(h) of the Internal Revenue Code of 1986. The
22 wide area progressive system provider shall calculate the
23 single cash payment based on the discount rate. Until the
24 new discount rate becomes effective, the discount rate
25 selected by the wide area progressive system provider shall
26 be used to calculate the single cash payment for all

1 qualified prizes that occur subsequent to the date of the
2 selected discount rate.

3 Section 90-42. The Video Gaming Act is amended by changing
4 Sections 5, 20, 25, 35, 45, 60, 79, and 80 and by adding
5 Section 90 as follows:

6 (230 ILCS 40/5)

7 Sec. 5. Definitions. As used in this Act:

8 "Board" means the Illinois Gaming Board.

9 "Credit" means one, 5, 10, or 25 cents either won or
10 purchased by a player.

11 "Distributor" means an individual, partnership,
12 corporation, or limited liability company licensed under this
13 Act to buy, sell, lease, or distribute video gaming terminals
14 or major components or parts of video gaming terminals to or
15 from terminal operators.

16 "Electronic card" means a card purchased from a licensed
17 establishment, licensed fraternal establishment, licensed
18 veterans establishment, or licensed truck stop establishment
19 for use in that establishment as a substitute for cash in the
20 conduct of gaming on a video gaming terminal.

21 "Electronic voucher" means a voucher printed by an
22 electronic video game machine that is redeemable in the
23 licensed establishment for which it was issued.

24 "Terminal operator" means an individual, partnership,

1 corporation, or limited liability company that is licensed
2 under this Act and that owns, services, and maintains video
3 gaming terminals for placement in licensed establishments,
4 licensed truck stop establishments, licensed fraternal
5 establishments, or licensed veterans establishments.

6 "Licensed technician" means an individual who is licensed
7 under this Act to repair, service, and maintain video gaming
8 terminals.

9 "Licensed terminal handler" means a person, including but
10 not limited to an employee or independent contractor working
11 for a manufacturer, distributor, supplier, technician, or
12 terminal operator, who is licensed under this Act to possess or
13 control a video gaming terminal or to have access to the inner
14 workings of a video gaming terminal. A licensed terminal
15 handler does not include an individual, partnership,
16 corporation, or limited liability company defined as a
17 manufacturer, distributor, supplier, technician, or terminal
18 operator under this Act.

19 "Manufacturer" means an individual, partnership,
20 corporation, or limited liability company that is licensed
21 under this Act and that manufactures or assembles video gaming
22 terminals.

23 "Supplier" means an individual, partnership, corporation,
24 or limited liability company that is licensed under this Act to
25 supply major components or parts to video gaming terminals to
26 licensed terminal operators.

1 "Net terminal income" means money put into a video gaming
2 terminal minus credits paid out to players.

3 "Video gaming terminal" means any electronic video game
4 machine that, upon insertion of cash, electronic cards or
5 vouchers, or any combination thereof, is available to play or
6 simulate the play of a video game, including but not limited to
7 video poker, line up, and blackjack, as authorized by the Board
8 utilizing a video display and microprocessors in which the
9 player may receive free games or credits that can be redeemed
10 for cash. The term does not include a machine that directly
11 dispenses coins, cash, or tokens or is for amusement purposes
12 only.

13 "Licensed establishment" means any licensed retail
14 establishment where alcoholic liquor is drawn, poured, mixed,
15 or otherwise served for consumption on the premises, whether
16 the establishment operates on a nonprofit or for-profit basis.
17 "Licensed establishment" includes any such establishment that
18 has a contractual relationship with an inter-track wagering
19 location licensee licensed under the Illinois Horse Racing Act
20 of 1975, provided any contractual relationship shall not
21 include any transfer or offer of revenue from the operation of
22 video gaming under this Act to any licensee licensed under the
23 Illinois Horse Racing Act of 1975. Provided, however, that the
24 licensed establishment that has such a contractual
25 relationship with an inter-track wagering location licensee
26 may not, itself, be (i) an inter-track wagering location

1 licensee, (ii) the corporate parent or subsidiary of any
2 licensee licensed under the Illinois Horse Racing Act of 1975,
3 or (iii) the corporate subsidiary of a corporation that is also
4 the corporate parent or subsidiary of any licensee licensed
5 under the Illinois Horse Racing Act of 1975. "Licensed
6 establishment" does not include a facility operated by an
7 organization licensee, an inter-track wagering licensee, or an
8 inter-track wagering location licensee licensed under the
9 Illinois Horse Racing Act of 1975 or a riverboat licensed under
10 the Illinois Riverboat ~~Riverboat~~ Gambling Act, except as provided in this
11 paragraph. The changes made to this definition by Public Act
12 98-587 are declarative of existing law.

13 "Licensed fraternal establishment" means the location
14 where a qualified fraternal organization that derives its
15 charter from a national fraternal organization regularly
16 meets.

17 "Licensed veterans establishment" means the location where
18 a qualified veterans organization that derives its charter from
19 a national veterans organization regularly meets.

20 "Licensed truck stop establishment" means a facility (i)
21 that is at least a 3-acre facility with a convenience store,
22 (ii) with separate diesel islands for fueling commercial motor
23 vehicles, (iii) that sells at retail more than 10,000 gallons
24 of diesel or biodiesel fuel per month, and (iv) with parking
25 spaces for commercial motor vehicles. "Commercial motor
26 vehicles" has the same meaning as defined in Section 18b-101 of

1 the Illinois Vehicle Code. The requirement of item (iii) of
2 this paragraph may be met by showing that estimated future
3 sales or past sales average at least 10,000 gallons per month.
4 (Source: P.A. 97-333, eff. 8-12-11; 98-31, eff. 6-24-13;
5 98-582, eff. 8-27-13; 98-587, eff. 8-27-13; 98-756, eff.
6 7-16-14.)

7 (230 ILCS 40/20)

8 Sec. 20. Direct dispensing of receipt tickets only. A video
9 gaming terminal may not directly dispense coins, cash, tokens,
10 or any other article of exchange or value except for receipt
11 tickets. Tickets shall be dispensed by pressing the ticket
12 dispensing button on the video gaming terminal at the end of
13 one's turn or play. The ticket shall indicate the total amount
14 of credits and the cash award, the time of day in a 24-hour
15 format showing hours and minutes, the date, the terminal serial
16 number, the sequential number of the ticket, and an encrypted
17 validation number from which the validity of the prize may be
18 determined. The player shall turn in this ticket to the
19 appropriate person at the licensed establishment, licensed
20 truck stop establishment, licensed fraternal establishment, or
21 licensed veterans establishment to receive the cash award. The
22 cost of the credit shall be one cent, 5 cents, 10 cents, or 25
23 cents, and the maximum wager played per hand shall not exceed
24 \$4 ~~\$2~~. No cash award for the maximum wager on any individual
25 hand shall exceed \$1,199, except in the case of a wide area

1 progressive system, as defined in the Illinois Gambling Act,
2 which shall have no limits for cash awards \$500.

3 (Source: P.A. 96-34, eff. 7-13-09; 96-1410, eff. 7-30-10.)

4 (230 ILCS 40/25)

5 Sec. 25. Restriction of licensees.

6 (a) Manufacturer. A person may not be licensed as a
7 manufacturer of a video gaming terminal in Illinois unless the
8 person has a valid manufacturer's license issued under this
9 Act. A manufacturer may only sell video gaming terminals for
10 use in Illinois to persons having a valid distributor's
11 license.

12 (b) Distributor. A person may not sell, distribute, or
13 lease or market a video gaming terminal in Illinois unless the
14 person has a valid distributor's license issued under this Act.
15 A distributor may only sell video gaming terminals for use in
16 Illinois to persons having a valid distributor's or terminal
17 operator's license.

18 (c) Terminal operator. A person may not own, maintain, or
19 place a video gaming terminal unless he has a valid terminal
20 operator's license issued under this Act. A terminal operator
21 may only place video gaming terminals for use in Illinois in
22 licensed establishments, licensed truck stop establishments,
23 licensed fraternal establishments, and licensed veterans
24 establishments. No terminal operator may give anything of
25 value, including but not limited to a loan or financing

1 arrangement, to a licensed establishment, licensed truck stop
2 establishment, licensed fraternal establishment, or licensed
3 veterans establishment as any incentive or inducement to locate
4 video terminals in that establishment. Of the after-tax profits
5 from a video gaming terminal, 50% shall be paid to the terminal
6 operator and 50% shall be paid to the licensed establishment,
7 licensed truck stop establishment, licensed fraternal
8 establishment, or licensed veterans establishment,
9 notwithstanding any agreement to the contrary. A video terminal
10 operator that violates one or more requirements of this
11 subsection is guilty of a Class 4 felony and is subject to
12 termination of his or her license by the Board.

13 (d) Licensed technician. A person may not service,
14 maintain, or repair a video gaming terminal in this State
15 unless he or she (1) has a valid technician's license issued
16 under this Act, (2) is a terminal operator, or (3) is employed
17 by a terminal operator, distributor, or manufacturer.

18 (d-5) Licensed terminal handler. No person, including, but
19 not limited to, an employee or independent contractor working
20 for a manufacturer, distributor, supplier, technician, or
21 terminal operator licensed pursuant to this Act, shall have
22 possession or control of a video gaming terminal, or access to
23 the inner workings of a video gaming terminal, unless that
24 person possesses a valid terminal handler's license issued
25 under this Act.

26 (e) Licensed establishment. No video gaming terminal may be

1 placed in any licensed establishment, licensed veterans
2 establishment, licensed truck stop establishment, or licensed
3 fraternal establishment unless the owner or agent of the owner
4 of the licensed establishment, licensed veterans
5 establishment, licensed truck stop establishment, or licensed
6 fraternal establishment has entered into a written use
7 agreement with the terminal operator for placement of the
8 terminals. A copy of the use agreement shall be on file in the
9 terminal operator's place of business and available for
10 inspection by individuals authorized by the Board. A licensed
11 establishment, licensed truck stop establishment, licensed
12 veterans establishment, or licensed fraternal establishment
13 may operate up to 6 ~~5~~ video gaming terminals on its premises at
14 any time.

15 (f) (Blank).

16 (g) Financial interest restrictions. As used in this Act,
17 "substantial interest" in a partnership, a corporation, an
18 organization, an association, a business, or a limited
19 liability company means:

20 (A) When, with respect to a sole proprietorship, an
21 individual or his or her spouse owns, operates, manages, or
22 conducts, directly or indirectly, the organization,
23 association, or business, or any part thereof; or

24 (B) When, with respect to a partnership, the individual
25 or his or her spouse shares in any of the profits, or
26 potential profits, of the partnership activities; or

1 (C) When, with respect to a corporation, an individual
2 or his or her spouse is an officer or director, or the
3 individual or his or her spouse is a holder, directly or
4 beneficially, of 5% or more of any class of stock of the
5 corporation; or

6 (D) When, with respect to an organization not covered
7 in (A), (B) or (C) above, an individual or his or her
8 spouse is an officer or manages the business affairs, or
9 the individual or his or her spouse is the owner of or
10 otherwise controls 10% or more of the assets of the
11 organization; or

12 (E) When an individual or his or her spouse furnishes
13 5% or more of the capital, whether in cash, goods, or
14 services, for the operation of any business, association,
15 or organization during any calendar year; or

16 (F) When, with respect to a limited liability company,
17 an individual or his or her spouse is a member, or the
18 individual or his or her spouse is a holder, directly or
19 beneficially, of 5% or more of the membership interest of
20 the limited liability company.

21 For purposes of this subsection (g), "individual" includes
22 all individuals or their spouses whose combined interest would
23 qualify as a substantial interest under this subsection (g) and
24 whose activities with respect to an organization, association,
25 or business are so closely aligned or coordinated as to
26 constitute the activities of a single entity.

1 (h) Location restriction. A licensed establishment,
2 licensed truck stop establishment, licensed fraternal
3 establishment, or licensed veterans establishment that is (i)
4 located within 1,000 feet of a facility operated by an
5 organization licensee licensed under the Illinois Horse Racing
6 Act of 1975 or the home dock of a riverboat licensed under the
7 Illinois Riverboat Gambling Act or (ii) located within 100 feet
8 of a school or a place of worship under the Religious
9 Corporation Act, is ineligible to operate a video gaming
10 terminal. The location restrictions in this subsection (h) do
11 not apply if (A) a facility operated by an organization
12 licensee, a school, or a place of worship moves to or is
13 established within the restricted area after a licensed
14 establishment, licensed truck stop establishment, licensed
15 fraternal establishment, or licensed veterans establishment
16 becomes licensed under this Act or (B) a school or place of
17 worship moves to or is established within the restricted area
18 after a licensed establishment, licensed truck stop
19 establishment, licensed fraternal establishment, or licensed
20 veterans establishment obtains its original liquor license.
21 For the purpose of this subsection, "school" means an
22 elementary or secondary public school, or an elementary or
23 secondary private school registered with or recognized by the
24 State Board of Education.

25 Notwithstanding the provisions of this subsection (h), the
26 Board may waive the requirement that a licensed establishment,

1 licensed truck stop establishment, licensed fraternal
2 establishment, or licensed veterans establishment not be
3 located within 1,000 feet from a facility operated by an
4 organization licensee licensed under the Illinois Horse Racing
5 Act of 1975 or the home dock of a riverboat licensed under the
6 Illinois Riverboat Gambling Act. The Board shall not grant such
7 waiver if there is any common ownership or control, shared
8 business activity, or contractual arrangement of any type
9 between the establishment and the organization licensee or
10 owners licensee of a riverboat. The Board shall adopt rules to
11 implement the provisions of this paragraph.

12 (h-5) Restrictions on licenses in malls. The Board shall
13 not grant an application to become a licensed video gaming
14 location if the Board determines that granting the application
15 would more likely than not cause a terminal operator,
16 individually or in combination with other terminal operators,
17 licensed video gaming location, or other person or entity, to
18 operate the video gaming terminals in 2 or more licensed video
19 gaming locations as a single video gaming operation.

20 (1) In making determinations under this subsection
21 (h-5), factors to be considered by the Board shall include,
22 but not be limited to, the following:

23 (A) the physical aspects of the location;

24 (B) the ownership, control, or management of the
25 location;

26 (C) any arrangements, understandings, or

1 agreements, written or otherwise, among or involving
2 any persons or entities that involve the conducting of
3 any video gaming business or the sharing of costs or
4 revenues; and

5 (D) the manner in which any terminal operator or
6 other related entity markets, advertises, or otherwise
7 describes any location or locations to any other person
8 or entity or to the public.

9 (2) The Board shall presume, subject to rebuttal, that
10 the granting of an application to become a licensed video
11 gaming location within a mall will cause a terminal
12 operator, individually or in combination with other
13 persons or entities, to operate the video gaming terminals
14 in 2 or more licensed video gaming locations as a single
15 video gaming operation if the Board determines that
16 granting the license would create a local concentration of
17 licensed video gaming locations.

18 For the purposes of this subsection (h-5):

19 "Mall" means a building, or adjoining or connected
20 buildings, containing 4 or more separate locations.

21 "Video gaming operation" means the conducting of video
22 gaming and all related activities.

23 "Location" means a space within a mall containing a
24 separate business, a place for a separate business, or a place
25 subject to a separate leasing arrangement by the mall owner.

26 "Licensed video gaming location" means a licensed

1 establishment, licensed fraternal establishment, licensed
2 veterans establishment, or licensed truck stop.

3 "Local concentration of licensed video gaming locations"
4 means that the combined number of licensed video gaming
5 locations within a mall exceed half of the separate locations
6 within the mall.

7 (i) Undue economic concentration. In addition to
8 considering all other requirements under this Act, in deciding
9 whether to approve the operation of videogaming terminals by a
10 terminal operator in a location, the Board shall consider the
11 impact of any economic concentration of such operation of video
12 gaming terminals. The Board shall not allow a terminal operator
13 to operate video gaming terminals if the Board determines such
14 operation will result in undue economic concentration. For
15 purposes of this Section, "undue economic concentration" means
16 that a terminal operator would have such actual or potential
17 influence over video gaming terminals in Illinois as to:

18 (1) substantially impede or suppress competition among
19 terminal operators;

20 (2) adversely impact the economic stability of the
21 video gaming industry in Illinois; or

22 (3) negatively impact the purposes of the Video Gaming
23 Act.

24 The Board shall adopt rules concerning undue economic
25 concentration with respect to the operation of video gaming
26 terminals in Illinois. The rules shall include, but not be

1 limited to, (i) limitations on the number of video gaming
2 terminals operated by any terminal operator within a defined
3 geographic radius and (ii) guidelines on the discontinuation of
4 operation of any such video gaming terminals the Board
5 determines will cause undue economic concentration.

6 (j) The provisions of the Illinois Antitrust Act are fully
7 and equally applicable to the activities of any licensee under
8 this Act.

9 (Source: P.A. 97-333, eff. 8-12-11; 98-31, eff. 6-24-13; 98-77,
10 eff. 7-15-13; 98-112, eff. 7-26-13; 98-756, eff. 7-16-14.)

11 (230 ILCS 40/35)

12 Sec. 35. Display of license; confiscation; violation as
13 felony.

14 (a) Each video gaming terminal shall be licensed by the
15 Board before placement or operation on the premises of a
16 licensed establishment, licensed truck stop establishment,
17 licensed fraternal establishment, or licensed veterans
18 establishment. The license of each video gaming terminal shall
19 be maintained at the location where the video gaming terminal
20 is operated. Failure to do so is a petty offense with a fine
21 not to exceed \$100. Any licensed establishment, licensed truck
22 stop establishment, licensed fraternal establishment, or
23 licensed veterans establishment used for the conduct of
24 gambling games in violation of this Act shall be considered a
25 gambling place in violation of Section 28-3 of the Criminal

1 Code of 2012. Every gambling device found in a licensed
2 establishment, licensed truck stop establishment, licensed
3 fraternal establishment, or licensed veterans establishment
4 operating gambling games in violation of this Act shall be
5 subject to seizure, confiscation, and destruction as provided
6 in Section 28-5 of the Criminal Code of 2012. Any license
7 issued under the Liquor Control Act of 1934 to any owner or
8 operator of a licensed establishment, licensed truck stop
9 establishment, licensed fraternal establishment, or licensed
10 veterans establishment that operates or permits the operation
11 of a video gaming terminal within its establishment in
12 violation of this Act shall be immediately revoked. No person
13 may own, operate, have in his or her possession or custody or
14 under his or her control, or permit to be kept in any place
15 under his or her possession or control, any device that awards
16 credits and contains a circuit, meter, or switch capable of
17 removing and recording the removal of credits when the award of
18 credits is dependent upon chance.

19 Nothing in this Section shall be deemed to prohibit the use
20 of a game device only if the game device is used in an activity
21 that is not gambling under subsection (b) of Section 28-1 of
22 the Criminal Code of 2012. A licensee under this Act shall not
23 be in violation of this Act or Illinois Gaming Board rules and
24 shall not be subject to disciplinary action for operating a
25 game device if it is in compliance with and not considered
26 gambling under subsection (b) of Section 28-1 of the Criminal

1 Code of 2012.

2 A violation of this Section is a Class 4 felony. All
3 devices that are owned, operated, or possessed in violation of
4 this Section are hereby declared to be public nuisances and
5 shall be subject to seizure, confiscation, and destruction as
6 provided in Section 28-5 of the Criminal Code of 2012.

7 The provisions of this Section do not apply to devices or
8 electronic video game terminals licensed pursuant to this Act.
9 A video gaming terminal operated for amusement only and bearing
10 a valid amusement tax sticker shall not be subject to this
11 Section until 30 days after the Board establishes that the
12 central communications system is functional.

13 (b) (1) The odds of winning each video game shall be posted
14 on or near each video gaming terminal. The manner in which the
15 odds are calculated and how they are posted shall be determined
16 by the Board by rule.

17 (2) No video gaming terminal licensed under this Act may be
18 played except during the legal hours of operation allowed for
19 the consumption of alcoholic beverages at the licensed
20 establishment, licensed fraternal establishment, or licensed
21 veterans establishment. A licensed establishment, licensed
22 fraternal establishment, or licensed veterans establishment
23 that violates this subsection is subject to termination of its
24 license by the Board.

25 (Source: P.A. 97-1150, eff. 1-25-13; 98-111, eff. 1-1-14.)

1 (230 ILCS 40/45)

2 Sec. 45. Issuance of license.

3 (a) The burden is upon each applicant to demonstrate his
4 suitability for licensure. Each video gaming terminal
5 manufacturer, distributor, supplier, operator, handler,
6 licensed establishment, licensed truck stop establishment,
7 licensed fraternal establishment, and licensed veterans
8 establishment shall be licensed by the Board. The Board may
9 issue or deny a license under this Act to any person pursuant
10 to the same criteria set forth in Section 9 of the Illinois
11 ~~Riverboat~~ Gambling Act.

12 (a-5) The Board shall not grant a license to a person who
13 has facilitated, enabled, or participated in the use of
14 coin-operated devices for gambling purposes or who is under the
15 significant influence or control of such a person. For the
16 purposes of this Act, "facilitated, enabled, or participated in
17 the use of coin-operated amusement devices for gambling
18 purposes" means that the person has been convicted of any
19 violation of Article 28 of the Criminal Code of 1961 or the
20 Criminal Code of 2012. If there is pending legal action against
21 a person for any such violation, then the Board shall delay the
22 licensure of that person until the legal action is resolved.

23 (b) Each person seeking and possessing a license as a video
24 gaming terminal manufacturer, distributor, supplier, operator,
25 handler, licensed establishment, licensed truck stop
26 establishment, licensed fraternal establishment, or licensed

1 veterans establishment shall submit to a background
2 investigation conducted by the Board with the assistance of the
3 State Police or other law enforcement. To the extent that the
4 corporate structure of the applicant allows, the background
5 investigation shall include any or all of the following as the
6 Board deems appropriate or as provided by rule for each
7 category of licensure: (i) each beneficiary of a trust, (ii)
8 each partner of a partnership, (iii) each member of a limited
9 liability company, (iv) each director and officer of a publicly
10 or non-publicly held corporation, (v) each stockholder of a
11 non-publicly held corporation, (vi) each stockholder of 5% or
12 more of a publicly held corporation, or (vii) each stockholder
13 of 5% or more in a parent or subsidiary corporation.

14 (c) Each person seeking and possessing a license as a video
15 gaming terminal manufacturer, distributor, supplier, operator,
16 handler, licensed establishment, licensed truck stop
17 establishment, licensed fraternal establishment, or licensed
18 veterans establishment shall disclose the identity of every
19 person, association, trust, corporation, or limited liability
20 company having a greater than 1% direct or indirect pecuniary
21 interest in the video gaming terminal operation for which the
22 license is sought. If the disclosed entity is a trust, the
23 application shall disclose the names and addresses of the
24 beneficiaries; if a corporation, the names and addresses of all
25 stockholders and directors; if a limited liability company, the
26 names and addresses of all members; or if a partnership, the

1 names and addresses of all partners, both general and limited.

2 (d) No person may be licensed as a video gaming terminal
3 manufacturer, distributor, supplier, operator, handler,
4 licensed establishment, licensed truck stop establishment,
5 licensed fraternal establishment, or licensed veterans
6 establishment if that person has been found by the Board to:

7 (1) have a background, including a criminal record,
8 reputation, habits, social or business associations, or
9 prior activities that pose a threat to the public interests
10 of the State or to the security and integrity of video
11 gaming;

12 (2) create or enhance the dangers of unsuitable,
13 unfair, or illegal practices, methods, and activities in
14 the conduct of video gaming; or

15 (3) present questionable business practices and
16 financial arrangements incidental to the conduct of video
17 gaming activities.

18 (e) Any applicant for any license under this Act has the
19 burden of proving his or her qualifications to the satisfaction
20 of the Board. The Board may adopt rules to establish additional
21 qualifications and requirements to preserve the integrity and
22 security of video gaming in this State.

23 (f) A non-refundable application fee shall be paid at the
24 time an application for a license is filed with the Board in
25 the following amounts:

26 (1) Manufacturer \$5,000

- 1 (2) Distributor..... \$5,000
- 2 (3) Terminal operator..... \$5,000
- 3 (4) Supplier \$2,500
- 4 (5) Technician \$100
- 5 (6) Terminal Handler \$50

6 (g) The Board shall establish an annual fee for each
 7 license not to exceed the following:

- 8 (1) Manufacturer \$10,000
- 9 (2) Distributor..... \$10,000
- 10 (3) Terminal operator..... \$5,000
- 11 (4) Supplier \$2,000
- 12 (5) Technician \$100
- 13 (6) Licensed establishment, licensed truck stop
 14 establishment, licensed fraternal establishment,
 15 or licensed veterans establishment \$100
- 16 (7) Video gaming terminal..... \$100
- 17 (8) Terminal Handler \$50

18 (h) A terminal operator and a licensed establishment,
 19 licensed truck stop establishment, licensed fraternal
 20 establishment, or licensed veterans establishment shall
 21 equally split the fees specified in item (7) of subsection (g).

22 (Source: P.A. 97-1150, eff. 1-25-13; 98-31, eff. 6-24-13;
 23 98-587, eff. 8-27-13; 98-756, eff. 7-16-14.)

24 (230 ILCS 40/60)

25 Sec. 60. Imposition and distribution of tax.

1 (a) A tax of 35% ~~30%~~ is imposed on net terminal income and
2 shall be collected by the Board.

3 (b) Of the tax collected under this Section, five-sixths
4 shall be deposited into the Capital Projects Fund and one-sixth
5 shall be deposited into the Local Government Video Gaming
6 Distributive Fund. Of the amount deposited into the Local
7 Government Video Gaming Distributive Fund, half of the deposits
8 may be used by each municipality for contributions under
9 Sections 4-118 and 5-168 of the Illinois Pension Code.

10 (c) Revenues generated from the play of video gaming
11 terminals shall be deposited by the terminal operator, who is
12 responsible for tax payments, in a specially created, separate
13 bank account maintained by the video gaming terminal operator
14 to allow for electronic fund transfers of moneys for tax
15 payment.

16 (d) Each licensed establishment, licensed truck stop
17 establishment, licensed fraternal establishment, and licensed
18 veterans establishment shall maintain an adequate video gaming
19 fund, with the amount to be determined by the Board.

20 (e) The State's percentage of net terminal income shall be
21 reported and remitted to the Board within 15 days after the
22 15th day of each month and within 15 days after the end of each
23 month by the video terminal operator. A video terminal operator
24 who falsely reports or fails to report the amount due required
25 by this Section is guilty of a Class 4 felony and is subject to
26 termination of his or her license by the Board. Each video

1 terminal operator shall keep a record of net terminal income in
2 such form as the Board may require. All payments not remitted
3 when due shall be paid together with a penalty assessment on
4 the unpaid balance at a rate of 1.5% per month.

5 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09.)

6 (230 ILCS 40/79)

7 Sec. 79. Investigators. Investigators appointed by the
8 Board pursuant to the powers conferred upon the Board by
9 paragraph (20.6) of subsection (c) of Section 5 of the Illinois
10 ~~Riverboat~~ Gambling Act and Section 80 of this Act shall have
11 authority to conduct investigations, searches, seizures,
12 arrests, and other duties imposed under this Act and the
13 Illinois ~~Riverboat~~ Gambling Act, as deemed necessary by the
14 Board. These investigators have and may exercise all of the
15 rights and powers of peace officers, provided that these powers
16 shall be (1) limited to offenses or violations occurring or
17 committed in connection with conduct subject to this Act,
18 including, but not limited to, the manufacture, distribution,
19 supply, operation, placement, service, maintenance, or play of
20 video gaming terminals and the distribution of profits and
21 collection of revenues resulting from such play, and (2)
22 exercised, to the fullest extent practicable, in cooperation
23 with the local police department of the applicable municipality
24 or, if these powers are exercised outside the boundaries of an
25 incorporated municipality or within a municipality that does

1 not have its own police department, in cooperation with the
2 police department whose jurisdiction encompasses the
3 applicable locality.

4 (Source: P.A. 97-809, eff. 7-13-12.)

5 (230 ILCS 40/80)

6 Sec. 80. Applicability of Illinois ~~Riverboat~~ Gambling Act.
7 The provisions of the Illinois ~~Riverboat~~ Gambling Act, and all
8 rules promulgated thereunder, shall apply to the Video Gaming
9 Act, except where there is a conflict between the 2 Acts. In
10 the event of a conflict between the 2 Acts, the provisions of
11 the Illinois Gambling Act shall prevail. All provisions of the
12 Uniform Penalty and Interest Act shall apply, as far as
13 practicable, to the subject matter of this Act to the same
14 extent as if such provisions were included herein.

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

16 (230 ILCS 40/90 new)

17 Sec. 90. Wide area progressive systems. The operation of a
18 wide area progressive system, as defined in the Illinois
19 Gambling Act, is permitted, subject to the provisions of the
20 Illinois Gambling Act, and the following conditions:

21 (1) Licensed terminal operators and manufacturer or
22 supplier licensees may operate one or more wide area
23 progressive systems in licensed establishments, licensed
24 truck stop establishments, licensed veterans

1 establishments, and licensed fraternal establishments. A
2 designated portion of a player's wager may be allocated to
3 the jackpot. The jackpot may be awarded to a player on any
4 of the video gaming terminals that are linked to the wide
5 area progressive system.

6 (2) A wide area progressive system shall at all times
7 be installed and operated in accordance with relevant
8 requirements of this Act and technical standards of wide
9 area progressive systems.

10 (3) A wide area progressive system shall be operated
11 and administered by participating licensees in accordance
12 with the terms and conditions of a written approved policy,
13 which must be submitted in writing and approved by the
14 Board prior to implementation and must comply with this Act
15 and technical standards of wide area progressive systems.

16 (4) Approved policies must address:

17 (A) responsibility for the funding and payment of
18 all jackpots, fees, and taxes associated with the
19 operation of the wide area progressive system;

20 (B) control and operation of the computer
21 monitoring room required under paragraph (5); and

22 (C) other requirements in the technical standards
23 on wide area progressive systems.

24 (5) A wide area progressive system shall be controlled
25 and operated from a computer monitoring room. The computer
26 monitoring room must:

1 (A) be under the sole possession and control of,
2 and maintained and operated by, employees of the
3 licensee designated in the approved policy for that
4 system; the employees of the licensee may be required
5 to obtain a terminal handler license if the Board
6 determines, after a review of the work being performed,
7 the employees require a license or permit for the
8 protection of the integrity of gaming;

9 (B) have its monitoring equipment subjected to
10 surveillance coverage either by the surveillance
11 system of a licensee or by a dedicated surveillance
12 system maintained by the terminal operator;

13 (C) be accessible through a locked door; the door
14 must be alarmed in a manner that audibly signals the
15 surveillance monitoring room for the surveillance
16 system elected under subparagraph (B) of this
17 paragraph (5); and

18 (D) have a computer monitoring room entry log.

19 This Section shall not be construed to impact the maximum
20 wager as set forth in this Act.

21 Section 90-45. The Liquor Control Act of 1934 is amended by
22 changing Sections 5-1 and 6-30 as follows:

23 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

24 Sec. 5-1. Licenses issued by the Illinois Liquor Control

1 Commission shall be of the following classes:

2 (a) Manufacturer's license - Class 1. Distiller, Class 2.
3 Rectifier, Class 3. Brewer, Class 4. First Class Wine
4 Manufacturer, Class 5. Second Class Wine Manufacturer, Class 6.
5 First Class Winemaker, Class 7. Second Class Winemaker, Class
6 8. Limited Wine Manufacturer, Class 9. Craft Distiller, Class
7 10. Class 1 Brewer, Class 11. Class 2 Brewer,

8 (b) Distributor's license,

9 (c) Importing Distributor's license,

10 (d) Retailer's license,

11 (e) Special Event Retailer's license (not-for-profit),

12 (f) Railroad license,

13 (g) Boat license,

14 (h) Non-Beverage User's license,

15 (i) Wine-maker's premises license,

16 (j) Airplane license,

17 (k) Foreign importer's license,

18 (l) Broker's license,

19 (m) Non-resident dealer's license,

20 (n) Brew Pub license,

21 (o) Auction liquor license,

22 (p) Caterer retailer license,

23 (q) Special use permit license,

24 (r) Winery shipper's license,

25 (s) Craft distiller tasting permit.

26 No person, firm, partnership, corporation, or other legal

1 business entity that is engaged in the manufacturing of wine
2 may concurrently obtain and hold a wine-maker's license and a
3 wine manufacturer's license.

4 (a) A manufacturer's license shall allow the manufacture,
5 importation in bulk, storage, distribution and sale of
6 alcoholic liquor to persons without the State, as may be
7 permitted by law and to licensees in this State as follows:

8 Class 1. A Distiller may make sales and deliveries of
9 alcoholic liquor to distillers, rectifiers, importing
10 distributors, distributors and non-beverage users and to no
11 other licensees.

12 Class 2. A Rectifier, who is not a distiller, as defined
13 herein, may make sales and deliveries of alcoholic liquor to
14 rectifiers, importing distributors, distributors, retailers
15 and non-beverage users and to no other licensees.

16 Class 3. A Brewer may make sales and deliveries of beer to
17 importing distributors and distributors and may make sales as
18 authorized under subsection (e) of Section 6-4 of this Act.

19 Class 4. A first class wine-manufacturer may make sales and
20 deliveries of up to 50,000 gallons of wine to manufacturers,
21 importing distributors and distributors, and to no other
22 licensees.

23 Class 5. A second class Wine manufacturer may make sales
24 and deliveries of more than 50,000 gallons of wine to
25 manufacturers, importing distributors and distributors and to
26 no other licensees.

1 Class 6. A first-class wine-maker's license shall allow the
2 manufacture of up to 50,000 gallons of wine per year, and the
3 storage and sale of such wine to distributors in the State and
4 to persons without the State, as may be permitted by law. A
5 person who, prior to June 1, 2008 (the effective date of Public
6 Act 95-634), is a holder of a first-class wine-maker's license
7 and annually produces more than 25,000 gallons of its own wine
8 and who distributes its wine to licensed retailers shall cease
9 this practice on or before July 1, 2008 in compliance with
10 Public Act 95-634.

11 Class 7. A second-class wine-maker's license shall allow
12 the manufacture of between 50,000 and 150,000 gallons of wine
13 per year, and the storage and sale of such wine to distributors
14 in this State and to persons without the State, as may be
15 permitted by law. A person who, prior to June 1, 2008 (the
16 effective date of Public Act 95-634), is a holder of a
17 second-class wine-maker's license and annually produces more
18 than 25,000 gallons of its own wine and who distributes its
19 wine to licensed retailers shall cease this practice on or
20 before July 1, 2008 in compliance with Public Act 95-634.

21 Class 8. A limited wine-manufacturer may make sales and
22 deliveries not to exceed 40,000 gallons of wine per year to
23 distributors, and to non-licensees in accordance with the
24 provisions of this Act.

25 Class 9. A craft distiller license shall allow the
26 manufacture of up to 100,000 gallons of spirits by distillation

1 per year and the storage of such spirits. If a craft distiller
2 licensee, including a craft distiller licensee who holds more
3 than one craft distiller license, is not affiliated with any
4 other manufacturer of spirits, then the craft distiller
5 licensee may sell such spirits to distributors in this State
6 and up to 2,500 gallons of such spirits to non-licensees to the
7 extent permitted by any exemption approved by the Commission
8 pursuant to Section 6-4 of this Act. A craft distiller license
9 holder may store such spirits at a non-contiguous licensed
10 location, but at no time shall a craft distiller license holder
11 directly or indirectly produce in the aggregate more than
12 100,000 gallons of spirits per year.

13 A craft distiller licensee may hold more than one craft
14 distiller's license. However, a craft distiller that holds more
15 than one craft distiller license shall not manufacture, in the
16 aggregate, more than 100,000 gallons of spirits by distillation
17 per year and shall not sell, in the aggregate, more than 2,500
18 gallons of such spirits to non-licensees in accordance with an
19 exemption approved by the State Commission pursuant to Section
20 6-4 of this Act.

21 Any craft distiller licensed under this Act who on July 28,
22 2010 (the effective date of Public Act 96-1367) was licensed as
23 a distiller and manufactured no more spirits than permitted by
24 this Section shall not be required to pay the initial licensing
25 fee.

26 Class 10. A class 1 brewer license, which may only be

1 issued to a licensed brewer or licensed non-resident dealer,
2 shall allow the manufacture of up to 930,000 gallons of beer
3 per year provided that the class 1 brewer licensee does not
4 manufacture more than a combined 930,000 gallons of beer per
5 year and is not a member of or affiliated with, directly or
6 indirectly, a manufacturer that produces more than 930,000
7 gallons of beer per year or any other alcoholic liquor. A class
8 1 brewer licensee may make sales and deliveries to importing
9 distributors and distributors and to retail licensees in
10 accordance with the conditions set forth in paragraph (18) of
11 subsection (a) of Section 3-12 of this Act.

12 Class 11. A class 2 brewer license, which may only be
13 issued to a licensed brewer or licensed non-resident dealer,
14 shall allow the manufacture of up to 3,720,000 gallons of beer
15 per year provided that the class 2 brewer licensee does not
16 manufacture more than a combined 3,720,000 gallons of beer per
17 year and is not a member of or affiliated with, directly or
18 indirectly, a manufacturer that produces more than 3,720,000
19 gallons of beer per year or any other alcoholic liquor. A class
20 2 brewer licensee may make sales and deliveries to importing
21 distributors and distributors, but shall not make sales or
22 deliveries to any other licensee. If the State Commission
23 provides prior approval, a class 2 brewer licensee may annually
24 transfer up to 3,720,000 gallons of beer manufactured by that
25 class 2 brewer licensee to the premises of a licensed class 2
26 brewer wholly owned and operated by the same licensee.

1 (a-1) A manufacturer which is licensed in this State to
2 make sales or deliveries of alcoholic liquor to licensed
3 distributors or importing distributors and which enlists
4 agents, representatives, or individuals acting on its behalf
5 who contact licensed retailers on a regular and continual basis
6 in this State must register those agents, representatives, or
7 persons acting on its behalf with the State Commission.

8 Registration of agents, representatives, or persons acting
9 on behalf of a manufacturer is fulfilled by submitting a form
10 to the Commission. The form shall be developed by the
11 Commission and shall include the name and address of the
12 applicant, the name and address of the manufacturer he or she
13 represents, the territory or areas assigned to sell to or
14 discuss pricing terms of alcoholic liquor, and any other
15 questions deemed appropriate and necessary. All statements in
16 the forms required to be made by law or by rule shall be deemed
17 material, and any person who knowingly misstates any material
18 fact under oath in an application is guilty of a Class B
19 misdemeanor. Fraud, misrepresentation, false statements,
20 misleading statements, evasions, or suppression of material
21 facts in the securing of a registration are grounds for
22 suspension or revocation of the registration. The State
23 Commission shall post a list of registered agents on the
24 Commission's website.

25 (b) A distributor's license shall allow the wholesale
26 purchase and storage of alcoholic liquors and sale of alcoholic

1 liquors to licensees in this State and to persons without the
2 State, as may be permitted by law. No person licensed as a
3 distributor shall be granted a non-resident dealer's license.

4 (c) An importing distributor's license may be issued to and
5 held by those only who are duly licensed distributors, upon the
6 filing of an application by a duly licensed distributor, with
7 the Commission and the Commission shall, without the payment of
8 any fee, immediately issue such importing distributor's
9 license to the applicant, which shall allow the importation of
10 alcoholic liquor by the licensee into this State from any point
11 in the United States outside this State, and the purchase of
12 alcoholic liquor in barrels, casks or other bulk containers and
13 the bottling of such alcoholic liquors before resale thereof,
14 but all bottles or containers so filled shall be sealed,
15 labeled, stamped and otherwise made to comply with all
16 provisions, rules and regulations governing manufacturers in
17 the preparation and bottling of alcoholic liquors. The
18 importing distributor's license shall permit such licensee to
19 purchase alcoholic liquor from Illinois licensed non-resident
20 dealers and foreign importers only. No person licensed as an
21 importing distributor shall be granted a non-resident dealer's
22 license.

23 (d) A retailer's license shall allow the licensee to sell
24 and offer for sale at retail, only in the premises specified in
25 the license, alcoholic liquor for use or consumption, but not
26 for resale in any form. Nothing in Public Act 95-634 shall

1 deny, limit, remove, or restrict the ability of a holder of a
2 retailer's license to transfer, deliver, or ship alcoholic
3 liquor to the purchaser for use or consumption subject to any
4 applicable local law or ordinance. Any retail license issued to
5 a manufacturer shall only permit the manufacturer to sell beer
6 at retail on the premises actually occupied by the
7 manufacturer. For the purpose of further describing the type of
8 business conducted at a retail licensed premises, a retailer's
9 licensee may be designated by the State Commission as (i) an on
10 premise consumption retailer, (ii) an off premise sale
11 retailer, or (iii) a combined on premise consumption and off
12 premise sale retailer.

13 Notwithstanding any other provision of this subsection
14 (d), a retail licensee may sell alcoholic liquors to a special
15 event retailer licensee for resale to the extent permitted
16 under subsection (e).

17 (e) A special event retailer's license (not-for-profit)
18 shall permit the licensee to purchase alcoholic liquors from an
19 Illinois licensed distributor (unless the licensee purchases
20 less than \$500 of alcoholic liquors for the special event, in
21 which case the licensee may purchase the alcoholic liquors from
22 a licensed retailer) and shall allow the licensee to sell and
23 offer for sale, at retail, alcoholic liquors for use or
24 consumption, but not for resale in any form and only at the
25 location and on the specific dates designated for the special
26 event in the license. An applicant for a special event retailer

1 license must (i) furnish with the application: (A) a resale
2 number issued under Section 2c of the Retailers' Occupation Tax
3 Act or evidence that the applicant is registered under Section
4 2a of the Retailers' Occupation Tax Act, (B) a current, valid
5 exemption identification number issued under Section 1g of the
6 Retailers' Occupation Tax Act, and a certification to the
7 Commission that the purchase of alcoholic liquors will be a
8 tax-exempt purchase, or (C) a statement that the applicant is
9 not registered under Section 2a of the Retailers' Occupation
10 Tax Act, does not hold a resale number under Section 2c of the
11 Retailers' Occupation Tax Act, and does not hold an exemption
12 number under Section 1g of the Retailers' Occupation Tax Act,
13 in which event the Commission shall set forth on the special
14 event retailer's license a statement to that effect; (ii)
15 submit with the application proof satisfactory to the State
16 Commission that the applicant will provide dram shop liability
17 insurance in the maximum limits; and (iii) show proof
18 satisfactory to the State Commission that the applicant has
19 obtained local authority approval.

20 (f) A railroad license shall permit the licensee to import
21 alcoholic liquors into this State from any point in the United
22 States outside this State and to store such alcoholic liquors
23 in this State; to make wholesale purchases of alcoholic liquors
24 directly from manufacturers, foreign importers, distributors
25 and importing distributors from within or outside this State;
26 and to store such alcoholic liquors in this State; provided

1 that the above powers may be exercised only in connection with
2 the importation, purchase or storage of alcoholic liquors to be
3 sold or dispensed on a club, buffet, lounge or dining car
4 operated on an electric, gas or steam railway in this State;
5 and provided further, that railroad licensees exercising the
6 above powers shall be subject to all provisions of Article VIII
7 of this Act as applied to importing distributors. A railroad
8 license shall also permit the licensee to sell or dispense
9 alcoholic liquors on any club, buffet, lounge or dining car
10 operated on an electric, gas or steam railway regularly
11 operated by a common carrier in this State, but shall not
12 permit the sale for resale of any alcoholic liquors to any
13 licensee within this State. A license shall be obtained for
14 each car in which such sales are made.

15 (g) A boat license shall allow the sale of alcoholic liquor
16 in individual drinks, on any passenger boat regularly operated
17 as a common carrier on navigable waters in this State or on any
18 riverboat operated under the Illinois Riverboat ~~Riverboat~~ Gambling Act,
19 which boat or riverboat maintains a public dining room or
20 restaurant thereon.

21 (h) A non-beverage user's license shall allow the licensee
22 to purchase alcoholic liquor from a licensed manufacturer or
23 importing distributor, without the imposition of any tax upon
24 the business of such licensed manufacturer or importing
25 distributor as to such alcoholic liquor to be used by such
26 licensee solely for the non-beverage purposes set forth in

1 subsection (a) of Section 8-1 of this Act, and such licenses
2 shall be divided and classified and shall permit the purchase,
3 possession and use of limited and stated quantities of
4 alcoholic liquor as follows:

- 5 Class 1, not to exceed 500 gallons
- 6 Class 2, not to exceed 1,000 gallons
- 7 Class 3, not to exceed 5,000 gallons
- 8 Class 4, not to exceed 10,000 gallons
- 9 Class 5, not to exceed 50,000 gallons

10 (i) A wine-maker's premises license shall allow a licensee
11 that concurrently holds a first-class wine-maker's license to
12 sell and offer for sale at retail in the premises specified in
13 such license not more than 50,000 gallons of the first-class
14 wine-maker's wine that is made at the first-class wine-maker's
15 licensed premises per year for use or consumption, but not for
16 resale in any form. A wine-maker's premises license shall allow
17 a licensee who concurrently holds a second-class wine-maker's
18 license to sell and offer for sale at retail in the premises
19 specified in such license up to 100,000 gallons of the
20 second-class wine-maker's wine that is made at the second-class
21 wine-maker's licensed premises per year for use or consumption
22 but not for resale in any form. A wine-maker's premises license
23 shall allow a licensee that concurrently holds a first-class
24 wine-maker's license or a second-class wine-maker's license to
25 sell and offer for sale at retail at the premises specified in
26 the wine-maker's premises license, for use or consumption but

1 not for resale in any form, any beer, wine, and spirits
2 purchased from a licensed distributor. Upon approval from the
3 State Commission, a wine-maker's premises license shall allow
4 the licensee to sell and offer for sale at (i) the wine-maker's
5 licensed premises and (ii) at up to 2 additional locations for
6 use and consumption and not for resale. Each location shall
7 require additional licensing per location as specified in
8 Section 5-3 of this Act. A wine-maker's premises licensee shall
9 secure liquor liability insurance coverage in an amount at
10 least equal to the maximum liability amounts set forth in
11 subsection (a) of Section 6-21 of this Act.

12 (j) An airplane license shall permit the licensee to import
13 alcoholic liquors into this State from any point in the United
14 States outside this State and to store such alcoholic liquors
15 in this State; to make wholesale purchases of alcoholic liquors
16 directly from manufacturers, foreign importers, distributors
17 and importing distributors from within or outside this State;
18 and to store such alcoholic liquors in this State; provided
19 that the above powers may be exercised only in connection with
20 the importation, purchase or storage of alcoholic liquors to be
21 sold or dispensed on an airplane; and provided further, that
22 airplane licensees exercising the above powers shall be subject
23 to all provisions of Article VIII of this Act as applied to
24 importing distributors. An airplane licensee shall also permit
25 the sale or dispensing of alcoholic liquors on any passenger
26 airplane regularly operated by a common carrier in this State,

1 but shall not permit the sale for resale of any alcoholic
2 liquors to any licensee within this State. A single airplane
3 license shall be required of an airline company if liquor
4 service is provided on board aircraft in this State. The annual
5 fee for such license shall be as determined in Section 5-3.

6 (k) A foreign importer's license shall permit such licensee
7 to purchase alcoholic liquor from Illinois licensed
8 non-resident dealers only, and to import alcoholic liquor other
9 than in bulk from any point outside the United States and to
10 sell such alcoholic liquor to Illinois licensed importing
11 distributors and to no one else in Illinois; provided that (i)
12 the foreign importer registers with the State Commission every
13 brand of alcoholic liquor that it proposes to sell to Illinois
14 licensees during the license period, (ii) the foreign importer
15 complies with all of the provisions of Section 6-9 of this Act
16 with respect to registration of such Illinois licensees as may
17 be granted the right to sell such brands at wholesale, and
18 (iii) the foreign importer complies with the provisions of
19 Sections 6-5 and 6-6 of this Act to the same extent that these
20 provisions apply to manufacturers.

21 (l) (i) A broker's license shall be required of all persons
22 who solicit orders for, offer to sell or offer to supply
23 alcoholic liquor to retailers in the State of Illinois, or who
24 offer to retailers to ship or cause to be shipped or to make
25 contact with distillers, rectifiers, brewers or manufacturers
26 or any other party within or without the State of Illinois in

1 order that alcoholic liquors be shipped to a distributor,
2 importing distributor or foreign importer, whether such
3 solicitation or offer is consummated within or without the
4 State of Illinois.

5 No holder of a retailer's license issued by the Illinois
6 Liquor Control Commission shall purchase or receive any
7 alcoholic liquor, the order for which was solicited or offered
8 for sale to such retailer by a broker unless the broker is the
9 holder of a valid broker's license.

10 The broker shall, upon the acceptance by a retailer of the
11 broker's solicitation of an order or offer to sell or supply or
12 deliver or have delivered alcoholic liquors, promptly forward
13 to the Illinois Liquor Control Commission a notification of
14 said transaction in such form as the Commission may by
15 regulations prescribe.

16 (ii) A broker's license shall be required of a person
17 within this State, other than a retail licensee, who, for a fee
18 or commission, promotes, solicits, or accepts orders for
19 alcoholic liquor, for use or consumption and not for resale, to
20 be shipped from this State and delivered to residents outside
21 of this State by an express company, common carrier, or
22 contract carrier. This Section does not apply to any person who
23 promotes, solicits, or accepts orders for wine as specifically
24 authorized in Section 6-29 of this Act.

25 A broker's license under this subsection (1) shall not
26 entitle the holder to buy or sell any alcoholic liquors for his

1 own account or to take or deliver title to such alcoholic
2 liquors.

3 This subsection (1) shall not apply to distributors,
4 employees of distributors, or employees of a manufacturer who
5 has registered the trademark, brand or name of the alcoholic
6 liquor pursuant to Section 6-9 of this Act, and who regularly
7 sells such alcoholic liquor in the State of Illinois only to
8 its registrants thereunder.

9 Any agent, representative, or person subject to
10 registration pursuant to subsection (a-1) of this Section shall
11 not be eligible to receive a broker's license.

12 (m) A non-resident dealer's license shall permit such
13 licensee to ship into and warehouse alcoholic liquor into this
14 State from any point outside of this State, and to sell such
15 alcoholic liquor to Illinois licensed foreign importers and
16 importing distributors and to no one else in this State;
17 provided that (i) said non-resident dealer shall register with
18 the Illinois Liquor Control Commission each and every brand of
19 alcoholic liquor which it proposes to sell to Illinois
20 licensees during the license period, (ii) it shall comply with
21 all of the provisions of Section 6-9 hereof with respect to
22 registration of such Illinois licensees as may be granted the
23 right to sell such brands at wholesale, and (iii) the
24 non-resident dealer shall comply with the provisions of
25 Sections 6-5 and 6-6 of this Act to the same extent that these
26 provisions apply to manufacturers. No person licensed as a

1 non-resident dealer shall be granted a distributor's or
2 importing distributor's license.

3 (n) A brew pub license shall allow the licensee to only (i)
4 manufacture up to 155,000 gallons of beer per year only on the
5 premises specified in the license, (ii) make sales of the beer
6 manufactured on the premises or, with the approval of the
7 Commission, beer manufactured on another brew pub licensed
8 premises that is wholly owned and operated by the same licensee
9 to importing distributors, distributors, and to non-licensees
10 for use and consumption, (iii) store the beer upon the
11 premises, (iv) sell and offer for sale at retail from the
12 licensed premises for off-premises consumption no more than
13 155,000 gallons per year so long as such sales are only made
14 in-person, (v) sell and offer for sale at retail for use and
15 consumption on the premises specified in the license any form
16 of alcoholic liquor purchased from a licensed distributor or
17 importing distributor, and (vi) with the prior approval of the
18 Commission, annually transfer no more than 155,000 gallons of
19 beer manufactured on the premises to a licensed brew pub wholly
20 owned and operated by the same licensee.

21 A brew pub licensee shall not under any circumstance sell
22 or offer for sale beer manufactured by the brew pub licensee to
23 retail licensees.

24 A person who holds a class 2 brewer license may
25 simultaneously hold a brew pub license if the class 2 brewer
26 (i) does not, under any circumstance, sell or offer for sale

1 beer manufactured by the class 2 brewer to retail licensees;
2 (ii) does not hold more than 3 brew pub licenses in this State;
3 (iii) does not manufacture more than a combined 3,720,000
4 gallons of beer per year, including the beer manufactured at
5 the brew pub; and (iv) is not a member of or affiliated with,
6 directly or indirectly, a manufacturer that produces more than
7 3,720,000 gallons of beer per year or any other alcoholic
8 liquor.

9 Notwithstanding any other provision of this Act, a licensed
10 brewer, class 2 brewer, or non-resident dealer who before July
11 1, 2015 manufactured less than 3,720,000 gallons of beer per
12 year and held a brew pub license on or before July 1, 2015 may
13 (i) continue to qualify for and hold that brew pub license for
14 the licensed premises and (ii) manufacture more than 3,720,000
15 gallons of beer per year and continue to qualify for and hold
16 that brew pub license if that brewer, class 2 brewer, or
17 non-resident dealer does not simultaneously hold a class 1
18 brewer license and is not a member of or affiliated with,
19 directly or indirectly, a manufacturer that produces more than
20 3,720,000 gallons of beer per year or that produces any other
21 alcoholic liquor.

22 (o) A caterer retailer license shall allow the holder to
23 serve alcoholic liquors as an incidental part of a food service
24 that serves prepared meals which excludes the serving of snacks
25 as the primary meal, either on or off-site whether licensed or
26 unlicensed.

1 (p) An auction liquor license shall allow the licensee to
2 sell and offer for sale at auction wine and spirits for use or
3 consumption, or for resale by an Illinois liquor licensee in
4 accordance with provisions of this Act. An auction liquor
5 license will be issued to a person and it will permit the
6 auction liquor licensee to hold the auction anywhere in the
7 State. An auction liquor license must be obtained for each
8 auction at least 14 days in advance of the auction date.

9 (q) A special use permit license shall allow an Illinois
10 licensed retailer to transfer a portion of its alcoholic liquor
11 inventory from its retail licensed premises to the premises
12 specified in the license hereby created, and to sell or offer
13 for sale at retail, only in the premises specified in the
14 license hereby created, the transferred alcoholic liquor for
15 use or consumption, but not for resale in any form. A special
16 use permit license may be granted for the following time
17 periods: one day or less; 2 or more days to a maximum of 15 days
18 per location in any 12-month period. An applicant for the
19 special use permit license must also submit with the
20 application proof satisfactory to the State Commission that the
21 applicant will provide dram shop liability insurance to the
22 maximum limits and have local authority approval.

23 (r) A winery shipper's license shall allow a person with a
24 first-class or second-class wine manufacturer's license, a
25 first-class or second-class wine-maker's license, or a limited
26 wine manufacturer's license or who is licensed to make wine

1 under the laws of another state to ship wine made by that
2 licensee directly to a resident of this State who is 21 years
3 of age or older for that resident's personal use and not for
4 resale. Prior to receiving a winery shipper's license, an
5 applicant for the license must provide the Commission with a
6 true copy of its current license in any state in which it is
7 licensed as a manufacturer of wine. An applicant for a winery
8 shipper's license must also complete an application form that
9 provides any other information the Commission deems necessary.
10 The application form shall include all addresses from which the
11 applicant for a winery shipper's license intends to ship wine,
12 including the name and address of any third party, except for a
13 common carrier, authorized to ship wine on behalf of the
14 manufacturer. The application form shall include an
15 acknowledgement consenting to the jurisdiction of the
16 Commission, the Illinois Department of Revenue, and the courts
17 of this State concerning the enforcement of this Act and any
18 related laws, rules, and regulations, including authorizing
19 the Department of Revenue and the Commission to conduct audits
20 for the purpose of ensuring compliance with Public Act 95-634,
21 and an acknowledgement that the wine manufacturer is in
22 compliance with Section 6-2 of this Act. Any third party,
23 except for a common carrier, authorized to ship wine on behalf
24 of a first-class or second-class wine manufacturer's licensee,
25 a first-class or second-class wine-maker's licensee, a limited
26 wine manufacturer's licensee, or a person who is licensed to

1 make wine under the laws of another state shall also be
2 disclosed by the winery shipper's licensee, and a copy of the
3 written appointment of the third-party wine provider, except
4 for a common carrier, to the wine manufacturer shall be filed
5 with the State Commission as a supplement to the winery
6 shipper's license application or any renewal thereof. The
7 winery shipper's license holder shall affirm under penalty of
8 perjury, as part of the winery shipper's license application or
9 renewal, that he or she only ships wine, either directly or
10 indirectly through a third-party provider, from the licensee's
11 own production.

12 Except for a common carrier, a third-party provider
13 shipping wine on behalf of a winery shipper's license holder is
14 the agent of the winery shipper's license holder and, as such,
15 a winery shipper's license holder is responsible for the acts
16 and omissions of the third-party provider acting on behalf of
17 the license holder. A third-party provider, except for a common
18 carrier, that engages in shipping wine into Illinois on behalf
19 of a winery shipper's license holder shall consent to the
20 jurisdiction of the State Commission and the State. Any
21 third-party, except for a common carrier, holding such an
22 appointment shall, by February 1 of each calendar year and upon
23 request by the State Commission or the Department of Revenue,
24 file with the State Commission a statement detailing each
25 shipment made to an Illinois resident. The statement shall
26 include the name and address of the third-party provider filing

1 the statement, the time period covered by the statement, and
2 the following information:

3 (1) the name, address, and license number of the winery
4 shipper on whose behalf the shipment was made;

5 (2) the quantity of the products delivered; and

6 (3) the date and address of the shipment.

7 If the Department of Revenue or the State Commission requests a
8 statement under this paragraph, the third-party provider must
9 provide that statement no later than 30 days after the request
10 is made. Any books, records, supporting papers, and documents
11 containing information and data relating to a statement under
12 this paragraph shall be kept and preserved for a period of 3
13 years, unless their destruction sooner is authorized, in
14 writing, by the Director of Revenue, and shall be open and
15 available to inspection by the Director of Revenue or the State
16 Commission or any duly authorized officer, agent, or employee
17 of the State Commission or the Department of Revenue, at all
18 times during business hours of the day. Any person who violates
19 any provision of this paragraph or any rule of the State
20 Commission for the administration and enforcement of the
21 provisions of this paragraph is guilty of a Class C
22 misdemeanor. In case of a continuing violation, each day's
23 continuance thereof shall be a separate and distinct offense.

24 The State Commission shall adopt rules as soon as
25 practicable to implement the requirements of Public Act 99-904
26 and shall adopt rules prohibiting any such third-party

1 appointment of a third-party provider, except for a common
2 carrier, that has been deemed by the State Commission to have
3 violated the provisions of this Act with regard to any winery
4 shipper licensee.

5 A winery shipper licensee must pay to the Department of
6 Revenue the State liquor gallonage tax under Section 8-1 for
7 all wine that is sold by the licensee and shipped to a person
8 in this State. For the purposes of Section 8-1, a winery
9 shipper licensee shall be taxed in the same manner as a
10 manufacturer of wine. A licensee who is not otherwise required
11 to register under the Retailers' Occupation Tax Act must
12 register under the Use Tax Act to collect and remit use tax to
13 the Department of Revenue for all gallons of wine that are sold
14 by the licensee and shipped to persons in this State. If a
15 licensee fails to remit the tax imposed under this Act in
16 accordance with the provisions of Article VIII of this Act, the
17 winery shipper's license shall be revoked in accordance with
18 the provisions of Article VII of this Act. If a licensee fails
19 to properly register and remit tax under the Use Tax Act or the
20 Retailers' Occupation Tax Act for all wine that is sold by the
21 winery shipper and shipped to persons in this State, the winery
22 shipper's license shall be revoked in accordance with the
23 provisions of Article VII of this Act.

24 A winery shipper licensee must collect, maintain, and
25 submit to the Commission on a semi-annual basis the total
26 number of cases per resident of wine shipped to residents of

1 this State. A winery shipper licensed under this subsection (r)
2 must comply with the requirements of Section 6-29 of this Act.

3 Pursuant to paragraph (5.1) or (5.3) of subsection (a) of
4 Section 3-12, the State Commission may receive, respond to, and
5 investigate any complaint and impose any of the remedies
6 specified in paragraph (1) of subsection (a) of Section 3-12.

7 As used in this subsection, "third-party provider" means
8 any entity that provides fulfillment house services, including
9 warehousing, packaging, distribution, order processing, or
10 shipment of wine, but not the sale of wine, on behalf of a
11 licensed winery shipper.

12 (s) A craft distiller tasting permit license shall allow an
13 Illinois licensed craft distiller to transfer a portion of its
14 alcoholic liquor inventory from its craft distiller licensed
15 premises to the premises specified in the license hereby
16 created and to conduct a sampling, only in the premises
17 specified in the license hereby created, of the transferred
18 alcoholic liquor in accordance with subsection (c) of Section
19 6-31 of this Act. The transferred alcoholic liquor may not be
20 sold or resold in any form. An applicant for the craft
21 distiller tasting permit license must also submit with the
22 application proof satisfactory to the State Commission that the
23 applicant will provide dram shop liability insurance to the
24 maximum limits and have local authority approval.

25 (Source: P.A. 99-448, eff. 8-24-15; 99-642, eff. 7-28-16;
26 99-800, eff. 8-12-16; 99-902, eff. 8-26-16; 99-904, eff.

1 1-1-17; 100-17, eff. 6-30-17; 100-201, eff. 8-18-17.)

2 (235 ILCS 5/6-30) (from Ch. 43, par. 144f)

3 Sec. 6-30. Notwithstanding any other provision of this Act,
4 the Illinois Gaming Board shall have exclusive authority to
5 establish the hours for sale and consumption of alcoholic
6 liquor on board a riverboat during riverboat gambling
7 excursions and in a casino conducted in accordance with the
8 Illinois Riverboat Gambling Act.

9 (Source: P.A. 87-826.)

10 Section 90-46. The Illinois Public Aid Code is amended by
11 changing Section 10-17.15 as follows:

12 (305 ILCS 5/10-17.15)

13 Sec. 10-17.15. Certification of information to State
14 gaming licensees.

15 (a) For purposes of this Section, "State gaming licensee"
16 means, as applicable, an organization licensee or advance
17 deposit wagering licensee licensed under the Illinois Horse
18 Racing Act of 1975, an owners licensee licensed under the
19 Illinois Riverboat Gambling Act, or a licensee that operates,
20 under any law of this State, one or more facilities or gaming
21 locations at which lawful gambling is authorized and licensed
22 as provided in the Illinois Riverboat Gambling Act.

23 (b) The Department may provide, by rule, for certification

1 to any State gaming licensee of past due child support owed by
2 a responsible relative under a support order entered by a court
3 or administrative body of this or any other State on behalf of
4 a resident or non-resident receiving child support services
5 under this Article in accordance with the requirements of Title
6 IV-D, Part D, of the Social Security Act. The State gaming
7 licensee shall have the ability to withhold from winnings
8 required to be reported to the Internal Revenue Service on Form
9 W-2G, up to the full amount of winnings necessary to pay the
10 winner's past due child support. The rule shall provide for
11 notice to and an opportunity to be heard by each responsible
12 relative affected and any final administrative decision
13 rendered by the Department shall be reviewed only under and in
14 accordance with the Administrative Review Law.

15 (c) For withholding of winnings, the State gaming licensee
16 shall be entitled to an administrative fee not to exceed the
17 lesser of 4% of the total amount of cash winnings paid to the
18 gambling winner or \$150.

19 (d) In no event may the total amount withheld from the cash
20 payout, including the administrative fee, exceed the total cash
21 winnings claimed by the obligor. If the cash payout claimed is
22 greater than the amount sufficient to satisfy the obligor's
23 delinquent child support payments, the State gaming licensee
24 shall pay the obligor the remaining balance of the payout, less
25 the administrative fee authorized by subsection (c) of this
26 Section, at the time it is claimed.

1 (e) A State gaming licensee who in good faith complies with
2 the requirements of this Section shall not be liable to the
3 gaming winner or any other individual or entity.

4 (Source: P.A. 98-318, eff. 8-12-13.)

5 Section 90-47. The Firearm Concealed Carry Act is amended
6 by changing Section 65 as follows:

7 (430 ILCS 66/65)

8 Sec. 65. Prohibited areas.

9 (a) A licensee under this Act shall not knowingly carry a
10 firearm on or into:

11 (1) Any building, real property, and parking area under
12 the control of a public or private elementary or secondary
13 school.

14 (2) Any building, real property, and parking area under
15 the control of a pre-school or child care facility,
16 including any room or portion of a building under the
17 control of a pre-school or child care facility. Nothing in
18 this paragraph shall prevent the operator of a child care
19 facility in a family home from owning or possessing a
20 firearm in the home or license under this Act, if no child
21 under child care at the home is present in the home or the
22 firearm in the home is stored in a locked container when a
23 child under child care at the home is present in the home.

24 (3) Any building, parking area, or portion of a

1 building under the control of an officer of the executive
2 or legislative branch of government, provided that nothing
3 in this paragraph shall prohibit a licensee from carrying a
4 concealed firearm onto the real property, bikeway, or trail
5 in a park regulated by the Department of Natural Resources
6 or any other designated public hunting area or building
7 where firearm possession is permitted as established by the
8 Department of Natural Resources under Section 1.8 of the
9 Wildlife Code.

10 (4) Any building designated for matters before a
11 circuit court, appellate court, or the Supreme Court, or
12 any building or portion of a building under the control of
13 the Supreme Court.

14 (5) Any building or portion of a building under the
15 control of a unit of local government.

16 (6) Any building, real property, and parking area under
17 the control of an adult or juvenile detention or
18 correctional institution, prison, or jail.

19 (7) Any building, real property, and parking area under
20 the control of a public or private hospital or hospital
21 affiliate, mental health facility, or nursing home.

22 (8) Any bus, train, or form of transportation paid for
23 in whole or in part with public funds, and any building,
24 real property, and parking area under the control of a
25 public transportation facility paid for in whole or in part
26 with public funds.

1 (9) Any building, real property, and parking area under
2 the control of an establishment that serves alcohol on its
3 premises, if more than 50% of the establishment's gross
4 receipts within the prior 3 months is from the sale of
5 alcohol. The owner of an establishment who knowingly fails
6 to prohibit concealed firearms on its premises as provided
7 in this paragraph or who knowingly makes a false statement
8 or record to avoid the prohibition on concealed firearms
9 under this paragraph is subject to the penalty under
10 subsection (c-5) of Section 10-1 of the Liquor Control Act
11 of 1934.

12 (10) Any public gathering or special event conducted on
13 property open to the public that requires the issuance of a
14 permit from the unit of local government, provided this
15 prohibition shall not apply to a licensee who must walk
16 through a public gathering in order to access his or her
17 residence, place of business, or vehicle.

18 (11) Any building or real property that has been issued
19 a Special Event Retailer's license as defined in Section
20 1-3.17.1 of the Liquor Control Act during the time
21 designated for the sale of alcohol by the Special Event
22 Retailer's license, or a Special use permit license as
23 defined in subsection (q) of Section 5-1 of the Liquor
24 Control Act during the time designated for the sale of
25 alcohol by the Special use permit license.

26 (12) Any public playground.

1 (13) Any public park, athletic area, or athletic
2 facility under the control of a municipality or park
3 district, provided nothing in this Section shall prohibit a
4 licensee from carrying a concealed firearm while on a trail
5 or bikeway if only a portion of the trail or bikeway
6 includes a public park.

7 (14) Any real property under the control of the Cook
8 County Forest Preserve District.

9 (15) Any building, classroom, laboratory, medical
10 clinic, hospital, artistic venue, athletic venue,
11 entertainment venue, officially recognized
12 university-related organization property, whether owned or
13 leased, and any real property, including parking areas,
14 sidewalks, and common areas under the control of a public
15 or private community college, college, or university.

16 (16) Any building, real property, or parking area under
17 the control of a gaming facility licensed under the
18 Illinois Riverboat ~~Riverboat~~ Gambling Act or the Illinois Horse
19 Racing Act of 1975, including an inter-track wagering
20 location licensee.

21 (17) Any stadium, arena, or the real property or
22 parking area under the control of a stadium, arena, or any
23 collegiate or professional sporting event.

24 (18) Any building, real property, or parking area under
25 the control of a public library.

26 (19) Any building, real property, or parking area under

1 the control of an airport.

2 (20) Any building, real property, or parking area under
3 the control of an amusement park.

4 (21) Any building, real property, or parking area under
5 the control of a zoo or museum.

6 (22) Any street, driveway, parking area, property,
7 building, or facility, owned, leased, controlled, or used
8 by a nuclear energy, storage, weapons, or development site
9 or facility regulated by the federal Nuclear Regulatory
10 Commission. The licensee shall not under any circumstance
11 store a firearm or ammunition in his or her vehicle or in a
12 compartment or container within a vehicle located anywhere
13 in or on the street, driveway, parking area, property,
14 building, or facility described in this paragraph.

15 (23) Any area where firearms are prohibited under
16 federal law.

17 (a-5) Nothing in this Act shall prohibit a public or
18 private community college, college, or university from:

19 (1) prohibiting persons from carrying a firearm within
20 a vehicle owned, leased, or controlled by the college or
21 university;

22 (2) developing resolutions, regulations, or policies
23 regarding student, employee, or visitor misconduct and
24 discipline, including suspension and expulsion;

25 (3) developing resolutions, regulations, or policies
26 regarding the storage or maintenance of firearms, which

1 must include designated areas where persons can park
2 vehicles that carry firearms; and

3 (4) permitting the carrying or use of firearms for the
4 purpose of instruction and curriculum of officially
5 recognized programs, including but not limited to military
6 science and law enforcement training programs, or in any
7 designated area used for hunting purposes or target
8 shooting.

9 (a-10) The owner of private real property of any type may
10 prohibit the carrying of concealed firearms on the property
11 under his or her control. The owner must post a sign in
12 accordance with subsection (d) of this Section indicating that
13 firearms are prohibited on the property, unless the property is
14 a private residence.

15 (b) Notwithstanding subsections (a), (a-5), and (a-10) of
16 this Section except under paragraph (22) or (23) of subsection
17 (a), any licensee prohibited from carrying a concealed firearm
18 into the parking area of a prohibited location specified in
19 subsection (a), (a-5), or (a-10) of this Section shall be
20 permitted to carry a concealed firearm on or about his or her
21 person within a vehicle into the parking area and may store a
22 firearm or ammunition concealed in a case within a locked
23 vehicle or locked container out of plain view within the
24 vehicle in the parking area. A licensee may carry a concealed
25 firearm in the immediate area surrounding his or her vehicle
26 within a prohibited parking lot area only for the limited

1 purpose of storing or retrieving a firearm within the vehicle's
2 trunk. For purposes of this subsection, "case" includes a glove
3 compartment or console that completely encloses the concealed
4 firearm or ammunition, the trunk of the vehicle, or a firearm
5 carrying box, shipping box, or other container.

6 (c) A licensee shall not be in violation of this Section
7 while he or she is traveling along a public right of way that
8 touches or crosses any of the premises under subsection (a),
9 (a-5), or (a-10) of this Section if the concealed firearm is
10 carried on his or her person in accordance with the provisions
11 of this Act or is being transported in a vehicle by the
12 licensee in accordance with all other applicable provisions of
13 law.

14 (d) Signs stating that the carrying of firearms is
15 prohibited shall be clearly and conspicuously posted at the
16 entrance of a building, premises, or real property specified in
17 this Section as a prohibited area, unless the building or
18 premises is a private residence. Signs shall be of a uniform
19 design as established by the Department and shall be 4 inches
20 by 6 inches in size. The Department shall adopt rules for
21 standardized signs to be used under this subsection.

22 (Source: P.A. 98-63, eff. 7-9-13; 99-29, eff. 7-10-15.)

23 Section 90-50. The Criminal Code of 2012 is amended by
24 changing Sections 28-1, 28-1.1, 28-3, 28-5, and 28-7 as
25 follows:

1 (720 ILCS 5/28-1) (from Ch. 38, par. 28-1)

2 Sec. 28-1. Gambling.

3 (a) A person commits gambling when he or she:

4 (1) knowingly plays a game of chance or skill for money
5 or other thing of value, unless excepted in subsection (b)
6 of this Section;

7 (2) knowingly makes a wager upon the result of any
8 game, contest, or any political nomination, appointment or
9 election;

10 (3) knowingly operates, keeps, owns, uses, purchases,
11 exhibits, rents, sells, bargains for the sale or lease of,
12 manufactures or distributes any gambling device;

13 (4) contracts to have or give himself or herself or
14 another the option to buy or sell, or contracts to buy or
15 sell, at a future time, any grain or other commodity
16 whatsoever, or any stock or security of any company, where
17 it is at the time of making such contract intended by both
18 parties thereto that the contract to buy or sell, or the
19 option, whenever exercised, or the contract resulting
20 therefrom, shall be settled, not by the receipt or delivery
21 of such property, but by the payment only of differences in
22 prices thereof; however, the issuance, purchase, sale,
23 exercise, endorsement or guarantee, by or through a person
24 registered with the Secretary of State pursuant to Section
25 8 of the Illinois Securities Law of 1953, or by or through

1 a person exempt from such registration under said Section
2 8, of a put, call, or other option to buy or sell
3 securities which have been registered with the Secretary of
4 State or which are exempt from such registration under
5 Section 3 of the Illinois Securities Law of 1953 is not
6 gambling within the meaning of this paragraph (4);

7 (5) knowingly owns or possesses any book, instrument or
8 apparatus by means of which bets or wagers have been, or
9 are, recorded or registered, or knowingly possesses any
10 money which he has received in the course of a bet or
11 wager;

12 (6) knowingly sells pools upon the result of any game
13 or contest of skill or chance, political nomination,
14 appointment or election;

15 (7) knowingly sets up or promotes any lottery or sells,
16 offers to sell or transfers any ticket or share for any
17 lottery;

18 (8) knowingly sets up or promotes any policy game or
19 sells, offers to sell or knowingly possesses or transfers
20 any policy ticket, slip, record, document or other similar
21 device;

22 (9) knowingly drafts, prints or publishes any lottery
23 ticket or share, or any policy ticket, slip, record,
24 document or similar device, except for such activity
25 related to lotteries, bingo games and raffles authorized by
26 and conducted in accordance with the laws of Illinois or

1 any other state or foreign government;

2 (10) knowingly advertises any lottery or policy game,
3 except for such activity related to lotteries, bingo games
4 and raffles authorized by and conducted in accordance with
5 the laws of Illinois or any other state;

6 (11) knowingly transmits information as to wagers,
7 betting odds, or changes in betting odds by telephone,
8 telegraph, radio, semaphore or similar means; or knowingly
9 installs or maintains equipment for the transmission or
10 receipt of such information; except that nothing in this
11 subdivision (11) prohibits transmission or receipt of such
12 information for use in news reporting of sporting events or
13 contests; or

14 (12) knowingly establishes, maintains, or operates an
15 Internet site that permits a person to play a game of
16 chance or skill for money or other thing of value by means
17 of the Internet or to make a wager upon the result of any
18 game, contest, political nomination, appointment, or
19 election by means of the Internet. This item (12) does not
20 apply to activities referenced in items (6) and (6.1) of
21 subsection (b) of this Section.

22 (b) Participants in any of the following activities shall
23 not be convicted of 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 such contest.

6 (3) Pari-mutuel betting as authorized by the law of
7 this 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 such
12 transportation is not prohibited by any applicable Federal
13 law; or the manufacture, distribution, or possession of
14 video gaming terminals, as defined in the Video Gaming Act,
15 by manufacturers, distributors, and terminal operators
16 licensed to do so under the Video Gaming Act.

17 (5) The game commonly known as "bingo", when conducted
18 in accordance with the Bingo License and Tax Act.

19 (6) Lotteries when conducted by the State of Illinois
20 in accordance with the Illinois Lottery Law. This exemption
21 includes any activity conducted by the Department of
22 Revenue to sell lottery tickets pursuant to the provisions
23 of the Illinois Lottery Law and its rules.

24 (6.1) The purchase of lottery tickets through the
25 Internet for a lottery conducted by the State of Illinois
26 under the program established in Section 7.12 of the

1 Illinois Lottery Law.

2 (7) Possession of an antique slot machine that is
3 neither used nor intended to be used in the operation or
4 promotion of any unlawful gambling activity or enterprise.
5 For the purpose of this subparagraph (b)(7), an antique
6 slot machine is one manufactured 25 years ago or earlier.

7 (8) Raffles and poker runs when conducted in accordance
8 with the Raffles and Poker Runs Act.

9 (9) Charitable games when conducted in accordance with
10 the Charitable Games Act.

11 (10) Pull tabs and jar games when conducted under the
12 Illinois Pull Tabs and Jar Games Act.

13 (11) Gambling games ~~conducted on riverboats~~ when
14 authorized by the Illinois Riverboat Gambling Act.

15 (12) Video gaming terminal games at a licensed
16 establishment, licensed truck stop establishment, licensed
17 fraternal establishment, or licensed veterans
18 establishment when conducted in accordance with the Video
19 Gaming Act.

20 (13) Games of skill or chance where money or other
21 things of value can be won but no payment or purchase is
22 required to participate.

23 (14) Savings promotion raffles authorized under
24 Section 5g of the Illinois Banking Act, Section 7008 of the
25 Savings Bank Act, Section 42.7 of the Illinois Credit Union
26 Act, Section 5136B of the National Bank Act (12 U.S.C.

1 25a), or Section 4 of the Home Owners' Loan Act (12 U.S.C.
2 1463).

3 (15) Product promotion sweepstakes through an
4 electronic product promotion sweepstakes kiosk authorized
5 under the Sweepstakes, Prizes, and Gifts Act.

6 (c) Sentence.

7 Gambling is a Class A misdemeanor. A second or subsequent
8 conviction under subsections (a) (3) through (a) (12), is a Class
9 4 felony.

10 (d) Circumstantial evidence.

11 In prosecutions under this Section circumstantial evidence
12 shall have the same validity and weight as in any criminal
13 prosecution.

14 (Source: P.A. 98-644, eff. 6-10-14; 99-149, eff. 1-1-16.)

15 (720 ILCS 5/28-1.1) (from Ch. 38, par. 28-1.1)

16 Sec. 28-1.1. Syndicated gambling.

17 (a) Declaration of Purpose. Recognizing the close
18 relationship between professional gambling and other organized
19 crime, it is declared to be the policy of the legislature to
20 restrain persons from engaging in the business of gambling for
21 profit in this State. This Section shall be liberally construed
22 and administered with a view to carrying out this policy.

23 (b) A person commits syndicated gambling when he or she
24 operates a "policy game" or engages in the business of
25 bookmaking.

1 (c) A person "operates a policy game" when he or she
2 knowingly uses any premises or property for the purpose of
3 receiving or knowingly does receive from what is commonly
4 called "policy":

5 (1) money from a person other than the bettor or player
6 whose bets or plays are represented by the money; or

7 (2) written "policy game" records, made or used over
8 any period of time, from a person other than the bettor or
9 player whose bets or plays are represented by the written
10 record.

11 (d) A person engages in bookmaking when he or she knowingly
12 receives or accepts more than five bets or wagers upon the
13 result of any trials or contests of skill, speed or power of
14 endurance or upon any lot, chance, casualty, unknown or
15 contingent event whatsoever, which bets or wagers shall be of
16 such size that the total of the amounts of money paid or
17 promised to be paid to the bookmaker on account thereof shall
18 exceed \$2,000. Bookmaking is the receiving or accepting of bets
19 or wagers regardless of the form or manner in which the
20 bookmaker records them.

21 (e) Participants in any of the following activities shall
22 not be convicted of syndicated gambling:

23 (1) Agreements to compensate for loss caused by the
24 happening of chance including without limitation contracts
25 of indemnity or guaranty and life or health or accident
26 insurance;

1 (2) Offers of prizes, award or compensation to the
2 actual contestants in any bona fide contest for the
3 determination of skill, speed, strength or endurance or to
4 the owners of animals or vehicles entered in the contest;

5 (3) Pari-mutuel betting as authorized by law of this
6 State;

7 (4) Manufacture of gambling devices, including the
8 acquisition of essential parts therefor and the assembly
9 thereof, for transportation in interstate or foreign
10 commerce to any place outside this State when the
11 transportation is not prohibited by any applicable Federal
12 law;

13 (5) Raffles and poker runs when conducted in accordance
14 with the Raffles and Poker Runs Act;

15 (6) Gambling games conducted on riverboats, in
16 casinos, or at organization gaming facilities when
17 authorized by the Illinois Riverboat ~~Riverboat~~ Gambling Act;

18 (7) Video gaming terminal games at a licensed
19 establishment, licensed truck stop establishment, licensed
20 fraternal establishment, or licensed veterans
21 establishment when conducted in accordance with the Video
22 Gaming Act; and

23 (8) Savings promotion raffles authorized under Section
24 5g of the Illinois Banking Act, Section 7008 of the Savings
25 Bank Act, Section 42.7 of the Illinois Credit Union Act,
26 Section 5136B of the National Bank Act (12 U.S.C. 25a), or

1 Section 4 of the Home Owners' Loan Act (12 U.S.C. 1463).

2 (f) Sentence. Syndicated gambling is a Class 3 felony.

3 (Source: P.A. 98-644, eff. 6-10-14; 99-149, eff. 1-1-16.)

4 (720 ILCS 5/28-3) (from Ch. 38, par. 28-3)

5 Sec. 28-3. Keeping a Gambling Place. A "gambling place" is
6 any real estate, vehicle, boat or any other property whatsoever
7 used for the purposes of gambling other than gambling conducted
8 in the manner authorized by the Illinois Riverboat ~~Riverboat~~ Gambling Act
9 or the Video Gaming Act. Any person who knowingly permits any
10 premises or property owned or occupied by him or under his
11 control to be used as a gambling place commits a Class A
12 misdemeanor. Each subsequent offense is a Class 4 felony. When
13 any premises is determined by the circuit court to be a
14 gambling place:

15 (a) Such premises is a public nuisance and may be proceeded
16 against as such, and

17 (b) All licenses, permits or certificates issued by the
18 State of Illinois or any subdivision or public agency thereof
19 authorizing the serving of food or liquor on such premises
20 shall be void; and no license, permit or certificate so
21 cancelled shall be reissued for such premises for a period of
22 60 days thereafter; nor shall any person convicted of keeping a
23 gambling place be reissued such license for one year from his
24 conviction and, after a second conviction of keeping a gambling
25 place, any such person shall not be reissued such license, and

1 (c) Such premises of any person who knowingly permits
2 thereon a violation of any Section of this Article shall be
3 held liable for, and may be sold to pay any unsatisfied
4 judgment that may be recovered and any unsatisfied fine that
5 may be levied under any Section of this Article.

6 (Source: P.A. 96-34, eff. 7-13-09.)

7 (720 ILCS 5/28-5) (from Ch. 38, par. 28-5)

8 (Text of Section before amendment by P.A. 100-512)

9 Sec. 28-5. Seizure of gambling devices and gambling funds.

10 (a) Every device designed for gambling which is incapable
11 of lawful use or every device used unlawfully for gambling
12 shall be considered a "gambling device", and shall be subject
13 to seizure, confiscation and destruction by the Department of
14 State Police or by any municipal, or other local authority,
15 within whose jurisdiction the same may be found. As used in
16 this Section, a "gambling device" includes any slot machine,
17 and includes any machine or device constructed for the
18 reception of money or other thing of value and so constructed
19 as to return, or to cause someone to return, on chance to the
20 player thereof money, property or a right to receive money or
21 property. With the exception of any device designed for
22 gambling which is incapable of lawful use, no gambling device
23 shall be forfeited or destroyed unless an individual with a
24 property interest in said device knows of the unlawful use of
25 the device.

1 (b) Every gambling device shall be seized and forfeited to
2 the county wherein such seizure occurs. Any money or other
3 thing of value integrally related to acts of gambling shall be
4 seized and forfeited to the county wherein such seizure occurs.

5 (c) If, within 60 days after any seizure pursuant to
6 subparagraph (b) of this Section, a person having any property
7 interest in the seized property is charged with an offense, the
8 court which renders judgment upon such charge shall, within 30
9 days after such judgment, conduct a forfeiture hearing to
10 determine whether such property was a gambling device at the
11 time of seizure. Such hearing shall be commenced by a written
12 petition by the State, including material allegations of fact,
13 the name and address of every person determined by the State to
14 have any property interest in the seized property, a
15 representation that written notice of the date, time and place
16 of such hearing has been mailed to every such person by
17 certified mail at least 10 days before such date, and a request
18 for forfeiture. Every such person may appear as a party and
19 present evidence at such hearing. The quantum of proof required
20 shall be a preponderance of the evidence, and the burden of
21 proof shall be on the State. If the court determines that the
22 seized property was a gambling device at the time of seizure,
23 an order of forfeiture and disposition of the seized property
24 shall be entered: a gambling device shall be received by the
25 State's Attorney, who shall effect its destruction, except that
26 valuable parts thereof may be liquidated and the resultant

1 money shall be deposited in the general fund of the county
2 wherein such seizure occurred; money and other things of value
3 shall be received by the State's Attorney and, upon
4 liquidation, shall be deposited in the general fund of the
5 county wherein such seizure occurred. However, in the event
6 that a defendant raises the defense that the seized slot
7 machine is an antique slot machine described in subparagraph
8 (b) (7) of Section 28-1 of this Code and therefore he is exempt
9 from the charge of a gambling activity participant, the seized
10 antique slot machine shall not be destroyed or otherwise
11 altered until a final determination is made by the Court as to
12 whether it is such an antique slot machine. Upon a final
13 determination by the Court of this question in favor of the
14 defendant, such slot machine shall be immediately returned to
15 the defendant. Such order of forfeiture and disposition shall,
16 for the purposes of appeal, be a final order and judgment in a
17 civil proceeding.

18 (d) If a seizure pursuant to subparagraph (b) of this
19 Section is not followed by a charge pursuant to subparagraph
20 (c) of this Section, or if the prosecution of such charge is
21 permanently terminated or indefinitely discontinued without
22 any judgment of conviction or acquittal (1) the State's
23 Attorney shall commence an in rem proceeding for the forfeiture
24 and destruction of a gambling device, or for the forfeiture and
25 deposit in the general fund of the county of any seized money
26 or other things of value, or both, in the circuit court and (2)

1 any person having any property interest in such seized gambling
2 device, money or other thing of value may commence separate
3 civil proceedings in the manner provided by law.

4 (e) Any gambling device displayed for sale to a riverboat
5 gambling operation, casino gambling operation, or organization
6 gaming facility or used to train occupational licensees of a
7 riverboat gambling operation, casino gambling operation, or
8 organization gaming facility as authorized under the Illinois
9 ~~Riverboat~~ Gambling Act is exempt from seizure under this
10 Section.

11 (f) Any gambling equipment, devices and supplies provided
12 by a licensed supplier in accordance with the Illinois
13 ~~Riverboat~~ Gambling Act which are removed from a the riverboat,
14 casino, or organization gaming facility for repair are exempt
15 from seizure under this Section.

16 (g) The following video gaming terminals are exempt from
17 seizure under this Section:

18 (1) Video gaming terminals for sale to a licensed
19 distributor or operator under the Video Gaming Act.

20 (2) Video gaming terminals used to train licensed
21 technicians or licensed terminal handlers.

22 (3) Video gaming terminals that are removed from a
23 licensed establishment, licensed truck stop establishment,
24 licensed fraternal establishment, or licensed veterans
25 establishment for repair.

26 (Source: P.A. 98-31, eff. 6-24-13.)

1 (Text of Section after amendment by P.A. 100-512)

2 Sec. 28-5. Seizure of gambling devices and gambling funds.

3 (a) Every device designed for gambling which is incapable
4 of lawful use or every device used unlawfully for gambling
5 shall be considered a "gambling device", and shall be subject
6 to seizure, confiscation and destruction by the Department of
7 State Police or by any municipal, or other local authority,
8 within whose jurisdiction the same may be found. As used in
9 this Section, a "gambling device" includes any slot machine,
10 and includes any machine or device constructed for the
11 reception of money or other thing of value and so constructed
12 as to return, or to cause someone to return, on chance to the
13 player thereof money, property or a right to receive money or
14 property. With the exception of any device designed for
15 gambling which is incapable of lawful use, no gambling device
16 shall be forfeited or destroyed unless an individual with a
17 property interest in said device knows of the unlawful use of
18 the device.

19 (b) Every gambling device shall be seized and forfeited to
20 the county wherein such seizure occurs. Any money or other
21 thing of value integrally related to acts of gambling shall be
22 seized and forfeited to the county wherein such seizure occurs.

23 (c) If, within 60 days after any seizure pursuant to
24 subparagraph (b) of this Section, a person having any property
25 interest in the seized property is charged with an offense, the

1 court which renders judgment upon such charge shall, within 30
2 days after such judgment, conduct a forfeiture hearing to
3 determine whether such property was a gambling device at the
4 time of seizure. Such hearing shall be commenced by a written
5 petition by the State, including material allegations of fact,
6 the name and address of every person determined by the State to
7 have any property interest in the seized property, a
8 representation that written notice of the date, time and place
9 of such hearing has been mailed to every such person by
10 certified mail at least 10 days before such date, and a request
11 for forfeiture. Every such person may appear as a party and
12 present evidence at such hearing. The quantum of proof required
13 shall be a preponderance of the evidence, and the burden of
14 proof shall be on the State. If the court determines that the
15 seized property was a gambling device at the time of seizure,
16 an order of forfeiture and disposition of the seized property
17 shall be entered: a gambling device shall be received by the
18 State's Attorney, who shall effect its destruction, except that
19 valuable parts thereof may be liquidated and the resultant
20 money shall be deposited in the general fund of the county
21 wherein such seizure occurred; money and other things of value
22 shall be received by the State's Attorney and, upon
23 liquidation, shall be deposited in the general fund of the
24 county wherein such seizure occurred. However, in the event
25 that a defendant raises the defense that the seized slot
26 machine is an antique slot machine described in subparagraph

1 (b) (7) of Section 28-1 of this Code and therefore he is exempt
2 from the charge of a gambling activity participant, the seized
3 antique slot machine shall not be destroyed or otherwise
4 altered until a final determination is made by the Court as to
5 whether it is such an antique slot machine. Upon a final
6 determination by the Court of this question in favor of the
7 defendant, such slot machine shall be immediately returned to
8 the defendant. Such order of forfeiture and disposition shall,
9 for the purposes of appeal, be a final order and judgment in a
10 civil proceeding.

11 (d) If a seizure pursuant to subparagraph (b) of this
12 Section is not followed by a charge pursuant to subparagraph
13 (c) of this Section, or if the prosecution of such charge is
14 permanently terminated or indefinitely discontinued without
15 any judgment of conviction or acquittal (1) the State's
16 Attorney shall commence an in rem proceeding for the forfeiture
17 and destruction of a gambling device, or for the forfeiture and
18 deposit in the general fund of the county of any seized money
19 or other things of value, or both, in the circuit court and (2)
20 any person having any property interest in such seized gambling
21 device, money or other thing of value may commence separate
22 civil proceedings in the manner provided by law.

23 (e) Any gambling device displayed for sale to a riverboat
24 gambling operation, casino gambling operation, or organization
25 gaming facility or used to train occupational licensees of a
26 riverboat gambling operation, casino gambling operation, or

1 organization gaming facility as authorized under the Illinois
2 ~~Riverboat~~ Gambling Act is exempt from seizure under this
3 Section.

4 (f) Any gambling equipment, devices and supplies provided
5 by a licensed supplier in accordance with the Illinois
6 ~~Riverboat~~ Gambling Act which are removed from a the riverboat,
7 casino, or organization gaming facility for repair are exempt
8 from seizure under this Section.

9 (g) The following video gaming terminals are exempt from
10 seizure under this Section:

11 (1) Video gaming terminals for sale to a licensed
12 distributor or operator under the Video Gaming Act.

13 (2) Video gaming terminals used to train licensed
14 technicians or licensed terminal handlers.

15 (3) Video gaming terminals that are removed from a
16 licensed establishment, licensed truck stop establishment,
17 licensed fraternal establishment, or licensed veterans
18 establishment for repair.

19 (h) Property seized or forfeited under this Section is
20 subject to reporting under the Seizure and Forfeiture Reporting
21 Act.

22 (Source: P.A. 100-512, eff. 7-1-18.)

23 (720 ILCS 5/28-7) (from Ch. 38, par. 28-7)
24 Sec. 28-7. Gambling contracts void.

25 (a) All promises, notes, bills, bonds, covenants,

1 contracts, agreements, judgments, mortgages, or other
2 securities or conveyances made, given, granted, drawn, or
3 entered into, or executed by any person whatsoever, where the
4 whole or any part of the consideration thereof is for any money
5 or thing of value, won or obtained in violation of any Section
6 of this Article are null and void.

7 (b) Any obligation void under this Section may be set aside
8 and vacated by any court of competent jurisdiction, upon a
9 complaint filed for that purpose, by the person so granting,
10 giving, entering into, or executing the same, or by his
11 executors or administrators, or by any creditor, heir, legatee,
12 purchaser or other person interested therein; or if a judgment,
13 the same may be set aside on motion of any person stated above,
14 on due notice thereof given.

15 (c) No assignment of any obligation void under this Section
16 may in any manner affect the defense of the person giving,
17 granting, drawing, entering into or executing such obligation,
18 or the remedies of any person interested therein.

19 (d) This Section shall not prevent a licensed owner of a
20 riverboat gambling operation, a casino gambling operation, or
21 an organization gaming licensee under the Illinois Gambling Act
22 and the Illinois Horse Racing Act of 1975 from instituting a
23 cause of action to collect any amount due and owing under an
24 extension of credit to a ~~riverboat~~ gambling patron as
25 authorized under Section 11.1 of the Illinois Riverboat
26 Gambling Act.

1 (Source: P.A. 87-826.)

2 Section 90-55. The Eminent Domain Act is amended by adding
3 Section 15-5-48 as follows:

4 (735 ILCS 30/15-5-48 new)

5 Sec. 15-5-48. Eminent domain powers in new Acts. The
6 following provisions of law may include express grants of the
7 power to acquire property by condemnation or eminent domain:

8 Chicago Casino Development Authority Act; City of Chicago; for
9 the purposes of the Act.

10 Section 90-60. The Payday Loan Reform Act is amended by
11 changing Section 3-5 as follows:

12 (815 ILCS 122/3-5)

13 Sec. 3-5. Licensure.

14 (a) A license to make a payday loan shall state the
15 address, including city and state, at which the business is to
16 be conducted and shall state fully the name of the licensee.
17 The license shall be conspicuously posted in the place of
18 business of the licensee and shall not be transferable or
19 assignable.

20 (b) An application for a license shall be in writing and in
21 a form prescribed by the Secretary. The Secretary may not issue

1 a payday loan license unless and until the following findings
2 are made:

3 (1) that the financial responsibility, experience,
4 character, and general fitness of the applicant are such as
5 to command the confidence of the public and to warrant the
6 belief that the business will be operated lawfully and
7 fairly and within the provisions and purposes of this Act;
8 and

9 (2) that the applicant has submitted such other
10 information as the Secretary may deem necessary.

11 (c) A license shall be issued for no longer than one year,
12 and no renewal of a license may be provided if a licensee has
13 substantially violated this Act and has not cured the violation
14 to the satisfaction of the Department.

15 (d) A licensee shall appoint, in writing, the Secretary as
16 attorney-in-fact upon whom all lawful process against the
17 licensee may be served with the same legal force and validity
18 as if served on the licensee. A copy of the written
19 appointment, duly certified, shall be filed in the office of
20 the Secretary, and a copy thereof certified by the Secretary
21 shall be sufficient evidence to subject a licensee to
22 jurisdiction in a court of law. This appointment shall remain
23 in effect while any liability remains outstanding in this State
24 against the licensee. When summons is served upon the Secretary
25 as attorney-in-fact for a licensee, the Secretary shall
26 immediately notify the licensee by registered mail, enclosing

1 the summons and specifying the hour and day of service.

2 (e) A licensee must pay an annual fee of \$1,000. In
3 addition to the license fee, the reasonable expense of any
4 examination or hearing by the Secretary under any provisions of
5 this Act shall be borne by the licensee. If a licensee fails to
6 renew its license by December 31, its license shall
7 automatically expire; however, the Secretary, in his or her
8 discretion, may reinstate an expired license upon:

9 (1) payment of the annual fee within 30 days of the
10 date of expiration; and

11 (2) proof of good cause for failure to renew.

12 (f) Not more than one place of business shall be maintained
13 under the same license, but the Secretary may issue more than
14 one license to the same licensee upon compliance with all the
15 provisions of this Act governing issuance of a single license.
16 The location, except those locations already in existence as of
17 June 1, 2005, may not be within one mile of a horse race track
18 subject to the Illinois Horse Racing Act of 1975, within one
19 mile of a facility at which gambling is conducted under the
20 Illinois ~~Riverboat~~ Gambling Act, within one mile of the
21 location at which a riverboat subject to the Illinois ~~Riverboat~~
22 Gambling Act docks, or within one mile of any State of Illinois
23 or United States military base or naval installation.

24 (g) No licensee shall conduct the business of making loans
25 under this Act within any office, suite, room, or place of
26 business in which (1) any loans are offered or made under the

1 Consumer Installment Loan Act other than title secured loans as
2 defined in subsection (a) of Section 15 of the Consumer
3 Installment Loan Act and governed by Title 38, Section 110.330
4 of the Illinois Administrative Code or (2) any other business
5 is solicited or engaged in unless the other business is
6 licensed by the Department or, in the opinion of the Secretary,
7 the other business would not be contrary to the best interests
8 of consumers and is authorized by the Secretary in writing.

9 (g-5) Notwithstanding subsection (g) of this Section, a
10 licensee may obtain a license under the Consumer Installment
11 Loan Act (CILA) for the exclusive purpose and use of making
12 title secured loans, as defined in subsection (a) of Section 15
13 of CILA and governed by Title 38, Section 110.300 of the
14 Illinois Administrative Code. A licensee may continue to
15 service Consumer Installment Loan Act loans that were
16 outstanding as of the effective date of this amendatory Act of
17 the 96th General Assembly.

18 (h) The Secretary shall maintain a list of licensees that
19 shall be available to interested consumers and lenders and the
20 public. The Secretary shall maintain a toll-free number whereby
21 consumers may obtain information about licensees. The
22 Secretary shall also establish a complaint process under which
23 an aggrieved consumer may file a complaint against a licensee
24 or non-licensee who violates any provision of this Act.

25 (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 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
25 other consideration has been given or is to be given to

1 another, including another member of the same partnership,
2 corporation, joint venture, association, organization, group
3 or other entity, for travel.

4 (d) "Ticket or voucher" means a writing or combination of
5 writings which is itself good and sufficient to obtain
6 transportation and other services for which the passenger has
7 contracted.

8 (Source: P.A. 91-357, eff. 7-29-99.)

9 Section 90-67. The Prizes and Gifts Act is amended by
10 changing Sections 1 and 10 and by adding Sections 33 and 45 as
11 follows:

12 (815 ILCS 525/1)

13 Sec. 1. Short title. This Act may be cited as the
14 Sweepstakes, Prizes, and Gifts Act.

15 (Source: P.A. 92-436, eff. 1-1-02.)

16 (815 ILCS 525/10)

17 Sec. 10. Definitions. As used in this Act:

18 "Bona fide product" means any item of real value, which may
19 include vouchers or coupons, to be used for or towards the
20 purchase of a retail item. "Bona fide product" does not include
21 Internet access, a telephone card, a calling card, or a phone
22 card.

23 "Catalog seller" means an entity (and its subsidiaries) or

1 a person at least 50% of whose annual revenues are derived from
2 the sale of products sold in connection with the distribution
3 of catalogs of at least 24 pages, which contain written
4 descriptions or illustrations and sale prices for each item of
5 merchandise and which are distributed in more than one state
6 with a total annual distribution of at least 250,000.

7 "Electronic product promotion sweepstakes kiosk" means any
8 electronic video machine that, upon the insertion of payment,
9 is used to purchase a bona fide product from a sponsor and
10 offers or awards a prize as a means to promote that sponsor and
11 is otherwise consistent with this Act, paragraphs (13) and (15)
12 of subsection (b) of Section 28-1 of the Criminal Code of 2012,
13 and the Video Gaming Act, and is not capable of connecting
14 directly or indirectly to the Internet, either by hardwire or
15 wireless connection, or to a set of interconnected networked
16 devices.

17 "Instant reveal" means the results of the outcome of a
18 prize offer or reward are immediately displayed.

19 "Internet access" means a connection of individual
20 computer terminals, computers, mobile devices, and computer
21 networks to the Internet, enabling users to access Internet
22 services, such as email and websites.

23 "Person" means a corporation, partnership, limited
24 liability company, sole proprietorship, or natural person.

25 "Prize" means a gift, award, or other item or service of
26 value that is offered or awarded to a participant in a real or

1 purported contest, competition, sweepstakes, scheme, plan, or
2 other selection process that involves an element of chance.

3 "Retail value" of a prize means:

4 (1) a price at which the sponsor can substantiate that
5 a substantial quantity of the item or service offered as a
6 prize has been sold to the public; or

7 (2) if the sponsor is unable to satisfy the requirement
8 in subdivision (1), no more than 3 times the amount the
9 sponsor paid for the prize in a bona fide purchase from an
10 unaffiliated seller.

11 "Sponsor" means a person on whose behalf a promotion is
12 conducted to promote or advertise goods, services, or property
13 of that person. "Sponsor" includes a person who conducts a
14 promotion on behalf of another sponsor.

15 "Sweepstakes" means the promotion of products through a
16 written or electronic manner.

17 "Telephone card" or "calling card" or "phone card" means
18 any stored-value system capable of being discarded when
19 depleted or recharged for reuse and utilized to place a
20 telephone call.

21 (Source: P.A. 92-436, eff. 1-1-02.)

22 (815 ILCS 525/33 new)

23 Sec. 33. Electronic product promotion sweepstakes kiosks.

24 (a) It is unlawful for a person to operate on any premises
25 more than 10 electronic product promotion sweepstakes kiosks at

1 any one time, unless that premises operates as: a racetrack
2 licensed under the Illinois Horse Racing Act of 1975; a
3 licensed fraternal establishment or licensed veterans
4 establishment under the Video Gaming Act; a location under the
5 control of a recognized 501(c)(3) charitable organization as
6 defined in the Internal Revenue Code; or an airport.

7 (b) No electronic product promotion sweepstakes kiosk
8 shall be capable of connecting directly or indirectly to the
9 Internet, either by hardwire or wireless connection, or to a
10 set of interconnected networked devices, and nothing in this
11 amendatory Act of the 100th General Assembly may be construed
12 to permit any person to knowingly establish, maintain, or
13 operate an Internet site that permits a person to play a game
14 of chance or skill for money or other thing of value by means
15 of the Internet or to make a wager upon the result of any game,
16 contest, political nomination, appointment, or election by
17 means of the Internet in violation of item (12) of subsection
18 (a) of Section 28-1 of the Criminal Code of 2012.

19 (c) It is unlawful for any person to operate an electronic
20 product promotion sweepstakes kiosk where the sale of a product
21 is a subterfuge for gambling. A subterfuge shall be the sale of
22 Internet access, a telephone card, a calling card, or a phone
23 card.

24 (d) Electronic product promotion sweepstakes kiosks shall
25 provide the option of an instant reveal of the outcome of any
26 prize offer or award.

1 (815 ILCS 525/45 new)

2 Sec. 45. Electronic product promotion sweepstakes kiosk;
3 annual fee. The Department of Revenue is hereby authorized to
4 impose an annual fee of not more than \$100 for the use of
5 operating an electronic product promotion sweepstakes kiosk.
6 The Department of Revenue shall share the revenue derived from
7 the annual fees with municipalities.

8 (30 ILCS 105/5.490 rep.)

9 Section 90-70. The State Finance Act is amended by
10 repealing Section 5.490.

11 (230 ILCS 5/2.1 rep.)

12 (230 ILCS 5/54 rep.)

13 Section 90-75. The Illinois Horse Racing Act of 1975 is
14 amended by repealing Sections 2.1 and 54.

15 Article 99. Nonacceleration; Severability; Effective Date

16 Section 99-95. No acceleration or delay. Where this Act
17 makes changes in a statute that is represented in this Act by
18 text that is not yet or no longer in effect (for example, a
19 Section represented by multiple versions), the use of that text
20 does not accelerate or delay the taking effect of (i) the
21 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.".