



Sen. Emil Jones Jr.

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LRB093 05456 LRD 51596 a

1 AMENDMENT TO HOUSE BILL 1067

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 1067 by replacing  
3 everything after the enacting clause with the following:

4 "Section 1. Short title. This Act may be cited as the  
5 Chicago Casino Development Authority Act.

6 Section 5. Definitions. As used in this Act:

7 "Authority" means the Chicago Casino Development Authority  
8 created by this Act.

9 "Board" means the board appointed pursuant to this Act to  
10 govern and control the Authority.

11 "Casino" means one or more temporary land-based or  
12 river-based facilities and a permanent land-based facility, at  
13 each of which lawful gambling is authorized and licensed as  
14 provided in the Riverboat and Casino Gambling Act.

15 "City" means the City of Chicago.

16 "Casino operator" means any person developing or managing a  
17 casino pursuant to a casino development and management  
18 contract.

19 "Casino development and management contract" means a  
20 legally binding agreement between the Board and one or more  
21 casino operators, as specified in Section 45 of this Act.

22 "Executive director" means the person appointed by the  
23 Board to oversee the daily operations of the Authority.

24 "Gaming Board" means the Illinois Gaming Board created by

1 the Riverboat and Casino Gambling Act.

2 "Mayor" means the Mayor of the City.

3 Section 15. Board.

4 (a) The governing and administrative powers of the  
5 Authority shall be vested in a body known as the Chicago Casino  
6 Development Board. The Board shall consist of 5 members, each  
7 of whom shall be appointed by the Mayor, subject to advice and  
8 consent by the corporate authorities of the City, after the  
9 completion of a background investigation and approval by the  
10 Illinois Gaming Board. One of these members shall be designated  
11 by the Mayor to serve as chairperson. If the corporate  
12 authorities fail to approve or reject a proposed appointment  
13 within 45 days after the Mayor has submitted the proposed  
14 appointment to the corporate authorities, the corporate  
15 authorities shall be deemed to have given consent to the  
16 appointment. All of the members shall be residents of the City.

17 (b) A Board member shall not hold any other public office  
18 under the laws or Constitution of this State or any political  
19 subdivision thereof.

20 (c) Board members shall receive \$300 for each day the  
21 Authority meets and shall be entitled to reimbursement of  
22 reasonable expenses incurred in the performance of their  
23 official duties. A Board member who serves in the office of  
24 secretary or treasurer may also receive compensation for  
25 services provided as that officer.

26 Section 20. Terms of appointments; resignation and  
27 removal.

28 (a) The Mayor shall appoint 2 members of the Board for  
29 initial terms expiring July 1, 2005, 2 members for initial  
30 terms expiring July 1, 2007, and one member, who shall serve as  
31 chairperson, for an initial term expiring July 1, 2009. At the  
32 expiration of the term of any member, his or her successor

1 shall be appointed by the Mayor in like manner as appointments  
2 for the initial terms.

3 (b) All successors shall hold office for a term of 5 years  
4 from the first day of July of the year in which they are  
5 appointed, except in the case of an appointment to fill a  
6 vacancy. All subsequent chairpersons shall hold office for a  
7 term of 5 years. Each member, including the chairperson, shall  
8 hold office until the expiration of his or her term and until  
9 his or her successor is appointed. Nothing shall preclude a  
10 member or a chairperson from serving consecutive terms. Any  
11 member may resign from his or her office, to take effect when  
12 his or her successor has been appointed and has qualified.

13 (c) The Mayor may remove any member of the Board upon a  
14 finding of incompetence, neglect of duty, misfeasance or  
15 malfeasance in office, or for a violation of Ethics Section 32,  
16 on the part of the board member to be removed. In addition the  
17 Gaming Board may remove any member of the Board for violation  
18 of any provision of the Riverboat and Casino Gambling Act or  
19 the rules and regulations of the Gaming Board. In case of a  
20 member's failure to qualify within the time required or  
21 abandonment of his or her office, or in the case of a member's  
22 death, indictment, or conviction for, or pleading guilty to, a  
23 felony or removal from office, his or her office shall become  
24 vacant. Each vacancy shall be filled for the unexpired term by  
25 appointment in like manner, as in the case of expiration of the  
26 term of a member of the Board.

27 Section 25. As soon as practicable after the effective date  
28 of this Act, the Board shall organize for the transaction of  
29 business. The Board shall prescribe the time and place for  
30 meetings, the manner in which special meetings may be called,  
31 and the notice that must be given to members. All actions and  
32 meetings of the Board and its committees shall be subject to  
33 the provisions of the Open Meetings Act. Three members of the

1 Board shall constitute a quorum for the transaction of  
2 business. All substantive action of the Board shall be by  
3 resolution. The affirmative vote of at least 3 members shall be  
4 necessary for the adoption of any resolution.

5 Section 30. Executive director. Officers.

6 (a) The Board shall appoint an executive director, who  
7 shall be the chief executive officer of the Authority. The  
8 Board shall fix the compensation of the executive director.  
9 Subject to the general control of the Board, the executive  
10 director shall be responsible for the management of the  
11 business, properties, and employees of the Authority. The  
12 executive director shall direct the enforcement of all  
13 resolutions, rules, and regulations of the Board, and shall  
14 perform such other duties as may be prescribed from time to  
15 time by the Board. All employees and independent contractors,  
16 consultants, engineers, architects, accountants, attorneys,  
17 financial experts, construction experts and personnel,  
18 superintendents, managers, and other personnel appointed or  
19 employed pursuant to this Act shall report to the executive  
20 director. In addition to any other duties set forth in this  
21 Act, the executive director shall do all of the following:

22 (1) Direct and supervise the administrative affairs  
23 and activities of the Authority in accordance with its  
24 rules, regulations, and policies.

25 (2) Attend meetings of the Board.

26 (3) Keep minutes of all proceedings of the Board.

27 (4) Approve all accounts for salaries, per diem  
28 payments, and allowable expenses of the Board and its  
29 employees and consultants.

30 (5) Report and make recommendations to the Board  
31 concerning the terms and conditions of any casino  
32 development and management contract.

33 (6) Perform any other duty that the Board requires for

1 carrying out the provisions of this Act.

2 (7) Devote his or her full time to the duties of the  
3 office and not hold any other office or employment.

4 (b) The Board shall select a secretary and a treasurer, who  
5 need not be members of the Board, to hold office at the  
6 pleasure of the Board. The Board shall fix the duties and  
7 compensation of each such officer.

8 Section 32. Code of Ethics.

9 (a) No person who is an officer or employee of the  
10 Authority or the City may have a financial interest, either  
11 directly or indirectly, in his own name or in the name of any  
12 other person, partnership, association, trust, corporation, or  
13 other entity, in any contract or the performance of any work of  
14 the Authority. No such person may represent, either  
15 professionally or as agent or otherwise, any person,  
16 partnership, association, trust, corporation, or other  
17 business entity, with respect to any application or bid for any  
18 Authority contract or work, nor may any such person take or  
19 receive, or offer to take or receive, either directly or  
20 indirectly, any money or other thing of value as a gift or  
21 bribe or means of influencing his or her vote or action in his  
22 or her official character. Any contract made and procured in  
23 violation of this Section is void. The provisions of this  
24 Section shall continue to apply equally and in all respects for  
25 a period of 2 years from and after the date on which he or she  
26 ceases to be an officer or employee.

27 (b) Any person under subsection (a) may provide materials,  
28 merchandise, property, services, or labor, if:

29 (1) the contract is with a person, firm, partnership,  
30 association, corporation, or other business entity in  
31 which the interested person has less than a 7 1/2% share in  
32 the ownership;

33 (2) the interested person publicly discloses the

1 nature and extent of his or her interest prior to or during  
2 deliberations concerning the proposed award of the  
3 contract;

4 (3) the interested person, if a Board member, abstains  
5 from voting on the award of the contract, though he or she  
6 shall be considered present for the purposes of  
7 establishing a quorum;

8 (4) the contract is approved by a majority vote of  
9 those members presently holding office;

10 (5) for a contract the amount of which exceeds \$1,500,  
11 the contract is awarded after sealed bids to the lowest  
12 responsible bidder; and

13 (6) the award of the contract would not cause the  
14 aggregate amount of all such contracts so awarded to the  
15 same person, firm, association, partnership, corporation,  
16 or other business entity in the same fiscal year to exceed  
17 \$25,000.

18 A contract for the procurement of public utility services  
19 with a public utility company is not barred by this Section by  
20 any such person being an officer or employee of the public  
21 utility company or holding an ownership interest of no more  
22 than 7 1/2% in the public utility company. Any such person  
23 having such an interest shall be deemed not to have a  
24 prohibited interest under this Section.

25 (c) Before any contract relating to the ownership or use of  
26 real property is entered into by and between the Authority, the  
27 identity of every owner and beneficiary having an interest,  
28 real or personal, in such property, and every shareholder  
29 entitled to receive more than 7 1/2% of the total distributable  
30 income of any corporation having any interest, real or  
31 personal, in such property must be disclosed. The disclosure  
32 shall be in writing and shall be subscribed by an owner,  
33 authorized trustee, corporate official, or managing agent  
34 under oath. However, if stock in a corporation is publicly

1 traded and there is no readily known individual having greater  
2 than a 7 1/2% interest, then a statement to that effect,  
3 subscribed to under oath by an officer of the corporation or  
4 its managing agent, shall fulfill the disclosure statement  
5 requirement of this Section. This Section shall be liberally  
6 construed to accomplish the purpose of requiring the  
7 identification of the actual parties benefiting from any  
8 transaction with the Authority involving the procurement of the  
9 ownership or use of real property thereby.

10 (d) Any member of the Board, officer or employee of the  
11 Authority, or other person, who violates any provision of this  
12 Section, is guilty of a Class 4 felony and in addition thereto,  
13 any office or official position held by any person so convicted  
14 shall become vacant, and shall be so declared as part of the  
15 judgment of court.

16 (e) As used in this Section: "financial interest" means (i)  
17 any interest as a result of which the owner currently receives  
18 or is entitled to receive in the future more than \$2,500 per  
19 year; (ii) any interest with a cost or present value of \$5,000  
20 or more; or (iii) any interest representing more than 10% of a  
21 corporation, partnership, sole proprietorship, firm,  
22 enterprise, franchise, organization, holding company, joint  
23 stock company, receivership, trust, or any legal entity  
24 organized for profit; provided, however, financial interest  
25 shall not include (i) any interest of the spouse of an official  
26 or employee which interest is related to the spouse's  
27 independent occupation, profession, or employment; (ii) any  
28 ownership through purchase at fair market value or inheritance  
29 of less than 1% of the shares of a corporation, or any  
30 corporate subsidiary, parent, or affiliate thereof, regardless  
31 of the value of or dividends on such shares, if such shares are  
32 registered on a securities exchange pursuant to the Securities  
33 Exchange Act of 1934, as amended; (iii) the authorized  
34 compensation paid to an official or employee for his office or

1 employment; (iv) a time or demand deposit in a financial  
2 institution; and (v) an endowment or insurance policy or  
3 annuity contract purchased from an insurance company.

4 Section 35. General powers of the Board. In addition to the  
5 specific powers and duties set forth elsewhere in this Act, the  
6 Board may do any of the following:

7 (1) Adopt and alter an official seal.

8 (2) Sue and be sued, plead and be impleaded, all in its own  
9 name, and agree to binding arbitration of any dispute to which  
10 it is a party.

11 (3) Adopt, amend, and repeal by-laws, rules, and  
12 regulations consistent with furtherance of the powers and  
13 duties provided in this Act.

14 (4) Maintain its principal office within the City and such  
15 other offices as the Board may designate.

16 (5) Employ, either as regular employees or independent  
17 contractors, consultants, engineers, architects, accountants,  
18 attorneys, financial experts, construction experts and  
19 personnel, superintendents, managers and other professional  
20 personnel, casino personnel, and such other personnel as may be  
21 necessary in the judgment of the Board, and fix their  
22 compensation.

23 (6) Acquire, hold, lease, use, encumber, transfer, or  
24 dispose of real and personal property, including the alteration  
25 of or demolition of improvements to real estate.

26 (7) Enter into, revoke, and modify contracts of any kind,  
27 including the casino development and management contracts  
28 specified in Section 45.

29 (9) Subject to the provisions of Section 70, develop, or  
30 cause to be developed, a master plan for design, planning, and  
31 development of the casino.

32 (10) Negotiate and enter into intergovernmental agreements  
33 with the State and its agencies, the City, and other units of



1 local government, in furtherance of the powers and duties of  
2 the Board.

3 (12) Receive and disburse funds for its own corporate  
4 purposes or as otherwise specified in this Act.

5 (13) Borrow money from any source, public or private, for  
6 any corporate purpose, including, without limitation, working  
7 capital for its operations, reserve funds, or payment of  
8 interest, and to mortgage, pledge, or otherwise encumber the  
9 property or funds of the Authority and to contract with or  
10 engage the services of any person in connection with any  
11 financing, including financial institutions, issuers of  
12 letters of credit, or insurers and enter into reimbursement  
13 agreements with this person which may be secured as if money  
14 were borrowed from the person.

15 (14) Issue bonds as provided under this Act.

16 (15) Receive and accept from any source, private or public,  
17 contributions, gifts, or grants of money or property.

18 (16) Make loans from proceeds or funds otherwise available  
19 to the extent necessary or appropriate to accomplish the  
20 purposes of the Authority.

21 (17) Provide for the insurance of any property, operations,  
22 officers, members, agents, or employees of the Authority  
23 against any risk or hazard, to self-insure or participate in  
24 joint self-insurance pools or entities to insure against such  
25 risk or hazard, and to provide for the indemnification of its  
26 officers, members, employees, contractors, or agents against  
27 any and all risks.

28 (18) Require the removal or relocation of any building,  
29 railroad, main, pipe, conduit, wire, pole, structure,  
30 facility, or equipment as may be needed to carry out the powers  
31 of the Authority, with the Authority to compensate the person  
32 required to remove or relocate the building, railroad, main,  
33 pipe, conduit, wire, pole, structure, facility, or equipment as  
34 provided by law, without the necessity to secure any approval

1 from the Illinois Commerce Commission for such removal or for  
2 such relocation.

3 (19) Exercise all the corporate powers granted Illinois  
4 corporations under the Business Corporation Act of 1983, except  
5 to the extent that powers are inconsistent with those of a body  
6 politic and corporate of the State.

7 (20) Establish and change its fiscal year.

8 (21) Do all things necessary or convenient to carry out the  
9 powers granted by this Act.

10 Section 45. Casino development and management contracts.

11 (a) The Board shall develop and administer an open and  
12 competitive bidding process for the selection of casino  
13 operators to develop and operate a casino within the City. The  
14 Board shall issue one or more requests for proposal and shall  
15 solicit proposals from casino operators in response to such a  
16 request. The Board may establish minimum financial and  
17 investment requirements to determine the eligibility of  
18 persons to respond to the Board's requests for proposal, and  
19 may establish and consider such other criteria as it deems  
20 appropriate. The Board may impose a fee upon persons who  
21 respond to requests for proposal, in order to reimburse the  
22 Board for its costs in preparing and issuing the requests and  
23 reviewing the proposals.

24 (b) The Board shall ensure that casino development and  
25 management contracts provide for the development,  
26 construction, and operation of a high quality casino, and  
27 provide for the maximum amounts of revenue that reasonably may  
28 be available to the Authority and the City.

29 (c) The Board shall evaluate the responses to its requests  
30 for proposal and the ability of all persons or entities  
31 responding to its request for proposal to meet the requirements  
32 of this Act and to undertake and perform the obligations set  
33 forth in its requests for proposal.

1 (d) After the review and evaluation of the proposals  
2 submitted, the Board shall, in its discretion, enter into one  
3 or more casino development and management contracts  
4 authorizing the development, construction, and operation of  
5 the casino, subject to the provisions of the Riverboat and  
6 Casino Gambling Act. The Board may award a casino development  
7 and management contract to a person or persons submitting  
8 proposals that are not the highest bidders. In doing so it may  
9 take into account other factors, such as experience, financial  
10 condition, assistance in financing, reputation, and any other  
11 factors the Board, in its discretion, believes may increase  
12 revenues at the casino.

13 (e) The Board shall transmit to the Gaming Board a copy of  
14 each casino development and management contract after it is  
15 executed.

16 (f) The Board may enter into a casino and development  
17 contract prior to or after adopting a resolution approving a  
18 location for the casino and submitting an application for an  
19 owners license to the Gaming Board under the Riverboat and  
20 Casino Gambling Act.

21 Section 50. Transfer of funds. The revenues received by the  
22 Authority (other than amounts required to pay the operating  
23 expenses of the Authority, to pay amounts due the casino  
24 operator pursuant to a casino management and development  
25 contract, to repay any borrowing of the Authority made pursuant  
26 to Section 35, to pay debt service on any bonds issued under  
27 Section 75, and to pay any expenses in connection with the  
28 issuance of such bonds pursuant to Section 75 or derivative  
29 products pursuant to Section 85) shall be transferred to the  
30 City by the Authority and may be applied to any public purpose  
31 benefiting the residents of the City.

32 Section 60. Authority annual expenses. Until sufficient

1 revenues become available for such purpose, the Authority and  
2 the City may enter into an intergovernmental agreement whereby  
3 the Authority shall receive or borrow funds from the City for  
4 its annual operating expenses.

5 Section 65. Acquisition of property; eminent domain  
6 proceedings.

7 (a) The Authority may acquire in its own name, by gift or  
8 purchase, any real or personal property or interests in real or  
9 personal property necessary or convenient to carry out the  
10 purposes of the Act.

11 (b) For the lawful purposes of this Act, the City may  
12 acquire by eminent domain or by condemnation proceedings in the  
13 manner provided by Article VII of the Code of Civil Procedure,  
14 real or personal property or interests in real or personal  
15 property located in the City, and may convey to the Authority  
16 property so acquired. The acquisition of property under this  
17 Section is declared to be for a public use.

18 Section 70. Local regulation. The casino facilities and  
19 operations therein shall be subject to all ordinances and  
20 regulations of the City. The construction, development, and  
21 operation of the casino shall comply with all ordinances,  
22 regulations, rules, and controls of the City, including but not  
23 limited to those relating to zoning and planned development,  
24 building, fire prevention, and land use. However, the  
25 regulation of gaming operations is subject to the exclusive  
26 jurisdiction of the Gaming Board, except as limited by the  
27 Riverboat and Casino Gambling Act.

28 Section 75. Borrowing.

29 (a) The Authority may at any time and from time to time  
30 borrow money and issue bonds as provided in this Section. Bonds  
31 of the Authority may be issued to provide funds for land

1 acquisition, site assembly and preparation, and infrastructure  
2 improvements required in connection with the development of the  
3 casino; to pay, refund (at the time or in advance of any  
4 maturity or redemption), or redeem any bonds of the Authority;  
5 to provide or increase a debt service reserve fund or other  
6 reserves with respect to any or all of its bonds; to pay  
7 interest on bonds; or to pay the legal, financial,  
8 administrative, bond insurance, credit enhancement, and other  
9 legal expenses of the authorization, issuance, or delivery of  
10 bonds. In this Act, the term "bonds" also includes notes of any  
11 kind, interim certificates, refunding bonds, or any other  
12 evidence of obligation for borrowed money issued under this  
13 Section. Bonds may be issued in one or more series and may be  
14 payable and secured either on a parity with or separately from  
15 other bonds.

16 (b) The bonds of the Authority shall be payable solely from  
17 one or more of the following sources: (i) the property or  
18 revenues of the Authority; (ii) revenues derived from the  
19 casino; (iii) revenues derived from any casino operator; (iv)  
20 fees, bid proceeds, charges, lease payments, payments required  
21 pursuant to any casino development and management contract or  
22 other revenues payable to the Authority, or any receipts of the  
23 Authority; (v) payments by financial institutions, insurance  
24 companies, or others pursuant to letters or lines of credit,  
25 policies of insurance, or purchase agreements; (vi) investment  
26 earnings from funds or accounts maintained pursuant to a bond  
27 resolution or trust indenture; and (vii) proceeds of refunding  
28 bonds.

29 (c) Bonds shall be authorized by a resolution of the  
30 Authority and may be secured by a trust indenture by and  
31 between the Authority and a corporate trustee or trustees,  
32 which may be any trust company or bank having the powers of a  
33 trust company within or without the State. Bonds may:

34 (i) Mature at a time or times, whether as serial

1 bonds, term bonds, or both, not exceeding 40 years from  
2 their respective dates of issue.

3 (ii) Without regard to any limitation established  
4 by statute, bear interest in the manner or determined  
5 by the method provided in the resolution or trust  
6 indenture.

7 (iii) Be payable at a time or times, in the  
8 denominations and form, including book entry form,  
9 either coupon, registered, or both, and carry the  
10 registration and privileges as to exchange, transfer  
11 or conversion, and replacement of mutilated, lost, or  
12 destroyed bonds as the resolution or trust indenture  
13 may provide.

14 (iv) Be payable in lawful money of the United  
15 States at a designated place.

16 (v) Be subject to the terms of purchase, payment,  
17 redemption, refunding, or refinancing that the  
18 resolution or trust indenture provides.

19 (vi) Be executed by the manual or facsimile  
20 signatures of the officers of the Authority designated  
21 by the Board, which signatures shall be valid at  
22 delivery even for one who has ceased to hold office.

23 (vii) Be sold at public or private sale in the  
24 manner and upon the terms determined by the Authority.

25 (viii) Be issued in accordance with the provisions  
26 of the Local Government Debt Reform Act.

27 (d) Any resolution or trust indenture may contain, subject  
28 to the Riverboat and Casino Gambling Act and rules of the  
29 Gaming Board regarding pledging of interests in holders of  
30 owners licenses, provisions that shall be a part of the  
31 contract with the holders of the bonds as to the following:

32 (1) Pledging, assigning, or directing the use,  
33 investment, or disposition of revenues of the Authority or  
34 proceeds or benefits of any contract, including without

1 limitation, any rights in any casino development and  
2 management contract.

3 (2) The setting aside of loan funding deposits, debt  
4 service reserves, capitalized interest accounts,  
5 replacement or operating reserves, cost of issuance  
6 accounts and sinking funds, and the regulation,  
7 investment, and disposition thereof.

8 (3) Limitations on the purposes to which or the  
9 investments in which the proceeds of sale of any issue of  
10 bonds or the Authority's revenues and receipts may be  
11 applied or made.

12 (4) Limitations on the issue of additional bonds, the  
13 terms upon which additional bonds may be issued and  
14 secured, the terms upon which additional bonds may rank on  
15 a parity with, or be subordinate or superior to, other  
16 bonds.

17 (5) The refunding, advance refunding, or refinancing  
18 of outstanding bonds.

19 (6) The procedure, if any, by which the terms of any  
20 contract with bondholders may be altered or amended and the  
21 amount of bonds and holders of which must consent thereto  
22 and the manner in which consent shall be given.

23 (7) Defining the acts or omissions which shall  
24 constitute a default in the duties of the Authority to  
25 holders of bonds and providing the rights or remedies of  
26 such holders in the event of a default, which may include  
27 provisions restricting individual rights of action by  
28 bondholders.

29 (8) Providing for guarantees, pledges of property,  
30 letters of credit, or other security, or insurance for the  
31 benefit of bondholders.

32 (9) Any other matter relating to the bonds that the  
33 Authority determines appropriate.

34 (e) No member of the Board, nor any person executing the

1 bonds, shall be liable personally on the bonds or subject to  
2 any personal liability by reason of the issuance of the bonds.

3 (f) The Authority may issue and secure bonds in accordance  
4 with the provisions of the Local Government Credit Enhancement  
5 Act.

6 (g) A pledge by the Authority of revenues and receipts as  
7 security for an issue of bonds or for the performance of its  
8 obligations under any casino development and management  
9 contract shall be valid and binding from the time when the  
10 pledge is made. The revenues and receipts pledged shall  
11 immediately be subject to the lien of the pledge without any  
12 physical delivery or further act, and the lien of any pledge  
13 shall be valid and binding against any person having any claim  
14 of any kind in tort, contract, or otherwise against the  
15 Authority, irrespective of whether the person has notice. No  
16 resolution, trust indenture, management agreement or financing  
17 statement, continuation statement, or other instrument adopted  
18 or entered into by the Authority need be filed or recorded in  
19 any public record other than the records of the Authority in  
20 order to perfect the lien against third persons, regardless of  
21 any contrary provision of law.

22 (h) By its authorizing resolution for particular bonds, the  
23 Authority may provide for specific terms of those bonds,  
24 including, without limitation, the purchase price and terms,  
25 interest rate or rates, redemption terms and principal amounts  
26 maturing in each year, to be established by one or more members  
27 of the Board or officers of the Authority, all within a  
28 specific range of discretion established by the authorizing  
29 resolution.

30 (i) Bonds that are being paid or retired by issuance, sale,  
31 or delivery of bonds, and bonds for which sufficient funds have  
32 been deposited with the paying agent or trustee to provide for  
33 payment of principal and interest thereon, and any redemption  
34 premium, as provided in the authorizing resolution, shall not



1 be considered outstanding for the purposes of this subsection.

2 (j) The bonds of the Authority shall not be indebtedness of  
3 the City, of the State, or of any political subdivision of the  
4 State other than the Authority. The bonds of the Authority are  
5 not general obligations of the State or the City and are not  
6 secured by a pledge of the full faith and credit of the State  
7 or the City and the holders of bonds of the Authority may not  
8 require, except as provided in this Act, the application of  
9 revenues or funds to the payment of bonds of the Authority.

10 (k) The State of Illinois pledges and agrees with the  
11 owners of the bonds that it will not limit or alter the rights  
12 and powers vested in the Authority by this Act so as to impair  
13 the terms of any contract made by the Authority with the owners  
14 or in any way impair the rights and remedies of the owners  
15 until the bonds, together with interest on them, and all costs  
16 and expenses in connection with any action or proceedings by or  
17 on behalf of the owners, are fully met and discharged. The  
18 Authority is authorized to include this pledge and agreement in  
19 any contract with the owners of bonds issued under this  
20 Section.

21 Section 85. Derivative products. With respect to all or  
22 part of any issue of its bonds, the Authority may enter into  
23 agreements or contracts with any necessary or appropriate  
24 person, which will have the benefit of providing to the  
25 Authority an interest rate basis, cash flow basis, or other  
26 basis different from that provided in the bonds for the payment  
27 of interest. Such agreements or contracts may include, without  
28 limitation, agreements or contracts commonly known as  
29 "interest rate swap agreements", "forward payment conversion  
30 agreements", "futures", "options", "puts", or "calls" and  
31 agreements or contracts providing for payments based on levels  
32 of or changes in interest rates, agreements or contracts to  
33 exchange cash flows or a series of payments, or to hedge

1 payment, rate spread, or similar exposure

2 Section 90. Legality for investment. The State of Illinois,  
3 all governmental entities, all public officers, banks,  
4 bankers, trust companies, savings banks and institutions,  
5 building and loan associations, savings and loan associations,  
6 investment companies, and other persons carrying on a banking  
7 business, insurance companies, insurance associations, and  
8 other persons carrying on an insurance business, and all  
9 executors, administrators, guardians, trustees, and other  
10 fiduciaries may legally invest any sinking funds, moneys, or  
11 other funds belonging to them or within their control in any  
12 bonds issued under this Act. However, nothing in this Section  
13 shall be construed as relieving any person, firm, or  
14 corporation from any duty of exercising reasonable care in  
15 selecting securities for purchase or investment.

16 Section 95. Tax exemption. The Authority and all of its  
17 operations and property used for public purposes shall be  
18 exempt from all taxation of any kind imposed by the State of  
19 Illinois or any political subdivision, school district,  
20 municipal corporation, or unit of local government of the State  
21 of Illinois. However, nothing in this Act prohibits the  
22 imposition of any other taxes where such imposition is not  
23 prohibited by Section 21 of the Riverboat and Casino Gambling  
24 Act

25 Section 100. Application of laws. The Governmental Account  
26 Audit Act, the Public Funds Statement Publication Act, and the  
27 Illinois Municipal Budget Law shall not apply to the Authority.

28 Section 105. Budgets and reporting.

29 (a) Promptly following the execution of each casino  
30 development and management contract provided for in this Act,

1 the Authority shall submit a written report with respect  
2 thereto to the Governor, the Mayor, the Secretary of the  
3 Senate, the Clerk of the House of Representatives, and the  
4 Illinois Economic and Fiscal Commission.

5 (b) The Authority shall annually adopt a current expense  
6 budget for each fiscal year. The budget may be modified from  
7 time to time in the same manner and upon the same vote as it may  
8 be adopted. The budget shall include the Authority's available  
9 funds and estimated revenues and shall provide for payment of  
10 its obligations and estimated expenditures for the fiscal year,  
11 including, without limitation, expenditures for  
12 administration, operation, maintenance and repairs, debt  
13 service, and deposits into reserve and other funds and capital  
14 projects.

15 (c) The Board shall annually cause the finances of the  
16 Authority to be audited by a firm of certified public  
17 accountants.

18 (d) The Authority shall, for each fiscal year, prepare an  
19 annual report setting forth information concerning its  
20 activities in the fiscal year and the status of the development  
21 of the casino. The annual report shall include the audited  
22 financial statements of the Authority for the fiscal year, the  
23 budget for the succeeding fiscal year, and the current capital  
24 plan as of the date of the report. Copies of the annual report  
25 shall be made available to persons who request them and shall  
26 be submitted not later than 120 days after the end of the  
27 Authority's fiscal year to the Governor, the Mayor, the  
28 Secretary of the Senate, the Clerk of the House of  
29 Representatives, and the Illinois Economic and Fiscal  
30 Commission.

31 Section 110. Deposit and withdrawal of funds.

32 (a) All funds deposited by the Authority in any bank or  
33 savings and loan association shall be placed in the name of the

1 Authority and shall be withdrawn or paid out only by check or  
2 draft upon the bank or savings and loan association, signed by  
3 2 officers or employees designated by the Board.  
4 Notwithstanding any other provision of this Section, the Board  
5 may designate any of its members or any officer or employee of  
6 the Authority to authorize the wire transfer of funds deposited  
7 by the secretary-treasurer of funds in a bank or savings and  
8 loan association for the payment of payroll and employee  
9 benefits-related expenses.

10 No bank or savings and loan association shall receive  
11 public funds as permitted by this Section unless it has  
12 complied with the requirements established pursuant to Section  
13 6 of the Public Funds Investment Act.

14 (b) If any officer or employee whose signature appears upon  
15 any check or draft issued pursuant to this Act ceases (after  
16 attaching his signature) to hold his or her office before the  
17 delivery of such a check or draft to the payee, his or her  
18 signature shall nevertheless be valid and sufficient for all  
19 purposes with the same effect as if he or she had remained in  
20 office until delivery thereof.

21 Section 115. Purchasing.

22 (a) All construction contracts and contracts for supplies,  
23 materials, equipment, and services, when the cost thereof to  
24 the Authority exceeds \$25,000, shall be let to the lowest  
25 responsible bidder, after advertising for bids, except for the  
26 following:

27 (1) When repair parts, accessories, equipment, or  
28 services are required for equipment or services previously  
29 furnished or contracted for;

30 (2) Professional services;

31 (3) When services such as water, light, heat, power,  
32 telephone (other than long-distance service), or telegraph  
33 are required;

1           (4) When contracts for the use, purchase, delivery,  
2 movement, or installation of data processing equipment,  
3 software, or services and telecommunications equipment,  
4 software, and services are required;

5           (5) Casino development and management contracts, which  
6 shall be awarded as set forth in Section 45 of this Act.

7           (b) All contracts involving less than \$25,000 shall be let  
8 by competitive bidding whenever possible, and in any event in a  
9 manner calculated to ensure the best interests of the public.

10          (c) Each bidder shall disclose in his or her bid the name  
11 of each individual having a beneficial interest, directly or  
12 indirectly, of more than 1% in such bidding entity and, if such  
13 bidding entity is a corporation, the names of each of its  
14 officers and directors. The bidder shall notify the Authority  
15 of any changes in its ownership or its officers or directors at  
16 the time such changes occur if the change occurs during the  
17 pendency of a proposal or a contract.

18          (d) In determining the responsibility of any bidder, the  
19 Authority may take into account the bidder's (or an individual  
20 having a beneficial interest, directly or indirectly, of more  
21 than 1% in such bidding entity) past record of dealings with  
22 the Authority, the bidder's experience, adequacy of equipment,  
23 and ability to complete performance within the time set, and  
24 other factors besides financial responsibility, but in no case  
25 shall any such contract be awarded to any other than the lowest  
26 bidder (in case of purchase or expenditure) unless authorized  
27 or approved by a vote of at least 4 members of the Board, and  
28 unless such action is accompanied by a statement in writing  
29 setting forth the reasons for not awarding the contract to the  
30 highest or lowest bidder, as the case may be. The statement  
31 shall be kept on file in the principal office of the Authority  
32 and open to public inspection.

33          (e) Contracts shall not be split into parts involving  
34 expenditures of less than \$25,000 for the purposes of avoiding

1 the provisions of this Section, and all such split contracts  
2 shall be void. If any collusion occurs among bidders or  
3 prospective bidders in restraint of freedom of competition, by  
4 agreement to bid a fixed amount, to refrain from bidding, or  
5 otherwise, the bids of such bidders shall be void. Each bidder  
6 shall accompany his or her bid with a sworn statement that he  
7 or she has not been a party to any such agreement.

8 (f) The Authority shall have the right to reject all bids  
9 and to re-advertise for bids. If after any such  
10 re-advertisement, no responsible and satisfactory bid, within  
11 the terms of the re-advertisement, is received, the Authority  
12 may award such contract without competitive bidding, provided  
13 that it shall not be less advantageous to the Authority than  
14 any valid bid received pursuant to advertisement.

15 (g) Advertisements for bids and re-bids shall be published  
16 at least once in a daily newspaper of general circulation  
17 published in the City at least 10 calendar days before the time  
18 for receiving bids, and such advertisements shall also be  
19 posted on readily accessible bulletin boards in the principal  
20 office of the Authority. Such advertisements shall state the  
21 time and place for receiving and opening of bids and, by  
22 reference to plans and specifications on file at the time of  
23 the first publication or in the advertisement itself, shall  
24 describe the character of the proposed contract in sufficient  
25 detail to fully advise prospective bidders of their obligations  
26 and to ensure free and open competitive bidding.

27 (h) All bids in response to advertisements shall be sealed  
28 and shall be publicly opened by the Authority. All bidders  
29 shall be entitled to be present in person or by  
30 representatives. Cash or a certified or satisfactory cashier's  
31 check, as a deposit of good faith, in a reasonable amount to be  
32 fixed by the Authority before advertising for bids, shall be  
33 required with the proposal of each bidder. A bond for faithful  
34 performance of the contract with surety or sureties

1 satisfactory to the Authority and adequate insurance may be  
2 required in reasonable amounts to be fixed by the Authority  
3 before advertising for bids.

4 (i) The contract shall be awarded as promptly as possible  
5 after the opening of bids. The bid of the successful bidder, as  
6 well as the bids of the unsuccessful bidders, shall be placed  
7 on file and be open to public inspection. All bids shall be  
8 void if any disclosure of the terms of any bid in response to  
9 an advertisement is made or permitted to be made by the  
10 Authority before the time fixed for opening bids.

11 Section 130. Affirmative action and equal opportunity  
12 obligations of Authority.

13 (a) The Authority shall establish and maintain an  
14 affirmative action program designed to promote equal  
15 employment and management opportunity and eliminate the  
16 effects of past discrimination in the City and the State. The  
17 program shall include a plan, including timetables where  
18 appropriate, which shall specify goals and methods for  
19 increasing participation by women and minorities in employment  
20 and management by the Authority and by parties that contract  
21 with the Authority. The program shall also establish procedures  
22 and sanctions (including debarment), which the Authority shall  
23 enforce to ensure compliance with the plan established pursuant  
24 to this Section and with State and federal laws and regulations  
25 relating to the employment of women and minorities. A  
26 determination by the Authority as to whether a party to a  
27 contract with the Authority has achieved the goals or employed  
28 the methods for increasing participation by women and  
29 minorities shall be made in accordance with the terms of such  
30 contracts or the applicable provisions of rules and regulations  
31 existing at the time the contract was executed, including any  
32 provisions for consideration of good faith efforts at  
33 compliance that the Authority may reasonably adopt.

1 (b) The Authority shall adopt and maintain minority and  
2 female owned business enterprise procurement programs under  
3 the affirmative action program described in subsection (a) for  
4 any and all work undertaken by the Authority and for the  
5 development and management of any casino owned by the City.  
6 That work shall include, but is not limited to, the purchase of  
7 professional services, construction services, supplies,  
8 materials, and equipment. The programs shall establish goals of  
9 awarding not less than 25% of the annual dollar value of all  
10 contracts, including but not limited to management and  
11 development contracts, purchase orders, and other agreements  
12 (collectively referred to as "contracts"), to minority owned  
13 businesses and 5% of the annual dollar value of all contracts  
14 to female owned businesses. Without limiting the generality of  
15 the foregoing, the programs shall require, in connection with  
16 the prequalification or consideration of vendors for  
17 professional service contracts, construction contracts,  
18 contracts for supplies, materials, equipment, and services,  
19 and development and management contracts that each proposer or  
20 bidder submit as part of his or her proposal or bid a  
21 commitment detailing how he or she will expend 25% or more of  
22 the dollar value of his or her contracts with one or more  
23 minority owned businesses and 5% or more of the dollar value  
24 with one or more female owned businesses. Bids or proposals  
25 that do not include such detailed commitments are not  
26 responsive and shall be rejected unless the Authority deems it  
27 appropriate to grant a waiver of these requirements. The  
28 commitment to minority and female owned business participation  
29 may be met by the contractor's, professional service  
30 provider's, developer's, or manager's status as a minority or  
31 female owned business, by joint venture, by subcontracting a  
32 portion of the work with or purchasing materials for the work  
33 from one or more such businesses, or by any combination  
34 thereof. Each contract shall require the contractor, provider,



1 developer, or manager to submit a certified monthly report  
2 detailing the status of its compliance with the Authority's  
3 minority and female owned business enterprise procurement  
4 program. If, in connection with a particular contract, the  
5 Authority determines that it is impracticable or excessively  
6 costly to obtain minority or female owned businesses to perform  
7 sufficient work to fulfill the commitment required by this  
8 subsection (b), the Authority shall reduce or waive the  
9 commitment in the contract, as may be appropriate. The  
10 Authority shall establish rules setting forth the standards to  
11 be used in determining whether or not a reduction or waiver is  
12 appropriate. The terms "minority owned business" and "female  
13 owned business" have the meanings given to those terms in the  
14 Business Enterprise for Minorities, Females, and Persons with  
15 Disabilities Act.

16 (c) The Authority is authorized to enter into agreements  
17 with contractors' associations, labor unions, and the  
18 contractors working on the development of the casino to  
19 establish an apprenticeship preparedness training program to  
20 provide for an increase in the number of minority and female  
21 journeymen and apprentices in the building trades and to enter  
22 into agreements with community college districts or other  
23 public or private institutions to provide readiness training.  
24 The Authority is further authorized to enter into contracts  
25 with public and private educational institutions and persons in  
26 the gaming, entertainment, hospitality, and tourism industries  
27 to provide training for employment in those industries.

28 Section 145. Severability. The provisions of this Act are  
29 severable under Section 1.31 of the Statute on Statutes.

30 Section 900. The Alcoholism and Other Drug Abuse and  
31 Dependency Act is amended by changing Section 5-20 as follows:

1 (20 ILCS 301/5-20)

2 Sec. 5-20. Compulsive gambling program.

3 (a) Subject to appropriation, the Department shall  
4 establish a program for public education, research, and  
5 training regarding problem and compulsive gambling and the  
6 treatment and prevention of problem and compulsive gambling.  
7 Subject to specific appropriation for these stated purposes,  
8 the program must include all of the following:

9 (1) Establishment and maintenance of a toll-free "800"  
10 telephone number to provide crisis counseling and referral  
11 services to families experiencing difficulty as a result of  
12 problem or compulsive gambling.

13 (2) Promotion of public awareness regarding the  
14 recognition and prevention of problem and compulsive  
15 gambling.

16 (3) Facilitation, through in-service training and  
17 other means, of the availability of effective assistance  
18 programs for problem and compulsive gamblers.

19 (4) Conducting studies to identify adults and  
20 juveniles in this State who are, or who are at risk of  
21 becoming, problem or compulsive gamblers.

22 (b) Subject to appropriation, the Department shall either  
23 establish and maintain the program or contract with a private  
24 or public entity for the establishment and maintenance of the  
25 program. Subject to appropriation, either the Department or the  
26 private or public entity shall implement the toll-free  
27 telephone number, promote public awareness, and conduct  
28 in-service training concerning problem and compulsive  
29 gambling.

30 (c) Subject to appropriation, the Department shall produce  
31 and supply the signs specified in Section 10.7 of the Illinois  
32 Lottery Law, Section 34.1 of the Illinois Horse Racing Act of  
33 1975, Section 4.3 of the Bingo License and Tax Act, Section 8.1  
34 of the Charitable Games Act, and Section 13.1 of the Riverboat

1 and Casino Gambling Act.

2 (Source: P.A. 89-374, eff. 1-1-96; 89-626, eff. 8-9-96.)

3 Section 903. The Illinois Economic Opportunity Act is  
4 amended by adding Section 4.1 as follows:

5 (20 ILCS 625/4.1 new)

6 Sec. 4.1. Community Services Block Grant Oversight  
7 Commission. There is hereby established the Community Services  
8 Block Grant Oversight Commission. The Commission shall consist  
9 of 8 members, with 2 members appointed by the President of the  
10 Senate, 2 members appointed by the Minority Leader of the  
11 Senate, 2 members appointed by the Speaker of the House of  
12 Representatives, and 2 members appointed by the Minority Leader  
13 of the House of Representatives. The Commission shall meet at  
14 least 2 times per year to review projected programs funded by  
15 the Department of Commerce and Economic Opportunity through the  
16 Illinois Community Services Block Grant Fund. The Department  
17 shall fully cooperate with all reasonable requests of the  
18 Commission. Members of the Commission shall not be paid for  
19 their service on a Commission, but shall receive reimbursement  
20 for reasonable expenses associated with service on the  
21 Commission.

22 Section 905. The Department of Revenue Law of the Civil  
23 Administrative Code of Illinois is amended by changing Section  
24 2505-305 as follows:

25 (20 ILCS 2505/2505-305) (was 20 ILCS 2505/39b15.1)

26 Sec. 2505-305. Investigators.

27 (a) The Department has the power to appoint investigators  
28 to conduct all investigations, searches, seizures, arrests,  
29 and other duties imposed under the provisions of any law  
30 administered by the Department or the Illinois Gaming Board.

1 Except as provided in subsection (c), these investigators have  
2 and may exercise all the powers of peace officers solely for  
3 the purpose of enforcing taxing measures administered by the  
4 Department or the Illinois Gaming Board.

5 (b) The Director must authorize to each investigator  
6 employed under this Section and to any other employee of the  
7 Department exercising the powers of a peace officer a distinct  
8 badge that, on its face, (i) clearly states that the badge is  
9 authorized by the Department and (ii) contains a unique  
10 identifying number. No other badge shall be authorized by the  
11 Department.

12 (c) Investigators appointed under this Section who are  
13 assigned to the Illinois Gaming Board have and may exercise all  
14 the rights and powers of peace officers, provided that these  
15 powers shall be limited to offenses or violations occurring or  
16 committed on a riverboat or dock or in a casino, as defined in  
17 ~~subsections (d) and (f) of~~ Section 4 of the Riverboat and  
18 Casino Gambling Act.

19 (Source: P.A. 91-239, eff. 1-1-00; 91-883, eff. 1-1-01; 92-493,  
20 eff. 1-1-02.)

21 Section 910. The Tobacco Products Tax Act of 1995 is  
22 amended by changing Section 99-99 as follows:

23 (35 ILCS 143/99-99)

24 Sec. 99-99. Effective date. This Section, Sections 10-1  
25 through 10-90 of this Act, the changes to the Illinois  
26 Administrative Procedure Act, the changes to the State  
27 Employees Group Insurance Act of 1971, the changes to Sec. 5 of  
28 the Children and Family Services Act, the changes to Sec. 8.27  
29 of the State Finance Act, the changes to Secs. 16-136.2,  
30 16-153.2, and 17-156.3 of the Illinois Pension Code, Sec. 8.19  
31 of the State Mandates Act, the changes to Sec. 8.2 of the  
32 Abused and Neglected Child Reporting Act, and the changes to

1 the Unemployment Insurance Act take effect upon becoming law.

2 The following provisions take effect July 1, 1995: the  
3 changes to the Illinois Act on the Aging and the Civil  
4 Administrative Code of Illinois; the changes to Secs. 7 and  
5 8a-13 of the Children and Family Services Act; the changes to  
6 the Disabled Persons Rehabilitation Act; Secs. 5.408, 5.409,  
7 6z-39, and 6z-40 and the changes to Sec. 8.16 of the State  
8 Finance Act; the changes to the State Prompt Payment Act, the  
9 Illinois Income Tax Act, and Sec. 16-133.3 of the Illinois  
10 Pension Code; Sec. 2-3.117 and the changes to Secs. 14-7.02 and  
11 14-15.01 of the School Code; Sec. 2-201.5 of the Nursing Home  
12 Care Act; the changes to the Child Care Act of 1969 and the  
13 Riverboat and Casino Gambling Act; the changes to Secs. 3-1,  
14 3-1a, 3-3, 3-4, 3-13, 5-2.1, 5-5, 5-5.02, 5-5.4, 5-13, 5-16.3,  
15 5-16.5, 5A-2, 5A-3, 5C-2, 5C-7, 5D-1, 5E-10, 6-8, 6-11, 9-11,  
16 12-4.4, 12-10.2, and 14-8 and the repeal of Sec. 9-11 of the  
17 Illinois Public Aid Code; the changes to Sec. 3 of the Abused  
18 and Neglected Child Reporting Act; and the changes to the  
19 Juvenile Court Act of 1987, the Adoption Act, and the Probate  
20 Act of 1975.

21 The remaining provisions of this Act take effect on the  
22 uniform effective date as provided in the Effective Date of  
23 Laws Act.

24 (Source: P.A. 89-21, eff. 6-6-95.)

25 Section 915. The Joliet Regional Port District Act is  
26 amended by changing Section 5.1 as follows:

27 (70 ILCS 1825/5.1) (from Ch. 19, par. 255.1)

28 Sec. 5.1. Riverboat gambling. Notwithstanding any other  
29 provision of this Act, the District may not regulate the  
30 operation, conduct, or navigation of any riverboat gambling  
31 casino licensed under the Riverboat and Casino Gambling Act,  
32 and the District may not license, tax, or otherwise levy any

1 assessment of any kind on any riverboat gambling casino  
2 licensed under the Riverboat and Casino Gambling Act. The  
3 General Assembly declares that the powers to regulate the  
4 operation, conduct, and navigation of riverboat gambling  
5 casinos and to license, tax, and levy assessments upon  
6 riverboat gambling casinos are exclusive powers of the State of  
7 Illinois and the Illinois Gaming Board as provided in the  
8 Riverboat and Casino Gambling Act.

9 (Source: P.A. 87-1175.)

10 Section 920. The Consumer Installment Loan Act is amended  
11 by changing Section 12.5 as follows:

12 (205 ILCS 670/12.5)

13 Sec. 12.5. Limited purpose branch.

14 (a) Upon the written approval of the Director, a licensee  
15 may maintain a limited purpose branch for the sole purpose of  
16 making loans as permitted by this Act. A limited purpose branch  
17 may include an automatic loan machine. No other activity shall  
18 be conducted at the site, including but not limited to,  
19 accepting payments, servicing the accounts, or collections.

20 (b) The licensee must submit an application for a limited  
21 purpose branch to the Director on forms prescribed by the  
22 Director with an application fee of \$300. The approval for the  
23 limited purpose branch must be renewed concurrently with the  
24 renewal of the licensee's license along with a renewal fee of  
25 \$300 for the limited purpose branch.

26 (c) The books, accounts, records, and files of the limited  
27 purpose branch's transactions shall be maintained at the  
28 licensee's licensed location. The licensee shall notify the  
29 Director of the licensed location at which the books, accounts,  
30 records, and files shall be maintained.

31 (d) The licensee shall prominently display at the limited  
32 purpose branch the address and telephone number of the

1 licensee's licensed location.

2 (e) No other business shall be conducted at the site of the  
3 limited purpose branch unless authorized by the Director.

4 (f) The Director shall make and enforce reasonable rules  
5 for the conduct of a limited purpose branch.

6 (g) A limited purpose branch may not be located within  
7 1,000 feet of a facility operated by an inter-track wagering  
8 licensee or an organization licensee subject to the Illinois  
9 Horse Racing Act of 1975, on a riverboat or in a casino subject  
10 to the Riverboat and Casino Gambling Act, or within 1,000 feet  
11 of the location at which the riverboat docks or within 1,000  
12 feet of a casino.

13 (Source: P.A. 90-437, eff. 1-1-98.)

14 Section 925. The Illinois Horse Racing Act of 1975 is  
15 amended by changing Sections 1.2, 9, 20, 26, 26.1, 27, 28.1,  
16 30, 31, 32.1, 36, and 42 and adding Sections 3.24, 3.25, 3.26,  
17 3.27, and 56 as follows:

18 (230 ILCS 5/1.2)

19 Sec. 1.2. Legislative intent. This Act is intended to  
20 benefit the people of the State of Illinois by encouraging the  
21 breeding and production of race horses, assisting economic  
22 development, and promoting Illinois tourism. The General  
23 Assembly finds and declares it to be the public policy of the  
24 State of Illinois to:

25 (a) support and enhance Illinois' horse racing industry,  
26 which is a significant component within the agribusiness  
27 industry;

28 (b) ensure that Illinois' horse racing industry remains  
29 competitive with neighboring states;

30 (c) stimulate growth within Illinois' horse racing  
31 industry, thereby encouraging new investment and development  
32 to produce additional tax revenues and to create additional

1 jobs;

2 (d) promote the further growth of tourism;

3 (e) encourage the breeding of thoroughbred and  
4 standardbred horses in this State; and

5 (f) ensure that public confidence and trust in the  
6 credibility and integrity of racing operations and the  
7 regulatory process is maintained.

8 (Source: P.A. 91-40, eff. 6-25-99.)

9 (230 ILCS 5/3.24 new)

10 Sec. 3.24. "Gross gaming receipts" means the gross receipts  
11 from electronic gaming less winnings paid to wagerers.

12 (230 ILCS 5/3.25 new)

13 Sec. 3.25. "Electronic gaming" means slot machine  
14 gambling, video game of chance gambling, or both that is  
15 conducted at a race track pursuant to an electronic gaming  
16 license.

17 (230 ILCS 5/3.26 new)

18 Sec. 3.26. "Electronic gaming license" means a license to  
19 conduct electronic gaming issued under Section 56.

20 (230 ILCS 5/3.27 new)

21 Sec. 3.27. "Electronic gaming facility" means that portion  
22 of an organization licensee's race track facility at which  
23 electronic gaming is conducted.

24 (230 ILCS 5/9) (from Ch. 8, par. 37-9)

25 Sec. 9. The Board shall have all powers necessary and  
26 proper to fully and effectively execute the provisions of this  
27 Act, including, but not limited to, the following:

28 (a) The Board is vested with jurisdiction and supervision  
29 over all race meetings in this State, over all licensees doing



1 business in this State, over all occupation licensees, and over  
2 all persons on the facilities of any licensee. Such  
3 jurisdiction shall include the power to issue licenses to the  
4 Illinois Department of Agriculture authorizing the pari-mutuel  
5 system of wagering on harness and Quarter Horse races held (1)  
6 at the Illinois State Fair in Sangamon County, and (2) at the  
7 DuQuoin State Fair in Perry County. The jurisdiction of the  
8 Board shall also include the power to issue licenses to county  
9 fairs which are eligible to receive funds pursuant to the  
10 Agricultural Fair Act, as now or hereafter amended, or their  
11 agents, authorizing the pari-mutuel system of wagering on horse  
12 races conducted at the county fairs receiving such licenses.  
13 Such licenses shall be governed by subsection (n) of this  
14 Section.

15 Upon application, the Board shall issue a license to the  
16 Illinois Department of Agriculture to conduct harness and  
17 Quarter Horse races at the Illinois State Fair and at the  
18 DuQuoin State Fairgrounds during the scheduled dates of each  
19 fair. The Board shall not require and the Department of  
20 Agriculture shall be exempt from the requirements of Sections  
21 15.3, 18 and 19, paragraphs (a)(2), (b), (c), (d), (e), (e-5),  
22 (e-10), (f), (g), and (h) of Section 20, and Sections 21, 24  
23 and 25. The Board and the Department of Agriculture may extend  
24 any or all of these exemptions to any contractor or agent  
25 engaged by the Department of Agriculture to conduct its race  
26 meetings when the Board determines that this would best serve  
27 the public interest and the interest of horse racing.

28 Notwithstanding any provision of law to the contrary, it  
29 shall be lawful for any licensee to operate pari-mutuel  
30 wagering or contract with the Department of Agriculture to  
31 operate pari-mutuel wagering at the DuQuoin State Fairgrounds  
32 or for the Department to enter into contracts with a licensee,  
33 employ its owners, employees or agents and employ such other  
34 occupation licensees as the Department deems necessary in

1 connection with race meetings and wagerings.

2 (b) The Board is vested with the full power to promulgate  
3 reasonable rules and regulations for the purpose of  
4 administering the provisions of this Act and to prescribe  
5 reasonable rules, regulations and conditions under which all  
6 horse race meetings or wagering in the State shall be  
7 conducted. Such reasonable rules and regulations are to provide  
8 for the prevention of practices detrimental to the public  
9 interest and to promote the best interests of horse racing and  
10 to impose penalties for violations thereof.

11 (c) The Board, and any person or persons to whom it  
12 delegates this power, is vested with the power to enter the  
13 facilities and other places of business of any licensee to  
14 determine whether there has been compliance with the provisions  
15 of this Act and its rules and regulations.

16 (d) The Board, and any person or persons to whom it  
17 delegates this power, is vested with the authority to  
18 investigate alleged violations of the provisions of this Act,  
19 its reasonable rules and regulations, orders and final  
20 decisions; the Board shall take appropriate disciplinary  
21 action against any licensee or occupation licensee for  
22 violation thereof or institute appropriate legal action for the  
23 enforcement thereof.

24 (e) The Board, and any person or persons to whom it  
25 delegates this power, may eject or exclude from any race  
26 meeting or the facilities of any licensee, or any part thereof,  
27 any occupation licensee or any other individual whose conduct  
28 or reputation is such that his presence on those facilities  
29 may, in the opinion of the Board, call into question the  
30 honesty and integrity of horse racing or wagering or interfere  
31 with the orderly conduct of horse racing or wagering; provided,  
32 however, that no person shall be excluded or ejected from the  
33 facilities of any licensee solely on the grounds of race,  
34 color, creed, national origin, ancestry, or sex. The power to

1 eject or exclude an occupation licensee or other individual may  
2 be exercised for just cause by the licensee or the Board,  
3 subject to subsequent hearing by the Board as to the propriety  
4 of said exclusion.

5 (f) The Board is vested with the power to acquire,  
6 establish, maintain and operate (or provide by contract to  
7 maintain and operate) testing laboratories and related  
8 facilities, for the purpose of conducting saliva, blood, urine  
9 and other tests on the horses run or to be run in any horse race  
10 meeting, including races run at county fairs, and to purchase  
11 all equipment and supplies deemed necessary or desirable in  
12 connection with any such testing laboratories and related  
13 facilities and all such tests.

14 (g) The Board may require that the records, including  
15 financial or other statements of any licensee or any person  
16 affiliated with the licensee who is involved directly or  
17 indirectly in the activities of any licensee as regulated under  
18 this Act to the extent that those financial or other statements  
19 relate to such activities be kept in such manner as prescribed  
20 by the Board, and that Board employees shall have access to  
21 those records during reasonable business hours. Within 120 days  
22 of the end of its fiscal year, each licensee shall transmit to  
23 the Board an audit of the financial transactions and condition  
24 of the licensee's total operations. All audits shall be  
25 conducted by certified public accountants. Each certified  
26 public accountant must be registered in the State of Illinois  
27 under the Illinois Public Accounting Act. The compensation for  
28 each certified public accountant shall be paid directly by the  
29 licensee to the certified public accountant. A licensee shall  
30 also submit any other financial or related information the  
31 Board deems necessary to effectively administer this Act and  
32 all rules, regulations, and final decisions promulgated under  
33 this Act.

34 (h) The Board shall name and appoint in the manner provided

1 by the rules and regulations of the Board: an Executive  
2 Director; a State director of mutuels; State veterinarians and  
3 representatives to take saliva, blood, urine and other tests on  
4 horses; licensing personnel; revenue inspectors; and State  
5 seasonal employees (excluding admission ticket sellers and  
6 mutuel clerks). All of those named and appointed as provided in  
7 this subsection shall serve during the pleasure of the Board;  
8 their compensation shall be determined by the Board and be paid  
9 in the same manner as other employees of the Board under this  
10 Act.

11 (i) The Board shall require that there shall be 3 stewards  
12 at each horse race meeting, at least 2 of whom shall be named  
13 and appointed by the Board. Stewards appointed or approved by  
14 the Board, while performing duties required by this Act or by  
15 the Board, shall be entitled to the same rights and immunities  
16 as granted to Board members and Board employees in Section 10  
17 of this Act.

18 (j) The Board may discharge any Board employee who fails or  
19 refuses for any reason to comply with the rules and regulations  
20 of the Board, or who, in the opinion of the Board, is guilty of  
21 fraud, dishonesty or who is proven to be incompetent. The Board  
22 shall have no right or power to determine who shall be  
23 officers, directors or employees of any licensee, or their  
24 salaries except the Board may, by rule, require that all or any  
25 officials or employees in charge of or whose duties relate to  
26 the actual running of races be approved by the Board.

27 (k) The Board is vested with the power to appoint delegates  
28 to execute any of the powers granted to it under this Section  
29 for the purpose of administering this Act and any rules or  
30 regulations promulgated in accordance with this Act.

31 (l) The Board is vested with the power to impose civil  
32 penalties of up to \$5,000 against an individual and up to  
33 \$10,000 against a licensee for each violation of any provision  
34 of this Act, any rules adopted by the Board, any order of the

1 Board or any other action which, in the Board's discretion, is  
2 a detriment or impediment to horse racing or wagering.

3 (m) The Board is vested with the power to prescribe a form  
4 to be used by licensees as an application for employment for  
5 employees of each licensee.

6 (n) The Board shall have the power to issue a license to  
7 any county fair, or its agent, authorizing the conduct of the  
8 pari-mutuel system of wagering. The Board is vested with the  
9 full power to promulgate reasonable rules, regulations and  
10 conditions under which all horse race meetings licensed  
11 pursuant to this subsection shall be held and conducted,  
12 including rules, regulations and conditions for the conduct of  
13 the pari-mutuel system of wagering. The rules, regulations and  
14 conditions shall provide for the prevention of practices  
15 detrimental to the public interest and for the best interests  
16 of horse racing, and shall prescribe penalties for violations  
17 thereof. Any authority granted the Board under this Act shall  
18 extend to its jurisdiction and supervision over county fairs,  
19 or their agents, licensed pursuant to this subsection. However,  
20 the Board may waive any provision of this Act or its rules or  
21 regulations which would otherwise apply to such county fairs or  
22 their agents.

23 (o) Whenever the Board is authorized or required by law to  
24 consider some aspect of criminal history record information for  
25 the purpose of carrying out its statutory powers and  
26 responsibilities, then, upon request and payment of fees in  
27 conformance with the requirements of Section 2605-400 of the  
28 Department of State Police Law (20 ILCS 2605/2605-400), the  
29 Department of State Police is authorized to furnish, pursuant  
30 to positive identification, such information contained in  
31 State files as is necessary to fulfill the request.

32 (p) To insure the convenience, comfort, and wagering  
33 accessibility of race track patrons, to provide for the  
34 maximization of State revenue, and to generate increases in

1     purse allotments to the horsemen, the Board shall require any  
2     licensee to staff the pari-mutuel department with adequate  
3     personnel.

4     (Source: P.A. 91-239, eff. 1-1-00.)

5             (230 ILCS 5/20)     (from Ch. 8, par. 37-20)

6             Sec. 20. (a) Any person desiring to conduct a horse race  
7     meeting may apply to the Board for an organization license. The  
8     application shall be made on a form prescribed and furnished by  
9     the Board. The application shall specify:

10            (1) the dates on which it intends to conduct the horse  
11     race meeting, which dates shall be provided under Section  
12     21;

13            (2) the hours of each racing day between which it  
14     intends to hold or conduct horse racing at such meeting;

15            (3) the location where it proposes to conduct the  
16     meeting; and

17            (4) any other information the Board may reasonably  
18     require.

19            (b) A separate application for an organization license  
20     shall be filed for each horse race meeting which such person  
21     proposes to hold. Any such application, if made by an  
22     individual, or by any individual as trustee, shall be signed  
23     and verified under oath by such individual. If made by  
24     individuals or a partnership, it shall be signed and verified  
25     under oath by at least 2 of such individuals or members of such  
26     partnership as the case may be. If made by an association,  
27     corporation, corporate trustee or any other entity, it shall be  
28     signed by the president and attested by the secretary or  
29     assistant secretary under the seal of such association, trust  
30     or corporation if it has a seal, and shall also be verified  
31     under oath by one of the signing officers.

32            (c) The application shall specify the name of the persons,  
33     association, trust, or corporation making such application and

1 the post office address of the applicant; if the applicant is a  
2 trustee, the names and addresses of the beneficiaries; if a  
3 corporation, the names and post office addresses of all  
4 officers, stockholders and directors; or if such stockholders  
5 hold stock as a nominee or fiduciary, the names and post office  
6 addresses of these persons, partnerships, corporations, or  
7 trusts who are the beneficial owners thereof or who are  
8 beneficially interested therein; and if a partnership, the  
9 names and post office addresses of all partners, general or  
10 limited; if the applicant is a corporation, the name of the  
11 state of its incorporation shall be specified.

12 (d) The applicant shall execute and file with the Board a  
13 good faith affirmative action plan to recruit, train, and  
14 upgrade minorities in all classifications within the  
15 association.

16 (e) With such application there shall be delivered to the  
17 Board a certified check or bank draft payable to the order of  
18 the Board for an amount equal to \$1,000. All applications for  
19 the issuance of an organization license shall be filed with the  
20 Board before August 1 of the year prior to the year for which  
21 application is made and shall be acted upon by the Board at a  
22 meeting to be held on such date as shall be fixed by the Board  
23 during the last 15 days of September of such prior year. At  
24 such meeting, the Board shall announce the award of the racing  
25 meets, live racing schedule, and designation of host track to  
26 the applicants and its approval or disapproval of each  
27 application. No announcement shall be considered binding until  
28 a formal order is executed by the Board, which shall be  
29 executed no later than October 15 of that prior year. Absent  
30 the agreement of the affected organization licensees, the Board  
31 shall not grant overlapping race meetings to 2 or more tracks  
32 that are within 100 miles of each other to conduct the  
33 thoroughbred racing.

34 (e-2) In awarding racing dates for calendar year 2005 and

1 thereafter, the Board shall award the same total number of  
2 racing days as it awarded in calendar year 2004 plus an amount  
3 as provided in subsection (e-3). In awarding racing dates under  
4 this subsection (e-2), the Board shall have the discretion to  
5 allocate those racing dates among organization licensees.

6 (e-3) Upon request, the Board shall award at least 25  
7 standardbred racing dates to the organization licensee that  
8 conducts racing at Fairmount Race Track, unless a lesser  
9 schedule of live racing is the result of (A) weather or unsafe  
10 track conditions due to acts of God or (B) a strike between the  
11 organization licensee and the associations representing the  
12 largest number of owners, trainers, jockeys, or standardbred  
13 drivers who race horses at that organization licensee's racing  
14 meeting. Any racing dates awarded under this subsection (e-3)  
15 to an organization licensee that conducts racing at Fairmount  
16 Race Track that are in excess of the number awarded to that  
17 organization licensee in 2004 shall be in addition to those  
18 racing dates awarded under subsection (e-2).

19 (e-5) In reviewing an application for the purpose of  
20 granting an organization license consistent with the best  
21 interests of the public and the sport of horse racing, the  
22 Board shall consider:

23 (1) the character, reputation, experience, and  
24 financial integrity of the applicant and of any other  
25 separate person that either:

26 (i) controls the applicant, directly or  
27 indirectly, or

28 (ii) is controlled, directly or indirectly, by  
29 that applicant or by a person who controls, directly or  
30 indirectly, that applicant;

31 (2) the applicant's facilities or proposed facilities  
32 for conducting horse racing;

33 (3) the total revenue without regard to Section 32.1 to  
34 be derived by the State and horsemen from the applicant's



1 conducting a race meeting;

2 (4) the applicant's good faith affirmative action plan  
3 to recruit, train, and upgrade minorities in all employment  
4 classifications;

5 (5) the applicant's financial ability to purchase and  
6 maintain adequate liability and casualty insurance;

7 (6) the applicant's proposed and prior year's  
8 promotional and marketing activities and expenditures of  
9 the applicant associated with those activities;

10 (7) an agreement, if any, among organization licensees  
11 as provided in subsection (b) of Section 21 of this Act;  
12 and

13 (8) the extent to which the applicant exceeds or meets  
14 other standards for the issuance of an organization license  
15 that the Board shall adopt by rule.

16 In granting organization licenses and allocating dates for  
17 horse race meetings, the Board shall have discretion to  
18 determine an overall schedule, including required simulcasts  
19 of Illinois races by host tracks that will, in its judgment, be  
20 conducive to the best interests of the public and the sport of  
21 horse racing.

22 (e-10) The Illinois Administrative Procedure Act shall  
23 apply to administrative procedures of the Board under this Act  
24 for the granting of an organization license, except that (1)  
25 notwithstanding the provisions of subsection (b) of Section  
26 10-40 of the Illinois Administrative Procedure Act regarding  
27 cross-examination, the Board may prescribe rules limiting the  
28 right of an applicant or participant in any proceeding to award  
29 an organization license to conduct cross-examination of  
30 witnesses at that proceeding where that cross-examination  
31 would unduly obstruct the timely award of an organization  
32 license under subsection (e) of Section 20 of this Act; (2) the  
33 provisions of Section 10-45 of the Illinois Administrative  
34 Procedure Act regarding proposals for decision are excluded

1 under this Act; (3) notwithstanding the provisions of  
2 subsection (a) of Section 10-60 of the Illinois Administrative  
3 Procedure Act regarding ex parte communications, the Board may  
4 prescribe rules allowing ex parte communications with  
5 applicants or participants in a proceeding to award an  
6 organization license where conducting those communications  
7 would be in the best interest of racing, provided all those  
8 communications are made part of the record of that proceeding  
9 pursuant to subsection (c) of Section 10-60 of the Illinois  
10 Administrative Procedure Act; (4) the provisions of Section 14a  
11 of this Act and the rules of the Board promulgated under that  
12 Section shall apply instead of the provisions of Article 10 of  
13 the Illinois Administrative Procedure Act regarding  
14 administrative law judges; and (5) the provisions of subsection  
15 (d) of Section 10-65 of the Illinois Administrative Procedure  
16 Act that prevent summary suspension of a license pending  
17 revocation or other action shall not apply.

18 (f) The Board may allot racing dates to an organization  
19 licensee for more than one calendar year but for no more than 3  
20 successive calendar years in advance, provided that the Board  
21 shall review such allotment for more than one calendar year  
22 prior to each year for which such allotment has been made. The  
23 granting of an organization license to a person constitutes a  
24 privilege to conduct a horse race meeting under the provisions  
25 of this Act, and no person granted an organization license  
26 shall be deemed to have a vested interest, property right, or  
27 future expectation to receive an organization license in any  
28 subsequent year as a result of the granting of an organization  
29 license. Organization licenses shall be subject to revocation  
30 if the organization licensee has violated any provision of this  
31 Act or the rules and regulations promulgated under this Act or  
32 has been convicted of a crime or has failed to disclose or has  
33 stated falsely any information called for in the application  
34 for an organization license. Any organization license

1 revocation proceeding shall be in accordance with Section 16  
2 regarding suspension and revocation of occupation licenses.

3 (f-5) If, (i) an applicant does not file an acceptance of  
4 the racing dates awarded by the Board as required under part  
5 (1) of subsection (h) of this Section 20, or (ii) an  
6 organization licensee has its license suspended or revoked  
7 under this Act, the Board, upon conducting an emergency hearing  
8 as provided for in this Act, may reaward on an emergency basis  
9 pursuant to rules established by the Board, racing dates not  
10 accepted or the racing dates associated with any suspension or  
11 revocation period to one or more organization licensees, new  
12 applicants, or any combination thereof, upon terms and  
13 conditions that the Board determines are in the best interest  
14 of racing, provided, the organization licensees or new  
15 applicants receiving the awarded racing dates file an  
16 acceptance of those reawarded racing dates as required under  
17 paragraph (1) of subsection (h) of this Section 20 and comply  
18 with the other provisions of this Act. The Illinois  
19 Administrative Procedures Act shall not apply to the  
20 administrative procedures of the Board in conducting the  
21 emergency hearing and the reallocation of racing dates on an  
22 emergency basis.

23 (g) (Blank).

24 (h) The Board shall send the applicant a copy of its  
25 formally executed order by certified mail addressed to the  
26 applicant at the address stated in his application, which  
27 notice shall be mailed within 5 days of the date the formal  
28 order is executed.

29 Each applicant notified shall, within 10 days after receipt  
30 of the final executed order of the Board awarding racing dates:

31 (1) file with the Board an acceptance of such award in  
32 the form prescribed by the Board;

33 (2) pay to the Board an additional amount equal to \$110  
34 for each racing date awarded; and

1           (3) file with the Board the bonds required in Sections  
2           21 and 25 at least 20 days prior to the first day of each  
3           race meeting.

4           Upon compliance with the provisions of paragraphs (1), (2), and  
5           (3) of this subsection (h), the applicant shall be issued an  
6           organization license.

7           If any applicant fails to comply with this Section or fails  
8           to pay the organization license fees herein provided, no  
9           organization license shall be issued to such applicant.

10          (Source: P.A. 91-40, eff. 6-25-99.)

11          (230 ILCS 5/26)   (from Ch. 8, par. 37-26)

12          Sec. 26. Wagering.

13          (a) Any licensee may conduct and supervise the pari-mutuel  
14          system of wagering, as defined in Section 3.12 of this Act, on  
15          horse races conducted by an Illinois organization licensee or  
16          conducted at a racetrack located in another state or country  
17          and televised in Illinois in accordance with subsection (g) of  
18          Section 26 of this Act. Subject to the prior consent of the  
19          Board, licensees may supplement any pari-mutuel pool in order  
20          to guarantee a minimum distribution. Such pari-mutuel method of  
21          wagering shall not, under any circumstances if conducted under  
22          the provisions of this Act, be held or construed to be  
23          unlawful, other statutes of this State to the contrary  
24          notwithstanding. Subject to rules for advance wagering  
25          promulgated by the Board, any licensee may accept wagers in  
26          advance of the day of the race wagered upon occurs.

27          (b) Except as otherwise provided in Section 56, no other  
28          method of betting, pool making, wagering or gambling shall be  
29          used or permitted by the licensee. Each licensee may retain,  
30          subject to the payment of all applicable taxes and purses, an  
31          amount not to exceed 17% of all money wagered under subsection  
32          (a) of this Section, except as may otherwise be permitted under  
33          this Act.

1 (b-5) An individual may place a wager under the pari-mutuel  
2 system from any licensed location authorized under this Act  
3 provided that wager is electronically recorded in the manner  
4 described in Section 3.12 of this Act. Any wager made  
5 electronically by an individual while physically on the  
6 premises of a licensee shall be deemed to have been made at the  
7 premises of that licensee.

8 (c) Until January 1, 2000, the sum held by any licensee for  
9 payment of outstanding pari-mutuel tickets, if unclaimed prior  
10 to December 31 of the next year, shall be retained by the  
11 licensee for payment of such tickets until that date. Within 10  
12 days thereafter, the balance of such sum remaining unclaimed,  
13 less any uncashed supplements contributed by such licensee for  
14 the purpose of guaranteeing minimum distributions of any  
15 pari-mutuel pool, shall be paid to the Illinois Veterans'  
16 Rehabilitation Fund of the State treasury, except as provided  
17 in subsection (g) of Section 27 of this Act.

18 (c-5) Beginning January 1, 2000, the sum held by any  
19 licensee for payment of outstanding pari-mutuel tickets, if  
20 unclaimed prior to December 31 of the next year, shall be  
21 retained by the licensee for payment of such tickets until that  
22 date. Within 10 days thereafter, the balance of such sum  
23 remaining unclaimed, less any uncashed supplements contributed  
24 by such licensee for the purpose of guaranteeing minimum  
25 distributions of any pari-mutuel pool, shall be evenly  
26 distributed to the purse account of the organization licensee  
27 and the organization licensee.

28 (d) A pari-mutuel ticket shall be honored until December 31  
29 of the next calendar year, and the licensee shall pay the same  
30 and may charge the amount thereof against unpaid money  
31 similarly accumulated on account of pari-mutuel tickets not  
32 presented for payment.

33 (e) No licensee shall knowingly permit any minor, other  
34 than an employee of such licensee or an owner, trainer, jockey,

1 driver, or employee thereof, to be admitted during a racing  
2 program unless accompanied by a parent or guardian, or any  
3 minor to be a patron of the pari-mutuel system of wagering  
4 conducted or supervised by it. The admission of any  
5 unaccompanied minor, other than an employee of the licensee or  
6 an owner, trainer, jockey, driver, or employee thereof at a  
7 race track is a Class C misdemeanor.

8 (f) Notwithstanding the other provisions of this Act, an  
9 organization licensee may contract with an entity in another  
10 state or country to permit any legal wagering entity in another  
11 state or country to accept wagers solely within such other  
12 state or country on races conducted by the organization  
13 licensee in this State. Beginning January 1, 2000, these wagers  
14 shall not be subject to State taxation. Until January 1, 2000,  
15 when the out-of-State entity conducts a pari-mutuel pool  
16 separate from the organization licensee, a privilege tax equal  
17 to 7 1/2% of all monies received by the organization licensee  
18 from entities in other states or countries pursuant to such  
19 contracts is imposed on the organization licensee, and such  
20 privilege tax shall be remitted to the Department of Revenue  
21 within 48 hours of receipt of the moneys from the simulcast.  
22 When the out-of-State entity conducts a combined pari-mutuel  
23 pool with the organization licensee, the tax shall be 10% of  
24 all monies received by the organization licensee with 25% of  
25 the receipts from this 10% tax to be distributed to the county  
26 in which the race was conducted.

27 An organization licensee may permit one or more of its  
28 races to be utilized for pari-mutuel wagering at one or more  
29 locations in other states and may transmit audio and visual  
30 signals of races the organization licensee conducts to one or  
31 more locations outside the State or country and may also permit  
32 pari-mutuel pools in other states or countries to be combined  
33 with its gross or net wagering pools or with wagering pools  
34 established by other states.

1 (g) A host track may accept interstate simulcast wagers on  
2 horse races conducted in other states or countries and shall  
3 control the number of signals and types of breeds of racing in  
4 its simulcast program, subject to the disapproval of the Board.  
5 The Board may prohibit a simulcast program only if it finds  
6 that the simulcast program is clearly adverse to the integrity  
7 of racing. The host track simulcast program shall include the  
8 signal of live racing of all organization licensees. All  
9 non-host licensees shall carry the host track simulcast program  
10 and accept wagers on all races included as part of the  
11 simulcast program upon which wagering is permitted. The costs  
12 and expenses of the host track and non-host licensees  
13 associated with interstate simulcast wagering, other than the  
14 interstate commission fee, shall be borne by the host track and  
15 all non-host licensees incurring these costs. The interstate  
16 commission fee shall not exceed 5% of Illinois handle on the  
17 interstate simulcast race or races without prior approval of  
18 the Board. The Board shall promulgate rules under which it may  
19 permit interstate commission fees in excess of 5%. The  
20 interstate commission fee and other fees charged by the sending  
21 racetrack, including, but not limited to, satellite decoder  
22 fees, shall be uniformly applied to the host track and all  
23 non-host licensees.

24 (1) Between the hours of 6:30 a.m. and 6:30 p.m. an  
25 intertrack wagering licensee other than the host track may  
26 supplement the host track simulcast program with  
27 additional simulcast races or race programs, provided that  
28 between January 1 and the third Friday in February of any  
29 year, inclusive, if no live thoroughbred racing is  
30 occurring in Illinois during this period, only  
31 thoroughbred races may be used for supplemental interstate  
32 simulcast purposes. The Board shall withhold approval for a  
33 supplemental interstate simulcast only if it finds that the  
34 simulcast is clearly adverse to the integrity of racing. A

1 supplemental interstate simulcast may be transmitted from  
2 an intertrack wagering licensee to its affiliated non-host  
3 licensees. The interstate commission fee for a  
4 supplemental interstate simulcast shall be paid by the  
5 non-host licensee and its affiliated non-host licensees  
6 receiving the simulcast.

7 (2) Between the hours of 6:30 p.m. and 6:30 a.m. an  
8 intertrack wagering licensee other than the host track may  
9 receive supplemental interstate simulcasts only with the  
10 consent of the host track, except when the Board finds that  
11 the simulcast is clearly adverse to the integrity of  
12 racing. Consent granted under this paragraph (2) to any  
13 intertrack wagering licensee shall be deemed consent to all  
14 non-host licensees. The interstate commission fee for the  
15 supplemental interstate simulcast shall be paid by all  
16 participating non-host licensees.

17 (3) Each licensee conducting interstate simulcast  
18 wagering may retain, subject to the payment of all  
19 applicable taxes and the purses, an amount not to exceed  
20 17% of all money wagered. If any licensee conducts the  
21 pari-mutuel system wagering on races conducted at  
22 racetracks in another state or country, each such race or  
23 race program shall be considered a separate racing day for  
24 the purpose of determining the daily handle and computing  
25 the privilege tax of that daily handle as provided in  
26 subsection (a) of Section 27. Until January 1, 2000, from  
27 the sums permitted to be retained pursuant to this  
28 subsection, each intertrack wagering location licensee  
29 shall pay 1% of the pari-mutuel handle wagered on simulcast  
30 wagering to the Horse Racing Tax Allocation Fund, subject  
31 to the provisions of subparagraph (B) of paragraph (11) of  
32 subsection (h) of Section 26 of this Act.

33 (4) A licensee who receives an interstate simulcast may  
34 combine its gross or net pools with pools at the sending



1 racetracks pursuant to rules established by the Board. All  
2 licensees combining their gross pools at a sending  
3 racetrack shall adopt the take-out percentages of the  
4 sending racetrack. A licensee may also establish a separate  
5 pool and takeout structure for wagering purposes on races  
6 conducted at race tracks outside of the State of Illinois.  
7 The licensee may permit pari-mutuel wagers placed in other  
8 states or countries to be combined with its gross or net  
9 wagering pools or other wagering pools.

10 (5) After the payment of the interstate commission fee  
11 (except for the interstate commission fee on a supplemental  
12 interstate simulcast, which shall be paid by the host track  
13 and by each non-host licensee through the host-track) and  
14 all applicable State and local taxes, except as provided in  
15 subsection (g) of Section 27 of this Act, the remainder of  
16 moneys retained from simulcast wagering pursuant to this  
17 subsection (g), and Section 26.2 shall be divided as  
18 follows:

19 (A) For interstate simulcast wagers made at a host  
20 track, 50% to the host track and 50% to purses at the  
21 host track.

22 (B) For wagers placed on interstate simulcast  
23 races, supplemental simulcasts as defined in  
24 subparagraphs (1) and (2), and separately pooled races  
25 conducted outside of the State of Illinois made at a  
26 non-host licensee, 25% to the host track, 25% to the  
27 non-host licensee, and 50% to the purses at the host  
28 track.

29 (6) Notwithstanding any provision in this Act to the  
30 contrary, non-host licensees who derive their licenses  
31 from a track located in a county with a population in  
32 excess of 230,000 and that borders the Mississippi River  
33 may receive supplemental interstate simulcast races at all  
34 times subject to Board approval, which shall be withheld

1           only upon a finding that a supplemental interstate  
2 simulcast is clearly adverse to the integrity of racing.

3           (7) Notwithstanding any provision of this Act to the  
4 contrary, after payment of all applicable State and local  
5 taxes and interstate commission fees, non-host licensees  
6 who derive their licenses from a track located in a county  
7 with a population in excess of 230,000 and that borders the  
8 Mississippi River shall retain 50% of the retention from  
9 interstate simulcast wagers and shall pay 50% to purses at  
10 the track from which the non-host licensee derives its  
11 license as follows:

12           (A) Between January 1 and the third Friday in  
13 February, inclusive, if no live thoroughbred racing is  
14 occurring in Illinois during this period, when the  
15 interstate simulcast is a standardbred race, the purse  
16 share to its standardbred purse account;

17           (B) Between January 1 and the third Friday in  
18 February, inclusive, if no live thoroughbred racing is  
19 occurring in Illinois during this period, and the  
20 interstate simulcast is a thoroughbred race, the purse  
21 share to its interstate simulcast purse pool to be  
22 distributed under paragraph (10) of this subsection  
23 (g);

24           (C) Between January 1 and the third Friday in  
25 February, inclusive, if live thoroughbred racing is  
26 occurring in Illinois, between 6:30 a.m. and 6:30 p.m.  
27 the purse share from wagers made during this time  
28 period to its thoroughbred purse account and between  
29 6:30 p.m. and 6:30 a.m. the purse share from wagers  
30 made during this time period to its standardbred purse  
31 accounts;

32           (D) Between the third Saturday in February and  
33 December 31, when the interstate simulcast occurs  
34 between the hours of 6:30 a.m. and 6:30 p.m., the purse

1 share to its thoroughbred purse account;

2 (E) Between the third Saturday in February and  
3 December 31, when the interstate simulcast occurs  
4 between the hours of 6:30 p.m. and 6:30 a.m., the purse  
5 share to its standardbred purse account.

6 (7.1) Notwithstanding any other provision of this Act  
7 to the contrary, if no standardbred racing is conducted at  
8 a racetrack located in Madison County during any calendar  
9 year beginning on or after January 1, 2002, all moneys  
10 derived by that racetrack from simulcast wagering and  
11 inter-track wagering that (1) are to be used for purses and  
12 (2) are generated between the hours of 6:30 p.m. and 6:30  
13 a.m. during that calendar year shall be paid as follows:

14 (A) If the licensee that conducts horse racing at  
15 that racetrack requests from the Board at least as many  
16 racing dates as were conducted in calendar year 2000,  
17 80% shall be paid to its thoroughbred purse account;  
18 and

19 (B) Twenty percent shall be deposited into the  
20 Illinois Colt Stakes Purse Distribution Fund and shall  
21 be paid to purses for standardbred races for Illinois  
22 conceived and foaled horses conducted at any county  
23 fairgrounds. The moneys deposited into the Fund  
24 pursuant to this subparagraph (B) shall be deposited  
25 within 2 weeks after the day they were generated, shall  
26 be in addition to and not in lieu of any other moneys  
27 paid to standardbred purses under this Act, and shall  
28 not be commingled with other moneys paid into that  
29 Fund. The moneys deposited pursuant to this  
30 subparagraph (B) shall be allocated as provided by the  
31 Department of Agriculture, with the advice and  
32 assistance of the Illinois Standardbred Breeders Fund  
33 Advisory Board.

34 (7.2) Notwithstanding any other provision of this Act

1 to the contrary, if no thoroughbred racing is conducted at  
2 a racetrack located in Madison County during any calendar  
3 year beginning on or after January 1, 2002, all moneys  
4 derived by that racetrack from simulcast wagering and  
5 inter-track wagering that (1) are to be used for purses and  
6 (2) are generated between the hours of 6:30 a.m. and 6:30  
7 p.m. during that calendar year shall be deposited as  
8 follows:

9 (A) If the licensee that conducts horse racing at  
10 that racetrack requests from the Board at least as many  
11 racing dates as were conducted in calendar year 2000,  
12 80% shall be deposited into its standardbred purse  
13 account; and

14 (B) Twenty percent shall be deposited into the  
15 Illinois Colt Stakes Purse Distribution Fund. Moneys  
16 deposited into the Illinois Colt Stakes Purse  
17 Distribution Fund pursuant to this subparagraph (B)  
18 shall be paid to Illinois conceived and foaled  
19 thoroughbred breeders' programs and to thoroughbred  
20 purses for races conducted at any county fairgrounds  
21 for Illinois conceived and foaled horses at the  
22 discretion of the Department of Agriculture, with the  
23 advice and assistance of the Illinois Thoroughbred  
24 Breeders Fund Advisory Board. The moneys deposited  
25 into the Illinois Colt Stakes Purse Distribution Fund  
26 pursuant to this subparagraph (B) shall be deposited  
27 within 2 weeks after the day they were generated, shall  
28 be in addition to and not in lieu of any other moneys  
29 paid to thoroughbred purses under this Act, and shall  
30 not be commingled with other moneys deposited into that  
31 Fund.

32 (7.3) If no live standardbred racing is conducted at a  
33 racetrack located in Madison County in calendar year 2000  
34 or 2001, an organization licensee who is licensed to

1       conduct horse racing at that racetrack shall, before  
2       January 1, 2002, pay all moneys derived from simulcast  
3       wagering and inter-track wagering in calendar years 2000  
4       and 2001 and paid into the licensee's standardbred purse  
5       account as follows:

6               (A) Eighty percent to that licensee's thoroughbred  
7       purse account to be used for thoroughbred purses; and

8               (B) Twenty percent to the Illinois Colt Stakes  
9       Purse Distribution Fund.

10       Failure to make the payment to the Illinois Colt Stakes  
11       Purse Distribution Fund before January 1, 2002 shall result  
12       in the immediate revocation of the licensee's organization  
13       license, inter-track wagering license, and inter-track  
14       wagering location license.

15       Moneys paid into the Illinois Colt Stakes Purse  
16       Distribution Fund pursuant to this paragraph (7.3) shall be  
17       paid to purses for standardbred races for Illinois  
18       conceived and foaled horses conducted at any county  
19       fairgrounds. Moneys paid into the Illinois Colt Stakes  
20       Purse Distribution Fund pursuant to this paragraph (7.3)  
21       shall be used as determined by the Department of  
22       Agriculture, with the advice and assistance of the Illinois  
23       Standardbred Breeders Fund Advisory Board, shall be in  
24       addition to and not in lieu of any other moneys paid to  
25       standardbred purses under this Act, and shall not be  
26       commingled with any other moneys paid into that Fund.

27       (7.4) If live standardbred racing is conducted at a  
28       racetrack located in Madison County at any time in calendar  
29       year 2001 before the payment required under paragraph (7.3)  
30       has been made, the organization licensee who is licensed to  
31       conduct racing at that racetrack shall pay all moneys  
32       derived by that racetrack from simulcast wagering and  
33       inter-track wagering during calendar years 2000 and 2001  
34       that (1) are to be used for purses and (2) are generated

1 between the hours of 6:30 p.m. and 6:30 a.m. during 2000 or  
2 2001 to the standardbred purse account at that racetrack to  
3 be used for standardbred purses.

4 (8) Notwithstanding any provision in this Act to the  
5 contrary, an organization licensee from a track located in  
6 a county with a population in excess of 230,000 and that  
7 borders the Mississippi River and its affiliated non-host  
8 licensees shall not be entitled to share in any retention  
9 generated on racing, inter-track wagering, or simulcast  
10 wagering at any other Illinois wagering facility.

11 (8.1) Notwithstanding any provisions in this Act to the  
12 contrary, if 2 organization licensees are conducting  
13 standardbred race meetings concurrently between the hours  
14 of 6:30 p.m. and 6:30 a.m., after payment of all applicable  
15 State and local taxes and interstate commission fees, the  
16 remainder of the amount retained from simulcast wagering  
17 otherwise attributable to the host track and to host track  
18 purses shall be split daily between the 2 organization  
19 licensees and the purses at the tracks of the 2  
20 organization licensees, respectively, based on each  
21 organization licensee's share of the total live handle for  
22 that day, provided that this provision shall not apply to  
23 any non-host licensee that derives its license from a track  
24 located in a county with a population in excess of 230,000  
25 and that borders the Mississippi River.

26 (9) (Blank).

27 (10) (Blank).

28 (11) (Blank).

29 (12) The Board shall have authority to compel all host  
30 tracks to receive the simulcast of any or all races  
31 conducted at the Springfield or DuQuoin State fairgrounds  
32 and include all such races as part of their simulcast  
33 programs.

34 (13) Notwithstanding any other provision of this Act,

1 in the event that the total Illinois pari-mutuel handle on  
2 Illinois horse races at all wagering facilities in any  
3 calendar year is less than 75% of the total Illinois  
4 pari-mutuel handle on Illinois horse races at all such  
5 wagering facilities for calendar year 1994, then each  
6 wagering facility that has an annual total Illinois  
7 pari-mutuel handle on Illinois horse races that is less  
8 than 75% of the total Illinois pari-mutuel handle on  
9 Illinois horse races at such wagering facility for calendar  
10 year 1994, shall be permitted to receive, from any amount  
11 otherwise payable to the purse account at the race track  
12 with which the wagering facility is affiliated in the  
13 succeeding calendar year, an amount equal to 2% of the  
14 differential in total Illinois pari-mutuel handle on  
15 Illinois horse races at the wagering facility between that  
16 calendar year in question and 1994 provided, however, that  
17 a wagering facility shall not be entitled to any such  
18 payment until the Board certifies in writing to the  
19 wagering facility the amount to which the wagering facility  
20 is entitled and a schedule for payment of the amount to the  
21 wagering facility, based on: (i) the racing dates awarded  
22 to the race track affiliated with the wagering facility  
23 during the succeeding year; (ii) the sums available or  
24 anticipated to be available in the purse account of the  
25 race track affiliated with the wagering facility for purses  
26 during the succeeding year; and (iii) the need to ensure  
27 reasonable purse levels during the payment period. The  
28 Board's certification shall be provided no later than  
29 January 31 of the succeeding year. In the event a wagering  
30 facility entitled to a payment under this paragraph (13) is  
31 affiliated with a race track that maintains purse accounts  
32 for both standardbred and thoroughbred racing, the amount  
33 to be paid to the wagering facility shall be divided  
34 between each purse account pro rata, based on the amount of

1 Illinois handle on Illinois standardbred and thoroughbred  
2 racing respectively at the wagering facility during the  
3 previous calendar year. Annually, the General Assembly  
4 shall appropriate sufficient funds from the General  
5 Revenue Fund to the Department of Agriculture for payment  
6 into the thoroughbred and standardbred horse racing purse  
7 accounts at Illinois pari-mutuel tracks. The amount paid to  
8 each purse account shall be the amount certified by the  
9 Illinois Racing Board in January to be transferred from  
10 each account to each eligible racing facility in accordance  
11 with the provisions of this Section. For the calendar year  
12 in which an organization licensee that is eligible to  
13 receive a payment under this paragraph (13) begins  
14 conducting electronic gaming pursuant to an electronic  
15 gaming license, the amount of that payment shall be reduced  
16 by a percentage equal to the percentage of the year  
17 remaining after the organization licensee begins  
18 conducting electronic gaming pursuant to its electronic  
19 gaming license. An organization licensee shall no longer be  
20 able to receive payments under this paragraph (13)  
21 beginning on the January 1 first occurring after the  
22 licensee begins conducting electronic gaming pursuant to  
23 an electronic gaming license issued under Section 7.6 of  
24 the Riverboat Gambling Act. Beginning on January 1, 2006,  
25 the other provisions of this paragraph (13) shall be of no  
26 force and effect.

27 (h) The Board may approve and license the conduct of  
28 inter-track wagering and simulcast wagering by inter-track  
29 wagering licensees and inter-track wagering location licensees  
30 subject to the following terms and conditions:

31 (1) Any person licensed to conduct a race meeting (i)  
32 at a track where 60 or more days of racing were conducted  
33 during the immediately preceding calendar year or where  
34 over the 5 immediately preceding calendar years an average



1 of 30 or more days of racing were conducted annually may be  
2 issued an inter-track wagering license; (ii) at a track  
3 located in a county that is bounded by the Mississippi  
4 River, which has a population of less than 150,000  
5 according to the 1990 decennial census, and an average of  
6 at least 60 days of racing per year between 1985 and 1993  
7 may be issued an inter-track wagering license; or (iii) at  
8 a track located in Madison County that conducted at least  
9 100 days of live racing during the immediately preceding  
10 calendar year may be issued an inter-track wagering  
11 license, unless a lesser schedule of live racing is the  
12 result of (A) weather, unsafe track conditions, or other  
13 acts of God; (B) an agreement between the organization  
14 licensee and the associations representing the largest  
15 number of owners, trainers, jockeys, or standardbred  
16 drivers who race horses at that organization licensee's  
17 racing meeting; or (C) a finding by the Board of  
18 extraordinary circumstances and that it was in the best  
19 interest of the public and the sport to conduct fewer than  
20 100 days of live racing. Any such person having operating  
21 control of the racing facility may also receive up to 6  
22 inter-track wagering location licenses. In no event shall  
23 more than 6 inter-track wagering locations be established  
24 for each eligible race track, except that an eligible race  
25 track located in a county that has a population of more  
26 than 230,000 and that is bounded by the Mississippi River  
27 may establish up to 7 inter-track wagering locations. An  
28 application for said license shall be filed with the Board  
29 prior to such dates as may be fixed by the Board. With an  
30 application for an inter-track wagering location license  
31 there shall be delivered to the Board a certified check or  
32 bank draft payable to the order of the Board for an amount  
33 equal to \$500. The application shall be on forms prescribed  
34 and furnished by the Board. The application shall comply

1 with all other rules, regulations and conditions imposed by  
2 the Board in connection therewith.

3 (2) The Board shall examine the applications with  
4 respect to their conformity with this Act and the rules and  
5 regulations imposed by the Board. If found to be in  
6 compliance with the Act and rules and regulations of the  
7 Board, the Board may then issue a license to conduct  
8 inter-track wagering and simulcast wagering to such  
9 applicant. All such applications shall be acted upon by the  
10 Board at a meeting to be held on such date as may be fixed  
11 by the Board.

12 (3) In granting licenses to conduct inter-track  
13 wagering and simulcast wagering, the Board shall give due  
14 consideration to the best interests of the public, of horse  
15 racing, and of maximizing revenue to the State.

16 (4) Prior to the issuance of a license to conduct  
17 inter-track wagering and simulcast wagering, the applicant  
18 shall file with the Board a bond payable to the State of  
19 Illinois in the sum of \$50,000, executed by the applicant  
20 and a surety company or companies authorized to do business  
21 in this State, and conditioned upon (i) the payment by the  
22 licensee of all taxes due under Section 27 or 27.1 and any  
23 other monies due and payable under this Act, and (ii)  
24 distribution by the licensee, upon presentation of the  
25 winning ticket or tickets, of all sums payable to the  
26 patrons of pari-mutuel pools.

27 (5) Each license to conduct inter-track wagering and  
28 simulcast wagering shall specify the person to whom it is  
29 issued, the dates on which such wagering is permitted, and  
30 the track or location where the wagering is to be  
31 conducted.

32 (6) All wagering under such license is subject to this  
33 Act and to the rules and regulations from time to time  
34 prescribed by the Board, and every such license issued by

1 the Board shall contain a recital to that effect.

2 (7) An inter-track wagering licensee or inter-track  
3 wagering location licensee may accept wagers at the track  
4 or location where it is licensed, or as otherwise provided  
5 under this Act.

6 (8) Inter-track wagering or simulcast wagering shall  
7 not be conducted at any track less than 5 miles from a  
8 track at which a racing meeting is in progress.

9 (8.1) Inter-track wagering location licensees who  
10 derive their licenses from a particular organization  
11 licensee shall conduct inter-track wagering and simulcast  
12 wagering only at locations which are either within 90 miles  
13 of that race track where the particular organization  
14 licensee is licensed to conduct racing, or within 135 miles  
15 of that race track where the particular organization  
16 licensee is licensed to conduct racing in the case of race  
17 tracks in counties of less than 400,000 that were operating  
18 on or before June 1, 1986. However, inter-track wagering  
19 and simulcast wagering shall not be conducted by those  
20 licensees at any location within 5 miles of any race track  
21 at which a horse race meeting has been licensed in the  
22 current year, unless the person having operating control of  
23 such race track has given its written consent to such  
24 inter-track wagering location licensees, which consent  
25 must be filed with the Board at or prior to the time  
26 application is made.

27 (8.2) Inter-track wagering or simulcast wagering shall  
28 not be conducted by an inter-track wagering location  
29 licensee at any location within 500 feet of an existing  
30 church or existing school, nor within 500 feet of the  
31 residences of more than 50 registered voters without  
32 receiving written permission from a majority of the  
33 registered voters at such residences. Such written  
34 permission statements shall be filed with the Board. The

1 distance of 500 feet shall be measured to the nearest part  
2 of any building used for worship services, education  
3 programs, residential purposes, or conducting inter-track  
4 wagering by an inter-track wagering location licensee, and  
5 not to property boundaries. However, inter-track wagering  
6 or simulcast wagering may be conducted at a site within 500  
7 feet of a church, school or residences of 50 or more  
8 registered voters if such church, school or residences have  
9 been erected or established, or such voters have been  
10 registered, after the Board issues the original  
11 inter-track wagering location license at the site in  
12 question. Inter-track wagering location licensees may  
13 conduct inter-track wagering and simulcast wagering only  
14 in areas that are zoned for commercial or manufacturing  
15 purposes or in areas for which a special use has been  
16 approved by the local zoning authority. However, no license  
17 to conduct inter-track wagering and simulcast wagering  
18 shall be granted by the Board with respect to any  
19 inter-track wagering location within the jurisdiction of  
20 any local zoning authority which has, by ordinance or by  
21 resolution, prohibited the establishment of an inter-track  
22 wagering location within its jurisdiction. However,  
23 inter-track wagering and simulcast wagering may be  
24 conducted at a site if such ordinance or resolution is  
25 enacted after the Board licenses the original inter-track  
26 wagering location licensee for the site in question.

27 (9) (Blank).

28 (10) An inter-track wagering licensee or an  
29 inter-track wagering location licensee may retain, subject  
30 to the payment of the privilege taxes and the purses, an  
31 amount not to exceed 17% of all money wagered. Each program  
32 of racing conducted by each inter-track wagering licensee  
33 or inter-track wagering location licensee shall be  
34 considered a separate racing day for the purpose of

1 determining the daily handle and computing the privilege  
2 tax or pari-mutuel tax on such daily handle as provided in  
3 Section 27.

4 (10.1) Except as provided in subsection (g) of Section  
5 27 of this Act, inter-track wagering location licensees  
6 shall pay 1% of the pari-mutuel handle at each location to  
7 the municipality in which such location is situated and 1%  
8 of the pari-mutuel handle at each location to the county in  
9 which such location is situated. In the event that an  
10 inter-track wagering location licensee is situated in an  
11 unincorporated area of a county, such licensee shall pay 2%  
12 of the pari-mutuel handle from such location to such  
13 county.

14 (10.2) Notwithstanding any other provision of this  
15 Act, with respect to intertrack wagering at a race track  
16 located in a county that has a population of more than  
17 230,000 and that is bounded by the Mississippi River ("the  
18 first race track"), or at a facility operated by an  
19 inter-track wagering licensee or inter-track wagering  
20 location licensee that derives its license from the  
21 organization licensee that operates the first race track,  
22 on races conducted at the first race track or on races  
23 conducted at another Illinois race track and  
24 simultaneously televised to the first race track or to a  
25 facility operated by an inter-track wagering licensee or  
26 inter-track wagering location licensee that derives its  
27 license from the organization licensee that operates the  
28 first race track, those moneys shall be allocated as  
29 follows:

30 (A) That portion of all moneys wagered on  
31 standardbred racing that is required under this Act to  
32 be paid to purses shall be paid to purses for  
33 standardbred races.

34 (B) That portion of all moneys wagered on

1 thoroughbred racing that is required under this Act to  
2 be paid to purses shall be paid to purses for  
3 thoroughbred races.

4 (11) (A) After payment of the privilege or pari-mutuel  
5 tax, any other applicable taxes, and the costs and expenses  
6 in connection with the gathering, transmission, and  
7 dissemination of all data necessary to the conduct of  
8 inter-track wagering, the remainder of the monies retained  
9 under either Section 26 or Section 26.2 of this Act by the  
10 inter-track wagering licensee on inter-track wagering  
11 shall be allocated with 50% to be split between the 2  
12 participating licensees and 50% to purses, except that an  
13 intertrack wagering licensee that derives its license from  
14 a track located in a county with a population in excess of  
15 230,000 and that borders the Mississippi River shall not  
16 divide any remaining retention with the Illinois  
17 organization licensee that provides the race or races, and  
18 an intertrack wagering licensee that accepts wagers on  
19 races conducted by an organization licensee that conducts a  
20 race meet in a county with a population in excess of  
21 230,000 and that borders the Mississippi River shall not  
22 divide any remaining retention with that organization  
23 licensee.

24 (B) From the sums permitted to be retained pursuant to  
25 this Act each inter-track wagering location licensee shall  
26 pay (i) the privilege or pari-mutuel tax to the State; (ii)  
27 4.75% of the pari-mutuel handle on intertrack wagering at  
28 such location on races as purses, except that an intertrack  
29 wagering location licensee that derives its license from a  
30 track located in a county with a population in excess of  
31 230,000 and that borders the Mississippi River shall retain  
32 all purse moneys for its own purse account consistent with  
33 distribution set forth in this subsection (h), and  
34 intertrack wagering location licensees that accept wagers

1 on races conducted by an organization licensee located in a  
2 county with a population in excess of 230,000 and that  
3 borders the Mississippi River shall distribute all purse  
4 moneys to purses at the operating host track; (iii) until  
5 January 1, 2000, except as provided in subsection (g) of  
6 Section 27 of this Act, 1% of the pari-mutuel handle  
7 wagered on inter-track wagering and simulcast wagering at  
8 each inter-track wagering location licensee facility to  
9 the Horse Racing Tax Allocation Fund, provided that, to the  
10 extent the total amount collected and distributed to the  
11 Horse Racing Tax Allocation Fund under this subsection (h)  
12 during any calendar year exceeds the amount collected and  
13 distributed to the Horse Racing Tax Allocation Fund during  
14 calendar year 1994, that excess amount shall be  
15 redistributed (I) to all inter-track wagering location  
16 licensees, based on each licensee's pro-rata share of the  
17 total handle from inter-track wagering and simulcast  
18 wagering for all inter-track wagering location licensees  
19 during the calendar year in which this provision is  
20 applicable; then (II) the amounts redistributed to each  
21 inter-track wagering location licensee as described in  
22 subpart (I) shall be further redistributed as provided in  
23 subparagraph (B) of paragraph (5) of subsection (g) of this  
24 Section 26 provided first, that the shares of those  
25 amounts, which are to be redistributed to the host track or  
26 to purses at the host track under subparagraph (B) of  
27 paragraph (5) of subsection (g) of this Section 26 shall be  
28 redistributed based on each host track's pro rata share of  
29 the total inter-track wagering and simulcast wagering  
30 handle at all host tracks during the calendar year in  
31 question, and second, that any amounts redistributed as  
32 described in part (I) to an inter-track wagering location  
33 licensee that accepts wagers on races conducted by an  
34 organization licensee that conducts a race meet in a county

1 with a population in excess of 230,000 and that borders the  
2 Mississippi River shall be further redistributed as  
3 provided in subparagraphs (D) and (E) of paragraph (7) of  
4 subsection (g) of this Section 26, with the portion of that  
5 further redistribution allocated to purses at that  
6 organization licensee to be divided between standardbred  
7 purses and thoroughbred purses based on the amounts  
8 otherwise allocated to purses at that organization  
9 licensee during the calendar year in question; and (iv) 8%  
10 of the pari-mutuel handle on inter-track wagering wagered  
11 at such location to satisfy all costs and expenses of  
12 conducting its wagering. The remainder of the monies  
13 retained by the inter-track wagering location licensee  
14 shall be allocated 40% to the location licensee and 60% to  
15 the organization licensee which provides the Illinois  
16 races to the location, except that an intertrack wagering  
17 location licensee that derives its license from a track  
18 located in a county with a population in excess of 230,000  
19 and that borders the Mississippi River shall not divide any  
20 remaining retention with the organization licensee that  
21 provides the race or races and an intertrack wagering  
22 location licensee that accepts wagers on races conducted by  
23 an organization licensee that conducts a race meet in a  
24 county with a population in excess of 230,000 and that  
25 borders the Mississippi River shall not divide any  
26 remaining retention with the organization licensee.  
27 Notwithstanding the provisions of clauses (ii) and (iv) of  
28 this paragraph, in the case of the additional inter-track  
29 wagering location licenses authorized under paragraph (1)  
30 of this subsection (h) by this amendatory Act of 1991,  
31 those licensees shall pay the following amounts as purses:  
32 during the first 12 months the licensee is in operation,  
33 5.25% of the pari-mutuel handle wagered at the location on  
34 races; during the second 12 months, 5.25%; during the third



1 12 months, 5.75%; during the fourth 12 months, 6.25%; and  
2 during the fifth 12 months and thereafter, 6.75%. The  
3 following amounts shall be retained by the licensee to  
4 satisfy all costs and expenses of conducting its wagering:  
5 during the first 12 months the licensee is in operation,  
6 8.25% of the pari-mutuel handle wagered at the location;  
7 during the second 12 months, 8.25%; during the third 12  
8 months, 7.75%; during the fourth 12 months, 7.25%; and  
9 during the fifth 12 months and thereafter, 6.75%. For  
10 additional intertrack wagering location licensees  
11 authorized under this amendatory Act of 1995, purses for  
12 the first 12 months the licensee is in operation shall be  
13 5.75% of the pari-mutuel wagered at the location, purses  
14 for the second 12 months the licensee is in operation shall  
15 be 6.25%, and purses thereafter shall be 6.75%. For  
16 additional intertrack location licensees authorized under  
17 this amendatory Act of 1995, the licensee shall be allowed  
18 to retain to satisfy all costs and expenses: 7.75% of the  
19 pari-mutuel handle wagered at the location during its first  
20 12 months of operation, 7.25% during its second 12 months  
21 of operation, and 6.75% thereafter.

22 (C) There is hereby created the Horse Racing Tax  
23 Allocation Fund which shall remain in existence until  
24 December 31, 1999. Moneys remaining in the Fund after  
25 December 31, 1999 shall be paid into the General Revenue  
26 Fund. Until January 1, 2000, all monies paid into the Horse  
27 Racing Tax Allocation Fund pursuant to this paragraph (11)  
28 by inter-track wagering location licensees located in park  
29 districts of 500,000 population or less, or in a  
30 municipality that is not included within any park district  
31 but is included within a conservation district and is the  
32 county seat of a county that (i) is contiguous to the state  
33 of Indiana and (ii) has a 1990 population of 88,257  
34 according to the United States Bureau of the Census, and

1 operating on May 1, 1994 shall be allocated by  
2 appropriation as follows:

3 Two-sevenths to the Department of Agriculture.  
4 Fifty percent of this two-sevenths shall be used to  
5 promote the Illinois horse racing and breeding  
6 industry, and shall be distributed by the Department of  
7 Agriculture upon the advice of a 9-member committee  
8 appointed by the Governor consisting of the following  
9 members: the Director of Agriculture, who shall serve  
10 as chairman; 2 representatives of organization  
11 licensees conducting thoroughbred race meetings in  
12 this State, recommended by those licensees; 2  
13 representatives of organization licensees conducting  
14 standardbred race meetings in this State, recommended  
15 by those licensees; a representative of the Illinois  
16 Thoroughbred Breeders and Owners Foundation,  
17 recommended by that Foundation; a representative of  
18 the Illinois Standardbred Owners and Breeders  
19 Association, recommended by that Association; a  
20 representative of the Horsemen's Benevolent and  
21 Protective Association or any successor organization  
22 thereto established in Illinois comprised of the  
23 largest number of owners and trainers, recommended by  
24 that Association or that successor organization; and a  
25 representative of the Illinois Harness Horsemen's  
26 Association, recommended by that Association.  
27 Committee members shall serve for terms of 2 years,  
28 commencing January 1 of each even-numbered year. If a  
29 representative of any of the above-named entities has  
30 not been recommended by January 1 of any even-numbered  
31 year, the Governor shall appoint a committee member to  
32 fill that position. Committee members shall receive no  
33 compensation for their services as members but shall be  
34 reimbursed for all actual and necessary expenses and

1 disbursements incurred in the performance of their  
2 official duties. The remaining 50% of this  
3 two-sevenths shall be distributed to county fairs for  
4 premiums and rehabilitation as set forth in the  
5 Agricultural Fair Act;

6 Four-sevenths to park districts or municipalities  
7 that do not have a park district of 500,000 population  
8 or less for museum purposes (if an inter-track wagering  
9 location licensee is located in such a park district)  
10 or to conservation districts for museum purposes (if an  
11 inter-track wagering location licensee is located in a  
12 municipality that is not included within any park  
13 district but is included within a conservation  
14 district and is the county seat of a county that (i) is  
15 contiguous to the state of Indiana and (ii) has a 1990  
16 population of 88,257 according to the United States  
17 Bureau of the Census, except that if the conservation  
18 district does not maintain a museum, the monies shall  
19 be allocated equally between the county and the  
20 municipality in which the inter-track wagering  
21 location licensee is located for general purposes) or  
22 to a municipal recreation board for park purposes (if  
23 an inter-track wagering location licensee is located  
24 in a municipality that is not included within any park  
25 district and park maintenance is the function of the  
26 municipal recreation board and the municipality has a  
27 1990 population of 9,302 according to the United States  
28 Bureau of the Census); provided that the monies are  
29 distributed to each park district or conservation  
30 district or municipality that does not have a park  
31 district in an amount equal to four-sevenths of the  
32 amount collected by each inter-track wagering location  
33 licensee within the park district or conservation  
34 district or municipality for the Fund. Monies that were

1           paid into the Horse Racing Tax Allocation Fund before  
2           the effective date of this amendatory Act of 1991 by an  
3           inter-track wagering location licensee located in a  
4           municipality that is not included within any park  
5           district but is included within a conservation  
6           district as provided in this paragraph shall, as soon  
7           as practicable after the effective date of this  
8           amendatory Act of 1991, be allocated and paid to that  
9           conservation district as provided in this paragraph.  
10          Any park district or municipality not maintaining a  
11          museum may deposit the monies in the corporate fund of  
12          the park district or municipality where the  
13          inter-track wagering location is located, to be used  
14          for general purposes; and

15                 One-seventh to the Agricultural Premium Fund to be  
16          used for distribution to agricultural home economics  
17          extension councils in accordance with "An Act in  
18          relation to additional support and finances for the  
19          Agricultural and Home Economic Extension Councils in  
20          the several counties of this State and making an  
21          appropriation therefor", approved July 24, 1967.

22                 Until January 1, 2000, all other monies paid into the  
23          Horse Racing Tax Allocation Fund pursuant to this paragraph  
24          (11) shall be allocated by appropriation as follows:

25                 Two-sevenths to the Department of Agriculture.  
26          Fifty percent of this two-sevenths shall be used to  
27          promote the Illinois horse racing and breeding  
28          industry, and shall be distributed by the Department of  
29          Agriculture upon the advice of a 9-member committee  
30          appointed by the Governor consisting of the following  
31          members: the Director of Agriculture, who shall serve  
32          as chairman; 2 representatives of organization  
33          licensees conducting thoroughbred race meetings in  
34          this State, recommended by those licensees; 2

1           representatives of organization licensees conducting  
2           standardbred race meetings in this State, recommended  
3           by those licensees; a representative of the Illinois  
4           Thoroughbred Breeders and Owners Foundation,  
5           recommended by that Foundation; a representative of  
6           the Illinois Standardbred Owners and Breeders  
7           Association, recommended by that Association; a  
8           representative of the Horsemen's Benevolent and  
9           Protective Association or any successor organization  
10          thereto established in Illinois comprised of the  
11          largest number of owners and trainers, recommended by  
12          that Association or that successor organization; and a  
13          representative of the Illinois Harness Horsemen's  
14          Association, recommended by that Association.  
15          Committee members shall serve for terms of 2 years,  
16          commencing January 1 of each even-numbered year. If a  
17          representative of any of the above-named entities has  
18          not been recommended by January 1 of any even-numbered  
19          year, the Governor shall appoint a committee member to  
20          fill that position. Committee members shall receive no  
21          compensation for their services as members but shall be  
22          reimbursed for all actual and necessary expenses and  
23          disbursements incurred in the performance of their  
24          official duties. The remaining 50% of this  
25          two-sevenths shall be distributed to county fairs for  
26          premiums and rehabilitation as set forth in the  
27          Agricultural Fair Act;

28                 Four-sevenths to museums and aquariums located in  
29                 park districts of over 500,000 population; provided  
30                 that the monies are distributed in accordance with the  
31                 previous year's distribution of the maintenance tax  
32                 for such museums and aquariums as provided in Section 2  
33                 of the Park District Aquarium and Museum Act; and

34                 One-seventh to the Agricultural Premium Fund to be

1           used for distribution to agricultural home economics  
2           extension councils in accordance with "An Act in  
3           relation to additional support and finances for the  
4           Agricultural and Home Economic Extension Councils in  
5           the several counties of this State and making an  
6           appropriation therefor", approved July 24, 1967. This  
7           subparagraph (C) shall be inoperative and of no force  
8           and effect on and after January 1, 2000.

9           (D) Except as provided in paragraph (11) of this  
10          subsection (h), with respect to purse allocation from  
11          intertrack wagering, the monies so retained shall be  
12          divided as follows:

13                 (i) If the inter-track wagering licensee,  
14                 except an intertrack wagering licensee that  
15                 derives its license from an organization licensee  
16                 located in a county with a population in excess of  
17                 230,000 and bounded by the Mississippi River, is  
18                 not conducting its own race meeting during the same  
19                 dates, then the entire purse allocation shall be to  
20                 purses at the track where the races wagered on are  
21                 being conducted.

22                 (ii) If the inter-track wagering licensee,  
23                 except an intertrack wagering licensee that  
24                 derives its license from an organization licensee  
25                 located in a county with a population in excess of  
26                 230,000 and bounded by the Mississippi River, is  
27                 also conducting its own race meeting during the  
28                 same dates, then the purse allocation shall be as  
29                 follows: 50% to purses at the track where the races  
30                 wagered on are being conducted; 50% to purses at  
31                 the track where the inter-track wagering licensee  
32                 is accepting such wagers.

33                 (iii) If the inter-track wagering is being  
34                 conducted by an inter-track wagering location

1           licensee, except an intertrack wagering location  
2           licensee that derives its license from an  
3           organization licensee located in a county with a  
4           population in excess of 230,000 and bounded by the  
5           Mississippi River, the entire purse allocation for  
6           Illinois races shall be to purses at the track  
7           where the race meeting being wagered on is being  
8           held.

9           (12) The Board shall have all powers necessary and  
10          proper to fully supervise and control the conduct of  
11          inter-track wagering and simulcast wagering by inter-track  
12          wagering licensees and inter-track wagering location  
13          licensees, including, but not limited to the following:

14                (A) The Board is vested with power to promulgate  
15                reasonable rules and regulations for the purpose of  
16                administering the conduct of this wagering and to  
17                prescribe reasonable rules, regulations and conditions  
18                under which such wagering shall be held and conducted.  
19                Such rules and regulations are to provide for the  
20                prevention of practices detrimental to the public  
21                interest and for the best interests of said wagering  
22                and to impose penalties for violations thereof.

23                (B) The Board, and any person or persons to whom it  
24                delegates this power, is vested with the power to enter  
25                the facilities of any licensee to determine whether  
26                there has been compliance with the provisions of this  
27                Act and the rules and regulations relating to the  
28                conduct of such wagering.

29                (C) The Board, and any person or persons to whom it  
30                delegates this power, may eject or exclude from any  
31                licensee's facilities, any person whose conduct or  
32                reputation is such that his presence on such premises  
33                may, in the opinion of the Board, call into the  
34                question the honesty and integrity of, or interfere

1 with the orderly conduct of such wagering; provided,  
2 however, that no person shall be excluded or ejected  
3 from such premises solely on the grounds of race,  
4 color, creed, national origin, ancestry, or sex.

5 (D) (Blank).

6 (E) The Board is vested with the power to appoint  
7 delegates to execute any of the powers granted to it  
8 under this Section for the purpose of administering  
9 this wagering and any rules and regulations  
10 promulgated in accordance with this Act.

11 (F) The Board shall name and appoint a State  
12 director of this wagering who shall be a representative  
13 of the Board and whose duty it shall be to supervise  
14 the conduct of inter-track wagering as may be provided  
15 for by the rules and regulations of the Board; such  
16 rules and regulation shall specify the method of  
17 appointment and the Director's powers, authority and  
18 duties.

19 (G) The Board is vested with the power to impose  
20 civil penalties of up to \$5,000 against individuals and  
21 up to \$10,000 against licensees for each violation of  
22 any provision of this Act relating to the conduct of  
23 this wagering, any rules adopted by the Board, any  
24 order of the Board or any other action which in the  
25 Board's discretion, is a detriment or impediment to  
26 such wagering.

27 (13) The Department of Agriculture may enter into  
28 agreements with licensees authorizing such licensees to  
29 conduct inter-track wagering on races to be held at the  
30 licensed race meetings conducted by the Department of  
31 Agriculture. Such agreement shall specify the races of the  
32 Department of Agriculture's licensed race meeting upon  
33 which the licensees will conduct wagering. In the event  
34 that a licensee conducts inter-track pari-mutuel wagering



1 on races from the Illinois State Fair or DuQuoin State Fair  
2 which are in addition to the licensee's previously approved  
3 racing program, those races shall be considered a separate  
4 racing day for the purpose of determining the daily handle  
5 and computing the privilege or pari-mutuel tax on that  
6 daily handle as provided in Sections 27 and 27.1. Such  
7 agreements shall be approved by the Board before such  
8 wagering may be conducted. In determining whether to grant  
9 approval, the Board shall give due consideration to the  
10 best interests of the public and of horse racing. The  
11 provisions of paragraphs (1), (8), (8.1), and (8.2) of  
12 subsection (h) of this Section which are not specified in  
13 this paragraph (13) shall not apply to licensed race  
14 meetings conducted by the Department of Agriculture at the  
15 Illinois State Fair in Sangamon County or the DuQuoin State  
16 Fair in Perry County, or to any wagering conducted on those  
17 race meetings.

18 (i) Notwithstanding the other provisions of this Act, the  
19 conduct of wagering at wagering facilities is authorized on all  
20 days, except as limited by subsection (b) of Section 19 of this  
21 Act.

22 (Source: P.A. 91-40, eff. 6-25-99; 92-211, eff. 8-2-01.)

23 (230 ILCS 5/26.1) (from Ch. 8, par. 37-26.1)

24 Sec. 26.1. For all pari-mutuel wagering conducted pursuant  
25 to this Act, breakage shall be at all times computed on the  
26 basis of not to exceed 10¢ on the dollar. If there is a minus  
27 pool, the breakage shall be computed on the basis of not to  
28 exceed 5¢ on the dollar. Breakage shall be calculated only  
29 after the amounts retained by licensees pursuant to Sections 26  
30 and 26.2 of this Act, and all applicable surcharges, are taken  
31 out of winning wagers and winnings from wagers. ~~From Beginning~~  
32 January 1, 2000 until July 1, 2005, all breakage shall be  
33 retained by licensees, with 50% of breakage to be used by

1 licensees for racetrack improvements at the racetrack from  
2 which the wagering facility derives its license. The remaining  
3 50% is to be allocated 50% to the purse account for the  
4 licensee from which the wagering facility derives its license  
5 and 50% to the licensee. Beginning July 1, 2005, all breakage  
6 shall be retained by licensees, with 50% of breakage to be used  
7 by licensees for racetrack improvements at the racetrack from  
8 which the wagering facility derives its license. The remaining  
9 50% is to be allocated to the purse account for the licensee  
10 from which the wagering facility derives its license.

11 (Source: P.A. 91-40, eff. 6-25-99.)

12 (230 ILCS 5/27) (from Ch. 8, par. 37-27)

13 Sec. 27. (a) In addition to the organization license fee  
14 provided by this Act, until January 1, 2000, a graduated  
15 privilege tax is hereby imposed for conducting the pari-mutuel  
16 system of wagering permitted under this Act. Until January 1,  
17 2000, except as provided in subsection (g) of Section 27 of  
18 this Act, all of the breakage of each racing day held by any  
19 licensee in the State shall be paid to the State. Until January  
20 1, 2000, such daily graduated privilege tax shall be paid by  
21 the licensee from the amount permitted to be retained under  
22 this Act. Until January 1, 2000, each day's graduated privilege  
23 tax, breakage, and Horse Racing Tax Allocation funds shall be  
24 remitted to the Department of Revenue within 48 hours after the  
25 close of the racing day upon which it is assessed or within  
26 such other time as the Board prescribes. The privilege tax  
27 hereby imposed, until January 1, 2000, shall be a flat tax at  
28 the rate of 2% of the daily pari-mutuel handle except as  
29 provided in Section 27.1.

30 In addition, every organization licensee, except as  
31 provided in Section 27.1 of this Act, which conducts multiple  
32 wagering shall pay, until January 1, 2000, as a privilege tax  
33 on multiple wagers an amount equal to 1.25% of all moneys

1     wagered each day on such multiple wagers, plus an additional  
2     amount equal to 3.5% of the amount wagered each day on any  
3     other multiple wager which involves a single betting interest  
4     on 3 or more horses. The licensee shall remit the amount of  
5     such taxes to the Department of Revenue within 48 hours after  
6     the close of the racing day on which it is assessed or within  
7     such other time as the Board prescribes.

8             This subsection (a) shall be inoperative and of no force  
9     and effect on and after January 1, 2000.

10            (a-5) Beginning on January 1, 2000, a flat pari-mutuel tax  
11     at the rate of 1.5% of the daily pari-mutuel handle is imposed  
12     at all pari-mutuel wagering facilities, which shall be remitted  
13     to the Department of Revenue within 48 hours after the close of  
14     the racing day upon which it is assessed or within such other  
15     time as the Board prescribes.

16            (b) On or before December 31, 1999, in the event that any  
17     organization licensee conducts 2 separate programs of races on  
18     any day, each such program shall be considered a separate  
19     racing day for purposes of determining the daily handle and  
20     computing the privilege tax on such daily handle as provided in  
21     subsection (a) of this Section.

22            (c) Licensees shall at all times keep accurate books and  
23     records of all monies wagered on each day of a race meeting and  
24     of the taxes paid to the Department of Revenue under the  
25     provisions of this Section. The Board or its duly authorized  
26     representative or representatives shall at all reasonable  
27     times have access to such records for the purpose of examining  
28     and checking the same and ascertaining whether the proper  
29     amount of taxes is being paid as provided. The Board shall  
30     require verified reports and a statement of the total of all  
31     monies wagered daily at each wagering facility upon which the  
32     taxes are assessed and may prescribe forms upon which such  
33     reports and statement shall be made.

34            (d) Any licensee failing or refusing to pay the amount of

1 any tax due under this Section shall be guilty of a business  
2 offense and upon conviction shall be fined not more than \$5,000  
3 in addition to the amount found due as tax under this Section.  
4 Each day's violation shall constitute a separate offense. All  
5 fines paid into Court by a licensee hereunder shall be  
6 transmitted and paid over by the Clerk of the Court to the  
7 Board.

8 (e) No other license fee, privilege tax, excise tax, or  
9 racing fee, except as provided in this Act, shall be assessed  
10 or collected from any such licensee by the State.

11 (f) No other license fee, privilege tax, excise tax or  
12 racing fee shall be assessed or collected from any such  
13 licensee by units of local government except as provided in  
14 paragraph 10.1 of subsection (h) and subsection (f) of Section  
15 26 of this Act. However, any municipality that has a Board  
16 licensed horse race meeting at a race track wholly within its  
17 corporate boundaries or a township that has a Board licensed  
18 horse race meeting at a race track wholly within the  
19 unincorporated area of the township may charge a local  
20 amusement tax not to exceed 10¢ per admission to such horse  
21 race meeting by the enactment of an ordinance. However, any  
22 municipality or county that has a Board licensed inter-track  
23 wagering location facility wholly within its corporate  
24 boundaries may each impose an admission fee not to exceed \$1.00  
25 per admission to such inter-track wagering location facility,  
26 so that a total of not more than \$2.00 per admission may be  
27 imposed. Except as provided in subparagraph (g) of Section 27  
28 of this Act, the inter-track wagering location licensee shall  
29 collect any and all such fees and within 48 hours remit the  
30 fees to the Board, which shall, pursuant to rule, cause the  
31 fees to be distributed to the county or municipality.

32 (g) Notwithstanding any provision in this Act to the  
33 contrary, if in any calendar year the total taxes and fees from  
34 wagering on live racing and from inter-track wagering required

1 to be collected from licensees and distributed under this Act  
2 to all State and local governmental authorities exceeds the  
3 amount of such taxes and fees distributed to each State and  
4 local governmental authority to which each State and local  
5 governmental authority was entitled under this Act for calendar  
6 year 1994, then the first \$11 million of that excess amount  
7 shall be allocated at the earliest possible date for  
8 distribution as purse money for the succeeding calendar year.  
9 Upon reaching the 1994 level, and until the excess amount of  
10 taxes and fees exceeds \$11 million, the Board shall direct all  
11 licensees to cease paying the subject taxes and fees and the  
12 Board shall direct all licensees to allocate any such excess  
13 amount for purses as follows:

14 (i) the excess amount shall be initially divided  
15 between thoroughbred and standardbred purses based on the  
16 thoroughbred's and standardbred's respective percentages  
17 of total Illinois live wagering in calendar year 1994;

18 (ii) each thoroughbred and standardbred organization  
19 licensee issued an organization licensee in that  
20 succeeding allocation year shall be allocated an amount  
21 equal to the product of its percentage of total Illinois  
22 live thoroughbred or standardbred wagering in calendar  
23 year 1994 (the total to be determined based on the sum of  
24 1994 on-track wagering for all organization licensees  
25 issued organization licenses in both the allocation year  
26 and the preceding year) multiplied by the total amount  
27 allocated for standardbred or thoroughbred purses,  
28 provided that the first \$1,500,000 of the amount allocated  
29 to standardbred purses under item (i) shall be allocated to  
30 the Department of Agriculture to be expended with the  
31 assistance and advice of the Illinois Standardbred  
32 Breeders Funds Advisory Board for the purposes listed in  
33 subsection (g) of Section 31 of this Act, before the amount  
34 allocated to standardbred purses under item (i) is

1 allocated to standardbred organization licensees in the  
2 succeeding allocation year.

3 To the extent the excess amount of taxes and fees to be  
4 collected and distributed to State and local governmental  
5 authorities exceeds \$11 million, that excess amount shall be  
6 collected and distributed to State and local authorities as  
7 provided for under this Act.

8 (Source: P.A. 91-40, eff. 6-25-99.)

9 (230 ILCS 5/28.1)

10 Sec. 28.1. Payments.

11 (a) Beginning on January 1, 2000, moneys collected by the  
12 Department of Revenue and the Racing Board pursuant to Section  
13 26 or Section 27 of this Act shall be deposited into the Horse  
14 Racing Fund, which is hereby created as a special fund in the  
15 State Treasury.

16 (b) Appropriations, as approved by the General Assembly,  
17 may be made from the Horse Racing Fund to the Board to pay the  
18 salaries of the Board members, secretary, stewards, directors  
19 of mutuels, veterinarians, representatives, accountants,  
20 clerks, stenographers, inspectors and other employees of the  
21 Board, and all expenses of the Board incident to the  
22 administration of this Act, including, but not limited to, all  
23 expenses and salaries incident to the taking of saliva and  
24 urine samples in accordance with the rules and regulations of  
25 the Board.

26 (c) Appropriations, as approved by the General Assembly,  
27 shall be made from the Horse Racing Fund to the Department of  
28 Agriculture for the purposes identified in paragraphs (2),  
29 (2.5), (4), (6), (7), (8), and (9) of subsection (g) of Section  
30 30, subsection (e) of Section 30.5, and paragraphs (1), (2),  
31 (3), (5), and (8) of subsection (g) of Section 31 and for  
32 standardbred bonus programs for owners of horses that win  
33 multiple stakes races that are limited to Illinois conceived

1 and foaled horses. From ~~Beginning on~~ January 1, 2000 until the  
2 effective date of this amendatory Act of the 93rd General  
3 Assembly, the Board shall transfer the remainder of the funds  
4 generated pursuant to Sections 26 and 27 from the Horse Racing  
5 Fund into the General Revenue Fund.

6 (d) Beginning January 1, 2000, payments to all programs in  
7 existence on the effective date of this amendatory Act of 1999  
8 that are identified in Sections 26(c), 26(f), 26(h) (11) (C), and  
9 28, subsections (a), (b), (c), (d), (e), (f), (g), and (h) of  
10 Section 30, and subsections (a), (b), (c), (d), (e), (f), (g),  
11 and (h) of Section 31 shall be made from the General Revenue  
12 Fund at the funding levels determined by amounts paid under  
13 this Act in calendar year 1998.

14 (e) Notwithstanding any other provision of this Act to the  
15 contrary, appropriations, as approved by the General Assembly,  
16 may be made from the Fair and Exposition Fund to the Department  
17 of Agriculture for distribution to Illinois county fairs to  
18 supplement premiums offered in junior classes.

19 (Source: P.A. 91-40, eff. 6-25-99.)

20 (230 ILCS 5/30) (from Ch. 8, par. 37-30)

21 Sec. 30. (a) The General Assembly declares that it is the  
22 policy of this State to encourage the breeding of thoroughbred  
23 horses in this State and the ownership of such horses by  
24 residents of this State in order to provide for: sufficient  
25 numbers of high quality thoroughbred horses to participate in  
26 thoroughbred racing meetings in this State, and to establish  
27 and preserve the agricultural and commercial benefits of such  
28 breeding and racing industries to the State of Illinois. It is  
29 the intent of the General Assembly to further this policy by  
30 the provisions of this Act.

31 (b) Each organization licensee conducting a thoroughbred  
32 racing meeting pursuant to this Act shall provide at least two  
33 races each day limited to Illinois conceived and foaled horses

1 or Illinois foaled horses or both. A minimum of 6 races shall  
2 be conducted each week limited to Illinois conceived and foaled  
3 or Illinois foaled horses or both. Subject to the daily  
4 availability of horses, one of the 6 races scheduled per week  
5 that are limited to Illinois conceived and foaled or Illinois  
6 foaled horses or both shall be limited to Illinois conceived  
7 and foaled or Illinois foaled maidens. No horses shall be  
8 permitted to start in such races unless duly registered under  
9 the rules of the Department of Agriculture.

10 (c) Conditions of races under subsection (b) shall be  
11 commensurate with past performance, quality, and class of  
12 Illinois conceived and foaled and Illinois foaled horses  
13 available. If, however, sufficient competition cannot be had  
14 among horses of that class on any day, the races may, with  
15 consent of the Board, be eliminated for that day and substitute  
16 races provided.

17 (d) There is hereby created a special fund of the State  
18 Treasury to be known as the Illinois Thoroughbred Breeders  
19 Fund.

20 Except as provided in subsection (g) of Section 27 of this  
21 Act, 8.5% of all the monies received by the State as privilege  
22 taxes on Thoroughbred racing meetings shall be paid into the  
23 Illinois Thoroughbred Breeders Fund.

24 (e) The Illinois Thoroughbred Breeders Fund shall be  
25 administered by the Department of Agriculture with the advice  
26 and assistance of the Advisory Board created in subsection (f)  
27 of this Section.

28 (f) The Illinois Thoroughbred Breeders Fund Advisory Board  
29 shall consist of the Director of the Department of Agriculture,  
30 who shall serve as Chairman; a member of the Illinois Racing  
31 Board, designated by it; 2 representatives of the organization  
32 licensees conducting thoroughbred racing meetings, recommended  
33 by them; 2 representatives of the Illinois Thoroughbred  
34 Breeders and Owners Foundation, recommended by it; and 2



1 representatives of the Horsemen's Benevolent Protective  
2 Association or any successor organization established in  
3 Illinois comprised of the largest number of owners and  
4 trainers, recommended by it, with one representative of the  
5 Horsemen's Benevolent and Protective Association to come from  
6 its Illinois Division, and one from its Chicago Division.  
7 Advisory Board members shall serve for 2 years commencing  
8 January 1 of each odd numbered year. If representatives of the  
9 organization licensees conducting thoroughbred racing  
10 meetings, the Illinois Thoroughbred Breeders and Owners  
11 Foundation, and the Horsemen's Benevolent Protection  
12 Association have not been recommended by January 1, of each odd  
13 numbered year, the Director of the Department of Agriculture  
14 shall make an appointment for the organization failing to so  
15 recommend a member of the Advisory Board. Advisory Board  
16 members shall receive no compensation for their services as  
17 members but shall be reimbursed for all actual and necessary  
18 expenses and disbursements incurred in the execution of their  
19 official duties.

20 (g) Moneys ~~No monies~~ shall be expended from the Illinois  
21 Thoroughbred Breeders Fund ~~except~~ as appropriated by the  
22 General Assembly pursuant to this Act, the Riverboat Gambling  
23 Act, or both. Monies appropriated from the Illinois  
24 Thoroughbred Breeders Fund shall be expended by the Department  
25 of Agriculture, with the advice and assistance of the Illinois  
26 Thoroughbred Breeders Fund Advisory Board, for the following  
27 purposes only:

28 (1) To provide purse supplements to owners of horses  
29 participating in races limited to Illinois conceived and  
30 foaled and Illinois foaled horses. Any such purse  
31 supplements shall not be included in and shall be paid in  
32 addition to any purses, stakes, or breeders' awards offered  
33 by each organization licensee as determined by agreement  
34 between such organization licensee and an organization

1 representing the horsemen. No monies from the Illinois  
2 Thoroughbred Breeders Fund shall be used to provide purse  
3 supplements for claiming races in which the minimum  
4 claiming price is less than \$7,500.

5 (2) To provide stakes and awards to be paid to the  
6 owners of the winning horses in certain races limited to  
7 Illinois conceived and foaled and Illinois foaled horses  
8 designated as stakes races.

9 (2.5) To provide an award to the owner or owners of an  
10 Illinois conceived and foaled or Illinois foaled horse that  
11 wins a maiden special weight, an allowance, overnight  
12 handicap race, or claiming race with claiming price of  
13 \$10,000 or more providing the race is not restricted to  
14 Illinois conceived and foaled or Illinois foaled horses.  
15 Awards shall also be provided to the owner or owners of  
16 Illinois conceived and foaled and Illinois foaled horses  
17 that place second or third in those races. To the extent  
18 that additional moneys are required to pay the minimum  
19 additional awards of 40% of the purse the horse earns for  
20 placing first, second or third in those races for Illinois  
21 foaled horses and of 60% of the purse the horse earns for  
22 placing first, second or third in those races for Illinois  
23 conceived and foaled horses, those moneys shall be provided  
24 from the purse account at the track where earned.

25 (3) To provide stallion awards to the owner or owners  
26 of any stallion that is duly registered with the Illinois  
27 Thoroughbred Breeders Fund Program ~~prior to the effective~~  
28 ~~date of this amendatory Act of 1995~~ whose duly registered  
29 Illinois conceived and foaled offspring wins a race  
30 conducted at an Illinois thoroughbred racing meeting other  
31 than a claiming race. Such award shall not be paid to the  
32 owner or owners of an Illinois stallion that served outside  
33 this State at any time during the calendar year in which  
34 such race was conducted.

1           (4) To provide \$75,000 annually for purses to be  
2 distributed to county fairs that provide for the running of  
3 races during each county fair exclusively for the  
4 thoroughbreds conceived and foaled in Illinois. The  
5 conditions of the races shall be developed by the county  
6 fair association and reviewed by the Department with the  
7 advice and assistance of the Illinois Thoroughbred  
8 Breeders Fund Advisory Board. There shall be no wagering of  
9 any kind on the running of Illinois conceived and foaled  
10 races at county fairs.

11           (4.1) (Blank). ~~To provide purse money for an Illinois~~  
12 ~~stallion stakes program.~~

13           (5) No less than 80% of all monies appropriated to ~~from~~  
14 the Illinois Thoroughbred Breeders Fund shall be expended  
15 for the purposes in (1), (2), (2.5), (3), (4), (4.1), and  
16 (5) as shown above.

17           (6) To provide for educational programs regarding the  
18 thoroughbred breeding industry.

19           (7) To provide for research programs concerning the  
20 health, development and care of the thoroughbred horse.

21           (8) To provide for a scholarship and training program  
22 for students of equine veterinary medicine.

23           (9) To provide for dissemination of public information  
24 designed to promote the breeding of thoroughbred horses in  
25 Illinois.

26           (10) To provide for all expenses incurred in the  
27 administration of the Illinois Thoroughbred Breeders Fund.

28           (h) (Blank). ~~Whenever the Governor finds that the amount in~~  
29 ~~the Illinois Thoroughbred Breeders Fund is more than the total~~  
30 ~~of the outstanding appropriations from such fund, the Governor~~  
31 ~~shall notify the State Comptroller and the State Treasurer of~~  
32 ~~such fact. The Comptroller and the State Treasurer, upon~~  
33 ~~receipt of such notification, shall transfer such excess amount~~  
34 ~~from the Illinois Thoroughbred Breeders Fund to the General~~

1 ~~Revenue Fund.~~

2 (i) A sum equal to 12 1/2% of the first prize money of  
3 every purse won by an Illinois foaled or an Illinois conceived  
4 and foaled horse in races not limited to Illinois foaled horses  
5 or Illinois conceived and foaled horses, or both, shall be paid  
6 by the organization licensee conducting the horse race meeting.  
7 Such sum shall be paid from the organization licensee's share  
8 of the money wagered as follows: 11 1/2% to the breeder of the  
9 winning horse and 1% to the organization representing  
10 thoroughbred breeders and owners whose representative serves  
11 on the Illinois Thoroughbred Breeders Fund Advisory Board for  
12 verifying the amounts of breeders' awards earned, assuring  
13 their distribution in accordance with this Act, and servicing  
14 and promoting the Illinois thoroughbred horse racing industry.  
15 The organization representing thoroughbred breeders and owners  
16 shall cause all expenditures of monies received under this  
17 subsection (i) to be audited at least annually by a registered  
18 public accountant. The organization shall file copies of each  
19 annual audit with the Racing Board, the Clerk of the House of  
20 Representatives and the Secretary of the Senate, and shall make  
21 copies of each annual audit available to the public upon  
22 request and upon payment of the reasonable cost of photocopying  
23 the requested number of copies. Such payments shall not reduce  
24 any award to the owner of the horse or reduce the taxes payable  
25 under this Act. Upon completion of its racing meet, each  
26 organization licensee shall deliver to the organization  
27 representing thoroughbred breeders and owners whose  
28 representative serves on the Illinois Thoroughbred Breeders  
29 Fund Advisory Board a listing of all the Illinois foaled and  
30 the Illinois conceived and foaled horses which won breeders'  
31 awards and the amount of such breeders' awards under this  
32 subsection to verify accuracy of payments and assure proper  
33 distribution of breeders' awards in accordance with the  
34 provisions of this Act. Such payments shall be delivered by the

1 organization licensee within 30 days of the end of each race  
2 meeting.

3 (j) A sum equal to 12 1/2% of the first prize money won in  
4 each race limited to Illinois foaled horses or Illinois  
5 conceived and foaled horses, or both, shall be paid in the  
6 following manner by the organization licensee conducting the  
7 horse race meeting, from the organization licensee's share of  
8 the money wagered: 11 1/2% to the breeders of the horses in  
9 each such race which are the official first, second, third and  
10 fourth finishers and 1% to the organization representing  
11 thoroughbred breeders and owners whose representative serves  
12 on the Illinois Thoroughbred Breeders Fund Advisory Board for  
13 verifying the amounts of breeders' awards earned, assuring  
14 their proper distribution in accordance with this Act, and  
15 servicing and promoting the Illinois thoroughbred horse racing  
16 industry. The organization representing thoroughbred breeders  
17 and owners shall cause all expenditures of monies received  
18 under this subsection (j) to be audited at least annually by a  
19 registered public accountant. The organization shall file  
20 copies of each annual audit with the Racing Board, the Clerk of  
21 the House of Representatives and the Secretary of the Senate,  
22 and shall make copies of each annual audit available to the  
23 public upon request and upon payment of the reasonable cost of  
24 photocopying the requested number of copies.

25 The 11 1/2% paid to the breeders in accordance with this  
26 subsection shall be distributed as follows:

27 (1) 60% of such sum shall be paid to the breeder of the  
28 horse which finishes in the official first position;

29 (2) 20% of such sum shall be paid to the breeder of the  
30 horse which finishes in the official second position;

31 (3) 15% of such sum shall be paid to the breeder of the  
32 horse which finishes in the official third position; and

33 (4) 5% of such sum shall be paid to the breeder of the  
34 horse which finishes in the official fourth position.

1           Such payments shall not reduce any award to the owners of a  
2 horse or reduce the taxes payable under this Act. Upon  
3 completion of its racing meet, each organization licensee shall  
4 deliver to the organization representing thoroughbred breeders  
5 and owners whose representative serves on the Illinois  
6 Thoroughbred Breeders Fund Advisory Board a listing of all the  
7 Illinois foaled and the Illinois conceived and foaled horses  
8 which won breeders' awards and the amount of such breeders'  
9 awards in accordance with the provisions of this Act. Such  
10 payments shall be delivered by the organization licensee within  
11 30 days of the end of each race meeting.

12           (k) The term "breeder", as used herein, means the owner of  
13 the mare at the time the foal is dropped. An "Illinois foaled  
14 horse" is a foal dropped by a mare which enters this State on  
15 or before December 1, in the year in which the horse is bred,  
16 provided the mare remains continuously in this State until its  
17 foal is born. An "Illinois foaled horse" also means a foal born  
18 of a mare in the same year as the mare enters this State on or  
19 before March 1, and remains in this State at least 30 days  
20 after foaling, is bred back during the season of the foaling to  
21 an Illinois Registered Stallion (unless a veterinarian  
22 certifies that the mare should not be bred for health reasons),  
23 and is not bred to a stallion standing in any other state  
24 during the season of foaling. An "Illinois foaled horse" also  
25 means a foal born in Illinois of a mare purchased at public  
26 auction subsequent to the mare entering this State prior to  
27 March 1 ~~February 1~~ of the foaling year providing the mare is  
28 owned solely by one or more Illinois residents or an Illinois  
29 entity that is entirely owned by one or more Illinois  
30 residents.

31           (1) The Department of Agriculture shall, by rule, with the  
32 advice and assistance of the Illinois Thoroughbred Breeders  
33 Fund Advisory Board:

34           (1) Qualify stallions for Illinois breeding; such

1 stallions to stand for service within the State of Illinois  
2 at the time of a foal's conception. Such stallion must not  
3 stand for service at any place outside the State of  
4 Illinois during the calendar year in which the foal is  
5 conceived. The Department of Agriculture may assess and  
6 collect an application fee of \$500 ~~fees~~ for the  
7 registration of each Illinois-eligible stallion ~~stallions~~.  
8 All fees collected are to be paid into the Illinois  
9 Thoroughbred Breeders Fund and used by the Illinois  
10 Thoroughbred Breeders Fund Advisory Board for stallion  
11 awards.

12 (2) Provide for the registration of Illinois conceived  
13 and foaled horses and Illinois foaled horses. No such horse  
14 shall compete in the races limited to Illinois conceived  
15 and foaled horses or Illinois foaled horses or both unless  
16 registered with the Department of Agriculture. The  
17 Department of Agriculture may prescribe such forms as are  
18 necessary to determine the eligibility of such horses. The  
19 Department of Agriculture may assess and collect  
20 application fees for the registration of Illinois-eligible  
21 foals. All fees collected are to be paid into the Illinois  
22 Thoroughbred Breeders Fund. No person shall knowingly  
23 prepare or cause preparation of an application for  
24 registration of such foals containing false information.

25 (m) The Department of Agriculture, with the advice and  
26 assistance of the Illinois Thoroughbred Breeders Fund Advisory  
27 Board, shall provide that certain races limited to Illinois  
28 conceived and foaled and Illinois foaled horses be stakes races  
29 and determine the total amount of stakes and awards to be paid  
30 to the owners of the winning horses in such races.

31 In determining the stakes races and the amount of awards  
32 for such races, the Department of Agriculture shall consider  
33 factors, including but not limited to, the amount of money  
34 appropriated for the Illinois Thoroughbred Breeders Fund

1 program, organization licensees' contributions, availability  
2 of stakes caliber horses as demonstrated by past performances,  
3 whether the race can be coordinated into the proposed racing  
4 dates within organization licensees' racing dates, opportunity  
5 for colts and fillies and various age groups to race, public  
6 wagering on such races, and the previous racing schedule.

7 (n) The Board and the organizational licensee shall notify  
8 the Department of the conditions and minimum purses for races  
9 limited to Illinois conceived and foaled and Illinois foaled  
10 horses conducted for each organizational licensee conducting a  
11 thoroughbred racing meeting. The Department of Agriculture  
12 with the advice and assistance of the Illinois Thoroughbred  
13 Breeders Fund Advisory Board may allocate monies for purse  
14 supplements for such races. In determining whether to allocate  
15 money and the amount, the Department of Agriculture shall  
16 consider factors, including but not limited to, the amount of  
17 money appropriated for the Illinois Thoroughbred Breeders Fund  
18 program, the number of races that may occur, and the  
19 organizational licensee's purse structure.

20 (o) (Blank). ~~In order to improve the breeding quality of~~  
21 ~~thoroughbred horses in the State, the General Assembly~~  
22 ~~recognizes that existing provisions of this Section to~~  
23 ~~encourage such quality breeding need to be revised and~~  
24 ~~strengthened. As such, a Thoroughbred Breeder's Program Task~~  
25 ~~Force is to be appointed by the Governor by September 1, 1999~~  
26 ~~to make recommendations to the General Assembly by no later~~  
27 ~~than March 1, 2000. This task force is to be composed of 2~~  
28 ~~representatives from the Illinois Thoroughbred Breeders and~~  
29 ~~Owners Foundation, 2 from the Illinois Thoroughbred Horsemen's~~  
30 ~~Association, 3 from Illinois race tracks operating~~  
31 ~~thoroughbred race meets for an average of at least 30 days in~~  
32 ~~the past 3 years, the Director of Agriculture, the Executive~~  
33 ~~Director of the Racing Board, who shall serve as Chairman.~~

34 (Source: P.A. 91-40, eff. 6-25-99.)



1 (230 ILCS 5/31) (from Ch. 8, par. 37-31)

2 Sec. 31. (a) The General Assembly declares that it is the  
3 policy of this State to encourage the breeding of standardbred  
4 horses in this State and the ownership of such horses by  
5 residents of this State in order to provide for: sufficient  
6 numbers of high quality standardbred horses to participate in  
7 harness racing meetings in this State, and to establish and  
8 preserve the agricultural and commercial benefits of such  
9 breeding and racing industries to the State of Illinois. It is  
10 the intent of the General Assembly to further this policy by  
11 the provisions of this Section of this Act.

12 (b) Each organization licensee conducting a harness racing  
13 meeting pursuant to this Act shall provide for at least two  
14 races each race program limited to Illinois conceived and  
15 foaled horses. A minimum of 6 races shall be conducted each  
16 week limited to Illinois conceived and foaled horses. No horses  
17 shall be permitted to start in such races unless duly  
18 registered under the rules of the Department of Agriculture.

19 (b-5) Each organization licensee conducting a harness  
20 racing meeting pursuant to this Act shall provide stakes races  
21 and early closer races for Illinois conceived and foaled horses  
22 so the total purses distributed for such races shall be no less  
23 than 17% of the total purses distributed at the meeting.

24 (b-10) Each organization licensee conducting a harness  
25 racing meeting pursuant to this Act shall provide an owner  
26 award to be paid from the purse account equal to 25% of the  
27 amount earned by Illinois conceived and foaled horses in races  
28 that are not restricted to Illinois conceived and foaled  
29 horses.

30 (c) Conditions of races under subsection (b) shall be  
31 commensurate with past performance, quality and class of  
32 Illinois conceived and foaled horses available. If, however,  
33 sufficient competition cannot be had among horses of that class

1 on any day, the races may, with consent of the Board, be  
2 eliminated for that day and substitute races provided.

3 (d) There is hereby created a special fund of the State  
4 Treasury to be known as the Illinois Standardbred Breeders  
5 Fund.

6 During the calendar year 1981, and each year thereafter,  
7 except as provided in subsection (g) of Section 27 of this Act,  
8 eight and one-half per cent of all the monies received by the  
9 State as privilege taxes on harness racing meetings shall be  
10 paid into the Illinois Standardbred Breeders Fund.

11 (e) The Illinois Standardbred Breeders Fund shall be  
12 administered by the Department of Agriculture with the  
13 assistance and advice of the Advisory Board created in  
14 subsection (f) of this Section.

15 (f) The Illinois Standardbred Breeders Fund Advisory Board  
16 is hereby created. The Advisory Board shall consist of the  
17 Director of the Department of Agriculture, who shall serve as  
18 Chairman; the Superintendent of the Illinois State Fair; a  
19 member of the Illinois Racing Board, designated by it; a  
20 representative of the Illinois Standardbred Owners and  
21 Breeders Association, recommended by it; a representative of  
22 the Illinois Association of Agricultural Fairs, recommended by  
23 it, such representative to be from a fair at which Illinois  
24 conceived and foaled racing is conducted; a representative of  
25 the organization licensees conducting harness racing meetings,  
26 recommended by them and a representative of the Illinois  
27 Harness Horsemen's Association, recommended by it. Advisory  
28 Board members shall serve for 2 years commencing January 1, of  
29 each odd numbered year. If representatives of the Illinois  
30 Standardbred Owners and Breeders Associations, the Illinois  
31 Association of Agricultural Fairs, the Illinois Harness  
32 Horsemen's Association, and the organization licensees  
33 conducting harness racing meetings have not been recommended by  
34 January 1, of each odd numbered year, the Director of the

1 Department of Agriculture shall make an appointment for the  
2 organization failing to so recommend a member of the Advisory  
3 Board. Advisory Board members shall receive no compensation for  
4 their services as members but shall be reimbursed for all  
5 actual and necessary expenses and disbursements incurred in the  
6 execution of their official duties.

7 (g) No monies shall be expended from the Illinois  
8 Standardbred Breeders Fund except as appropriated by the  
9 General Assembly. Monies appropriated from the Illinois  
10 Standardbred Breeders Fund shall be expended by the Department  
11 of Agriculture, with the assistance and advice of the Illinois  
12 Standardbred Breeders Fund Advisory Board for the following  
13 purposes only:

14 1. To provide purses for races limited to Illinois  
15 conceived and foaled horses at the State Fair and the  
16 DuQuoin State Fair.

17 2. To provide purses for races limited to Illinois  
18 conceived and foaled horses at county fairs.

19 3. To provide purse supplements for races limited to  
20 Illinois conceived and foaled horses conducted by  
21 associations conducting harness racing meetings.

22 4. No less than 75% of all monies in the Illinois  
23 Standardbred Breeders Fund shall be expended for purses in  
24 1, 2 and 3 as shown above.

25 5. In the discretion of the Department of Agriculture  
26 to provide awards to harness breeders of Illinois conceived  
27 and foaled horses which win races conducted by organization  
28 licensees conducting harness racing meetings. A breeder is  
29 the owner of a mare at the time of conception. No more than  
30 10% of all monies appropriated from the Illinois  
31 Standardbred Breeders Fund shall be expended for such  
32 harness breeders awards. No more than 25% of the amount  
33 expended for harness breeders awards shall be expended for  
34 expenses incurred in the administration of such harness

1 breeders awards.

2 6. To pay for the improvement of racing facilities  
3 located at the State Fair and County fairs.

4 7. To pay the expenses incurred in the administration  
5 of the Illinois Standardbred Breeders Fund.

6 8. To promote the sport of harness racing, including  
7 grants up to a maximum of \$7,500 per fair per year for the  
8 cost of a totalizer system to be used for conducting  
9 pari-mutuel wagering during the advertised dates of a  
10 county fair.

11 (h) Whenever the Governor finds that the amount in the  
12 Illinois Standardbred Breeders Fund is more than the total of  
13 the outstanding appropriations from such fund, the Governor  
14 shall notify the State Comptroller and the State Treasurer of  
15 such fact. The Comptroller and the State Treasurer, upon  
16 receipt of such notification, shall transfer such excess amount  
17 from the Illinois Standardbred Breeders Fund to the General  
18 Revenue Fund.

19 (i) A sum equal to 12 1/2% of the first prize money of  
20 every purse won by an Illinois conceived and foaled horse shall  
21 be paid by the organization licensee conducting the horse race  
22 meeting to the breeder of such winning horse from the  
23 organization licensee's account ~~share of the money wagered.~~  
24 Such payment shall not reduce any award to the owner of the  
25 horse or reduce the taxes payable under this Act. Such payment  
26 shall be delivered by the organization licensee at the end of  
27 each month ~~race meeting.~~

28 (j) The Department of Agriculture shall, by rule, with the  
29 assistance and advice of the Illinois Standardbred Breeders  
30 Fund Advisory Board:

31 1. Qualify stallions for Illinois Standardbred Breeders  
32 Fund breeding; such stallion shall be owned by a resident of  
33 the State of Illinois or by an Illinois corporation all of  
34 whose shareholders, directors, officers and incorporators are

1 residents of the State of Illinois. Such stallion shall stand  
2 for service at and within the State of Illinois at the time of  
3 a foal's conception, and such stallion must not stand for  
4 service at any place, ~~nor may semen from such stallion be~~  
5 ~~transported,~~ outside the State of Illinois during that calendar  
6 year in which the foal is conceived and that the owner of the  
7 stallion was for the 12 months prior, a resident of Illinois.  
8 The articles of agreement of any partnership, joint venture,  
9 limited partnership, syndicate, association or corporation and  
10 any bylaws and stock certificates must contain a restriction  
11 that provides that the ownership or transfer of interest by any  
12 one of the persons a party to the agreement can only be made to  
13 a person who qualifies as an Illinois resident. Foals conceived  
14 outside the State of Illinois from shipped semen from a  
15 stallion qualified for breeders' awards under this Section are  
16 not eligible to participate in the Illinois conceived and  
17 foaled program.

18 2. Provide for the registration of Illinois conceived and  
19 foaled horses and no such horse shall compete in the races  
20 limited to Illinois conceived and foaled horses unless  
21 registered with the Department of Agriculture. The Department  
22 of Agriculture may prescribe such forms as may be necessary to  
23 determine the eligibility of such horses. No person shall  
24 knowingly prepare or cause preparation of an application for  
25 registration of such foals containing false information. A mare  
26 (dam) must be in the state at least 30 days prior to foaling or  
27 remain in the State at least 30 days at the time of foaling.  
28 Beginning with the 1996 breeding season and for foals of 1997  
29 and thereafter, a foal conceived in the State of Illinois by  
30 transported fresh semen may be eligible for Illinois conceived  
31 and foaled registration provided all breeding and foaling  
32 requirements are met. The stallion must be qualified for  
33 Illinois Standardbred Breeders Fund breeding at the time of  
34 conception and the mare must be inseminated within the State of

1 Illinois. The foal must be dropped in Illinois and properly  
2 registered with the Department of Agriculture in accordance  
3 with this Act.

4 3. Provide that at least a 5 day racing program shall be  
5 conducted at the State Fair each year, which program shall  
6 include at least the following races limited to Illinois  
7 conceived and foaled horses: (a) a two year old Trot and Pace,  
8 and Filly Division of each; (b) a three year old Trot and Pace,  
9 and Filly Division of each; (c) an aged Trot and Pace, and Mare  
10 Division of each.

11 4. Provide for the payment of nominating, sustaining and  
12 starting fees for races promoting the sport of harness racing  
13 and for the races to be conducted at the State Fair as provided  
14 in subsection (j) 3 of this Section provided that the  
15 nominating, sustaining and starting payment required from an  
16 entrant shall not exceed 2% of the purse of such race. All  
17 nominating, sustaining and starting payments shall be held for  
18 the benefit of entrants and shall be paid out as part of the  
19 respective purses for such races. Nominating, sustaining and  
20 starting fees shall be held in trust accounts for the purposes  
21 as set forth in this Act and in accordance with Section 205-15  
22 of the Department of Agriculture Law (20 ILCS 205/205-15).

23 5. Provide for the registration with the Department of  
24 Agriculture of Colt Associations or county fairs desiring to  
25 sponsor races at county fairs.

26 (k) The Department of Agriculture, with the advice and  
27 assistance of the Illinois Standardbred Breeders Fund Advisory  
28 Board, may allocate monies for purse supplements for such  
29 races. In determining whether to allocate money and the amount,  
30 the Department of Agriculture shall consider factors,  
31 including but not limited to, the amount of money appropriated  
32 for the Illinois Standardbred Breeders Fund program, the number  
33 of races that may occur, and an organizational licensee's purse  
34 structure. The organizational licensee shall notify the

1 Department of Agriculture of the conditions and minimum purses  
2 for races limited to Illinois conceived and foaled horses to be  
3 conducted by each organizational licensee conducting a harness  
4 racing meeting for which purse supplements have been  
5 negotiated.

6 (l) All races held at county fairs and the State Fair which  
7 receive funds from the Illinois Standardbred Breeders Fund  
8 shall be conducted in accordance with the rules of the United  
9 States Trotting Association unless otherwise modified by the  
10 Department of Agriculture.

11 (m) At all standardbred race meetings held or conducted  
12 under authority of a license granted by the Board, and at all  
13 standardbred races held at county fairs which are approved by  
14 the Department of Agriculture or at the Illinois or DuQuoin  
15 State Fairs, no one shall jog, train, warm up or drive a  
16 standardbred horse unless he or she is wearing a protective  
17 safety helmet, with the chin strap fastened and in place, which  
18 meets the standards and requirements as set forth in the 1984  
19 Standard for Protective Headgear for Use in Harness Racing and  
20 Other Equestrian Sports published by the Snell Memorial  
21 Foundation, or any standards and requirements for headgear the  
22 Illinois Racing Board may approve. Any other standards and  
23 requirements so approved by the Board shall equal or exceed  
24 those published by the Snell Memorial Foundation. Any  
25 equestrian helmet bearing the Snell label shall be deemed to  
26 have met those standards and requirements.

27 (Source: P.A. 91-239, eff. 1-1-00.)

28 (230 ILCS 5/32.1)

29 Sec. 32.1. Pari-mutuel tax credit; statewide racetrack  
30 real estate equalization. In order to encourage new investment  
31 in Illinois racetrack facilities and mitigate differing real  
32 estate tax burdens among all racetracks, the licensees  
33 affiliated or associated with each racetrack that has been

1 awarded live racing dates in the current year shall receive an  
2 immediate pari-mutuel tax credit in an amount equal to the  
3 greater of (i) 50% of the amount of the real estate taxes paid  
4 in the prior year attributable to that racetrack, or (ii) the  
5 amount by which the real estate taxes paid in the prior year  
6 attributable to that racetrack exceeds 60% of the average real  
7 estate taxes paid in the prior year for all racetracks awarded  
8 live horse racing meets in the current year.

9 Each year, regardless of whether the organization licensee  
10 conducted live racing in the year of certification, the Board  
11 shall certify in writing, prior to December 31, the real estate  
12 taxes paid in that year for each racetrack and the amount of  
13 the pari-mutuel tax credit that each organization licensee,  
14 intertrack wagering licensee, and intertrack wagering location  
15 licensee that derives its license from such racetrack is  
16 entitled in the succeeding calendar year. The real estate taxes  
17 considered under this Section for any racetrack shall be those  
18 taxes on the real estate parcels and related facilities used to  
19 conduct a horse race meeting and inter-track wagering at such  
20 racetrack under this Act. In no event shall the amount of the  
21 tax credit under this Section exceed the amount of pari-mutuel  
22 taxes otherwise calculated under this Act. The amount of the  
23 tax credit under this Section shall be retained by each  
24 licensee and shall not be subject to any reallocation or  
25 further distribution under this Act. The Board may promulgate  
26 emergency rules to implement this Section.

27 An organization licensee shall no longer be eligible to  
28 receive a pari-mutuel tax credit under this Section beginning  
29 on the January 1 first occurring after the organization  
30 licensee begins conducting electronic gaming pursuant to an  
31 electronic gaming license issued under Section 7.6 of the  
32 Riverboat Gambling Act or on January 1, 2006, whichever comes  
33 first. For the calendar year in which an organization licensee  
34 that is eligible to receive a pari-mutuel tax credit under this



1 Section begins conducting electronic gaming pursuant to an  
2 electronic gaming license, the amount of the pari-mutuel tax  
3 credit shall be reduced by a percentage equal to the percentage  
4 of the year remaining after the organization licensee begins  
5 conducting electronic gaming pursuant to its electronic gaming  
6 license. Beginning on January 1, 2006, the other provisions of  
7 this Section shall be of no force and effect.

8 (Source: P.A. 91-40, eff. 6-25-99.)

9 (230 ILCS 5/36) (from Ch. 8, par. 37-36)

10 Sec. 36. (a) Whoever administers or conspires to administer  
11 to any horse a hypnotic, narcotic, stimulant, depressant or any  
12 chemical substance which may affect the speed of a horse at any  
13 time in any race where the purse or any part of the purse is  
14 made of money authorized by any Section of this Act, except  
15 those chemical substances permitted by ruling of the Board,  
16 internally, externally or by hypodermic method in a race or  
17 prior thereto, or whoever knowingly enters a horse in any race  
18 within a period of 24 hours after any hypnotic, narcotic,  
19 stimulant, depressant or any other chemical substance which may  
20 affect the speed of a horse at any time, except those chemical  
21 substances permitted by ruling of the Board, has been  
22 administered to such horse either internally or externally or  
23 by hypodermic method for the purpose of increasing or retarding  
24 the speed of such horse shall be guilty of a Class 4 felony.  
25 The Board shall suspend or revoke such violator's license.

26 (b) The term "hypnotic" as used in this Section includes  
27 all barbituric acid preparations and derivatives.

28 (c) The term "narcotic" as used in this Section includes  
29 opium and all its alkaloids, salts, preparations and  
30 derivatives, cocaine and all its salts, preparations and  
31 derivatives and substitutes.

32 (d) The provisions of this Section 36 and the treatment  
33 authorized herein apply to horses entered in and competing in

1 race meetings as defined in Section 3.47 of this Act and to  
2 horses entered in and competing at any county fair.

3 (Source: P.A. 79-1185.)

4 (230 ILCS 5/42) (from Ch. 8, par. 37-42)

5 Sec. 42. (a) Except as to the distribution of monies  
6 provided for by Sections 28, 29, 30, and 31 and the treating of  
7 horses as provided in Section 36, nothing whatsoever in this  
8 Act shall be held or taken to apply to county fairs and State  
9 Fairs or to agricultural and livestock exhibitions where the  
10 pari-mutuel system of wagering upon the result of horses is not  
11 permitted or conducted.

12 (b) Nothing herein shall be construed to permit the  
13 pari-mutuel method of wagering upon any race track unless such  
14 race track is licensed under this Act. It is hereby declared to  
15 be unlawful for any person to permit, conduct or supervise upon  
16 any race track ground the pari-mutuel method of wagering except  
17 in accordance with the provisions of this Act.

18 (c) Whoever violates subsection (b) of this Section is  
19 guilty of a Class 4 felony.

20 (Source: P.A. 89-16, eff. 5-30-95.)

21 (230 ILCS 5/56 new)

22 Sec. 56. Electronic gaming.

23 (a) An organization licensee may apply to the Gaming Board  
24 for an electronic gaming license. An electronic gaming license  
25 shall authorize its holder to conduct gambling using slot  
26 machines, video games of chance, or both on the grounds of the  
27 licensee's race track. Only one organization licensee per race  
28 track may be awarded an electronic gaming license. Each license  
29 shall specify the number of slot machines and video games of  
30 chance that its holder may operate.

31 If an organization licensee receives an electronic gaming  
32 license, the organization must create an entity that shall hold

1 the electronic gaming license and conduct electronic gaming  
2 under the license. The majority interest in the entity shall be  
3 retained by the organization licensee, but, within a time  
4 period set by the Board, which shall not exceed 12 months from  
5 the date the electronic gaming licensee begins to conduct  
6 electronic gaming, the entity shall attain a level of at least  
7 20% minority person and female ownership, at least 16% and 4%  
8 respectively. The provisions of this subsection concerning  
9 minority person and female ownership of an entity the holds an  
10 electronic gaming license apply only to electronic gaming and  
11 not to any other activities conducted by an organization  
12 licensee under this Act. For the purposes of this Act, with  
13 respect to electronic gaming, the term "organization licensee"  
14 means the entity created under this subsection. The provisions  
15 of this subsection concerning the creation of an entity to hold  
16 an electronic gaming license do not apply to an organization  
17 licensee that has attained a level of at least 20% minority  
18 person and female ownership, at least 16% and 4% respectively.  
19 For the purposes of this Section, the terms "female" and  
20 "minority person" have the meanings provided in Section 2 of  
21 the Business Enterprise for Minorities, Females, and Persons  
22 with Disabilities Act.

23 An electronic gaming licensee may not permit persons under  
24 21 years of age to be present in its electronic gaming  
25 facility, but the licensee may accept wagers on live racing and  
26 inter-track wagers at its electronic gaming facility.

27 (b) The gross gaming receipts received by an electronic  
28 gaming licensee from electronic gaming remaining after the  
29 payment of taxes under Section 13 of the Riverboat and Casino  
30 Gambling Act shall be distributed as follows:

31 77% shall be retained by the licensee;

32 19.5% shall be paid to purse equity accounts;

33 1.75% shall be paid to the Illinois Thoroughbred

34 Breeders Fund and the Illinois Standardbred Breeders Fund,

1 divided pro rata based on the proportion of live  
2 thoroughbred racing and live standardbred racing conducted  
3 at that licensee's race track;

4 0.25% shall be paid to the Illinois Quarter Horse  
5 Breeders Fund;

6 0.125% shall be paid to the University of Illinois for  
7 equine research;

8 1.125% shall be paid to the Racing Industry Charitable  
9 Foundation;

10 0.25% shall be paid to the licensee's live racing and  
11 horse ownership promotional account.

12 Of the moneys paid to purse equity accounts by an  
13 electronic gaming licensee, 58% shall be paid to the licensee's  
14 thoroughbred purse equity account and 42% shall be paid to the  
15 licensee's standardbred purse equity account.

16 Section 930. The Riverboat Gambling Act is amended by  
17 changing Sections 1, 2, 3, 4, 5, 6, 7, 7.1, 7.3, 7.4, 8, 9, 10,  
18 11, 11.1, 12, 13, 14, 18, 19, 20, and 23 and adding Sections  
19 7.6 and 7.7 as follows:

20 (230 ILCS 10/1) (from Ch. 120, par. 2401)

21 Sec. 1. Short title. This Act shall be known and may be  
22 cited as the Riverboat and Casino Gambling Act.

23 (Source: P.A. 86-1029.)

24 (230 ILCS 10/2) (from Ch. 120, par. 2402)

25 Sec. 2. Legislative Intent.

26 (a) This Act is intended to benefit the people of the State  
27 of Illinois by assisting economic development and promoting  
28 Illinois tourism and by increasing the amount of revenues  
29 available to the State to assist and support education.

30 (b) While authorization of riverboat and casino gambling  
31 will enhance investment, development and tourism in Illinois,

1 it is recognized that it will do so successfully only if public  
2 confidence and trust in the credibility and integrity of the  
3 gambling operations and the regulatory process is maintained.  
4 Therefore, regulatory provisions of this Act are designed to  
5 strictly regulate the facilities, persons, associations and  
6 practices related to gambling operations pursuant to the police  
7 powers of the State, including comprehensive law enforcement  
8 supervision.

9 (c) The Illinois Gaming Board established under this Act  
10 should, as soon as possible, inform each applicant for an  
11 owners license of the Board's intent to grant or deny a  
12 license.

13 (Source: P.A. 93-28, eff. 6-20-03.)

14 (230 ILCS 10/3) (from Ch. 120, par. 2403)

15 Sec. 3. ~~Riverboat~~ Gambling Authorized.

16 (a) Riverboat and casino gambling operations and  
17 electronic gaming operations ~~and the system of wagering~~  
18 ~~incorporated therein~~, as defined in this Act, are hereby  
19 authorized to the extent that they are carried out in  
20 accordance with the provisions of this Act.

21 (b) This Act does not apply to the pari-mutuel system of  
22 wagering used or intended to be used in connection with the  
23 horse-race meetings as authorized under the Illinois Horse  
24 Racing Act of 1975, lottery games authorized under the Illinois  
25 Lottery Law, bingo authorized under the Bingo License and Tax  
26 Act, charitable games authorized under the Charitable Games Act  
27 or pull tabs and jar games conducted under the Illinois Pull  
28 Tabs and Jar Games Act. This Act does apply to electronic  
29 gaming authorized under the Illinois Horse Racing Act of 1975  
30 to the extent provided in that Act and in this Act.

31 (c) Riverboat gambling conducted pursuant to this Act may  
32 be authorized upon any water within the State of Illinois or  
33 any water other than Lake Michigan which constitutes a boundary

1 of the State of Illinois. Notwithstanding any provision in this  
2 subsection (c) to the contrary, a licensee that receives its  
3 license pursuant to subsection (e-5) of Section 7 authorizing  
4 its holder to conduct riverboat gambling from a home dock in  
5 any county North of Cook County may conduct riverboat gambling  
6 on Lake Michigan from a home dock located on Lake Michigan.  
7 Notwithstanding any provision in this subsection (c) to the  
8 contrary, a licensee may conduct gambling at its home dock  
9 facility as provided in Sections 7 and 11. A licensee may  
10 conduct riverboat gambling authorized under this Act  
11 regardless of whether it conducts excursion cruises. A licensee  
12 may permit the continuous ingress and egress of passengers for  
13 the purpose of gambling.

14 (d) Gambling that is conducted in accordance with this Act  
15 using slot machines and video games of chance shall be  
16 authorized at electronic gaming facilities as provided in this  
17 Act.

18 (Source: P.A. 91-40, eff. 6-25-99.)

19 (230 ILCS 10/4) (from Ch. 120, par. 2404)

20 Sec. 4. Definitions. As used in this Act:

21 "Authority" means the Chicago Casino Development Authority  
22 created under the Chicago Casino Development Authority Act.

23 ~~(a)~~ "Board" means the Illinois Gaming Board.

24 "Casino" means a land-based facility located within a  
25 municipality with a population of more than 500,000 inhabitants  
26 at which lawful gambling is authorized and licensed as provided  
27 in this Act. "Casino" includes any temporary land-based or  
28 river-based facility at which lawful gambling is authorized and  
29 licensed as provided in this Act. "Casino" does not include any  
30 ancillary facilities such as hotels, restaurants, retail  
31 facilities, conference rooms, parking areas, entertainment  
32 venues, or other facilities at which gambling operations are  
33 not conducted.

1       "Casino operator" means any person or entity that manages  
2       casino gambling operations conducted by the Authority under  
3       subsection (e-6) of Section 7.

4       "Casino operators license" means a license issued by the  
5       Board to a person or entity to manage casino gambling  
6       operations conducted by the Authority pursuant to subsection  
7       (e-6) of Section 7.

8       ~~(b)~~ "Occupational license" means a license issued by the  
9       Board to a person or entity to perform an occupation which the  
10      Board has identified as requiring a license to engage in  
11      riverboat or casino gambling in Illinois.

12      ~~(c)~~ "Gambling game" includes, but is not limited to,  
13      baccarat, twenty-one, poker, craps, slot machine, video game of  
14      chance, roulette wheel, klondike table, punchboard, faro  
15      layout, keno layout, numbers ticket, push card, jar ticket, or  
16      pull tab which is authorized by the Board as a wagering device  
17      under this Act.

18      ~~(d)~~ "Riverboat" means a self-propelled excursion boat, a  
19      permanently moored barge, or permanently moored barges that are  
20      permanently fixed together to operate as one vessel, on which  
21      lawful gambling is authorized and licensed as provided in this  
22      Act.

23      ~~(e)~~ "Managers license" means a license issued by the Board  
24      to a person or entity to manage gambling operations conducted  
25      by the State pursuant to Section 7.3 ~~7.2~~.

26      ~~(f)~~ "Dock" means the location where a riverboat moors for  
27      the purpose of embarking passengers for and disembarking  
28      passengers from the riverboat.

29      ~~(g)~~ "Whole gaming ~~Gross~~ receipts" means the total amount of  
30      money exchanged for the purchase of chips, tokens or electronic  
31      cards by riverboat or casino patrons or electronic gaming  
32      patrons.

33      ~~(h)~~ "Gross gaming ~~Adjusted-gross~~ receipts" means the whole  
34      gaming ~~gross~~ receipts less winnings paid to wagerers.

1       ~~(i)~~ "Cheat" means to alter the selection of criteria which  
2 determine the result of a gambling game or the amount or  
3 frequency of payment in a gambling game.

4       ~~(j)~~ "Department" means the Department of Revenue.

5       ~~(k)~~ "Gambling operation" means the conduct of ~~authorized~~  
6 gambling games authorized under this Act upon a riverboat or in  
7 a casino or authorized under this Act and the Illinois Horse  
8 Racing Act of 1975 at an electronic gaming facility.

9       ~~(l)~~ "License bid" means the lump sum amount of money that  
10 an applicant bids and agrees to pay the State, or which is paid  
11 by the Authority, in return for an owners license that is  
12 re-issued on or after July 1, 2003.

13       ~~(m)~~ The terms "minority person" and "female" shall have the  
14 same meaning as defined in Section 2 of the Business Enterprise  
15 for Minorities, Females, and Persons with Disabilities Act.

16       "Owners license" means a license to conduct riverboat  
17 gambling operations or casino gambling operations, but does not  
18 include an electronic gaming license.

19       "Licensed owner" means a person who holds an owners  
20 license.

21       "Electronic gaming" means the conduct of gambling using  
22 slot machines and video games of chance at a race track  
23 licensed under the Illinois Horse Racing Act of 1975 pursuant  
24 to the Illinois Horse Racing Act of 1975 and this Act.

25       "Electronic gaming facility" means the area where the Board  
26 has authorized electronic gaming at a race track of an  
27 organization licensee under the Illinois Horse Racing Act of  
28 1975 that holds an electronic gaming license.

29       "Electronic gaming license" means a license issued by the  
30 Board under Section 7.6 of this Act authorizing electronic  
31 gaming at an electronic gaming facility.

32       "Organization licensee" means an entity authorized by the  
33 Illinois Racing Board to conduct pari-mutuel wagering in  
34 accordance with the Illinois Horse Racing Act of 1975.



1 (Source: P.A. 92-600, eff. 6-28-02; 93-28, eff. 6-20-03;  
2 revisory 1-28-04.)

3 (230 ILCS 10/5) (from Ch. 120, par. 2405)

4 Sec. 5. Gaming Board.

5 (a) (1) There is hereby established within the Department  
6 of Revenue an Illinois Gaming Board which shall have the powers  
7 and duties specified in this Act, and all other powers  
8 necessary and proper to fully and effectively execute this Act  
9 for the purpose of administering, regulating, and enforcing the  
10 system of riverboat and casino gambling established by this  
11 Act. Its jurisdiction shall extend under this Act to every  
12 person, association, corporation, partnership and trust  
13 involved in riverboat and casino gambling operations in the  
14 State of Illinois.

15 (2) The Board shall consist of 5 members to be appointed by  
16 the Governor with the advice and consent of the Senate, one of  
17 whom shall be designated by the Governor to be chairperson  
18 ~~chairman~~. Each member shall have a reasonable knowledge of the  
19 practice, procedure and principles of gambling operations.  
20 Each member shall either be a resident of Illinois or shall  
21 certify that he or she will become a resident of Illinois  
22 before taking office. At least one member shall be experienced  
23 in law enforcement and criminal investigation, at least one  
24 member shall be a certified public accountant experienced in  
25 accounting and auditing, and at least one member shall be a  
26 lawyer licensed to practice law in Illinois.

27 (3) The terms of office of the Board members shall be 3  
28 years, except that the terms of office of the initial Board  
29 members appointed pursuant to this Act will commence from the  
30 effective date of this Act and run as follows: one for a term  
31 ending July 1, 1991, 2 for a term ending July 1, 1992, and 2 for  
32 a term ending July 1, 1993. Upon the expiration of the  
33 foregoing terms, the successors of such members shall serve a

1 term for 3 years and until their successors are appointed and  
2 qualified for like terms. Vacancies in the Board shall be  
3 filled for the unexpired term in like manner as original  
4 appointments. Each member of the Board shall be eligible for  
5 reappointment at the discretion of the Governor with the advice  
6 and consent of the Senate.

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

12 (5) No person shall be appointed a member of the Board or  
13 continue to be a member of the Board who is, or whose spouse,  
14 child or parent is, a member of the board of directors of, or a  
15 person financially interested in, any gambling operation  
16 subject to the jurisdiction of this Board, or any race track,  
17 race meeting, racing association or the operations thereof  
18 subject to the jurisdiction of the Illinois Racing Board. No  
19 Board member shall hold any other public office for which he  
20 shall receive compensation other than necessary travel or other  
21 incidental expenses. No person shall be a member of the Board  
22 who is not of good moral character or who has been convicted  
23 of, or is under indictment for, a felony under the laws of  
24 Illinois or any other state, or the United States.

25 (6) Any member of the Board may be removed by the Governor  
26 for neglect of duty, misfeasance, malfeasance, or nonfeasance  
27 in office.

28 (7) Before entering upon the discharge of the duties of his  
29 office, each member of the Board shall take an oath that he  
30 will faithfully execute the duties of his office according to  
31 the laws of the State and the rules and regulations adopted  
32 therewith and shall give bond to the State of Illinois,  
33 approved by the Governor, in the sum of \$25,000. Every such  
34 bond, when duly executed and approved, shall be recorded in the

1 office of the Secretary of State. Whenever the Governor  
2 determines that the bond of any member of the Board has become  
3 or is likely to become invalid or insufficient, he shall  
4 require such member forthwith to renew his bond, which is to be  
5 approved by the Governor. Any member of the Board who fails to  
6 take oath and give bond within 30 days from the date of his  
7 appointment, or who fails to renew his bond within 30 days  
8 after it is demanded by the Governor, shall be guilty of  
9 neglect of duty and may be removed by the Governor. The cost of  
10 any bond given by any member of the Board under this Section  
11 shall be taken to be a part of the necessary expenses of the  
12 Board.

13 (8) Upon the request of the Board, the Department shall  
14 employ such personnel as may be necessary to carry out the  
15 functions of the Board. No person shall be employed to serve  
16 the Board who is, or whose spouse, parent or child is, an  
17 official of, or has a financial interest in or financial  
18 relation with, any operator engaged in gambling operations  
19 within this State or any organization engaged in conducting  
20 horse racing within this State. Any employee violating these  
21 prohibitions shall be subject to termination of employment.

22 (9) An Administrator shall perform any and all duties that  
23 the Board shall assign him. The salary of the Administrator  
24 shall be determined by the Board and approved by the Director  
25 of the Department and, in addition, he shall be reimbursed for  
26 all actual and necessary expenses incurred by him in discharge  
27 of his official duties. The Administrator shall keep records of  
28 all proceedings of the Board and shall preserve all records,  
29 books, documents and other papers belonging to the Board or  
30 entrusted to its care. The Administrator shall devote his full  
31 time to the duties of the office and shall not hold any other  
32 office or employment.

33 (b) The Board shall have general responsibility for the  
34 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 certified  
10 mail, postage prepaid, to the aggrieved party. Notice  
11 served by certified mail shall be deemed complete on the  
12 business day following the date of such mailing. The Board  
13 shall conduct all requested 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 promulgated  
17 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 this  
25 Act and the rules and regulations issued pursuant hereto.  
26 All such fees and taxes shall be deposited into the State  
27 Gaming Fund;

28 (5) To provide for the levy and collection of penalties  
29 and fines for the violation of provisions of this Act and  
30 the rules and regulations promulgated hereunder. All such  
31 fines and penalties shall be deposited into the Education  
32 Assistance Fund, created by Public Act 86-0018, of the  
33 State of Illinois;

34 (6) To be present through its inspectors and agents any

1 time gambling operations are conducted on any riverboat, in  
2 any casino, or at any electronic gaming facility for the  
3 purpose of certifying the revenue thereof, receiving  
4 complaints from the public, and conducting such other  
5 investigations into the conduct of the gambling games and  
6 the maintenance of the equipment as from time to time the  
7 Board may deem necessary and proper;

8 (7) To review and rule upon any complaint by a licensee  
9 regarding any investigative procedures of the State which  
10 are unnecessarily disruptive of gambling operations. The  
11 need to inspect and investigate shall be presumed at all  
12 times. The disruption of a licensee's operations shall be  
13 proved by clear and convincing evidence, and establish  
14 that: (A) the procedures had no reasonable law enforcement  
15 purposes, and (B) the procedures were so disruptive as to  
16 unreasonably inhibit gambling operations;

17 (8) To hold at least one meeting each quarter of the  
18 fiscal year. In addition, special meetings may be called by  
19 the chairperson ~~Chairman~~ or any 2 Board members upon 72  
20 hours written notice to each member. All Board meetings  
21 shall be subject to the Open Meetings Act. Three members of  
22 the Board shall constitute a quorum, and 3 votes shall be  
23 required for any final determination by the Board. The  
24 Board shall keep a complete and accurate record of all its  
25 meetings. A majority of the members of the Board shall  
26 constitute a quorum for the transaction of any business,  
27 for the performance of any duty, or for the exercise of any  
28 power which this Act requires the Board members to  
29 transact, perform or exercise en banc, except that, upon  
30 order of the Board, one of the Board members or an  
31 administrative law judge designated by the Board may  
32 conduct any hearing provided for under this Act or by Board  
33 rule and may recommend findings and decisions to the Board.  
34 The Board member or administrative law judge conducting

1 such hearing shall have all powers and rights granted to  
2 the Board in this Act. The record made at the time of the  
3 hearing shall be reviewed by the Board, or a majority  
4 thereof, and the findings and decision of the majority of  
5 the Board shall constitute the order of the Board in such  
6 case;

7 (9) To maintain records which are separate and distinct  
8 from the records of any other State board or commission.  
9 Such records shall be available for public inspection and  
10 shall accurately reflect all Board proceedings;

11 (10) To file a written annual report with the Governor  
12 on or before March 1 each year and such additional reports  
13 as the Governor may request. The annual report shall  
14 include a statement of receipts and disbursements by the  
15 Board, actions taken by the Board, and any additional  
16 information and recommendations which the Board may deem  
17 valuable or which the Governor may request;

18 (11) (Blank); ~~and~~

19 (12) To assume responsibility for the administration  
20 and enforcement of the Bingo License and Tax Act, the  
21 Charitable Games Act, and the Pull Tabs and Jar Games Act  
22 if such responsibility is delegated to it by the Director  
23 of Revenue; and.

24 (13) To assume responsibility for the administration  
25 and enforcement of operations at electronic gaming  
26 facilities pursuant to this Act and the Illinois Horse  
27 Racing Act of 1975.

28 (c) The Board shall have jurisdiction over and shall  
29 supervise all gambling operations governed by this Act. The  
30 Board shall have all powers necessary and proper to fully and  
31 effectively execute the provisions of this Act, including, but  
32 not limited to, the following:

33 (1) To investigate applicants and determine the  
34 eligibility of applicants for licenses and to select among

1 competing applicants the applicants which best serve the  
2 interests of the citizens of Illinois.

3 (2) To have jurisdiction and supervision over all  
4 ~~riverboat~~ gambling operations authorized under this Act in  
5 ~~this State~~ and all persons in places ~~on riverboats~~ where  
6 gambling operations are conducted.

7 (3) To promulgate rules and regulations for the purpose  
8 of administering the provisions of this Act and to  
9 prescribe rules, regulations and conditions under which  
10 all ~~riverboat~~ gambling operations subject to this Act in  
11 ~~the State~~ shall be conducted. Such rules and regulations  
12 are to provide for the prevention of practices detrimental  
13 to the public interest and for the best interests of  
14 ~~riverboat~~ gambling, including rules and regulations  
15 regarding the inspection of electronic gaming facilities,  
16 ~~such~~ riverboats, and casinos and the review of any permits  
17 or licenses necessary to operate a riverboat, casino, or  
18 electronic gaming facility under any laws or regulations  
19 applicable to riverboats, casinos, and electronic gaming  
20 facilities, and to impose penalties for violations  
21 thereof.

22 (4) To enter the office, riverboats, electronic gaming  
23 facilities, and other facilities, or other places of  
24 business of a licensee, where evidence of the compliance or  
25 noncompliance with the provisions of this Act is likely to  
26 be found.

27 (5) To investigate alleged violations of this Act or  
28 the rules of the Board and to take appropriate disciplinary  
29 action against a licensee, other than the Authority, or a  
30 holder of an occupational license for a violation, or  
31 institute appropriate legal action for enforcement, or  
32 both.

33 (6) To adopt standards for the licensing of all persons  
34 under this Act, as well as for electronic or mechanical

1 gambling games, and to establish fees for such licenses.

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

5 (8) To require that the records, including financial or  
6 other statements of any licensee under this Act, shall be  
7 kept in such manner as prescribed by the Board and that any  
8 such licensee involved in the ownership or management of  
9 gambling operations submit to the Board an annual balance  
10 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  
27 operations as an application for employment for their  
28 employees.

29 (11) To revoke or suspend licenses, other than the  
30 license issued to the Authority, as the Board may see fit  
31 and in compliance with applicable laws of the State  
32 regarding administrative procedures, and to review  
33 applications for the renewal of licenses. The Board may  
34 suspend an owners license (other than the license issued to



1        the Authority) or an electronic gaming license<sup>7</sup> without  
2        notice or hearing, upon a determination that the safety or  
3        health of patrons or employees is jeopardized by continuing  
4        a gambling operation conducted under that license ~~a~~  
5        ~~riverboat's operation~~. The suspension may remain in effect  
6        until the Board determines that the cause for suspension  
7        has been abated. The Board may revoke the owners license  
8        (other than the license issued to the Authority) or the  
9        electronic gaming license upon a determination that the  
10       licensee ~~owner~~ has not made satisfactory progress toward  
11       abating the hazard.

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

23       (13) To require all licensees of gambling operations to  
24       utilize a cashless wagering system whereby all players'  
25       money is converted to tokens, electronic cards, or chips  
26       which shall be used only for wagering in the gambling  
27       establishment.

28       (14) (Blank).

29       (15) To suspend, revoke or restrict licenses (other  
30       than the license issued to the Authority) or electronic  
31       gaming licenses, to require the removal of a licensee or an  
32       employee of a licensee for a violation of this Act or a  
33       Board rule or for engaging in a fraudulent practice, and to  
34       impose civil penalties of up to \$5,000 against individuals

1 and up to \$10,000 or an amount equal to the daily whole  
2 gaming ~~gross~~ receipts, whichever is larger, against  
3 licensees for each violation of any provision of the Act,  
4 any rules adopted by the Board, any order of the Board or  
5 any other action which, in the Board's discretion, is a  
6 detriment or impediment to ~~riverboat~~ gambling operations.

7 (16) To hire employees to gather information, conduct  
8 investigations and carry out any other tasks contemplated  
9 under this Act.

10 (17) To establish minimum levels of insurance to be  
11 maintained by licensees.

12 (18) To authorize a licensee to sell or serve alcoholic  
13 liquors, wine or beer as defined in the Liquor Control Act  
14 of 1934 on board a riverboat or in a casino and to have  
15 exclusive authority to establish the hours for sale and  
16 consumption of alcoholic liquor on board a riverboat or in  
17 a casino, notwithstanding any provision of the Liquor  
18 Control Act of 1934 or any local ordinance, and regardless  
19 of whether the riverboat or in a casino makes excursions.  
20 The establishment of the hours for sale and consumption of  
21 alcoholic liquor on board a riverboat or in a casino is an  
22 exclusive power and function of the State. A home rule unit  
23 may not establish the hours for sale and consumption of  
24 alcoholic liquor on board a riverboat or in a casino. This  
25 subdivision (18) ~~amendatory Act of 1991~~ is a denial and  
26 limitation of home rule powers and functions under  
27 subsection (h) of Section 6 of Article VII of the Illinois  
28 Constitution.

29 (19) After consultation with the U.S. Army Corps of  
30 Engineers, to establish binding emergency orders upon the  
31 concurrence of a majority of the members of the Board  
32 regarding the navigability of water, relative to  
33 excursions, in the event of extreme weather conditions,  
34 acts of God or other extreme circumstances.

1           (20) To delegate the execution of any of its powers  
2 under this Act for the purpose of administering and  
3 enforcing this Act and its rules and regulations hereunder.

4           (21) To make rules concerning the conduct of electronic  
5 gaming.

6           (22) ~~(21)~~ To take any other action as may be reasonable  
7 or appropriate to enforce this Act and rules and  
8 regulations hereunder.

9           (d) The Board may seek and shall receive the cooperation of  
10 the Department of State Police in conducting background  
11 investigations of applicants and in fulfilling its  
12 responsibilities under this Section. Costs incurred by the  
13 Department of State Police as a result of such cooperation  
14 shall be paid by the Board in conformance with the requirements  
15 of Section 2605-400 of the Department of State Police Law (20  
16 ILCS 2605/2605-400).

17           (e) The Board must authorize to each investigator and to  
18 any other employee of the Board exercising the powers of a  
19 peace officer a distinct badge that, on its face, (i) clearly  
20 states that the badge is authorized by the Board and (ii)  
21 contains a unique identifying number. No other badge shall be  
22 authorized by the Board.

23           (Source: P.A. 91-40, eff. 1-1-00; 91-239, eff. 1-1-00; 91-883,  
24 eff. 1-1-01.)

25           (230 ILCS 10/6) (from Ch. 120, par. 2406)

26           Sec. 6. Application for Owners License.

27           (a) A qualified person, other than the Authority, may apply  
28 to the Board for an owners license to conduct a riverboat  
29 gambling operation as provided in this Act. The application  
30 shall be made on forms provided by the Board and shall contain  
31 such information as the Board prescribes, including but not  
32 limited to the identity of the riverboat on which such gambling  
33 operation is to be conducted and the exact location where such

1 riverboat will be docked, a certification that the riverboat  
2 will be registered under this Act at all times during which  
3 gambling operations are conducted on board, detailed  
4 information regarding the ownership and management of the  
5 applicant, and detailed personal information regarding the  
6 applicant. Any application for an owners license to be  
7 re-issued on or after June 1, 2003 shall also include the  
8 applicant's license bid in a form prescribed by the Board.  
9 Information provided on the application shall be used as a  
10 basis for a thorough background investigation which the Board  
11 shall conduct with respect to each applicant. An incomplete  
12 application shall be cause for denial of a license by the  
13 Board.

14 (b) Applicants shall submit with their application all  
15 documents, resolutions, and letters of support from the  
16 governing body that represents the municipality or county  
17 wherein the licensee will dock.

18 (c) Each applicant shall disclose the identity of every  
19 person, association, trust or corporation having a greater than  
20 1% direct or indirect pecuniary interest in the riverboat  
21 gambling operation with respect to which the license is sought.  
22 If the disclosed entity is a trust, the application shall  
23 disclose the names and addresses of the beneficiaries; if a  
24 corporation, the names and addresses of all stockholders and  
25 directors; if a partnership, the names and addresses of all  
26 partners, both general and limited.

27 (d) An application shall be filed with the Board by January  
28 1 of the year preceding any calendar year for which an  
29 applicant seeks an owners license; however, applications for an  
30 owners license permitting operations on January 1, 1991 shall  
31 be filed by July 1, 1990. An application fee of \$50,000 shall  
32 be paid at the time of filing to defray the costs associated  
33 with the background investigation conducted by the Board. If  
34 the costs of the investigation exceed \$50,000, the applicant

1 shall pay the additional amount to the Board. If the costs of  
2 the investigation are less than \$50,000, the applicant shall  
3 receive a refund of the remaining amount. All information,  
4 records, interviews, reports, statements, memoranda or other  
5 data supplied to or used by the Board in the course of its  
6 review or investigation of an application for a license under  
7 this Act shall be privileged, strictly confidential and shall  
8 be used only for the purpose of evaluating an applicant. Such  
9 information, records, interviews, reports, statements,  
10 memoranda or other data shall not be admissible as evidence,  
11 nor discoverable in any action of any kind in any court or  
12 before any tribunal, board, agency or person, except for any  
13 action deemed necessary by the Board.

14 (e) The Board shall charge each applicant a fee set by the  
15 Department of State Police to defray the costs associated with  
16 the search and classification of fingerprints obtained by the  
17 Board with respect to the applicant's application. These fees  
18 shall be paid into the State Police Services Fund.

19 (f) The licensed owner shall be the person primarily  
20 responsible for the boat itself. Only one riverboat gambling  
21 operation may be authorized by the Board on any riverboat. The  
22 applicant must identify each riverboat it intends to use and  
23 certify that the riverboat: (1) has the authorized capacity  
24 required in this Act; (2) is accessible to disabled persons;  
25 and (3) is fully registered and licensed in accordance with any  
26 applicable laws.

27 (g) A person who knowingly makes a false statement on an  
28 application is guilty of a Class A misdemeanor.

29 (Source: P.A. 93-28, eff. 6-20-03.)

30 (230 ILCS 10/7) (from Ch. 120, par. 2407)

31 Sec. 7. Owners Licenses.

32 (a) The Board shall issue owners licenses to persons, firms  
33 or corporations which apply for such licenses upon payment to

1 the Board of the non-refundable license fee set by the Board,  
2 upon payment of a \$25,000 license fee for the first year of  
3 operation and a \$5,000 license fee for each succeeding year and  
4 upon a determination by the Board that the applicant is  
5 eligible for an owners license pursuant to this Act and the  
6 rules of the Board. No application under this Section shall be  
7 required from the Authority. The Authority is not required to  
8 pay the fees imposed under this Section. A person, firm or  
9 corporation is ineligible to receive an owners license if:

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

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

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

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

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

21 (6) the firm or corporation employs a person defined in  
22 (1), (2), (3) or (4) who participates in the management or  
23 operation of gambling operations authorized under this  
24 Act;

25 (7) (blank); or

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

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

31 (1) the character, reputation, experience and  
32 financial integrity of the applicants and of any other or  
33 separate person that either:

34 (A) controls, directly or indirectly, such

1 applicant, or

2 (B) is controlled, directly or indirectly, by such  
3 applicant or by a person which controls, directly or  
4 indirectly, such applicant;

5 (2) the facilities or proposed facilities for the  
6 conduct of riverboat gambling;

7 (3) the highest prospective total revenue to be derived  
8 by the State from the conduct of riverboat gambling;

9 (4) the extent to which the ownership of the applicant  
10 reflects the diversity of the State by including minority  
11 persons and females and the good faith affirmative action  
12 plan of each applicant to recruit, train and upgrade  
13 minority persons and females in all employment  
14 classifications;

15 (5) the financial ability of the applicant to purchase  
16 and maintain adequate liability and casualty insurance;

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

20 (7) the extent to which the applicant exceeds or meets  
21 other standards for the issuance of an owners license which  
22 the Board may adopt by rule; and

23 (8) The amount of the applicant's license bid.

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

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

28 (e) In addition to the licenses authorized under  
29 subsections (e-5) and (e-6), the ~~The~~ Board may issue up to 10  
30 licenses authorizing the holders of such licenses to own  
31 riverboats. In the application for an owners license, the  
32 applicant shall state the dock at which the riverboat is based  
33 and the water on which the riverboat will be located. The Board  
34 shall issue 5 licenses to become effective not earlier than

1 January 1, 1991. Three of such licenses shall authorize  
2 riverboat gambling on the Mississippi River, or, with approval  
3 by the municipality in which the riverboat is docked on August  
4 7, 2003, ~~the effective date of this amendatory Act of the 93rd~~  
5 ~~Assembly,~~ in a municipality that (1) borders on the Mississippi  
6 River or is within 5 miles of the city limits of a municipality  
7 that borders on the Mississippi River and (2), on August 7,  
8 2003, ~~the effective date of this amendatory Act of the 93rd~~  
9 ~~General Assembly,~~ has a riverboat conducting riverboat  
10 gambling operations pursuant to a license issued under this  
11 Act;~~7~~ one of which shall authorize riverboat gambling from a  
12 home dock in the city of East St. Louis. One other license  
13 shall authorize riverboat gambling on the Illinois River south  
14 of Marshall County. The Board shall issue one additional  
15 license to become effective not earlier than March 1, 1992,  
16 which shall authorize riverboat gambling on the Des Plaines  
17 River in Will County. The Board may issue 4 additional licenses  
18 to become effective not earlier than March 1, 1992. In  
19 determining the water upon which riverboats will operate, the  
20 Board shall consider the economic benefit which riverboat  
21 gambling confers on the State, and shall seek to assure that  
22 all regions of the State share in the economic benefits of  
23 riverboat gambling.

24 (e-5) In addition to the licenses authorized under  
25 subsections (e) and (e-6), the Board may issue 3 additional  
26 licenses authorizing riverboat gambling.

27 (1) Except as otherwise provided in this paragraph (1),  
28 one of the licenses issued under this subsection (e-5)  
29 shall authorize its holder to conduct riverboat gambling  
30 from a home dock located in a municipality that (A) has a  
31 population of at least 75,000 inhabitants, (B) is bordered  
32 on the East by Lake Michigan, and (C) is located in a  
33 county, the entirety of which is located to the North of  
34 Cook County, and shall authorize its holder to conduct



1 riverboat gambling on Lake Michigan.

2 (2) One license issued under this subsection (e-5)  
3 shall authorize its holder to conduct riverboat gambling in  
4 Cook County from a home dock located in the area bordered  
5 on the North by the southern corporate limit of the City of  
6 Chicago, on the South by Route 30, on the East by the  
7 Indiana border, and on the West by Interstate 57.

8 (3) One license issued under this subsection (e-5)  
9 shall authorize its holder to conduct riverboat gambling in  
10 a municipality with at least 75,000 inhabitants that is  
11 located in a county that (i) is entirely to the North of  
12 Cook County and (ii) does not border Lake Michigan.

13 Licenses authorized under this subsection (e-5) shall be  
14 awarded pursuant to a process of competitive bidding to the  
15 highest bidder that is eligible to hold an owners license under  
16 this Act. The minimum bid for an owners license under this  
17 subsection (e-5) shall be \$250,000,000.

18 Any licensee that receives its license under this  
19 subsection (e-5) shall attain a level of at least 20% minority  
20 person and female ownership, at least 16% and 4% respectively,  
21 within a time period prescribed by the Board, but not to exceed  
22 12 months from the date the licensee begins conducting  
23 riverboat gambling. The 12-month period shall be extended by  
24 the amount of time necessary to conduct a background  
25 investigation pursuant to Section 6. For the purposes of this  
26 Section, the terms "female" and "minority person" have the  
27 meanings provided in Section 2 of the Business Enterprise for  
28 Minorities, Females, and Persons with Disabilities Act.

29 (e-6) In addition to the licenses authorized under  
30 subsections (e) and (e-5), the Board, upon written request of  
31 the Authority and upon payment by the Authority to the Board on  
32 or before June 30, 2005 of a fee of \$350,000,000, shall issue  
33 an owners license to the Authority, authorizing the conduct of  
34 gambling operations in a casino located in a municipality with

1 a population of more than 500,000 inhabitants. Until completion  
2 of a permanent casino, the Authority's license shall authorize  
3 it to conduct gambling operations in one or more land-based or  
4 riverboat temporary casinos within the municipality, provided  
5 that the total number of gaming positions is limited to 3,000.  
6 The license issued to the Authority shall be perpetual and may  
7 not be revoked, suspended, or limited by the Board. The Board  
8 shall have the authority to investigate, reject, and remove any  
9 appointments to the Authority's board and the Authority's  
10 appointment of its executive director. Casino gambling  
11 operations shall be conducted by a casino operator on behalf of  
12 the Authority. The Authority shall conduct a competitive  
13 bidding process for the selection of casino operators to  
14 develop and operate the casino and one or more temporary  
15 casinos and riverboats; provided that the Authority may not  
16 select as a casino operator any bidder who directly or  
17 indirectly has an ownership or management interest in 2 or more  
18 riverboat gambling operations in Illinois and Indiana. Any such  
19 casino operators shall be subject to licensing by, and full  
20 jurisdiction of, the Board.

21 (e-10) In granting all licenses, the Board may give  
22 favorable consideration to economically depressed areas of the  
23 State, to applicants presenting plans which provide for  
24 significant economic development over a large geographic area,  
25 and to applicants who currently operate non-gambling  
26 riverboats in Illinois. The Board shall review all applications  
27 for owners licenses, and shall inform each applicant of the  
28 Board's decision. The Board may grant an owners license to an  
29 applicant that has not submitted the highest license bid, but  
30 if it does not select the highest bidder, the Board shall issue  
31 a written decision explaining why another applicant was  
32 selected and identifying the factors set forth in this Section  
33 that favored the winning bidder.

34 (e-15) In addition to any other revocation powers granted

1 to the Board under this Act, the Board may revoke the owners  
2 license of a licensee which fails to begin conducting gambling  
3 within 15 months of receipt of the Board's approval of the  
4 application if the Board determines that license revocation is  
5 in the best interests of the State.

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

12 (g) Upon the termination, expiration, or revocation of each  
13 owners license ~~of the first 10 licenses~~, which shall be issued  
14 for a 3 year period, all licenses are renewable annually upon  
15 payment of the fee and a determination by the Board that the  
16 licensee continues to meet all of the requirements of this Act  
17 and the Board's rules. However, for licenses renewed on or  
18 after May 1, 1998, renewal shall be for a period of 4 years,  
19 unless the Board sets a shorter period. The Authority's license  
20 shall be perpetual and shall not be subject to renewal.

21 (h) An owners license, other than the Authority's license,  
22 shall entitle the licensee to own up to 2 riverboats and  
23 operate up to 1,200 gaming positions, plus an additional number  
24 of positions as provided in subsections (h-5), (h-7), and  
25 (h-10). The Authority's license shall limit the number of  
26 gaming positions to 3,000, and shall not allow the Authority to  
27 obtain additional gaming positions under subsection (h-5).

28 (h-5) In addition to the 1,200 gaming positions authorized  
29 under subsection (h), a licensee, other than the Authority, may  
30 purchase and operate additional gaming positions as provided in  
31 this subsection (h-5). A licensee, other than the Authority,  
32 may purchase up to 800 additional gaming positions under this  
33 subsection (h-5) in groups of 100 by paying to the Board,  
34 within 60 days after the adoption of rules under subsection

1 (h-8) concerning the forfeiture of unused gaming positions, a  
2 fee of \$2,500,000 for each group of 100 additional gaming  
3 positions.

4 (h-7) Gaming positions authorized under subsection (h-5)  
5 that go unpurchased for 60 days after the adoption of rules  
6 under subsection (h-8) concerning the forfeiture of unused  
7 gaming positions, if any, shall be made available to owners  
8 licensees, other than the Authority, as provided in this  
9 subsection (h-7). Within 30 days after the end of that 60-day  
10 period, the Gaming Board shall make those unpurchased positions  
11 available to owners licensees, other than the Authority, under  
12 a process of competitive bidding, in groups of 50 gaming  
13 positions. The minimum bid for each group of 50 gaming  
14 positions shall be \$1,250,000.

15 (h-8) At the time of license renewal, if the Gaming Board  
16 determines that an owners licensee is not using any portion of  
17 the gaming positions that it obtained under subsection (h-5) or  
18 (h-7), the owners licensee shall forfeit those unused gaming  
19 positions. The owners licensee shall not receive compensation  
20 for those forfeited gaming positions. Within 30 days after the  
21 forfeiture of an owners licensee's unused gaming positions, the  
22 unused positions shall be made available by the Gaming Board to  
23 owners licensees, other than the Authority, under a process of  
24 competitive bidding, in groups of 50 gaming positions. The  
25 minimum bid for each group of 50 gaming positions shall be  
26 \$1,250,000. Within 30 days after the effective date of this  
27 amendatory Act of the 93rd General Assembly, the Board shall  
28 adopt rules concerning the forfeiture of unused gaming  
29 positions obtained under subsection (h-5) or (h-7).

30 (h-10) The total number of gaming positions used by an  
31 owners licensee shall not exceed 3,500 at one time (3,000 in  
32 the case of the Authority). Within this limit, a licensee may  
33 operate both of its riverboats concurrently.

34 An owners licensee that obtains in excess of 1,200

1 positions, other than the Authority, may conduct riverboat  
2 gambling operations from a land-based facility within or  
3 attached to its home dock facility or from a temporary  
4 facility, as the term "temporary facility" is defined by Board  
5 rule, that is attached to the licensee's home dock, with Board  
6 approval. Gaming positions located in a land-based facility  
7 must be located in an area that is accessible only to persons  
8 who are at least 21 years of age. A licensee may not conduct  
9 gambling at a land-based facility unless the admission tax  
10 imposed under Section 12 has been paid for all persons who  
11 enter the land-based facility. The Board shall adopt rules  
12 concerning the conduct of gambling from land-based facilities,  
13 including rules concerning the number of gaming positions that  
14 may be located at a temporary facility. A licensee shall limit  
15 the number of gambling participants to 1,200 for any such  
16 owners license. A licensee may operate both of its riverboats  
17 concurrently, provided that the total number of gambling  
18 participants on both riverboats does not exceed 1,200.  
19 ~~Riverboats licensed to operate on the Mississippi River and the~~  
20 ~~Illinois River south of Marshall County shall have an~~  
21 ~~authorized capacity of at least 500 persons. Any other~~  
22 ~~riverboat licensed under this Act shall have an authorized~~  
23 ~~capacity of at least 400 persons.~~

24 (i) A licensed owner is authorized to apply to the Board  
25 for and, if approved therefor, to receive all licenses from the  
26 Board necessary for the operation of a riverboat or a casino,  
27 including a liquor license, a license to prepare and serve food  
28 for human consumption, and other necessary licenses. All use,  
29 occupation and excise taxes which apply to the sale of food and  
30 beverages in this State and all taxes imposed on the sale or  
31 use of tangible personal property apply to such sales aboard  
32 the riverboat or in the casino.

33 (j) The Board may issue or re-issue a license authorizing a  
34 riverboat to dock in a municipality or approve a relocation

1 under Section 11.2 only if, prior to the issuance or  
2 re-issuance of the license or approval, the governing body of  
3 the municipality in which the riverboat will dock has by a  
4 majority vote approved the docking of riverboats in the  
5 municipality. The Board may issue or re-issue a license  
6 authorizing a riverboat to dock in areas of a county outside  
7 any municipality or approve a relocation under Section 11.2  
8 only if, prior to the issuance or re-issuance of the license or  
9 approval, the governing body of the county has by a majority  
10 vote approved of the docking of riverboats within such areas.

11 (Source: P.A. 92-600, eff. 6-28-02; 93-28, eff. 6-20-03;  
12 93-453, eff. 8-7-03; revised 1-27-04.)

13 (230 ILCS 10/7.1)

14 Sec. 7.1. Re-issuance of revoked or non-renewed owners  
15 licenses.

16 (a) If an owners license terminates or expires without  
17 renewal or the Board revokes or determines not to renew an  
18 owners license (including, without limitation, an owners  
19 license for a licensee that was not conducting riverboat  
20 gambling operations on January 1, 1998) and that revocation or  
21 determination is final, the Board may re-issue such license to  
22 a qualified applicant pursuant to an open and competitive  
23 bidding process, as set forth in Section 7.5, and subject to  
24 the maximum number of authorized licenses set forth in  
25 subsections (e), (e-5), and (e-6) of Section 7 ~~Section 7(e)~~.

26 (b) To be a qualified applicant, a person, firm, or  
27 corporation cannot be ineligible to receive an owners license  
28 under Section 7(a) and must submit an application for an owners  
29 license that complies with Section 6. Each such applicant must  
30 also submit evidence to the Board that minority persons and  
31 females hold ownership interests in the applicant of at least  
32 16% and 4% respectively.

33 (c) Notwithstanding anything to the contrary in

1 subsections (e), (e-5), or (e-6) of Section 7, ~~Section 7(e)~~, an  
2 applicant may apply to the Board for approval of relocation of  
3 a re-issued license to a new home dock location authorized  
4 under Section 3(c) upon receipt of the approval from the  
5 municipality or county, as the case may be, pursuant to Section  
6 7(j).

7 (d) In determining whether to grant a re-issued owners  
8 license to an applicant, the Board shall consider all of the  
9 factors set forth in Section ~~Sections~~ 7(b) and in Section 7(e)  
10 or (e-5), whichever is applicable, ~~(e)~~ as well as the amount of  
11 the applicant's license bid. The Board may grant the re-issued  
12 owners license to an applicant that has not submitted the  
13 highest license bid, but if it does not select the highest  
14 bidder, the Board shall issue a written decision explaining why  
15 another applicant was selected and identifying the factors set  
16 forth in Section ~~Sections~~ 7(b) and in Section 7(e) or (e-5),  
17 whichever is applicable, ~~(e)~~ that favored the winning bidder.

18 (e) Re-issued owners licenses shall be subject to annual  
19 license fees as provided for in Section 7(a) and shall be  
20 governed by the provisions of Sections 7(f), (g), (h), and (i).  
21 (Source: P.A. 93-28, eff. 6-20-03.)

22 (230 ILCS 10/7.3)

23 Sec. 7.3. State conduct of gambling operations.

24 (a) If, after reviewing each application for a re-issued  
25 license, the Board determines that the highest prospective  
26 total revenue to the State would be derived from State conduct  
27 of the gambling operation in lieu of re-issuing the license,  
28 the Board shall inform each applicant of its decision. The  
29 Board shall thereafter have the authority, without obtaining an  
30 owners license, to conduct riverboat gambling operations as  
31 previously authorized by the terminated, expired, revoked, or  
32 nonrenewed license through a licensed manager selected  
33 pursuant to an open and competitive bidding process as set

1 forth in Section 7.5 and as provided in Section 7.4.

2 (b) The Board may locate any riverboat on which a gambling  
3 operation is conducted by the State in any home dock location  
4 authorized by Section 3(c) upon receipt of approval from a  
5 majority vote of the governing body of the municipality or  
6 county, as the case may be, in which the riverboat will dock.

7 (c) The Board shall have jurisdiction over and shall  
8 supervise all gambling operations conducted by the State  
9 provided for in this Act and shall have all powers necessary  
10 and proper to fully and effectively execute the provisions of  
11 this Act relating to gambling operations conducted by the  
12 State.

13 (d) The maximum number of owners licenses authorized under  
14 Section 7 ~~7(e)~~ shall be reduced by one for each instance in  
15 which the Board authorizes the State to conduct a riverboat  
16 gambling operation under subsection (a) in lieu of re-issuing a  
17 license to an applicant under Section 7.1.

18 (Source: P.A. 93-28, eff. 6-20-03.)

19 (230 ILCS 10/7.4)

20 Sec. 7.4. Managers and casino operators licenses.

21 (a) A qualified person may apply to the Board for a  
22 managers license to operate and manage any gambling operation  
23 conducted by the State or the Authority. The application shall  
24 be made on forms provided by the Board and shall contain such  
25 information as the Board prescribes, including but not limited  
26 to information required in Sections 6(a), (b), and (c) and  
27 information relating to the applicant's proposed price to  
28 manage State or Authority gambling operations and to provide  
29 the riverboat or casino, gambling equipment, and supplies  
30 necessary to conduct State or Authority gambling operations.

31 (b) Each applicant, other than an applicant to manage the  
32 Authority's gambling operations, must submit evidence to the  
33 Board that minority persons and females hold ownership



1 interests in the applicant of at least 16% and 4%,  
2 respectively.

3 (c) A person, firm, or corporation is ineligible to receive  
4 a managers license or a casino operators license if:

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

7 (2) the person has been convicted of any violation of  
8 Article 28 of the Criminal Code of 1961, or substantially  
9 similar laws of any other jurisdiction;

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

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

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

16 (6) the firm or corporation employs a person defined in  
17 (1), (2), (3), or (4) who participates in the management or  
18 operation of gambling operations authorized under this  
19 Act; or

20 (7) a license of the person, firm, or corporation  
21 issued under this Act, or a license to own or operate  
22 gambling facilities in any other jurisdiction, has been  
23 revoked.

24 (d) Each applicant shall submit with his or her  
25 application, on forms prescribed by the Board, 2 sets of his or  
26 her fingerprints.

27 (e) The Board shall charge each applicant a fee, set by the  
28 Board, to defray the costs associated with the background  
29 investigation conducted by the Board.

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

32 (g) The ~~managers~~ license to manage any gambling operation  
33 conducted by the State shall be for a term not to exceed 10  
34 years, shall be renewable at the Board's option, and shall

1 contain such terms and provisions as the Board deems necessary  
2 to protect or enhance the credibility and integrity of State  
3 gambling operations, achieve the highest prospective total  
4 revenue to the State, and otherwise serve the interests of the  
5 citizens of Illinois. The initial term of a casino operators  
6 license to manage the Authority's gambling operations shall be  
7 4 years. Upon expiration of the initial term and of each  
8 renewal term, the casino operators license shall be renewed for  
9 a period of 4 years, provided that the casino operator  
10 continues to meet all of the requirements of this Act and the  
11 Board's rules.

12 (h) Issuance of a managers license shall be subject to an  
13 open and competitive bidding process. The Board may select an  
14 applicant other than the lowest bidder by price. If it does not  
15 select the lowest bidder, the Board shall issue a notice of who  
16 the lowest bidder was and a written decision as to why another  
17 bidder was selected.

18 (Source: P.A. 93-28, eff. 6-20-03.)

19 (230 ILCS 10/7.6 new)

20 Sec. 7.6. Electronic gaming.

21 (a) The General Assembly finds that the horse racing and  
22 riverboat gambling industries share many similarities and  
23 collectively comprise the bulk of the State's gaming industry.  
24 One feature common to both industries is that each is highly  
25 regulated by the State of Illinois.

26 The General Assembly further finds, however, that despite  
27 their shared features each industry is distinct from the other  
28 in that horse racing is and continues to be intimately tied to  
29 Illinois' agricultural economy and is, at its core, a spectator  
30 sport. This distinction requires the General Assembly to  
31 utilize different methods to regulate and promote the horse  
32 racing industry throughout the State.

33 The General Assembly finds that in order to promote live

1 horse racing as a spectator sport in Illinois and the  
2 agricultural economy of this State, it is necessary to allow  
3 electronic gaming at Illinois race tracks given the success of  
4 other states in increasing live racing purse accounts and  
5 improving the quality of horses participating in horse race  
6 meetings.

7 The General Assembly finds, however, that even though the  
8 authority to conduct electronic gaming is a uniform means to  
9 improve live horse racing in this State, electronic gaming must  
10 be regulated and implemented differently in southern Illinois  
11 versus the Chicago area. The General Assembly finds that  
12 Fairmount Park is the only race track operating on a year round  
13 basis in southern Illinois that offers live racing and for that  
14 matter only conducts live thoroughbred racing. The General  
15 Assembly finds that the current state of affairs deprives  
16 spectators and standardbred horsemen residing in southern  
17 Illinois of the opportunity to participate in live standardbred  
18 racing in a manner similar to spectators, thoroughbred  
19 horsemen, and standardbred horsemen residing in the Chicago  
20 area. The General Assembly declares that southern Illinois  
21 spectators and standardbred horsemen should have a similar  
22 opportunity to participate in live standardbred racing as  
23 spectators and standardbred horsemen in the Chicago area. The  
24 General Assembly declares that in order to remove this  
25 disparity between southern Illinois and the Chicago area, it is  
26 necessary for the State to regulate Fairmount Park differently  
27 from horse race tracks found in the Chicago area and tie  
28 Fairmount Park's authorization to conduct electronic gaming to  
29 a commitment to conduct at least 25 days of standardbred racing  
30 as set forth in subsection (d) of this Section. The General  
31 Assembly finds that standardbred racing provides an important  
32 economic benefit to the State.

33 (b) The Illinois Gaming Board shall award one electronic  
34 gaming license to become effective on or after July 1, 2004 to

1 each organization licensee under the Illinois Horse Racing Act  
2 of 1975, subject to application and eligibility requirements of  
3 this Section. An electronic gaming license shall authorize its  
4 holder to conduct electronic gaming at its race track at the  
5 following times:

6 (1) on days when it conducts live racing at the track  
7 where its electronic gaming facility is located from the  
8 time the first race of the day at that track begins until  
9 3:00 a.m. on the following day; and

10 (2) on days when it conducts simulcast wagering on  
11 races run in the United States from the time it first  
12 receives the simulcast signal until 3:00 a.m. on the  
13 following day.

14 A license to conduct electronic gaming and any renewal of  
15 an electronic gaming license shall authorize electronic gaming  
16 for a period of 4 years. The fee for the issuance or renewal of  
17 an electronic gaming license shall be \$40,000.

18 (c) To be eligible to conduct electronic gaming, an  
19 organization licensee must (i) obtain an electronic gaming  
20 license, (ii) hold an organization license under the Illinois  
21 Horse Racing Act of 1975, (iii) hold an inter-track wagering  
22 license, (iv) pay a fee of \$50,000 for each position authorized  
23 under this amendatory Act of the 93rd General Assembly before  
24 beginning to conduct electronic gaming, (v) apply for at least  
25 the same number of days of thoroughbred racing or standardbred  
26 racing or both, as the case may be, as it was awarded in  
27 calendar year 2004, (vi) meet the requirements of Section 56(a)  
28 of the Illinois Horse Racing Act of 1975, and (vii) meet all  
29 other requirements of this Act that apply to owners licensees.

30 With respect to the live racing requirement described in  
31 this subsection, an organization licensee must conduct the same  
32 number of days of thoroughbred or standardbred racing or both,  
33 as the case may be, as it was awarded by the Board, unless a  
34 lesser schedule of live racing is the result of (A) weather or

1 unsafe track conditions due to acts of God, (B) a strike  
2 between the organization licensee and the associations  
3 representing the largest number of owners, trainers, jockeys,  
4 or standardbred drivers who race horses at that organization  
5 licensee's racing meeting, or (C) an agreement that has been  
6 approved by the Racing Board between the organization licensee  
7 and the associations representing the largest number of owners,  
8 trainers, jockeys, or standardbred drivers who race horses at  
9 that organization licensee's race meeting to conduct a lesser  
10 number of race meets.

11 (d) In addition to the other eligibility requirements of  
12 subsection (c), an organization licensee that holds an  
13 electronic gaming license authorizing it to conduct electronic  
14 gaming at Fairmount Park must apply for and conduct at least 25  
15 days of standardbred racing in calendar year 2005 and  
16 thereafter, unless a lesser schedule of live racing is the  
17 result of (A) weather or unsafe track conditions due to acts of  
18 God, (B) a strike between the organization licensee and the  
19 associations representing the largest number of owners,  
20 trainers, jockeys, or standardbred drivers who race horses at  
21 that organization licensee's racing meeting, or (C) an  
22 agreement that has been approved by the Racing Board between  
23 the organization licensee and the associations representing  
24 the largest number of owners, trainers, jockeys, or  
25 standardbred drivers who race horses at that organization  
26 licensee's race meeting to conduct a lesser number of race  
27 meets.

28 (e) The Board may approve electronic gaming licenses  
29 authorizing the conduct of electronic gaming by eligible  
30 organization licensees.

31 (f) In calendar year 2004, the Board may approve up to  
32 3,800 aggregate electronic gaming positions statewide as  
33 provided in this Section. The authority to operate electronic  
34 gaming positions under this Section in calendar year 2004 shall

1 be allocated as follows:

2 (1) An organization licensee that had an average daily  
3 amount of wagers placed into mutual pools for races  
4 conducted at that licensee's racetrack in calendar year  
5 2002 of more than \$3,000,000 may admit up to 1,150 gaming  
6 participants at a time.

7 (2) An organization licensee that had an average daily  
8 amount of wagers placed into mutual pools for races  
9 conducted at that licensee's racetrack in calendar year  
10 2002 of more than \$2,000,000 but no more than \$3,000,000  
11 may admit up to 1,000 gaming participants at a time.

12 (3) An organization licensee that had an average daily  
13 amount of wagers placed into mutual pools for races  
14 conducted at that licensee's racetrack in calendar year  
15 2002 of \$2,000,000 or less may admit up to 850 gaming  
16 participants at a time.

17 (4) An organization licensee conducting pari-mutuel  
18 wagering at a racetrack located in a county with a  
19 population in excess of 230,000 inhabitants that borders on  
20 the Mississippi River may admit up to 500 gaming  
21 participants at a time.

22 (5) An organization licensee located at a race track  
23 outside of Cook County, other than an organization licensee  
24 described in paragraph (4), may admit up to 300 gaming  
25 participants at a time.

26 (g) For each calendar year after 2004 in which an  
27 electronic gaming licensee requests a number of racing days  
28 under its organization license that is less than 90% of the  
29 number of days of live racing it was awarded in 2004, the  
30 electronic gaming licensee may not conduct electronic gaming.

31 (h) Upon the initial renewal of an electronic gaming  
32 license, if an electronic gaming licensee had a higher average  
33 daily live racing handle in the term of its previous electronic  
34 gaming license than in 2004, then the number of electronic

1 gaming positions that the electronic gaming licensee may  
2 operate after its license is renewed shall be increased by a  
3 percentage equal to the percentage increase in average daily  
4 live racing handle during that previous license term over  
5 calendar year 2004, but in no event by more than 25%. If an  
6 electronic gaming license is authorized to operate additional  
7 electronic gaming positions under this subsection (h), it must  
8 pay the fee imposed under item (iv) of subsection (c) for each  
9 additional electronic gaming position.

10 (i) An electronic gaming licensee may conduct electronic  
11 gaming at a temporary facility pending the construction of a  
12 permanent facility or the remodeling of an existing facility to  
13 accommodate electronic gaming participants for up to 24 months  
14 after receiving an electronic gaming license. The Board shall  
15 make rules concerning the conduct of electronic gaming from  
16 temporary facilities.

17 (230 ILCS 10/7.7 new)

18 Sec. 7.7. Home rule. The regulation and licensing of  
19 electronic gaming and electronic gaming licensees are  
20 exclusive powers and functions of the State. A home rule unit  
21 may not regulate or license electronic gaming or electronic  
22 gaming licensees. This Section is a denial and limitation of  
23 home rule powers and functions under subsection (h) of Section  
24 6 of Article VII of the Illinois Constitution.

25 (230 ILCS 10/8) (from Ch. 120, par. 2408)

26 Sec. 8. Suppliers licenses.

27 (a) The Board may issue a suppliers license to such  
28 persons, firms or corporations which apply therefor upon the  
29 payment of a non-refundable application fee set by the Board,  
30 upon a determination by the Board that the applicant is  
31 eligible for a suppliers license and upon payment of a \$5,000  
32 annual license fee.

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

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

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

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

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

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

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

18 (5) the firm or corporation is one in which a person  
19 defined in (1), (2), (3) or (4), is an officer, director or  
20 managerial employee;

21 (6) the firm or corporation employs a person who  
22 participates in the management or operation of riverboat  
23 gambling authorized under this Act;

24 (7) the license of the person, firm or corporation  
25 issued under this Act, or a license to own or operate  
26 gambling facilities in any other jurisdiction, has been  
27 revoked.

28 (e) Any person that supplies any equipment, devices, or  
29 supplies to a licensed riverboat or casino gambling operation  
30 or electronic gaming operation must first obtain a suppliers  
31 license. A supplier shall furnish to the Board a list of all  
32 equipment, devices and supplies offered for sale or lease in  
33 connection with gambling games authorized under this Act. A  
34 supplier shall keep books and records for the furnishing of



1 equipment, devices and supplies to gambling operations  
2 separate and distinct from any other business that the supplier  
3 might operate. A supplier shall file a quarterly return with  
4 the Board listing all sales and leases. A supplier shall  
5 permanently affix its name to all its equipment, devices, and  
6 supplies for gambling operations. Any supplier's equipment,  
7 devices or supplies which are used by any person in an  
8 unauthorized gambling operation shall be forfeited to the  
9 State. A holder of an owners license, including the Authority,  
10 or an electronic gaming license licensed owner may own its own  
11 equipment, devices and supplies. Each holder of an owners  
12 license, including the Authority, or an electronic gaming  
13 license under the Act shall file an annual report listing its  
14 inventories of gambling equipment, devices and supplies.

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

17 (g) Any gambling equipment, devices and supplies provided  
18 by any licensed supplier may either be repaired on the  
19 riverboat, at the casino, or at the electronic gaming facility  
20 or removed from the riverboat, casino, or electronic gaming  
21 facility to a ~~an on-shore~~ facility owned by the holder of an  
22 owners license or electronic gaming license for repair.

23 (h) On and after the effective date of this amendatory Act  
24 of the 93rd General Assembly, at least 30% of all slot machines  
25 and video games of chance purchased by an owners licensee or  
26 electronic gaming licensee shall be purchased from  
27 manufacturers whose manufacturing facilities are located in  
28 Illinois. The Board shall review the availability of such slot  
29 machines and video games of chance and shall have the  
30 discretion to raise or lower the minimum percentage of those  
31 slot machines and video games of chance that must be purchased  
32 from suppliers whose manufacturing facilities are located in  
33 Illinois by rule as it sees fit.

34 (Source: P.A. 86-1029; 87-826.)

1 (230 ILCS 10/9) (from Ch. 120, par. 2409)

2 Sec. 9. Occupational licenses.

3 (a) The Board may issue an occupational license to an  
4 applicant upon the payment of a non-refundable fee set by the  
5 Board, upon a determination by the Board that the applicant is  
6 eligible for an occupational license and upon payment of an  
7 annual license fee in an amount to be established. To be  
8 eligible for an occupational license, an applicant must:

9 (1) be at least 21 years of age if the applicant will  
10 perform any function involved in gaming by patrons. Any  
11 applicant seeking an occupational license for a non-gaming  
12 function shall be at least 18 years of age;

13 (2) not have been convicted of a felony offense, a  
14 violation of Article 28 of the Criminal Code of 1961, or a  
15 similar statute of any other jurisdiction, or a crime  
16 involving dishonesty or moral turpitude;

17 (3) have demonstrated a level of skill or knowledge  
18 which the Board determines to be necessary in order to  
19 operate gambling aboard a riverboat, in a casino, or at an  
20 electronic gaming facility; and

21 (4) have met standards for the holding of an  
22 occupational license as adopted by rules of the Board. Such  
23 rules shall provide that any person or entity seeking an  
24 occupational license to manage gambling operations  
25 hereunder shall be subject to background inquiries and  
26 further requirements similar to those required of  
27 applicants for an owners license. Furthermore, such rules  
28 shall provide that each such entity shall be permitted to  
29 manage gambling operations for only one licensed owner.

30 (b) Each application for an occupational license shall be  
31 on forms prescribed by the Board and shall contain all  
32 information required by the Board. The applicant shall set  
33 forth in the application: whether he has been issued prior

1 gambling related licenses; whether he has been licensed in any  
2 other state under any other name, and, if so, such name and his  
3 age; and whether or not a permit or license issued to him in  
4 any other state has been suspended, restricted or revoked, and,  
5 if so, for what period of time.

6 (c) Each applicant shall submit with his application, on  
7 forms provided by the Board, 2 sets of his fingerprints. The  
8 Board shall charge each applicant a fee set by the Department  
9 of State Police to defray the costs associated with the search  
10 and classification of fingerprints obtained by the Board with  
11 respect to the applicant's application. These fees shall be  
12 paid into the State Police Services Fund.

13 (d) The Board may in its discretion refuse an occupational  
14 license to any person: (1) who is unqualified to perform the  
15 duties required of such applicant; (2) who fails to disclose or  
16 states falsely any information called for in the application;  
17 (3) who has been found guilty of a violation of this Act or  
18 whose prior gambling related license or application therefor  
19 has been suspended, restricted, revoked or denied for just  
20 cause in any other state; or (4) for any other just cause.

21 (e) The Board may suspend, revoke or restrict any  
22 occupational licensee: (1) for violation of any provision of  
23 this Act; (2) for violation of any of the rules and regulations  
24 of the Board; (3) for any cause which, if known to the Board,  
25 would have disqualified the applicant from receiving such  
26 license; or (4) for default in the payment of any obligation or  
27 debt due to the State of Illinois; or (5) for any other just  
28 cause.

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

31 (g) Any license issued pursuant to this Section shall be  
32 valid for a period of one year from the date of issuance.

33 (h) Nothing in this Act shall be interpreted to prohibit a  
34 licensed owner or electronic gaming licensee from entering into

1 an agreement with a school approved under the Private Business  
2 and Vocational Schools Act for the training of any occupational  
3 licensee. Any training offered by such a school shall be in  
4 accordance with a written agreement between the licensed owner  
5 or electronic gaming licensee and the school.

6 (i) Any training provided for occupational licensees may be  
7 conducted either at the site of the gambling facility ~~on the~~  
8 ~~riverboat~~ or at a school with which a licensed owner or  
9 electronic gaming licensee has entered into an agreement  
10 pursuant to subsection (h).

11 (Source: P.A. 86-1029; 87-826.)

12 (230 ILCS 10/10) (from Ch. 120, par. 2410)

13 Sec. 10. Bond of licensee. Before an owners license, other  
14 than the Authority's license, is issued or re-issued or a  
15 managers license or casino operators license is issued, the  
16 licensee shall post a bond in the sum of \$200,000 to the State  
17 of Illinois. The bond shall be used to guarantee that the  
18 licensee faithfully makes the payments, keeps his books and  
19 records and makes reports, and conducts his games of chance in  
20 conformity with this Act and the rules adopted by the Board.  
21 The bond shall not be canceled by a surety on less than 30 days  
22 notice in writing to the Board. If a bond is canceled and the  
23 licensee fails to file a new bond with the Board in the  
24 required amount on or before the effective date of  
25 cancellation, the licensee's license shall be revoked. The  
26 total and aggregate liability of the surety on the bond is  
27 limited to the amount specified in the bond.

28 (Source: P.A. 93-28, eff. 6-20-03.)

29 (230 ILCS 10/11) (from Ch. 120, par. 2411)

30 Sec. 11. Conduct of gambling. Gambling may be conducted by  
31 licensed owners or licensed managers on behalf of the State or  
32 by casino operators on behalf of the Authority aboard

1 riverboats or in a casino. If authorized by the Board by rule,  
2 an owners licensee may move gaming positions a "temporary  
3 facility" as that term is defined in Section 7(h-10) and use  
4 those gaming positions to conduct gambling as provided in  
5 Section 7(h-10). Gambling may be conducted by electronic gaming  
6 licensees at electronic gaming facilities. Gambling authorized  
7 under this Section shall be subject to the following  
8 standards:

9 (1) A licensee may conduct riverboat gambling  
10 authorized under this Act regardless of whether it conducts  
11 excursion cruises. A licensee may permit the continuous  
12 ingress and egress of patrons ~~passengers~~ for the purpose of  
13 gambling.

14 (2) (Blank).

15 (3) Minimum and maximum wagers on games shall be set by  
16 the licensee.

17 (4) Agents of the Board and the Department of State  
18 Police may board and inspect any riverboat or enter and  
19 inspect any portion of a casino or an electronic gaming  
20 facility at any time for the purpose of determining whether  
21 this Act is being complied with. Every riverboat, if under  
22 way and being hailed by a law enforcement officer or agent  
23 of the Board, must stop immediately and lay to.

24 (5) Employees of the Board shall have the right to be  
25 present on the riverboat or in the casino or on adjacent  
26 facilities under the control of the licensee and at the  
27 electronic gaming facility under the control of the  
28 electronic gaming licensee.

29 (6) Gambling equipment and supplies customarily used  
30 in conducting riverboat gambling, casino gambling, or  
31 electronic gaming must be purchased or leased only from  
32 suppliers licensed for such purpose under this Act.

33 (7) Persons licensed under this Act shall permit no  
34 form of wagering on gambling games except as permitted by

1 this Act.

2 (8) Wagers may be received only from a person present  
3 on a licensed riverboat, in a casino, or at an electronic  
4 gaming facility. No person present on a licensed riverboat,  
5 in a casino, or at an electronic gaming facility shall  
6 place or attempt to place a wager on behalf of another  
7 person who is not present on the riverboat, in the casino,  
8 or at the electronic gaming facility.

9 (9) Wagering, including electronic gaming, shall not  
10 be conducted with money or other negotiable currency.

11 (10) A person under age 21 shall not be permitted on an  
12 area of a riverboat or casino where gambling is being  
13 conducted or at an electronic gaming facility where  
14 gambling is being conducted, except for a person at least  
15 18 years of age who is an employee of the riverboat or  
16 casino gambling operation or electronic gaming operation.  
17 No employee under age 21 shall perform any function  
18 involved in gambling by the patrons. No person under age 21  
19 shall be permitted to make a wager under this Act.

20 (11) Gambling excursion cruises are permitted only  
21 when the waterway for which the riverboat is licensed is  
22 navigable, as determined by the Board in consultation with  
23 the U.S. Army Corps of Engineers. This paragraph (11) does  
24 not limit the ability of a licensee to conduct gambling  
25 authorized under this Act when gambling excursion cruises  
26 are not permitted.

27 (12) All tokens, chips or electronic cards used to make  
28 wagers must be purchased (i) from a licensed owner or  
29 manager, in the case of a riverboat or of a casino either  
30 aboard the a riverboat or at the casino or, in the case of  
31 a riverboat, at an onshore facility which has been approved  
32 by the Board and which is located where the riverboat docks  
33 or (ii) from an electronic gaming licensee at the  
34 electronic gaming facility. The tokens, chips or

1 electronic cards may be purchased by means of an agreement  
2 under which the owner or manager extends credit to the  
3 patron. Such tokens, chips or electronic cards may be used  
4 while aboard the riverboat, in the casino, or at the  
5 electronic gaming facility only for the purpose of making  
6 wagers on gambling games.

7 (13) Notwithstanding any other Section of this Act, in  
8 addition to the other licenses authorized under this Act,  
9 the Board may issue special event licenses allowing persons  
10 who are not otherwise licensed to conduct riverboat  
11 gambling to conduct such gambling on a specified date or  
12 series of dates. Riverboat gambling under such a license  
13 may take place on a riverboat not normally used for  
14 riverboat gambling. The Board shall establish standards,  
15 fees and fines for, and limitations upon, such licenses,  
16 which may differ from the standards, fees, fines and  
17 limitations otherwise applicable under this Act. All such  
18 fees shall be deposited into the State Gaming Fund. All  
19 such fines shall be deposited into the Education Assistance  
20 Fund, created by Public Act 86-0018, of the State of  
21 Illinois.

22 (14) In addition to the above, gambling must be  
23 conducted in accordance with all rules adopted by the  
24 Board.

25 (Source: P.A. 93-28, eff. 6-20-03.)

26 (230 ILCS 10/11.1) (from Ch. 120, par. 2411.1)

27 Sec. 11.1. Collection of amounts owing under credit  
28 agreements. Notwithstanding any applicable statutory provision  
29 to the contrary, a licensed owner, ~~or~~ manager, or electronic  
30 gaming licensee who extends credit to a riverboat or casino  
31 gambling patron or an electronic gaming patron pursuant to  
32 Section 11 (a) (12) of this Act is expressly authorized to  
33 institute a cause of action to collect any amounts due and

1 owing under the extension of credit, as well as the owner's or  
2 manager's costs, expenses and reasonable attorney's fees  
3 incurred in collection.

4 (Source: P.A. 93-28, eff. 6-20-03.)

5 (230 ILCS 10/12) (from Ch. 120, par. 2412)

6 Sec. 12. Admission tax; fees.

7 (a) A tax is hereby imposed upon admissions to riverboats  
8 operated by licensed owners and upon admissions to casinos and  
9 riverboats operated by casino operators on behalf of the  
10 Authority authorized pursuant to this Act. Until July 1, 2002,  
11 the rate is \$2 per person admitted. From July 1, 2002 ~~and~~ until  
12 July 1, 2003, the rate is \$3 per person admitted. From  
13 Beginning July 1, 2003 until the effective date of this  
14 amendatory Act of the 93rd General Assembly, for a licensee  
15 that admitted 1,000,000 persons or fewer in the previous  
16 calendar year, the rate is \$3 per person admitted; for a  
17 licensee that admitted more than 1,000,000 but no more than  
18 2,300,000 persons in the previous calendar year, the rate is \$4  
19 per person admitted; and for a licensee that admitted more than  
20 2,300,000 persons in the previous calendar year, the rate is \$5  
21 per person admitted. Beginning on the effective date of this  
22 amendatory Act of the 93rd General Assembly, for a licensee  
23 that conducted riverboat gambling operations in calendar year  
24 2003 and admitted 1,000,000 persons or fewer in the calendar  
25 year 2003, the rate is \$1 per person admitted and for all other  
26 licensees, including the Authority, the rate is \$3 per person  
27 admitted. ~~Beginning July 1, 2003, for a licensee that admitted~~  
28 ~~2,300,000 persons or fewer in the previous calendar year, the~~  
29 ~~rate is \$4 per person admitted and for a licensee that admitted~~  
30 ~~more than 2,300,000 persons in the previous calendar year, the~~  
31 ~~rate is \$5 per person admitted.~~ This admission tax is imposed  
32 upon the licensed owner conducting gambling.

33 (1) The admission tax shall be paid for each admission, l



1       except that a person who exits a riverboat gambling  
2       facility or a casino and reenters that riverboat gambling  
3       facility or casino within the same gaming day, as the term  
4       "gaming day" is defined by the Board by rule, shall be  
5       subject only to the initial admission tax. The Board shall  
6       establish, by rule, a procedure to determine whether a  
7       person admitted to a riverboat gambling facility or casino  
8       has paid the admission tax.

9           (2) (Blank).

10          (3) The riverboat licensee and the Authority may issue  
11 tax-free passes to actual and necessary officials and  
12 employees of the licensee or other persons actually working  
13 on the riverboat or in the casino.

14          (4) The number and issuance of tax-free passes is  
15 subject to the rules of the Board, and a list of all  
16 persons to whom the tax-free passes are issued shall be  
17 filed with the Board.

18          (a-5) A fee is hereby imposed upon admissions operated by  
19 licensed managers on behalf of the State pursuant to Section  
20 7.3 at the rates provided in this subsection (a-5). For a  
21 licensee that admitted 1,000,000 persons or fewer in the  
22 previous calendar year, the rate is \$3 per person admitted; for  
23 a licensee that admitted more than 1,000,000 but no more than  
24 2,300,000 persons in the previous calendar year, the rate is \$4  
25 per person admitted; and for a licensee that admitted more than  
26 2,300,000 persons in the previous calendar year, the rate is \$5  
27 per person admitted.

28           (1) The admission fee shall be paid for each admission.

29           (2) (Blank).

30          (3) The licensed manager may issue fee-free passes to  
31 actual and necessary officials and employees of the manager  
32 or other persons actually working on the riverboat.

33          (4) The number and issuance of fee-free passes is  
34 subject to the rules of the Board, and a list of all

1 persons to whom the fee-free passes are issued shall be  
2 filed with the Board.

3 (b) From the tax imposed under subsection (a) and the fee  
4 imposed under subsection (a-5), a municipality shall receive  
5 from the State \$1 for each person embarking on a riverboat  
6 docked within the municipality or entering a casino located  
7 within the municipality, and a county shall receive \$1 for each  
8 person entering a casino or embarking on a riverboat docked  
9 within the county but outside the boundaries of any  
10 municipality. The municipality's or county's share shall be  
11 collected by the Board on behalf of the State and remitted  
12 quarterly by the State, subject to appropriation, to the  
13 treasurer of the unit of local government for deposit in the  
14 general fund. For each admission in excess of 1,500,000 in a  
15 year, from the tax imposed under this Section, the county in  
16 which the licensee's home dock or casino is located shall  
17 receive, subject to appropriation, \$0.15, which shall be in  
18 addition to any other moneys paid to the county under this  
19 Section, \$0.20 shall be paid into the Agricultural Premium  
20 Fund, and \$0.15 shall be paid from the State Gaming Fund,  
21 subject to appropriation, into the Illinois Community Services  
22 Block Grant Fund.

23 (c) The licensed owner and the licensed casino operator  
24 conducting gambling operations on behalf of the Authority shall  
25 pay the entire admission tax to the Board and the licensed  
26 manager shall pay the entire admission fee to the Board. Such  
27 payments shall be made daily. Accompanying each payment shall  
28 be a return on forms provided by the Board which shall include  
29 other information regarding admissions as the Board may  
30 require. Failure to submit either the payment or the return  
31 within the specified time may result in suspension or  
32 revocation of the owners or managers license.

33 (c-5) In addition to the admission tax imposed under  
34 subsection (a) and the admission fee imposed under subsection

1 (a-5), a tax is imposed on admissions to electronic gaming  
2 facilities at the rate of \$2 per person for the first 1,500,000  
3 persons admitted by an electronic gaming licensee per year and  
4 \$3 per person for all persons admitted by that licensee in  
5 excess of 1,500,000 per year. The tax is imposed upon the  
6 electronic gaming licensee.

7 (1) The admission tax shall be paid for each admission,  
8 except that a person who exits an electronic gaming  
9 facility and reenters that electronic gaming facility  
10 within the same gaming day, as the term "gaming day" is  
11 defined by the Board by rule, shall be subject only to the  
12 initial admission tax. The Board shall establish, by rule,  
13 a procedure to determine whether a person admitted to an  
14 electronic gaming facility has paid the admission tax.

15 (2) An electronic gaming licensee may issue tax-free  
16 passes to actual and necessary officials and employees of  
17 the licensee and other persons associated with electronic  
18 gaming operations.

19 (3) The number and issuance of tax-free passes is  
20 subject to the rules of the Board, and a list of all  
21 persons to whom the tax-free passes are issued shall be  
22 filed with the Board.

23 (4) The electronic gaming licensee shall pay the entire  
24 admission tax to the Board. Such payments shall be made  
25 daily. Accompanying each payment shall be a return on forms  
26 provided by the Board, which shall include other  
27 information regarding admission as the Board may require.  
28 Failure to submit either the payment or the return within  
29 the specified time may result in suspension or revocation  
30 of the organization licensee's license.

31 From the tax imposed under this subsection (c-5), the  
32 municipality in which an electronic gaming facility is located  
33 or, if the electronic gaming facility is not located within a  
34 municipality, the county in which the electronic gaming

1 facility is located shall receive, subject to appropriation, \$1  
2 for each person who enters the electronic gaming facility. For  
3 each admission to the electronic gaming facility in excess of  
4 1,500,000 in a year, from the tax imposed under this subsection  
5 (c-5), the county in which the electronic gaming facility is  
6 located shall receive, subject to appropriation, \$0.15, which  
7 shall be in addition to any other moneys paid to the county  
8 under this Section, \$0.20 shall be paid into the Agricultural  
9 Premium Fund, and \$0.15 shall be paid from the State Gaming  
10 Fund, subject to appropriation, into the Illinois Community  
11 Services Block Grant Fund.

12 (d) The Board shall administer and collect the admission  
13 tax imposed by this Section, to the extent practicable, in a  
14 manner consistent with the provisions of Sections 4, 5, 5a, 5b,  
15 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9 and 10 of the  
16 Retailers' Occupation Tax Act and Section 3-7 of the Uniform  
17 Penalty and Interest Act.

18 (Source: P.A. 92-595, eff. 6-28-02; 93-27, eff. 6-20-03; 93-28,  
19 eff. 6-20-03; revised 8-1-03.)

20 (230 ILCS 10/13) (from Ch. 120, par. 2413)

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

22 (a) Until January 1, 1998, a tax is imposed on the ~~adjusted~~  
23 gross gaming receipts received from gambling games authorized  
24 under this Act at the rate of 20%.

25 (a-1) From January 1, 1998 until July 1, 2002, a privilege  
26 tax is imposed on persons engaged in the business of conducting  
27 riverboat gambling operations, based on the ~~adjusted~~ gross  
28 gaming receipts received by a licensed owner from gambling  
29 games authorized under this Act at the following rates:

30 15% of annual ~~adjusted~~ gross gaming receipts up to and  
31 including \$25,000,000;

32 20% of annual ~~adjusted~~ gross gaming receipts in excess  
33 of \$25,000,000 but not exceeding \$50,000,000;

1           25% of annual ~~adjusted~~ gross gaming receipts in excess  
2           of \$50,000,000 but not exceeding \$75,000,000;

3           30% of annual ~~adjusted~~ gross gaming receipts in excess  
4           of \$75,000,000 but not exceeding \$100,000,000;

5           35% of annual ~~adjusted~~ gross gaming receipts in excess  
6           of \$100,000,000.

7           (a-2) From July 1, 2002 until July 1, 2003, a privilege tax  
8           is imposed on persons engaged in the business of conducting  
9           riverboat gambling operations, other than licensed managers  
10          conducting riverboat gambling operations on behalf of the  
11          State, based on the ~~adjusted~~ gross gaming receipts received by  
12          a licensed owner from gambling games authorized under this Act  
13          at the following rates:

14          15% of annual ~~adjusted~~ gross gaming receipts up to and  
15          including \$25,000,000;

16          22.5% of annual ~~adjusted~~ gross gaming receipts in  
17          excess of \$25,000,000 but not exceeding \$50,000,000;

18          27.5% of annual ~~adjusted~~ gross gaming receipts in  
19          excess of \$50,000,000 but not exceeding \$75,000,000;

20          32.5% of annual ~~adjusted~~ gross gaming receipts in  
21          excess of \$75,000,000 but not exceeding \$100,000,000;

22          37.5% of annual ~~adjusted~~ gross gaming receipts in  
23          excess of \$100,000,000 but not exceeding \$150,000,000;

24          45% of annual ~~adjusted~~ gross gaming receipts in excess  
25          of \$150,000,000 but not exceeding \$200,000,000;

26          50% of annual ~~adjusted~~ gross gaming receipts in excess  
27          of \$200,000,000.

28          (a-3) Beginning July 1, 2003, a privilege tax is imposed on  
29          persons engaged in the business of conducting riverboat  
30          gambling operations (other than licensed managers conducting  
31          riverboat gambling operations on behalf of the State) and on  
32          the Authority, based on the ~~adjusted~~ gross gaming receipts  
33          received by a licensed owner or by the Authority from gambling  
34          games authorized under this Act at the following rates:

1 15% of annual ~~adjusted~~ gross gaming receipts up to and  
2 including \$25,000,000;

3 27.5% of annual ~~adjusted~~ gross gaming receipts in  
4 excess of \$25,000,000 but not exceeding \$37,500,000;

5 32.5% of annual ~~adjusted~~ gross gaming receipts in  
6 excess of \$37,500,000 but not exceeding \$50,000,000;

7 37.5% of annual ~~adjusted~~ gross gaming receipts in  
8 excess of \$50,000,000 but not exceeding \$75,000,000;

9 45% of annual ~~adjusted~~ gross gaming receipts in excess  
10 of \$75,000,000 but not exceeding \$100,000,000;

11 50% of annual ~~adjusted~~ gross gaming receipts in excess  
12 of \$100,000,000 but not exceeding \$250,000,000;

13 70% of annual ~~adjusted~~ gross gaming receipts in excess  
14 of \$250,000,000.

15 An amount equal to the amount of wagering taxes collected  
16 under this subsection (a-3) that are in addition to the amount  
17 of wagering taxes that would have been collected if the  
18 wagering tax rates under subsection (a-2) were in effect shall  
19 be paid into the Common School Fund.

20 The privilege tax imposed under this subsection (a-3) shall  
21 no longer be imposed beginning on the earliest ~~earlier~~ of (i)  
22 July 1, 2005; (ii) the first date after June 20, 2003 ~~the~~  
23 ~~effective date of this amendatory Act of the 93rd General~~  
24 ~~Assembly~~ that riverboat gambling operations are conducted  
25 pursuant to a dormant license; ~~or~~ (iii) the first day that  
26 riverboat gambling operations are conducted under the  
27 authority of an owners license that is in addition to the 10  
28 owners licenses initially authorized under this Act; or (iv)  
29 the effective date of this amendatory Act of the 93rd General  
30 Assembly. For the purposes of this subsection (a-3), the term  
31 "dormant license" means an owners license that is authorized by  
32 this Act under which no riverboat gambling operations are being  
33 conducted on June 20, 2003 ~~the effective date of this~~  
34 ~~amendatory Act of the 93rd General Assembly~~.

1 (a-4) Beginning on the first day on which the tax imposed  
2 under subsection (a-3) is no longer imposed, a privilege tax is  
3 imposed on persons engaged in the business of conducting  
4 riverboat gambling operations (other than licensed managers  
5 conducting riverboat gambling operations on behalf of the  
6 State) and on the Authority, based on the ~~adjusted~~ gross gaming  
7 receipts received by a licensed owner or by the Authority from  
8 gambling games authorized under this Act at the following  
9 rates:

10 15% of annual ~~adjusted~~ gross gaming receipts up to and  
11 including \$25,000,000;

12 22.5% of annual ~~adjusted~~ gross gaming receipts in  
13 excess of \$25,000,000 but not exceeding \$50,000,000;

14 27.5% of annual ~~adjusted~~ gross gaming receipts in  
15 excess of \$50,000,000 but not exceeding \$75,000,000;

16 32.5% of annual ~~adjusted~~ gross gaming receipts in  
17 excess of \$75,000,000 but not exceeding \$100,000,000;

18 37.5% of annual ~~adjusted~~ gross gaming receipts in  
19 excess of \$100,000,000 but not exceeding \$150,000,000;

20 45% of annual ~~adjusted~~ gross gaming receipts in excess  
21 of \$150,000,000 but not exceeding \$200,000,000;

22 50% of annual ~~adjusted~~ gross gaming receipts in excess  
23 of \$200,000,000.

24 (a-5) Beginning on the effective date of this amendatory  
25 Act of the 93rd General Assembly, a privilege tax is imposed on  
26 persons conducting electronic gaming, based on the gross gaming  
27 receipts received by an electronic gaming licensee from  
28 electronic gaming authorized under this Act at the following  
29 rates:

30 15% of annual gross gaming receipts up to and including  
31 \$25,000,000;

32 22.5% of annual gross gaming receipts in excess of  
33 \$25,000,000 but not exceeding \$50,000,000;

34 27.5% of annual gross gaming receipts in excess of

1 \$50,000,000 but not exceeding \$75,000,000;

2 32.5% of annual gross gaming receipts in excess of  
3 \$75,000,000 but not exceeding \$100,000,000;

4 37.5% of annual gross gaming receipts in excess of  
5 \$100,000,000 but not exceeding \$150,000,000;

6 45% of annual gross gaming receipts in excess of  
7 \$150,000,000 but not exceeding \$200,000,000;

8 50% of annual gross gaming receipts in excess of  
9 \$200,000,000.

10 (a-8) Riverboat gambling operations conducted by a  
11 licensed manager on behalf of the State are not subject to the  
12 tax imposed under this Section.

13 (a-10) The taxes imposed by this Section shall be paid by  
14 the licensed owner, or by the casino operator on behalf of the  
15 Authority in the case of a license issued to the Authority, or  
16 the electronic gaming licensee to the Board not later than 5:00  
17 o'clock p.m. ~~3:00 o'clock p.m.~~ of the day after the day when  
18 the wagers were made.

19 (b) Until January 1, 1998, 25% of the tax revenue deposited  
20 in the State Gaming Fund under this Section shall be paid,  
21 subject to appropriation by the General Assembly, to the unit  
22 of local government which is designated as the home dock of the  
23 riverboat. Except as otherwise provided in this subsection (b),  
24 beginning ~~Beginning~~ January 1, 1998, from the tax revenue from  
25 riverboat and casino gambling deposited in the State Gaming  
26 Fund under this Section, an amount equal to 5% of ~~adjusted~~  
27 gross gaming receipts generated by a riverboat and an amount  
28 equal to 5% of gross gaming receipts generated by a casino  
29 shall be paid monthly, subject to appropriation by the General  
30 Assembly, to the unit of local government that is designated as  
31 the home dock of the riverboat or to the municipality in which  
32 the casino is located. From the tax revenue deposited in the  
33 State Gaming Fund pursuant to riverboat gambling operations  
34 conducted by a licensed manager on behalf of the State, an



1 amount equal to 5% of ~~adjusted~~ gross gaming receipts generated  
2 pursuant to those riverboat gambling operations shall be paid  
3 monthly, subject to appropriation by the General Assembly, to  
4 the unit of local government that is designated as the home  
5 dock of the riverboat upon which those riverboat gambling  
6 operations are conducted.

7 (b-5) Beginning on the effective date of this amendatory  
8 Act of the 93rd General Assembly, from the tax revenue from  
9 electronic gaming deposited into the State Gaming Fund under  
10 this Section, an amount equal to 5% of the gross gaming  
11 receipts generated by an electronic gaming licensee shall be  
12 paid monthly, subject to appropriation, to the municipality in  
13 which the electronic gaming facility is located. If an  
14 electronic gaming facility is not located within a  
15 municipality, then an amount equal to 5% of the gross gaming  
16 receipts generated by the electronic gaming licensee shall be  
17 paid monthly, subject to appropriation, to the county in which  
18 the electronic gaming facility is located.

19 (b-10) Beginning on the effective date of this amendatory  
20 Act of the 93rd General Assembly, from the tax revenue from  
21 electronic gaming deposited into the State Gaming Fund under  
22 this Section, an amount equal to 1% of the gross gaming  
23 receipts generated by electronic gaming licensees, but in no  
24 event more than \$25,000,000 in any year, shall be paid monthly,  
25 subject to appropriation, from the State Gaming Fund into the  
26 Illinois Community Services Block Grant Fund.

27 (b-12) Beginning on the effective date of this amendatory  
28 Act of the 93rd General Assembly, from the tax revenue from  
29 electronic gaming deposited into the State Gaming Fund under  
30 this Section, an amount equal to 1% of the gross gaming  
31 receipts generated by electronic gaming licensees, but in no  
32 event more than \$25,000,000 in any year, shall be paid monthly,  
33 subject to appropriation, from the State Gaming Fund into the  
34 School Infrastructure Fund.

1       (b-15) Beginning on the effective date of this amendatory  
2 Act of the 93rd General Assembly, after the payments required  
3 under subsections (b), (b-5), (b-10), and (b-12) have been  
4 made, the next \$5,000,000 of tax revenue derived each year from  
5 electronic gaming shall be paid from the State Gaming Fund into  
6 the Compulsive Gambling Prevention Fund, which is hereby  
7 created as a special fund in the State treasury. Moneys in the  
8 Compulsive Gambling Prevention Fund shall be used, subject to  
9 appropriation, by the Department of Human Services as provided  
10 in this subsection (b-15). Of the money allocated to the  
11 Department of Human Services under this subsection (b-15), 50%  
12 shall be used for compulsive gambling programs under Section  
13 5-20 of the Alcoholism and Other Drug Abuse and Dependency Act  
14 and 50% shall be used by the Department of Human Service for  
15 other social service programs and grants.

16       (c) Appropriations, as approved by the General Assembly,  
17 may be made from the State Gaming Fund to the Department of  
18 Revenue and the Department of State Police for the  
19 administration and enforcement of this Act, or to the  
20 Department of Human Services for the administration of programs  
21 to treat problem gambling.

22       (c-5) (Blank). ~~After the payments required under~~  
23 ~~subsections (b) and (c) have been made, an amount equal to 15%~~  
24 ~~of the adjusted gross receipts of (1) an owners licensee that~~  
25 ~~relocates pursuant to Section 11.2, (2) an owners licensee~~  
26 ~~license conducting riverboat gambling operations pursuant to~~  
27 ~~an owners license that is initially issued after June 25, 1999,~~  
28 ~~or (3) the first riverboat gambling operations conducted by a~~  
29 ~~licensed manager on behalf of the State under Section 7.3 7.2,~~  
30 ~~whichever comes first, shall be paid from the State Gaming Fund~~  
31 ~~into the Horse Racing Equity Fund.~~

32       (c-10) (Blank). ~~Each year the General Assembly shall~~  
33 ~~appropriate from the General Revenue Fund to the Education~~  
34 ~~Assistance Fund an amount equal to the amount paid into the~~

1 ~~Horse Racing Equity Fund pursuant to subsection (e-5) in the~~  
2 ~~prior calendar year.~~

3 (c-15) After the payments required under subsections (b),  
4 (b-5), (b-10), (b-12), (b-15), and (c), and ~~(e-5)~~ have been  
5 made, an amount equal to 2% of the ~~adjusted~~ gross gaming  
6 receipts of each ~~(1) an owners licensee that relocates pursuant~~  
7 ~~to Section 11.2, (2) an owners~~ licensee ~~license~~ conducting  
8 riverboat gambling operations from a home dock that is located  
9 within a home rule county with a population of over 3,000,000  
10 inhabitants ~~pursuant to an owners license that is initially~~  
11 ~~issued after June 25, 1999, or 2 (3) the first riverboat~~  
12 ~~gambling operations conducted by a licensed manager on behalf~~  
13 ~~of the State under Section 7.3 7.2, whichever comes first,~~  
14 shall be paid, subject to appropriation from the General  
15 Assembly, from the State Gaming Fund to that county ~~each home~~  
16 ~~rule county with a population of over 3,000,000 inhabitants~~ for  
17 the purpose of enhancing the county's criminal justice system.

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

23 (c-25) After the payments required under subsections (b),  
24 (b-5), (b-10), (b-12), (b-15), (c), ~~(e-5)~~ and (c-15) have been  
25 made, an amount equal to 2% of the ~~adjusted~~ gross gaming  
26 receipts of (1) each ~~an~~ owners licensee license that relocates  
27 pursuant to Section 11.2 and, (2) each ~~an~~ owners licensee  
28 ~~license~~ conducting riverboat gambling operations pursuant to  
29 an owners license that is initially issued after June 25, 1999,  
30 ~~or (3) the first riverboat gambling operations conducted by a~~  
31 ~~licensed manager on behalf of the State under Section 7.3 7.2,~~  
32 ~~whichever comes first,~~ shall be paid from the State Gaming Fund  
33 to Chicago State University.

34 (c-30) After the payments required under subsections (b),

1 (b-5), (b-10), (b-12), (b-15), (c), (c-15), and (c-25) have  
2 been made, an aggregate amount equal to 2% of the gross gaming  
3 receipts of owners licensees, but in no event more than  
4 \$50,000,000 in any year, shall be paid monthly, subject to  
5 appropriation by the General Assembly, from the State Gaming  
6 Fund into the School Infrastructure Fund for the purpose of  
7 funding school construction program grants.

8 (c-35) After the payments required under subsections (b),  
9 (b-5), (b-10), (b-12), (b-15), (c), (c-15), (c-25), and (c-30)  
10 have been made, an amount equal to 1% of the gross gaming  
11 receipts of an owners licensee that docks on the Mississippi  
12 River, the Illinois River, or the Ohio River shall be paid,  
13 subject to appropriation by the General Assembly, from the  
14 State Gaming Fund to qualifying municipalities within 50 miles  
15 of the home dock of the riverboat. The amount paid under this  
16 subsection (c-35) to each qualifying municipality shall be  
17 based on the proportion that the number of persons living at or  
18 below the poverty level in the qualifying municipality bears to  
19 the total number of persons living at or below the poverty  
20 level in qualifying municipalities that are within 50 miles of  
21 the owners licensee's home dock. If 2 or more owners licensees  
22 that dock on the Mississippi River, the Illinois River, or the  
23 Ohio River are within 50 miles of each other, payments required  
24 under this subsection (c-35) from the gross gaming receipts of  
25 those owners licensees shall be commingled and paid to  
26 qualifying municipalities that are within 50 miles of at least  
27 one of those owners licensee's home docks. For the purposes of  
28 this subsection (c-35), the term "qualifying municipality"  
29 means a municipality, other than a municipality in which a  
30 riverboat docks, in which the poverty rate as determined by  
31 using the most recent data released by the United States Census  
32 Bureau is at least 3% greater than the State poverty rate as  
33 determined by using the most recent data released by the United  
34 States Census Bureau.

1       (c-40) After the payments required under subsections (b),  
2       (b-5), (b-10), (b-12), (b-15), (c), (c-15), (c-25), (c-30), and  
3       (c-35) have been made, an amount equal to 1% of the gross  
4       gaming receipts of an owners licensee that (i) docks on the Fox  
5       River or the Des Plaines River or (ii) is authorized under  
6       subsection (e-5) of Section 7, shall be paid, subject to  
7       appropriation by the General Assembly, from the State Gaming  
8       Fund to qualifying municipalities within 20 miles of the home  
9       dock of the riverboat. The amount paid under this subsection  
10       (c-40) to each qualifying municipality shall based on the  
11       proportion that the number of persons living at or below the  
12       poverty level in the qualifying municipality bears to the total  
13       number of persons living at or below the poverty level in  
14       qualifying municipalities that are within 20 miles of the  
15       owners licensee's home dock. If the home docks of 2 or more  
16       owners licensees that (i) dock on the Fox River or the Des  
17       Plaines River or (ii) are authorized under subsection (e-5) of  
18       Section 7 are within 20 miles of each other, payments required  
19       under this subsection (c-40) from the gross gaming receipts of  
20       those owners licensees shall be commingled and paid to  
21       qualifying municipalities that are within 20 miles of at least  
22       one of those owners licensee's home docks. For the purposes of  
23       this subsection (c-40), the term "qualifying municipality"  
24       means a municipality, other than the City of Chicago or a  
25       municipality in which a riverboat docks, in which the poverty  
26       rate as determined by using the most recent data released by  
27       the United States Census Bureau is at least 3% greater than the  
28       State poverty rate as determined by using the most recent data  
29       released by the United States Census Bureau.

30       (c-45) After the payments required under subsections (b),  
31       (b-5), (b-10), (b-12), (b-15), (c), (c-15), (c-25), (c-30),  
32       (c-35), and (c-40) have been made, an amount equal to 0.015% of  
33       the gross gaming receipts of each owners licensee, other than  
34       the Authority, shall be paid, subject to appropriation by the

1 General Assembly, from the State Gaming Fund to the Department  
2 of Human Services for the purpose of making grants to special  
3 recreation associations for the operation of recreational  
4 programs for the handicapped under Section 10-35 of the  
5 Department of Human Services Act.

6 (d) From time to time, the Board shall transfer the  
7 remainder of the funds generated by this Act into the Education  
8 Assistance Fund, created by Public Act 86-0018, of the State of  
9 Illinois.

10 (e) Nothing in this Act shall prohibit the unit of local  
11 government designated as the home dock of the riverboat, or the  
12 municipality in which the casino is located, from entering into  
13 agreements with other units of local government in this State  
14 or in other states to share its portion of the tax revenue.

15 (f) To the extent practicable, the Board shall administer  
16 and collect the wagering taxes imposed by this Section in a  
17 manner consistent with the provisions of Sections 4, 5, 5a, 5b,  
18 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, and 10 of the  
19 Retailers' Occupation Tax Act and Section 3-7 of the Uniform  
20 Penalty and Interest Act.

21 (Source: P.A. 92-595, eff. 6-28-02; 93-27, eff. 6-20-03; 93-28,  
22 eff. 6-20-03; revised 1-28-04.)

23 (230 ILCS 10/14) (from Ch. 120, par. 2414)

24 Sec. 14. Licensees - Records - Reports - Supervision.

25 (a) ~~A~~ Licensed owners, including the Authority, and  
26 electronic gaming licensees ~~owner~~ shall keep their ~~his~~ books  
27 and records so as to clearly show the following:

28 (1) The amount received daily from admission fees.

29 (2) The total amount of whole gaming ~~gross~~ receipts.

30 (3) The total amount of the ~~adjusted~~ gross gaming receipts.

31 (b) ~~The~~ Licensed owners, including the Authority, and  
32 electronic gaming licensees ~~owner~~ shall furnish to the Board  
33 reports and information as the Board may require with respect

1 to its activities on forms designed and supplied for such  
2 purpose by the Board.

3 (c) The books and records kept by a licensed owner or  
4 electronic gaming licensee as provided by this Section are  
5 public records and the examination, publication, and  
6 dissemination of the books and records are governed by the  
7 provisions of The Freedom of Information Act.

8 (Source: P.A. 86-1029.)

9 (230 ILCS 10/18) (from Ch. 120, par. 2418)

10 Sec. 18. Prohibited Activities - Penalty.

11 (a) A person is guilty of a Class A misdemeanor for doing  
12 any of the following:

13 (1) Conducting gambling where wagering is used or to be  
14 used without a license issued by the Board.

15 (2) Conducting gambling where wagering is permitted  
16 other than in the manner specified by Section 11.

17 (b) A person is guilty of a Class B misdemeanor for doing  
18 any of the following:

19 (1) permitting a person under 21 years to make a wager;  
20 or

21 (2) violating paragraph (12) of subsection (a) of  
22 Section 11 of this Act.

23 (c) A person wagering or accepting a wager at any location  
24 outside the riverboat, casino, or electronic gaming facility in  
25 violation of paragraph ~~is subject to the penalties in~~  
26 ~~paragraphs~~ (1) or (2) of subsection (a) of Section 28-1 of the  
27 Criminal Code of 1961 is subject to the penalties provided in  
28 that Section.

29 (d) A person commits a Class 4 felony and, in addition,  
30 shall be barred for life from gambling operations ~~riverboats~~  
31 under the jurisdiction of the Board, if the person does any of  
32 the following:

33 (1) Offers, promises, or gives anything of value or

1 benefit to a person who is connected with a riverboat or  
2 casino owner or electronic gaming licensee including, but  
3 not limited to, an officer or employee of a licensed owner  
4 or electronic gaming licensee or holder of an occupational  
5 license pursuant to an agreement or arrangement or with the  
6 intent that the promise or thing of value or benefit will  
7 influence the actions of the person to whom the offer,  
8 promise, or gift was made in order to affect or attempt to  
9 affect the outcome of a gambling game, or to influence  
10 official action of a member of the Board.

11 (2) Solicits or knowingly accepts or receives a promise  
12 of anything of value or benefit while the person is  
13 connected with a riverboat, casino, or electronic gaming  
14 facility, including, but not limited to, an officer or  
15 employee of a licensed owner or electronic gaming licensee,  
16 or the holder of an occupational license, pursuant to an  
17 understanding or arrangement or with the intent that the  
18 promise or thing of value or benefit will influence the  
19 actions of the person to affect or attempt to affect the  
20 outcome of a gambling game, or to influence official action  
21 of a member of the Board.

22 (3) Uses or possesses with the intent to use a device  
23 to assist:

24 (i) In projecting the outcome of the game.

25 (ii) In keeping track of the cards played.

26 (iii) In analyzing the probability of the  
27 occurrence of an event relating to the gambling game.

28 (iv) In analyzing the strategy for playing or  
29 betting to be used in the game except as permitted by  
30 the Board.

31 (4) Cheats at a gambling game.

32 (5) Manufactures, sells, or distributes any cards,  
33 chips, dice, game or device which is intended to be used to  
34 violate any provision of this Act.



1           (6) Alters or misrepresents the outcome of a gambling  
2 game on which wagers have been made after the outcome is  
3 made sure but before it is revealed to the players.

4           (7) Places a bet after acquiring knowledge, not  
5 available to all players, of the outcome of the gambling  
6 game which is subject of the bet or to aid a person in  
7 acquiring the knowledge for the purpose of placing a bet  
8 contingent on that outcome.

9           (8) Claims, collects, or takes, or attempts to claim,  
10 collect, or take, money or anything of value in or from the  
11 gambling games, with intent to defraud, without having made  
12 a wager contingent on winning a gambling game, or claims,  
13 collects, or takes an amount of money or thing of value of  
14 greater value than the amount won.

15           (9) Uses counterfeit chips or tokens in a gambling  
16 game.

17           (10) Possesses any key or device designed for the  
18 purpose of opening, entering, or affecting the operation of  
19 a gambling game, drop box, or an electronic or mechanical  
20 device connected with the gambling game or for removing  
21 coins, tokens, chips or other contents of a gambling game.  
22 This paragraph (10) does not apply to a gambling licensee  
23 or employee of a gambling licensee acting in furtherance of  
24 the employee's employment.

25           (e) The possession of more than one of the devices  
26 described in subsection (d), paragraphs (3), (5) or (10)  
27 permits a rebuttable presumption that the possessor intended to  
28 use the devices for cheating.

29           An action to prosecute any crime occurring on a riverboat  
30 or in a casino shall be tried in the county of the dock at which  
31 the riverboat is based or in the county in which the casino is  
32 located.

33           (Source: P.A. 91-40, eff. 6-25-99.)

1 (230 ILCS 10/19) (from Ch. 120, par. 2419)

2 Sec. 19. Forfeiture of property.

3 (a) Except as provided in subsection (b), any riverboat or  
4 electronic gaming facility used for the conduct of gambling  
5 games in violation of this Act shall be considered a gambling  
6 place in violation of Section 28-3 of the Criminal Code of  
7 1961, as now or hereafter amended. Every gambling device found  
8 on a riverboat or at an electronic gaming facility operating  
9 gambling games in violation of this Act and every slot machine  
10 and video game of chance found at an electronic gaming facility  
11 operating gambling games in violation of this Act shall be  
12 subject to seizure, confiscation and destruction as provided in  
13 Section 28-5 of the Criminal Code of 1961, as now or hereafter  
14 amended.

15 (b) It is not a violation of this Act for a riverboat or  
16 other watercraft which is licensed for gaming by a contiguous  
17 state to dock on the shores of this State if the municipality  
18 having jurisdiction of the shores, or the county in the case of  
19 unincorporated areas, has granted permission for docking and no  
20 gaming is conducted on the riverboat or other watercraft while  
21 it is docked on the shores of this State. No gambling device  
22 shall be subject to seizure, confiscation or destruction if the  
23 gambling device is located on a riverboat or other watercraft  
24 which is licensed for gaming by a contiguous state and which is  
25 docked on the shores of this State if the municipality having  
26 jurisdiction of the shores, or the county in the case of  
27 unincorporated areas, has granted permission for docking and no  
28 gaming is conducted on the riverboat or other watercraft while  
29 it is docked on the shores of this State.

30 (Source: P.A. 86-1029.)

31 (230 ILCS 10/20) (from Ch. 120, par. 2420)

32 Sec. 20. Prohibited activities - civil penalties. Any  
33 person who conducts a gambling operation without first

1 obtaining a license to do so, or who continues to conduct such  
2 games after revocation of his license, or any licensee who  
3 conducts or allows to be conducted any unauthorized gambling  
4 games on a riverboat, in a casino, or at an electronic gaming  
5 facility where it is authorized to conduct its ~~riverboat~~  
6 gambling operation, in addition to other penalties provided,  
7 shall be subject to a civil penalty equal to the amount of  
8 whole gaming ~~gross~~ receipts derived from wagering on the  
9 gambling games, whether unauthorized or authorized, conducted  
10 on that day as well as confiscation and forfeiture of all  
11 gambling game equipment used in the conduct of unauthorized  
12 gambling games.

13 (Source: P.A. 86-1029.)

14 (230 ILCS 10/23) (from Ch. 120, par. 2423)

15 Sec. 23. The State Gaming Fund. On or after the effective  
16 date of this Act, all of the fees and taxes collected pursuant  
17 to subsections of this Act shall be deposited into the State  
18 Gaming Fund, a special fund in the State Treasury, which is  
19 hereby created. The ~~adjusted~~ gross gaming receipts of any  
20 riverboat gambling operations conducted by a licensed manager  
21 on behalf of the State remaining after the payment of the fees  
22 and expenses of the licensed manager shall be deposited into  
23 the State Gaming Fund. Fines and penalties collected pursuant  
24 to this Act shall be deposited into the Education Assistance  
25 Fund, created by Public Act 86-0018, of the State of Illinois.

26 (Source: P.A. 93-28, eff. 6-20-03.)

27 Section 935. The Liquor Control Act of 1934 is amended by  
28 changing Sections 5-1 and 6-30 as follows:

29 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

30 Sec. 5-1. Licenses issued by the Illinois Liquor Control  
31 Commission shall be of the following classes:

1 (a) Manufacturer's license - Class 1. Distiller, Class 2.  
2 Rectifier, Class 3. Brewer, Class 4. First Class Wine  
3 Manufacturer, Class 5. Second Class Wine Manufacturer, Class 6.  
4 First Class Winemaker, Class 7. Second Class Winemaker, Class  
5 8. Limited Wine Manufacturer,

6 (b) Distributor's license,

7 (c) Importing Distributor's license,

8 (d) Retailer's license,

9 (e) Special Event Retailer's license (not-for-profit),

10 (f) Railroad license,

11 (g) Boat license,

12 (h) Non-Beverage User's license,

13 (i) Wine-maker's premises license,

14 (j) Airplane license,

15 (k) Foreign importer's license,

16 (l) Broker's license,

17 (m) Non-resident dealer's license,

18 (n) Brew Pub license,

19 (o) Auction liquor license,

20 (p) Caterer retailer license,

21 (q) Special use permit license.

22 No person, firm, partnership, corporation, or other legal  
23 business entity that is engaged in the manufacturing of wine  
24 may concurrently obtain and hold a wine-maker's license and a  
25 wine manufacturer's license.

26 (a) A manufacturer's license shall allow the manufacture,  
27 importation in bulk, storage, distribution and sale of  
28 alcoholic liquor to persons without the State, as may be  
29 permitted by law and to licensees in this State as follows:

30 Class 1. A Distiller may make sales and deliveries of  
31 alcoholic liquor to distillers, rectifiers, importing  
32 distributors, distributors and non-beverage users and to no  
33 other licensees.

34 Class 2. A Rectifier, who is not a distiller, as defined

1 herein, may make sales and deliveries of alcoholic liquor to  
2 rectifiers, importing distributors, distributors, retailers  
3 and non-beverage users and to no other licensees.

4 Class 3. A Brewer may make sales and deliveries of beer to  
5 importing distributors, distributors, and to non-licensees,  
6 and to retailers provided the brewer obtains an importing  
7 distributor's license or distributor's license in accordance  
8 with the provisions of this Act.

9 Class 4. A first class wine-manufacturer may make sales and  
10 deliveries of up to 50,000 gallons of wine to manufacturers,  
11 importing distributors and distributors, and to no other  
12 licensees.

13 Class 5. A second class Wine manufacturer may make sales  
14 and deliveries of more than 50,000 gallons of wine to  
15 manufacturers, importing distributors and distributors and to  
16 no other licensees.

17 Class 6. A first-class wine-maker's license shall allow the  
18 manufacture of up to 50,000 gallons of wine per year, and the  
19 storage and sale of such wine to distributors in the State and  
20 to persons without the State, as may be permitted by law. A  
21 first-class wine-maker's license shall allow the sale of no  
22 more than 5,000 gallons of the licensee's wine to retailers.  
23 The State Commission shall issue only one first-class  
24 wine-maker's license to any person, firm, partnership,  
25 corporation, or other legal business entity that is engaged in  
26 the making of less than 50,000 gallons of wine annually that  
27 applies for a first-class wine-maker's license. No subsidiary  
28 or affiliate thereof, nor any officer, associate, member,  
29 partner, representative, employee, agent, or shareholder may  
30 be issued an additional wine-maker's license by the State  
31 Commission.

32 Class 7. A second-class wine-maker's license shall allow  
33 the manufacture of between 50,000 and 100,000 gallons of wine  
34 per year, and the storage and sale of such wine to distributors

1 in this State and to persons without the State, as may be  
2 permitted by law. A second-class wine-maker's license shall  
3 allow the sale of no more than 10,000 gallons of the licensee's  
4 wine directly to retailers. The State Commission shall issue  
5 only one second-class wine-maker's license to any person, firm,  
6 partnership, corporation, or other legal business entity that  
7 is engaged in the making of less than 100,000 gallons of wine  
8 annually that applies for a second-class wine-maker's license.  
9 No subsidiary or affiliate thereof, or any officer, associate,  
10 member, partner, representative, employee, agent, or  
11 shareholder may be issued an additional wine-maker's license by  
12 the State Commission.

13 Class 8. A limited wine-manufacturer may make sales and  
14 deliveries not to exceed 40,000 gallons of wine per year to  
15 distributors, and to non-licensees in accordance with the  
16 provisions of this Act.

17 (a-1) A manufacturer which is licensed in this State to  
18 make sales or deliveries of alcoholic liquor and which enlists  
19 agents, representatives, or individuals acting on its behalf  
20 who contact licensed retailers on a regular and continual basis  
21 in this State must register those agents, representatives, or  
22 persons acting on its behalf with the State Commission.

23 Registration of agents, representatives, or persons acting  
24 on behalf of a manufacturer is fulfilled by submitting a form  
25 to the Commission. The form shall be developed by the  
26 Commission and shall include the name and address of the  
27 applicant, the name and address of the manufacturer he or she  
28 represents, the territory or areas assigned to sell to or  
29 discuss pricing terms of alcoholic liquor, and any other  
30 questions deemed appropriate and necessary. All statements in  
31 the forms required to be made by law or by rule shall be deemed  
32 material, and any person who knowingly misstates any material  
33 fact under oath in an application is guilty of a Class B  
34 misdemeanor. Fraud, misrepresentation, false statements,

1 misleading statements, evasions, or suppression of material  
2 facts in the securing of a registration are grounds for  
3 suspension or revocation of the registration.

4 (b) A distributor's license shall allow the wholesale  
5 purchase and storage of alcoholic liquors and sale of alcoholic  
6 liquors to licensees in this State and to persons without the  
7 State, as may be permitted by law.

8 (c) An importing distributor's license may be issued to and  
9 held by those only who are duly licensed distributors, upon the  
10 filing of an application by a duly licensed distributor, with  
11 the Commission and the Commission shall, without the payment of  
12 any fee, immediately issue such importing distributor's  
13 license to the applicant, which shall allow the importation of  
14 alcoholic liquor by the licensee into this State from any point  
15 in the United States outside this State, and the purchase of  
16 alcoholic liquor in barrels, casks or other bulk containers and  
17 the bottling of such alcoholic liquors before resale thereof,  
18 but all bottles or containers so filled shall be sealed,  
19 labeled, stamped and otherwise made to comply with all  
20 provisions, rules and regulations governing manufacturers in  
21 the preparation and bottling of alcoholic liquors. The  
22 importing distributor's license shall permit such licensee to  
23 purchase alcoholic liquor from Illinois licensed non-resident  
24 dealers and foreign importers only.

25 (d) A retailer's license shall allow the licensee to sell  
26 and offer for sale at retail, only in the premises specified in  
27 such license, alcoholic liquor for use or consumption, but not  
28 for resale in any form: Provided that any retail license issued  
29 to a manufacturer shall only permit such manufacturer to sell  
30 beer at retail on the premises actually occupied by such  
31 manufacturer.

32 After January 1, 1995 there shall be 2 classes of licenses  
33 issued under a retailers license.

34 (1) A "retailers on premise consumption license" shall

1 allow the licensee to sell and offer for sale at retail,  
2 only on the premises specified in the license, alcoholic  
3 liquor for use or consumption on the premises or on and off  
4 the premises, but not for resale in any form.

5 (2) An "off premise sale license" shall allow the  
6 licensee to sell, or offer for sale at retail, alcoholic  
7 liquor intended only for off premise consumption and not  
8 for resale in any form.

9 Notwithstanding any other provision of this subsection  
10 (d), a retail licensee may sell alcoholic liquors to a special  
11 event retailer licensee for resale to the extent permitted  
12 under subsection (e).

13 (e) A special event retailer's license (not-for-profit)  
14 shall permit the licensee to purchase alcoholic liquors from an  
15 Illinois licensed distributor (unless the licensee purchases  
16 less than \$500 of alcoholic liquors for the special event, in  
17 which case the licensee may purchase the alcoholic liquors from  
18 a licensed retailer) and shall allow the licensee to sell and  
19 offer for sale, at retail, alcoholic liquors for use or  
20 consumption, but not for resale in any form and only at the  
21 location and on the specific dates designated for the special  
22 event in the license. An applicant for a special event retailer  
23 license must (i) furnish with the application: (A) a resale  
24 number issued under Section 2c of the Retailers' Occupation Tax  
25 Act or evidence that the applicant is registered under Section  
26 2a of the Retailers' Occupation Tax Act, (B) a current, valid  
27 exemption identification number issued under Section 1g of the  
28 Retailers' Occupation Tax Act, and a certification to the  
29 Commission that the purchase of alcoholic liquors will be a  
30 tax-exempt purchase, or (C) a statement that the applicant is  
31 not registered under Section 2a of the Retailers' Occupation  
32 Tax Act, does not hold a resale number under Section 2c of the  
33 Retailers' Occupation Tax Act, and does not hold an exemption  
34 number under Section 1g of the Retailers' Occupation Tax Act,



1 in which event the Commission shall set forth on the special  
2 event retailer's license a statement to that effect; (ii)  
3 submit with the application proof satisfactory to the State  
4 Commission that the applicant will provide dram shop liability  
5 insurance in the maximum limits; and (iii) show proof  
6 satisfactory to the State Commission that the applicant has  
7 obtained local authority approval.

8 (f) A railroad license shall permit the licensee to import  
9 alcoholic liquors into this State from any point in the United  
10 States outside this State and to store such alcoholic liquors  
11 in this State; to make wholesale purchases of alcoholic liquors  
12 directly from manufacturers, foreign importers, distributors  
13 and importing distributors from within or outside this State;  
14 and to store such alcoholic liquors in this State; provided  
15 that the above powers may be exercised only in connection with  
16 the importation, purchase or storage of alcoholic liquors to be  
17 sold or dispensed on a club, buffet, lounge or dining car  
18 operated on an electric, gas or steam railway in this State;  
19 and provided further, that railroad licensees exercising the  
20 above powers shall be subject to all provisions of Article VIII  
21 of this Act as applied to importing distributors. A railroad  
22 license shall also permit the licensee to sell or dispense  
23 alcoholic liquors on any club, buffet, lounge or dining car  
24 operated on an electric, gas or steam railway regularly  
25 operated by a common carrier in this State, but shall not  
26 permit the sale for resale of any alcoholic liquors to any  
27 licensee within this State. A license shall be obtained for  
28 each car in which such sales are made.

29 (g) A boat license shall allow the sale of alcoholic liquor  
30 in individual drinks, on any passenger boat regularly operated  
31 as a common carrier on navigable waters in this State or on any  
32 riverboat operated under the Riverboat and Casino Gambling Act,  
33 which boat or riverboat maintains a public dining room or  
34 restaurant thereon.

1 (h) A non-beverage user's license shall allow the licensee  
 2 to purchase alcoholic liquor from a licensed manufacturer or  
 3 importing distributor, without the imposition of any tax upon  
 4 the business of such licensed manufacturer or importing  
 5 distributor as to such alcoholic liquor to be used by such  
 6 licensee solely for the non-beverage purposes set forth in  
 7 subsection (a) of Section 8-1 of this Act, and such licenses  
 8 shall be divided and classified and shall permit the purchase,  
 9 possession and use of limited and stated quantities of  
 10 alcoholic liquor as follows:

- 11 Class 1, not to exceed ..... 500 gallons
- 12 Class 2, not to exceed ..... 1,000 gallons
- 13 Class 3, not to exceed ..... 5,000 gallons
- 14 Class 4, not to exceed ..... 10,000 gallons
- 15 Class 5, not to exceed ..... 50,000 gallons

16 (i) A wine-maker's premises license shall allow a licensee  
 17 that concurrently holds a first-class wine-maker's license to  
 18 sell and offer for sale at retail in the premises specified in  
 19 such license not more than 50,000 gallons of the first-class  
 20 wine-maker's wine that is made at the first-class wine-maker's  
 21 licensed premises per year for use or consumption, but not for  
 22 resale in any form. A wine-maker's premises license shall allow  
 23 a licensee who concurrently holds a second-class wine-maker's  
 24 license to sell and offer for sale at retail in the premises  
 25 specified in such license up to 100,000 gallons of the  
 26 second-class wine-maker's wine that is made at the second-class  
 27 wine-maker's licensed premises per year for use or consumption  
 28 but not for resale in any form. Upon approval from the State  
 29 Commission, a wine-maker's premises license shall allow the  
 30 licensee to sell and offer for sale at (i) the wine-maker's  
 31 licensed premises and (ii) at up to 2 additional locations for  
 32 use and consumption and not for resale. Each location shall  
 33 require additional licensing per location as specified in  
 34 Section 5-3 of this Act.

1           (j) An airplane license shall permit the licensee to import  
2 alcoholic liquors into this State from any point in the United  
3 States outside this State and to store such alcoholic liquors  
4 in this State; to make wholesale purchases of alcoholic liquors  
5 directly from manufacturers, foreign importers, distributors  
6 and importing distributors from within or outside this State;  
7 and to store such alcoholic liquors in this State; provided  
8 that the above powers may be exercised only in connection with  
9 the importation, purchase or storage of alcoholic liquors to be  
10 sold or dispensed on an airplane; and provided further, that  
11 airplane licensees exercising the above powers shall be subject  
12 to all provisions of Article VIII of this Act as applied to  
13 importing distributors. An airplane licensee shall also permit  
14 the sale or dispensing of alcoholic liquors on any passenger  
15 airplane regularly operated by a common carrier in this State,  
16 but shall not permit the sale for resale of any alcoholic  
17 liquors to any licensee within this State. A single airplane  
18 license shall be required of an airline company if liquor  
19 service is provided on board aircraft in this State. The annual  
20 fee for such license shall be as determined in Section 5-3.

21           (k) A foreign importer's license shall permit such licensee  
22 to purchase alcoholic liquor from Illinois licensed  
23 non-resident dealers only, and to import alcoholic liquor other  
24 than in bulk from any point outside the United States and to  
25 sell such alcoholic liquor to Illinois licensed importing  
26 distributors and to no one else in Illinois; provided that the  
27 foreign importer registers with the State Commission every  
28 brand of alcoholic liquor that it proposes to sell to Illinois  
29 licensees during the license period and provided further that  
30 the foreign importer complies with all of the provisions of  
31 Section 6-9 of this Act with respect to registration of such  
32 Illinois licensees as may be granted the right to sell such  
33 brands at wholesale.

34           (l) (i) A broker's license shall be required of all persons

1 who solicit orders for, offer to sell or offer to supply  
2 alcoholic liquor to retailers in the State of Illinois, or who  
3 offer to retailers to ship or cause to be shipped or to make  
4 contact with distillers, rectifiers, brewers or manufacturers  
5 or any other party within or without the State of Illinois in  
6 order that alcoholic liquors be shipped to a distributor,  
7 importing distributor or foreign importer, whether such  
8 solicitation or offer is consummated within or without the  
9 State of Illinois.

10 No holder of a retailer's license issued by the Illinois  
11 Liquor Control Commission shall purchase or receive any  
12 alcoholic liquor, the order for which was solicited or offered  
13 for sale to such retailer by a broker unless the broker is the  
14 holder of a valid broker's license.

15 The broker shall, upon the acceptance by a retailer of the  
16 broker's solicitation of an order or offer to sell or supply or  
17 deliver or have delivered alcoholic liquors, promptly forward  
18 to the Illinois Liquor Control Commission a notification of  
19 said transaction in such form as the Commission may by  
20 regulations prescribe.

21 (ii) A broker's license shall be required of a person  
22 within this State, other than a retail licensee, who, for a fee  
23 or commission, promotes, solicits, or accepts orders for  
24 alcoholic liquor, for use or consumption and not for resale, to  
25 be shipped from this State and delivered to residents outside  
26 of this State by an express company, common carrier, or  
27 contract carrier. This Section does not apply to any person who  
28 promotes, solicits, or accepts orders for wine as specifically  
29 authorized in Section 6-29 of this Act.

30 A broker's license under this subsection (1) shall not  
31 entitle the holder to buy or sell any alcoholic liquors for his  
32 own account or to take or deliver title to such alcoholic  
33 liquors.

34 This subsection (1) shall not apply to distributors,

1 employees of distributors, or employees of a manufacturer who  
2 has registered the trademark, brand or name of the alcoholic  
3 liquor pursuant to Section 6-9 of this Act, and who regularly  
4 sells such alcoholic liquor in the State of Illinois only to  
5 its registrants thereunder.

6 Any agent, representative, or person subject to  
7 registration pursuant to subsection (a-1) of this Section shall  
8 not be eligible to receive a broker's license.

9 (m) A non-resident dealer's license shall permit such  
10 licensee to ship into and warehouse alcoholic liquor into this  
11 State from any point outside of this State, and to sell such  
12 alcoholic liquor to Illinois licensed foreign importers and  
13 importing distributors and to no one else in this State;  
14 provided that said non-resident dealer shall register with the  
15 Illinois Liquor Control Commission each and every brand of  
16 alcoholic liquor which it proposes to sell to Illinois  
17 licensees during the license period; and further provided that  
18 it shall comply with all of the provisions of Section 6-9  
19 hereof with respect to registration of such Illinois licensees  
20 as may be granted the right to sell such brands at wholesale.

21 (n) A brew pub license shall allow the licensee to  
22 manufacture beer only on the premises specified in the license,  
23 to make sales of the beer manufactured on the premises to  
24 importing distributors, distributors, and to non-licensees for  
25 use and consumption, to store the beer upon the premises, and  
26 to sell and offer for sale at retail from the licensed  
27 premises, provided that a brew pub licensee shall not sell for  
28 off-premises consumption more than 50,000 gallons per year.

29 (o) A caterer retailer license shall allow the holder to  
30 serve alcoholic liquors as an incidental part of a food service  
31 that serves prepared meals which excludes the serving of snacks  
32 as the primary meal, either on or off-site whether licensed or  
33 unlicensed.

34 (p) An auction liquor license shall allow the licensee to

1 sell and offer for sale at auction wine and spirits for use or  
2 consumption, or for resale by an Illinois liquor licensee in  
3 accordance with provisions of this Act. An auction liquor  
4 license will be issued to a person and it will permit the  
5 auction liquor licensee to hold the auction anywhere in the  
6 State. An auction liquor license must be obtained for each  
7 auction at least 14 days in advance of the auction date.

8 (q) A special use permit license shall allow an Illinois  
9 licensed retailer to transfer a portion of its alcoholic liquor  
10 inventory from its retail licensed premises to the premises  
11 specified in the license hereby created, and to sell or offer  
12 for sale at retail, only in the premises specified in the  
13 license hereby created, the transferred alcoholic liquor for  
14 use or consumption, but not for resale in any form. A special  
15 use permit license may be granted for the following time  
16 periods: one day or less; 2 or more days to a maximum of 15 days  
17 per location in any 12 month period. An applicant for the  
18 special use permit license must also submit with the  
19 application proof satisfactory to the State Commission that the  
20 applicant will provide dram shop liability insurance to the  
21 maximum limits and have local authority approval.

22 (Source: P.A. 91-357, eff. 7-29-99; 92-105, eff. 1-1-02;  
23 92-378, eff. 8-16-01; 92-651, eff. 7-11-02; 92-672, eff.  
24 7-16-02.)

25 (235 ILCS 5/6-30) (from Ch. 43, par. 144f)

26 Sec. 6-30. Notwithstanding any other provision of this Act,  
27 the Illinois Gaming Board shall have exclusive authority to  
28 establish the hours for sale and consumption of alcoholic  
29 liquor on board a riverboat during riverboat gambling  
30 excursions and in a casino conducted in accordance with the  
31 Riverboat and Casino Gambling Act.

32 (Source: P.A. 87-826.)

1           Section 940. The Criminal Code of 1961 is amended by  
2 changing Sections 28-1, 28-1.1, 28-3, 28-5 and 28-7 as follows:

3           (720 ILCS 5/28-1) (from Ch. 38, par. 28-1)

4           Sec. 28-1. Gambling.

5           (a) A person commits gambling when he:

6           (1) Plays a game of chance or skill for money or other  
7 thing of value, unless excepted in subsection (b) of this  
8 Section; or

9           (2) Makes a wager upon the result of any game, contest,  
10 or any political nomination, appointment or election; or

11           (3) Operates, keeps, owns, uses, purchases, exhibits,  
12 rents, sells, bargains for the sale or lease of,  
13 manufactures or distributes any gambling device; or

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

33           (5) Knowingly owns or possesses any book, instrument or

1 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; or

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

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

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

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

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

24 (11) Knowingly transmits information as to wagers,  
25 betting odds, or changes in betting odds by telephone,  
26 telegraph, radio, semaphore or similar means; or knowingly  
27 installs or maintains equipment for the transmission or  
28 receipt of such information; except that nothing in this  
29 subdivision (11) prohibits transmission or receipt of such  
30 information for use in news reporting of sporting events or  
31 contests; or

32 (12) Knowingly establishes, maintains, or operates an  
33 Internet site that permits a person to play a game of  
34 chance or skill for money or other thing of value by means



1 of the Internet or to make a wager upon the result of any  
2 game, contest, political nomination, appointment, or  
3 election by means of the Internet.

4 (b) Participants in any of the following activities shall  
5 not be convicted of gambling therefor:

6 (1) Agreements to compensate for loss caused by the  
7 happening of chance including without limitation contracts  
8 of indemnity or guaranty and life or health or accident  
9 insurance;

10 (2) Offers of prizes, award or compensation to the  
11 actual contestants in any bona fide contest for the  
12 determination of skill, speed, strength or endurance or to  
13 the owners of animals or vehicles entered in such contest;

14 (3) Pari-mutuel betting as authorized by the law of  
15 this State;

16 (4) Manufacture of gambling devices, including the  
17 acquisition of essential parts therefor and the assembly  
18 thereof, for transportation in interstate or foreign  
19 commerce to any place outside this State when such  
20 transportation is not prohibited by any applicable Federal  
21 law;

22 (5) The game commonly known as "bingo", when conducted  
23 in accordance with the Bingo License and Tax Act;

24 (6) Lotteries when conducted by the State of Illinois  
25 in accordance with the Illinois Lottery Law;

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

31 (8) Raffles when conducted in accordance with the  
32 Raffles Act;

33 (9) Charitable games when conducted in accordance with  
34 the Charitable Games Act;

1 (10) Pull tabs and jar games when conducted under the  
2 Illinois Pull Tabs and Jar Games Act; or

3 (11) Gambling games ~~conducted on riverboats~~ when  
4 authorized by the Riverboat and Casino Gambling Act.

5 (c) Sentence.

6 Gambling under subsection (a) (1) or (a) (2) of this Section  
7 is a Class A misdemeanor. Gambling under any of subsections  
8 (a) (3) through (a) (11) of this Section is a Class A  
9 misdemeanor. A second or subsequent conviction under any of  
10 subsections (a) (3) through (a) (11), is a Class 4 felony.  
11 Gambling under subsection (a) (12) of this Section is a Class A  
12 misdemeanor. A second or subsequent conviction under  
13 subsection (a) (12) is a Class 4 felony.

14 (d) Circumstantial evidence.

15 In prosecutions under subsection (a) (1) through (a) (12) of  
16 this Section circumstantial evidence shall have the same  
17 validity and weight as in any criminal prosecution.

18 (Source: P.A. 91-257, eff. 1-1-00.)

19 (720 ILCS 5/28-1.1) (from Ch. 38, par. 28-1.1)

20 Sec. 28-1.1. Syndicated gambling.

21 (a) Declaration of Purpose. Recognizing the close  
22 relationship between professional gambling and other organized  
23 crime, it is declared to be the policy of the legislature to  
24 restrain persons from engaging in the business of gambling for  
25 profit in this State. This Section shall be liberally construed  
26 and administered with a view to carrying out this policy.

27 (b) A person commits syndicated gambling when he operates a  
28 "policy game" or engages in the business of bookmaking.

29 (c) A person "operates a policy game" when he knowingly  
30 uses any premises or property for the purpose of receiving or  
31 knowingly does receive from what is commonly called "policy":

32 (1) money from a person other than the better or player  
33 whose bets or plays are represented by such money; or

1           (2) written "policy game" records, made or used over  
2           any period of time, from a person other than the better or  
3           player whose bets or plays are represented by such written  
4           record.

5           (d) A person engages in bookmaking when he receives or  
6           accepts more than five bets or wagers upon the result of any  
7           trials or contests of skill, speed or power of endurance or  
8           upon any lot, chance, casualty, unknown or contingent event  
9           whatsoever, which bets or wagers shall be of such size that the  
10          total of the amounts of money paid or promised to be paid to  
11          such bookmaker on account thereof shall exceed \$2,000.  
12          Bookmaking is the receiving or accepting of such bets or wagers  
13          regardless of the form or manner in which the bookmaker records  
14          them.

15          (e) Participants in any of the following activities shall  
16          not be convicted of syndicated 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; and

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                 and

26                 (3) Pari-mutuel betting as authorized by law of this  
27                 State; and

28                 (4) Manufacture of gambling devices, including the  
29                 acquisition of essential parts therefor and the assembly  
30                 thereof, for transportation in interstate or foreign  
31                 commerce to any place outside this State when such  
32                 transportation is not prohibited by any applicable Federal  
33                 law; and

34                 (5) Raffles when conducted in accordance with the

1 Raffles Act; and

2 (6) Gambling games conducted on riverboats or in  
3 casinos when authorized by the Riverboat and Casino  
4 Gambling Act.

5 (f) Sentence. Syndicated gambling is a Class 3 felony.

6 (Source: P.A. 86-1029; 87-435.)

7 (720 ILCS 5/28-3) (from Ch. 38, par. 28-3)

8 Sec. 28-3. Keeping a Gambling Place. A "gambling place" is  
9 any real estate, vehicle, boat or any other property whatsoever  
10 used for the purposes of gambling other than gambling conducted  
11 in the manner authorized by the Riverboat and Casino Gambling  
12 Act. Any person who knowingly permits any premises or property  
13 owned or occupied by him or under his control to be used as a  
14 gambling place commits a Class A misdemeanor. Each subsequent  
15 offense is a Class 4 felony. When any premises is determined by  
16 the circuit court to be a gambling place:

17 (a) Such premises is a public nuisance and may be proceeded  
18 against as such, and

19 (b) All licenses, permits or certificates issued by the  
20 State of Illinois or any subdivision or public agency thereof  
21 authorizing the serving of food or liquor on such premises  
22 shall be void; and no license, permit or certificate so  
23 cancelled shall be reissued for such premises for a period of  
24 60 days thereafter; nor shall any person convicted of keeping a  
25 gambling place be reissued such license for one year from his  
26 conviction and, after a second conviction of keeping a gambling  
27 place, any such person shall not be reissued such license, and

28 (c) Such premises of any person who knowingly permits  
29 thereon a violation of any Section of this Article shall be  
30 held liable for, and may be sold to pay any unsatisfied  
31 judgment that may be recovered and any unsatisfied fine that  
32 may be levied under any Section of this Article.

33 (Source: P.A. 86-1029.)

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

2 Sec. 28-5. Seizure of gambling devices and gambling funds.

3 (a) Every device designed for gambling which is incapable  
4 of lawful use or every device used unlawfully for gambling  
5 shall be considered a "gambling device", and shall be subject  
6 to seizure, confiscation and destruction by the Department of  
7 State Police or by any municipal, or other local authority,  
8 within whose jurisdiction the same may be found. As used in  
9 this Section, a "gambling device" includes any slot machine,  
10 and includes any machine or device constructed for the  
11 reception of money or other thing of value and so constructed  
12 as to return, or to cause someone to return, on chance to the  
13 player thereof money, property or a right to receive money or  
14 property. With the exception of any device designed for  
15 gambling which is incapable of lawful use, no gambling device  
16 shall be forfeited or destroyed unless an individual with a  
17 property interest in said device knows of the unlawful use of  
18 the device.

19 (b) Every gambling device shall be seized and forfeited to  
20 the county wherein such seizure occurs. Any money or other  
21 thing of value integrally related to acts of gambling shall be  
22 seized and forfeited to the county wherein such seizure occurs.

23 (c) If, within 60 days after any seizure pursuant to  
24 subparagraph (b) of this Section, a person having any property  
25 interest in the seized property is charged with an offense, the  
26 court which renders judgment upon such charge shall, within 30  
27 days after such judgment, conduct a forfeiture hearing to  
28 determine whether such property was a gambling device at the  
29 time of seizure. Such hearing shall be commenced by a written  
30 petition by the State, including material allegations of fact,  
31 the name and address of every person determined by the State to  
32 have any property interest in the seized property, a  
33 representation that written notice of the date, time and place

1 of such hearing has been mailed to every such person by  
2 certified mail at least 10 days before such date, and a request  
3 for forfeiture. Every such person may appear as a party and  
4 present evidence at such hearing. The quantum of proof required  
5 shall be a preponderance of the evidence, and the burden of  
6 proof shall be on the State. If the court determines that the  
7 seized property was a gambling device at the time of seizure,  
8 an order of forfeiture and disposition of the seized property  
9 shall be entered: a gambling device shall be received by the  
10 State's Attorney, who shall effect its destruction, except that  
11 valuable parts thereof may be liquidated and the resultant  
12 money shall be deposited in the general fund of the county  
13 wherein such seizure occurred; money and other things of value  
14 shall be received by the State's Attorney and, upon  
15 liquidation, shall be deposited in the general fund of the  
16 county wherein such seizure occurred. However, in the event  
17 that a defendant raises the defense that the seized slot  
18 machine is an antique slot machine described in subparagraph  
19 (b) (7) of Section 28-1 of this Code and therefore he is exempt  
20 from the charge of a gambling activity participant, the seized  
21 antique slot machine shall not be destroyed or otherwise  
22 altered until a final determination is made by the Court as to  
23 whether it is such an antique slot machine. Upon a final  
24 determination by the Court of this question in favor of the  
25 defendant, such slot machine shall be immediately returned to  
26 the defendant. Such order of forfeiture and disposition shall,  
27 for the purposes of appeal, be a final order and judgment in a  
28 civil proceeding.

29 (d) If a seizure pursuant to subparagraph (b) of this  
30 Section is not followed by a charge pursuant to subparagraph  
31 (c) of this Section, or if the prosecution of such charge is  
32 permanently terminated or indefinitely discontinued without  
33 any judgment of conviction or acquittal (1) the State's  
34 Attorney shall commence an in rem proceeding for the forfeiture

1 and destruction of a gambling device, or for the forfeiture and  
2 deposit in the general fund of the county of any seized money  
3 or other things of value, or both, in the circuit court and (2)  
4 any person having any property interest in such seized gambling  
5 device, money or other thing of value may commence separate  
6 civil proceedings in the manner provided by law.

7 (e) Any gambling device displayed for sale to a riverboat  
8 gambling operation or a casino gambling operation or used to  
9 train occupational licensees of a riverboat gambling operation  
10 or a casino gambling operation as authorized under the  
11 Riverboat and Casino Gambling Act, is exempt from seizure under  
12 this Section.

13 (f) Any gambling equipment, devices and supplies provided  
14 by a licensed supplier in accordance with the Riverboat and  
15 Casino Gambling Act which are removed from a ~~the~~ riverboat,  
16 casino, or electronic gaming facility for repair are exempt  
17 from seizure under this Section.

18 (Source: P.A. 87-826.)

19 (720 ILCS 5/28-7) (from Ch. 38, par. 28-7)

20 Sec. 28-7. Gambling contracts void.

21 (a) All promises, notes, bills, bonds, covenants,  
22 contracts, agreements, judgments, mortgages, or other  
23 securities or conveyances made, given, granted, drawn, or  
24 entered into, or executed by any person whatsoever, where the  
25 whole or any part of the consideration thereof is for any money  
26 or thing of value, won or obtained in violation of any Section  
27 of this Article are null and void.

28 (b) Any obligation void under this Section may be set aside  
29 and vacated by any court of competent jurisdiction, upon a  
30 complaint filed for that purpose, by the person so granting,  
31 giving, entering into, or executing the same, or by his  
32 executors or administrators, or by any creditor, heir, legatee,  
33 purchaser or other person interested therein; or if a judgment,

1 the same may be set aside on motion of any person stated above,  
2 on due notice thereof given.

3 (c) No assignment of any obligation void under this Section  
4 may in any manner affect the defense of the person giving,  
5 granting, drawing, entering into or executing such obligation,  
6 or the remedies of any person interested therein.

7 (d) This Section shall not prevent a licensed owner of a  
8 riverboat gambling operation or a casino gambling operation or  
9 an electronic gaming licensee under the Riverboat Gambling Act  
10 and the Illinois Horse Racing Act of 1975 from instituting a  
11 cause of action to collect any amount due and owing under an  
12 extension of credit to a ~~riverboat~~ gambling patron as  
13 authorized under Section 11.1 of the Riverboat and Casino  
14 Gambling Act.

15 (Source: P.A. 87-826.)

16 Section 945. The Travel Promotion Consumer Protection Act  
17 is amended by changing Section 2 as follows:

18 (815 ILCS 420/2) (from Ch. 121 1/2, par. 1852)

19 Sec. 2. Definitions.

20 (a) "Travel promoter" means a person, including a tour  
21 operator, who sells, provides, furnishes, contracts for,  
22 arranges or advertises that he or she will arrange wholesale or  
23 retail transportation by air, land, sea or navigable stream,  
24 either separately or in conjunction with other services.  
25 "Travel promoter" does not include (1) an air carrier; (2) a  
26 sea carrier; (3) an officially appointed agent of an air  
27 carrier who is a member in good standing of the Airline  
28 Reporting Corporation; (4) a travel promoter who has in force  
29 \$1,000,000 or more of liability insurance coverage for  
30 professional errors and omissions and a surety bond or  
31 equivalent surety in the amount of \$100,000 or more for the  
32 benefit of consumers in the event of a bankruptcy on the part



1 of the travel promoter; or (5) a riverboat subject to  
2 regulation under the Riverboat and Casino Gambling Act.

3 (b) "Advertise" means to make any representation in the  
4 solicitation of passengers and includes communication with  
5 other members of the same partnership, corporation, joint  
6 venture, association, organization, group or other entity.

7 (c) "Passenger" means a person on whose behalf money or  
8 other consideration has been given or is to be given to  
9 another, including another member of the same partnership,  
10 corporation, joint venture, association, organization, group  
11 or other entity, for travel.

12 (d) "Ticket or voucher" means a writing or combination of  
13 writings which is itself good and sufficient to obtain  
14 transportation and other services for which the passenger has  
15 contracted.

16 (Source: P.A. 91-357, eff. 7-29-99.)

17 Section 950. The State Finance Act is amended by adding  
18 Sections 5.625, and 5.626, and 6z-62 as follows:

19 (30 ILCS 105/5.625 new)

20 Sec. 5.625. The Compulsive Gambling Prevention Fund.

21 (30 ILCS 105/5.626 new)

22 Sec. 5.626. The Illinois Community Services Block Grant  
23 Fund.

24 (30 ILCS 105/6z-62 new)

25 Sec. 6z-62. Illinois Community Services Block Grant Fund.

26 There is hereby created in the State Treasury a special fund to  
27 be known as the Illinois Community Services Block Grant Fund.

28 Moneys deposited into the Fund shall, subject to appropriation,

29 be used by the Department of Commerce and Economic Opportunity

30 as follows: 50% shall be used for programs in the same manner

1 as programs financed with federal Community Services Block  
2 Grant funds as set forth under item (F) of subsection (1) of  
3 Section 605-400 of the Department of Commerce and Economic  
4 Opportunity Law of the Civil Administrative Code of Illinois  
5 and 50% shall be used for grants distributed through requests  
6 for proposals in the same manner as other programs funded by  
7 the Department of Commerce and Economic Opportunity.

8 (230 ILCS 5/54 rep.)

9 Section 955. The Illinois Horse Racing Act of 1975 is  
10 amended by repealing Section 54.

11 Section 999. Effective date. This Act takes effect upon  
12 becoming law.".