

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

32 In granting all licenses, the Board may give favorable
33 consideration to economically depressed areas of the State,
34 to applicants presenting plans which provide for significant

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

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

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

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

25 (h) An owners license shall entitle the licensee to own
26 up to 2 riverboats. A licensee shall limit the number of
27 gambling participants to 2,000 ~~1,720~~ for any such owners
28 license. A licensee may operate both of its riverboats
29 concurrently, provided that the total number of gambling
30 participants on both riverboats does not exceed 2,000 ~~1,720~~.
31 Riverboats licensed to operate on the Mississippi River and
32 the Illinois River south of Marshall County shall have an
33 authorized capacity of at least 500 persons. Any other
34 riverboat licensed under this Act shall have an authorized

1 capacity of at least 400 persons.

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

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

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

24 (230 ILCS 10/13) (from Ch. 120, par. 2413)

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

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

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

1 15% of annual adjusted gross receipts up to and
2 including \$25,000,000;

3 20% of annual adjusted gross receipts in excess of
4 \$25,000,000 but not exceeding \$50,000,000;

5 25% of annual adjusted gross receipts in excess of
6 \$50,000,000 but not exceeding \$75,000,000;

7 30% of annual adjusted gross receipts in excess of
8 \$75,000,000 but not exceeding \$100,000,000;

9 35% of annual adjusted gross receipts in excess of
10 \$100,000,000.

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

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

18 22.5% of annual adjusted gross receipts in excess of
19 \$25,000,000 but not exceeding \$50,000,000;

20 27.5% of annual adjusted gross receipts in excess of
21 \$50,000,000 but not exceeding \$75,000,000;

22 32.5% of annual adjusted gross receipts in excess of
23 \$75,000,000 but not exceeding \$100,000,000;

24 37.5% of annual adjusted gross receipts in excess of
25 \$100,000,000 but not exceeding \$150,000,000;

26 45% of annual adjusted gross receipts in excess of
27 \$150,000,000 but not exceeding \$200,000,000;

28 50% of annual adjusted gross receipts in excess of
29 \$200,000,000.

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

33 (b) Until January 1, 1998, 25% of the tax revenue
34 deposited in the State Gaming Fund under this Section shall

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

10 (c) Appropriations, as approved by the General Assembly,
11 may be made from the State Gaming Fund to the Department of
12 Revenue and the Department of State Police for the
13 administration and enforcement of this Act.

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

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

26 (c-15) After the payments required under subsections
27 (b), (c), and (c-5) have been made, an amount equal to 2% of
28 the adjusted gross receipts of a riverboat (1) that relocates
29 pursuant to Section 11.2, or (2) for which an owners license
30 is initially issued after the effective date of this
31 amendatory Act of 1999, whichever comes first, shall be paid,
32 subject to appropriation from the General Assembly, from the
33 State Gaming Fund to each home rule county with a population
34 of over 3,000,000 inhabitants for the purpose of enhancing

1 the county's criminal justice system.

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

7 (c-25) After the payments required under subsections
8 (b), (c), (c-5) and (c-15) have been made, an amount equal to
9 2% of the adjusted gross receipts of a riverboat (1) that
10 relocates pursuant to Section 11.2, or (2) for which an
11 owners license is initially issued after the effective date
12 of this amendatory Act of 1999, whichever comes first, shall
13 be paid from the State Gaming Fund into the State
14 Universities Athletic Capital Improvement Fund.

15 (c-30) After the payments required under subsections (b),
16 (c), (c-5), (c-15), and (c-25) have been made, an aggregate
17 amount equal to 1% of the adjusted gross receipts of a
18 riverboat less an amount equal to the amount paid to the unit
19 of local government that is designated as the home dock of
20 the riverboat pursuant to subsection (b), shall be paid
21 monthly, subject to appropriation by the General Assembly,
22 from the State Gaming Fund to blighted municipalities other
23 than the municipality in which the riverboat docks, if the
24 riverboat docks within the boundaries of a municipality, that
25 are located in the county in which the riverboat docks based
26 on the proportion that the population of each of those
27 blighted municipalities bears to the total population of
28 blighted municipalities in the county, other than the home
29 dock municipality. For the purpose of this subsection (c-30),
30 the term "blighted municipality" means a municipality that is
31 in the bottom 10% of all the municipalities in the county in
32 average median income or employment rate.

33 (d) From time to time, the Board shall transfer the
34 remainder of the funds generated by this Act into the

1 Education Assistance Fund, created by Public Act 86-0018, of
2 the State of Illinois.

3 (e) Nothing in this Act shall prohibit the unit of local
4 government designated as the home dock of the riverboat from
5 entering into agreements with other units of local government
6 in this State or in other states to share its portion of the
7 tax revenue.

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

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