



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB5791

Introduced 3/22/2024, by Rep. Kam Buckner

SYNOPSIS AS INTRODUCED:

See Index

Amends the Video Gaming Act. Provides that an applicant or licensee under the Act is not in violation of the Act or specified rules and shall not be subject to disciplinary action for operating a gaming device if operation of the gaming device is in compliance with and not considered gambling under the Criminal Code of 2012. Provides for the creation of a Gaming Disparity Task Force to conduct a disparity and availability study. Provides that the Task Force shall compile, collect, or otherwise gather data necessary for the determination of the impact on minorities within the video gaming industry. Allows the Task Force to impose fees for the Task Force's operation collected by the Illinois Gaming Board on terminal operations that general more than \$5,000,000, including for specified payments to a minority business enterprise-owned terminal operator. Amends the Criminal Code of 2012. Changes the definition of "gambling device" to include any vending or other electronic machine or device, including, without limitation, a machine or device that awards credits and contains a circuit, meter, or switch capable of removing and recording the removal of credits that is connected directly or indirectly to the Internet, either by cellular modem, hard wire, or wireless connection, or to a set of interconnected networked devices in order to participate in the game or contest or to receive or retrieve any data related to the device unless the connected device is a redemption vault and does not operate with a self-contained fill system that permits the operation of the device solely determined on a fee basis or the amount of revenue generated, but does not include a system based on time, number of spins or spin equivalent, or other nonrevenue based system, and automatically ceases to operate upon the completion of a pre-determined cycle. Provides that participants in a game of skill or chance where money or other things of value can be won but no payment or purchase is required to participate shall not be convicted of gambling except where participation in such game of skill or chance is accomplished using a gambling device prohibited by law. Provides that a gambling offense involving such a gambling device is a Class 4 felony. Effective immediately.

LRB103 39952 CES 71411 b

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 Video Gaming Act is amended by changing
5 Section 35 and by adding Section 76 as follows:

6 (230 ILCS 40/35)

7 Sec. 35. Display of license; confiscation; violation as
8 felony.

9 (a) Each video gaming terminal shall be licensed by the
10 Board before placement or operation on the premises of a
11 licensed establishment, licensed truck stop establishment,
12 licensed large truck stop establishment, licensed fraternal
13 establishment, or licensed veterans establishment. The license
14 of each video gaming terminal shall be maintained at the
15 location where the video gaming terminal is operated. Failure
16 to do so is a petty offense with a fine not to exceed \$100. Any
17 licensed establishment, licensed truck stop establishment,
18 licensed large truck stop establishment, licensed fraternal
19 establishment, or licensed veterans establishment used for the
20 conduct of gambling games in violation of this Act shall be
21 considered a gambling place in violation of Section 28-3 of
22 the Criminal Code of 2012. Every gambling device found in a
23 licensed establishment, licensed truck stop establishment,

1 licensed large truck stop establishment, licensed fraternal
2 establishment, or licensed veterans establishment operating
3 gambling games in violation of this Act shall be subject to
4 seizure, confiscation, and destruction as provided in Section
5 28-5 of the Criminal Code of 2012. Any license issued under the
6 Liquor Control Act of 1934 to any owner or operator of a
7 licensed establishment, licensed truck stop establishment,
8 licensed large truck stop establishment, licensed fraternal
9 establishment, or licensed veterans establishment that
10 operates or permits the operation of a video gaming terminal
11 within its establishment in violation of this Act shall be
12 immediately revoked. No person may own, operate, have in his
13 or her possession or custody or under his or her control, or
14 permit to be kept in any place under his or her possession or
15 control, any device that awards credits and contains a
16 circuit, meter, or switch capable of removing and recording
17 the removal of credits when the award of credits is dependent
18 upon chance.

19 Nothing in this Section shall be deemed to prohibit the
20 use of a game device only if the game device is used in an
21 activity that is not gambling under subsection (b) of Section
22 28-1 of the Criminal Code of 2012. An applicant or licensee
23 under this Act is not in violation of this Act or any of the
24 Illinois Gaming Board rules specific to Illinois Gaming Board
25 Rule 1800.420 and shall not be subject to disciplinary action,
26 delay of any Board consideration, or denial of any license for

1 operating a gaming device if operation of the gaming device is
2 in compliance with, and not considered gambling under,
3 subsection (b) of Section 28-1 or item (iii) of subsection (a)
4 28-2 of the Criminal Code of 2012.

5 A violation of this Section is a Class 4 felony. All
6 devices that are owned, operated, or possessed in violation of
7 this Section are hereby declared to be public nuisances and
8 shall be subject to seizure, confiscation, and destruction as
9 provided in Section 28-5 of the Criminal Code of 2012.

10 The provisions of this Section do not apply to devices or
11 electronic video game terminals licensed pursuant to this Act.
12 A video gaming terminal operated for amusement only and
13 bearing a valid amusement tax sticker shall not be subject to
14 this Section until 30 days after the Board establishes that
15 the central communications system is functional.

16 (b) (1) The odds of winning each video game shall be posted
17 on or near each video gaming terminal. The manner in which the
18 odds are calculated and how they are posted shall be
19 determined by the Board by rule.

20 (2) No video gaming terminal licensed under this Act may
21 be played except during the legal hours of operation allowed
22 for the consumption of alcoholic beverages at the licensed
23 establishment, licensed fraternal establishment, or licensed
24 veterans establishment. A licensed establishment, licensed
25 fraternal establishment, or licensed veterans establishment
26 that violates this subsection is subject to termination of its

1 license by the Board.

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

3 (230 ILCS 40/76 new)

4 Sec. 76. Gaming Disparity Task Force.

5 (a) The Gaming Disparity Task Force is created. The
6 Governor shall appoint 5 members, including the Chair. The
7 Chair shall set the agenda and staff the Task Force and take
8 all other actions necessary to complete the mission of
9 identifying disparities in the video gambling industry.

10 (b) The Task Force may:

11 (1) maintain a staff;

12 (2) make recommendations for policy, statute, and rule
13 changes;

14 (3) collect data both in Illinois and outside Illinois
15 regarding the regulation of gaming and quasi-gaming,
16 including requiring terminal operators to submit detailed
17 information regarding ownership, revenues, and moneys
18 spent on goods and services and any other information
19 deemed necessary to identify disparities in gaming and
20 lack of minority business enterprise participation;

21 (4) compile or assist in the compilation of any
22 reports required by this Act;

23 (5) ensure the coordination of efforts between various
24 State agencies involved in regulating and taxing gaming or
25 quasi-gaming in Illinois; and

1 (6) encourage, promote, suggest, and report best
2 practices for ensuring diversity in the gaming and
3 quasi-gaming industry in Illinois.

4 (c) Any funding required for the Task Force, its staff, or
5 its activities shall be drawn from a fee determined by the Task
6 Force and collected by the Illinois Gaming Board to be paid by
7 terminal operators that generate at least \$5,000,000 of net
8 terminal income in any given month.

9 (d) The Task Force shall commission and publish an annual
10 disparity and availability study that: (1) evaluates whether
11 there exists discrimination in the State's gaming industry;
12 and (2) if so, evaluates the impact of such discrimination on
13 the State and includes recommendations to the Illinois Gaming
14 Board for reducing or eliminating any identified barriers to
15 entry in the video gaming market.

16 The Task Force may compile, collect, or otherwise gather
17 data necessary for the administration of this Section and to
18 carry out the Task Force's duty relating to the recommendation
19 of policy changes.

20 (e) The Task Force shall hold public meetings and issue
21 subpoenas, if necessary, for testimony.

22 (f) The Task Force shall submit a copy of the annual study
23 to the General Assembly no later than February 1 of each year
24 in the manner provided for reports to the General Assembly
25 under Section 3.1 of the General Assembly Organization Act.

26 (g) From any fees collected under subsection (c), the Task

1 Force shall set aside payment to a minority business
2 enterprise-owned terminal operator as provided in this
3 subsection. The Task Force shall direct the Illinois Gaming
4 Board to approve a minority business enterprise to receive the
5 payment as a licensee or person of significant control.
6 Payment to the minority business enterprise shall commence
7 upon the filing of forms with the Illinois Gaming Board as
8 designated by the Board. The Task Force shall calculate the
9 percentage of the fees collected under subsection (c) that
10 shall be set aside to pay to the minority business
11 enterprise-owned terminal operation by calculating the
12 percentage of Illinois' population of the minority group or
13 minority groups of which the minority person or persons who
14 own the terminal operation are part. As used in this
15 subsection, "minority person" has the meaning given to that
16 term in Section 8.12 of the Business Corporation Act of 1983.

17 (h) The Task Force shall establish a process for the
18 sunset of devices exempted under paragraph (13) of subsection
19 (b) of Section 28-1 of the Criminal Code of 2012 and Section 35
20 of the Video Gaming Act. The Task Force shall consider such
21 factors deemed reasonably necessary to rectify disparities in
22 gaming when developing the sunset process. The Task Force
23 shall include, at a minimum, in the process: the authorization
24 of video gambling in any municipality with a population more
25 than 2,000,000 people; the opportunity for all statutorily
26 eligible establishments in any municipality with a population

1 more than 2,000,000 people to apply for a video gaming
2 license; consideration and determination by the Illinois
3 Gaming Board of all statutorily eligible establishments in any
4 municipality with a population more than 2,000,000 people that
5 applied for a video gaming license and any denied applicant
6 had an opportunity to exhaust all administrative and judicial
7 remedies; all eligible and licensed minority establishments in
8 any municipality with a population more than 2,000,000 people
9 has been authorized to commence gambling by the Illinois
10 Gaming Board; and following an independent auditor, selected
11 by the Task Force pursuant to the request-for-proposal
12 process, issues a report documenting that there is a majority
13 of licensed establishments operated by a minority business
14 enterprise terminal operator in any municipality with a
15 population more than 2,000,000 people.

16 Section 10. The Criminal Code of 2012 is amended by
17 changing Sections 28-1 and 28-2 as follows:

18 (720 ILCS 5/28-1) (from Ch. 38, par. 28-1)

19 Sec. 28-1. Gambling.

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

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

24 (2) knowingly makes a wager upon the result of any

1 game, contest, or any political nomination, appointment or
2 election;

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

6 (4) contracts to have or give himself or herself or
7 another the option to buy or sell, or contracts to buy or
8 sell, at a future time, any grain or other commodity
9 whatsoever, or any stock or security of any company, where
10 it is at the time of making such contract intended by both
11 parties thereto that the contract to buy or sell, or the
12 option, whenever exercised, or the contract resulting
13 therefrom, shall be settled, not by the receipt or
14 delivery of such property, but by the payment only of
15 differences in prices thereof; however, the issuance,
16 purchase, sale, exercise, endorsement or guarantee, by or
17 through a person registered with the Secretary of State
18 pursuant to Section 8 of the Illinois Securities Law of
19 1953, or by or through a person exempt from such
20 registration under said Section 8, of a put, call, or
21 other option to buy or sell securities which have been
22 registered with the Secretary of State or which are exempt
23 from such registration under Section 3 of the Illinois
24 Securities Law of 1953 is not gambling within the meaning
25 of this paragraph (4);

26 (5) knowingly owns or possesses any book, instrument

1 or apparatus by means of which bets or wagers have been, or
2 are, recorded or registered, or knowingly possesses any
3 money which he has received in the course of a bet or
4 wager;

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

8 (7) knowingly sets up or promotes any lottery or
9 sells, offers to sell or transfers any ticket or share for
10 any lottery;

11 (8) knowingly sets up or promotes any policy game or
12 sells, offers to sell or knowingly possesses or transfers
13 any policy ticket, slip, record, document or other similar
14 device;

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

21 (10) knowingly advertises any lottery or policy game,
22 except for such activity related to lotteries, bingo games
23 and raffles authorized by and conducted in accordance with
24 the laws of Illinois or any other state;

25 (11) knowingly transmits information as to wagers,
26 betting odds, or changes in betting odds by telephone,

1 telegraph, radio, semaphore or similar means; or knowingly
2 installs or maintains equipment for the transmission or
3 receipt of such information; except that nothing in this
4 subdivision (11) prohibits transmission or receipt of such
5 information for use in news reporting of sporting events
6 or contests; or

7 (12) knowingly establishes, maintains, or operates an
8 Internet site that permits a person to play a game of
9 chance or skill for money or other thing of value by means
10 of the Internet or to make a wager upon the result of any
11 game, contest, political nomination, appointment, or
12 election by means of the Internet. This item (12) does not
13 apply to activities referenced in items (6), (6.1), (8),
14 (8.1), and (15) of subsection (b) of this Section.

15 (b) Participants in any of the following activities shall
16 not be convicted of gambling:

17 (1) Agreements to compensate for loss caused by the
18 happening of chance including without limitation contracts
19 of indemnity or guaranty and life or health or accident
20 insurance.

21 (2) Offers of prizes, award or compensation to the
22 actual contestants in any bona fide contest for the
23 determination of skill, speed, strength or endurance or to
24 the owners of animals or vehicles entered in such contest.

25 (3) Pari-mutuel betting as authorized by the law of
26 this State.

1 (4) Manufacture of gambling devices, including the
2 acquisition of essential parts therefor and the assembly
3 thereof, for transportation in interstate or foreign
4 commerce to any place outside this State when such
5 transportation is not prohibited by any applicable Federal
6 law; or the manufacture, distribution, or possession of
7 video gaming terminals, as defined in the Video Gaming
8 Act, by manufacturers, distributors, and terminal
9 operators licensed to do so under the Video Gaming Act.

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

12 (6) Lotteries when conducted by the State of Illinois
13 in accordance with the Illinois Lottery Law. This
14 exemption includes any activity conducted by the
15 Department of Revenue to sell lottery tickets pursuant to
16 the provisions of the Illinois Lottery Law and its rules.

17 (6.1) The purchase of lottery tickets through the
18 Internet for a lottery conducted by the State of Illinois
19 under the program established in Section 7.12 of the
20 Illinois Lottery Law.

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

26 (8) Raffles and poker runs when conducted in

1 accordance with the Raffles and Poker Runs Act.

2 (8.1) The purchase of raffle chances for a raffle
3 conducted in accordance with the Raffles and Poker Runs
4 Act.

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

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

9 (11) Gambling games when authorized by the Illinois
10 Gambling Act.

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

16 (13) Games of skill or chance where money or other
17 things of value can be won but no payment or purchase is
18 required to participate, except where participation in
19 such game of skill or chance is accomplished using a
20 gambling device prohibited by item (a)(iii) of Section
21 28-2.

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

1 U.S.C. 1463).

2 (15) Sports wagering when conducted in accordance with
3 the Sports Wagering Act.

4 (c) Sentence.

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

8 (2) Notwithstanding subsection (c)(1), or anything
9 else contained in this Section to the contrary, a gambling
10 offense involving a device described in item (a)(iii)
11 Section 28-2 is a Class 4 felony.

12 (d) Circumstantial evidence.

13 In prosecutions under this Section circumstantial evidence
14 shall have the same validity and weight as in any criminal
15 prosecution.

16 (Source: P.A. 101-31, Article 25, Section 25-915, eff.
17 6-28-19; 101-31, Article 35, Section 35-80, eff. 6-28-19;
18 101-109, eff. 7-19-19; 102-558, eff. 8-20-21.)

19 (720 ILCS 5/28-2) (from Ch. 38, par. 28-2)

20 Sec. 28-2. Definitions.

21 (a) A "gambling device" is (i) any clock, tape machine,
22 slot machine or other machines or device for the reception of
23 money or other thing of value on chance or skill or upon the
24 action of which money or other thing of value is staked,
25 hazarded, bet, won, or lost; (ii) ~~or~~ any mechanism, furniture,

1 fixture, equipment, or other device designed primarily for use
2 in a gambling place; or (iii) any vending or other electronic
3 machine or device, including, without limitation a machine or
4 device that awards credits and contains a circuit, meter, or
5 switch capable of removing and recording the removal of
6 credits or that is connected directly or indirectly to the
7 Internet, either by cellular modem, hard wire, or wireless
8 connection, or to a set of interconnected networked devices in
9 order to participate in the game or contest or to receive or
10 retrieve any data related to the device unless the connected
11 device is a redemption vault; or does not operate with a
12 self-contained fill system that permits the operation of the
13 device solely determined on a fee basis or the amount of
14 revenue generated but does not include a system based on time,
15 number of spins or spin equivalent or other nonrevenue based
16 system, and automatically ceases to operate upon the
17 completion of a pre-determined cycle. A "gambling device" does
18 not include:

19 (1) A coin-in-the-slot operated mechanical device
20 played for amusement which rewards the player with the
21 right to replay such mechanical device, which device is so
22 constructed or devised as to make such result of the
23 operation thereof depend in part upon the skill of the
24 player and which returns to the player thereof no money,
25 property, or right to receive money or property.

26 (2) Except as otherwise provided in this subsection

1 (a), a vending machine ~~Vending machines~~ by which full and
2 adequate return is made for the money invested and in
3 which there is no element of chance or hazard.

4 (3) A crane game. For the purposes of this paragraph
5 (3), a "crane game" is an amusement device involving
6 skill, if it rewards the player exclusively with
7 merchandise contained within the amusement device proper
8 and limited to toys, novelties, and prizes other than
9 currency, each having a wholesale value which is not more
10 than \$25.

11 (4) A redemption machine. For the purposes of this
12 paragraph (4), a "redemption machine" is a single-player
13 or multi-player amusement device involving a game, the
14 object of which is throwing, rolling, bowling, shooting,
15 placing, or propelling a ball or other object that is
16 either physical or computer generated on a display or with
17 lights into, upon, or against a hole or other target that
18 is either physical or computer generated on a display or
19 with lights, or stopping, by physical, mechanical, or
20 electronic means, a moving object that is either physical
21 or computer generated on a display or with lights into,
22 upon, or against a hole or other target that is either
23 physical or computer generated on a display or with
24 lights, provided that all of the following conditions are
25 met:

26 (A) The outcome of the game is predominantly

1 determined by the skill of the player.

2 (B) The award of the prize is based solely upon the
3 player's achieving the object of the game or otherwise
4 upon the player's score.

5 (C) Only merchandise prizes are awarded.

6 (D) The wholesale value of prizes awarded in lieu
7 of tickets or tokens for single play of the device does
8 not exceed \$25.

9 (E) The redemption value of tickets, tokens, and
10 other representations of value, which may be
11 accumulated by players to redeem prizes of greater
12 value, for a single play of the device does not exceed
13 \$25.

14 (5) Video gaming terminals at a licensed
15 establishment, licensed truck stop establishment, licensed
16 large truck stop establishment, licensed fraternal
17 establishment, or licensed veterans establishment licensed
18 in accordance with the Video Gaming Act.

19 (a-5) "Internet" means an interactive computer service or
20 system or an information service, system, or access software
21 provider that provides or enables computer access by multiple
22 users to a computer server, and includes, but is not limited
23 to, an information service, system, or access software
24 provider that provides access to a network system commonly
25 known as the Internet, or any comparable system or service and
26 also includes, but is not limited to, a World Wide Web page,

1 newsgroup, message board, mailing list, or chat area on any
2 interactive computer service or system or other online
3 service.

4 (a-6) "Access" has the meaning ascribed to the term in
5 Section 17-55.

6 (a-7) "Computer" has the meaning ascribed to the term in
7 Section 17-0.5.

8 (b) A "lottery" is any scheme or procedure whereby one or
9 more prizes are distributed by chance among persons who have
10 paid or promised consideration for a chance to win such
11 prizes, whether such scheme or procedure is called a lottery,
12 raffle, gift, sale, or some other name, excluding savings
13 promotion raffles authorized under Section 5g of the Illinois
14 Banking Act, Section 7008 of the Savings Bank Act, Section
15 42.7 of the Illinois Credit Union Act, Section 5136B of the
16 National Bank Act (12 U.S.C. 25a), or Section 4 of the Home
17 Owners' Loan Act (12 U.S.C. 1463).

18 (c) A "policy game" is any scheme or procedure whereby a
19 person promises or guarantees by any instrument, bill,
20 certificate, writing, token, or other device that any
21 particular number, character, ticket, or certificate shall in
22 the event of any contingency in the nature of a lottery entitle
23 the purchaser or holder to receive money, property, or
24 evidence of debt.

25 (Source: P.A. 101-31, eff. 6-28-19; 101-87, eff. 1-1-20;
26 102-558, eff. 8-20-21.)

1 Section 99. Effective date. This Act takes effect upon
2 becoming law.

1 INDEX

2 Statutes amended in order of appearance

3 230 ILCS 40/35

4 230 ILCS 40/76 new

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

6 720 ILCS 5/28-2 from Ch. 38, par. 28-2