

1 AMENDMENT TO HOUSE BILL 144

2 AMENDMENT NO. _____. Amend House Bill 144, AS AMENDED, by
3 replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Riverboat Gambling Act is amended by
6 changing Sections 7 and 13 as follows:

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

8 Sec. 7. Owners Licenses.

9 (a) The Board shall issue owners licenses to persons,
10 firms or corporations which apply for such licenses upon
11 payment to the Board of the non-refundable license fee set by
12 the Board, upon payment of a \$25,000 license fee for the
13 first year of operation and a \$5,000 license fee for each
14 succeeding year and upon a determination by the Board that
15 the applicant is eligible for an owners license pursuant to
16 this Act and the rules of the Board. A person, firm or
17 corporation is ineligible to receive an owners license if:

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

21 (2) the person has been convicted of any violation
22 of Article 28 of the Criminal Code of 1961, or

1 substantially similar laws of any other jurisdiction;

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

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

5 (5) a person defined in (1), (2), (3) or (4) is an
6 officer, director or managerial employee of the firm or
7 corporation;

8 (6) the firm or corporation employs a person
9 defined in (1), (2), (3) or (4) who participates in the
10 management or operation of gambling operations authorized
11 under this Act;

12 (7) (blank); or

13 (8) a license of the person, firm or corporation
14 issued under this Act, or a license to own or operate
15 gambling facilities in any other jurisdiction, has been
16 revoked.

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

19 (1) the character, reputation, experience and
20 financial integrity of the applicants and of any other or
21 separate person that either:

22 (A) controls, directly or indirectly, such
23 applicant, or

24 (B) is controlled, directly or indirectly, by
25 such applicant or by a person which controls,
26 directly or indirectly, such applicant;

27 (2) the facilities or proposed facilities for the
28 conduct of riverboat gambling;

29 (3) the highest prospective total revenue to be
30 derived by the State from the conduct of riverboat
31 gambling;

32 (4) the good faith affirmative action plan of each
33 applicant to recruit, train and upgrade minorities in all
34 employment classifications;

1 (5) the financial ability of the applicant to
2 purchase and maintain adequate liability and casualty
3 insurance;

4 (6) whether the applicant has adequate
5 capitalization to provide and maintain, for the duration
6 of a license, a riverboat; and

7 (7) the extent to which the applicant exceeds or
8 meets other standards for the issuance of an owners
9 license which the Board may adopt by rule.

10 (c) Each owners license shall specify the place where
11 riverboats shall operate and dock.

12 (d) Each applicant shall submit with his application, on
13 forms provided by the Board, 2 sets of his fingerprints.

14 (e) In addition to any licenses authorized under
15 subsections (e-5) and (e-10), the Board may issue up to 10
16 licenses authorizing the holders of such licenses to own
17 riverboats. In the application for an owners license, the
18 applicant shall state the dock at which the riverboat is
19 based and the water on which the riverboat will be located.
20 The Board shall issue 5 licenses to become effective not
21 earlier than January 1, 1991. Three of such licenses shall
22 authorize riverboat gambling on the Mississippi River, one of
23 which shall authorize riverboat gambling from a home dock in
24 the city of East St. Louis, and one of which shall authorize
25 riverboat gambling on the Mississippi River or in a
26 municipality that (1) borders on the Mississippi River or is
27 within 5 miles of the city limits of a municipality that
28 borders on the Mississippi River and (2) on the effective
29 date of this amendatory Act of the 92nd General Assembly has
30 a riverboat conducting riverboat gambling operations pursuant
31 to a license issued under this Act. One other license shall
32 authorize riverboat gambling on the Illinois River south of
33 Marshall County. The Board shall issue one additional
34 license to become effective not earlier than March 1, 1992,

1 which shall authorize riverboat gambling on the Des Plaines
2 River in Will County. The Board may issue 4 additional
3 licenses to become effective not earlier than March 1, 1992.
4 In determining the water upon which riverboats will operate,
5 the Board shall consider the economic benefit which riverboat
6 gambling confers on the State, and shall seek to assure that
7 all regions of the State share in the economic benefits of
8 riverboat gambling.

9 In granting all licenses, the Board may give favorable
10 consideration to economically depressed areas of the State,
11 to applicants presenting plans which provide for significant
12 economic development over a large geographic area, and to
13 applicants who currently operate non-gambling riverboats in
14 Illinois. The Board shall review all applications for owners
15 licenses, and shall inform each applicant of the Board's
16 decision.

17 (e-5) In addition to licenses authorized under
18 subsections (e) and (e-10), the Board may issue one owners
19 license authorizing the conduct of riverboat gambling
20 operations from a home dock in a municipality with a
21 population of more than 500,000 inhabitants. An owners
22 license issued under this subsection (e-5) shall be issued
23 only to the governing board of the municipality in which its
24 home dock is located. No such license may be awarded to any
25 other person or entity. If a license is issued to the
26 governing board of a municipality pursuant to this subsection
27 (e-5), that governing board shall conduct an auction and
28 grant the opportunity to manage the riverboat gambling
29 operations authorized by that license to the highest
30 qualified bidder.

31 (e-10) In addition to licenses authorized under
32 subsections (e) and (e-5), the Board may issue one owners
33 license authorizing the conduct of riverboat gambling
34 operations from a home dock located outside of the City of

1 Chicago, but in Cook County and in one of the following
2 townships: Bloom, Thornton, Rich, Orland, Calumet, Worth,
3 Palos, Bremen, or Lemont Township.

4 (e-15) The Board may revoke the owners license of a
5 licensee which fails to begin conducting gambling within 15
6 months of receipt of the Board's approval of the application
7 if the Board determines that license revocation is in the
8 best interests of the State.

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

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

24 (h) An owners license shall entitle the licensee to own
25 up to 2 riverboats. A licensee, other than a licensee that
26 receives its owners license under subsection (e-5), shall
27 limit the number of gambling participants to 2,000 ~~1,200~~ for
28 any such owners license. A licensee that receives its owners
29 license under subsection (e-5) shall limit the number of
30 gambling participants to the number set by the Board, which
31 may not exceed 4,000 participants at one time. In setting
32 the number of participants that a licensee that receives its
33 license under subsection (e-5) may admit, the Board shall
34 consider the best interests of the riverboat gambling

1 industry. A licensee may operate both of its riverboats
2 concurrently, provided that the total number of gambling
3 participants on both riverboats does not exceed 1,200.
4 Riverboats licensed to operate on the Mississippi River and
5 the Illinois River south of Marshall County shall have an
6 authorized capacity of at least 500 persons. Any other
7 riverboat licensed under this Act shall have an authorized
8 capacity of at least 400 persons.

9 (i) A licensed owner is authorized to apply to the Board
10 for and, if approved therefor, to receive all licenses from
11 the Board necessary for the operation of a riverboat,
12 including a liquor license, a license to prepare and serve
13 food for human consumption, and other necessary licenses.
14 All use, occupation and excise taxes which apply to the sale
15 of food and beverages in this State and all taxes imposed on
16 the sale or use of tangible personal property apply to such
17 sales aboard the riverboat.

18 (j) The Board may issue a license authorizing a
19 riverboat to dock in a municipality or approve a relocation
20 under Section 11.2 only if, prior to the issuance of the
21 license or approval, the governing body of the municipality
22 in which the riverboat will dock has by a majority vote
23 approved the docking of riverboats in the municipality. The
24 Board may issue a license authorizing a riverboat to dock in
25 areas of a county outside any municipality or approve a
26 relocation under Section 11.2 only if, prior to the issuance
27 of the license or approval, the governing body of the county
28 has by a majority vote approved of the docking of riverboats
29 within such areas.

30 (Source: P.A. 91-40, eff. 6-25-99; 92-600, eff. 6-28-02.)

31 (230 ILCS 10/13) (from Ch. 120, par. 2413)

32 Sec. 13. Wagering tax; rate; distribution.

33 (a) Until January 1, 1998, a tax is imposed on the

1 adjusted gross receipts received from gambling games
2 authorized under this Act at the rate of 20%.

3 From January 1, 1998 until July 1, 2002, a privilege tax
4 is imposed on persons engaged in the business of conducting
5 riverboat gambling operations, based on the adjusted gross
6 receipts received by a licensed owner from gambling games
7 authorized under this Act at the following rates:

8 15% of annual adjusted gross receipts up to and
9 including \$25,000,000;

10 20% of annual adjusted gross receipts in excess of
11 \$25,000,000 but not exceeding \$50,000,000;

12 25% of annual adjusted gross receipts in excess of
13 \$50,000,000 but not exceeding \$75,000,000;

14 30% of annual adjusted gross receipts in excess of
15 \$75,000,000 but not exceeding \$100,000,000;

16 35% of annual adjusted gross receipts in excess of
17 \$100,000,000.

18 Beginning July 1, 2002, a privilege tax is imposed on
19 persons engaged in the business of conducting riverboat
20 gambling operations, based on the adjusted gross receipts
21 received by a licensed owner from gambling games authorized
22 under this Act at the following rates:

23 15% of annual adjusted gross receipts up to and
24 including \$25,000,000;

25 22.5% of annual adjusted gross receipts in excess of
26 \$25,000,000 but not exceeding \$50,000,000;

27 27.5% of annual adjusted gross receipts in excess of
28 \$50,000,000 but not exceeding \$75,000,000;

29 32.5% of annual adjusted gross receipts in excess of
30 \$75,000,000 but not exceeding \$100,000,000;

31 37.5% of annual adjusted gross receipts in excess of
32 \$100,000,000 but not exceeding \$150,000,000;

33 45% of annual adjusted gross receipts in excess of
34 \$150,000,000 but not exceeding \$200,000,000;

1 50% of annual adjusted gross receipts in excess of
2 \$200,000,000.

3 The taxes imposed by this Section shall be paid by the
4 licensed owner to the Board not later than 3:00 o'clock p.m.
5 of the day after the day when the wagers were made.

6 (b) Until January 1, 1998, 25% of the tax revenue
7 deposited in the State Gaming Fund under this Section shall
8 be paid, subject to appropriation by the General Assembly, to
9 the unit of local government which is designated as the home
10 dock of the riverboat. Beginning January 1, 1998, from the
11 tax revenue deposited in the State Gaming Fund under this
12 Section, an amount equal to 5% of adjusted gross receipts
13 generated by a riverboat, other than a riverboat authorized
14 under subsection (e-10) of Section 7, shall be paid monthly,
15 subject to appropriation by the General Assembly, to the unit
16 of local government that is designated as the home dock of
17 the riverboat.

18 (b-5) From the tax revenue deposited into the State
19 Gaming Fund under this Section, payments shall be made,
20 subject to appropriation by the General Assembly, as provided
21 in this subsection (b-5).

22 An amount equal to 3% of the adjusted gross receipts
23 generated by a riverboat authorized under subsection (e-10)
24 of Section 7 shall be paid to the municipality in which the
25 riverboat docks and to any other municipalities or townships
26 that enter into an intergovernmental agreement with the
27 municipality in which the riverboat docks to share that
28 revenue and shall be divided according to the terms of that
29 intergovernmental agreement.

30 An amount equal to 0.5% of the adjusted gross receipts
31 generated by a riverboat authorized under subsection (e-10)
32 of Section 7 shall be divided equally and paid to the
33 townships enumerated in subsection (e-10) of Section 7.

34 An amount equal to 1% of the adjusted gross receipts

1 generated by a riverboat authorized under subsection (e-10)
 2 of Section 7 shall be divided among the school districts in
 3 the townships enumerated in subsection (e-10) of Section 7 in
 4 inverse proportion to the per-student expenditures of each of
 5 those school districts.

6 An amount equal to 0.5% of the adjusted gross receipts
 7 generated by a riverboat authorized under subsection (e-10)
 8 of Section 7 shall be paid into the South Suburban Assistance
 9 Fund, which is hereby created in the State Treasury. The
 10 South Suburban Assistance Fund shall be administered by the
 11 Department of Commerce and Community affairs, or its
 12 successor agency, and moneys in the Fund shall be used to aid
 13 economically distressed communities in the townships
 14 enumerated in subsection (e-10) of Section 7.

15 (c) Appropriations, as approved by the General Assembly,
 16 may be made from the State Gaming Fund to the Department of
 17 Revenue and the Department of State Police for the
 18 administration and enforcement of this Act.

19 (c-5) (Blank). ~~After--the---payments---required---under~~
 20 ~~subsections--(b)--and--(c)--have--been--made,--an--amount--equal--to~~
 21 ~~15%--of--the--adjusted--gross--receipts--of--a--riverboat--(1)--that~~
 22 ~~relocates--pursuant--to--Section--11.2,--or--(2)--for--which--an~~
 23 ~~owners--license--is--initially--issued--after--the--effective--date~~
 24 ~~of--this--amendatory--Act--of--1999,--whichever--comes--first,--shall~~
 25 ~~be--paid--from--the--State--Gaming--Fund--into--the--Horse--Racing~~
 26 ~~Equity--Fund.~~

27 (c-10) (Blank). ~~Each--year--the--General--Assembly--shall~~
 28 ~~appropriate--from--the--General--Revenue--Fund--to--the--Education~~
 29 ~~Assistance--Fund--an--amount--equal--to--the--amount--paid--into--the~~
 30 ~~Horse--Racing--Equity--Fund--pursuant--to--subsection--(c-5)--in--the~~
 31 ~~prior--calendar--year.~~

32 (c-15) After the payments required under subsections
 33 (b), (c), and (c-5) have been made, an amount equal to 2% of
 34 the adjusted gross receipts of a licensee, other than a

1 licensee that receives an owners license under subsection
2 (e-5) or (e-10) of Section 7, riverboat (1) that relocates
3 pursuant to Section 11.2, or (2) for which an owners license
4 is initially issued after the effective date of this
5 amendatory Act of 1999, whichever comes first, shall be paid,
6 subject to appropriation from the General Assembly, from the
7 State Gaming Fund to each home rule county with a population
8 of over 3,000,000 inhabitants for the purpose of enhancing
9 the county's criminal justice system.

10 (c-20) Each year the General Assembly shall appropriate
11 from the General Revenue Fund to the Education Assistance
12 Fund an amount equal to the amount paid to each home rule
13 county with a population of over 3,000,000 inhabitants
14 pursuant to subsection (c-15) in the prior calendar year.

15 (c-25) After the payments required under subsections
16 (b), (c), (c-5) and (c-15) have been made, an amount equal to
17 2% of the adjusted gross receipts of a licensee, other than a
18 licensee that receives an owners license under subsection
19 (e-5) or (e-10) of Section 7, riverboat (1) that relocates
20 pursuant to Section 11.2, or (2) for which an owners license
21 is initially issued after the effective date of this
22 amendatory Act of 1999, whichever comes first, shall be paid
23 from the State Gaming Fund into the State Universities
24 Athletic Capital Improvement Fund.

25 (d) From time to time, the Board shall transfer the
26 remainder of the funds generated by this Act into the
27 Education Assistance Fund, created by Public Act 86-0018, of
28 the State of Illinois.

29 (e) Nothing in this Act shall prohibit the unit of local
30 government designated as the home dock of the riverboat from
31 entering into agreements with other units of local government
32 in this State or in other states to share its portion of the
33 tax revenue.

34 (f) To the extent practicable, the Board shall

1 administer and collect the wagering taxes imposed by this
2 Section in a manner consistent with the provisions of
3 Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b,
4 6c, 8, 9, and 10 of the Retailers' Occupation Tax Act and
5 Section 3-7 of the Uniform Penalty and Interest Act.

6 (Source: P.A. 91-40, eff. 6-25-99; 92-595, eff. 6-28-02.)

7 Section 95. The State Finance Act is amended by adding
8 Section 5.595 as follows:

9 (30 ILCS 105/5.595 new)

10 Sec. 5.595. The South Suburban Assistance Fund.

11 Section 99. Effective date. This Act takes effect upon
12 becoming law."