

1 AN ACT in relation to gambling.

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

4 Section 5. The Riverboat Gambling Act is amended by
5 changing Sections 7, 12, 13, and 23 as follows:

6 (230 ILCS 10/7) (from Ch. 120, par. 2407)

7 Sec. 7. Owners Licenses.

8 (a) The Board shall issue owners licenses to persons,
9 firms or corporations which apply for such licenses upon
10 payment to the Board of the non-refundable license fee set by
11 the Board, upon payment of a \$25,000 license fee for the
12 first year of operation and a \$50,000 ~~\$5,000~~ license fee for
13 each succeeding year and upon a determination by the Board
14 that the applicant is eligible for an owners license
15 pursuant to this Act and the rules of the Board. Of each
16 \$50,000 license fee for a second or subsequent year of
17 operation of a riverboat, \$45,000 shall be transferred to the
18 General Revenue Fund and appropriated to the Department of
19 Human Services to be used for the treatment of compulsive
20 gambling pursuant to Section 5-20 of the Alcoholism and Other
21 Drug Abuse and Dependency Act.

22 A person, firm or corporation is ineligible to receive an
23 owners license if:

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

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

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

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

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

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

9 (7) (blank); or

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

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

16 (1) the character, reputation, experience and
17 financial integrity of the applicants and of any other or
18 separate person that either:

19 (A) controls, directly or indirectly, such
20 applicant, or

21 (B) is controlled, directly or indirectly, by
22 such applicant or by a person which controls,
23 directly or indirectly, such applicant;

24 (2) the facilities or proposed facilities for the
25 conduct of riverboat gambling;

26 (3) the highest prospective total revenue to be
27 derived by the State from the conduct of riverboat
28 gambling;

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

32 (5) the financial ability of the applicant to
33 purchase and maintain adequate liability and casualty
34 insurance;

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

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

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

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

11 (e) The Board shall may issue up--to 10 licenses
12 authorizing the holders of such licenses to own riverboats.
13 In the application for an owners license, the applicant shall
14 state the dock at which the riverboat is based and the water
15 on which the riverboat will be located. The Board shall
16 issue 5 licenses to become effective not earlier than January
17 1, 1991. Three of such licenses shall authorize riverboat
18 gambling on the Mississippi River, or in a municipality that
19 (1) borders on the Mississippi River or is within 5 miles of
20 the city limits of a municipality that borders on the
21 Mississippi River and (2), on the effective date of this
22 amendatory Act of the 93rd General Assembly, has a riverboat
23 conducting riverboat gambling operations pursuant to a
24 license issued under this Act, one of which shall authorize
25 riverboat gambling from a home dock in the city of East St.
26 Louis, ~~and one of which shall authorize riverboat gambling on~~
27 ~~the Mississippi River or in a municipality that (1) borders~~
28 ~~on the Mississippi River or is within 5 miles of the city~~
29 ~~limits of a municipality that borders on the Mississippi~~
30 ~~River and (2) on the effective date of this amendatory Act of~~
31 ~~the 92nd General Assembly has a riverboat conducting~~
32 ~~riverboat gambling operations pursuant to a license issued~~
33 ~~under this Act.~~ One other license shall authorize riverboat
34 gambling on the Illinois River south of Marshall County. The

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

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

18 An owners licensee that receives an owners license
19 authorizing it to begin conducting riverboat gambling
20 operations pursuant to a dormant license, as that term is
21 defined in Section 13, shall attain a level of at least 20%
22 minority person and female ownership, at least 16% and 4%
23 respectively, within a time period prescribed by the Board,
24 but not to exceed 12 months from the date the licensee begins
25 conducting riverboat gambling operations. The 12-month
26 period shall be extended by the amount of time necessary to
27 conduct a background investigation pursuant to Section 6. For
28 the purposes of this Section, the terms "female" and
29 "minority person" have the meanings provided in Section 2 of
30 the Business Enterprise for Minorities, Females, and Persons
31 with Disabilities Act.

32 The Board may revoke the owners license of a licensee
33 which fails to begin conducting gambling within 15 months of
34 receipt of the Board's approval of the application if the

1 Board determines that license revocation is in the best
2 interests of the State.

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

9 (g) Upon the termination, expiration, or revocation of
10 each of the first 10 licenses, which shall be issued for a 3
11 year period, all licenses are renewable annually upon payment
12 of the fee and a determination by the Board that the licensee
13 continues to meet all of the requirements of this Act and the
14 Board's rules. However, for licenses renewed on or after May
15 1, 1998, renewal shall be for a period of 4 years, unless the
16 Board sets a shorter period.

17 (h) An owners license shall entitle the licensee to own
18 up to 2 riverboats. Except as otherwise provided by any
19 applicable safety law, a licensee may have an unlimited
20 number of gambling participants on its riverboats. A licensee
21 ~~shall--limit-the-number-of-gambling-participants-to-1,200-for~~
22 ~~any-such-owners-license.~~ A licensee may operate both of its
23 riverboats concurrently, ~~7--provided--that-the-total-number-of~~
24 ~~gambling-participants-on--both--riverboats--does--not--exceed~~
25 1,200. Riverboats licensed to operate on the Mississippi
26 River and the Illinois River south of Marshall County shall
27 have an authorized capacity of at least 500 persons. Any
28 other riverboat licensed under this Act shall have an
29 authorized capacity of at least 400 persons.

30 (i) A licensed owner is authorized to apply to the Board
31 for and, if approved therefor, to receive all licenses from
32 the Board necessary for the operation of a riverboat,
33 including a liquor license, a license to prepare and serve
34 food for human consumption, and other necessary licenses.

1 All use, occupation and excise taxes which apply to the sale
2 of food and beverages in this State and all taxes imposed on
3 the sale or use of tangible personal property apply to such
4 sales aboard the riverboat.

5 (j) The Board may issue a license authorizing a
6 riverboat to dock in a municipality or approve a relocation
7 under Section 11.2 only if, prior to the issuance of the
8 license or approval, the governing body of the municipality
9 in which the riverboat will dock has by a majority vote
10 approved the docking of riverboats in the municipality. The
11 Board may issue a license authorizing a riverboat to dock in
12 areas of a county outside any municipality or approve a
13 relocation under Section 11.2 only if, prior to the issuance
14 of the license or approval, the governing body of the county
15 has by a majority vote approved of the docking of riverboats
16 within such areas.

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

18 (230 ILCS 10/12) (from Ch. 120, par. 2412)

19 Sec. 12. Admission tax; fees.

20 (a) A tax is hereby imposed upon admissions authorized
21 pursuant to this Act. Until July 1, 2002, the rate is \$2 per
22 person admitted. Beginning July 1, 2002, and until the first
23 date after the effective date of this amendatory Act on which
24 riverboat gambling operations are conducted pursuant to a
25 dormant license as defined in Section 13, the rate is \$3 per
26 person admitted. Beginning on the first date after the
27 effective date of this amendatory Act on which riverboat
28 gambling operations are conducted pursuant to a dormant
29 license as defined in Section 13, the rate is \$2 per person
30 admitted. This admission tax is imposed upon the licensed
31 owner conducting gambling.

32 (1) The admission tax shall be paid for each
33 admission.

1 (2) (Blank).

2 (3) The riverboat licensee may issue tax-free
3 passes to actual and necessary officials and employees of
4 the licensee or other persons actually working on the
5 riverboat.

6 (4) The number and issuance of tax-free passes is
7 subject to the rules of the Board, and a list of all
8 persons to whom the tax-free passes are issued shall be
9 filed with the Board.

10 (b) From the tax imposed under subsection (a), a
11 municipality shall receive from the State \$1 for each person
12 embarking on a riverboat docked within the municipality, and
13 a county shall receive \$1 for each person embarking on a
14 riverboat docked within the county but outside the boundaries
15 of any municipality. The municipality's or county's share
16 shall be collected by the Board on behalf of the State and
17 remitted quarterly by the State, subject to appropriation, to
18 the treasurer of the unit of local government for deposit in
19 the general fund.

20 (c) The licensed owner shall pay the entire admission
21 tax to the Board. Such payments shall be made daily.
22 Accompanying each payment shall be a return on forms provided
23 by the Board which shall include other information regarding
24 admissions as the Board may require. Failure to submit
25 either the payment or the return within the specified time
26 may result in suspension or revocation of the owners license.

27 (d) The Board shall administer and collect the admission
28 tax imposed by this Section, to the extent practicable, in a
29 manner consistent with the provisions of Sections 4, 5, 5a,
30 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9 and 10 of
31 the Retailers' Occupation Tax Act and Section 3-7 of the
32 Uniform Penalty and Interest Act.

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

1 (230 ILCS 10/13) (from Ch. 120, par. 2413)

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

3 (a) Until January 1, 1998, a tax is imposed on the
4 adjusted gross receipts received from gambling games
5 authorized under this Act at the rate of 20%.

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

12 15% of annual adjusted gross receipts up to and
13 including \$25,000,000;

14 20% of annual adjusted gross receipts in excess of
15 \$25,000,000 but not exceeding \$50,000,000;

16 25% of annual adjusted gross receipts in excess of
17 \$50,000,000 but not exceeding \$75,000,000;

18 30% of annual adjusted gross receipts in excess of
19 \$75,000,000 but not exceeding \$100,000,000;

20 35% of annual adjusted gross receipts in excess of
21 \$100,000,000.

22 (a-2) Beginning July 1, 2002, a privilege tax is imposed
23 on persons engaged in the business of conducting riverboat
24 gambling operations, based on the adjusted gross receipts
25 received by a licensed owner from gambling games authorized
26 under this Act at the following rates:

27 15% of annual adjusted gross receipts up to and
28 including \$25,000,000;

29 22.5% of annual adjusted gross receipts in excess of
30 \$25,000,000 but not exceeding \$50,000,000;

31 27.5% of annual adjusted gross receipts in excess of
32 \$50,000,000 but not exceeding \$75,000,000;

33 32.5% of annual adjusted gross receipts in excess of
34 \$75,000,000 but not exceeding \$100,000,000;

1 37.5% of annual adjusted gross receipts in excess of
2 \$100,000,000 but not exceeding \$150,000,000;

3 45% of annual adjusted gross receipts in excess of
4 \$150,000,000 but not exceeding \$200,000,000;

5 50% of annual adjusted gross receipts in excess of
6 \$200,000,000.

7 The privilege tax imposed under this subsection (a-2)
8 shall no longer be imposed or collected beginning on the
9 first date after the effective date of this amendatory Act
10 that riverboat gambling operations are conducted pursuant to
11 a dormant license. For the purposes of this subsection
12 (a-2), the term "dormant license" means an owners license
13 that is authorized by this Act under which no riverboat
14 gambling operations are being conducted on the effective date
15 of this amendatory Act of the 93rd General Assembly.

16 (a-3) Beginning on the first day on which the tax
17 imposed under subsection (a-2) is no longer imposed, a
18 privilege tax is imposed on persons engaged in the business
19 of conducting riverboat gambling operations, based on the
20 adjusted gross receipts received by a licensed owner from
21 gambling games authorized under this Act at the following
22 rates:

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

25 20% of annual adjusted gross receipts in excess of
26 \$25,000,000 but not exceeding \$50,000,000;

27 25% of annual adjusted gross receipts in excess of
28 \$50,000,000 but not exceeding \$75,000,000;

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

31 35% of annual adjusted gross receipts in excess of
32 \$100,000,000.

33 (a-10) The taxes imposed by this Section shall be paid
34 by the licensed owner to the Board not later than 3:00

1 o'clock p.m. of the day after the day when the wagers were
2 made.

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

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

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

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

30 (c-15) After the payments required under subsections
31 (b), (c), and (c-5) have been made, an amount equal to 2% of
32 the adjusted gross receipts of a riverboat (1) that relocates
33 pursuant to Section 11.2, or (2) for which an owners license
34 is initially issued after the effective date of this

1 amendatory Act of 1999, whichever comes first, shall be paid,
2 subject to appropriation from the General Assembly, from the
3 State Gaming Fund to each home rule county with a population
4 of over 3,000,000 inhabitants for the purpose of enhancing
5 the county's criminal justice system.

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

11 (c-25) After the payments required under subsections
12 (b), (c), (c-5) and (c-15) have been made, an amount equal to
13 2% of the adjusted gross receipts of a riverboat (1) that
14 relocates pursuant to Section 11.2, or (2) for which an
15 owners license is initially issued after the effective date
16 of this amendatory Act of 1999, whichever comes first, shall
17 be paid from the State Gaming Fund into the State
18 Universities Athletic Capital Improvement Fund.

19 (d) From time to time, the Board shall transfer the
20 remainder of the funds generated by this Act into the
21 Education Assistance Fund, created by Public Act 86-0018, of
22 the State of Illinois.

23 (e) Nothing in this Act shall prohibit the unit of local
24 government designated as the home dock of the riverboat from
25 entering into agreements with other units of local government
26 in this State or in other states to share its portion of the
27 tax revenue.

28 (f) To the extent practicable, the Board shall
29 administer and collect the wagering taxes imposed by this
30 Section in a manner consistent with the provisions of
31 Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b,
32 6c, 8, 9, and 10 of the Retailers' Occupation Tax Act and
33 Section 3-7 of the Uniform Penalty and Interest Act.

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

2 (230 ILCS 10/23) (from Ch. 120, par. 2423)

3 Sec. 23. The State Gaming Fund. On or after the
4 effective date of this Act, all of the fees and taxes
5 collected pursuant to subsections of this Act shall be
6 deposited into the State Gaming Fund, a special fund in the
7 State Treasury, which is hereby created. Beginning July 1,
8 2003, the first \$500,000 in fines and penalties collected
9 pursuant to this Act in each State fiscal year shall be
10 deposited into the General Revenue Fund and appropriated to
11 the Department of Human Services to be used for the treatment
12 of compulsive gambling pursuant to Section 5-20 of the
13 Alcoholism and other Drug Abuse and Dependency Act. Fines and
14 penalties collected in a fiscal year in excess of \$500,000
15 shall be deposited into the Education Assistance Fund,
16 created by Public Act 86-0018, of the State of Illinois.

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

18 Section 10. "An Act in relation to gambling, amending
19 named Acts", approved June 25, 1999, Public Act 91-40, is
20 amended by changing Section 30 as follows:

21 (P.A. 91-40, Sec. 30)

22 Sec. 30. Severability. If any provision of this Act
23 (Public Act 91-40) or the application thereof to any person
24 or circumstance is held invalid, that invalidity does not
25 affect the other provisions or applications of the Act which
26 can be given effect without the invalid application or
27 provision, and to this end the provisions of this Act are
28 severable. This severability applies without regard to
29 whether the action challenging the validity was brought
30 before the effective date of this amendatory Act of the 93rd
31 General Assembly.

1 Inseverability.---The-provisions-of-this-Act-are-mutually
2 dependent-and-inseverable.---If-any-provision-is-held--invalid
3 ether-than-as-applied-to-a-particular-person-or-circumstance,
4 then-this-entire-Act-is-invalid.

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

6 Section 99. Effective date. This Act takes effect upon
7 becoming law.