



## 103RD GENERAL ASSEMBLY

### State of Illinois

### 2023 and 2024

#### HB4222

Introduced 11/7/2023, by Rep. Robert "Bob" Rita

#### SYNOPSIS AS INTRODUCED:

230 ILCS 40/59 new  
230 ILCS 40/59.5 new  
230 ILCS 40/59.6 new

Amends the Video Gaming Act. Provides that each licensed establishment, licensed fraternal establishment, licensed veterans establishment, licensed truck stop establishment, or licensed large truck stop establishment shall notify the Illinois Gaming Board in writing prior to a proposed sale or transfer of the licensed establishment, licensed fraternal establishment, licensed veterans establishment, licensed truck stop establishment, or licensed large truck stop establishment. Sets forth provisions concerning the change of ownership of a licensed establishment. Provides for conditional licenses for licensed establishments. Provides that a licensed terminal operator shall be excused from any surveillance obligation imposed upon a licensed terminal operator if the failure of the terminal operator to comply with the surveillance obligation is caused by specified circumstances. Effective immediately.

LRB103 35255 SPS 65262 b

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 Video Gaming Act is amended by adding  
5 Sections 59, 59.5, and 59.6 as follows:

6 (230 ILCS 40/59 new)

7 Sec. 59. Change of ownership of a licensed video gaming  
8 location.

9 (a) In addition to the disclosure requirements set forth  
10 in 11 Ill. Adm. Code 1800.210(c) and (i), each licensed  
11 establishment, licensed fraternal establishment, licensed  
12 veterans establishment, licensed truck stop establishment, or  
13 licensed large truck stop establishment shall notify the Board  
14 in writing prior to a proposed sale or transfer of the licensed  
15 establishment, licensed fraternal establishment, licensed  
16 veterans establishment, licensed truck stop establishment, or  
17 licensed large truck stop establishment.

18 (b) When a licensed establishment, licensed fraternal  
19 establishment, licensed veterans establishment, licensed truck  
20 stop establishment, or licensed large truck stop establishment  
21 is sold or transferred, the video gaming terminals shall be  
22 allowed to continue to operate under the transferor's license  
23 if:

1           (1) the transferee owner has submitted all required  
2           and applicable application materials for a new or amended  
3           video gaming location license application and includes  
4           copies of all sale or transfer documentation;

5           (2) the transferee has completed the required criminal  
6           record check by fingerprint examination;

7           (3) the transferee is issued all required liquor  
8           licenses to draw, pour, mix, or otherwise serve alcohol  
9           for consumption on the premises; and

10           (4) the transferor holding the license to the licensed  
11           establishment, licensed fraternal establishment, licensed  
12           veterans establishment, licensed truck stop establishment,  
13           or licensed large truck stop establishment agrees to be  
14           bound to all obligations and duties imposed upon it for  
15           operating a licensed video gaming location by this Act  
16           until the Board approves the sale or transfer and until  
17           the consummation of the closing of the sale or transfer.

18           (c) When a licensed video gaming location is sold or  
19           transferred, the video gaming terminals shall be allowed to  
20           continue to operate under the transferor's license only until:

21           (1) the issuance of a video gaming location license in  
22           the name of the transferee;

23           (2) a determination by the Board that the transferee,  
24           its owner, or any person of significant interest or  
25           control of the transferee is unsuitable; or

26           (3) a denial of the transferee's license application

1 by the Board.

2 (d) If the Board denies a transferee's license application  
3 or if the Board determines that the transferee, its owner, or  
4 any person of significant interest or control of the  
5 transferee is unsuitable, then the Board shall disable the  
6 video gaming terminals located at the applicable video gaming  
7 location, and the terminal operator responsible for the video  
8 gaming terminals shall remove the video gaming terminals from  
9 the location within 72 hours after the determination by the  
10 Board. The video gaming terminals shall remain removed during  
11 any period of appeal of the Board's decision.

12 (230 ILCS 40/59.5 new)

13 Sec. 59.5. Conditional license for licensed  
14 establishments.

15 (a) A licensed establishment, licensed fraternal  
16 establishment, veterans establishment, licensed truck stop  
17 establishment, or licensed large truck stop establishment that  
18 holds a valid license under this Act, is in good standing with  
19 Board, and that files an application for an additional license  
20 at another location shall be issued a conditional license by  
21 the Board within 30 days after filing a complete license  
22 application for the additional location with the Board. A  
23 terminal operator may place and operate video gaming terminals  
24 at the conditionally licensed establishment.

25 (b) When a licensed establishment receives a conditional

1 license for an additional location, video gaming terminals  
2 shall be allowed to operate at the additional location under  
3 the conditional license only until:

4 (1) the issuance of a licensed establishment license  
5 in the name of the conditional licensee;

6 (2) a determination by the Board that the conditional  
7 licensee, its owner, or any person of significant interest  
8 or control of the transferee is unsuitable; or

9 (3) a denial of the conditional licensee's license  
10 application by the Board.

11 (c) If the Board denies a conditional licensee's license  
12 application or if the Board determines that the conditional  
13 licensee, its owner, or any person of significant interest or  
14 control of the transferee is unsuitable, then the Board shall  
15 disable the video gaming terminals located at the applicable  
16 video gaming location, and the terminal operator responsible  
17 for the video gaming terminals shall remove the video gaming  
18 terminals from the location within 72 hours after the  
19 determination by the Board. The video gaming terminals shall  
20 remain removed during any period of appeal of the Board's  
21 decision.

22 (230 ILCS 40/59.6 new)

23 Sec. 59.6. Exceptions to surveillance obligation. A  
24 licensed terminal operator shall be excused from any  
25 surveillance obligation imposed upon a licensed terminal

1 operator by this Act or any rules adopted under this Act if the  
2 failure of the terminal operator to comply with the  
3 surveillance obligation is caused by: (1) an act of God,  
4 lightning, storm, tornado, or other similar inclement weather  
5 event; or (2) electrical service failure, Internet service  
6 failure, or equipment malfunction that is repaired by the  
7 terminal operator within 72 hours after discovery of the  
8 malfunction by the terminal operator.

9 Section 99. Effective date. This Act takes effect upon  
10 becoming law.