



Sen. Bill Cunningham

Filed: 3/25/2021

10200SB0535sam001

LRB102 05176 SMS 23573 a

1 AMENDMENT TO SENATE BILL 535

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 535 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Administrative Procedure Act is  
5 amended by adding Section 5-45.8 as follows:

6 (5 ILCS 100/5-45.8 new)

7 Sec. 5-45.8. Emergency rulemaking; Illinois Gaming Board.

8 To provide for the expeditious and timely implementation of  
9 subsection (f) of Section 5 of the Illinois Gambling Act,  
10 emergency rules implementing remedial measures to assist  
11 minorities, women, and persons with disabilities in the  
12 Illinois gaming industry may be adopted in accordance with  
13 Section 5-45 by the Illinois Gaming Board if, as a result of  
14 the study conducted under subsection (f) of Section 5 of the  
15 Illinois Gambling Act, the Illinois Gaming Board finds that  
16 there is a compelling interest in implementing remedial

1 measures. The adoption of emergency rules authorized by  
2 Section 5-45 and this Section is deemed to be necessary for the  
3 public interest, safety, and welfare.

4 This Section is repealed on January 1, 2029.

5 Section 10. The Illinois Gambling Act is amended by  
6 changing Sections 5 and 8 and by adding Section 8.1 as follows:

7 (230 ILCS 10/5) (from Ch. 120, par. 2405)

8 Sec. 5. Gaming Board.

9 (a) (1) There is hereby established the Illinois Gaming  
10 Board, which shall have the powers and duties specified in  
11 this Act, and all other powers necessary and proper to fully  
12 and effectively execute this Act for the purpose of  
13 administering, regulating, and enforcing the system of  
14 riverboat and casino gambling established by this Act and  
15 gaming pursuant to an organization gaming license issued under  
16 this Act. Its jurisdiction shall extend under this Act to  
17 every person, association, corporation, partnership and trust  
18 involved in riverboat and casino gambling operations and  
19 gaming pursuant to an organization gaming license issued under  
20 this Act in the State of Illinois.

21 (2) The Board shall consist of 5 members to be appointed by  
22 the Governor with the advice and consent of the Senate, one of  
23 whom shall be designated by the Governor to be chairperson.  
24 Each member shall have a reasonable knowledge of the practice,

1 procedure and principles of gambling operations. Each member  
2 shall either be a resident of Illinois or shall certify that he  
3 or she will become a resident of Illinois before taking  
4 office.

5 On and after the effective date of this amendatory Act of  
6 the 101st General Assembly, new appointees to the Board must  
7 include the following:

8 (A) One member who has received, at a minimum, a  
9 bachelor's degree from an accredited school and at least  
10 10 years of verifiable experience in the fields of  
11 investigation and law enforcement.

12 (B) One member who is a certified public accountant  
13 with experience in auditing and with knowledge of complex  
14 corporate structures and transactions.

15 (C) One member who has 5 years' experience as a  
16 principal, senior officer, or director of a company or  
17 business with either material responsibility for the daily  
18 operations and management of the overall company or  
19 business or material responsibility for the policy making  
20 of the company or business.

21 (D) One member who is an attorney licensed to practice  
22 law in Illinois for at least 5 years.

23 Notwithstanding any provision of this subsection (a), the  
24 requirements of subparagraphs (A) through (D) of this  
25 paragraph (2) shall not apply to any person reappointed  
26 pursuant to paragraph (3).

1           No more than 3 members of the Board may be from the same  
2 political party. No Board member shall, within a period of one  
3 year immediately preceding nomination, have been employed or  
4 received compensation or fees for services from a person or  
5 entity, or its parent or affiliate, that has engaged in  
6 business with the Board, a licensee, or a licensee under the  
7 Illinois Horse Racing Act of 1975. Board members must publicly  
8 disclose all prior affiliations with gaming interests,  
9 including any compensation, fees, bonuses, salaries, and other  
10 reimbursement received from a person or entity, or its parent  
11 or affiliate, that has engaged in business with the Board, a  
12 licensee, or a licensee under the Illinois Horse Racing Act of  
13 1975. This disclosure must be made within 30 days after  
14 nomination but prior to confirmation by the Senate and must be  
15 made available to the members of the Senate.

16           (3) The terms of office of the Board members shall be 3  
17 years, except that the terms of office of the initial Board  
18 members appointed pursuant to this Act will commence from the  
19 effective date of this Act and run as follows: one for a term  
20 ending July 1, 1991, 2 for a term ending July 1, 1992, and 2  
21 for a term ending July 1, 1993. Upon the expiration of the  
22 foregoing terms, the successors of such members shall serve a  
23 term for 3 years and until their successors are appointed and  
24 qualified for like terms. Vacancies in the Board shall be  
25 filled for the unexpired term in like manner as original  
26 appointments. Each member of the Board shall be eligible for

1 reappointment at the discretion of the Governor with the  
2 advice and consent of the Senate.

3 (4) Each member of the Board shall receive \$300 for each  
4 day the Board meets and for each day the member conducts any  
5 hearing pursuant to this Act. Each member of the Board shall  
6 also be reimbursed for all actual and necessary expenses and  
7 disbursements incurred in the execution of official duties.

8 (5) No person shall be appointed a member of the Board or  
9 continue to be a member of the Board who is, or whose spouse,  
10 child or parent is, a member of the board of directors of, or a  
11 person financially interested in, any gambling operation  
12 subject to the jurisdiction of this Board, or any race track,  
13 race meeting, racing association or the operations thereof  
14 subject to the jurisdiction of the Illinois Racing Board. No  
15 Board member shall hold any other public office. No person  
16 shall be a member of the Board who is not of good moral  
17 character or who has been convicted of, or is under indictment  
18 for, a felony under the laws of Illinois or any other state, or  
19 the United States.

20 (5.5) No member of the Board shall engage in any political  
21 activity. For the purposes of this Section, "political" means  
22 any activity in support of or in connection with any campaign  
23 for federal, State, or local elective office or any political  
24 organization, but does not include activities (i) relating to  
25 the support or opposition of any executive, legislative, or  
26 administrative action (as those terms are defined in Section 2

1 of the Lobbyist Registration Act), (ii) relating to collective  
2 bargaining, or (iii) that are otherwise in furtherance of the  
3 person's official State duties or governmental and public  
4 service functions.

5 (6) Any member of the Board may be removed by the Governor  
6 for neglect of duty, misfeasance, malfeasance, or nonfeasance  
7 in office or for engaging in any political activity.

8 (7) Before entering upon the discharge of the duties of  
9 his office, each member of the Board shall take an oath that he  
10 will faithfully execute the duties of his office according to  
11 the laws of the State and the rules and regulations adopted  
12 therewith and shall give bond to the State of Illinois,  
13 approved by the Governor, in the sum of \$25,000. Every such  
14 bond, when duly executed and approved, shall be recorded in  
15 the office of the Secretary of State. Whenever the Governor  
16 determines that the bond of any member of the Board has become  
17 or is likely to become invalid or insufficient, he shall  
18 require such member forthwith to renew his bond, which is to be  
19 approved by the Governor. Any member of the Board who fails to  
20 take oath and give bond within 30 days from the date of his  
21 appointment, or who fails to renew his bond within 30 days  
22 after it is demanded by the Governor, shall be guilty of  
23 neglect of duty and may be removed by the Governor. The cost of  
24 any bond given by any member of the Board under this Section  
25 shall be taken to be a part of the necessary expenses of the  
26 Board.

1           (7.5) For the examination of all mechanical,  
2 electromechanical, or electronic table games, slot machines,  
3 slot accounting systems, sports wagering systems, and other  
4 electronic gaming equipment, and the field inspection of such  
5 systems, games, and machines, for compliance with this Act,  
6 the Board shall utilize the services of independent outside  
7 testing laboratories that have been accredited in accordance  
8 with ISO/IEC 17025 by an accreditation body that is a  
9 signatory to the International Laboratory Accreditation  
10 Cooperation Mutual Recognition Agreement signifying they are  
11 qualified to perform such examinations. Notwithstanding any  
12 law to the contrary, the Board shall consider the licensing of  
13 independent outside testing laboratory applicants in  
14 accordance with procedures established by the Board by rule.  
15 The Board shall not withhold its approval of an independent  
16 outside testing laboratory license applicant that has been  
17 accredited as required under this paragraph (7.5) and is  
18 licensed in gaming jurisdictions comparable to Illinois. Upon  
19 the finalization of required rules, the Board shall license  
20 independent testing laboratories and accept the test reports  
21 of any licensed testing laboratory of the system's, game's, or  
22 machine manufacturer's choice, notwithstanding the existence  
23 of contracts between the Board and any independent testing  
24 laboratory.

25           (8) The Board shall employ such personnel as may be  
26 necessary to carry out its functions and shall determine the

1 salaries of all personnel, except those personnel whose  
2 salaries are determined under the terms of a collective  
3 bargaining agreement. No person shall be employed to serve the  
4 Board who is, or whose spouse, parent or child is, an official  
5 of, or has a financial interest in or financial relation with,  
6 any operator engaged in gambling operations within this State  
7 or any organization engaged in conducting horse racing within  
8 this State. For the one year immediately preceding employment,  
9 an employee shall not have been employed or received  
10 compensation or fees for services from a person or entity, or  
11 its parent or affiliate, that has engaged in business with the  
12 Board, a licensee, or a licensee under the Illinois Horse  
13 Racing Act of 1975. Any employee violating these prohibitions  
14 shall be subject to termination of employment.

15 (9) An Administrator shall perform any and all duties that  
16 the Board shall assign him. The salary of the Administrator  
17 shall be determined by the Board and, in addition, he shall be  
18 reimbursed for all actual and necessary expenses incurred by  
19 him in discharge of his official duties. The Administrator  
20 shall keep records of all proceedings of the Board and shall  
21 preserve all records, books, documents and other papers  
22 belonging to the Board or entrusted to its care. The  
23 Administrator shall devote his full time to the duties of the  
24 office and shall not hold any other office or employment.

25 (b) The Board shall have general responsibility for the  
26 implementation of this Act. Its duties include, without



1 limitation, the following:

2 (1) To decide promptly and in reasonable order all  
3 license applications. Any party aggrieved by an action of  
4 the Board denying, suspending, revoking, restricting or  
5 refusing to renew a license may request a hearing before  
6 the Board. A request for a hearing must be made to the  
7 Board in writing within 5 days after service of notice of  
8 the action of the Board. Notice of the action of the Board  
9 shall be served either by personal delivery or by  
10 certified mail, postage prepaid, to the aggrieved party.  
11 Notice served by certified mail shall be deemed complete  
12 on the business day following the date of such mailing.  
13 The Board shall conduct any such hearings promptly and in  
14 reasonable order;

15 (2) To conduct all hearings pertaining to civil  
16 violations of this Act or rules and regulations  
17 promulgated hereunder;

18 (3) To promulgate such rules and regulations as in its  
19 judgment may be necessary to protect or enhance the  
20 credibility and integrity of gambling operations  
21 authorized by this Act and the regulatory process  
22 hereunder;

23 (4) To provide for the establishment and collection of  
24 all license and registration fees and taxes imposed by  
25 this Act and the rules and regulations issued pursuant  
26 hereto. All such fees and taxes shall be deposited into

1 the State Gaming Fund;

2 (5) To provide for the levy and collection of  
3 penalties and fines for the violation of provisions of  
4 this Act and the rules and regulations promulgated  
5 hereunder. All such fines and penalties shall be deposited  
6 into the Education Assistance Fund, created by Public Act  
7 86-0018, of the State of Illinois;

8 (6) To be present through its inspectors and agents  
9 any time gambling operations are conducted on any  
10 riverboat, in any casino, or at any organization gaming  
11 facility for the purpose of certifying the revenue  
12 thereof, receiving complaints from the public, and  
13 conducting such other investigations into the conduct of  
14 the gambling games and the maintenance of the equipment as  
15 from time to time the Board may deem necessary and proper;

16 (7) To review and rule upon any complaint by a  
17 licensee regarding any investigative procedures of the  
18 State which are unnecessarily disruptive of gambling  
19 operations. The need to inspect and investigate shall be  
20 presumed at all times. The disruption of a licensee's  
21 operations shall be proved by clear and convincing  
22 evidence, and establish that: (A) the procedures had no  
23 reasonable law enforcement purposes, and (B) the  
24 procedures were so disruptive as to unreasonably inhibit  
25 gambling operations;

26 (8) To hold at least one meeting each quarter of the

1 fiscal year. In addition, special meetings may be called  
2 by the Chairman or any 2 Board members upon 72 hours  
3 written notice to each member. All Board meetings shall be  
4 subject to the Open Meetings Act. Three members of the  
5 Board shall constitute a quorum, and 3 votes shall be  
6 required for any final determination by the Board. The  
7 Board shall keep a complete and accurate record of all its  
8 meetings. A majority of the members of the Board shall  
9 constitute a quorum for the transaction of any business,  
10 for the performance of any duty, or for the exercise of any  
11 power which this Act requires the Board members to  
12 transact, perform or exercise en banc, except that, upon  
13 order of the Board, one of the Board members or an  
14 administrative law judge designated by the Board may  
15 conduct any hearing provided for under this Act or by  
16 Board rule and may recommend findings and decisions to the  
17 Board. The Board member or administrative law judge  
18 conducting such hearing shall have all powers and rights  
19 granted to the Board in this Act. The record made at the  
20 time of the hearing shall be reviewed by the Board, or a  
21 majority thereof, and the findings and decision of the  
22 majority of the Board shall constitute the order of the  
23 Board in such case;

24 (9) To maintain records which are separate and  
25 distinct from the records of any other State board or  
26 commission. Such records shall be available for public

1 inspection and shall accurately reflect all Board  
2 proceedings;

3 (10) To file a written annual report with the Governor  
4 on or before July 1 each year and such additional reports  
5 as the Governor may request. The annual report shall  
6 include a statement of receipts and disbursements by the  
7 Board, actions taken by the Board, and any additional  
8 information and recommendations which the Board may deem  
9 valuable or which the Governor may request;

10 (11) (Blank);

11 (12) (Blank);

12 (13) To assume responsibility for administration and  
13 enforcement of the Video Gaming Act;

14 (13.1) To assume responsibility for the administration  
15 and enforcement of operations at organization gaming  
16 facilities pursuant to this Act and the Illinois Horse  
17 Racing Act of 1975;

18 (13.2) To assume responsibility for the administration  
19 and enforcement of the Sports Wagering Act; and

20 (14) To adopt, by rule, a code of conduct governing  
21 Board members and employees that ensure, to the maximum  
22 extent possible, that persons subject to this Code avoid  
23 situations, relationships, or associations that may  
24 represent or lead to a conflict of interest.

25 Internal controls and changes submitted by licensees must  
26 be reviewed and either approved or denied with cause within 90

1 days after receipt of submission is deemed final by the  
2 Illinois Gaming Board. In the event an internal control  
3 submission or change does not meet the standards set by the  
4 Board, staff of the Board must provide technical assistance to  
5 the licensee to rectify such deficiencies within 90 days after  
6 the initial submission and the revised submission must be  
7 reviewed and approved or denied with cause within 90 days  
8 after the date the revised submission is deemed final by the  
9 Board. For the purposes of this paragraph, "with cause" means  
10 that the approval of the submission would jeopardize the  
11 integrity of gaming. In the event the Board staff has not acted  
12 within the timeframe, the submission shall be deemed approved.

13 (c) The Board shall have jurisdiction over and shall  
14 supervise all gambling operations governed by this Act. The  
15 Board shall have all powers necessary and proper to fully and  
16 effectively execute the provisions of this Act, including, but  
17 not limited to, the following:

18 (1) To investigate applicants and determine the  
19 eligibility of applicants for licenses and to select among  
20 competing applicants the applicants which best serve the  
21 interests of the citizens of Illinois.

22 (2) To have jurisdiction and supervision over all  
23 riverboat gambling operations authorized under this Act  
24 and all persons in places where gambling operations are  
25 conducted.

26 (3) To promulgate rules and regulations for the

1 purpose of administering the provisions of this Act and to  
2 prescribe rules, regulations and conditions under which  
3 all gambling operations subject to this Act shall be  
4 conducted. Such rules and regulations are to provide for  
5 the prevention of practices detrimental to the public  
6 interest and for the best interests of riverboat gambling,  
7 including rules and regulations regarding the inspection  
8 of organization gaming facilities, casinos, and  
9 riverboats, and the review of any permits or licenses  
10 necessary to operate a riverboat, casino, or organization  
11 gaming facility under any laws or regulations applicable  
12 to riverboats, casinos, or organization gaming facilities  
13 and to impose penalties for violations thereof.

14 (4) To enter the office, riverboats, casinos,  
15 organization gaming facilities, and other facilities, or  
16 other places of business of a licensee, where evidence of  
17 the compliance or noncompliance with the provisions of  
18 this Act is likely to be found.

19 (5) To investigate alleged violations of this Act or  
20 the rules of the Board and to take appropriate  
21 disciplinary action against a licensee or a holder of an  
22 occupational license for a violation, or institute  
23 appropriate legal action for enforcement, or both.

24 (6) To adopt standards for the licensing of all  
25 persons and entities under this Act, as well as for  
26 electronic or mechanical gambling games, and to establish

1 fees for such licenses.

2 (7) To adopt appropriate standards for all  
3 organization gaming facilities, riverboats, casinos, and  
4 other facilities authorized under this Act.

5 (8) To require that the records, including financial  
6 or other statements of any licensee under this Act, shall  
7 be kept in such manner as prescribed by the Board and that  
8 any such licensee involved in the ownership or management  
9 of gambling operations submit to the Board an annual  
10 balance sheet and profit and loss statement, list of the  
11 stockholders or other persons having a 1% or greater  
12 beneficial interest in the gambling activities of each  
13 licensee, and any other information the Board deems  
14 necessary in order to effectively administer this Act and  
15 all rules, regulations, orders and final decisions  
16 promulgated under this Act.

17 (9) To conduct hearings, issue subpoenas for the  
18 attendance of witnesses and subpoenas duces tecum for the  
19 production of books, records and other pertinent documents  
20 in accordance with the Illinois Administrative Procedure  
21 Act, and to administer oaths and affirmations to the  
22 witnesses, when, in the judgment of the Board, it is  
23 necessary to administer or enforce this Act or the Board  
24 rules.

25 (10) To prescribe a form to be used by any licensee  
26 involved in the ownership or management of gambling

1 operations as an application for employment for their  
2 employees.

3 (11) To revoke or suspend licenses, as the Board may  
4 see fit and in compliance with applicable laws of the  
5 State regarding administrative procedures, and to review  
6 applications for the renewal of licenses. The Board may  
7 suspend an owners license or an organization gaming  
8 license without notice or hearing upon a determination  
9 that the safety or health of patrons or employees is  
10 jeopardized by continuing a gambling operation conducted  
11 under that license. The suspension may remain in effect  
12 until the Board determines that the cause for suspension  
13 has been abated. The Board may revoke an owners license or  
14 organization gaming license upon a determination that the  
15 licensee has not made satisfactory progress toward abating  
16 the hazard.

17 (12) To eject or exclude or authorize the ejection or  
18 exclusion of, any person from gambling facilities where  
19 that person is in violation of this Act, rules and  
20 regulations thereunder, or final orders of the Board, or  
21 where such person's conduct or reputation is such that his  
22 or her presence within the gambling facilities may, in the  
23 opinion of the Board, call into question the honesty and  
24 integrity of the gambling operations or interfere with the  
25 orderly conduct thereof; provided that the propriety of  
26 such ejection or exclusion is subject to subsequent



1 hearing by the Board.

2 (13) To require all licensees of gambling operations  
3 to utilize a cashless wagering system whereby all players'  
4 money is converted to tokens, electronic cards, or chips  
5 which shall be used only for wagering in the gambling  
6 establishment.

7 (14) (Blank).

8 (15) To suspend, revoke or restrict licenses, to  
9 require the removal of a licensee or an employee of a  
10 licensee for a violation of this Act or a Board rule or for  
11 engaging in a fraudulent practice, and to impose civil  
12 penalties of up to \$5,000 against individuals and up to  
13 \$10,000 or an amount equal to the daily gross receipts,  
14 whichever is larger, against licensees for each violation  
15 of any provision of the Act, any rules adopted by the  
16 Board, any order of the Board or any other action which, in  
17 the Board's discretion, is a detriment or impediment to  
18 gambling operations.

19 (16) To hire employees to gather information, conduct  
20 investigations and carry out any other tasks contemplated  
21 under this Act.

22 (17) To establish minimum levels of insurance to be  
23 maintained by licensees.

24 (18) To authorize a licensee to sell or serve  
25 alcoholic liquors, wine or beer as defined in the Liquor  
26 Control Act of 1934 on board a riverboat or in a casino and

1 to have exclusive authority to establish the hours for  
2 sale and consumption of alcoholic liquor on board a  
3 riverboat or in a casino, notwithstanding any provision of  
4 the Liquor Control Act of 1934 or any local ordinance, and  
5 regardless of whether the riverboat makes excursions. The  
6 establishment of the hours for sale and consumption of  
7 alcoholic liquor on board a riverboat or in a casino is an  
8 exclusive power and function of the State. A home rule  
9 unit may not establish the hours for sale and consumption  
10 of alcoholic liquor on board a riverboat or in a casino.  
11 This subdivision (18) is a denial and limitation of home  
12 rule powers and functions under subsection (h) of Section  
13 6 of Article VII of the Illinois Constitution.

14 (19) After consultation with the U.S. Army Corps of  
15 Engineers, to establish binding emergency orders upon the  
16 concurrence of a majority of the members of the Board  
17 regarding the navigability of water, relative to  
18 excursions, in the event of extreme weather conditions,  
19 acts of God or other extreme circumstances.

20 (20) To delegate the execution of any of its powers  
21 under this Act for the purpose of administering and  
22 enforcing this Act and the rules adopted by the Board.

23 (20.5) To approve any contract entered into on its  
24 behalf.

25 (20.6) To appoint investigators to conduct  
26 investigations, searches, seizures, arrests, and other

1 duties imposed under this Act, as deemed necessary by the  
2 Board. These investigators have and may exercise all of  
3 the rights and powers of peace officers, provided that  
4 these powers shall be limited to offenses or violations  
5 occurring or committed in a casino, in an organization  
6 gaming facility, or on a riverboat or dock, as defined in  
7 subsections (d) and (f) of Section 4, or as otherwise  
8 provided by this Act or any other law.

9 (20.7) To contract with the Department of State Police  
10 for the use of trained and qualified State police officers  
11 and with the Department of Revenue for the use of trained  
12 and qualified Department of Revenue investigators to  
13 conduct investigations, searches, seizures, arrests, and  
14 other duties imposed under this Act and to exercise all of  
15 the rights and powers of peace officers, provided that the  
16 powers of Department of Revenue investigators under this  
17 subdivision (20.7) shall be limited to offenses or  
18 violations occurring or committed in a casino, in an  
19 organization gaming facility, or on a riverboat or dock,  
20 as defined in subsections (d) and (f) of Section 4, or as  
21 otherwise provided by this Act or any other law. In the  
22 event the Department of State Police or the Department of  
23 Revenue is unable to fill contracted police or  
24 investigative positions, the Board may appoint  
25 investigators to fill those positions pursuant to  
26 subdivision (20.6).

1           (21) To adopt rules concerning the conduct of gaming  
2 pursuant to an organization gaming license issued under  
3 this Act.

4           (22) To have the same jurisdiction and supervision  
5 over casinos and organization gaming facilities as the  
6 Board has over riverboats, including, but not limited to,  
7 the power to (i) investigate, review, and approve  
8 contracts as that power is applied to riverboats, (ii)  
9 adopt rules for administering the provisions of this Act,  
10 (iii) adopt standards for the licensing of all persons  
11 involved with a casino or organization gaming facility,  
12 (iv) investigate alleged violations of this Act by any  
13 person involved with a casino or organization gaming  
14 facility, and (v) require that records, including  
15 financial or other statements of any casino or  
16 organization gaming facility, shall be kept in such manner  
17 as prescribed by the Board.

18           (23) To take any other action as may be reasonable or  
19 appropriate to enforce this Act and the rules adopted by  
20 the Board.

21           (d) The Board may seek and shall receive the cooperation  
22 of the Department of State Police in conducting background  
23 investigations of applicants and in fulfilling its  
24 responsibilities under this Section. Costs incurred by the  
25 Department of State Police as a result of such cooperation  
26 shall be paid by the Board in conformance with the

1 requirements of Section 2605-400 of the Department of State  
2 Police Law.

3 (e) The Board must authorize to each investigator and to  
4 any other employee of the Board exercising the powers of a  
5 peace officer a distinct badge that, on its face, (i) clearly  
6 states that the badge is authorized by the Board and (ii)  
7 contains a unique identifying number. No other badge shall be  
8 authorized by the Board.

9 (f) On or before July 1, 2022, the Board shall submit to  
10 the General Assembly and publish on its website a diversity  
11 study. The diversity study shall determine whether there is a  
12 compelling interest in implementing remedial measures,  
13 including the application of the Business Enterprise Program  
14 under the Business Enterprise for Minorities, Women, and  
15 Persons with Disabilities Act or a similar program, to assist  
16 minorities, women, and persons with disabilities in the  
17 Illinois gaming industry. Additionally, the study shall  
18 evaluate race-neutral and gender-neutral programs or other  
19 methods that may be used to address the needs of minority  
20 applicants, women applicants, applicants with disabilities,  
21 minority-owned businesses, women-owned businesses, and  
22 businesses owned by persons with disabilities seeking to  
23 participate in any gambling or gaming under the Illinois  
24 Gambling Act, the Video Gaming Act, or the Sports Wagering  
25 Act.

26 If, as a result of the study conducted under this

1 subsection (f), the Board finds that there is a compelling  
2 interest in implementing remedial measures, the Board may  
3 adopt rules, including emergency rules, to implement remedial  
4 measures, if necessary and to the extent permitted by State  
5 and federal law, based on the findings of the study conducted  
6 under this subsection (f).

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

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

9 Sec. 8. Suppliers licenses.

10 (a) The Board may issue a suppliers license to such  
11 persons, firms or corporations which apply therefor upon the  
12 payment of a non-refundable application fee set by the Board,  
13 upon a determination by the Board that the applicant is  
14 eligible for a suppliers license and upon payment of a \$5,000  
15 annual license fee. At the time of application for a supplier  
16 license under this Act, a person that holds a license as a  
17 manufacturer, distributor, or supplier under the Video Gaming  
18 Act or a supplier license under the Sports Wagering Act shall  
19 be entitled to licensure under this Act as a supplier without  
20 additional Board investigation or approval, except by vote of  
21 the Board; however, the applicant shall pay all fees required  
22 for a suppliers license under this Act.

23 (a-5) Except as provided by Section 8.1, the initial  
24 suppliers license shall be issued for 4 years. Thereafter, the  
25 license may be renewed for additional 4-year periods unless

1 sooner cancelled or terminated.

2 (b) The holder of a suppliers license is authorized to  
3 sell or lease, and to contract to sell or lease, gambling  
4 equipment and supplies to any licensee involved in the  
5 ownership or management of gambling operations.

6 (c) Gambling supplies and equipment may not be distributed  
7 unless supplies and equipment conform to standards adopted by  
8 rules of the Board.

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

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

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

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

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

21 (5) the entity is one in which a person defined in (1),  
22 (2), (3) or (4), is an officer, director or managerial  
23 employee;

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

1           (7) the license of the person, firm or corporation  
2           issued under this Act, or a license to own or operate  
3           gambling facilities in any other jurisdiction, has been  
4           revoked.

5           (e) Any person that supplies any equipment, devices, or  
6           supplies to a licensed gambling operation must first obtain a  
7           suppliers license. A supplier shall furnish to the Board a  
8           list of all equipment, devices and supplies offered for sale  
9           or lease in connection with gambling games authorized under  
10          this Act. A supplier shall keep books and records for the  
11          furnishing of equipment, devices and supplies to gambling  
12          operations separate and distinct from any other business that  
13          the supplier might operate. A supplier shall file a quarterly  
14          return with the Board listing all sales and leases. A supplier  
15          shall permanently affix its name or a distinctive logo or  
16          other mark or design element identifying the manufacturer or  
17          supplier to all its equipment, devices, and supplies, except  
18          gaming chips without a value impressed, engraved, or imprinted  
19          on it, for gambling operations. The Board may waive this  
20          requirement for any specific product or products if it  
21          determines that the requirement is not necessary to protect  
22          the integrity of the game. Items purchased from a licensed  
23          supplier may continue to be used even though the supplier  
24          subsequently changes its name, distinctive logo, or other mark  
25          or design element; undergoes a change in ownership; or ceases  
26          to be licensed as a supplier for any reason. Any supplier's



1 equipment, devices or supplies which are used by any person in  
2 an unauthorized gambling operation shall be forfeited to the  
3 State. A holder of an owners license or an organization gaming  
4 license may own its own equipment, devices and supplies. Each  
5 holder of an owners license or an organization gaming license  
6 under the Act shall file an annual report listing its  
7 inventories of gambling equipment, devices and supplies.

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

10 (g) Any gambling equipment, devices and supplies provided  
11 by any licensed supplier may either be repaired on the  
12 riverboat, in the casino, or at the organization gaming  
13 facility or removed from the riverboat, casino, or  
14 organization gaming facility to a facility owned by the holder  
15 of an owners license, organization gaming license, or  
16 suppliers license for repair.

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

18 (230 ILCS 10/8.1 new)

19 Sec. 8.1. Harmonization of supplier category licenses.

20 (a) As used in this Section, "supplier category license"  
21 means a suppliers license issued under this Act, a supplier  
22 license issued under the Sports Wagering Act, or a  
23 manufacturer, distributor, or supplier license issued under  
24 the Video Gaming Act.

25 (b) If a holder of any supplier category license is

1 granted an additional supplier category license, the initial  
2 period of the new supplier category license shall expire at  
3 the earliest expiration date of any other supplier category  
4 license held by the licensee. If a licensee holds multiple  
5 supplier category licenses on the effective date of this  
6 amendatory Act of the 102nd General Assembly, all supplier  
7 category licenses shall expire at the earliest expiration date  
8 of any of the supplier category licenses held by the licensee.

9 Section 15. The Video Gaming Act is amended by changing  
10 Section 50 as follows:

11 (230 ILCS 40/50)

12 Sec. 50. Distribution of license fees.

13 (a) All fees collected under Section 45 shall be deposited  
14 into the State Gaming Fund.

15 (b) Fees collected under Section 45 shall be used as  
16 follows:

17 (1) Twenty-five percent shall be paid, subject to  
18 appropriation by the General Assembly, to the Department  
19 of Human Services for administration of programs for the  
20 treatment of compulsive gambling.

21 (2) Seventy-five percent shall be used for the  
22 administration of this Act.

23 (c) All initial terminal handler, technician, licensed  
24 establishment, licensed truck stop establishment, licensed

1 large truck establishment, licensed fraternal establishment,  
2 and licensed fraternal establishment licenses issued by the  
3 Board under this Act shall be issued for 2 years and are  
4 renewable for additional 2-year periods ~~annually~~ unless sooner  
5 cancelled or terminated. Except as provided by Section 8.1 of  
6 the Illinois Gambling Act, all initial manufacturer,  
7 distributor, supplier, and terminal operator licenses issued  
8 by the Board under this Act shall be issued for 4 years and are  
9 renewable for additional 4-year periods unless sooner  
10 cancelled or terminated. No license issued under this Act is  
11 transferable or assignable.

12 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09.)

13 Section 20. The Sports Wagering Act is amended by changing  
14 Section 25-50 as follows:

15 (230 ILCS 45/25-50)

16 Sec. 25-50. Supplier license.

17 (a) The Board may issue a supplier license to a person to  
18 sell or lease sports wagering equipment, systems, or other  
19 gaming items to conduct sports wagering and offer services  
20 related to the equipment or other gaming items and data to a  
21 master sports wagering licensee while the license is active.

22 (b) The Board may adopt rules establishing additional  
23 requirements for a supplier and any system or other equipment  
24 utilized for sports wagering. The Board may accept licensing

1 by another jurisdiction that it specifically determines to  
2 have similar licensing requirements as evidence the applicant  
3 meets supplier licensing requirements.

4 (c) An applicant for a supplier license shall demonstrate  
5 that the equipment, system, or services that the applicant  
6 plans to offer to the master sports wagering licensee conforms  
7 to standards established by the Board and applicable State  
8 law. The Board may accept approval by another jurisdiction  
9 that it specifically determines have similar equipment  
10 standards as evidence the applicant meets the standards  
11 established by the Board and applicable State law.

12 (d) Applicants shall pay to the Board a nonrefundable  
13 license and application fee in the amount of \$150,000. Except  
14 as provided by Section 8.1 of the Illinois Gambling Act, the  
15 initial supplier license shall be issued for 4 years unless  
16 sooner cancelled or terminated. After the initial period  
17 4-year term, the Board shall renew supplier licenses for  
18 additional 4-year periods unless sooner cancelled or  
19 terminated annually thereafter. Renewal of a supplier license  
20 shall be granted to a renewal applicant who has continued to  
21 comply with all applicable statutory and regulatory  
22 requirements, ~~upon submission of the Board issued renewal form~~  
23 ~~and payment of a \$150,000 renewal fee.~~ Beginning 4 years after  
24 issuance of the initial supplier license, a holder of a  
25 supplier license shall pay a \$150,000 annual license fee.

26 (e) A supplier shall submit to the Board a list of all

1 sports wagering equipment and services sold, delivered, or  
2 offered to a master sports wagering licensee in this State, as  
3 required by the Board, all of which must be tested and approved  
4 by an independent testing laboratory approved by the Board. A  
5 master sports wagering licensee may continue to use supplies  
6 acquired from a licensed supplier, even if a supplier's  
7 license expires or is otherwise canceled, unless the Board  
8 finds a defect in the supplies.

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

10 Section 99. Effective date. This Act takes effect upon  
11 becoming law, except that Section 5 takes effect July 1,  
12 2022."