



Rep. Michael J. Zalewski

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1 AMENDMENT TO SENATE BILL 1667

2 AMENDMENT NO. _____. Amend Senate Bill 1667 by replacing
3 everything after the enacting clause with the following:

4 "Section 1. Short title. This Act may be cited as the
5 Fantasy Sports Contest Act.

6 Section 5. Legislative intent. This Act is designed to
7 provide regulation of companies providing access to paid
8 fantasy sports contests and protect Illinois consumers who play
9 paid fantasy sports contests for prizes from unfair acts and
10 practices that may arise in the gaming process. The regulation
11 is also intended to protect the families of persons who play
12 paid fantasy sports contests to the extent that they may be
13 affected by unfair and deceptive practices that lead to
14 unaffordable losses.

15 Section 10. Definitions. In this Act:

1 "Beginner fantasy sports player" means an individual who is
2 at least 21 years of age and who has entered fewer than 51
3 fantasy sports contests offered by a single fantasy sports
4 contest operator.

5 "Board" means the Illinois Gaming Board.

6 "Confidential information" means information related to
7 the play of a fantasy sports contest by fantasy sports players
8 obtained as a result of or by virtue of a person's employment
9 with a fantasy sports contest operator.

10 "Entry fee" means the cash or cash equivalent paid by a
11 fantasy sports player located in Illinois at the time of entry
12 for participation in a fantasy sports contest.

13 "Fantasy sports contest" means any fantasy contest, in
14 which:

15 (1) the value of all prizes and awards offered to
16 winning participants are established and made known to the
17 participants in advance of the contest and their value is
18 not determined by the number of participants or the amount
19 of any fees paid by those participants;

20 (2) all winning outcomes are determined predominantly
21 by accumulated statistical results of the performance of
22 individual athletes in real-world professional athletic
23 competitions; a professional athletic competition does not
24 include any amateur or collegiate level sport; and

25 (3) no winning outcome is based on the score, point
26 spread, or any performance or performances of any single

1 actual team or combination of such teams or solely on any
2 single performance of an individual athlete or player in
3 any single actual event.

4 A fantasy sports contest in a game or contest that involves
5 individual athletes from real-world professional athletic
6 teams, such as football, baseball, basketball, hockey, soccer,
7 and other team sports: (i) shall consist of individual athletes
8 from at least 3 different real-world professional athletic
9 teams and (ii) shall not have more than 4 individual athletes
10 from a single real-world professional athletic team. However,
11 the prohibition contained in item (ii) of this paragraph does
12 not apply to a season-long fantasy sports contest.

13 "Fantasy sports contest operator" means any individual,
14 partnership, corporation, or limited liability company that
15 engages in the business of offering, by means of the Internet,
16 a smart phone application, or other similar electronic or
17 digital media or communication technologies, multiple fantasy
18 sports contests to persons.

19 "Fantasy sports contest platform" means any website, smart
20 phone application, or other portal providing access to a
21 fantasy sports contest.

22 "Fantasy sports contest revenues" means the amount of entry
23 fees collected from fantasy sports players located in Illinois
24 accepted by a fantasy sports contest operator that are not
25 awarded as prizes to fantasy sports players.

26 "Fantasy sports player" means an individual 21 years of age

1 or over who enters into a fantasy sports contest with an entry
2 fee offered by a fantasy sports contest operator.

3 "Highly experienced fantasy sports player" means an
4 individual who is at least 21 years of age and has (1) entered
5 more than 1,000 contests offered by a single fantasy sports
6 contest operator or (2) has won more than 3 prizes valued at
7 \$1,000 or more. Once a fantasy sports player is classified as a
8 highly experienced fantasy sports player, a player shall remain
9 classified as such.

10 "Minor" means an individual under 21 years of age.

11 "Prize" means anything of value, including money, contest
12 credits, merchandise, or admission to another contest.

13 "Scripts" means commands that a fantasy sports
14 contest-related computer program can execute that are created
15 by fantasy sports players (or by third parties for the use of
16 fantasy sports players) to automate processes on a fantasy
17 sports contest platform.

18 "Season-long fantasy sports contest" means a fantasy
19 sports contest offered by a fantasy sports contest operator
20 that is conducted over an entire sports season where the entry
21 fee is paid prior to the start of the season.

22 Section 15. Applicability. This Act and all rules adopted
23 under the authority of this Act shall only apply to fantasy
24 sports contests when an entry fee is paid by a fantasy sports
25 player at the time of entry for participation in a fantasy

1 sports contest.

2 Section 20. Authority of the Board.

3 (a) The Board shall have jurisdiction over and shall
4 supervise all fantasy sports contests governed by this Act. The
5 Board shall have all powers necessary and proper to fully and
6 effectively execute the provisions of this Act, including, but
7 not limited to, the following:

8 (1) To investigate applicants and determine the
9 eligibility of applicants for licenses that best serve the
10 interests of the citizens of Illinois.

11 (2) To adopt such rules as in its judgment may be
12 necessary to protect or enhance the credibility and
13 integrity of fantasy sports contests authorized by this Act
14 and the regulatory process under this Act.

15 (3) To provide for the establishment and collection of
16 all license and registration fees and taxes imposed by this
17 Act and the rules issued pursuant to this Act. All license
18 fees shall be deposited into the State Gaming Fund, and all
19 taxes collected shall be deposited into the Education
20 Assistance Fund.

21 (4) To suspend, revoke, or restrict licenses; to
22 require the removal of a fantasy sports contest operator or
23 an employee of a fantasy sports contest operator for a
24 violation of this Act or a Board rule or for engaging in a
25 fraudulent practice; and to impose civil penalties of up to

1 \$5,000 against individuals and up to \$10,000 or an amount
2 equal to the fantasy sports contest revenues, whichever is
3 larger, against licensees for each violation of any
4 provision of the Act, any rules adopted by the Board, any
5 order of the Board, or any other action which, in the
6 Board's discretion, is a detriment or impediment to fantasy
7 sports contests.

8 (5) To provide for the levy and collection of penalties
9 and fines for the violation of provisions of this Act and
10 the rules adopted under this Act. All such fines and
11 penalties shall be deposited into the State Gaming Fund.

12 (b) The Board shall adopt emergency rules to administer
13 this Act in accordance with Section 5-45 of the Illinois
14 Administrative Procedure Act. For the purposes of the Illinois
15 Administrative Procedure Act, the General Assembly finds that
16 the adoption of rules to implement this Act is deemed an
17 emergency and necessary to the public interest, safety, and
18 welfare.

19 Section 25. Fantasy sports player accounts.

20 (a) A fantasy sports contest operator shall not allow a
21 fantasy sports player to create more than one username or more
22 than one account. A fantasy sports contest operator shall take
23 commercially and technologically reasonable measures to verify
24 a fantasy sports player's true identity and address. A fantasy
25 sports contest operator shall implement and prominently

1 publish procedures to terminate all accounts of a fantasy
2 sports player that establishes or seeks to establish more than
3 one username or more than one account, whether directly or by
4 use of another person as a proxy. The procedures may allow a
5 fantasy sports player that establishes or seeks to establish
6 more than one username or more than one account to retain one
7 account provided that the fantasy sports contest operator
8 investigates and makes a good faith determination that the
9 fantasy sports player's conduct was not intended to obtain a
10 competitive advantage.

11 (b) Fantasy sports contest operators shall not allow
12 fantasy sports players to use a proxy server for the purpose of
13 misrepresenting their location in order to engage in fantasy
14 sports contests.

15 (c) Fantasy sports contest operators shall implement and
16 prominently publish procedures to terminate all accounts of any
17 fantasy sports player that establishes or seeks to establish
18 more than one username or more than one account, whether
19 directly or by use of another person as a proxy. If an account
20 is terminated for establishing or seeking to establish more
21 than one username or more than one account, the account holder
22 is prohibited from establishing another account with that
23 fantasy sports contest operator.

24 (d) Fantasy sports contest operators shall take
25 commercially and technologically reasonable measures to
26 prevent one fantasy sports player from acting as a proxy for

1 another. These measures shall include, without limitation, use
2 of geolocation technologies to prevent simultaneous logins to a
3 single account from geographically inconsistent locations.

4 Section 30. Protection of consumer funds on deposit and
5 compliance with data security requirements.

6 (a) Fantasy sports contest operators shall comply with all
7 applicable State and federal requirements for data security,
8 including, but not limited to, age verification and location
9 software.

10 (b) Funds in fantasy sports players' accounts shall be held
11 in segregated accounts by the fantasy sports contest operators
12 for the fantasy sports players that establish the accounts.
13 Fantasy sports contest operators shall implement and
14 prominently publish procedures that:

15 (1) prevent unauthorized withdrawals from fantasy
16 sports player accounts by fantasy sports contest operators
17 or others;

18 (2) prevent commingling of funds in a fantasy sports
19 player's account with other funds, including, without
20 limitation, funds of the fantasy sports contest operator;
21 fantasy sports player funds shall be segregated from
22 fantasy sports contest operators' operational funds and
23 any other funds held by the fantasy sports contest
24 operator; and

25 (3) address reporting on complaints by fantasy sports

1 players that their accounts have been misallocated,
2 compromised, or otherwise mishandled.

3 (c) Fantasy sports contest operators shall implement and
4 prominently publish procedures that allow any fantasy sports
5 player to permanently close an account at any time and for any
6 reason. The procedures shall allow for cancellation by any
7 means, including, without limitation, by a fantasy sports
8 player on any fantasy sports contest platform used by that
9 fantasy sports player to make deposits into a fantasy sports
10 player account. A copy of a fantasy sports contest operator's
11 procedures shall be submitted to the Board and any changes
12 shall be submitted within 30 days.

13 (d) When a fantasy sports player account is closed, the
14 fantasy sports contest operator shall refund all funds in the
15 account no later than 5 business days after submission of the
16 request or 10 business days after submission of any tax
17 reporting information required by law, whichever is later,
18 unless the fantasy sports contest operator makes a good faith
19 determination that the fantasy sports player engaged in
20 fraudulent or other conduct that would constitute a violation
21 of this Act, rules adopted pursuant to this Act, or the fantasy
22 sports contest operator's policies, in which case, upon notice
23 to the fantasy sports player of that determination, the
24 withdrawal may be held pending a reasonable investigative
25 period to resolve its investigation. For the purposes of this
26 subsection (d), a request for withdrawal shall be considered

1 honored if it is processed by the fantasy sports contest
2 operator, but delayed by a payment processor, a credit card
3 issuer, or the custodian of the financial account.

4 (e) If a prize is awarded to a fantasy sports player with a
5 closed account, that prize, to the extent it consists of funds,
6 shall be distributed by the fantasy sports contest operator
7 within 5 business days, or 10 business days of submission of
8 any tax reporting information required by law, unless the
9 fantasy sports contest operator makes a good faith
10 determination that the fantasy sports player engaged in
11 fraudulent or other conduct that would constitute a violation
12 of this Act or rules adopted pursuant to this Act. If such
13 determination is made, then the prize may be withheld, provided
14 that it is then awarded to another fantasy sports player in the
15 same contest who would have won the prize had the fantasy
16 sports player with the closed account not participated.

17 (f) A fantasy sports contest operator shall close any
18 fantasy player account that is inactive for 2 years and notify
19 the account holder that the account has been closed by email
20 and by mail to the account holder's last known address. When a
21 fantasy sports player account is closed due to inactivity, the
22 fantasy sports contest operator shall refund all funds in the
23 fantasy sports player account within 30 days, subject to the
24 receipt of any tax information required by law. In the event
25 that funds in a closed fantasy sports player account exceed \$5
26 and cannot be refunded and remain unclaimed, the fantasy sports

1 contest operator shall provide notice of the existence of funds
2 to the fantasy sports player no less often than annually for 3
3 years. If the funds in a closed fantasy sports player account
4 are for \$5 or less, such notice shall be provided one time upon
5 the closing of the account. Such notice shall be provided by
6 email and by mail to the account holder's last known address
7 and shall provide a process for claiming the funds. In the
8 event that funds in a closed fantasy sports player account
9 cannot be refunded and remain unclaimed by the fantasy sports
10 player after 3 years, such funds shall be paid by the fantasy
11 sports contest operator to the Unclaimed Property Trust Fund in
12 the Office of the State Treasurer.

13 (g) A fantasy sports contest operator shall prominently
14 publish all contractual terms and conditions and rules of
15 general applicability that affect a fantasy sports player's
16 account. Presentation of such terms, conditions, and rules at
17 the time of onboarding a new fantasy sports player shall not
18 suffice.

19 (h) Fantasy sports player's deposits shall be limited to no
20 more than \$3,000 per quarter. However, a fantasy sports contest
21 operator may establish and prominently publish procedures for
22 temporarily or permanently increasing a fantasy sports
23 player's deposit limit, at the request of the fantasy sports
24 player, above \$3,000 per quarter. Such procedures shall be
25 submitted to the Board.

26 If established by a fantasy sports contest operator, such

1 procedures shall include evaluation of information, including
2 income or asset information, sufficient to establish that the
3 fantasy sports player can afford losses that might result from
4 gameplay at the deposit limit level requested.

5 When a temporary or permanent deposit level limit increase
6 is approved, the fantasy sports contest operator's procedures
7 shall provide for annual re-certification of a player's
8 financial ability to afford losses.

9 Section 35. Restrictions on games offered by a fantasy
10 sports contest operator.

11 (a) All fantasy sports contest operators, except fantasy
12 sports contest operators who only offer season-long fantasy
13 sports contests, shall develop games that are limited to
14 beginner fantasy sports players and shall prohibit fantasy
15 sports players who are not beginner fantasy sports players from
16 participating in those games either directly or through another
17 person as a proxy. A fantasy sports contest operator shall
18 suspend the account of any fantasy sports player who is not a
19 beginner fantasy sports player and attempts to enter a game
20 limited to beginner fantasy sports players directly or through
21 another person as a proxy and shall ban such individual from
22 further play.

23 (b) All fantasy sports contest operators, except fantasy
24 sports contest operators who only offer season-long fantasy
25 sports contests, shall develop games in which highly

1 experienced fantasy sports players cannot participate either
2 directly or through another person as a proxy. A fantasy sports
3 contest operator shall suspend the account of any highly
4 experienced fantasy sports player who attempts to enter a game
5 that excludes highly experienced fantasy sports players
6 directly or through another person as a proxy and shall ban
7 such individual from further play. Fantasy sports contest
8 operators shall identify highly experienced fantasy sports
9 players by a symbol attached to their username, or by other
10 easily visible means, on all fantasy sports contest platforms.

11 (c) Fantasy sports contest operators shall have
12 prominently published rules that govern when each fantasy
13 sports contest shall close or lock. Each fantasy sports contest
14 operator shall also prominently disclose contest-specific
15 information about the time that the contest closes or locks in
16 connection with each contest offered. A fantasy sports contest
17 operator shall strictly enforce all disclosed closing or lock
18 times.

19 (d) Fantasy sports contest operators shall restrict the
20 number of entries into fantasy sports contests in the following
21 manner:

22 (1) Fantasy sports contest operators shall not allow
23 fantasy sports players to submit more than one entry in any
24 fantasy sports contest involving 12 total entries or less.

25 (2) Fantasy sports contest operators shall not allow
26 fantasy sports players to submit more than 2 entries in any

1 fantasy sports contest involving 13 to 36 total entries.

2 (3) Fantasy sports contest operators shall not allow
3 fantasy sports players to submit more than 3 entries in any
4 fantasy sports contest involving 37 to 100 total entries.

5 (4) Fantasy sports contest operators shall not allow
6 fantasy sports players to submit more than 3% of all
7 entries in any contest involving more than 100 total
8 entries.

9 (5) For all advertised fantasy sports contests, the
10 fantasy sports contest operator shall prominently include
11 information about the maximum number of entries that may be
12 submitted for that contest.

13 (e) Fantasy sports contest operators shall allow
14 individuals to restrict themselves from entering fantasy
15 sports contests under this Act. These restrictions shall
16 include, but not be limited to, (1) fantasy sports contest
17 entry limits, (2) limiting play to fantasy sports contest with
18 entry fees below an established limit, and (3) self-imposed
19 deposit limits less than allowed under this Act. Fantasy sports
20 contest operators shall implement and prominently publish
21 procedures for fantasy sports players to implement the
22 restrictions. Fantasy sports players shall have the option to
23 adjust these limits to make them more restrictive of gameplay
24 as often as they like, but shall not have the option to make
25 limits less restrictive of gameplay within 90 days after
26 setting the limits.

1 Section 40. Prohibited activities by a fantasy sports
2 contest operator.

3 (a) No fantasy sports contest operator employee,
4 principal, officer, director, or contractor shall play on any
5 fantasy sports contest platform of any fantasy sports contest
6 operator or play through another person as a proxy. For the
7 purposes of this subsection (a), a contractor is limited to a
8 contractor who can access information of a fantasy sports
9 contest operator related to the conduct of a fantasy sports
10 contest that is not available to other fantasy sports players.
11 Fantasy sports contest operators shall make these restrictions
12 known to all affected individuals and corporate entities.

13 (b) No fantasy sports contest operator employee,
14 principal, officer, director, or contractor shall disclose
15 confidential information that may affect fantasy sports
16 contest gameplay to any person permitted to engage in fantasy
17 sports contest gameplay. Fantasy sports contest operators
18 shall make these restrictions known to all affected individuals
19 and corporate entities.

20 (c) No fantasy sports contest operator shall allow a
21 professional athlete whose individual statistics or
22 performance may be used to determine any part of the outcome of
23 any fantasy sports contest to enter fantasy sports contests in
24 the sports in which he or she participates. A fantasy sports
25 contest operator shall take commercially reasonable efforts to

1 prevent a sports agent, team employee, referee, or league
2 official associated with any competition that is the subject of
3 fantasy sports contests to enter fantasy sports contests in the
4 sport in which he or she participates, nor shall such athlete,
5 sports agent, team official, team representative, referee, or
6 league official play through another person as a proxy.

7 (1) Fantasy sports contest operators shall take
8 commercially reasonable efforts to obtain lists of persons
9 described in this subsection (c) for the purpose of
10 implementing this subsection (c).

11 (2) Fantasy sports contest operators, upon learning of
12 a violation of this subsection (c), shall bar the
13 individual committing the violation from playing in any
14 fantasy sports contest by suspending the individual's
15 account and banning the individual from further play, shall
16 terminate any existing promotional agreements with the
17 individual, and shall refuse to make any new promotional
18 agreements that compensate the individual.

19 (3) Fantasy sports contest operators shall make these
20 restrictions known to all affected individuals and
21 corporate entities.

22 (d) No fantasy sports contest operator shall allow minors
23 to create a fantasy sports contest account. Fantasy sports
24 contest operators shall include age verification measures when
25 establishing a fantasy sports contest account.

26 (e) No fantasy sports contest operator may extend credit to

1 a fantasy sports player.

2 (f) A fantasy sports contest operator shall not permit
3 unauthorized scripts to be used on fantasy sports contest
4 platforms and shall use commercially reasonable efforts to
5 monitor for and to prevent use of such scripts.

6 (g) A fantasy sports contest operator shall bar any
7 individual or corporation found to be using an unauthorized
8 script from playing in any fantasy sports contest by
9 terminating the individual or corporate account and by banning
10 that individual or corporation from further play.

11 (h) A fantasy sports contest operator shall not authorize
12 scripts that provide a player with a competitive advantage over
13 another player.

14 (i) For the purpose of subsections (f), (g), and (h) of
15 this Section, a script shall be treated as offering a
16 competitive advantage for reasons including, but not limited
17 to, its potential use to:

18 (1) facilitate entry of multiple contests with a single
19 line-up;

20 (2) facilitate changes in many line-ups at one time;

21 (3) facilitate use of commercial products designed and
22 distributed by third parties to identify advantageous game
23 strategies; or

24 (4) gather information about the performance of others
25 for the purpose of identifying or entering contests against
26 fantasy sports players who are less likely to be

1 successful.

2 Section 45. Advertising.

3 (a) Advertisements of fantasy sports contest operators
4 shall not depict (i) minors (other than professional athletes
5 who may be minors), (ii) students, (iii) schools, colleges, or
6 universities, or (iv) school, college, or university settings.
7 However, incidental depiction of non-featured minors or minors
8 accompanying adults shall not be a violation of this subsection
9 (a).

10 (b) Fantasy sports contest operators shall not advertise on
11 school, college, or university campuses.

12 (c) Fantasy sports contest operators shall not advertise at
13 amateur athletic competitions, except to the extent that those
14 competitions are played in stadiums where professional
15 competitions are held and where non-digital advertisements
16 have been posted, erected, or otherwise displayed in a manner
17 that would require substantial effort to remove.

18 Section 50. Withholding of delinquent child support.

19 (a) From individual winnings of \$600 or more that are
20 subject to reporting to the Internal Revenue Service on Form
21 1099, a fantasy sports contest operator shall withhold up to
22 the full amount of winnings necessary to pay the winner's past
23 due child support amount as certified by the Department of
24 Healthcare and Family Services under Section 10-17.15 of the

1 Illinois Public Aid Code. Amounts withheld shall be paid to the
2 Department of Healthcare and Family Services by the fantasy
3 sports contest operator, as applicable. This process shall be
4 accomplished as provided in 89 Ill. Adm. Code 160.70(q).

5 (b) For withholding of winnings, the fantasy sports contest
6 operator shall be entitled to an administrative fee not to
7 exceed the lesser of 4% of the total amount of cash winnings
8 paid to the fantasy sports player or \$150.

9 (c) In no event shall the total amount withheld from the
10 cash payout exceed the total cash winnings claimed by the
11 obligor. If the cash payout claimed is greater than the amount
12 sufficient to satisfy the obligor's delinquent child support
13 payments, the fantasy sports contest operator shall pay the
14 obligor the remaining balance of the payout.

15 (d) Any fantasy sports player that knowingly claims
16 winnings from a single fantasy sports contest in a manner to
17 intentionally avoid reporting winnings to the Internal Revenue
18 Service shall be guilty of a Class A misdemeanor. Fantasy
19 sports contest operators shall take commercially and
20 technologically reasonable measures to ensure fantasy sports
21 players comply with all reporting requirements. If a fantasy
22 sports contest operator reasonably believes that the fantasy
23 sports player engaged in conduct that would constitute a
24 violation of federal reporting requirements, the fantasy
25 sports contest operator shall bar the individual committing the
26 violation from playing in any fantasy sports contest by

1 suspending the individual's account and banning such
2 individual from further play until the individual provides the
3 fantasy sports contest operator proof that the individual has
4 resolved all compliance issues with the Internal Revenue
5 Service.

6 (e) A fantasy sports contest operator who in good faith
7 complies with the requirements of this Section shall not be
8 liable to the gaming winner or any other individual or entity.

9 (f) Upon request of a fantasy sports contest operator under
10 this Act, an agent of the Board (such as a gaming special agent
11 employed by the Board, a State police officer, or a revenue
12 agent) shall be responsible for notifying the person identified
13 as being delinquent in child support payments that the fantasy
14 sports contest operator is required by law to withhold all or a
15 portion of his or her winnings. If given, this notification
16 must be provided at the time the winnings are withheld.

17 (g) The provisions of this Section shall be operative on
18 and after the date that rules are adopted by the Department of
19 Healthcare and Family Services pursuant to Section 10-17.15 of
20 the Illinois Public Aid Code.

21 (h) The delinquent child support required to be withheld
22 under this Section has priority over any secured or unsecured
23 claim on cash winnings, except claims for federal or State
24 taxes that are required to be withheld under federal or State
25 law.

1 Section 55. Audits. All fantasy sports contest operators
2 with annual fantasy sports contest revenue of \$100,000 or more
3 shall annually be subject to an audit of the financial
4 transactions and condition of the fantasy sports contest
5 operator's total operations as they relate to the offering and
6 operating of fantasy sports contests and to ensure compliance
7 with all of the requirements in this Act. Fantasy sports
8 contest operators with annual fantasy sports contest revenues
9 less than \$100,000 shall every 3 years be subject to an audit
10 of the financial transactions and condition of the fantasy
11 sports contest operator's total operations as they relate to
12 the offering and operating of fantasy sports contests and to
13 ensure compliance with all of the requirements in this Act. All
14 audits and compliance engagements shall be conducted by
15 certified public accountants or an independent testing
16 laboratory approved by the Board. Each certified public
17 accountant must be registered in the State of Illinois under
18 the Illinois Public Accounting Act. The compensation for each
19 certified public accountant or independent testing laboratory
20 shall be paid directly by the fantasy sports contest operator
21 to the certified public accountant or independent testing
22 laboratory. The audit shall be conducted and submitted to the
23 Board by January 31 of each year.

24 Section 60. Annual reports. All fantasy sports contest
25 operators licensed by the Board must annually submit a report

1 to the Board no later than January 31 of each year. Information
2 included in the report shall include:

3 (1) the number of fantasy sports player accounts with
4 the fantasy sports contest operator; this shall be broken
5 down between beginner fantasy sports players and highly
6 experienced fantasy sports players;

7 (2) the number of new accounts established;

8 (3) the number of accounts closed;

9 (4) the total amount of entry fees received from
10 fantasy sports players located in Illinois;

11 (5) the total amount of prizes awarded to fantasy
12 sports players located in Illinois;

13 (6) the total amount of fantasy sports contest revenue;

14 (7) the number of fantasy sports players that are
15 located in Illinois that requested deposit limit
16 increases; and

17 (8) the number of deposit limit increases granted to
18 fantasy sports players located in Illinois by the fantasy
19 sports contest operator.

20 Section 65. Application for licensure; background
21 investigation; fees.

22 (a) A qualified person may apply to the Board for a fantasy
23 sports contest operator license to conduct fantasy sports
24 contests as provided in this Act. The application shall be made
25 on forms provided by the Board. The burden is upon each

1 applicant to demonstrate suitability for licensure. Each
2 fantasy sports contest operator shall be licensed by the Board.
3 The Board may issue a license for a period of up to 2 years or,
4 in the case of fantasy sports contest operators with annual
5 fantasy sports revenues less than \$100,000, for up to 3 years.

6 (b) Each person seeking and possessing a license as a
7 fantasy sports contest operator shall submit to a background
8 investigation conducted by the Board with the assistance of the
9 State Police or other law enforcement. To the extent that the
10 corporate structure of the applicant allows, the background
11 investigation shall include any or all of the following as the
12 Board deems appropriate or as provided by rule: (i) each
13 beneficiary of a trust, (ii) each partner of a partnership,
14 (iii) each member of a limited liability company, (iv) each
15 director and officer of a publicly or non-publicly held
16 corporation, (v) each stockholder of a non-publicly held
17 corporation, (vi) each stockholder of 5% or more of a publicly
18 held corporation, or (vii) each stockholder of 5% or more in a
19 parent or subsidiary corporation.

20 (c) Each person seeking and possessing a license as a
21 fantasy sports contest operator shall disclose the identity of
22 every person, association, trust, corporation, or limited
23 liability company having a greater than 1% direct or indirect
24 pecuniary interest in the fantasy sports contest operator for
25 which the license is sought. If the disclosed entity is a
26 trust, the application shall disclose the names and addresses

1 of the beneficiaries; if a corporation, the names and addresses
2 of all stockholders and directors; if a limited liability
3 company, the names and addresses of all members; or if a
4 partnership, the names and addresses of all partners, both
5 general and limited.

6 (d) All information, records, interviews, reports,
7 statements, memoranda, or other data supplied to or used by the
8 Board in the course of its review or investigation of an
9 application for a license or a renewal under this Act shall be
10 privileged and strictly confidential and shall be used only for
11 the purpose of evaluating an applicant for a license or a
12 renewal. The information, records, interviews, reports,
13 statements, memoranda, or other data shall not be admissible as
14 evidence nor discoverable in any action of any kind in any
15 court or before any tribunal, board, agency, or person, except
16 for any action deemed necessary by the Board.

17 (e) No person may be licensed as a fantasy sports contest
18 operator if that person has been found by the Board to:

19 (1) have a background, including a criminal record,
20 reputation, habits, social or business associations, or
21 prior activities, that poses a threat to the public
22 interests of the State or to the security and integrity of
23 fantasy sports contests;

24 (2) create or enhance the dangers of unsuitable,
25 unfair, or illegal practices, methods, and activities in
26 the conduct of fantasy sports contests; or

1 (3) present questionable business practices and
2 financial arrangements incidental to the conduct of
3 fantasy sports contests.

4 (f) Any applicant for a license under this Act has the
5 burden of proving his or her qualifications to the satisfaction
6 of the Board. The Board may adopt rules to establish additional
7 qualifications and requirements to preserve the integrity and
8 security of fantasy sports contests in this State.

9 (g) A fantasy sports contest operator that has been
10 operating in Illinois for at least 6 months on December 23,
11 2015 may operate in Illinois until a final decision is rendered
12 on the application for a fantasy sports contest operator
13 license.

14 (h) A non-refundable application fee shall be paid at the
15 time an application for a license is filed with the Board in
16 the following amounts:

17 (1) Fantasy sports contest operator with annual
18 fantasy sports contest revenue greater
19 than \$10,000,000 \$25,000

20 (2) Fantasy sports contest operator with annual
21 fantasy sports contest revenue greater than
22 \$5,000,000 but not more than \$10,000,000 \$12,500

23 (3) Fantasy sports contest operator with annual
24 fantasy sports contest revenue greater than
25 \$1,000,000 but not more than \$5,000,000 \$7,500

26 (4) Fantasy sports contest operator with annual

1 fantasy sports contest revenue of at least
 2 \$100,000 but not more than \$1,000,000 \$5,000

3 (5) Fantasy sports contest operator with annual
 4 fantasy sports contest revenue less
 5 than \$100,000 \$500

6 (i) The Board shall establish a fee for each license not to
 7 exceed the following for the initial licensure period:

8 (1) Fantasy sports contest operator with annual
 9 fantasy sports contest revenue greater
 10 than \$10,000,000 \$50,000

11 (2) Fantasy sports contest operator with annual
 12 fantasy sports contest revenue greater than
 13 \$5,000,000 but not more than \$10,000,000 \$25,000

14 (3) Fantasy sports contest operator with annual
 15 fantasy sports contest revenue greater than
 16 \$1,000,000 but not more than \$5,000,000 \$15,000

17 (4) Fantasy sports contest operator with annual
 18 fantasy sports contest revenue of at least
 19 \$100,000 but not more than \$1,000,000 \$10,000

20 (5) Fantasy sports contest operator with annual
 21 fantasy sports contest revenue less
 22 than \$100,000 \$1,500

23 (j) For subsequent licensure periods, the renewal fee shall
 24 not exceed the following:

25 (1) Fantasy sports contest operator with annual
 26 fantasy sports contest revenue greater

1	than \$10,000,000	\$37,500
2	(2) Fantasy sports contest operator with annual	
3	fantasy sports contest revenue greater than	
4	\$5,000,000 but not more than \$10,000,000	\$18,750
5	(3) Fantasy sports contest operator with annual	
6	fantasy sports contest revenue greater than	
7	\$1,000,000 but no more than \$5,000,000	\$11,250
8	(4) Fantasy sports contest operator with annual	
9	fantasy sports contest revenue of at least	
10	\$100,000 but not more than \$1,000,000	\$7,500
11	(5) Fantasy sports contest operator with annual	
12	fantasy sports contest revenue less	
13	than \$100,000	\$1,125

14 Section 70. Distribution of license fees.

15 (a) All fees collected under Section 65 of this Act shall
16 be deposited into the State Gaming Fund.

17 (b) Fees collected under Section 65 of this Act shall be
18 used for the administration of this Act.

19 (c) All licenses issued by the Board under this Act are
20 renewable every 2 years for fantasy sports contest operators
21 with annual fantasy sports contest revenues of \$100,000 or more
22 and every 3 years for fantasy sports contest operators with
23 annual fantasy sports contest revenues less than \$100,000
24 unless sooner cancelled or terminated. No license issued under
25 this Act is transferable or assignable.

1 Section 75. Imposition and distribution of tax.

2 (a) A privilege tax is imposed on persons engaged in the
3 business of operating fantasy sports contests based on the
4 fantasy sports contest revenues received by a fantasy sports
5 contest operator licensed under this Act at the following
6 graduated tax rates:

7 (1) 5% of annual fantasy sports contest revenues up to
8 and including \$1,000,000;

9 (2) 7.5% of annual fantasy sports contest revenues in
10 excess of \$1,000,000 but not exceeding \$3,000,000;

11 (3) 10% of annual fantasy sports contest revenues in
12 excess of \$3,000,000 but not exceeding \$8,000,000;

13 (4) 15% of annual fantasy sports contest revenues in
14 excess of \$8,000,000 but not exceeding \$15,000,000; and

15 (5) 22.5% of annual fantasy sports contest revenues in
16 excess of \$15,000,000;

17 (b) The taxes imposed by this Section shall be paid by the
18 fantasy sports contest operator to the Board not later than the
19 fifteenth day of every month for the previous month's privilege
20 taxes. All payments not remitted when due shall be paid
21 together with a penalty assessment on the unpaid balance at a
22 rate of 1.5% per month.

23 (c) All of the tax collected under this Section shall be
24 deposited into the Education Assistance Fund.

1 Section 80. Limitation on taxation of fantasy sports
2 contest operators. Fantasy sports contest operators shall not
3 be subjected to any excise tax, license tax, permit tax,
4 privilege tax, or occupation tax that is imposed exclusively
5 upon the licensee by the State or any political subdivision
6 thereof, except as provided in this Act.

7 Section 900. The Regulatory Sunset Act is amended by
8 changing Section 4.31 as follows:

9 (5 ILCS 80/4.31)

10 Sec. 4.31. Acts repealed on January 1, 2021. The following
11 Acts are repealed on January 1, 2021:

12 The Crematory Regulation Act.

13 The Cemetery Oversight Act.

14 The Illinois Health Information Exchange and Technology
15 Act.

16 The Radiation Protection Act of 1990.

17 The Fantasy Sports Contest Act.

18 (Source: P.A. 96-1041, eff. 7-14-10; 96-1331, eff. 7-27-10;
19 incorporates P.A. 96-863, eff. 3-1-10; 97-333, eff. 8-12-11.)

20 Section 905. The Illinois Horse Racing Act of 1975 is
21 amended by changing Section 26 as follows:

22 (230 ILCS 5/26) (from Ch. 8, par. 37-26)

1 Sec. 26. Wagering.

2 (a) Any licensee may conduct and supervise the pari-mutuel
3 system of wagering, as defined in Section 3.12 of this Act, on
4 horse races conducted by an Illinois organization licensee or
5 conducted at a racetrack located in another state or country
6 and televised in Illinois in accordance with subsection (g) of
7 Section 26 of this Act. Subject to the prior consent of the
8 Board, licensees may supplement any pari-mutuel pool in order
9 to guarantee a minimum distribution. Such pari-mutuel method of
10 wagering shall not, under any circumstances if conducted under
11 the provisions of this Act, be held or construed to be
12 unlawful, other statutes of this State to the contrary
13 notwithstanding. Subject to rules for advance wagering
14 promulgated by the Board, any licensee may accept wagers in
15 advance of the day of the race wagered upon occurs.

16 (b) No other method of betting, pool making, wagering or
17 gambling shall be used or permitted by the licensee. Each
18 licensee may retain, subject to the payment of all applicable
19 taxes and purses, an amount not to exceed 17% of all money
20 wagered under subsection (a) of this Section, except as may
21 otherwise be permitted under this Act.

22 (b-5) An individual may place a wager under the pari-mutuel
23 system from any licensed location authorized under this Act
24 provided that wager is electronically recorded in the manner
25 described in Section 3.12 of this Act. Any wager made
26 electronically by an individual while physically on the

1 premises of a licensee shall be deemed to have been made at the
2 premises of that licensee.

3 (c) Until January 1, 2000, the sum held by any licensee for
4 payment of outstanding pari-mutuel tickets, if unclaimed prior
5 to December 31 of the next year, shall be retained by the
6 licensee for payment of such tickets until that date. Within 10
7 days thereafter, the balance of such sum remaining unclaimed,
8 less any uncashed supplements contributed by such licensee for
9 the purpose of guaranteeing minimum distributions of any
10 pari-mutuel pool, shall be paid to the Illinois Veterans'
11 Rehabilitation Fund of the State treasury, except as provided
12 in subsection (g) of Section 27 of this Act.

13 (c-5) Beginning January 1, 2000, the sum held by any
14 licensee for payment of outstanding pari-mutuel tickets, if
15 unclaimed prior to December 31 of the next year, shall be
16 retained by the licensee for payment of such tickets until that
17 date. Within 10 days thereafter, the balance of such sum
18 remaining unclaimed, less any uncashed supplements contributed
19 by such licensee for the purpose of guaranteeing minimum
20 distributions of any pari-mutuel pool, shall be evenly
21 distributed to the purse account of the organization licensee
22 and the organization licensee.

23 (d) A pari-mutuel ticket shall be honored until December 31
24 of the next calendar year, and the licensee shall pay the same
25 and may charge the amount thereof against unpaid money
26 similarly accumulated on account of pari-mutuel tickets not

1 presented for payment.

2 (e) No licensee shall knowingly permit any minor, other
3 than an employee of such licensee or an owner, trainer, jockey,
4 driver, or employee thereof, to be admitted during a racing
5 program unless accompanied by a parent or guardian, or any
6 minor to be a patron of the pari-mutuel system of wagering
7 conducted or supervised by it. The admission of any
8 unaccompanied minor, other than an employee of the licensee or
9 an owner, trainer, jockey, driver, or employee thereof at a
10 race track is a Class C misdemeanor.

11 (f) Notwithstanding the other provisions of this Act, an
12 organization licensee may contract with an entity in another
13 state or country to permit any legal wagering entity in another
14 state or country to accept wagers solely within such other
15 state or country on races conducted by the organization
16 licensee in this State. Beginning January 1, 2000, these wagers
17 shall not be subject to State taxation. Until January 1, 2000,
18 when the out-of-State entity conducts a pari-mutuel pool
19 separate from the organization licensee, a privilege tax equal
20 to 7 1/2% of all monies received by the organization licensee
21 from entities in other states or countries pursuant to such
22 contracts is imposed on the organization licensee, and such
23 privilege tax shall be remitted to the Department of Revenue
24 within 48 hours of receipt of the moneys from the simulcast.
25 When the out-of-State entity conducts a combined pari-mutuel
26 pool with the organization licensee, the tax shall be 10% of

1 all monies received by the organization licensee with 25% of
2 the receipts from this 10% tax to be distributed to the county
3 in which the race was conducted.

4 An organization licensee may permit one or more of its
5 races to be utilized for pari-mutuel wagering at one or more
6 locations in other states and may transmit audio and visual
7 signals of races the organization licensee conducts to one or
8 more locations outside the State or country and may also permit
9 pari-mutuel pools in other states or countries to be combined
10 with its gross or net wagering pools or with wagering pools
11 established by other states.

12 (g) A host track may accept interstate simulcast wagers on
13 horse races conducted in other states or countries and shall
14 control the number of signals and types of breeds of racing in
15 its simulcast program, subject to the disapproval of the Board.
16 The Board may prohibit a simulcast program only if it finds
17 that the simulcast program is clearly adverse to the integrity
18 of racing. The host track simulcast program shall include the
19 signal of live racing of all organization licensees. All
20 non-host licensees and advance deposit wagering licensees
21 shall carry the signal of and accept wagers on live racing of
22 all organization licensees. Advance deposit wagering licensees
23 shall not be permitted to accept out-of-state wagers on any
24 Illinois signal provided pursuant to this Section without the
25 approval and consent of the organization licensee providing the
26 signal. For one year after August 15, 2014 (the effective date

1 of Public Act 98-968) ~~this amendatory Act of the 98th General~~
2 ~~Assembly~~, non-host licensees may carry the host track simulcast
3 program and shall accept wagers on all races included as part
4 of the simulcast program of horse races conducted at race
5 tracks located within North America upon which wagering is
6 permitted. For a period of one year after August 15, 2014 (the
7 effective date of Public Act 98-968) ~~this amendatory Act of the~~
8 ~~98th General Assembly~~, on horse races conducted at race tracks
9 located outside of North America, non-host licensees may accept
10 wagers on all races included as part of the simulcast program
11 upon which wagering is permitted. Beginning August 15, 2015
12 (one year after the effective date of Public Act 98-968) ~~this~~
13 ~~amendatory Act of the 98th General Assembly~~, non-host licensees
14 may carry the host track simulcast program and shall accept
15 wagers on all races included as part of the simulcast program
16 upon which wagering is permitted. All organization licensees
17 shall provide their live signal to all advance deposit wagering
18 licensees for a simulcast commission fee not to exceed 6% of
19 the advance deposit wagering licensee's Illinois handle on the
20 organization licensee's signal without prior approval by the
21 Board. The Board may adopt rules under which it may permit
22 simulcast commission fees in excess of 6%. The Board shall
23 adopt rules limiting the interstate commission fees charged to
24 an advance deposit wagering licensee. The Board shall adopt
25 rules regarding advance deposit wagering on interstate
26 simulcast races that shall reflect, among other things, the

1 General Assembly's desire to maximize revenues to the State,
2 horsemen purses, and organizational licensees. However,
3 organization licensees providing live signals pursuant to the
4 requirements of this subsection (g) may petition the Board to
5 withhold their live signals from an advance deposit wagering
6 licensee if the organization licensee discovers and the Board
7 finds reputable or credible information that the advance
8 deposit wagering licensee is under investigation by another
9 state or federal governmental agency, the advance deposit
10 wagering licensee's license has been suspended in another
11 state, or the advance deposit wagering licensee's license is in
12 revocation proceedings in another state. The organization
13 licensee's provision of their live signal to an advance deposit
14 wagering licensee under this subsection (g) pertains to wagers
15 placed from within Illinois. Advance deposit wagering
16 licensees may place advance deposit wagering terminals at
17 wagering facilities as a convenience to customers. The advance
18 deposit wagering licensee shall not charge or collect any fee
19 from purses for the placement of the advance deposit wagering
20 terminals. The costs and expenses of the host track and
21 non-host licensees associated with interstate simulcast
22 wagering, other than the interstate commission fee, shall be
23 borne by the host track and all non-host licensees incurring
24 these costs. The interstate commission fee shall not exceed 5%
25 of Illinois handle on the interstate simulcast race or races
26 without prior approval of the Board. The Board shall promulgate

1 rules under which it may permit interstate commission fees in
2 excess of 5%. The interstate commission fee and other fees
3 charged by the sending racetrack, including, but not limited
4 to, satellite decoder fees, shall be uniformly applied to the
5 host track and all non-host licensees.

6 Notwithstanding any other provision of this Act, through
7 December 31, 2018, an organization licensee, with the consent
8 of the horsemen association representing the largest number of
9 owners, trainers, jockeys, or standardbred drivers who race
10 horses at that organization licensee's racing meeting, may
11 maintain a system whereby advance deposit wagering may take
12 place or an organization licensee, with the consent of the
13 horsemen association representing the largest number of
14 owners, trainers, jockeys, or standardbred drivers who race
15 horses at that organization licensee's racing meeting, may
16 contract with another person to carry out a system of advance
17 deposit wagering. Such consent may not be unreasonably
18 withheld. Only with respect to an appeal to the Board that
19 consent for an organization licensee that maintains its own
20 advance deposit wagering system is being unreasonably
21 withheld, the Board shall issue a final order within 30 days
22 after initiation of the appeal, and the organization licensee's
23 advance deposit wagering system may remain operational during
24 that 30-day period. The actions of any organization licensee
25 who conducts advance deposit wagering or any person who has a
26 contract with an organization licensee to conduct advance

1 deposit wagering who conducts advance deposit wagering on or
2 after January 1, 2013 and prior to June 7, 2013 (the effective
3 date of Public Act 98-18) ~~this amendatory Act of the 98th~~
4 ~~General Assembly~~ taken in reliance on the changes made to this
5 subsection (g) by Public Act 98-18 ~~this amendatory Act of the~~
6 ~~98th General Assembly~~ are hereby validated, provided payment of
7 all applicable pari-mutuel taxes are remitted to the Board. All
8 advance deposit wagers placed from within Illinois must be
9 placed through a Board-approved advance deposit wagering
10 licensee; no other entity may accept an advance deposit wager
11 from a person within Illinois. All advance deposit wagering is
12 subject to any rules adopted by the Board. The Board may adopt
13 rules necessary to regulate advance deposit wagering through
14 the use of emergency rulemaking in accordance with Section 5-45
15 of the Illinois Administrative Procedure Act. The General
16 Assembly finds that the adoption of rules to regulate advance
17 deposit wagering is deemed an emergency and necessary for the
18 public interest, safety, and welfare. An advance deposit
19 wagering licensee may retain all moneys as agreed to by
20 contract with an organization licensee. Any moneys retained by
21 the organization licensee from advance deposit wagering, not
22 including moneys retained by the advance deposit wagering
23 licensee, shall be paid 50% to the organization licensee's
24 purse account and 50% to the organization licensee. With the
25 exception of any organization licensee that is owned by a
26 publicly traded company that is incorporated in a state other

1 than Illinois and advance deposit wagering licensees under
2 contract with such organization licensees, organization
3 licensees that maintain advance deposit wagering systems and
4 advance deposit wagering licensees that contract with
5 organization licensees shall provide sufficiently detailed
6 monthly accountings to the horsemen association representing
7 the largest number of owners, trainers, jockeys, or
8 standardbred drivers who race horses at that organization
9 licensee's racing meeting so that the horsemen association, as
10 an interested party, can confirm the accuracy of the amounts
11 paid to the purse account at the horsemen association's
12 affiliated organization licensee from advance deposit
13 wagering. If more than one breed races at the same race track
14 facility, then the 50% of the moneys to be paid to an
15 organization licensee's purse account shall be allocated among
16 all organization licensees' purse accounts operating at that
17 race track facility proportionately based on the actual number
18 of host days that the Board grants to that breed at that race
19 track facility in the current calendar year. To the extent any
20 fees from advance deposit wagering conducted in Illinois for
21 wagers in Illinois or other states have been placed in escrow
22 or otherwise withheld from wagers pending a determination of
23 the legality of advance deposit wagering, no action shall be
24 brought to declare such wagers or the disbursement of any fees
25 previously escrowed illegal.

26 Any contract between an advance deposit wagering licensee

1 and an organization licensee signed after the effective date of
2 this amendatory Act of the 100th General Assembly must include
3 language to split commissions, breakage, and minus pools with a
4 maximum of 50% to be retained by the advance deposit wagering
5 licensee. Contracts between an advance deposit wagering
6 licensee and an organization licensee existing on the effective
7 date of this amendatory Act of the 100th General Assembly or
8 extensions of those contracts are not affected by this
9 paragraph.

10 (1) Between the hours of 6:30 a.m. and 6:30 p.m. an
11 inter-track ~~intertrack~~ wagering licensee other than the
12 host track may supplement the host track simulcast program
13 with additional simulcast races or race programs, provided
14 that between January 1 and the third Friday in February of
15 any year, inclusive, if no live thoroughbred racing is
16 occurring in Illinois during this period, only
17 thoroughbred races may be used for supplemental interstate
18 simulcast purposes. The Board shall withhold approval for a
19 supplemental interstate simulcast only if it finds that the
20 simulcast is clearly adverse to the integrity of racing. A
21 supplemental interstate simulcast may be transmitted from
22 an inter-track ~~intertrack~~ wagering licensee to its
23 affiliated non-host licensees. The interstate commission
24 fee for a supplemental interstate simulcast shall be paid
25 by the non-host licensee and its affiliated non-host
26 licensees receiving the simulcast.

1 (2) Between the hours of 6:30 p.m. and 6:30 a.m. an
2 inter-track ~~intertrack~~ wagering licensee other than the
3 host track may receive supplemental interstate simulcasts
4 only with the consent of the host track, except when the
5 Board finds that the simulcast is clearly adverse to the
6 integrity of racing. Consent granted under this paragraph
7 (2) to any inter-track ~~intertrack~~ wagering licensee shall
8 be deemed consent to all non-host licensees. The interstate
9 commission fee for the supplemental interstate simulcast
10 shall be paid by all participating non-host licensees.

11 (3) Each licensee conducting interstate simulcast
12 wagering may retain, subject to the payment of all
13 applicable taxes and the purses, an amount not to exceed
14 17% of all money wagered. If any licensee conducts the
15 pari-mutuel system wagering on races conducted at
16 racetracks in another state or country, each such race or
17 race program shall be considered a separate racing day for
18 the purpose of determining the daily handle and computing
19 the privilege tax of that daily handle as provided in
20 subsection (a) of Section 27. Until January 1, 2000, from
21 the sums permitted to be retained pursuant to this
22 subsection, each inter-track ~~intertrack~~ wagering location
23 licensee shall pay 1% of the pari-mutuel handle wagered on
24 simulcast wagering to the Horse Racing Tax Allocation Fund,
25 subject to the provisions of subparagraph (B) of paragraph
26 (11) of subsection (h) of Section 26 of this Act.

1 (4) A licensee who receives an interstate simulcast may
2 combine its gross or net pools with pools at the sending
3 racetracks pursuant to rules established by the Board. All
4 licensees combining their gross pools at a sending
5 racetrack shall adopt the take-out percentages of the
6 sending racetrack. A licensee may also establish a separate
7 pool and takeout structure for wagering purposes on races
8 conducted at race tracks outside of the State of Illinois.
9 The licensee may permit pari-mutuel wagers placed in other
10 states or countries to be combined with its gross or net
11 wagering pools or other wagering pools.

12 (5) After the payment of the interstate commission fee
13 (except for the interstate commission fee on a supplemental
14 interstate simulcast, which shall be paid by the host track
15 and by each non-host licensee through the host-track) and
16 all applicable State and local taxes, except as provided in
17 subsection (g) of Section 27 of this Act, the remainder of
18 moneys retained from simulcast wagering pursuant to this
19 subsection (g), and Section 26.2 shall be divided as
20 follows:

21 (A) For interstate simulcast wagers made at a host
22 track, 50% to the host track and 50% to purses at the
23 host track.

24 (B) For wagers placed on interstate simulcast
25 races, supplemental simulcasts as defined in
26 subparagraphs (1) and (2), and separately pooled races

1 conducted outside of the State of Illinois made at a
2 non-host licensee, 25% to the host track, 25% to the
3 non-host licensee, and 50% to the purses at the host
4 track.

5 (6) Notwithstanding any provision in this Act to the
6 contrary, non-host licensees who derive their licenses
7 from a track located in a county with a population in
8 excess of 230,000 and that borders the Mississippi River
9 may receive supplemental interstate simulcast races at all
10 times subject to Board approval, which shall be withheld
11 only upon a finding that a supplemental interstate
12 simulcast is clearly adverse to the integrity of racing.

13 (7) Notwithstanding any provision of this Act to the
14 contrary, after payment of all applicable State and local
15 taxes and interstate commission fees, non-host licensees
16 who derive their licenses from a track located in a county
17 with a population in excess of 230,000 and that borders the
18 Mississippi River shall retain 50% of the retention from
19 interstate simulcast wagers and shall pay 50% to purses at
20 the track from which the non-host licensee derives its
21 license as follows:

22 (A) Between January 1 and the third Friday in
23 February, inclusive, if no live thoroughbred racing is
24 occurring in Illinois during this period, when the
25 interstate simulcast is a standardbred race, the purse
26 share to its standardbred purse account;

1 (B) Between January 1 and the third Friday in
2 February, inclusive, if no live thoroughbred racing is
3 occurring in Illinois during this period, and the
4 interstate simulcast is a thoroughbred race, the purse
5 share to its interstate simulcast purse pool to be
6 distributed under paragraph (10) of this subsection
7 (g);

8 (C) Between January 1 and the third Friday in
9 February, inclusive, if live thoroughbred racing is
10 occurring in Illinois, between 6:30 a.m. and 6:30 p.m.
11 the purse share from wagers made during this time
12 period to its thoroughbred purse account and between
13 6:30 p.m. and 6:30 a.m. the purse share from wagers
14 made during this time period to its standardbred purse
15 accounts;

16 (D) Between the third Saturday in February and
17 December 31, when the interstate simulcast occurs
18 between the hours of 6:30 a.m. and 6:30 p.m., the purse
19 share to its thoroughbred purse account;

20 (E) Between the third Saturday in February and
21 December 31, when the interstate simulcast occurs
22 between the hours of 6:30 p.m. and 6:30 a.m., the purse
23 share to its standardbred purse account.

24 (7.1) Notwithstanding any other provision of this Act
25 to the contrary, if no standardbred racing is conducted at
26 a racetrack located in Madison County during any calendar

1 year beginning on or after January 1, 2002, all moneys
2 derived by that racetrack from simulcast wagering and
3 inter-track wagering that (1) are to be used for purses and
4 (2) are generated between the hours of 6:30 p.m. and 6:30
5 a.m. during that calendar year shall be paid as follows:

6 (A) If the licensee that conducts horse racing at
7 that racetrack requests from the Board at least as many
8 racing dates as were conducted in calendar year 2000,
9 80% shall be paid to its thoroughbred purse account;
10 and

11 (B) Twenty percent shall be deposited into the
12 Illinois Colt Stakes Purse Distribution Fund and shall
13 be paid to purses for standardbred races for Illinois
14 conceived and foaled horses conducted at any county
15 fairgrounds. The moneys deposited into the Fund
16 pursuant to this subparagraph (B) shall be deposited
17 within 2 weeks after the day they were generated, shall
18 be in addition to and not in lieu of any other moneys
19 paid to standardbred purses under this Act, and shall
20 not be commingled with other moneys paid into that
21 Fund. The moneys deposited pursuant to this
22 subparagraph (B) shall be allocated as provided by the
23 Department of Agriculture, with the advice and
24 assistance of the Illinois Standardbred Breeders Fund
25 Advisory Board.

26 (7.2) Notwithstanding any other provision of this Act

1 to the contrary, if no thoroughbred racing is conducted at
2 a racetrack located in Madison County during any calendar
3 year beginning on or after January 1, 2002, all moneys
4 derived by that racetrack from simulcast wagering and
5 inter-track wagering that (1) are to be used for purses and
6 (2) are generated between the hours of 6:30 a.m. and 6:30
7 p.m. during that calendar year shall be deposited as
8 follows:

9 (A) If the licensee that conducts horse racing at
10 that racetrack requests from the Board at least as many
11 racing dates as were conducted in calendar year 2000,
12 80% shall be deposited into its standardbred purse
13 account; and

14 (B) Twenty percent shall be deposited into the
15 Illinois Colt Stakes Purse Distribution Fund. Moneys
16 deposited into the Illinois Colt Stakes Purse
17 Distribution Fund pursuant to this subparagraph (B)
18 shall be paid to Illinois conceived and foaled
19 thoroughbred breeders' programs and to thoroughbred
20 purses for races conducted at any county fairgrounds
21 for Illinois conceived and foaled horses at the
22 discretion of the Department of Agriculture, with the
23 advice and assistance of the Illinois Thoroughbred
24 Breeders Fund Advisory Board. The moneys deposited
25 into the Illinois Colt Stakes Purse Distribution Fund
26 pursuant to this subparagraph (B) shall be deposited

1 within 2 weeks after the day they were generated, shall
2 be in addition to and not in lieu of any other moneys
3 paid to thoroughbred purses under this Act, and shall
4 not be commingled with other moneys deposited into that
5 Fund.

6 (7.3) If no live standardbred racing is conducted at a
7 racetrack located in Madison County in calendar year 2000
8 or 2001, an organization licensee who is licensed to
9 conduct horse racing at that racetrack shall, before
10 January 1, 2002, pay all moneys derived from simulcast
11 wagering and inter-track wagering in calendar years 2000
12 and 2001 and paid into the licensee's standardbred purse
13 account as follows:

14 (A) Eighty percent to that licensee's thoroughbred
15 purse account to be used for thoroughbred purses; and

16 (B) Twenty percent to the Illinois Colt Stakes
17 Purse Distribution Fund.

18 Failure to make the payment to the Illinois Colt Stakes
19 Purse Distribution Fund before January 1, 2002 shall result
20 in the immediate revocation of the licensee's organization
21 license, inter-track wagering license, and inter-track
22 wagering location license.

23 Moneys paid into the Illinois Colt Stakes Purse
24 Distribution Fund pursuant to this paragraph (7.3) shall be
25 paid to purses for standardbred races for Illinois
26 conceived and foaled horses conducted at any county

1 fairgrounds. Moneys paid into the Illinois Colt Stakes
2 Purse Distribution Fund pursuant to this paragraph (7.3)
3 shall be used as determined by the Department of
4 Agriculture, with the advice and assistance of the Illinois
5 Standardbred Breeders Fund Advisory Board, shall be in
6 addition to and not in lieu of any other moneys paid to
7 standardbred purses under this Act, and shall not be
8 commingled with any other moneys paid into that Fund.

9 (7.4) If live standardbred racing is conducted at a
10 racetrack located in Madison County at any time in calendar
11 year 2001 before the payment required under paragraph (7.3)
12 has been made, the organization licensee who is licensed to
13 conduct racing at that racetrack shall pay all moneys
14 derived by that racetrack from simulcast wagering and
15 inter-track wagering during calendar years 2000 and 2001
16 that (1) are to be used for purses and (2) are generated
17 between the hours of 6:30 p.m. and 6:30 a.m. during 2000 or
18 2001 to the standardbred purse account at that racetrack to
19 be used for standardbred purses.

20 (8) Notwithstanding any provision in this Act to the
21 contrary, an organization licensee from a track located in
22 a county with a population in excess of 230,000 and that
23 borders the Mississippi River and its affiliated non-host
24 licensees shall not be entitled to share in any retention
25 generated on racing, inter-track wagering, or simulcast
26 wagering at any other Illinois wagering facility.

1 (8.1) Notwithstanding any provisions in this Act to the
2 contrary, if 2 organization licensees are conducting
3 standardbred race meetings concurrently between the hours
4 of 6:30 p.m. and 6:30 a.m., after payment of all applicable
5 State and local taxes and interstate commission fees, the
6 remainder of the amount retained from simulcast wagering
7 otherwise attributable to the host track and to host track
8 purses shall be split daily between the 2 organization
9 licensees and the purses at the tracks of the 2
10 organization licensees, respectively, based on each
11 organization licensee's share of the total live handle for
12 that day, provided that this provision shall not apply to
13 any non-host licensee that derives its license from a track
14 located in a county with a population in excess of 230,000
15 and that borders the Mississippi River.

16 (9) (Blank).

17 (10) (Blank).

18 (11) (Blank).

19 (12) The Board shall have authority to compel all host
20 tracks to receive the simulcast of any or all races
21 conducted at the Springfield or DuQuoin State fairgrounds
22 and include all such races as part of their simulcast
23 programs.

24 (13) Notwithstanding any other provision of this Act,
25 in the event that the total Illinois pari-mutuel handle on
26 Illinois horse races at all wagering facilities in any

1 calendar year is less than 75% of the total Illinois
2 pari-mutuel handle on Illinois horse races at all such
3 wagering facilities for calendar year 1994, then each
4 wagering facility that has an annual total Illinois
5 pari-mutuel handle on Illinois horse races that is less
6 than 75% of the total Illinois pari-mutuel handle on
7 Illinois horse races at such wagering facility for calendar
8 year 1994, shall be permitted to receive, from any amount
9 otherwise payable to the purse account at the race track
10 with which the wagering facility is affiliated in the
11 succeeding calendar year, an amount equal to 2% of the
12 differential in total Illinois pari-mutuel handle on
13 Illinois horse races at the wagering facility between that
14 calendar year in question and 1994 provided, however, that
15 a wagering facility shall not be entitled to any such
16 payment until the Board certifies in writing to the
17 wagering facility the amount to which the wagering facility
18 is entitled and a schedule for payment of the amount to the
19 wagering facility, based on: (i) the racing dates awarded
20 to the race track affiliated with the wagering facility
21 during the succeeding year; (ii) the sums available or
22 anticipated to be available in the purse account of the
23 race track affiliated with the wagering facility for purses
24 during the succeeding year; and (iii) the need to ensure
25 reasonable purse levels during the payment period. The
26 Board's certification shall be provided no later than

1 January 31 of the succeeding year. In the event a wagering
2 facility entitled to a payment under this paragraph (13) is
3 affiliated with a race track that maintains purse accounts
4 for both standardbred and thoroughbred racing, the amount
5 to be paid to the wagering facility shall be divided
6 between each purse account pro rata, based on the amount of
7 Illinois handle on Illinois standardbred and thoroughbred
8 racing respectively at the wagering facility during the
9 previous calendar year. Annually, the General Assembly
10 shall appropriate sufficient funds from the General
11 Revenue Fund to the Department of Agriculture for payment
12 into the thoroughbred and standardbred horse racing purse
13 accounts at Illinois pari-mutuel tracks. The amount paid to
14 each purse account shall be the amount certified by the
15 Illinois Racing Board in January to be transferred from
16 each account to each eligible racing facility in accordance
17 with the provisions of this Section.

18 (h) The Board may approve and license the conduct of
19 inter-track wagering and simulcast wagering by inter-track
20 wagering licensees and inter-track wagering location licensees
21 subject to the following terms and conditions:

22 (1) Any person licensed to conduct a race meeting (i)
23 at a track where 60 or more days of racing were conducted
24 during the immediately preceding calendar year or where
25 over the 5 immediately preceding calendar years an average
26 of 30 or more days of racing were conducted annually may be

1 issued an inter-track wagering license; (ii) at a track
2 located in a county that is bounded by the Mississippi
3 River, which has a population of less than 150,000
4 according to the 1990 decennial census, and an average of
5 at least 60 days of racing per year between 1985 and 1993
6 may be issued an inter-track wagering license; or (iii) at
7 a track located in Madison County that conducted at least
8 100 days of live racing during the immediately preceding
9 calendar year may be issued an inter-track wagering
10 license, unless a lesser schedule of live racing is the
11 result of (A) weather, unsafe track conditions, or other
12 acts of God; (B) an agreement between the organization
13 licensee and the associations representing the largest
14 number of owners, trainers, jockeys, or standardbred
15 drivers who race horses at that organization licensee's
16 racing meeting; or (C) a finding by the Board of
17 extraordinary circumstances and that it was in the best
18 interest of the public and the sport to conduct fewer than
19 100 days of live racing. Any such person having operating
20 control of the racing facility may receive inter-track
21 wagering location licenses. An eligible race track located
22 in a county that has a population of more than 230,000 and
23 that is bounded by the Mississippi River may establish up
24 to 9 inter-track wagering locations, ~~and~~ and an eligible race
25 track located in Stickney Township in Cook County may
26 establish up to 16 inter-track wagering locations, ~~and~~ and an

1 eligible race track located in Palatine Township in Cook
2 County may establish up to 18 inter-track wagering
3 locations. An application for said license shall be filed
4 with the Board prior to such dates as may be fixed by the
5 Board. With an application for an inter-track wagering
6 location license there shall be delivered to the Board a
7 certified check or bank draft payable to the order of the
8 Board for an amount equal to \$500. The application shall be
9 on forms prescribed and furnished by the Board. The
10 application shall comply with all other rules, regulations
11 and conditions imposed by the Board in connection
12 therewith.

13 (2) The Board shall examine the applications with
14 respect to their conformity with this Act and the rules and
15 regulations imposed by the Board. If found to be in
16 compliance with the Act and rules and regulations of the
17 Board, the Board may then issue a license to conduct
18 inter-track wagering and simulcast wagering to such
19 applicant. All such applications shall be acted upon by the
20 Board at a meeting to be held on such date as may be fixed
21 by the Board.

22 (3) In granting licenses to conduct inter-track
23 wagering and simulcast wagering, the Board shall give due
24 consideration to the best interests of the public, of horse
25 racing, and of maximizing revenue to the State.

26 (4) Prior to the issuance of a license to conduct

1 inter-track wagering and simulcast wagering, the applicant
2 shall file with the Board a bond payable to the State of
3 Illinois in the sum of \$50,000, executed by the applicant
4 and a surety company or companies authorized to do business
5 in this State, and conditioned upon (i) the payment by the
6 licensee of all taxes due under Section 27 or 27.1 and any
7 other monies due and payable under this Act, and (ii)
8 distribution by the licensee, upon presentation of the
9 winning ticket or tickets, of all sums payable to the
10 patrons of pari-mutuel pools.

11 (5) Each license to conduct inter-track wagering and
12 simulcast wagering shall specify the person to whom it is
13 issued, the dates on which such wagering is permitted, and
14 the track or location where the wagering is to be
15 conducted.

16 (6) All wagering under such license is subject to this
17 Act and to the rules and regulations from time to time
18 prescribed by the Board, and every such license issued by
19 the Board shall contain a recital to that effect.

20 (7) An inter-track wagering licensee or inter-track
21 wagering location licensee may accept wagers at the track
22 or location where it is licensed, or as otherwise provided
23 under this Act.

24 (8) Inter-track wagering or simulcast wagering shall
25 not be conducted at any track less than 5 miles from a
26 track at which a racing meeting is in progress.

1 (8.1) Inter-track wagering location licensees who
2 derive their licenses from a particular organization
3 licensee shall conduct inter-track wagering and simulcast
4 wagering only at locations that are within 160 miles of
5 that race track where the particular organization licensee
6 is licensed to conduct racing. However, inter-track
7 wagering and simulcast wagering shall not be conducted by
8 those licensees at any location within 5 miles of any race
9 track at which a horse race meeting has been licensed in
10 the current year, unless the person having operating
11 control of such race track has given its written consent to
12 such inter-track wagering location licensees, which
13 consent must be filed with the Board at or prior to the
14 time application is made. In the case of any inter-track
15 wagering location licensee initially licensed after
16 December 31, 2013, inter-track wagering and simulcast
17 wagering shall not be conducted by those inter-track
18 wagering location licensees that are located outside the
19 City of Chicago at any location within 8 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.

26 (8.2) Inter-track wagering or simulcast wagering shall

1 not be conducted by an inter-track wagering location
2 licensee at any location within 500 feet of an existing
3 church or existing school, nor within 500 feet of the
4 residences of more than 50 registered voters without
5 receiving written permission from a majority of the
6 registered voters at such residences. Such written
7 permission statements shall be filed with the Board. The
8 distance of 500 feet shall be measured to the nearest part
9 of any building used for worship services, education
10 programs, residential purposes, or conducting inter-track
11 wagering by an inter-track wagering location licensee, and
12 not to property boundaries. However, inter-track wagering
13 or simulcast wagering may be conducted at a site within 500
14 feet of a church, school or residences of 50 or more
15 registered voters if such church, school or residences have
16 been erected or established, or such voters have been
17 registered, after the Board issues the original
18 inter-track wagering location license at the site in
19 question. Inter-track wagering location licensees may
20 conduct inter-track wagering and simulcast wagering only
21 in areas that are zoned for commercial or manufacturing
22 purposes or in areas for which a special use has been
23 approved by the local zoning authority. However, no license
24 to conduct inter-track wagering and simulcast wagering
25 shall be granted by the Board with respect to any
26 inter-track wagering location within the jurisdiction of

1 any local zoning authority which has, by ordinance or by
2 resolution, prohibited the establishment of an inter-track
3 wagering location within its jurisdiction. However,
4 inter-track wagering and simulcast wagering may be
5 conducted at a site if such ordinance or resolution is
6 enacted after the Board licenses the original inter-track
7 wagering location licensee for the site in question.

8 (9) (Blank).

9 (10) An inter-track wagering licensee or an
10 inter-track wagering location licensee may retain, subject
11 to the payment of the privilege taxes and the purses, an
12 amount not to exceed 17% of all money wagered. Each program
13 of racing conducted by each inter-track wagering licensee
14 or inter-track wagering location licensee shall be
15 considered a separate racing day for the purpose of
16 determining the daily handle and computing the privilege
17 tax or pari-mutuel tax on such daily handle as provided in
18 Section 27.

19 (10.1) Except as provided in subsection (g) of Section
20 27 of this Act, inter-track wagering location licensees
21 shall pay 1% of the pari-mutuel handle at each location to
22 the municipality in which such location is situated and 1%
23 of the pari-mutuel handle at each location to the county in
24 which such location is situated. In the event that an
25 inter-track wagering location licensee is situated in an
26 unincorporated area of a county, such licensee shall pay 2%

1 of the pari-mutuel handle from such location to such
2 county.

3 (10.2) Notwithstanding any other provision of this
4 Act, with respect to inter-track ~~intertrack~~ wagering at a
5 race track located in a county that has a population of
6 more than 230,000 and that is bounded by the Mississippi
7 River ("the first race track"), or at a facility operated
8 by an inter-track wagering licensee or inter-track
9 wagering location licensee that derives its license from
10 the organization licensee that operates the first race
11 track, on races conducted at the first race track or on
12 races conducted at another Illinois race track and
13 simultaneously televised to the first race track or to a
14 facility operated by an inter-track wagering licensee or
15 inter-track wagering location licensee that derives its
16 license from the organization licensee that operates the
17 first race track, those moneys shall be allocated as
18 follows:

19 (A) That portion of all moneys wagered on
20 standardbred racing that is required under this Act to
21 be paid to purses shall be paid to purses for
22 standardbred races.

23 (B) That portion of all moneys wagered on
24 thoroughbred racing that is required under this Act to
25 be paid to purses shall be paid to purses for
26 thoroughbred races.

1 (11) (A) After payment of the privilege or pari-mutuel
2 tax, any other applicable taxes, and the costs and expenses
3 in connection with the gathering, transmission, and
4 dissemination of all data necessary to the conduct of
5 inter-track wagering, the remainder of the monies retained
6 under either Section 26 or Section 26.2 of this Act by the
7 inter-track wagering licensee on inter-track wagering
8 shall be allocated with 50% to be split between the 2
9 participating licensees and 50% to purses, except that an
10 inter-track ~~intertrack~~ wagering licensee that derives its
11 license from a track located in a county with a population
12 in excess of 230,000 and that borders the Mississippi River
13 shall not divide any remaining retention with the Illinois
14 organization licensee that provides the race or races, and
15 an inter-track ~~intertrack~~ wagering licensee that accepts
16 wagers on races conducted by an organization licensee that
17 conducts a race meet in a county with a population in
18 excess of 230,000 and that borders the Mississippi River
19 shall not divide any remaining retention with that
20 organization licensee.

21 (B) From the sums permitted to be retained pursuant to
22 this Act each inter-track wagering location licensee shall
23 pay (i) the privilege or pari-mutuel tax to the State; (ii)
24 4.75% of the pari-mutuel handle on inter-track ~~intertrack~~
25 wagering at such location on races as purses, except that
26 an inter-track ~~intertrack~~ wagering location licensee that

1 derives its license from a track located in a county with a
2 population in excess of 230,000 and that borders the
3 Mississippi River shall retain all purse moneys for its own
4 purse account consistent with distribution set forth in
5 this subsection (h), and inter-track ~~intertrack~~ wagering
6 location licensees that accept wagers on races conducted by
7 an organization licensee located in a county with a
8 population in excess of 230,000 and that borders the
9 Mississippi River shall distribute all purse moneys to
10 purses at the operating host track; (iii) until January 1,
11 2000, except as provided in subsection (g) of Section 27 of
12 this Act, 1% of the pari-mutuel handle wagered on
13 inter-track wagering and simulcast wagering at each
14 inter-track wagering location licensee facility to the
15 Horse Racing Tax Allocation Fund, provided that, to the
16 extent the total amount collected and distributed to the
17 Horse Racing Tax Allocation Fund under this subsection (h)
18 during any calendar year exceeds the amount collected and
19 distributed to the Horse Racing Tax Allocation Fund during
20 calendar year 1994, that excess amount shall be
21 redistributed (I) to all inter-track wagering location
22 licensees, based on each licensee's pro-rata share of the
23 total handle from inter-track wagering and simulcast
24 wagering for all inter-track wagering location licensees
25 during the calendar year in which this provision is
26 applicable; then (II) the amounts redistributed to each

1 inter-track wagering location licensee as described in
2 subpart (I) shall be further redistributed as provided in
3 subparagraph (B) of paragraph (5) of subsection (g) of this
4 Section 26 provided first, that the shares of those
5 amounts, which are to be redistributed to the host track or
6 to purses at the host track under subparagraph (B) of
7 paragraph (5) of subsection (g) of this Section 26 shall be
8 redistributed based on each host track's pro rata share of
9 the total inter-track wagering and simulcast wagering
10 handle at all host tracks during the calendar year in
11 question, and second, that any amounts redistributed as
12 described in part (I) to an inter-track wagering location
13 licensee that accepts wagers on races conducted by an
14 organization licensee that conducts a race meet in a county
15 with a population in excess of 230,000 and that borders the
16 Mississippi River shall be further redistributed as
17 provided in subparagraphs (D) and (E) of paragraph (7) of
18 subsection (g) of this Section 26, with the portion of that
19 further redistribution allocated to purses at that
20 organization licensee to be divided between standardbred
21 purses and thoroughbred purses based on the amounts
22 otherwise allocated to purses at that organization
23 licensee during the calendar year in question; and (iv) 8%
24 of the pari-mutuel handle on inter-track wagering wagered
25 at such location to satisfy all costs and expenses of
26 conducting its wagering. The remainder of the monies

1 retained by the inter-track wagering location licensee
2 shall be allocated 40% to the location licensee and 60% to
3 the organization licensee which provides the Illinois
4 races to the location, except that an inter-track
5 ~~intertrack~~ wagering location licensee that derives its
6 license from a track located in a county with a population
7 in excess of 230,000 and that borders the Mississippi River
8 shall not divide any remaining retention with the
9 organization licensee that provides the race or races and
10 an inter-track ~~intertrack~~ wagering location licensee that
11 accepts wagers on races conducted by an organization
12 licensee that conducts a race meet in a county with a
13 population in excess of 230,000 and that borders the
14 Mississippi River shall not divide any remaining retention
15 with the organization licensee. Notwithstanding the
16 provisions of clauses (ii) and (iv) of this paragraph, in
17 the case of the additional inter-track wagering location
18 licenses authorized under paragraph (1) of this subsection
19 (h) by Public Act 87-110 ~~this amendatory Act of 1991~~, those
20 licensees shall pay the following amounts as purses: during
21 the first 12 months the licensee is in operation, 5.25% of
22 the pari-mutuel handle wagered at the location on races;
23 during the second 12 months, 5.25%; during the third 12
24 months, 5.75%; during the fourth 12 months, 6.25%; and
25 during the fifth 12 months and thereafter, 6.75%. The
26 following amounts shall be retained by the licensee to

1 satisfy all costs and expenses of conducting its wagering:
2 during the first 12 months the licensee is in operation,
3 8.25% of the pari-mutuel handle wagered at the location;
4 during the second 12 months, 8.25%; during the third 12
5 months, 7.75%; during the fourth 12 months, 7.25%; and
6 during the fifth 12 months and thereafter, 6.75%. For
7 additional inter-track ~~intertrack~~ wagering location
8 licensees authorized under Public Act 89-16 ~~this~~
9 ~~amendatory Act of 1995~~, purses for the first 12 months the
10 licensee is in operation shall be 5.75% of the pari-mutuel
11 wagered at the location, purses for the second 12 months
12 the licensee is in operation shall be 6.25%, and purses
13 thereafter shall be 6.75%. For additional inter-track
14 ~~intertrack~~ location licensees authorized under Public Act
15 89-16 ~~this amendatory Act of 1995~~, the licensee shall be
16 allowed to retain to satisfy all costs and expenses: 7.75%
17 of the pari-mutuel handle wagered at the location during
18 its first 12 months of operation, 7.25% during its second
19 12 months of operation, and 6.75% thereafter.

20 (C) There is hereby created the Horse Racing Tax
21 Allocation Fund which shall remain in existence until
22 December 31, 1999. Moneys remaining in the Fund after
23 December 31, 1999 shall be paid into the General Revenue
24 Fund. Until January 1, 2000, all monies paid into the Horse
25 Racing Tax Allocation Fund pursuant to this paragraph (11)
26 by inter-track wagering location licensees located in park

1 districts of 500,000 population or less, or in a
2 municipality that is not included within any park district
3 but is included within a conservation district and is the
4 county seat of a county that (i) is contiguous to the state
5 of Indiana and (ii) has a 1990 population of 88,257
6 according to the United States Bureau of the Census, and
7 operating on May 1, 1994 shall be allocated by
8 appropriation as follows:

9 Two-sevenths to the Department of Agriculture.

10 Fifty percent of this two-sevenths shall be used to
11 promote the Illinois horse racing and breeding
12 industry, and shall be distributed by the Department of
13 Agriculture upon the advice of a 9-member committee
14 appointed by the Governor consisting of the following
15 members: the Director of Agriculture, who shall serve
16 as chairman; 2 representatives of organization
17 licensees conducting thoroughbred race meetings in
18 this State, recommended by those licensees; 2
19 representatives of organization licensees conducting
20 standardbred race meetings in this State, recommended
21 by those licensees; a representative of the Illinois
22 Thoroughbred Breeders and Owners Foundation,
23 recommended by that Foundation; a representative of
24 the Illinois Standardbred Owners and Breeders
25 Association, recommended by that Association; a
26 representative of the Horsemen's Benevolent and

1 Protective Association or any successor organization
2 thereto established in Illinois comprised of the
3 largest number of owners and trainers, recommended by
4 that Association or that successor organization; and a
5 representative of the Illinois Harness Horsemen's
6 Association, recommended by that Association.
7 Committee members shall serve for terms of 2 years,
8 commencing January 1 of each even-numbered year. If a
9 representative of any of the above-named entities has
10 not been recommended by January 1 of any even-numbered
11 year, the Governor shall appoint a committee member to
12 fill that position. Committee members shall receive no
13 compensation for their services as members but shall be
14 reimbursed for all actual and necessary expenses and
15 disbursements incurred in the performance of their
16 official duties. The remaining 50% of this
17 two-sevenths shall be distributed to county fairs for
18 premiums and rehabilitation as set forth in the
19 Agricultural Fair Act;

20 Four-sevenths to park districts or municipalities
21 that do not have a park district of 500,000 population
22 or less for museum purposes (if an inter-track wagering
23 location licensee is located in such a park district)
24 or to conservation districts for museum purposes (if an
25 inter-track wagering location licensee is located in a
26 municipality that is not included within any park

1 district but is included within a conservation
2 district and is the county seat of a county that (i) is
3 contiguous to the state of Indiana and (ii) has a 1990
4 population of 88,257 according to the United States
5 Bureau of the Census, except that if the conservation
6 district does not maintain a museum, the monies shall
7 be allocated equally between the county and the
8 municipality in which the inter-track wagering
9 location licensee is located for general purposes) or
10 to a municipal recreation board for park purposes (if
11 an inter-track wagering location licensee is located
12 in a municipality that is not included within any park
13 district and park maintenance is the function of the
14 municipal recreation board and the municipality has a
15 1990 population of 9,302 according to the United States
16 Bureau of the Census); provided that the monies are
17 distributed to each park district or conservation
18 district or municipality that does not have a park
19 district in an amount equal to four-sevenths of the
20 amount collected by each inter-track wagering location
21 licensee within the park district or conservation
22 district or municipality for the Fund. Monies that were
23 paid into the Horse Racing Tax Allocation Fund before
24 August 9, 1991 (the effective date of Public Act
25 87-110) ~~this amendatory Act of 1991~~ by an inter-track
26 wagering location licensee located in a municipality

1 that is not included within any park district but is
2 included within a conservation district as provided in
3 this paragraph shall, as soon as practicable after
4 August 9, 1991 (the effective date of Public Act
5 87-110) ~~this amendatory Act of 1991~~, be allocated and
6 paid to that conservation district as provided in this
7 paragraph. Any park district or municipality not
8 maintaining a museum may deposit the monies in the
9 corporate fund of the park district or municipality
10 where the inter-track wagering location is located, to
11 be used for general purposes; and

12 One-seventh to the Agricultural Premium Fund to be
13 used for distribution to agricultural home economics
14 extension councils in accordance with "An Act in
15 relation to additional support and finances for the
16 Agricultural and Home Economic Extension Councils in
17 the several counties of this State and making an
18 appropriation therefor", approved July 24, 1967.

19 Until January 1, 2000, all other monies paid into the
20 Horse Racing Tax Allocation Fund pursuant to this paragraph
21 (11) shall be allocated by appropriation as follows:

22 Two-sevenths to the Department of Agriculture.
23 Fifty percent of this two-sevenths shall be used to
24 promote the Illinois horse racing and breeding
25 industry, and shall be distributed by the Department of
26 Agriculture upon the advice of a 9-member committee

1 appointed by the Governor consisting of the following
2 members: the Director of Agriculture, who shall serve
3 as chairman; 2 representatives of organization
4 licensees conducting thoroughbred race meetings in
5 this State, recommended by those licensees; 2
6 representatives of organization licensees conducting
7 standardbred race meetings in this State, recommended
8 by those licensees; a representative of the Illinois
9 Thoroughbred Breeders and Owners Foundation,
10 recommended by that Foundation; a representative of
11 the Illinois Standardbred Owners and Breeders
12 Association, recommended by that Association; a
13 representative of the Horsemen's Benevolent and
14 Protective Association or any successor organization
15 thereto established in Illinois comprised of the
16 largest number of owners and trainers, recommended by
17 that Association or that successor organization; and a
18 representative of the Illinois Harness Horsemen's
19 Association, recommended by that Association.
20 Committee members shall serve for terms of 2 years,
21 commencing January 1 of each even-numbered year. If a
22 representative of any of the above-named entities has
23 not been recommended by January 1 of any even-numbered
24 year, the Governor shall appoint a committee member to
25 fill that position. Committee members shall receive no
26 compensation for their services as members but shall be

1 reimbursed for all actual and necessary expenses and
2 disbursements incurred in the performance of their
3 official duties. The remaining 50% of this
4 two-sevenths shall be distributed to county fairs for
5 premiums and rehabilitation as set forth in the
6 Agricultural Fair Act;

7 Four-sevenths to museums and aquariums located in
8 park districts of over 500,000 population; provided
9 that the monies are distributed in accordance with the
10 previous year's distribution of the maintenance tax
11 for such museums and aquariums as provided in Section 2
12 of the Park District Aquarium and Museum Act; and

13 One-seventh to the Agricultural Premium Fund to be
14 used for distribution to agricultural home economics
15 extension councils in accordance with "An Act in
16 relation to additional support and finances for the
17 Agricultural and Home Economic Extension Councils in
18 the several counties of this State and making an
19 appropriation therefor", approved July 24, 1967. This
20 subparagraph (C) shall be inoperative and of no force
21 and effect on and after January 1, 2000.

22 (D) Except as provided in paragraph (11) of this
23 subsection (h), with respect to purse allocation from
24 inter-track ~~intertrack~~ wagering, the monies so
25 retained shall be divided as follows:

26 (i) If the inter-track wagering licensee,

1 except an inter-track ~~intertrack~~ wagering licensee
2 that derives its license from an organization
3 licensee located in a county with a population in
4 excess of 230,000 and bounded by the Mississippi
5 River, is not conducting its own race meeting
6 during the same dates, then the entire purse
7 allocation shall be to purses at the track where
8 the races wagered on are being conducted.

9 (ii) If the inter-track wagering licensee,
10 except an inter-track ~~intertrack~~ wagering licensee
11 that derives its license from an organization
12 licensee located in a county with a population in
13 excess of 230,000 and bounded by the Mississippi
14 River, is also conducting its own race meeting
15 during the same dates, then the purse allocation
16 shall be as follows: 50% to purses at the track
17 where the races wagered on are being conducted; 50%
18 to purses at the track where the inter-track
19 wagering licensee is accepting such wagers.

20 (iii) If the inter-track wagering is being
21 conducted by an inter-track wagering location
22 licensee, except an inter-track ~~intertrack~~
23 wagering location licensee that derives its
24 license from an organization licensee located in a
25 county with a population in excess of 230,000 and
26 bounded by the Mississippi River, the entire purse

1 allocation for Illinois races shall be to purses at
2 the track where the race meeting being wagered on
3 is being held.

4 (12) The Board shall have all powers necessary and
5 proper to fully supervise and control the conduct of
6 inter-track wagering and simulcast wagering by inter-track
7 wagering licensees and inter-track wagering location
8 licensees, including, but not limited to the following:

9 (A) The Board is vested with power to promulgate
10 reasonable rules and regulations for the purpose of
11 administering the conduct of this wagering and to
12 prescribe reasonable rules, regulations and conditions
13 under which such wagering shall be held and conducted.
14 Such rules and regulations are to provide for the
15 prevention of practices detrimental to the public
16 interest and for the best interests of said wagering
17 and to impose penalties for violations thereof.

18 (B) The Board, and any person or persons to whom it
19 delegates this power, is vested with the power to enter
20 the facilities of any licensee to determine whether
21 there has been compliance with the provisions of this
22 Act and the rules and regulations relating to the
23 conduct of such wagering.

24 (C) The Board, and any person or persons to whom it
25 delegates this power, may eject or exclude from any
26 licensee's facilities, any person whose conduct or

1 reputation is such that his presence on such premises
2 may, in the opinion of the Board, call into the
3 question the honesty and integrity of, or interfere
4 with the orderly conduct of such wagering; provided,
5 however, that no person shall be excluded or ejected
6 from such premises solely on the grounds of race,
7 color, creed, national origin, ancestry, or sex.

8 (D) (Blank).

9 (E) The Board is vested with the power to appoint
10 delegates to execute any of the powers granted to it
11 under this Section for the purpose of administering
12 this wagering and any rules and regulations
13 promulgated in accordance with this Act.

14 (F) The Board shall name and appoint a State
15 director of this wagering who shall be a representative
16 of the Board and whose duty it shall be to supervise
17 the conduct of inter-track wagering as may be provided
18 for by the rules and regulations of the Board; such
19 rules and regulation shall specify the method of
20 appointment and the Director's powers, authority and
21 duties.

22 (G) The Board is vested with the power to impose
23 civil penalties of up to \$5,000 against individuals and
24 up to \$10,000 against licensees for each violation of
25 any provision of this Act relating to the conduct of
26 this wagering, any rules adopted by the Board, any

1 order of the Board or any other action which in the
2 Board's discretion, is a detriment or impediment to
3 such wagering.

4 (13) The Department of Agriculture may enter into
5 agreements with licensees authorizing such licensees to
6 conduct inter-track wagering on races to be held at the
7 licensed race meetings conducted by the Department of
8 Agriculture. Such agreement shall specify the races of the
9 Department of Agriculture's licensed race meeting upon
10 which the licensees will conduct wagering. In the event
11 that a licensee conducts inter-track pari-mutuel wagering
12 on races from the Illinois State Fair or DuQuoin State Fair
13 which are in addition to the licensee's previously approved
14 racing program, those races shall be considered a separate
15 racing day for the purpose of determining the daily handle
16 and computing the privilege or pari-mutuel tax on that
17 daily handle as provided in Sections 27 and 27.1. Such
18 agreements shall be approved by the Board before such
19 wagering may be conducted. In determining whether to grant
20 approval, the Board shall give due consideration to the
21 best interests of the public and of horse racing. The
22 provisions of paragraphs (1), (8), (8.1), and (8.2) of
23 subsection (h) of this Section which are not specified in
24 this paragraph (13) shall not apply to licensed race
25 meetings conducted by the Department of Agriculture at the
26 Illinois State Fair in Sangamon County or the DuQuoin State

1 Fair in Perry County, or to any wagering conducted on those
2 race meetings.

3 (14) An inter-track wagering location license
4 authorized by the Board in 2016 that is owned and operated
5 by a race track in Rock Island County shall be transferred
6 to a commonly owned race track in Cook County on August 12,
7 2016 (the effective date of Public Act 99-757) ~~this~~
8 ~~amendatory Act of the 99th General Assembly~~. The licensee
9 shall retain its status in relation to purse distribution
10 under paragraph (11) of this subsection (h) following the
11 transfer to the new entity. The pari-mutuel tax credit
12 under Section 32.1 shall not be applied toward any
13 pari-mutuel tax obligation of the inter-track wagering
14 location licensee of the license that is transferred under
15 this paragraph (14).

16 (i) Notwithstanding the other provisions of this Act, the
17 conduct of wagering at wagering facilities is authorized on all
18 days, except as limited by subsection (b) of Section 19 of this
19 Act.

20 (Source: P.A. 98-18, eff. 6-7-13; 98-624, eff. 1-29-14; 98-968,
21 eff. 8-15-14; 99-756, eff. 8-12-16; 99-757, eff. 8-12-16;
22 revised 9-14-16.)

23 Section 910. The Illinois Public Aid Code is amended by
24 changing Section 10-17.15 as follows:

1 (305 ILCS 5/10-17.15)

2 Sec. 10-17.15. Certification of information to State
3 gaming licensees.

4 (a) For purposes of this Section, "State gaming licensee"
5 means, as applicable, an organization licensee or advance
6 deposit wagering licensee licensed under the Illinois Horse
7 Racing Act of 1975, an owners licensee licensed under the
8 Riverboat Gambling Act, ~~or~~ a licensee that operates, under any
9 law of this State, one or more facilities or gaming locations
10 at which lawful gambling is authorized and licensed as provided
11 in the Riverboat Gambling Act, or a fantasy sports contest
12 operator licensed under the Fantasy Sports Contest Act.

13 (b) The Department may provide, by rule, for certification
14 to any State gaming licensee of past due child support owed by
15 a responsible relative under a support order entered by a court
16 or administrative body of this or any other State on behalf of
17 a resident or non-resident receiving child support services
18 under this Article in accordance with the requirements of Title
19 IV-D, Part D, of the Social Security Act. The State gaming
20 licensee shall have the ability to withhold from winnings
21 required to be reported to the Internal Revenue Service on Form
22 W-2G, or, in the case of a fantasy sports contest operator, the
23 ability to withhold from individual winnings of \$600 or more
24 that are subject to reporting to the Internal Revenue Service
25 on Form 1099, up to the full amount of winnings necessary to
26 pay the winner's past due child support. The rule shall provide

1 for notice to and an opportunity to be heard by each
2 responsible relative affected and any final administrative
3 decision rendered by the Department shall be reviewed only
4 under and in accordance with the Administrative Review Law.

5 (c) For withholding of winnings, the State gaming licensee
6 shall be entitled to an administrative fee not to exceed the
7 lesser of 4% of the total amount of cash winnings paid to the
8 gambling winner or \$150.

9 (d) In no event may the total amount withheld from the cash
10 payout, including the administrative fee, exceed the total cash
11 winnings claimed by the obligor. If the cash payout claimed is
12 greater than the amount sufficient to satisfy the obligor's
13 delinquent child support payments, the State gaming licensee
14 shall pay the obligor the remaining balance of the payout, less
15 the administrative fee authorized by subsection (c) of this
16 Section, at the time it is claimed.

17 (e) A State gaming licensee who in good faith complies with
18 the requirements of this Section shall not be liable to the
19 gaming winner or any other individual or entity.

20 (Source: P.A. 98-318, eff. 8-12-13.)

21 Section 915. The Criminal Code of 2012 is amended by
22 changing Section 28-1 as follows:

23 (720 ILCS 5/28-1) (from Ch. 38, par. 28-1)

24 Sec. 28-1. Gambling.

1 (a) A person commits gambling when he or she:

2 (1) knowingly plays a game of chance or skill for money
3 or other thing of value, unless excepted in subsection (b)
4 of this Section;

5 (2) knowingly makes a wager upon the result of any
6 game, contest, or any political nomination, appointment or
7 election;

8 (3) knowingly operates, keeps, owns, uses, purchases,
9 exhibits, rents, sells, bargains for the sale or lease of,
10 manufactures or distributes any gambling device;

11 (4) contracts to have or give himself or herself or
12 another the option to buy or sell, or contracts to buy or
13 sell, at a future time, any grain or other commodity
14 whatsoever, or any stock or security of any company, where
15 it is at the time of making such contract intended by both
16 parties thereto that the contract to buy or sell, or the
17 option, whenever exercised, or the contract resulting
18 therefrom, shall be settled, not by the receipt or delivery
19 of such property, but by the payment only of differences in
20 prices thereof; however, the issuance, purchase, sale,
21 exercise, endorsement or guarantee, by or through a person
22 registered with the Secretary of State pursuant to Section
23 8 of the Illinois Securities Law of 1953, or by or through
24 a person exempt from such registration under said Section
25 8, of a put, call, or other option to buy or sell
26 securities which have been registered with the Secretary of

1 State or which are exempt from such registration under
2 Section 3 of the Illinois Securities Law of 1953 is not
3 gambling within the meaning of this paragraph (4);

4 (5) knowingly owns or possesses any book, instrument or
5 apparatus by means of which bets or wagers have been, or
6 are, recorded or registered, or knowingly possesses any
7 money which he has received in the course of a bet or
8 wager;

9 (6) knowingly sells pools upon the result of any game
10 or contest of skill or chance, political nomination,
11 appointment or election;

12 (7) knowingly sets up or promotes any lottery or sells,
13 offers to sell or transfers any ticket or share for any
14 lottery;

15 (8) knowingly sets up or promotes any policy game or
16 sells, offers to sell or knowingly possesses or transfers
17 any policy ticket, slip, record, document or other similar
18 device;

19 (9) knowingly drafts, prints or publishes any lottery
20 ticket or share, or any policy ticket, slip, record,
21 document or similar device, except for such activity
22 related to lotteries, bingo games and raffles authorized by
23 and conducted in accordance with the laws of Illinois or
24 any other state or foreign government;

25 (10) knowingly advertises any lottery or policy game,
26 except for such activity related to lotteries, bingo games

1 and raffles authorized by and conducted in accordance with
2 the laws of Illinois or any other state;

3 (11) knowingly transmits information as to wagers,
4 betting odds, or changes in betting odds by telephone,
5 telegraph, radio, semaphore or similar means; or knowingly
6 installs or maintains equipment for the transmission or
7 receipt of such information; except that nothing in this
8 subdivision (11) prohibits transmission or receipt of such
9 information for use in news reporting of sporting events or
10 contests; or

11 (12) knowingly establishes, maintains, or operates an
12 Internet site that permits a person to play a game of
13 chance or skill for money or other thing of value by means
14 of the Internet or to make a wager upon the result of any
15 game, contest, political nomination, appointment, or
16 election by means of the Internet. This item (12) does not
17 apply to activities referenced in items (6) and (6.1) of
18 subsection (b) of this Section. This item (12) does not
19 apply to activities referenced in item (15) subsection (b)
20 of this Section.

21 (b) Participants in any of the following activities shall
22 not be convicted of 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 such contest.

5 (3) Pari-mutuel betting as authorized by the law of
6 this 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 such
11 transportation is not prohibited by any applicable Federal
12 law; or the manufacture, distribution, or possession of
13 video gaming terminals, as defined in the Video Gaming Act,
14 by manufacturers, distributors, and terminal operators
15 licensed to do so under the Video Gaming Act.

16 (5) The game commonly known as "bingo", when conducted
17 in accordance with the Bingo License and Tax Act.

18 (6) Lotteries when conducted by the State of Illinois
19 in accordance with the Illinois Lottery Law. This exemption
20 includes any activity conducted by the Department of
21 Revenue to sell lottery tickets pursuant to the provisions
22 of the Illinois Lottery Law and its rules.

23 (6.1) The purchase of lottery tickets through the
24 Internet for a lottery conducted by the State of Illinois
25 under the program established in Section 7.12 of the
26 Illinois Lottery Law.

1 (7) Possession of an antique slot machine that is
2 neither used nor intended to be used in the operation or
3 promotion of any unlawful gambling activity or enterprise.
4 For the purpose of this subparagraph (b)(7), an antique
5 slot machine is one manufactured 25 years ago or earlier.

6 (8) Raffles and poker runs when conducted in accordance
7 with the Raffles and Poker Runs Act.

8 (9) Charitable games when conducted in accordance with
9 the Charitable Games Act.

10 (10) Pull tabs and jar games when conducted under the
11 Illinois Pull Tabs and Jar Games Act.

12 (11) Gambling games conducted on riverboats when
13 authorized by the Riverboat Gambling Act.

14 (12) Video gaming terminal games at a licensed
15 establishment, licensed truck stop establishment, licensed
16 fraternal establishment, or licensed veterans
17 establishment when conducted in accordance with the Video
18 Gaming Act.

19 (13) Games of skill or chance where money or other
20 things of value can be won but no payment or purchase is
21 required to participate.

22 (14) Savings promotion raffles authorized under
23 Section 5g of the Illinois Banking Act, Section 7008 of the
24 Savings Bank Act, Section 42.7 of the Illinois Credit Union
25 Act, Section 5136B of the National Bank Act (12 U.S.C.
26 25a), or Section 4 of the Home Owners' Loan Act (12 U.S.C.

1 1463).

2 (15) Fantasy sports contests and participation in
3 fantasy sports contests as defined and offered under the
4 Fantasy Sports Contest Act.

5 (c) Sentence.

6 Gambling is a Class A misdemeanor. A second or subsequent
7 conviction under subsections (a) (3) through (a) (12), is a Class
8 4 felony.

9 (d) Circumstantial evidence.

10 In prosecutions under this Section circumstantial evidence
11 shall have the same validity and weight as in any criminal
12 prosecution.

13 (Source: P.A. 98-644, eff. 6-10-14; 99-149, eff. 1-1-16.)

14 Section 999. Effective date. This Act takes effect upon
15 becoming law.".