



Rep. Robert S. Molaro

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LRB094 02935 AMC 58281 a

1 AMENDMENT TO HOUSE BILL 1918

2 AMENDMENT NO. _____. Amend House Bill 1918 by replacing
3 everything after the enacting clause with the following:

4 "Section 1. Findings. The legislature makes all of the
5 following findings:

6 (1) That riverboat gaming has had a negative impact on
7 horse racing. From 1992, the first full year of riverboat
8 operations, through 2005, Illinois on-track wagering has
9 decreased by 42% from \$835 million to \$482 million.

10 (2) That this decrease in wagering has negatively
11 impacted purses for Illinois racing, which has hurt the
12 State's breeding industry. Between 1991 and 2004 the number
13 of foals registered with the Department of Agriculture has
14 decreased by more than 46% from 3,529 to 1,891.

15 (3) That the decline of the Illinois horseracing and
16 breeding program, a \$2.5 billion industry, would be
17 reversed if this amendatory Act of the 94th General
18 Assembly was enacted. By requiring that riverboats agree to
19 pay 3% of their gross revenue into the Horse Racing Equity
20 Trust Fund, total purses in the State may increase by 50%,
21 helping Illinois tracks to better compete with those in
22 other states. Illinois currently ranks thirteenth
23 nationally in terms of its purse size; the change would
24 propel the State to second or third.

25 (4) That Illinois agriculture and other businesses

1 that support and supply the horse racing industry, already
2 a sector that employees over 37,000 Illinoisans, also stand
3 to substantially benefit and would be much more likely to
4 create additional jobs should Illinois horse racing once
5 again become competitive with other states.

6 (5) That the 3% of gross revenues this amendatory Act
7 of the 94th General Assembly will contribute to the horse
8 racing industry will benefit that important industry for
9 Illinois farmers, breeders, and fans of horseracing and
10 will begin to address the negative impact riverboat gaming
11 has had on Illinois horseracing.

12 Section 5. The State Finance Act is amended by changing
13 Section 8h as follows:

14 (30 ILCS 105/8h)

15 Sec. 8h. Transfers to General Revenue Fund.

16 (a) Except as provided in subsection (b), notwithstanding
17 any other State law to the contrary, the Governor may, through
18 June 30, 2007, from time to time direct the State Treasurer and
19 Comptroller to transfer a specified sum from any fund held by
20 the State Treasurer to the General Revenue Fund in order to
21 help defray the State's operating costs for the fiscal year.
22 The total transfer under this Section from any fund in any
23 fiscal year shall not exceed the lesser of (i) 8% of the
24 revenues to be deposited into the fund during that fiscal year
25 or (ii) an amount that leaves a remaining fund balance of 25%
26 of the July 1 fund balance of that fiscal year. In fiscal year
27 2005 only, prior to calculating the July 1, 2004 final
28 balances, the Governor may calculate and direct the State
29 Treasurer with the Comptroller to transfer additional amounts
30 determined by applying the formula authorized in Public Act
31 93-839 to the funds balances on July 1, 2003. No transfer may
32 be made from a fund under this Section that would have the

1 effect of reducing the available balance in the fund to an
2 amount less than the amount remaining unexpended and unreserved
3 from the total appropriation from that fund estimated to be
4 expended for that fiscal year. This Section does not apply to
5 any funds that are restricted by federal law to a specific use,
6 to any funds in the Motor Fuel Tax Fund, the Intercity
7 Passenger Rail Fund, the Hospital Provider Fund, the Medicaid
8 Provider Relief Fund, the Teacher Health Insurance Security
9 Fund, the Reviewing Court Alternative Dispute Resolution Fund,
10 ~~or~~ the Voters' Guide Fund, the Foreign Language Interpreter
11 Fund, the Lawyers' Assistance Program Fund, the Supreme Court
12 Federal Projects Fund, the Supreme Court Special State Projects
13 Fund, ~~or~~ the Low-Level Radioactive Waste Facility Development
14 and Operation Fund, the Horse Racing Equity Trust Fund, or the
15 Hospital Basic Services Preservation Fund, or to any funds to
16 which subsection (f) of Section 20-40 of the Nursing and
17 Advanced Practice Nursing Act applies. No transfers may be made
18 under this Section from the Pet Population Control Fund.
19 Notwithstanding any other provision of this Section, for fiscal
20 year 2004, the total transfer under this Section from the Road
21 Fund or the State Construction Account Fund shall not exceed
22 the lesser of (i) 5% of the revenues to be deposited into the
23 fund during that fiscal year or (ii) 25% of the beginning
24 balance in the fund. For fiscal year 2005 through fiscal year
25 2007, no amounts may be transferred under this Section from the
26 Road Fund, the State Construction Account Fund, the Criminal
27 Justice Information Systems Trust Fund, the Wireless Service
28 Emergency Fund, or the Mandatory Arbitration Fund.

29 In determining the available balance in a fund, the
30 Governor may include receipts, transfers into the fund, and
31 other resources anticipated to be available in the fund in that
32 fiscal year.

33 The State Treasurer and Comptroller shall transfer the
34 amounts designated under this Section as soon as may be

1 practicable after receiving the direction to transfer from the
2 Governor.

3 (b) This Section does not apply to: (i) the Ticket For The
4 Cure Fund; (ii) ~~or to~~ any fund established under the Community
5 Senior Services and Resources Act; or (iii) ~~(ii)~~ on or after
6 January 1, 2006 (the effective date of Public Act 94-511) ~~this~~
7 ~~amendatory Act of the 94th General Assembly~~, the Child Labor
8 and Day and Temporary Labor Enforcement Fund.

9 (c) This Section does not apply to the Demutualization
10 Trust Fund established under the Uniform Disposition of
11 Unclaimed Property Act.

12 (d) ~~(e)~~ This Section does not apply to moneys set aside in
13 the Illinois State Podiatric Disciplinary Fund for podiatric
14 scholarships and residency programs under the Podiatric
15 Scholarship and Residency Act.

16 (Source: P.A. 93-32, eff. 6-20-03; 93-659, eff. 2-3-04; 93-674,
17 eff. 6-10-04; 93-714, eff. 7-12-04; 93-801, eff. 7-22-04;
18 93-839, eff. 7-30-04; 93-1054, eff. 11-18-04; 93-1067, eff.
19 1-15-05; 94-91, eff. 7-1-05; 94-120, eff. 7-6-05; 94-511, eff.
20 1-1-06; 94-535, eff. 8-10-05; 94-639, eff. 8-22-05; 94-645,
21 eff. 8-22-05; 94-648, eff. 1-1-06; 94-686, eff. 11-2-05;
22 94-691, eff. 11-2-05; 94-726, eff. 1-20-06; revised 1-23-06.)

23 Section 10. The Illinois Horse Racing Act of 1975 is
24 amended by changing Section 54 as follows:

25 (230 ILCS 5/54)

26 Sec. 54. Horse Racing Equity Trust Fund.

27 (a) There is created ~~in the State Treasury~~ a Fund to be
28 known as the Horse Racing Equity Trust Fund, which is a
29 non-appropriated trust fund held separate and apart from State
30 moneys. The Fund shall consist of moneys paid into it by owners
31 licensees under ~~pursuant to subsection (c-5) of Section 13 of~~
32 the Riverboat Gambling Act for the purposes described in this

1 Section. The Fund shall be administered by the Board. Moneys in
2 the Fund shall be distributed as directed and certified by the
3 Board in accordance with the provisions of subsection (b) ~~the~~
4 Racing Board.

5 (b) The moneys deposited into the Fund, plus any accrued
6 interest on those moneys, shall be distributed ~~by the State~~
7 ~~Treasurer~~ within 10 days after those moneys are deposited into
8 the Fund as follows:

9 (1) Sixty percent ~~Fifty percent~~ of all moneys
10 distributed under this subsection shall be distributed to
11 organization licensees to be distributed at their race
12 meetings as purses. Fifty-seven percent of the amount
13 distributed under this paragraph (1) shall be distributed
14 for thoroughbred race meetings and 43% shall be distributed
15 for standardbred race meetings. Within each breed, moneys
16 shall be allocated to each organization licensee's purse
17 fund in accordance with the ratio between the purses
18 generated for that breed by that licensee during the prior
19 calendar year and the total purses generated throughout the
20 State for that breed during the prior calendar year by
21 licensees in the current calendar year.

22 (2) The remaining 40% ~~50%~~ of the moneys distributed
23 under this subsection (b) shall be distributed as follows:

24 (A) 11% shall be distributed to any person (or its
25 successors or assigns) who had operating control of a
26 racetrack that conducted live racing in 2002 at a
27 racetrack in a county with at least 230,000 inhabitants
28 that borders the Mississippi River and is a licensee in
29 the current year; and

30 (B) the remaining 89% shall be distributed pro rata
31 according to the aggregate proportion of total
32 ~~state-wide~~ handle from wagering on live races
33 conducted in Illinois (irrespective of where the
34 wagers are placed) for calendar years 2004 and 2005 ~~at~~

1 ~~the racetrack, inter track, and inter track wagering~~
2 ~~locations that derive their licenses from a racetrack~~
3 ~~identified in this paragraph (2) for calendar years~~
4 ~~1994, 1996, and 1997 to (i) any person (or its~~
5 ~~successors or assigns) who (i) had majority operating~~
6 ~~control of a racing facility at which live racing was~~
7 ~~conducted in calendar year 2002, (ii) 1997 and who has~~
8 ~~operating control of an organization licensee that~~
9 ~~conducted racing in calendar year 1997 and is a~~
10 ~~licensee in the current year, and (iii) is not eligible~~
11 ~~to receive moneys under subparagraph (A) of this~~
12 ~~paragraph (2).~~

13 The moneys received by an organization licensee
14 under this paragraph (2) shall be used by each
15 organization licensee to improve, maintain, market,
16 and otherwise operate its racing facilities to conduct
17 live racing, which shall include backstretch services
18 and capital improvements related to live racing and the
19 backstretch. Any organization licensees sharing common
20 ownership may pool the moneys received and spent at all
21 racing facilities commonly owned in order to meet these
22 requirements., or (ii) any person (or its successors or
23 assigns) who has operating control of a racing facility
24 located in a county that is bounded by the Mississippi
25 River that has a population of less than 150,000
26 according to the 1990 decennial census and conducted an
27 average of 60 days of racing per year between 1985 and
28 1993 and has been awarded an inter track wagering
29 license in the current year.

30 If any person identified in this paragraph (2) becomes
31 ineligible to receive moneys from the Fund, such amount
32 shall be redistributed among the remaining persons in
33 proportion to their percentages otherwise calculated.

34 (c) The Board shall monitor organization licensees to

1 ensure that moneys paid to organization licensees under this
2 Section are distributed by the organization licensees as
3 provided in subsection (b).

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

5 Section 15. The Riverboat Gambling Act is amended by
6 changing Sections 7, 13, and 23 as follows:

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

8 Sec. 7. Owners Licenses.

9 (a) The Board shall issue owners licenses to persons, firms
10 or corporations which apply for such licenses upon payment to
11 the Board of the non-refundable license fee set by the Board,
12 upon payment of a \$25,000 license fee for the first year of
13 operation and a \$5,000 license fee for each succeeding year and
14 upon a determination by the Board that the applicant is
15 eligible for an owners license pursuant to this Act and the
16 rules of the Board. As a condition of licensure and as a
17 successor source of payment for those funds previously payable
18 under subsection (c-5) of Section 13 of the Riverboat Gambling
19 Act, any owners licensee that holds or receives its owners
20 license on or after the effective date of this amendatory Act
21 of the 94th General Assembly, other than an owners licensee
22 operating a riverboat with adjusted gross receipts in calendar
23 year 2004 of less than \$200,000,000, must pay into the Horse
24 Racing Equity Trust Fund, in addition to any other payments
25 required under this Act, an amount equal to 3% of the adjusted
26 gross receipts received by the owners licensee. The payments
27 required under this Section shall be made by the owners
28 licensee to the State Treasurer no later than 3:00 o'clock p.m.
29 of the day after the day when the adjusted gross receipts were
30 received by the owners licensee. A person, firm or corporation
31 is ineligible to receive an owners license if:

32 (1) the person has been convicted of a felony under the

1 laws of this State, any other state, or the United States;

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

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

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

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

11 (6) the firm or corporation employs a person defined in
12 (1), (2), (3) or (4) who participates in the management or
13 operation of gambling operations authorized under this
14 Act;

15 (7) (blank); or

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

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

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

24 (A) controls, directly or indirectly, such
25 applicant, or

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

29 (2) the facilities or proposed facilities for the
30 conduct of riverboat gambling;

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

33 (4) the extent to which the ownership of the applicant
34 reflects the diversity of the State by including minority

1 persons and females and the good faith affirmative action
2 plan of each applicant to recruit, train and upgrade
3 minority persons and females in all employment
4 classifications;

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

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

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

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

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

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

18 (e) The Board may issue up to 10 licenses authorizing the
19 holders of such licenses to own riverboats. In the application
20 for an owners license, the applicant shall state the dock at
21 which the riverboat is based and the water on which the
22 riverboat will be located. The Board shall issue 5 licenses to
23 become effective not earlier than January 1, 1991. Three of
24 such licenses shall authorize riverboat gambling on the
25 Mississippi River, or, with approval by the municipality in
26 which the riverboat was docked on August 7, 2003 and with Board
27 approval, be authorized to relocate to a new location, in a
28 municipality that (1) borders on the Mississippi River or is
29 within 5 miles of the city limits of a municipality that
30 borders on the Mississippi River and (2), on August 7, 2003,
31 had a riverboat conducting riverboat gambling operations
32 pursuant to a license issued under this Act; one of which shall
33 authorize riverboat gambling from a home dock in the city of
34 East St. Louis. One other license shall authorize riverboat

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

11 In granting all licenses, the Board may give favorable
12 consideration to economically depressed areas of the State, to
13 applicants presenting plans which provide for significant
14 economic development over a large geographic area, and to
15 applicants who currently operate non-gambling riverboats in
16 Illinois. The Board shall review all applications for owners
17 licenses, and shall inform each applicant of the Board's
18 decision. The Board may grant an owners license to an applicant
19 that has not submitted the highest license bid, but if it does
20 not select the highest bidder, the Board shall issue a written
21 decision explaining why another applicant was selected and
22 identifying the factors set forth in this Section that favored
23 the winning bidder.

24 In addition to any other revocation powers granted to the
25 Board under this Act, the Board may revoke the owners license
26 of a licensee which fails to begin conducting gambling within
27 15 months of receipt of the Board's approval of the application
28 if the Board determines that license revocation is in the best
29 interests of the State.

30 (f) The first 10 owners licenses issued under this Act
31 shall permit the holder to own up to 2 riverboats and equipment
32 thereon for a period of 3 years after the effective date of the
33 license. Holders of the first 10 owners licenses must pay the
34 annual license fee for each of the 3 years during which they

1 are authorized to own riverboats.

2 (g) Upon the termination, expiration, or revocation of each
3 of the first 10 licenses, which shall be issued for a 3 year
4 period, all licenses are renewable annually upon payment of the
5 fee and a determination by the Board that the licensee
6 continues to meet all of the requirements of this Act and the
7 Board's rules. However, for licenses renewed on or after May 1,
8 1998, renewal shall be for a period of 4 years, unless the
9 Board sets a shorter period.

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

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

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

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

7 (Source: P.A. 93-28, eff. 6-20-03; 93-453, eff. 8-7-03; 94-667,
8 eff. 8-23-05.)

9 (230 ILCS 10/13) (from Ch. 120, par. 2413)

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

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

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

19 15% of annual adjusted gross receipts up to and
20 including \$25,000,000;

21 20% of annual adjusted gross receipts in excess of
22 \$25,000,000 but not exceeding \$50,000,000;

23 25% of annual adjusted gross receipts in excess of
24 \$50,000,000 but not exceeding \$75,000,000;

25 30% of annual adjusted gross receipts in excess of
26 \$75,000,000 but not exceeding \$100,000,000;

27 35% of annual adjusted gross receipts in excess of
28 \$100,000,000.

29 (a-2) From July 1, 2002 until July 1, 2003, a privilege tax
30 is imposed on persons engaged in the business of conducting
31 riverboat gambling operations, other than licensed managers
32 conducting riverboat gambling operations on behalf of the
33 State, based on the adjusted gross receipts received by a

1 licensed owner from gambling games authorized under this Act at
2 the following rates:

3 15% of annual adjusted gross receipts up to and
4 including \$25,000,000;

5 22.5% of annual adjusted gross receipts in excess of
6 \$25,000,000 but not exceeding \$50,000,000;

7 27.5% of annual adjusted gross receipts in excess of
8 \$50,000,000 but not exceeding \$75,000,000;

9 32.5% of annual adjusted gross receipts in excess of
10 \$75,000,000 but not exceeding \$100,000,000;

11 37.5% of annual adjusted gross receipts in excess of
12 \$100,000,000 but not exceeding \$150,000,000;

13 45% of annual adjusted gross receipts in excess of
14 \$150,000,000 but not exceeding \$200,000,000;

15 50% of annual adjusted gross receipts in excess of
16 \$200,000,000.

17 (a-3) Beginning July 1, 2003, a privilege tax is imposed on
18 persons engaged in the business of conducting riverboat
19 gambling operations, other than licensed managers conducting
20 riverboat gambling operations on behalf of the State, based on
21 the adjusted gross receipts received by a licensed owner from
22 gambling games authorized under this Act at the following
23 rates:

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

26 27.5% of annual adjusted gross receipts in excess of
27 \$25,000,000 but not exceeding \$37,500,000;

28 32.5% of annual adjusted gross receipts in excess of
29 \$37,500,000 but not exceeding \$50,000,000;

30 37.5% of annual adjusted gross receipts in excess of
31 \$50,000,000 but not exceeding \$75,000,000;

32 45% of annual adjusted gross receipts in excess of
33 \$75,000,000 but not exceeding \$100,000,000;

34 50% of annual adjusted gross receipts in excess of

1 \$100,000,000 but not exceeding \$250,000,000;

2 70% of annual adjusted gross receipts in excess of
3 \$250,000,000.

4 An amount equal to the amount of wagering taxes collected
5 under this subsection (a-3) that are in addition to the amount
6 of wagering taxes that would have been collected if the
7 wagering tax rates under subsection (a-2) were in effect shall
8 be paid into the Common School Fund.

9 The privilege tax imposed under this subsection (a-3) shall
10 no longer be imposed beginning on the earlier of (i) July 1,
11 2005; (ii) the first date after June 20, 2003 that riverboat
12 gambling operations are conducted pursuant to a dormant
13 license; or (iii) the first day that riverboat gambling
14 operations are conducted under the authority of an owners
15 license that is in addition to the 10 owners licenses initially
16 authorized under this Act. For the purposes of this subsection
17 (a-3), the term "dormant license" means an owners license that
18 is authorized by this Act under which no riverboat gambling
19 operations are being conducted on June 20, 2003.

20 (a-4) Beginning on the first day on which the tax imposed
21 under subsection (a-3) is no longer imposed, a privilege tax is
22 imposed on persons engaged in the business of conducting
23 riverboat gambling operations, other than licensed managers
24 conducting riverboat gambling operations on behalf of the
25 State, based on the adjusted gross receipts received by a
26 licensed owner from gambling games authorized under this Act at
27 the following rates:

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

30 22.5% of annual adjusted gross receipts in excess of
31 \$25,000,000 but not exceeding \$50,000,000;

32 27.5% of annual adjusted gross receipts in excess of
33 \$50,000,000 but not exceeding \$75,000,000;

34 32.5% of annual adjusted gross receipts in excess of

1 \$75,000,000 but not exceeding \$100,000,000;

2 37.5% of annual adjusted gross receipts in excess of
3 \$100,000,000 but not exceeding \$150,000,000;

4 45% of annual adjusted gross receipts in excess of
5 \$150,000,000 but not exceeding \$200,000,000;

6 50% of annual adjusted gross receipts in excess of
7 \$200,000,000.

8 (a-8) Riverboat gambling operations conducted by a
9 licensed manager on behalf of the State are not subject to the
10 tax imposed under this Section.

11 (a-10) The taxes imposed by this Section shall be paid by
12 the licensed owner to the Board not later than 3:00 o'clock
13 p.m. of the day after the day when the wagers were made.

14 (a-15) If the privilege tax imposed under subsection (a-3)
15 is no longer imposed pursuant to item (i) of the last paragraph
16 of subsection (a-3), then by June 15 of each year, each owners
17 licensee, other than an owners licensee that admitted 1,000,000
18 persons or fewer in calendar year 2004, must, in addition to
19 the payment of all amounts otherwise due under this Section,
20 pay to the Board the amount, if any, by which the base amount
21 for the licensed owner exceeds the amount of tax paid under
22 this Section by the licensed owner in the then current State
23 fiscal year. The obligation imposed by this subsection (a-15)
24 is binding on any person, firm, corporation, or other entity
25 that acquires an ownership interest in any such owners license.
26 The obligation imposed under this subsection (a-15) terminates
27 on the earliest of: (i) July 1, 2007, (ii) the first day after
28 the effective date of this amendatory Act of the 94th General
29 Assembly that riverboat gambling operations are conducted
30 pursuant to a dormant license, (iii) the first day that
31 riverboat gambling operations are conducted under the
32 authority of an owners license that is in addition to the 10
33 owners licenses initially authorized under this Act, or (iv)
34 the first day that a licensee under the Illinois Horse Racing

1 Act of 1975 conducts gaming operations with slot machines or
2 other electronic gaming devices. The Board must reduce the
3 obligation imposed under this subsection (a-15) by an amount
4 the Board deems reasonable for any of the following reasons:
5 (A) an act or acts of God, (B) an act of bioterrorism or
6 terrorism or a bioterrorism or terrorism threat that was
7 investigated by a law enforcement agency, or (C) a condition
8 beyond the control of the owners licensee that does not result
9 from any act or omission by the owners licensee or any of its
10 agents and that poses a hazardous threat to the health and
11 safety of patrons. If an owners licensee pays an amount in
12 excess of its liability under this Section, the Board shall
13 apply the overpayment to future payments required under this
14 Section.

15 For purposes of this subsection (a-15):

16 "Act of God" means an incident caused by the operation of
17 an extraordinary force that cannot be foreseen, that cannot be
18 avoided by the exercise of due care, and for which no person
19 can be held liable.

20 "Base amount" means the following:

21 For a riverboat in Alton, \$31,000,000.

22 For a riverboat in East Peoria, \$43,000,000.

23 For the Empress riverboat in Joliet, \$86,000,000.

24 For a riverboat in Metropolis, \$45,000,000.

25 For the Harrah's riverboat in Joliet, \$114,000,000.

26 For a riverboat in Aurora, \$86,000,000.

27 For a riverboat in East St. Louis, \$48,500,000.

28 For a riverboat in Elgin, \$198,000,000.

29 "Dormant license" has the meaning ascribed to it in
30 subsection (a-3).

31 (b) Until January 1, 1998, 25% of the tax revenue deposited
32 in the State Gaming Fund under this Section shall be paid,
33 subject to appropriation by the General Assembly, to the unit
34 of local government which is designated as the home dock of the

1 riverboat. Beginning January 1, 1998, from the tax revenue
2 deposited in the State Gaming Fund under this Section, an
3 amount equal to 5% of adjusted gross receipts generated by a
4 riverboat shall be paid monthly, subject to appropriation by
5 the General Assembly, to the unit of local government that is
6 designated as the home dock of the riverboat. From the tax
7 revenue deposited in the State Gaming Fund pursuant to
8 riverboat gambling operations conducted by a licensed manager
9 on behalf of the State, an amount equal to 5% of adjusted gross
10 receipts generated pursuant to those riverboat gambling
11 operations shall be paid monthly, subject to appropriation by
12 the General Assembly, to the unit of local government that is
13 designated as the home dock of the riverboat upon which those
14 riverboat gambling operations are conducted.

15 (c) Appropriations, as approved by the General Assembly,
16 may be made from the State Gaming Fund to the Department of
17 Revenue and the Department of State Police for the
18 administration and enforcement of this Act, or to the
19 Department of Human Services for the administration of programs
20 to treat problem gambling.

21 (c-5) (Blank). ~~After the payments required under~~
22 ~~subsections (b) and (c) have been made, an amount equal to 15%~~
23 ~~of the adjusted gross receipts of (1) an owners licensee that~~
24 ~~relocates pursuant to Section 11.2, (2) an owners licensee~~
25 ~~conducting riverboat gambling operations pursuant to an owners~~
26 ~~license that is initially issued after June 25, 1999, or (3)~~
27 ~~the first riverboat gambling operations conducted by a licensed~~
28 ~~manager on behalf of the State under Section 7.3, whichever~~
29 ~~comes first, shall be paid from the State Gaming Fund into the~~
30 ~~Horse Racing Equity Fund.~~

31 (c-10) (Blank). ~~Each year the General Assembly shall~~
32 ~~appropriate from the General Revenue Fund to the Education~~
33 ~~Assistance Fund an amount equal to the amount paid into the~~
34 ~~Horse Racing Equity Fund pursuant to subsection (c-5) in the~~

1 ~~prior calendar year.~~

2 (c-15) After the payments required under subsections (b),
3 (c), and (c-5) have been made, an amount equal to 2% of the
4 adjusted gross receipts of (1) an owners licensee that
5 relocates pursuant to Section 11.2, (2) an owners licensee
6 conducting riverboat gambling operations pursuant to an owners
7 license that is initially issued after June 25, 1999, or (3)
8 the first riverboat gambling operations conducted by a licensed
9 manager on behalf of the State under Section 7.3, whichever
10 comes first, shall be paid, subject to appropriation from the
11 General Assembly, from the State Gaming Fund to each home rule
12 county with a population of over 3,000,000 inhabitants for the
13 purpose of enhancing the county's criminal justice system.

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

19 (c-25) After the payments required under subsections (b),
20 (c), (c-5) and (c-15) have been made, an amount equal to 2% of
21 the adjusted gross receipts of (1) an owners licensee that
22 relocates pursuant to Section 11.2, (2) an owners licensee
23 conducting riverboat gambling operations pursuant to an owners
24 license that is initially issued after June 25, 1999, or (3)
25 the first riverboat gambling operations conducted by a licensed
26 manager on behalf of the State under Section 7.3, whichever
27 comes first, shall be paid from the State Gaming Fund to
28 Chicago State University.

29 (d) From time to time, the Board shall transfer the
30 remainder of the funds generated by this Act into the Education
31 Assistance Fund, created by Public Act 86-0018, of the State of
32 Illinois.

33 (e) Nothing in this Act shall prohibit the unit of local
34 government designated as the home dock of the riverboat from

1 entering into agreements with other units of local government
2 in this State or in other states to share its portion of the
3 tax revenue.

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

10 (Source: P.A. 93-27, eff. 6-20-03; 93-28, eff. 6-20-03; 94-673,
11 eff. 8-23-05.)

12 (230 ILCS 10/23) (from Ch. 120, par. 2423)

13 Sec. 23. The State Gaming Fund. On or after the effective
14 date of this Act, except as provided for payments into the
15 Horse Racing Equity Trust Fund under subsection (a) of Section
16 7, all of the fees and taxes collected pursuant to ~~subsections~~
17 ~~of~~ this Act shall be deposited into the State Gaming Fund, a
18 special fund in the State Treasury, which is hereby created.
19 The adjusted gross receipts of any riverboat gambling
20 operations conducted by a licensed manager on behalf of the
21 State remaining after the payment of the fees and expenses of
22 the licensed manager shall be deposited into the State Gaming
23 Fund. Fines and penalties collected pursuant to this Act shall
24 be deposited into the Education Assistance Fund, created by
25 Public Act 86-0018, of the State of Illinois.

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

27 (30 ILCS 105/5.490 rep.)

28 Section 20. The State Finance Act is amended by repealing
29 Section 5.490.

30 Section 97. Severability. The provisions of this Act are
31 severable under Section 1.31 of the Statute on Statutes.

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