



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

SB2438

Introduced 2/26/2021, by Sen. Mattie Hunter

SYNOPSIS AS INTRODUCED:

20 ILCS 1605/2	from Ch. 120, par. 1152
20 ILCS 1605/9.1	
20 ILCS 1605/20	from Ch. 120, par. 1170
20 ILCS 1605/21.4 new	
30 ILCS 105/5.935 new	
105 ILCS 5/2-3.119b new	

Amends the Illinois Lottery Law. Creates a lottery scratch-off game for the United Negro College Fund in support of educational scholarships. Provides for the distribution and use of the net revenue from the scratch-off game. Provides the Department of the Lottery with rulemaking authority. Amends the State Finance Act to create the UNCF Scholarship Fund. Amends the School Code. Creates the UNCF Scholarship Fund Advisory Board. Provides for the composition and responsibilities of the Board. Effective immediately.

LRB102 17343 SMS 22834 b

1 AN ACT concerning State government.

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

4 Section 5. The Illinois Lottery Law is amended by changing
5 Sections 2, 9.1, and 20 and by adding Section 21.4 as follows:

6 (20 ILCS 1605/2) (from Ch. 120, par. 1152)

7 Sec. 2. This Act is enacted to implement and establish
8 within the State a lottery to be conducted by the State through
9 the Department. The entire net proceeds of the Lottery are to
10 be used for the support of the State's Common School Fund,
11 except as provided in subsection (o) of Section 9.1 and
12 Sections 21.5, 21.6, 21.7, 21.8, 21.9, 21.10, ~~and~~ 21.11,
13 21.12, ~~and~~ 21.13, and 21.14. The General Assembly finds that
14 it is in the public interest for the Department to conduct the
15 functions of the Lottery with the assistance of a private
16 manager under a management agreement overseen by the
17 Department. The Department shall be accountable to the General
18 Assembly and the people of the State through a comprehensive
19 system of regulation, audits, reports, and enduring
20 operational oversight. The Department's ongoing conduct of the
21 Lottery through a management agreement with a private manager
22 shall act to promote and ensure the integrity, security,
23 honesty, and fairness of the Lottery's operation and

1 administration. It is the intent of the General Assembly that
2 the Department shall conduct the Lottery with the assistance
3 of a private manager under a management agreement at all times
4 in a manner consistent with 18 U.S.C. 1307(a)(1), 1307(b)(1),
5 1953(b)(4).

6 Beginning with Fiscal Year 2018 and every year thereafter,
7 any moneys transferred from the State Lottery Fund to the
8 Common School Fund shall be supplemental to, and not in lieu
9 of, any other money due to be transferred to the Common School
10 Fund by law or appropriation.

11 (Source: P.A. 100-466, eff. 6-1-18; 100-647, eff. 7-30-18;
12 100-1068, eff. 8-24-18; 101-81, eff. 7-12-19; 101-561, eff.
13 8-23-19; revised 10-21-19.)

14 (20 ILCS 1605/9.1)

15 Sec. 9.1. Private manager and management agreement.

16 (a) As used in this Section:

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

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

22 (1) Statements of qualifications.

23 (2) Proposals to enter into a management agreement,
24 including the identity of any prospective vendor or
25 vendors that the offeror intends to initially engage to

1 assist the offeror in performing its obligations under the
2 management agreement.

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

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

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

17 (c) Pursuant to the terms of this subsection, the
18 Department shall endeavor to expeditiously terminate the
19 existing contracts in support of the Lottery in effect on July
20 13, 2009 (the effective date of Public Act 96-37) ~~this~~
21 ~~amendatory Act of the 96th General Assembly~~ in connection with
22 the selection of the private manager. As part of its
23 obligation to terminate these contracts and select the private
24 manager, the Department shall establish a mutually agreeable
25 timetable to transfer the functions of existing contractors to
26 the private manager so that existing Lottery operations are

1 not materially diminished or impaired during the transition.

2 To that end, the Department shall do the following:

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

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

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

18 If the contracts to support the current operation of the
19 Lottery in effect on July 13, 2009 (the effective date of
20 Public Act 96-34) ~~this amendatory Act of the 96th General~~
21 ~~Assembly~~ are not subject to termination as provided for in
22 this subsection (c), then the Department may include a
23 provision in the contract with the private manager specifying
24 a mutually agreeable methodology for incorporation.

25 (c-5) The Department shall include provisions in the
26 management agreement whereby the private manager shall, for a

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

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

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

19 (2) A provision specifying that the Department:

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

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

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

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

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

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

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

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

1 (6) (Blank).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

11 (15) Cash reserves requirements.

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

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

18 (18) Procedures for amendment of the agreement.

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

1 specifically required by the management agreement.

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

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

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

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

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

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

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

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

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

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

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

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

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

5 (2) The subject matter of the hearing.

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

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

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

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

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

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

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

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

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

25 (m) Neither this Section nor any management agreement
26 entered into under this Section prohibits the General Assembly

1 from authorizing forms of gambling that are not in direct
2 competition with the Lottery. The forms of gambling authorized
3 by Public Act 101-31 ~~this amendatory Act of the 101st General~~
4 ~~Assembly~~ constitute authorized forms of gambling that are not
5 in direct competition with the Lottery.

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

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

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

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

24 Notwithstanding any other provision of this Section to the
25 contrary, the Chief Procurement Officer shall adopt
26 administrative rules, including emergency rules, to establish

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

15 Except as provided in Sections 21.5, 21.6, 21.7, 21.8,
16 21.9, 21.10, 21.11, 21.12, ~~and~~ 21.13, and 21.14, the
17 Department shall distribute all proceeds of lottery tickets
18 and shares sold in the following priority and manner:

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

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

24 (3) On the last day of each month or as soon thereafter
25 as possible, the State Comptroller shall direct and the
26 State Treasurer shall transfer from the State Lottery Fund

1 to the Common School Fund an amount that is equal to the
2 proceeds transferred in the corresponding month of fiscal
3 year 2009, as adjusted for inflation, to the Common School
4 Fund.

5 (4) On or before September 30 of each fiscal year,
6 deposit any estimated remaining proceeds from the prior
7 fiscal year, subject to payments under items (1), (2), and
8 (3), into the Capital Projects Fund. Beginning in fiscal
9 year 2019, the amount deposited shall be increased or
10 decreased each year by the amount the estimated payment
11 differs from the amount determined from each year-end
12 financial audit. Only remaining net deficits from prior
13 fiscal years may reduce the requirement to deposit these
14 funds, as determined by the annual financial audit.

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

17 (1) the Department shall submit written quarterly
18 reports to the Governor and the General Assembly on the
19 activities and actions of the private manager selected
20 under this Section;

21 (2) upon request of the Chief Procurement Officer, the
22 Department shall promptly produce information related to
23 the procurement activities of the Department and the
24 private manager requested by the Chief Procurement
25 Officer; the Chief Procurement Officer must retain
26 confidential, proprietary, or trade secret information

1 designated by the Department in complete confidence
2 pursuant to subsection (g) of Section 7 of the Freedom of
3 Information Act; and

4 (3) at least 30 days prior to the beginning of the
5 Department's fiscal year, the Department shall prepare an
6 annual written report on the activities of the private
7 manager selected under this Section and deliver that
8 report to the Governor and General Assembly.

9 (Source: P.A. 100-391, eff. 8-25-17; 100-587, eff. 6-4-18;
10 100-647, eff. 7-30-18; 100-1068, eff. 8-24-18; 101-31, eff.
11 6-28-19; 101-81, eff. 7-12-19; 101-561, eff. 8-23-19; revised
12 10-21-19.)

13 (20 ILCS 1605/20) (from Ch. 120, par. 1170)
14 Sec. 20. State Lottery Fund.

15 (a) There is created in the State Treasury a special fund
16 to be known as the State Lottery Fund. Such fund shall consist
17 of all revenues received from (1) the sale of lottery tickets
18 or shares, (net of commissions, fees representing those
19 expenses that are directly proportionate to the sale of
20 tickets or shares at the agent location, and prizes of less
21 than \$600 which have been validly paid at the agent level), (2)
22 application fees, and (3) all other sources including moneys
23 credited or transferred thereto from any other fund or source
24 pursuant to law. Interest earnings of the State Lottery Fund
25 shall be credited to the Common School Fund.

1 (b) The receipt and distribution of moneys under Section
2 21.5 of this Act shall be in accordance with Section 21.5.

3 (c) The receipt and distribution of moneys under Section
4 21.6 of this Act shall be in accordance with Section 21.6.

5 (d) The receipt and distribution of moneys under Section
6 21.7 of this Act shall be in accordance with Section 21.7.

7 (e) The receipt and distribution of moneys under Section
8 21.8 of this Act shall be in accordance with Section 21.8.

9 (f) The receipt and distribution of moneys under Section
10 21.9 of this Act shall be in accordance with Section 21.9.

11 (g) The receipt and distribution of moneys under Section
12 21.10 of this Act shall be in accordance with Section 21.10.

13 (h) The receipt and distribution of moneys under Section
14 21.11 of this Act shall be in accordance with Section 21.11.

15 (i) The receipt and distribution of moneys under Section
16 21.12 of this Act shall be in accordance with Section 21.12.

17 (j) The receipt and distribution of moneys under Section
18 21.13 of this Act shall be in accordance with Section 21.13.

19 (k) The receipt and distribution of moneys under Section
20 21.14 of this Act shall be in accordance with Section 21.14.

21 (Source: P.A. 100-647, eff. 7-30-18; 100-1068, eff. 8-24-18;
22 101-81, eff. 7-12-19; 101-561, eff. 8-23-19.)

23 (20 ILCS 1605/21.4 new)

24 Sec. 21.4. Scratch-off for United Negro College Fund.

25 (a) The Department shall offer a special instant

1 scratch-off game for the benefit of United Negro College Fund
2 in support of educational scholarships to university and
3 college students. The game shall commence on August 1, 2021 or
4 as soon thereafter, at the discretion of the Director, as is
5 reasonably practical, and shall be discontinued on January 1,
6 2026. The operation of the game shall be governed by this Act
7 and any rules adopted by the Department. If any provision of
8 this Section is inconsistent with any other provision of this
9 Act, then this Section governs.

10 (b) The net revenue from the United Negro College Fund in
11 support of education scholarships to university and college
12 students scratch-off game shall be deposited into the UNCF
13 Scholarship Fund as soon as practical, but at least on a
14 monthly basis. Moneys received for the purposes of this
15 Section, including, without limitation, net revenue from the
16 special instant scratch-off game and from gifts, grants, and
17 awards from any public or private entity, must be deposited
18 into the Fund. Any interest earned on moneys in the Fund must
19 be deposited into the Fund. For the purposes of this
20 subsection, "net revenue" means the total amount for which
21 tickets have been sold less the sum of the amount paid out in
22 the prizes and the actual administrative expenses of the
23 Department solely related to the scratch-off game under this
24 Section.

25 (c) During the time that tickets are sold for the United
26 Negro College Fund in support of education scholarships to

1 university and college students scratch-off game, the
2 Department shall not unreasonably diminish the efforts devoted
3 to marketing any other instant scratch-off lottery game.

4 (d) The Department may adopt any rules necessary to
5 implement and administer the provisions of this Section.

6 (e) This Section is repealed December 31, 2026.

7 Section 10. The State Finance Act is amended by adding
8 Section 5.935 as follows:

9 (30 ILCS 105/5.935 new)

10 Sec. 5.935. UNCF Scholarship Fund. This Section is
11 repealed December 31, 2026.

12 Section 15. The School Code is amended by adding Section
13 2-3.119b as follows:

14 (105 ILCS 5/2-3.119b new)

15 Sec. 2-3.119b. UNCF Scholarship Fund Advisory Board.

16 (a) The UNCF Scholarship Fund Advisory Board is created as
17 an advisory board within the Department. The Board shall
18 consist of 10 members as follows: 2 members appointed by the
19 President of the Senate; 2 members appointed by the Minority
20 Leader of the Senate; 2 members appointed by the Speaker of the
21 House of Representatives; 2 members appointed by the Minority
22 Leader of the House of Representatives; and 2 members

1 appointed by the Governor with the advice and consent of the
2 Senate, one of whom shall be designated as chair of the Board
3 at the time of appointment. If a vacancy occurs in the Board
4 membership, the vacancy shall be filled in the same manner as
5 the initial appointment.

6 (b) Board members shall serve without compensation but may
7 be reimbursed for their reasonable travel expenses from funds
8 available for that purpose. The Department shall provide staff
9 and administrative support services to the Board.

10 (c) The Board must: (i) consult with the Department of
11 Revenue in designing and promoting the United Negro College
12 Fund in support of education scholarships to university and
13 college students instant scratch-off lottery game; and (ii)
14 review and direct funds to the United Negro College Fund,
15 Inc., a 501(c)(3) nonprofit, and consult with the Department
16 of Education in accordance with Section 21.14 of the Illinois
17 Lottery Law.

18 (d) This Section is repealed September 1, 2026.

19 Section 99. Effective date. This Act takes effect upon
20 becoming law.