



## 101ST GENERAL ASSEMBLY

### State of Illinois

### 2019 and 2020

### HB5037

Introduced 2/18/2020, by Rep. Robert Rita

#### SYNOPSIS AS INTRODUCED:

230 ILCS 10/5.1	from Ch. 120, par. 2405.1
230 ILCS 10/7	from Ch. 120, par. 2407
230 ILCS 10/7.6	
230 ILCS 10/7.7	
230 ILCS 10/8	from Ch. 120, par. 2408
230 ILCS 40/15	
230 ILCS 40/80	

Amends the Illinois Gambling Act. Makes changes to the information the Illinois Gaming Board requires from applicants and licensees. Provides that a qualifying owners licensee may obtain up to the maximum of 2,000 additional gaming positions at any time. Provides that payment for additional gaming positions may be made on a monthly basis, subject to payment schedules specified by the Board. Removes language requiring an owners licensee to reserve gaming positions within 30 days of the effective date of Public Act 101-31, with a 30-day extension approved by the Board. Provides that the Board shall file its report concerning the business enterprise program no later than July 1 of each year (rather than March 1). Provides that an applicant for a suppliers license that holds a specified license under the Video Gaming Act shall not be subject to additional Board investigations as a condition for licensure, except by vote of the Board. Makes conforming changes in and further amends the Video Gaming Act. Allows the Board to impose a fee to an establishment authorized to conduct video gaming under the Act or a terminal operator to cover the costs of operating the central communications system. Makes other changes.

LRB101 17970 SMS 67407 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning gaming.

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

4 Section 5. The Illinois Gambling Act is amended by changing  
5 Sections 5.1, 7, 7.6, 7.7, and 8 as follows:

6 (230 ILCS 10/5.1) (from Ch. 120, par. 2405.1)

7 Sec. 5.1. Disclosure of records.

8 (a) Notwithstanding any applicable statutory provision to  
9 the contrary, the Board shall, on written request from any  
10 person, provide information furnished by an applicant or  
11 licensee concerning the applicant or licensee, his products,  
12 services or gambling enterprises and his business holdings, as  
13 follows:

14 (1) The name, business address and business telephone  
15 number of any applicant or licensee.

16 (2) An identification of any applicant or licensee  
17 including, if an applicant or licensee is not an  
18 individual, the state of incorporation or registration and  
19 names of the corporate officers, directors, and  
20 stockholders, if the entity is a corporation; the state of  
21 formation and names of all members, if the entity is a  
22 limited liability company; the names of all partners, both  
23 general and limited, if the entity is a partnership; and

1        the names of all participants in the trust, if the entity is  
2        a trust ~~the names and addresses of all stockholders and~~  
3        ~~directors, if the entity is a corporation; the names and~~  
4        ~~addresses of all members, if the entity is a limited~~  
5        ~~liability company; the names and addresses of all partners,~~  
6        ~~both general and limited, if the entity is a partnership,~~  
7        ~~and the names and addresses of all beneficiaries, if the~~  
8        ~~entity is a trust.~~ If an applicant or licensee has a  
9        pending registration statement filed with the Securities  
10       and Exchange Commission, only the names of those persons or  
11       entities holding interest of 5% or more must be provided.

12       (3) An identification of any business, including, if  
13       applicable, the state of incorporation or registration, in  
14       which an applicant or licensee or an applicant's or  
15       licensee's spouse or children has an equity interest of  
16       more than 1%. If an applicant or licensee is a corporation,  
17       partnership or other business entity, the applicant or  
18       licensee shall identify any other corporation, partnership  
19       or business entity in which it has an equity interest of 1%  
20       or more, including, if applicable, the state of  
21       incorporation or registration. This information need not  
22       be provided by a corporation, partnership or other business  
23       entity that has a pending registration statement filed with  
24       the Securities and Exchange Commission.

25       (4) Whether an applicant or licensee has been indicted,  
26       convicted, pleaded guilty or nolo contendere, or forfeited

1 bail concerning any criminal offense under the laws of any  
2 jurisdiction, either felony or misdemeanor (except for  
3 traffic violations), including the date, the name and  
4 location of the court, arresting agency and prosecuting  
5 agency, the case number, the offense, the disposition and  
6 the location and length of incarceration.

7 (5) Whether an applicant or licensee has had any  
8 license or certificate issued by a licensing authority in  
9 Illinois or any other jurisdiction denied, restricted,  
10 suspended, revoked or not renewed and a statement  
11 describing the facts and circumstances concerning the  
12 denial, restriction, suspension, revocation or  
13 non-renewal, including the licensing authority, the date  
14 each such action was taken, and the reason for each such  
15 action.

16 (6) Whether an applicant or licensee has ever filed or  
17 had filed against it a proceeding in bankruptcy or has ever  
18 been involved in any formal process to adjust, defer,  
19 suspend or otherwise work out the payment of any debt  
20 including the date of filing, the name and location of the  
21 court, the case and number of the disposition.

22 (7) Whether an applicant or licensee has filed, or been  
23 served with a complaint or other notice filed with any  
24 public body, regarding the delinquency in the payment of,  
25 or a dispute over the filings concerning the payment of,  
26 any tax required under federal, State or local law,

1 including the amount, type of tax, the taxing agency and  
2 time periods involved.

3 (8) A statement listing the names and titles of all  
4 public officials or officers of any unit of government, and  
5 relatives of said public officials or officers who,  
6 directly or indirectly, own any financial interest in, have  
7 any beneficial interest in, are the creditors of or hold  
8 any debt instrument issued by, or hold or have any interest  
9 in any contractual or service relationship with, an  
10 applicant or licensee.

11 (9) Whether an applicant or licensee has made, directly  
12 or indirectly, any political contribution, or any loans,  
13 donations or other payments, to any candidate or office  
14 holder, within 5 years from the date of filing the  
15 application, including the amount and the method of  
16 payment.

17 (10) The name and business telephone number of the  
18 counsel representing an applicant or licensee in matters  
19 before the Board.

20 (11) A description of any proposed or approved gambling  
21 operation, including the type of boat, home dock, or casino  
22 or gaming location, expected economic benefit to the  
23 community, anticipated or actual number of employees, any  
24 statement from an applicant or licensee regarding  
25 compliance with federal and State affirmative action  
26 guidelines, projected or actual admissions and projected

1 or actual adjusted gross gaming receipts.

2 (12) A description of the product or service to be  
3 supplied by an applicant for a supplier's license.

4 (b) Notwithstanding any applicable statutory provision to  
5 the contrary, the Board shall, on written request from any  
6 person, also provide the following information:

7 (1) The amount of the wagering tax and admission tax  
8 paid daily to the State of Illinois by the holder of an  
9 owner's license.

10 (2) Whenever the Board finds an applicant for an  
11 owner's license unsuitable for licensing, a copy of the  
12 written letter outlining the reasons for the denial.

13 (3) Whenever the Board has refused to grant leave for  
14 an applicant to withdraw his application, a copy of the  
15 letter outlining the reasons for the refusal.

16 (c) Subject to the above provisions, the Board shall not  
17 disclose any information which would be barred by:

18 (1) Section 7 of the Freedom of Information Act; or

19 (2) The statutes, rules, regulations or  
20 intergovernmental agreements of any jurisdiction.

21 (d) The Board may assess fees for the copying of  
22 information in accordance with Section 6 of the Freedom of  
23 Information Act.

24 (Source: P.A. 101-31, eff. 6-28-19.)

25 (230 ILCS 10/7) (from Ch. 120, par. 2407)

1           Sec. 7. Owners licenses.

2           (a) The Board shall issue owners licenses to persons or  
3 entities that apply for such licenses upon payment to the Board  
4 of the non-refundable license fee as provided in subsection (e)  
5 or (e-5) and upon a determination by the Board that the  
6 applicant is eligible for an owners license pursuant to this  
7 Act and the rules of the Board. From the effective date of this  
8 amendatory Act of the 95th General Assembly until (i) 3 years  
9 after the effective date of this amendatory Act of the 95th  
10 General Assembly, (ii) the date any organization licensee  
11 begins to operate a slot machine or video game of chance under  
12 the Illinois Horse Racing Act of 1975 or this Act, (iii) the  
13 date that payments begin under subsection (c-5) of Section 13  
14 of this ~~the~~ Act, (iv) the wagering tax imposed under Section 13  
15 of this Act is increased by law to reflect a tax rate that is at  
16 least as stringent or more stringent than the tax rate  
17 contained in subsection (a-3) of Section 13, or (v) when an  
18 owners licensee holding a license issued pursuant to Section  
19 7.1 of this Act begins conducting gaming, whichever occurs  
20 first, as a condition of licensure and as an alternative source  
21 of payment for those funds payable under subsection (c-5) of  
22 Section 13 of this Act, any owners licensee that holds or  
23 receives its owners license on or after the effective date of  
24 this amendatory Act of the 94th General Assembly, other than an  
25 owners licensee operating a riverboat with adjusted gross  
26 receipts in calendar year 2004 of less than \$200,000,000, must

1 pay into the Horse Racing Equity Trust Fund, in addition to any  
2 other payments required under this Act, an amount equal to 3%  
3 of the adjusted gross receipts received by the owners licensee.  
4 The payments required under this Section shall be made by the  
5 owners licensee to the State Treasurer no later than 3:00  
6 o'clock p.m. of the day after the day when the adjusted gross  
7 receipts were received by the owners licensee. A person or  
8 entity is ineligible to receive an owners license if:

9 (1) the person has been convicted of a felony under the  
10 laws of this State, any other state, or the United States;

11 (2) the person has been convicted of any violation of  
12 Article 28 of the Criminal Code of 1961 or the Criminal  
13 Code of 2012, or substantially similar laws of any other  
14 jurisdiction;

15 (3) the person has submitted an application for a  
16 license under this Act which contains false information;

17 (4) the person is a member of the Board;

18 (5) a person defined in (1), (2), (3)    or (4) is an  
19 officer, director,    or managerial employee of the entity;

20 (6) the entity employs a person defined in (1), (2),  
21 (3)    or (4) who participates in the management or operation  
22 of gambling operations authorized under this Act;

23 (7) (blank); or

24 (8) a license of the person or entity issued under this  
25 Act, or a license to own or operate gambling facilities in  
26 any other jurisdiction, has been revoked.



1           The Board is expressly prohibited from making changes to  
2 the requirement that licensees make payment into the Horse  
3 Racing Equity Trust Fund without the express authority of the  
4 Illinois General Assembly and making any other rule to  
5 implement or interpret this amendatory Act of the 95th General  
6 Assembly. For the purposes of this paragraph, "rules" is given  
7 the meaning given to that term in Section 1-70 of the Illinois  
8 Administrative Procedure Act.

9           (b) In determining whether to grant an owners license to an  
10 applicant, the Board shall consider:

11           (1) the character, reputation, experience, and  
12 financial integrity of the applicants and of any other or  
13 separate person that either:

14           (A) controls, directly or indirectly, such  
15 applicant, or

16           (B) is controlled, directly or indirectly, by such  
17 applicant or by a person which controls, directly or  
18 indirectly, such applicant;

19           (2) the facilities or proposed facilities for the  
20 conduct of gambling;

21           (3) the highest prospective total revenue to be derived  
22 by the State from the conduct of gambling;

23           (4) the extent to which the ownership of the applicant  
24 reflects the diversity of the State by including minority  
25 persons, women, and persons with a disability and the good  
26 faith affirmative action plan of each applicant to recruit,

1 train and upgrade minority persons, women, and persons with  
2 a disability in all employment classifications; the Board  
3 shall further consider granting an owners license and  
4 giving preference to an applicant under this Section to  
5 applicants in which minority persons and women hold  
6 ownership interest of at least 16% and 4%, respectively.

7 (4.5) the extent to which the ownership of the  
8 applicant includes veterans of service in the armed forces  
9 of the United States, and the good faith affirmative action  
10 plan of each applicant to recruit, train, and upgrade  
11 veterans of service in the armed forces of the United  
12 States in all employment classifications;

13 (5) the financial ability of the applicant to purchase  
14 and maintain adequate liability and casualty insurance;

15 (6) whether the applicant has adequate capitalization  
16 to provide and maintain, for the duration of a license, a  
17 riverboat or casino;

18 (7) the extent to which the applicant exceeds or meets  
19 other standards for the issuance of an owners license which  
20 the Board may adopt by rule;

21 (8) the amount of the applicant's license bid;

22 (9) the extent to which the applicant or the proposed  
23 host municipality plans to enter into revenue sharing  
24 agreements with communities other than the host  
25 municipality; and

26 (10) the extent to which the ownership of an applicant

1 includes the most qualified number of minority persons,  
2 women, and persons with a disability.

3 (c) Each owners license shall specify the place where the  
4 casino shall operate or the riverboat shall operate and dock.

5 (d) Each applicant shall submit with his or her  
6 application, on forms provided by the Board, 2 sets of his or  
7 her fingerprints.

8 (e) In addition to any licenses authorized under subsection  
9 (e-5) of this Section, the Board may issue up to 10 licenses  
10 authorizing the holders of such licenses to own riverboats. In  
11 the application for an owners license, the applicant shall  
12 state the dock at which the riverboat is based and the water on  
13 which the riverboat will be located. The Board shall issue 5  
14 licenses to become effective not earlier than January 1, 1991.  
15 Three of such licenses shall authorize riverboat gambling on  
16 the Mississippi River, or, with approval by the municipality in  
17 which the riverboat was docked on August 7, 2003 and with Board  
18 approval, be authorized to relocate to a new location, in a  
19 municipality that (1) borders on the Mississippi River or is  
20 within 5 miles of the city limits of a municipality that  
21 borders on the Mississippi River and (2) ~~7~~ on August 7, 2003,  
22 had a riverboat conducting riverboat gambling operations  
23 pursuant to a license issued under this Act; one of which shall  
24 authorize riverboat gambling from a home dock in the city of  
25 East St. Louis; and one of which shall authorize riverboat  
26 gambling from a home dock in the City of Alton. One other

1 license shall authorize riverboat gambling on the Illinois  
2 River in the City of East Peoria or, with Board approval, shall  
3 authorize land-based gambling operations anywhere within the  
4 corporate limits of the City of Peoria. The Board shall issue  
5 one additional license to become effective not earlier than  
6 March 1, 1992, which shall authorize riverboat gambling on the  
7 Des Plaines River in Will County. The Board may issue 4  
8 additional licenses to become effective not earlier than March  
9 1, 1992. In determining the water upon which riverboats will  
10 operate, the Board shall consider the economic benefit which  
11 riverboat gambling confers on the State, and shall seek to  
12 assure that all regions of the State share in the economic  
13 benefits of riverboat gambling.

14 In granting all licenses, the Board may give favorable  
15 consideration to economically depressed areas of the State, to  
16 applicants presenting plans which provide for significant  
17 economic development over a large geographic area, and to  
18 applicants who currently operate non-gambling riverboats in  
19 Illinois. The Board shall review all applications for owners  
20 licenses, and shall inform each applicant of the Board's  
21 decision. The Board may grant an owners license to an applicant  
22 that has not submitted the highest license bid, but if it does  
23 not select the highest bidder, the Board shall issue a written  
24 decision explaining why another applicant was selected and  
25 identifying the factors set forth in this Section that favored  
26 the winning bidder. The fee for issuance or renewal of a

1 license pursuant to this subsection (e) shall be \$250,000.

2 (e-5) In addition to licenses authorized under subsection  
3 (e) of this Section:

4 (1) the Board may issue one owners license authorizing  
5 the conduct of casino gambling in the City of Chicago;

6 (2) the Board may issue one owners license authorizing  
7 the conduct of riverboat gambling in the City of Danville;

8 (3) the Board may issue one owners license authorizing  
9 the conduct of riverboat gambling ~~located~~ in the City of  
10 Waukegan;

11 (4) the Board may issue one owners license authorizing  
12 the conduct of riverboat gambling in the City of Rockford;

13 (5) the Board may issue one owners license authorizing  
14 the conduct of riverboat gambling in a municipality that is  
15 wholly or partially located in one of the following  
16 townships of Cook County: Bloom, Bremen, Calumet, Rich,  
17 Thornton, or Worth Township; and

18 (6) the Board may issue one owners license authorizing  
19 the conduct of riverboat gambling in the unincorporated  
20 area of Williamson County adjacent to the Big Muddy River.

21 Except for the license authorized under paragraph (1), each  
22 application for a license pursuant to this subsection (e-5)  
23 shall be submitted to the Board no later than 120 days after  
24 June 28, 2019 (the effective date of Public Act 101-31) ~~this~~  
25 ~~amendatory Act of the 101st General Assembly~~. All applications  
26 for a license under this subsection (e-5) shall include the

1 nonrefundable application fee and the nonrefundable background  
2 investigation fee as provided in subsection (d) of Section 6 of  
3 this Act. In the event that an applicant submits an application  
4 for a license pursuant to this subsection (e-5) prior to June  
5 28, 2019 (the effective date of Public Act 101-31) ~~this~~  
6 ~~amendatory Act of the 101st General Assembly~~, such applicant  
7 shall submit the nonrefundable application fee and background  
8 investigation fee as provided in subsection (d) of Section 6 of  
9 this Act no later than 6 months after June 28, 2019 (the  
10 effective date of Public Act 101-31) ~~this amendatory Act of the~~  
11 ~~101st General Assembly~~.

12 The Board shall consider issuing a license pursuant to  
13 paragraphs (1) through (6) of this subsection only after the  
14 corporate authority of the municipality or the county board of  
15 the county in which the riverboat or casino shall be located  
16 has certified to the Board the following:

17 (i) that the applicant has negotiated with the  
18 corporate authority or county board in good faith;

19 (ii) that the applicant and the corporate authority or  
20 county board have mutually agreed on the permanent location  
21 of the riverboat or casino;

22 (iii) that the applicant and the corporate authority or  
23 county board have mutually agreed on the temporary location  
24 of the riverboat or casino;

25 (iv) that the applicant and the corporate authority or  
26 the county board have mutually agreed on the percentage of

1 revenues that will be shared with the municipality or  
2 county, if any;

3 (v) that the applicant and the corporate authority or  
4 county board have mutually agreed on any zoning, licensing,  
5 public health, or other issues that are within the  
6 jurisdiction of the municipality or county; and

7 (vi) that the corporate authority or county board has  
8 passed a resolution or ordinance in support of the  
9 riverboat or casino in the municipality or county.

10 At least 7 days before the corporate authority of a  
11 municipality or county board of the county submits a  
12 certification to the Board concerning items (i) through (vi) of  
13 this subsection, it shall hold a public hearing to discuss  
14 items (i) through (vi), as well as any other details concerning  
15 the proposed riverboat or casino in the municipality or county.  
16 The corporate authority or county board must subsequently  
17 memorialize the details concerning the proposed riverboat or  
18 casino in a resolution that must be adopted by a majority of  
19 the corporate authority or county board before any  
20 certification is sent to the Board. The Board shall not alter,  
21 amend, change, or otherwise interfere with any agreement  
22 between the applicant and the corporate authority of the  
23 municipality or county board of the county regarding the  
24 location of any temporary or permanent facility.

25 In addition, within 10 days after June 28, 2019 (the  
26 effective date of Public Act 101-31) ~~this amendatory Act of the~~

1 ~~101st General Assembly~~, the Board, with consent and at the  
2 expense of the City of Chicago, shall select and retain the  
3 services of a nationally recognized casino gaming feasibility  
4 consultant. Within 45 days after June 28, 2019 (the effective  
5 date of Public Act 101-31) ~~this amendatory Act of the 101st~~  
6 ~~General Assembly~~, the consultant shall prepare and deliver to  
7 the Board a study concerning the feasibility of, and the  
8 ability to finance, a casino in the City of Chicago. The  
9 feasibility study shall be delivered to the Mayor of the City  
10 of Chicago, the Governor, the President of the Senate, and the  
11 Speaker of the House of Representatives. Ninety days after  
12 receipt of the feasibility study, the Board shall make a  
13 determination, based on the results of the feasibility study,  
14 whether to recommend to the General Assembly that the terms of  
15 the license under paragraph (1) of this subsection (e-5) should  
16 be modified. The Board may begin accepting applications for the  
17 owners license under paragraph (1) of this subsection (e-5)  
18 upon the determination to issue such an owners license.

19 In addition, prior to the Board issuing the owners license  
20 authorized under paragraph (4) of subsection (e-5), an impact  
21 study shall be completed to determine what location in the city  
22 will provide the greater impact to the region, including the  
23 creation of jobs and the generation of tax revenue.

24 (e-10) The licenses authorized under subsection (e-5) of  
25 this Section shall be issued within 12 months after the date  
26 the license application is submitted. If the Board does not



1 issue the licenses within that time period, then the Board  
2 shall give a written explanation to the applicant as to why it  
3 has not reached a determination and when it reasonably expects  
4 to make a determination. The fee for the issuance or renewal of  
5 a license issued pursuant to this subsection (e-10) shall be  
6 \$250,000. Additionally, a licensee located outside of Cook  
7 County shall pay a minimum initial fee of \$17,500 per gaming  
8 position, and a licensee located in Cook County shall pay a  
9 minimum initial fee of \$30,000 per gaming position. The initial  
10 fees payable under this subsection (e-10) shall be deposited  
11 into the Rebuild Illinois Projects Fund.

12 (e-15) Each licensee of a license authorized under  
13 subsection (e-5) of this Section shall make a reconciliation  
14 payment 3 years after the date the licensee begins operating in  
15 an amount equal to 75% of the adjusted gross receipts for the  
16 most lucrative 12-month period of operations, minus an amount  
17 equal to the initial payment per gaming position paid by the  
18 specific licensee. Each licensee shall pay a \$15,000,000  
19 reconciliation fee upon issuance of an owners license. If this  
20 calculation results in a negative amount, then the licensee is  
21 not entitled to any reimbursement of fees previously paid. This  
22 reconciliation payment may be made in installments over a  
23 period of no more than 2 years, subject to Board approval. Any  
24 installment payments shall include an annual market interest  
25 rate as determined by the Board. All payments by licensees  
26 under this subsection (e-15) shall be deposited into the

1 Rebuild Illinois Projects Fund.

2 (e-20) In addition to any other revocation powers granted  
3 to the Board under this Act, the Board may revoke the owners  
4 license of a licensee which fails to begin conducting gambling  
5 within 15 months of receipt of the Board's approval of the  
6 application if the Board determines that license revocation is  
7 in the best interests of the State.

8 (f) The first 10 owners licenses issued under this Act  
9 shall permit the holder to own up to 2 riverboats and equipment  
10 thereon for a period of 3 years after the effective date of the  
11 license. Holders of the first 10 owners licenses must pay the  
12 annual license fee for each of the 3 years during which they  
13 are authorized to own riverboats.

14 (g) Upon the termination, expiration, or revocation of each  
15 of the first 10 licenses, which shall be issued for a 3-year ~~3~~  
16 ~~year~~ period, all licenses are renewable annually upon payment  
17 of the fee and a determination by the Board that the licensee  
18 continues to meet all of the requirements of this Act and the  
19 Board's rules. However, for licenses renewed on or after May 1,  
20 1998, renewal shall be for a period of 4 years, unless the  
21 Board sets a shorter period.

22 (h) An owners license, except for an owners license issued  
23 under subsection (e-5) of this Section, shall entitle the  
24 licensee to own up to 2 riverboats.

25 An owners licensee of a casino or riverboat that is located  
26 in the City of Chicago pursuant to paragraph (1) of subsection

1 (e-5) of this Section shall limit the number of gaming  
2 positions to 4,000 for such owner. An owners licensee  
3 authorized under subsection (e) or paragraph (2), (3), (4), or  
4 (5) of subsection (e-5) of this Section shall limit the number  
5 of gaming positions to 2,000 for any such owners license. An  
6 owners licensee authorized under paragraph (6) of subsection  
7 (e-5) of this Section shall limit the number of gaming  
8 positions to 1,200 for such owner. The initial fee for each  
9 gaming position obtained on or after June 28, 2019 (the  
10 effective date of Public Act 101-31) ~~this amendatory Act of the~~  
11 ~~101st General Assembly~~ shall be a minimum of \$17,500 for  
12 licensees not located in Cook County and a minimum of \$30,000  
13 for licensees located in Cook County, in addition to the  
14 reconciliation payment, as set forth in subsection (e-15) of  
15 this Section. The fees under this subsection (h) shall be  
16 deposited into the Rebuild Illinois Projects Fund. The fees  
17 under this subsection (h) that are paid by an owners licensee  
18 authorized under subsection (e) shall be paid by July 1, 2020.

19 Additional gaming positions, up to the maximum limit of  
20 2,000 gaming positions for qualifying owners licensees, may be  
21 obtained on, before, or after the effective date of this  
22 amendatory Act of the 101st General Assembly. Payment for  
23 additional gaming positions may be made on a monthly basis,  
24 subject to payment schedules specified by the Board.

25 ~~Each owners licensee under subsection (e) of this Section~~  
26 ~~shall reserve its gaming positions within 30 days after the~~

1 ~~effective date of this amendatory Act of the 101st General~~  
2 ~~Assembly. The Board may grant an extension to this 30 day~~  
3 ~~period, provided that the owners licensee submits a written~~  
4 ~~request and explanation as to why it is unable to reserve its~~  
5 ~~positions within the 30 day period.~~

6 ~~Each owners licensee under subsection (c 5) of this Section~~  
7 ~~shall reserve its gaming positions within 30 days after~~  
8 ~~issuance of its owners license. The Board may grant an~~  
9 ~~extension to this 30 day period, provided that the owners~~  
10 ~~licensee submits a written request and explanation as to why it~~  
11 ~~is unable to reserve its positions within the 30 day period.~~

12 A licensee may operate both of its riverboats concurrently,  
13 provided that the total number of gaming positions on both  
14 riverboats does not exceed the limit established pursuant to  
15 this subsection. Riverboats licensed to operate on the  
16 Mississippi River and the Illinois River south of Marshall  
17 County shall have an authorized capacity of at least 500  
18 persons. Any other riverboat licensed under this Act shall have  
19 an authorized capacity of at least 400 persons.

20 (h-5) An owners licensee who conducted gambling operations  
21 prior to January 1, 2012 and obtains positions pursuant to  
22 Public Act 101-31 ~~this amendatory Act of the 101st General~~  
23 ~~Assembly~~ shall make a reconciliation payment 3 years after any  
24 additional gaming positions begin operating in an amount equal  
25 to 75% of the owners licensee's average gross receipts for the  
26 most lucrative 12-month period of operations minus an amount

1 equal to the initial fee that the owners licensee paid per  
2 additional gaming position. For purposes of this subsection  
3 (h-5), "average gross receipts" means (i) the increase in  
4 adjusted gross receipts for the most lucrative 12-month period  
5 of operations over the adjusted gross receipts for 2019,  
6 multiplied by (ii) the percentage derived by dividing the  
7 number of additional gaming positions that an owners licensee  
8 had obtained by the total number of gaming positions operated  
9 by the owners licensee. If this calculation results in a  
10 negative amount, then the owners licensee is not entitled to  
11 any reimbursement of fees previously paid. This reconciliation  
12 payment may be made in installments over a period of no more  
13 than 2 years, subject to Board approval. Any installment  
14 payments shall include an annual market interest rate as  
15 determined by the Board. These reconciliation payments shall be  
16 deposited into the Rebuild Illinois Projects Fund.

17 (i) A licensed owner is authorized to apply to the Board  
18 for and, if approved therefor, to receive all licenses from the  
19 Board necessary for the operation of a riverboat or casino,  
20 including a liquor license, a license to prepare and serve food  
21 for human consumption, and other necessary licenses. All use,  
22 occupation, and excise taxes which apply to the sale of food  
23 and beverages in this State and all taxes imposed on the sale  
24 or use of tangible personal property apply to such sales aboard  
25 the riverboat or in the casino.

26 (j) The Board may issue or re-issue a license authorizing a

1 riverboat to dock in a municipality or approve a relocation  
2 under Section 11.2 only if, prior to the issuance or  
3 re-issuance of the license or approval, the governing body of  
4 the municipality in which the riverboat will dock has by a  
5 majority vote approved the docking of riverboats in the  
6 municipality. The Board may issue or re-issue a license  
7 authorizing a riverboat to dock in areas of a county outside  
8 any municipality or approve a relocation under Section 11.2  
9 only if, prior to the issuance or re-issuance of the license or  
10 approval, the governing body of the county has by a majority  
11 vote approved of the docking of riverboats within such areas.

12 (k) An owners licensee may conduct land-based gambling  
13 operations upon approval by the Board and payment of a fee of  
14 \$250,000, which shall be deposited into the State Gaming Fund.

15 (l) An owners licensee may conduct gaming at a temporary  
16 facility pending the construction of a permanent facility or  
17 the remodeling or relocation of an existing facility to  
18 accommodate gaming participants for up to 24 months after the  
19 temporary facility begins to conduct gaming. Upon request by an  
20 owners licensee and upon a showing of good cause by the owners  
21 licensee, the Board shall extend the period during which the  
22 licensee may conduct gaming at a temporary facility by up to 12  
23 months. The Board shall make rules concerning the conduct of  
24 gaming from temporary facilities.

25 (Source: P.A. 100-391, eff. 8-25-17; 100-1152, eff. 12-14-18;  
26 101-31, eff. 6-28-19; revised 9-20-19.)

1 (230 ILCS 10/7.6)

2 Sec. 7.6. Business enterprise program.

3 (a) For the purposes of this Section, the terms "minority",  
4 "minority-owned business", "woman", "women-owned business",  
5 "person with a disability", and "business owned by a person  
6 with a disability" have the meanings ascribed to them in the  
7 Business Enterprise for Minorities, Women, and Persons with  
8 Disabilities Act.

9 (b) The Board shall, by rule, establish goals for the award  
10 of contracts by each owners licensee to businesses owned by  
11 minorities, women, and persons with disabilities, expressed as  
12 percentages of an owners licensee's total dollar amount of  
13 contracts awarded during each calendar year. Each owners  
14 licensee must make every effort to meet the goals established  
15 by the Board pursuant to this Section. When setting the goals  
16 for the award of contracts, the Board shall not include  
17 contracts where: (1) any purchasing mandates would be dependent  
18 upon the availability of minority-owned businesses,  
19 women-owned businesses, and businesses owned by persons with  
20 disabilities ready, willing, and able with capacity to provide  
21 quality goods and services to a gaming operation at reasonable  
22 prices; (2) there are no or a limited number of licensed  
23 suppliers as defined by this Act for the goods or services  
24 provided to the licensee; (3) the licensee or its parent  
25 company owns a company that provides the goods or services; or

1 (4) the goods or services are provided to the licensee by a  
2 publicly traded company.

3 (c) Each owners licensee shall file with the Board an  
4 annual report of its utilization of minority-owned businesses,  
5 women-owned businesses, and businesses owned by persons with  
6 disabilities during the preceding calendar year. The reports  
7 shall include a self-evaluation of the efforts of the owners  
8 licensee to meet its goals under this Section.

9 (c-5) The Board shall, by rule, establish goals for the  
10 award of contracts by each owners licensee to businesses owned  
11 by veterans of service in the armed forces of the United  
12 States, expressed as percentages of an owners licensee's total  
13 dollar amount of contracts awarded during each calendar year.  
14 When setting the goals for the award of contracts, the Board  
15 shall not include contracts where: (1) any purchasing mandates  
16 would be dependent upon the availability of veteran-owned  
17 businesses ready, willing, and able with capacity to provide  
18 quality goods and services to a gaming operation at reasonable  
19 prices; (2) there are no or a limited number of licensed  
20 suppliers as defined in this Act for the goods or services  
21 provided to the licensee; (3) the licensee or its parent  
22 company owns a company that provides the goods or services; or  
23 (4) the goods or services are provided to the licensee by a  
24 publicly traded company.

25 Each owners licensee shall file with the Board an annual  
26 report of its utilization of veteran-owned businesses during



1 the preceding calendar year. The reports shall include a  
2 self-evaluation of the efforts of the owners licensee to meet  
3 its goals under this Section.

4 (d) The owners licensee shall have the right to request a  
5 waiver from the requirements of this Section. The Board shall  
6 grant the waiver where the owners licensee demonstrates that  
7 there has been made a good faith effort to comply with the  
8 goals for participation by minority-owned businesses,  
9 women-owned businesses, businesses owned by persons with  
10 disabilities, and veteran-owned businesses.

11 (e) If the Board determines that its goals and policies are  
12 not being met by any owners licensee, then the Board may:

13 (1) adopt remedies for such violations; and

14 (2) recommend that the owners licensee provide  
15 additional opportunities for participation by  
16 minority-owned businesses, women-owned businesses,  
17 businesses owned by persons with disabilities, and  
18 veteran-owned businesses; such recommendations may  
19 include, but shall not be limited to:

20 (A) assurances of stronger and better focused  
21 solicitation efforts to obtain more minority-owned  
22 businesses, women-owned businesses, businesses owned  
23 by persons with disabilities, and veteran-owned  
24 businesses as potential sources of supply;

25 (B) division of job or project requirements, when  
26 economically feasible, into tasks or quantities to

1 permit participation of minority-owned businesses,  
2 women-owned businesses, businesses owned by persons  
3 with disabilities, and veteran-owned businesses;

4 (C) elimination of extended experience or  
5 capitalization requirements, when programmatically  
6 feasible, to permit participation of minority-owned  
7 businesses, women-owned businesses, businesses owned  
8 by persons with disabilities, and veteran-owned  
9 businesses;

10 (D) identification of specific proposed contracts  
11 as particularly attractive or appropriate for  
12 participation by minority-owned businesses,  
13 women-owned businesses, businesses owned by persons  
14 with disabilities, and veteran-owned businesses, such  
15 identification to result from and be coupled with the  
16 efforts of items (A) through (C); and

17 (E) implementation of regulations established for  
18 the use of the sheltered market process.

19 (f) The Board shall file, no later than July 1 ~~March 1~~ of  
20 each year, an annual report that shall detail the level of  
21 achievement toward the goals specified in this Section over the  
22 3 most recent fiscal years. The annual report shall include,  
23 but need not be limited to:

24 (1) a summary detailing expenditures subject to the  
25 goals, the actual goals specified, and the goals attained  
26 by each owners licensee; and

1           (2) an analysis of the level of overall goal  
2           achievement concerning purchases from minority-owned  
3           businesses, women-owned businesses, businesses owned by  
4           persons with disabilities, and veteran-owned businesses.  
5           (Source: P.A. 99-78, eff. 7-20-15; 100-391, eff. 8-25-17;  
6           100-1152, eff. 12-14-18.)

7           (230 ILCS 10/7.7)

8           Sec. 7.7. Organization gaming licenses.

9           (a) The Illinois Gaming Board shall award one organization  
10          gaming license to each person or entity having operating  
11          control of a racetrack that applies under Section 56 of the  
12          Illinois Horse Racing Act of 1975, subject to the application  
13          and eligibility requirements of this Section. Within 60 days  
14          after the effective date of this amendatory Act of the 101st  
15          General Assembly, a person or entity having operating control  
16          of a racetrack may submit an application for an organization  
17          gaming license. The application shall be made on such forms as  
18          provided by the Board and shall contain such information as the  
19          Board prescribes, including, but not limited to, the identity  
20          of any racetrack at which gaming will be conducted pursuant to  
21          an organization gaming license, detailed information regarding  
22          the ownership and management of the applicant, and detailed  
23          personal information regarding the applicant. The application  
24          shall specify the number of gaming positions the applicant  
25          intends to use and the place where the organization gaming

1 facility will operate. A person who knowingly makes a false  
2 statement on an application is guilty of a Class A misdemeanor.

3 Each applicant shall disclose the identity of every person  
4 or entity having a direct or indirect pecuniary interest  
5 greater than 1% in any racetrack with respect to which the  
6 license is sought. If the disclosed entity is a corporation,  
7 the applicant shall disclose the state of incorporation or  
8 registration and names of the corporate officers, directors,  
9 and stockholders. If the disclosed entity is a limited  
10 liability company, the applicant shall disclose the state of  
11 formation and names of all members. If the disclosed entity is  
12 a general or limited partnership, the applicant shall disclose  
13 the names of all partners, both general and limited. If the  
14 entity is a trust, the applicant shall disclose the names of  
15 all participants in the trust ~~If the disclosed entity is a~~  
16 ~~corporation, the applicant shall disclose the names and~~  
17 ~~addresses of all officers, stockholders, and directors. If the~~  
18 ~~disclosed entity is a limited liability company, the applicant~~  
19 ~~shall disclose the names and addresses of all members and~~  
20 ~~managers. If the disclosed entity is a partnership, the~~  
21 ~~applicant shall disclose the names and addresses of all~~  
22 ~~partners, both general and limited. If the disclosed entity is~~  
23 ~~a trust, the applicant shall disclose the names and addresses~~  
24 ~~of all beneficiaries.~~

25 An application shall be filed and considered in accordance  
26 with the rules of the Board. Each application for an

1 organization gaming license shall include a nonrefundable  
2 application fee of \$250,000. In addition, a nonrefundable fee  
3 of \$50,000 shall be paid at the time of filing to defray the  
4 costs associated with background investigations conducted by  
5 the Board. If the costs of the background investigation exceed  
6 \$50,000, the applicant shall pay the additional amount to the  
7 Board within 7 days after a request by the Board. If the costs  
8 of the investigation are less than \$50,000, the applicant shall  
9 receive a refund of the remaining amount. All information,  
10 records, interviews, reports, statements, memoranda, or other  
11 data supplied to or used by the Board in the course of this  
12 review or investigation of an applicant for an organization  
13 gaming license under this Act shall be privileged and strictly  
14 confidential and shall be used only for the purpose of  
15 evaluating an applicant for an organization gaming license or a  
16 renewal. Such information, records, interviews, reports,  
17 statements, memoranda, or other data shall not be admissible as  
18 evidence nor discoverable in any action of any kind in any  
19 court or before any tribunal, board, agency or person, except  
20 for any action deemed necessary by the Board. The application  
21 fee shall be deposited into the State Gaming Fund.

22 Any applicant or key person, including the applicant's  
23 owners, officers, directors (if a corporation), managers and  
24 members (if a limited liability company), and partners (if a  
25 partnership), for an organization gaming license shall have his  
26 or her fingerprints submitted to the Department of State Police

1 in an electronic format that complies with the form and manner  
2 for requesting and furnishing criminal history record  
3 information as prescribed by the Department of State Police.  
4 These fingerprints shall be checked against the Department of  
5 State Police and Federal Bureau of Investigation criminal  
6 history record databases now and hereafter filed, including,  
7 but not limited to, civil, criminal, and latent fingerprint  
8 databases. The Department of State Police shall charge  
9 applicants a fee for conducting the criminal history records  
10 check, which shall be deposited into the State Police Services  
11 Fund and shall not exceed the actual cost of the records check.  
12 The Department of State Police shall furnish, pursuant to  
13 positive identification, records of Illinois criminal history  
14 to the Department.

15 (b) The Board shall determine within 120 days after  
16 receiving an application for an organization gaming license  
17 whether to grant an organization gaming license to the  
18 applicant. If the Board does not make a determination within  
19 that time period, then the Board shall give a written  
20 explanation to the applicant as to why it has not reached a  
21 determination and when it reasonably expects to make a  
22 determination.

23 The organization gaming licensee shall purchase up to the  
24 amount of gaming positions authorized under this Act within 120  
25 days after receiving its organization gaming license. If an  
26 organization gaming licensee is prepared to purchase the gaming

1 positions, but is temporarily prohibited from doing so by order  
2 of a court of competent jurisdiction or the Board, then the  
3 120-day period is tolled until a resolution is reached.

4 An organization gaming license shall authorize its holder  
5 to conduct gaming under this Act at its racetracks on the same  
6 days of the year and hours of the day that owners licenses are  
7 allowed to operate under approval of the Board.

8 An organization gaming license and any renewal of an  
9 organization gaming license shall authorize gaming pursuant to  
10 this Section for a period of 4 years. The fee for the issuance  
11 or renewal of an organization gaming license shall be \$250,000.

12 All payments by licensees under this subsection (b) shall  
13 be deposited into the Rebuild Illinois Projects Fund.

14 (c) To be eligible to conduct gaming under this Section, a  
15 person or entity having operating control of a racetrack must  
16 (i) obtain an organization gaming license, (ii) hold an  
17 organization license under the Illinois Horse Racing Act of  
18 1975, (iii) hold an inter-track wagering license, (iv) pay an  
19 initial fee of \$30,000 per gaming position from organization  
20 gaming licensees where gaming is conducted in Cook County and,  
21 except as provided in subsection (c-5), \$17,500 for  
22 organization gaming licensees where gaming is conducted  
23 outside of Cook County before beginning to conduct gaming plus  
24 make the reconciliation payment required under subsection (k),  
25 (v) conduct live racing in accordance with subsections (e-1),  
26 (e-2), and (e-3) of Section 20 of the Illinois Horse Racing Act

1 of 1975, (vi) meet the requirements of subsection (a) of  
2 Section 56 of the Illinois Horse Racing Act of 1975, (vii) for  
3 organization licensees conducting standardbred race meetings,  
4 keep backstretch barns and dormitories open and operational  
5 year-round unless a lesser schedule is mutually agreed to by  
6 the organization licensee and the horsemen association racing  
7 at that organization licensee's race meeting, (viii) for  
8 organization licensees conducting thoroughbred race meetings,  
9 the organization licensee must maintain accident medical  
10 expense liability insurance coverage of \$1,000,000 for  
11 jockeys, and (ix) meet all other requirements of this Act that  
12 apply to owners licensees.

13 An organization gaming licensee may enter into a joint  
14 venture with a licensed owner to own, manage, conduct, or  
15 otherwise operate the organization gaming licensee's  
16 organization gaming facilities, unless the organization gaming  
17 licensee has a parent company or other affiliated company that  
18 is, directly or indirectly, wholly owned by a parent company  
19 that is also licensed to conduct organization gaming, casino  
20 gaming, or their equivalent in another state.

21 All payments by licensees under this subsection (c) shall  
22 be deposited into the Rebuild Illinois Projects Fund.

23 (c-5) A person or entity having operating control of a  
24 racetrack located in Madison County shall only pay the initial  
25 fees specified in subsection (c) for 540 of the gaming  
26 positions authorized under the license.



1 (d) A person or entity is ineligible to receive an  
2 organization gaming license if:

3 (1) the person or entity has been convicted of a felony  
4 under the laws of this State, any other state, or the  
5 United States, including a conviction under the Racketeer  
6 Influenced and Corrupt Organizations Act;

7 (2) the person or entity has been convicted of any  
8 violation of Article 28 of the Criminal Code of 2012, or  
9 substantially similar laws of any other jurisdiction;

10 (3) the person or entity has submitted an application  
11 for a license under this Act that contains false  
12 information;

13 (4) the person is a member of the Board;

14 (5) a person defined in (1), (2), (3), or (4) of this  
15 subsection (d) is an officer, director, or managerial  
16 employee of the entity;

17 (6) the person or entity employs a person defined in  
18 (1), (2), (3), or (4) of this subsection (d) who  
19 participates in the management or operation of gambling  
20 operations authorized under this Act; or

21 (7) a license of the person or entity issued under this  
22 Act or a license to own or operate gambling facilities in  
23 any other jurisdiction has been revoked.

24 (e) The Board may approve gaming positions pursuant to an  
25 organization gaming license statewide as provided in this  
26 Section. The authority to operate gaming positions under this

1 Section shall be allocated as follows: up to 1,200 gaming  
2 positions for any organization gaming licensee in Cook County  
3 and up to 900 gaming positions for any organization gaming  
4 licensee outside of Cook County.

5 (f) Each applicant for an organization gaming license shall  
6 specify in its application for licensure the number of gaming  
7 positions it will operate, up to the applicable limitation set  
8 forth in subsection (e) of this Section. Any unreserved gaming  
9 positions that are not specified shall be forfeited and  
10 retained by the Board. For the purposes of this subsection (f),  
11 an organization gaming licensee that did not conduct live  
12 racing in 2010 and is located within 3 miles of the Mississippi  
13 River may reserve up to 900 positions and shall not be  
14 penalized under this Section for not operating those positions  
15 until it meets the requirements of subsection (e) of this  
16 Section, but such licensee shall not request unreserved gaming  
17 positions under this subsection (f) until its 900 positions are  
18 all operational.

19 Thereafter, the Board shall publish the number of  
20 unreserved gaming positions and shall accept requests for  
21 additional positions from any organization gaming licensee  
22 that initially reserved all of the positions that were offered.  
23 The Board shall allocate expeditiously the unreserved gaming  
24 positions to requesting organization gaming licensees in a  
25 manner that maximizes revenue to the State. The Board may  
26 allocate any such unused gaming positions pursuant to an open

1 and competitive bidding process, as provided under Section 7.5  
2 of this Act. This process shall continue until all unreserved  
3 gaming positions have been purchased. All positions obtained  
4 pursuant to this process and all positions the organization  
5 gaming licensee specified it would operate in its application  
6 must be in operation within 18 months after they were obtained  
7 or the organization gaming licensee forfeits the right to  
8 operate those positions, but is not entitled to a refund of any  
9 fees paid. The Board may, after holding a public hearing, grant  
10 extensions so long as the organization gaming licensee is  
11 working in good faith to make the positions operational. The  
12 extension may be for a period of 6 months. If, after the period  
13 of the extension, the organization gaming licensee has not made  
14 the positions operational, then another public hearing must be  
15 held by the Board before it may grant another extension.

16 Unreserved gaming positions retained from and allocated to  
17 organization gaming licensees by the Board pursuant to this  
18 subsection (f) shall not be allocated to owners licensees under  
19 this Act.

20 For the purpose of this subsection (f), the unreserved  
21 gaming positions for each organization gaming licensee shall be  
22 the applicable limitation set forth in subsection (e) of this  
23 Section, less the number of reserved gaming positions by such  
24 organization gaming licensee, and the total unreserved gaming  
25 positions shall be the aggregate of the unreserved gaming  
26 positions for all organization gaming licensees.

1           (g) An organization gaming licensee is authorized to  
2 conduct the following at a racetrack:

3                 (1) slot machine gambling;

4                 (2) video game of chance gambling;

5                 (3) gambling with electronic gambling games as defined  
6 in this Act or defined by the Illinois Gaming Board; and

7                 (4) table games.

8           (h) Subject to the approval of the Illinois Gaming Board,  
9 an organization gaming licensee may make modification or  
10 additions to any existing buildings and structures to comply  
11 with the requirements of this Act. The Illinois Gaming Board  
12 shall make its decision after consulting with the Illinois  
13 Racing Board. In no case, however, shall the Illinois Gaming  
14 Board approve any modification or addition that alters the  
15 grounds of the organization licensee such that the act of live  
16 racing is an ancillary activity to gaming authorized under this  
17 Section. Gaming authorized under this Section may take place in  
18 existing structures where inter-track wagering is conducted at  
19 the racetrack or a facility within 300 yards of the racetrack  
20 in accordance with the provisions of this Act and the Illinois  
21 Horse Racing Act of 1975.

22           (i) An organization gaming licensee may conduct gaming at a  
23 temporary facility pending the construction of a permanent  
24 facility or the remodeling or relocation of an existing  
25 facility to accommodate gaming participants for up to 24 months  
26 after the temporary facility begins to conduct gaming

1 authorized under this Section. Upon request by an organization  
2 gaming licensee and upon a showing of good cause by the  
3 organization gaming licensee, the Board shall extend the period  
4 during which the licensee may conduct gaming authorized under  
5 this Section at a temporary facility by up to 12 months. The  
6 Board shall make rules concerning the conduct of gaming  
7 authorized under this Section from temporary facilities.

8 The gaming authorized under this Section may take place in  
9 existing structures where inter-track wagering is conducted at  
10 the racetrack or a facility within 300 yards of the racetrack  
11 in accordance with the provisions of this Act and the Illinois  
12 Horse Racing Act of 1975.

13 (i-5) Under no circumstances shall an organization gaming  
14 licensee conduct gaming at any State or county fair.

15 (j) The Illinois Gaming Board must adopt emergency rules in  
16 accordance with Section 5-45 of the Illinois Administrative  
17 Procedure Act as necessary to ensure compliance with the  
18 provisions of this amendatory Act of the 101st General Assembly  
19 concerning the conduct of gaming by an organization gaming  
20 licensee. The adoption of emergency rules authorized by this  
21 subsection (j) shall be deemed to be necessary for the public  
22 interest, safety, and welfare.

23 (k) Each organization gaming licensee who obtains gaming  
24 positions must make a reconciliation payment 3 years after the  
25 date the organization gaming licensee begins operating the  
26 positions in an amount equal to 75% of the difference between

1 its adjusted gross receipts from gaming authorized under this  
2 Section and amounts paid to its purse accounts pursuant to item  
3 (1) of subsection (b) of Section 56 of the Illinois Horse  
4 Racing Act of 1975 for the 12-month period for which such  
5 difference was the largest, minus an amount equal to the  
6 initial per position fee paid by the organization gaming  
7 licensee. If this calculation results in a negative amount,  
8 then the organization gaming licensee is not entitled to any  
9 reimbursement of fees previously paid. This reconciliation  
10 payment may be made in installments over a period of no more  
11 than 2 years, subject to Board approval. Any installment  
12 payments shall include an annual market interest rate as  
13 determined by the Board.

14 All payments by licensees under this subsection (k) shall  
15 be deposited into the Rebuild Illinois Projects Fund.

16 (1) As soon as practical after a request is made by the  
17 Illinois Gaming Board, to minimize duplicate submissions by the  
18 applicant, the Illinois Racing Board must provide information  
19 on an applicant for an organization gaming license to the  
20 Illinois Gaming Board.

21 (Source: P.A. 101-31, eff. 6-28-19; 101-597, eff. 12-6-19.)

22 (230 ILCS 10/8) (from Ch. 120, par. 2408)

23 Sec. 8. Suppliers licenses.

24 (a) The Board may issue a suppliers license to such  
25 persons, firms or corporations which apply therefor upon the

1 payment of a non-refundable application fee set by the Board,  
2 upon a determination by the Board that the applicant is  
3 eligible for a suppliers license and upon payment of a \$5,000  
4 annual license fee. Subject to the provisions of this Section,  
5 an applicant for a suppliers license that holds a license as a  
6 manufacturer, distributor, or supplier under the Video Gaming  
7 Act shall not be subject to additional Board investigation as a  
8 condition for a suppliers license under this Act, except by  
9 vote of the Board.

10 (b) The holder of a suppliers license is authorized to sell  
11 or lease, and to contract to sell or lease, gambling equipment  
12 and supplies to any licensee involved in the ownership or  
13 management of gambling operations.

14 (c) Gambling supplies and equipment may not be distributed  
15 unless supplies and equipment conform to standards adopted by  
16 rules of the Board.

17 (d) A person, firm or corporation is ineligible to receive  
18 a suppliers license if:

19 (1) the person has been convicted of a felony under the  
20 laws of this State, any other state, or the United States;

21 (2) the person has been convicted of any violation of  
22 Article 28 of the Criminal Code of 1961 or the Criminal  
23 Code of 2012, or substantially similar laws of any other  
24 jurisdiction;

25 (3) the person has submitted an application for a  
26 license under this Act which contains false information;

1 (4) the person is a member of the Board;

2 (5) the entity is one in which a person defined in (1),  
3 (2), (3) or (4), is an officer, director or managerial  
4 employee;

5 (6) the firm or corporation employs a person who  
6 participates in the management or operation of gambling  
7 authorized under this Act;

8 (7) the license of the person, firm or corporation  
9 issued under this Act, or a license to own or operate  
10 gambling facilities in any other jurisdiction, has been  
11 revoked.

12 (e) Any person that supplies any equipment, devices, or  
13 supplies to a licensed gambling operation must first obtain a  
14 suppliers license. A supplier shall furnish to the Board a list  
15 of all equipment, devices and supplies offered for sale or  
16 lease in connection with gambling games authorized under this  
17 Act. A supplier shall keep books and records for the furnishing  
18 of equipment, devices and supplies to gambling operations  
19 separate and distinct from any other business that the supplier  
20 might operate. A supplier shall file a quarterly return with  
21 the Board listing all sales and leases. A supplier shall  
22 permanently affix its name or a distinctive logo or other mark  
23 or design element identifying the manufacturer or supplier to  
24 all its equipment, devices, and supplies, except gaming chips  
25 without a value impressed, engraved, or imprinted on it, for  
26 gambling operations. The Board may waive this requirement for



1 any specific product or products if it determines that the  
2 requirement is not necessary to protect the integrity of the  
3 game. Items purchased from a licensed supplier may continue to  
4 be used even though the supplier subsequently changes its name,  
5 distinctive logo, or other mark or design element; undergoes a  
6 change in ownership; or ceases to be licensed as a supplier for  
7 any reason. Any supplier's equipment, devices or supplies which  
8 are used by any person in an unauthorized gambling operation  
9 shall be forfeited to the State. A holder of an owners license  
10 or an organization gaming license may own its own equipment,  
11 devices and supplies. Each holder of an owners license or an  
12 organization gaming license under the Act shall file an annual  
13 report listing its inventories of gambling equipment, devices  
14 and supplies.

15 (f) Any person who knowingly makes a false statement on an  
16 application is guilty of a Class A misdemeanor.

17 (g) Any gambling equipment, devices and supplies provided  
18 by any licensed supplier may either be repaired on the  
19 riverboat, in the casino, or at the organization gaming  
20 facility or removed from the riverboat, casino, or organization  
21 gaming facility to a facility owned by the holder of an owners  
22 license, organization gaming license, or suppliers license for  
23 repair.

24 (Source: P.A. 101-31, eff. 6-28-19.)

25 Section 10. The Video Gaming Act is amended by changing

1 Sections 15 and 80 as follows:

2 (230 ILCS 40/15)

3 Sec. 15. Minimum requirements for licensing and  
4 registration. Every video gaming terminal offered for play  
5 shall first be tested and approved pursuant to the rules of the  
6 Board, and each video gaming terminal offered in this State for  
7 play shall conform to an approved model. For the examination of  
8 video gaming machines and associated equipment as required by  
9 this Section, the Board shall utilize the services of  
10 independent outside testing laboratories that have been  
11 accredited in accordance with ISO/IEC 17025 by an accreditation  
12 body that is a signatory to the International Laboratory  
13 Accreditation Cooperation Mutual Recognition Agreement  
14 signifying they are qualified to perform such examinations.  
15 Notwithstanding any law to the contrary, the Board shall  
16 consider the licensing of independent outside testing  
17 laboratory applicants in accordance with procedures  
18 established by the Board by rule. The Board shall not withhold  
19 its approval of an independent outside testing laboratory  
20 license applicant that has been accredited as required by this  
21 Section and is licensed in gaming jurisdictions comparable to  
22 Illinois. Upon the finalization of required rules, the Board  
23 shall license independent testing laboratories and accept the  
24 test reports of any licensed testing laboratory of the video  
25 gaming machine's or associated equipment manufacturer's

1 choice, notwithstanding the existence of contracts between the  
2 Board and any independent testing laboratory. Every video  
3 gaming terminal offered in this State for play must meet  
4 minimum standards approved by the Board. Each approved model  
5 shall, at a minimum, meet the following criteria:

6 (1) It must conform to all requirements of federal law  
7 and regulations, including FCC Class A Emissions  
8 Standards.

9 (2) It must theoretically pay out a mathematically  
10 demonstrable percentage during the expected lifetime of  
11 the machine of all amounts played, which must not be less  
12 than 80%. The Board shall establish a maximum payout  
13 percentage for approved models by rule. Video gaming  
14 terminals that may be affected by skill must meet this  
15 standard when using a method of play that will provide the  
16 greatest return to the player over a period of continuous  
17 play.

18 (3) It must use a random selection process to determine  
19 the outcome of each play of a game. The random selection  
20 process must meet 99% confidence limits using a standard  
21 chi-squared test for (randomness) goodness of fit.

22 (4) It must display an accurate representation of the  
23 game outcome.

24 (5) It must not automatically alter pay tables or any  
25 function of the video gaming terminal based on internal  
26 computation of hold percentage or have any means of

1 manipulation that affects the random selection process or  
2 probabilities of winning a game.

3 (6) It must not be adversely affected by static  
4 discharge or other electromagnetic interference.

5 (7) It must be capable of detecting and displaying the  
6 following conditions during idle states or on demand: power  
7 reset; door open; and door just closed.

8 (8) It must have the capacity to display complete play  
9 history (outcome, intermediate play steps, credits  
10 available, bets placed, credits paid, and credits cashed  
11 out) for the most recent game played and 10 games prior  
12 thereto.

13 (9) The theoretical payback percentage of a video  
14 gaming terminal must not be capable of being changed  
15 without making a hardware or software change in the video  
16 gaming terminal, either on site or via the central  
17 communications system.

18 (10) Video gaming terminals must be designed so that  
19 replacement of parts or modules required for normal  
20 maintenance does not necessitate replacement of the  
21 electromechanical meters.

22 (11) It must have nonresettable meters housed in a  
23 locked area of the terminal that keep a permanent record of  
24 all cash inserted into the machine, all winnings made by  
25 the terminal printer, credits played in for video gaming  
26 terminals, and credits won by video gaming players. The

1 video gaming terminal must provide the means for on-demand  
2 display of stored information as determined by the Board.

3 (12) Electronically stored meter information required  
4 by this Section must be preserved for a minimum of 180 days  
5 after a power loss to the service.

6 (13) It must have one or more mechanisms that accept  
7 cash in the form of bills. The mechanisms shall be designed  
8 to prevent obtaining credits without paying by stringing,  
9 slamming, drilling, or other means. If such attempts at  
10 physical tampering are made, the video gaming terminal  
11 shall suspend itself from operating until reset.

12 (14) It shall have accounting software that keeps an  
13 electronic record which includes, but is not limited to,  
14 the following: total cash inserted into the video gaming  
15 terminal; the value of winning tickets claimed by players;  
16 the total credits played; the total credits awarded by a  
17 video gaming terminal; and pay back percentage credited to  
18 players of each video game.

19 (15) It shall be linked by a central communications  
20 system to provide auditing program information as approved  
21 by the Board. The central communications system shall use a  
22 standard industry protocol, as defined by the Gaming  
23 Standards Association, and shall have the functionality to  
24 enable the Board or its designee to activate or deactivate  
25 individual gaming devices from the central communications  
26 system. In no event may the communications system approved

1 by the Board limit participation to only one manufacturer  
2 of video gaming terminals by either the cost in  
3 implementing the necessary program modifications to  
4 communicate or the inability to communicate with the  
5 central communications system. The Board may impose a fee,  
6 payable in equal parts by (i) a licensed establishment,  
7 licensed truck stop establishment, licensed large truck  
8 stop establishment, licensed fraternal establishment, or  
9 licensed veterans establishment; and (ii) a terminal  
10 operator with which one of the entities listed in item (i)  
11 has entered into a use agreement, to cover costs of  
12 operating the central communications system.

13 (16) The Board, in its discretion, may require video  
14 gaming terminals to display Amber Alert messages if the  
15 Board makes a finding that it would be economically and  
16 technically feasible and pose no risk to the integrity and  
17 security of the central communications system and video  
18 gaming terminals.

19 Licensed terminal handlers shall have access to video  
20 gaming terminals, including, but not limited to, logic door  
21 access, without the physical presence or supervision of the  
22 Board or its agent to perform, in coordination with and with  
23 project approval from the central communication system  
24 provider:

25 (i) the clearing of the random access memory and  
26 reprogramming of the video gaming terminal;

1           (ii) the installation of new video gaming terminal  
2 software and software upgrades that have been approved by  
3 the Board;

4           (iii) the placement, connection to the central  
5 communication system, and go-live operation of video  
6 gaming terminals at a licensed establishment, licensed  
7 truck stop establishment, licensed large truck stop  
8 establishment, licensed fraternal establishment, or  
9 licensed veterans establishment;

10          (iv) the repair and maintenance of a video gaming  
11 terminal located at a licensed establishment, licensed  
12 truck stop establishment, licensed large truck stop  
13 establishment, licensed fraternal establishment, or  
14 licensed veterans establishment, including, but not  
15 limited to, the replacement of the video gaming terminal  
16 with a new video gaming terminal;

17          (v) the temporary movement, disconnection,  
18 replacement, and reconnection of video gaming terminals to  
19 allow for physical improvements and repairs at a licensed  
20 establishment, licensed truck stop establishment, licensed  
21 large truck stop establishment, licensed fraternal  
22 establishment, or licensed veterans establishment, such as  
23 replacement of flooring, interior repairs, and other  
24 similar activities; and

25          (vi) such other functions as the Board may otherwise  
26 authorize.

1           The Board shall, at a licensed terminal operator's expense,  
2           cause all keys and other required devices to be provided to a  
3           terminal operator necessary to allow the licensed terminal  
4           handler access to the logic door to the terminal operator's  
5           video gaming terminals.

6           The Board may adopt rules to establish additional criteria  
7           to preserve the integrity and security of video gaming in this  
8           State. The central communications system vendor may be licensed  
9           as a video gaming terminal manufacturer or a video gaming  
10          terminal distributor, or both, but in no event shall the  
11          central communications system vendor be licensed as a video  
12          gaming terminal operator.

13          The Board shall not permit the development of information  
14          or the use by any licensee of gaming device or individual game  
15          performance data. Nothing in this Act shall inhibit or prohibit  
16          the Board from the use of gaming device or individual game  
17          performance data in its regulatory duties. The Board shall  
18          adopt rules to ensure that all licensees are treated and all  
19          licensees act in a non-discriminatory manner and develop  
20          processes and penalties to enforce those rules.

21          (Source: P.A. 101-31, eff. 6-28-19.)

22                   (230 ILCS 40/80)

23          Sec. 80. Applicability of Illinois Gambling Act. The  
24          provisions of the Illinois Gambling Act, and all rules  
25          promulgated thereunder, shall apply to the Video Gaming Act,



1 except where there is a conflict between the 2 Acts. In the  
2 event of a conflict between the 2 Acts, the provisions of the  
3 Illinois Gambling Act shall prevail. All current supplier  
4 licensees under the Illinois Gambling Act shall not be subject  
5 to additional Board investigation as a condition for licensure  
6 as manufacturers, distributors, or suppliers, except by vote of  
7 the Board, provided that the Board shall conduct a background  
8 investigation of current supplier licensees under the Illinois  
9 Gambling Act that have applied for licensure as manufacturers,  
10 distributors, or suppliers under this Act with respect to all  
11 topics of investigation listed in subsection (b) of Section 45  
12 of this Act for which the applicants have previously not been  
13 subject to Board investigation, and provided further that these  
14 applicants shall be required to disclose all information  
15 required to be submitted under subsection (c) of Section 45 of  
16 this Act that they have not previously disclosed to the Board  
17 ~~be entitled to licensure under the Video Gaming Act as~~  
18 ~~manufacturers, distributors, or suppliers without additional~~  
19 ~~Board investigation or approval, except by vote of the Board;~~  
20 however, they are required to pay application and annual fees  
21 under this Act. All provisions of the Uniform Penalty and  
22 Interest Act shall apply, as far as practicable, to the subject  
23 matter of this Act to the same extent as if such provisions  
24 were included herein.

25 (Source: P.A. 100-1152, eff. 12-14-18; 101-31, eff. 6-28-19.)