

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 and 13 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 \$5,000 license fee for each  
13 succeeding year and upon a determination by the Board that  
14 the applicant is eligible for an owners license pursuant to  
15 this Act and the rules of the Board. A person, firm or  
16 corporation is ineligible to receive an owners license if:

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

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

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

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

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

29 (6) the firm or corporation employs a person  
30 defined in (1), (2), (3) or (4) who participates in the  
31 management or operation of gambling operations authorized

1 under this Act;

2 (7) (blank); or

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

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

9 (1) the character, reputation, experience and  
10 financial integrity of the applicants and of any other or  
11 separate person that either:

12 (A) controls, directly or indirectly, such  
13 applicant, or

14 (B) is controlled, directly or indirectly, by  
15 such applicant or by a person which controls,  
16 directly or indirectly, such applicant;

17 (2) the facilities or proposed facilities for the  
18 conduct of riverboat gambling;

19 (3) the highest prospective total revenue to be  
20 derived by the State from the conduct of riverboat  
21 gambling;

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

25 (5) the financial ability of the applicant to  
26 purchase and maintain adequate liability and casualty  
27 insurance;

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

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

34 (c) Each owners license shall specify the place where

1 riverboats shall operate and dock.

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

4 (e) In addition to any licenses authorized under  
5 subsection (e-5), the Board may issue up to 10 licenses  
6 authorizing the holders of such licenses to own riverboats.  
7 In the application for an owners license, the applicant shall  
8 state the dock at which the riverboat is based and the water  
9 on which the riverboat will be located. The Board shall  
10 issue 5 licenses to become effective not earlier than January  
11 1, 1991. Three of such licenses shall authorize riverboat  
12 gambling on the Mississippi River, one of which shall  
13 authorize riverboat gambling from a home dock in the city of  
14 East St. Louis, and one of which shall authorize riverboat  
15 gambling on the Mississippi River or in a municipality that  
16 (1) borders on the Mississippi River or is within 5 miles of  
17 the city limits of a municipality that borders on the  
18 Mississippi River and (2) on the effective date of this  
19 amendatory Act of the 92nd General Assembly has a riverboat  
20 conducting riverboat gambling operations pursuant to a  
21 license issued under this Act. One other license shall  
22 authorize riverboat gambling on the Illinois River south of  
23 Marshall County. The Board shall issue one additional  
24 license to become effective not earlier than March 1, 1992,  
25 which shall authorize riverboat gambling on the Des Plaines  
26 River in Will County. The Board may issue 4 additional  
27 licenses to become effective not earlier than March 1, 1992.  
28 In determining the water upon which riverboats will operate,  
29 the Board shall consider the economic benefit which riverboat  
30 gambling confers on the State, and shall seek to assure that  
31 all regions of the State share in the economic benefits of  
32 riverboat gambling.

33 In granting all licenses, the Board may give favorable  
34 consideration to economically depressed areas of the State,

1 to applicants presenting plans which provide for significant  
2 economic development over a large geographic area, and to  
3 applicants who currently operate non-gambling riverboats in  
4 Illinois. The Board shall review all applications for owners  
5 licenses, and shall inform each applicant of the Board's  
6 decision.

7 (e-5) In addition to licenses authorized under  
8 subsection (e), the Board may issue one owners license to  
9 authorizing the conduct of riverboat gambling operations from  
10 a home dock in the City of East St. Louis. The ownership of a  
11 license issued under this subsection (e-5) shall be  
12 constituted of at least 51% minority person ownership and at  
13 least 25% local person ownership. For the purposes of this  
14 subsection (e-5), the term "minority person" has the meaning  
15 provided in Section 2 of the Business Enterprise for  
16 Minorities, Females, and Persons with Disabilities Act and  
17 the term "local person" means a person whose primary  
18 residence is in Madison or St. Clair County or a corporation  
19 or firm that has its primary place of business in Madison or  
20 St. Clair County.

21 (e-10) The Board may revoke the owners license of a  
22 licensee which fails to begin conducting gambling within 15  
23 months of receipt of the Board's approval of the application  
24 if the Board determines that license revocation is in the  
25 best interests of the State.

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

32 (g) Upon the termination, expiration, or revocation of  
33 each owners license ~~of the first-10 licenses~~, which shall be  
34 issued for a 3 year period, all licenses are renewable

1 annually upon payment of the fee and a determination by the  
2 Board that the licensee continues to meet all of the  
3 requirements of this Act and the Board's rules. However, for  
4 licenses renewed on or after May 1, 1998, renewal shall be  
5 for a period of 4 years, unless the Board sets a shorter  
6 period.

7 (h) An owners license shall entitle the licensee to own  
8 up to 2 riverboats. A licensee shall limit the number of  
9 gambling participants to 1,200 for any such owners license. A  
10 licensee may operate both of its riverboats concurrently,  
11 provided that the total number of gambling participants on  
12 both riverboats does not exceed 1,200. Riverboats licensed to  
13 operate on the Mississippi River and the Illinois River south  
14 of Marshall County shall have an authorized capacity of at  
15 least 500 persons. Any other riverboat licensed under this  
16 Act shall have an authorized capacity of at least 400  
17 persons.

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

27 (j) The Board may issue a license authorizing a  
28 riverboat to dock in a municipality or approve a relocation  
29 under Section 11.2 only if, prior to the issuance of the  
30 license or approval, the governing body of the municipality  
31 in which the riverboat will dock has by a majority vote  
32 approved the docking of riverboats in the municipality. The  
33 Board may issue a license authorizing a riverboat to dock in  
34 areas of a county outside any municipality or approve a

1 relocation under Section 11.2 only if, prior to the issuance  
 2 of the license or approval, the governing body of the county  
 3 has by a majority vote approved of the docking of riverboats  
 4 within such areas.

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

6 (230 ILCS 10/13) (from Ch. 120, par. 2413)

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

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

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

16 15% of annual adjusted gross receipts up to and  
 17 including \$25,000,000;

18 20% of annual adjusted gross receipts in excess of  
 19 \$25,000,000 but not exceeding \$50,000,000;

20 25% of annual adjusted gross receipts in excess of  
 21 \$50,000,000 but not exceeding \$75,000,000;

22 30% of annual adjusted gross receipts in excess of  
 23 \$75,000,000 but not exceeding \$100,000,000;

24 35% of annual adjusted gross receipts in excess of  
 25 \$100,000,000.

26 Beginning July 1, 2002, a privilege tax is imposed on  
 27 persons engaged in the business of conducting riverboat  
 28 gambling operations, based on the adjusted gross receipts  
 29 received by a licensed owner from gambling games authorized  
 30 under this Act at the following rates:

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

33 22.5% of annual adjusted gross receipts in excess of

- 1           \$25,000,000 but not exceeding \$50,000,000;
- 2                   27.5% of annual adjusted gross receipts in excess of
- 3           \$50,000,000 but not exceeding \$75,000,000;
- 4                   32.5% of annual adjusted gross receipts in excess of
- 5           \$75,000,000 but not exceeding \$100,000,000;
- 6                   37.5% of annual adjusted gross receipts in excess of
- 7           \$100,000,000 but not exceeding \$150,000,000;
- 8                   45% of annual adjusted gross receipts in excess of
- 9           \$150,000,000 but not exceeding \$200,000,000;
- 10                  50% of annual adjusted gross receipts in excess of
- 11           \$200,000,000.

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

15           (b) Until January 1, 1998, 25% of the tax revenue  
16 deposited in the State Gaming Fund under this Section shall  
17 be paid, subject to appropriation by the General Assembly, to  
18 the unit of local government which is designated as the home  
19 dock of the riverboat. Beginning January 1, 1998, from the  
20 tax revenue deposited in the State Gaming Fund under this  
21 Section, an amount equal to 5% of adjusted gross receipts  
22 generated by a riverboat shall be paid monthly, subject to  
23 appropriation by the General Assembly, to the unit of local  
24 government that is designated as the home dock of the  
25 riverboat.

26           (c) Appropriations, as approved by the General Assembly,  
27 may be made from the State Gaming Fund to the Department of  
28 Revenue and the Department of State Police for the  
29 administration and enforcement of this Act.

30           (c-5) After the payments required under subsections (b)  
31 and (c) have been made, an amount equal to 15% of the  
32 adjusted gross receipts of a licensee, other than a licensee  
33 that receives an owners license under subsection (e-5) of  
34 Section 7, riverboat (1) that relocates pursuant to Section

1 11.2, or (2) for which an owners license is initially issued  
2 after the effective date of this amendatory Act of 1999,  
3 whichever comes first, shall be paid from the State Gaming  
4 Fund into the Horse Racing Equity Fund.

5 (c-10) Each year the General Assembly shall appropriate  
6 from the General Revenue Fund to the Education Assistance  
7 Fund an amount equal to the amount paid into the Horse Racing  
8 Equity Fund pursuant to subsection (c-5) in the prior  
9 calendar year.

10 (c-15) After the payments required under subsections  
11 (b), (c), and (c-5) have been made, an amount equal to 2% of  
12 the adjusted gross receipts of a licensee, other than a  
13 licensee that receives an owners license under subsection  
14 (e-5) of Section 7, riverbeat (1) that relocates pursuant to  
15 Section 11.2, or (2) for which an owners license is initially  
16 issued after the effective date of this amendatory Act of  
17 1999, whichever comes first, shall be paid, subject to  
18 appropriation from the General Assembly, from the State  
19 Gaming Fund to each home rule county with a population of  
20 over 3,000,000 inhabitants for the purpose of enhancing the  
21 county's criminal justice system.

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

27 (c-25) After the payments required under subsections  
28 (b), (c), (c-5) and (c-15) have been made, an amount equal to  
29 2% of the adjusted gross receipts of a licensee, other than a  
30 licensee that receives an owners license under subsection  
31 (e-5) of Section 7, riverbeat (1) that relocates pursuant to  
32 Section 11.2, or (2) for which an owners license is initially  
33 issued after the effective date of this amendatory Act of  
34 1999, whichever comes first, shall be paid from the State



1 Gaming Fund into the State Universities Athletic Capital  
2 Improvement Fund.

3 (c-30) After the payments required under subsections (b)  
4 and (c) have been made, an amount equal to 1% of the adjusted  
5 gross receipts of a licensee that receives an owners license  
6 under subsection (e-5) shall be paid, subject to  
7 appropriation by the General Assembly, from the State Gaming  
8 Fund to each of the following municipalities:

- 9 (1) Alorton;
- 10 (2) Brooklyn;
- 11 (3) Cahokia;
- 12 (4) Centerville;
- 13 (5) Venice; and
- 14 (6) Washington Park.

15 (c-35) Each year the General Assembly shall appropriate  
16 from the General Revenue Fund to the Education Assistance  
17 Fund an amount equal to the amount paid to municipalities  
18 under subsection (c-30) in the prior calendar year.

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.

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

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