



Rep. Angelo Saviano

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1 AMENDMENT TO HOUSE BILL 1921

2 AMENDMENT NO. _____. Amend House Bill 1921 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Executive Reorganization Implementation
5 Act is amended by changing Section 3.1 as follows:

6 (15 ILCS 15/3.1) (from Ch. 127, par. 1803.1)

7 Sec. 3.1. "Agency directly responsible to the Governor" or
8 "agency" means any office, officer, division, or part thereof,
9 and any other office, nonelective officer, department,
10 division, bureau, board, or commission in the executive branch
11 of State government, except that it does not apply to any
12 agency whose primary function is service to the General
13 Assembly or the Judicial Branch of State government, or to any
14 agency administered by the Attorney General, Secretary of
15 State, State Comptroller or State Treasurer. In addition the
16 term does not apply to the following agencies created by law
17 with the primary responsibility of exercising regulatory or
18 adjudicatory functions independently of the Governor:

- 19 (1) the State Board of Elections;
- 20 (2) the State Board of Education;
- 21 (3) the Illinois Commerce Commission;
- 22 (4) the Illinois Workers' Compensation Commission;
- 23 (5) the Civil Service Commission;
- 24 (6) the Fair Employment Practices Commission;

1 (7) the Pollution Control Board;

2 (8) the Department of State Police Merit Board;i

3 (9) The Illinois Gaming Board.

4 (Source: P.A. 93-721, eff. 1-1-05.)

5 Section 10. The Department of Revenue Law of the Civil
6 Administrative Code of Illinois is amended by changing Section
7 2505-305 as follows:

8 (20 ILCS 2505/2505-305) (was 20 ILCS 2505/39b15.1)

9 Sec. 2505-305. Investigators.

10 (a) The Department has the power to appoint investigators
11 to conduct all investigations, searches, seizures, arrests,
12 and other duties imposed under the provisions of any law
13 administered by the Department ~~or the Illinois Gaming Board.~~
14 These ~~Except as provided in subsection (c), these~~ investigators
15 have and may exercise all the powers of peace officers solely
16 for the purpose of enforcing taxing measures administered by
17 the Department ~~or the Illinois Gaming Board.~~

18 (b) The Director must authorize to each investigator
19 employed under this Section and to any other employee of the
20 Department exercising the powers of a peace officer a distinct
21 badge that, on its face, (i) clearly states that the badge is
22 authorized by the Department and (ii) contains a unique
23 identifying number. No other badge shall be authorized by the
24 Department.

25 (c) (Blank). ~~Investigators appointed under this Section~~
26 ~~who are assigned to the Illinois Gaming Board have and may~~
27 ~~exercise all the rights and powers of peace officers, provided~~
28 ~~that these powers shall be limited to offenses or violations~~
29 ~~occurring or committed on a riverboat or dock, as defined in~~
30 ~~subsections (d) and (f) of Section 4 of the Riverboat Gambling~~
31 ~~Act.~~

32 (Source: P.A. 91-239, eff. 1-1-00; 91-883, eff. 1-1-01; 92-493,

1 eff. 1-1-02.)

2 Section 15. The Illinois Pension Code is amended by
3 changing Sections 14-110 and 18-127 as follows:

4 (40 ILCS 5/14-110) (from Ch. 108 1/2, par. 14-110)

5 Sec. 14-110. Alternative retirement annuity.

6 (a) Any member who has withdrawn from service with not less
7 than 20 years of eligible creditable service and has attained
8 age 55, and any member who has withdrawn from service with not
9 less than 25 years of eligible creditable service and has
10 attained age 50, regardless of whether the attainment of either
11 of the specified ages occurs while the member is still in
12 service, shall be entitled to receive at the option of the
13 member, in lieu of the regular or minimum retirement annuity, a
14 retirement annuity computed as follows:

15 (i) for periods of service as a noncovered employee: if
16 retirement occurs on or after January 1, 2001, 3% of final
17 average compensation for each year of creditable service;
18 if retirement occurs before January 1, 2001, 2 1/4% of
19 final average compensation for each of the first 10 years
20 of creditable service, 2 1/2% for each year above 10 years
21 to and including 20 years of creditable service, and 2 3/4%
22 for each year of creditable service above 20 years; and

23 (ii) for periods of eligible creditable service as a
24 covered employee: if retirement occurs on or after January
25 1, 2001, 2.5% of final average compensation for each year
26 of creditable service; if retirement occurs before January
27 1, 2001, 1.67% of final average compensation for each of
28 the first 10 years of such service, 1.90% for each of the
29 next 10 years of such service, 2.10% for each year of such
30 service in excess of 20 but not exceeding 30, and 2.30% for
31 each year in excess of 30.

32 Such annuity shall be subject to a maximum of 75% of final

1 average compensation if retirement occurs before January 1,
2 2001 or to a maximum of 80% of final average compensation if
3 retirement occurs on or after January 1, 2001.

4 These rates shall not be applicable to any service
5 performed by a member as a covered employee which is not
6 eligible creditable service. Service as a covered employee
7 which is not eligible creditable service shall be subject to
8 the rates and provisions of Section 14-108.

9 (b) For the purpose of this Section, "eligible creditable
10 service" means creditable service resulting from service in one
11 or more of the following positions:

12 (1) State policeman;

13 (2) fire fighter in the fire protection service of a
14 department;

15 (3) air pilot;

16 (4) special agent;

17 (5) investigator for the Secretary of State;

18 (6) conservation police officer;

19 (7) investigator for the Department of Revenue or the
20 Illinois Gaming Board;

21 (8) security employee of the Department of Human
22 Services;

23 (9) Central Management Services security police
24 officer;

25 (10) security employee of the Department of
26 Corrections;

27 (11) dangerous drugs investigator;

28 (12) investigator for the Department of State Police;

29 (13) investigator for the Office of the Attorney
30 General;

31 (14) controlled substance inspector;

32 (15) investigator for the Office of the State's
33 Attorneys Appellate Prosecutor;

34 (16) Commerce Commission police officer;

1 (17) arson investigator;

2 (18) State highway maintenance worker.

3 A person employed in one of the positions specified in this
4 subsection is entitled to eligible creditable service for
5 service credit earned under this Article while undergoing the
6 basic police training course approved by the Illinois Law
7 Enforcement Training Standards Board, if completion of that
8 training is required of persons serving in that position. For
9 the purposes of this Code, service during the required basic
10 police training course shall be deemed performance of the
11 duties of the specified position, even though the person is not
12 a sworn peace officer at the time of the training.

13 (c) For the purposes of this Section:

14 (1) The term "state policeman" includes any title or
15 position in the Department of State Police that is held by
16 an individual employed under the State Police Act.

17 (2) The term "fire fighter in the fire protection
18 service of a department" includes all officers in such fire
19 protection service including fire chiefs and assistant
20 fire chiefs.

21 (3) The term "air pilot" includes any employee whose
22 official job description on file in the Department of
23 Central Management Services, or in the department by which
24 he is employed if that department is not covered by the
25 Personnel Code, states that his principal duty is the
26 operation of aircraft, and who possesses a pilot's license;
27 however, the change in this definition made by this
28 amendatory Act of 1983 shall not operate to exclude any
29 noncovered employee who was an "air pilot" for the purposes
30 of this Section on January 1, 1984.

31 (4) The term "special agent" means any person who by
32 reason of employment by the Division of Narcotic Control,
33 the Bureau of Investigation or, after July 1, 1977, the
34 Division of Criminal Investigation, the Division of

1 Internal Investigation, the Division of Operations, or any
2 other Division or organizational entity in the Department
3 of State Police is vested by law with duties to maintain
4 public order, investigate violations of the criminal law of
5 this State, enforce the laws of this State, make arrests
6 and recover property. The term "special agent" includes any
7 title or position in the Department of State Police that is
8 held by an individual employed under the State Police Act.

9 (5) The term "investigator for the Secretary of State"
10 means any person employed by the Office of the Secretary of
11 State and vested with such investigative duties as render
12 him ineligible for coverage under the Social Security Act
13 by reason of Sections 218(d)(5)(A), 218(d)(8)(D) and
14 218(1)(1) of that Act.

15 A person who became employed as an investigator for the
16 Secretary of State between January 1, 1967 and December 31,
17 1975, and who has served as such until attainment of age
18 60, either continuously or with a single break in service
19 of not more than 3 years duration, which break terminated
20 before January 1, 1976, shall be entitled to have his
21 retirement annuity calculated in accordance with
22 subsection (a), notwithstanding that he has less than 20
23 years of credit for such service.

24 (6) The term "Conservation Police Officer" means any
25 person employed by the Division of Law Enforcement of the
26 Department of Natural Resources and vested with such law
27 enforcement duties as render him ineligible for coverage
28 under the Social Security Act by reason of Sections
29 218(d)(5)(A), 218(d)(8)(D), and 218(1)(1) of that Act. The
30 term "Conservation Police Officer" includes the positions
31 of Chief Conservation Police Administrator and Assistant
32 Conservation Police Administrator.

33 (7) The term "investigator for the Department of
34 Revenue" means any person employed by the Department of

1 Revenue and vested with such investigative duties as render
2 him ineligible for coverage under the Social Security Act
3 by reason of Sections 218(d)(5)(A), 218(d)(8)(D) and
4 218(1)(1) of that Act.

5 The term "investigator for the Illinois Gaming Board"
6 means any person employed as such by the Illinois Gaming
7 Board and vested with such peace officer duties as render
8 the person ineligible for coverage under the Social
9 Security Act by reason of Sections 218(d)(5)(A),
10 218(d)(8)(D), and 218(1)(1) of that Act.

11 (8) The term "security employee of the Department of
12 Human Services" means any person employed by the Department
13 of Human Services who (i) is employed at the Chester Mental
14 Health Center and has daily contact with the residents
15 thereof, (ii) is employed within a security unit at a
16 facility operated by the Department and has daily contact
17 with the residents of the security unit, (iii) is employed
18 at a facility operated by the Department that includes a
19 security unit and is regularly scheduled to work at least
20 50% of his or her working hours within that security unit,
21 or (iv) is a mental health police officer. "Mental health
22 police officer" means any person employed by the Department
23 of Human Services in a position pertaining to the
24 Department's mental health and developmental disabilities
25 functions who is vested with such law enforcement duties as
26 render the person ineligible for coverage under the Social
27 Security Act by reason of Sections 218(d)(5)(A),
28 218(d)(8)(D) and 218(1)(1) of that Act. "Security unit"
29 means that portion of a facility that is devoted to the
30 care, containment, and treatment of persons committed to
31 the Department of Human Services as sexually violent
32 persons, persons unfit to stand trial, or persons not
33 guilty by reason of insanity. With respect to past
34 employment, references to the Department of Human Services

1 include its predecessor, the Department of Mental Health
2 and Developmental Disabilities.

3 The changes made to this subdivision (c)(8) by Public
4 Act 92-14 apply to persons who retire on or after January
5 1, 2001, notwithstanding Section 1-103.1.

6 (9) "Central Management Services security police
7 officer" means any person employed by the Department of
8 Central Management Services who is vested with such law
9 enforcement duties as render him ineligible for coverage
10 under the Social Security Act by reason of Sections
11 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act.

12 (10) The term "security employee of the Department of
13 Corrections" means any employee of the Department of
14 Corrections or the former Department of Personnel, and any
15 member or employee of the Prisoner Review Board, who has
16 daily contact with inmates by working within a correctional
17 facility or who is a parole officer or an employee who has
18 direct contact with committed persons in the performance of
19 his or her job duties.

20 (11) The term "dangerous drugs investigator" means any
21 person who is employed as such by the Department of Human
22 Services.

23 (12) The term "investigator for the Department of State
24 Police" means a person employed by the Department of State
25 Police who is vested under Section 4 of the Narcotic
26 Control Division Abolition Act with such law enforcement
27 powers as render him ineligible for coverage under the
28 Social Security Act by reason of Sections 218(d)(5)(A),
29 218(d)(8)(D) and 218(1)(1) of that Act.

30 (13) "Investigator for the Office of the Attorney
31 General" means any person who is employed as such by the
32 Office of the Attorney General and is vested with such
33 investigative duties as render him ineligible for coverage
34 under the Social Security Act by reason of Sections

1 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act. For
2 the period before January 1, 1989, the term includes all
3 persons who were employed as investigators by the Office of
4 the Attorney General, without regard to social security
5 status.

6 (14) "Controlled substance inspector" means any person
7 who is employed as such by the Department of Professional
8 Regulation and is vested with such law enforcement duties
9 as render him ineligible for coverage under the Social
10 Security Act by reason of Sections 218(d)(5)(A),
11 218(d)(8)(D) and 218(1)(1) of that Act. The term
12 "controlled substance inspector" includes the Program
13 Executive of Enforcement and the Assistant Program
14 Executive of Enforcement.

15 (15) The term "investigator for the Office of the
16 State's Attorneys Appellate Prosecutor" means a person
17 employed in that capacity on a full time basis under the
18 authority of Section 7.06 of the State's Attorneys
19 Appellate Prosecutor's Act.

20 (16) "Commerce Commission police officer" means any
21 person employed by the Illinois Commerce Commission who is
22 vested with such law enforcement duties as render him
23 ineligible for coverage under the Social Security Act by
24 reason of Sections 218(d)(5)(A), 218(d)(8)(D), and
25 218(1)(1) of that Act.

26 (17) "Arson investigator" means any person who is
27 employed as such by the Office of the State Fire Marshal
28 and is vested with such law enforcement duties as render
29 the person ineligible for coverage under the Social
30 Security Act by reason of Sections 218(d)(5)(A),
31 218(d)(8)(D), and 218(1)(1) of that Act. A person who was
32 employed as an arson investigator on January 1, 1995 and is
33 no longer in service but not yet receiving a retirement
34 annuity may convert his or her creditable service for

1 employment as an arson investigator into eligible
2 creditable service by paying to the System the difference
3 between the employee contributions actually paid for that
4 service and the amounts that would have been contributed if
5 the applicant were contributing at the rate applicable to
6 persons with the same social security status earning
7 eligible creditable service on the date of application.

8 (18) The term "State highway maintenance worker" means
9 a person who is either of the following:

10 (i) A person employed on a full-time basis by the
11 Illinois Department of Transportation in the position
12 of highway maintainer, highway maintenance lead
13 worker, highway maintenance lead/lead worker, heavy
14 construction equipment operator, power shovel
15 operator, or bridge mechanic; and whose principal
16 responsibility is to perform, on the roadway, the
17 actual maintenance necessary to keep the highways that
18 form a part of the State highway system in serviceable
19 condition for vehicular traffic.

20 (ii) A person employed on a full-time basis by the
21 Illinois State Toll Highway Authority in the position
22 of equipment operator/laborer H-4, equipment
23 operator/laborer H-6, welder H-4, welder H-6,
24 mechanical/electrical H-4, mechanical/electrical H-6,
25 water/sewer H-4, water/sewer H-6, sign maker/hanger
26 H-4, sign maker/hanger H-6, roadway lighting H-4,
27 roadway lighting H-6, structural H-4, structural H-6,
28 painter H-4, or painter H-6; and whose principal
29 responsibility is to perform, on the roadway, the
30 actual maintenance necessary to keep the Authority's
31 tollways in serviceable condition for vehicular
32 traffic.

33 (d) A security employee of the Department of Corrections,
34 and a security employee of the Department of Human Services who

1 is not a mental health police officer, shall not be eligible
2 for the alternative retirement annuity provided by this Section
3 unless he or she meets the following minimum age and service
4 requirements at the time of retirement:

5 (i) 25 years of eligible creditable service and age 55;

6 or

7 (ii) beginning January 1, 1987, 25 years of eligible
8 creditable service and age 54, or 24 years of eligible
9 creditable service and age 55; or

10 (iii) beginning January 1, 1988, 25 years of eligible
11 creditable service and age 53, or 23 years of eligible
12 creditable service and age 55; or

13 (iv) beginning January 1, 1989, 25 years of eligible
14 creditable service and age 52, or 22 years of eligible
15 creditable service and age 55; or

16 (v) beginning January 1, 1990, 25 years of eligible
17 creditable service and age 51, or 21 years of eligible
18 creditable service and age 55; or

19 (vi) beginning January 1, 1991, 25 years of eligible
20 creditable service and age 50, or 20 years of eligible
21 creditable service and age 55.

22 Persons who have service credit under Article 16 of this
23 Code for service as a security employee of the Department of
24 Corrections or the Department of Human Services in a position
25 requiring certification as a teacher may count such service
26 toward establishing their eligibility under the service
27 requirements of this Section; but such service may be used only
28 for establishing such eligibility, and not for the purpose of
29 increasing or calculating any benefit.

30 (e) If a member enters military service while working in a
31 position in which eligible creditable service may be earned,
32 and returns to State service in the same or another such
33 position, and fulfills in all other respects the conditions
34 prescribed in this Article for credit for military service,

1 such military service shall be credited as eligible creditable
2 service for the purposes of the retirement annuity prescribed
3 in this Section.

4 (f) For purposes of calculating retirement annuities under
5 this Section, periods of service rendered after December 31,
6 1968 and before October 1, 1975 as a covered employee in the
7 position of special agent, conservation police officer, mental
8 health police officer, or investigator for the Secretary of
9 State, shall be deemed to have been service as a noncovered
10 employee, provided that the employee pays to the System prior
11 to retirement an amount equal to (1) the difference between the
12 employee contributions that would have been required for such
13 service as a noncovered employee, and the amount of employee
14 contributions actually paid, plus (2) if payment is made after
15 July 31, 1987, regular interest on the amount specified in item
16 (1) from the date of service to the date of payment.

17 For purposes of calculating retirement annuities under
18 this Section, periods of service rendered after December 31,
19 1968 and before January 1, 1982 as a covered employee in the
20 position of investigator for the Department of Revenue shall be
21 deemed to have been service as a noncovered employee, provided
22 that the employee pays to the System prior to retirement an
23 amount equal to (1) the difference between the employee
24 contributions that would have been required for such service as
25 a noncovered employee, and the amount of employee contributions
26 actually paid, plus (2) if payment is made after January 1,
27 1990, regular interest on the amount specified in item (1) from
28 the date of service to the date of payment.

29 (g) A State policeman may elect, not later than January 1,
30 1990, to establish eligible creditable service for up to 10
31 years of his service as a policeman under Article 3, by filing
32 a written election with the Board, accompanied by payment of an
33 amount to be determined by the Board, equal to (i) the
34 difference between the amount of employee and employer

1 contributions transferred to the System under Section 3-110.5,
2 and the amounts that would have been contributed had such
3 contributions been made at the rates applicable to State
4 policemen, plus (ii) interest thereon at the effective rate for
5 each year, compounded annually, from the date of service to the
6 date of payment.

7 Subject to the limitation in subsection (i), a State
8 policeman may elect, not later than July 1, 1993, to establish
9 eligible creditable service for up to 10 years of his service
10 as a member of the County Police Department under Article 9, by
11 filing a written election with the Board, accompanied by
12 payment of an amount to be determined by the Board, equal to
13 (i) the difference between the amount of employee and employer
14 contributions transferred to the System under Section 9-121.10
15 and the amounts that would have been contributed had those
16 contributions been made at the rates applicable to State
17 policemen, plus (ii) interest thereon at the effective rate for
18 each year, compounded annually, from the date of service to the
19 date of payment.

20 (h) Subject to the limitation in subsection (i), a State
21 policeman or investigator for the Secretary of State may elect
22 to establish eligible creditable service for up to 12 years of
23 his service as a policeman under Article 5, by filing a written
24 election with the Board on or before January 31, 1992, and
25 paying to the System by January 31, 1994 an amount to be
26 determined by the Board, equal to (i) the difference between
27 the amount of employee and employer contributions transferred
28 to the System under Section 5-236, and the amounts that would
29 have been contributed had such contributions been made at the
30 rates applicable to State policemen, plus (ii) interest thereon
31 at the effective rate for each year, compounded annually, from
32 the date of service to the date of payment.

33 Subject to the limitation in subsection (i), a State
34 policeman, conservation police officer, or investigator for

1 the Secretary of State may elect to establish eligible
2 creditable service for up to 10 years of service as a sheriff's
3 law enforcement employee under Article 7, by filing a written
4 election with the Board on or before January 31, 1993, and
5 paying to the System by January 31, 1994 an amount to be
6 determined by the Board, equal to (i) the difference between
7 the amount of employee and employer contributions transferred
8 to the System under Section 7-139.7, and the amounts that would
9 have been contributed had such contributions been made at the
10 rates applicable to State policemen, plus (ii) interest thereon
11 at the effective rate for each year, compounded annually, from
12 the date of service to the date of payment.

13 (i) The total amount of eligible creditable service
14 established by any person under subsections (g), (h), (j), (k),
15 and (l) of this Section shall not exceed 12 years.

16 (j) Subject to the limitation in subsection (i), an
17 investigator for the Office of the State's Attorneys Appellate
18 Prosecutor or a controlled substance inspector may elect to
19 establish eligible creditable service for up to 10 years of his
20 service as a policeman under Article 3 or a sheriff's law
21 enforcement employee under Article 7, by filing a written
22 election with the Board, accompanied by payment of an amount to
23 be determined by the Board, equal to (1) the difference between
24 the amount of employee and employer contributions transferred
25 to the System under Section 3-110.6 or 7-139.8, and the amounts
26 that would have been contributed had such contributions been
27 made at the rates applicable to State policemen, plus (2)
28 interest thereon at the effective rate for each year,
29 compounded annually, from the date of service to the date of
30 payment.

31 (k) Subject to the limitation in subsection (i) of this
32 Section, an alternative formula employee may elect to establish
33 eligible creditable service for periods spent as a full-time
34 law enforcement officer or full-time corrections officer

1 employed by the federal government or by a state or local
2 government located outside of Illinois, for which credit is not
3 held in any other public employee pension fund or retirement
4 system. To obtain this credit, the applicant must file a
5 written application with the Board by March 31, 1998,
6 accompanied by evidence of eligibility acceptable to the Board
7 and payment of an amount to be determined by the Board, equal
8 to (1) employee contributions for the credit being established,
9 based upon the applicant's salary on the first day as an
10 alternative formula employee after the employment for which
11 credit is being established and the rates then applicable to
12 alternative formula employees, plus (2) an amount determined by
13 the Board to be the employer's normal cost of the benefits
14 accrued for the credit being established, plus (3) regular
15 interest on the amounts in items (1) and (2) from the first day
16 as an alternative formula employee after the employment for
17 which credit is being established to the date of payment.

18 (1) Subject to the limitation in subsection (i), a security
19 employee of the Department of Corrections may elect, not later
20 than July 1, 1998, to establish eligible creditable service for
21 up to 10 years of his or her service as a policeman under
22 Article 3, by filing a written election with the Board,
23 accompanied by payment of an amount to be determined by the
24 Board, equal to (i) the difference between the amount of
25 employee and employer contributions transferred to the System
26 under Section 3-110.5, and the amounts that would have been
27 contributed had such contributions been made at the rates
28 applicable to security employees of the Department of
29 Corrections, plus (ii) interest thereon at the effective rate
30 for each year, compounded annually, from the date of service to
31 the date of payment.

32 (Source: P.A. 91-357, eff. 7-29-99; 91-760, eff. 1-1-01; 92-14,
33 eff. 6-28-01; 92-257, eff. 8-6-01; 92-651, eff. 7-11-02.)

1 (40 ILCS 5/18-127) (from Ch. 108 1/2, par. 18-127)

2 Sec. 18-127. Retirement annuity - suspension on
3 reemployment.

4 (a) A participant receiving a retirement annuity who is
5 regularly employed for compensation by an employer other than a
6 county, in any capacity, shall have his or her retirement
7 annuity payments suspended during such employment. Upon
8 termination of such employment, retirement annuity payments at
9 the previous rate shall be resumed.

10 If such a participant resumes service as a judge, he or she
11 shall receive credit for any additional service. Upon
12 subsequent retirement, his or her retirement annuity shall be
13 the amount previously granted, plus the amount earned by the
14 additional judicial service under the provisions in effect
15 during the period of such additional service. However, if the
16 participant was receiving the maximum rate of annuity at the
17 time of re-employment, he or she may elect, in a written
18 direction filed with the board, not to receive any additional
19 service credit during the period of re-employment. In such
20 case, contributions shall not be required during the period of
21 re-employment. Any such election shall be irrevocable.

22 (b) Beginning January 1, 1991, any participant receiving a
23 retirement annuity who accepts temporary employment from an
24 employer other than a county for a period not exceeding 75
25 working days in any calendar year shall not be deemed to be
26 regularly employed for compensation or to have resumed service
27 as a judge for the purposes of this Article. A day shall be
28 considered a working day if the annuitant performs on it any of
29 his duties under the temporary employment agreement.

30 (c) Except as provided in subsection (a), beginning January
31 1, 1993, retirement annuities shall not be subject to
32 suspension upon resumption of employment for an employer, and
33 any retirement annuity that is then so suspended shall be
34 reinstated on that date.

1 (d) The changes made in this Section by this amendatory Act
2 of 1993 shall apply to judges no longer in service on its
3 effective date, as well as to judges serving on or after that
4 date.

5 (e) A participant receiving a retirement annuity under this
6 Article who (i) serves as a part-time employee in any of the
7 following positions: Legislative Inspector General, Special
8 Legislative Inspector General, employee of the Office of the
9 Legislative Inspector General, Executive Director of the
10 Legislative Ethics Commission, or staff of the Legislative
11 Ethics Commission or (ii), on or after March 1, 2005, serves on
12 the Illinois Gaming Board, but has not elected to participate
13 in the Article 14 System with respect to that service, shall
14 not be deemed to be regularly employed for compensation by an
15 employer other than a county, nor to have resumed service as a
16 judge, on the basis of that service, and the retirement annuity
17 payments and other benefits of that person under this Code
18 shall not be suspended, diminished, or otherwise impaired
19 solely as a consequence of that service. This subsection (e)
20 applies without regard to whether the person is in service as a
21 judge under this Article on or after the effective date of this
22 amendatory Act of the 93rd General Assembly. In this
23 subsection, a "part-time employee" is a person who is not
24 required to work at least 35 hours per week. The changes made
25 to this subsection (e) by this amendatory Act of the 94th
26 General Assembly apply without regard to whether the person is
27 in service as a judge under this Article on or after the
28 effective date of this amendatory Act of the 94th General
29 Assembly.

30 (f) A participant receiving a retirement annuity under this
31 Article who has made an election under Section 1-123 and who is
32 serving either as legal counsel in the Office of the Governor
33 or as Chief Deputy Attorney General shall not be deemed to be
34 regularly employed for compensation by an employer other than a

1 county, nor to have resumed service as a judge, on the basis of
2 that service, and the retirement annuity payments and other
3 benefits of that person under this Code shall not be suspended,
4 diminished, or otherwise impaired solely as a consequence of
5 that service. This subsection (f) applies without regard to
6 whether the person is in service as a judge under this Article
7 on or after the effective date of this amendatory Act of the
8 93rd General Assembly.

9 (Source: P.A. 93-685, eff. 7-8-04; 93-1069, eff. 1-15-05.)

10 Section 20. The Riverboat Gambling Act is amended by
11 changing Sections 2, 4, 5, 7, 7.1, 7.3, 7.5, and 13 and by
12 adding Section 5.2 as follows:

13 (230 ILCS 10/2) (from Ch. 120, par. 2402)

14 Sec. 2. Legislative Intent.

15 (a) This Act is intended to benefit the people of the State
16 of Illinois by assisting economic development and promoting
17 Illinois tourism and by increasing the amount of revenues
18 available to the State to assist and support education.

19 (b) While authorization of riverboat gambling will enhance
20 investment, development and tourism in Illinois, it is
21 recognized that it will do so successfully only if public
22 confidence and trust in the credibility and integrity of the
23 gambling operations and the regulatory process is maintained.
24 Therefore, regulatory provisions of this Act are designed to
25 strictly regulate the facilities, persons, associations and
26 practices related to gambling operations of a licensee pursuant
27 to the police powers of the State, including comprehensive law
28 enforcement supervision.

29 (c) The Illinois Gaming Board established under this Act
30 should, as soon as possible, inform each applicant for an
31 owners license of the Board's intent to grant or deny a
32 license. Except as provided in subsection (e) of Section 7, in

1 no event shall the Board inform the applicant of the Board's
2 intent to grant or deny a license later than 6 months after the
3 applicant initially files an application for a license.

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

5 (230 ILCS 10/4) (from Ch. 120, par. 2404)

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

7 (a) "Board" means the Illinois Gaming Board.

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 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) "Gross receipts" means the total amount of money
30 exchanged for the purchase of chips, tokens or electronic cards
31 by riverboat patrons.

32 (h) "Adjusted gross receipts" means the gross receipts less
33 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) (Blank). ~~"Department" means the Department of Revenue.~~

5 (k) "Gambling operation" means the conduct of authorized
6 gambling games upon a riverboat.

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

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

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

15 (230 ILCS 10/5) (from Ch. 120, par. 2405)

16 Sec. 5. Gaming Board.

17 (a) (1) There is hereby established the ~~within the~~
18 ~~Department of Revenue an~~ Illinois Gaming Board, which shall
19 have the powers and duties specified in this Act, and all other
20 powers necessary and proper to fully and effectively execute
21 this Act for the purpose of administering, regulating, and
22 enforcing the system of riverboat gambling established by this
23 Act. Its jurisdiction shall extend under this Act to every
24 person, association, corporation, partnership and trust
25 involved in riverboat gambling operations in the State of
26 Illinois.

27 (2) The Board shall consist of 5 members to be appointed by
28 the Governor with the advice and consent of the Senate, one of
29 whom shall be designated by the Governor to be chairman. Each
30 member shall have a reasonable knowledge of the practice,
31 procedure and principles of gambling operations. Each member
32 shall either be a resident of Illinois or shall certify that he
33 will become a resident of Illinois before taking office. At

1 least one member shall be experienced in law enforcement and
2 criminal investigation, at least one member shall be a
3 certified public accountant experienced in accounting and
4 auditing, and at least one member shall be a lawyer licensed to
5 practice law in Illinois.

6 (3) The terms of office of the Board members shall be 3
7 years, except that the terms of office of the initial Board
8 members appointed pursuant to this Act will commence from the
9 effective date of this Act and run as follows: one for a term
10 ending July 1, 1991, 2 for a term ending July 1, 1992, and 2 for
11 a term ending July 1, 1993. Upon the expiration of the
12 foregoing terms, the successors of such members shall serve a
13 term for 3 years and until their successors are appointed and
14 qualified for like terms. Vacancies in the Board shall be
15 filled for the unexpired term in like manner as original
16 appointments. Each member of the Board shall be eligible for
17 reappointment at the discretion of the Governor with the advice
18 and consent of the Senate.

19 (4) The chairman of the Board shall receive an annual
20 salary of \$50,000, or as set by the Compensation Review Board,
21 whichever is higher. Other members of the Board shall receive
22 an annual salary of \$35,000, or as set by the Compensation
23 Review Board, whichever is higher. ~~Each member of the Board~~
24 ~~shall receive \$300 for each day the Board meets and for each~~
25 ~~day the member conducts any hearing pursuant to this Act.~~ Each
26 member of the Board shall also be reimbursed for all actual and
27 necessary expenses and disbursements incurred in the execution
28 of official duties.

29 (5) No person shall be appointed a member of the Board or
30 continue to be a member of the Board who is, or whose spouse,
31 child or parent is, a member of the board of directors of, or a
32 person financially interested in, any gambling operation
33 subject to the jurisdiction of this Board, or any race track,
34 race meeting, racing association or the operations thereof

1 subject to the jurisdiction of the Illinois Racing Board. No
2 Board member shall hold any other public office ~~for which he~~
3 ~~shall receive compensation other than necessary travel or other~~
4 ~~incidental expenses~~. No person shall be a member of the Board
5 who is not of good moral character or who has been convicted
6 of, or is under indictment for, a felony under the laws of
7 Illinois or any other state, or the United States.

8 (5.5) No member of the Board shall engage in any political
9 activity. For the purposes of this Section, "political" means
10 any activity in support of or in connection with any campaign
11 for elective office or any political organization, but does not
12 include activities (i) relating to the support or opposition of
13 any executive, legislative, or administrative action (as those
14 terms are defined in Section 2 of the Lobbyist Registration
15 Act), (ii) relating to collective bargaining, or (iii) that are
16 otherwise in furtherance of the person's official State duties
17 or governmental and public service functions.

18 (6) Any member of the Board may be removed by the Governor
19 for neglect of duty, misfeasance, malfeasance, or nonfeasance
20 in office or for engaging in any political activity.

21 (7) Before entering upon the discharge of the duties of his
22 office, each member of the Board shall take an oath that he
23 will faithfully execute the duties of his office according to
24 the laws of the State and the rules and regulations adopted
25 therewith and shall give bond to the State of Illinois,
26 approved by the Governor, in the sum of \$25,000. Every such
27 bond, when duly executed and approved, shall be recorded in the
28 office of the Secretary of State. Whenever the Governor
29 determines that the bond of any member of the Board has become
30 or is likely to become invalid or insufficient, he shall
31 require such member forthwith to renew his bond, which is to be
32 approved by the Governor. Any member of the Board who fails to
33 take oath and give bond within 30 days from the date of his
34 appointment, or who fails to renew his bond within 30 days

1 after it is demanded by the Governor, shall be guilty of
2 neglect of duty and may be removed by the Governor. The cost of
3 any bond given by any member of the Board under this Section
4 shall be taken to be a part of the necessary expenses of the
5 Board.

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

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

26 (b) The Board shall have sole and exclusive ~~general~~
27 responsibility for the implementation of this Act. Its duties
28 include, without limitation, the following:

29 (1) To decide promptly and in reasonable order all
30 license applications. Any party aggrieved by an action of
31 the Board denying, suspending, revoking, restricting or
32 refusing to renew a license may request a hearing before
33 the Board. A request for a hearing must be made to the
34 Board in writing within 5 days after service of notice of

1 the action of the Board. Notice of the action of the Board
2 shall be served either by personal delivery or by certified
3 mail, postage prepaid, to the aggrieved party. Notice
4 served by certified mail shall be deemed complete on the
5 business day following the date of such mailing. The Board
6 shall conduct all requested hearings promptly and in
7 reasonable order;

8 (2) To conduct all hearings pertaining to civil
9 violations of this Act or rules and regulations promulgated
10 hereunder;

11 (3) To promulgate such rules and regulations as in its
12 judgment may be necessary to protect or enhance the
13 credibility and integrity of gambling operations
14 authorized by this Act and the regulatory process
15 hereunder;

16 (4) To provide for the establishment and collection of
17 all license and registration fees and taxes imposed by this
18 Act and the rules and regulations issued pursuant hereto.
19 All such fees and taxes shall be deposited into the State
20 Gaming Fund;

21 (5) To provide for the levy and collection of penalties
22 and fines for the violation of provisions of this Act and
23 the rules and regulations promulgated hereunder. All such
24 fines and penalties shall be deposited into the Education
25 Assistance Fund, created by Public Act 86-0018, of the
26 State of Illinois;

27 (6) To be present through its inspectors and agents any
28 time gambling operations are conducted on any riverboat for
29 the purpose of certifying the revenue thereof, receiving
30 complaints from the public, and conducting such other
31 investigations into the conduct of the gambling games and
32 the maintenance of the equipment as from time to time the
33 Board may deem necessary and proper;

34 (7) To review and rule upon any complaint by a licensee

1 regarding any investigative procedures of the State which
2 are unnecessarily disruptive of gambling operations. The
3 need to inspect and investigate shall be presumed at all
4 times. The disruption of a licensee's operations shall be
5 proved by clear and convincing evidence, and establish
6 that: (A) the procedures had no reasonable law enforcement
7 purposes, and (B) the procedures were so disruptive as to
8 unreasonably inhibit gambling operations;

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

32 (9) To maintain records which are separate and distinct
33 from the records of any other State board or commission.
34 Such records shall be available for public inspection and

1 shall accurately reflect all Board proceedings;

2 (10) To file a written annual report with the Governor
3 on or before March 1 each year and such additional reports
4 as the Governor may request. The annual report shall
5 include a statement of receipts and disbursements by the
6 Board, actions taken by the Board, and any additional
7 information and recommendations which the Board may deem
8 valuable or which the Governor may request;

9 (11) (Blank); and

10 (12) (Blank). ~~To assume responsibility for the~~
11 ~~administration and enforcement of the Bingo License and Tax~~
12 ~~Act, the Charitable Games Act, and the Pull Tabs and Jar~~
13 ~~Games Act if such responsibility is delegated to it by the~~
14 ~~Director of Revenue.~~

15 (c) The Board shall have the sole and exclusive
16 jurisdiction over and shall solely and exclusively supervise
17 all gambling operations governed by this Act. The Board shall
18 have all powers necessary and proper to fully and effectively
19 execute the provisions of this Act, including, but not limited
20 to, the following:

21 (1) To investigate applicants and determine the
22 eligibility of applicants for licenses and to select among
23 competing applicants the applicants which best serve the
24 interests of the citizens of Illinois.

25 (2) To have jurisdiction and supervision over all
26 riverboat gambling operations in this State and all persons
27 on riverboats where gambling operations are conducted.

28 (3) To promulgate rules and regulations for the purpose
29 of administering the provisions of this Act and to
30 prescribe rules, regulations and conditions under which
31 all riverboat gambling in the State shall be conducted.
32 Such rules and regulations are to provide for the
33 prevention of practices detrimental to the public interest
34 and for the best interests of riverboat gambling, including

1 rules and regulations regarding the inspection of such
2 riverboats and the review of any permits or licenses
3 necessary to operate a riverboat under any laws or
4 regulations applicable to riverboats, and to impose
5 penalties for violations thereof.

6 (4) To enter the office, riverboats, facilities, or
7 other places of business of a licensee, where evidence of
8 the compliance or noncompliance with the provisions of this
9 Act is likely to be found.

10 (5) To investigate alleged violations of this Act or
11 the rules of the Board and to take appropriate disciplinary
12 action against a licensee or a holder of an occupational
13 license for a violation, or institute appropriate legal
14 action for enforcement, or both.

15 (6) To adopt standards for the licensing of all persons
16 under this Act, as well as for electronic or mechanical
17 gambling games, and to establish fees for such licenses.

18 (7) To adopt appropriate standards for all riverboats
19 and facilities.

20 (8) To require that the records, including financial or
21 other statements of any licensee under this Act, shall be
22 kept in such manner as prescribed by the Board and that any
23 such licensee involved in the ownership or management of
24 gambling operations submit to the Board an annual balance
25 sheet and profit and loss statement, list of the
26 stockholders or other persons having a 1% or greater
27 beneficial interest in the gambling activities of each
28 licensee, and any other information the Board deems
29 necessary in order to effectively administer this Act and
30 all rules, regulations, orders and final decisions
31 promulgated under this Act. If a licensee files or is
32 forced into a proceeding in bankruptcy, then the Board
33 shall in no way interfere with the jurisdiction of the
34 bankruptcy court to effectuate a plan or reorganization

1 designed to maintain the financial integrity of the
2 license. If the bankruptcy proceeding involves a change of
3 ownership in the license, then the Board's sole authority
4 is to determine the suitability of the new ownership in the
5 licensee to conduct gaming operations in the State. Upon
6 the completion of the bankruptcy proceeding, the Board may
7 initiate or complete disciplinary proceedings against the
8 old licensee for conduct causing or precipitating the
9 bankruptcy proceeding or for any other reason under this
10 Act.

11 (9) To conduct hearings, issue subpoenas for the
12 attendance of witnesses and subpoenas duces tecum for the
13 production of books, records and other pertinent documents
14 in accordance with the Illinois Administrative Procedure
15 Act, and to administer oaths and affirmations to the
16 witnesses, when, in the judgment of the Board, it is
17 necessary to administer or enforce this Act or the Board
18 rules.

19 (10) To prescribe a form to be used by any licensee
20 involved in the ownership or management of gambling
21 operations as an application for employment for their
22 employees.

23 (11) To revoke or suspend licenses, as only the Board
24 may see fit and in compliance with applicable laws of the
25 State regarding administrative procedures, and to review
26 applications for the renewal of licenses. The Board may
27 suspend an owners license, without notice or hearing upon a
28 determination that the safety or health of patrons or
29 employees is jeopardized by continuing a riverboat's
30 operation. The suspension may remain in effect until the
31 Board determines that the cause for suspension has been
32 abated. The Board may revoke the owners license upon a
33 determination that the owner has not made satisfactory
34 progress toward abating the hazard.

1 (12) To eject or exclude or authorize the ejection or
2 exclusion of, any person from riverboat gambling
3 facilities where such person is in violation of this Act,
4 rules and regulations thereunder, or final orders of the
5 Board, or where such person's conduct or reputation is such
6 that his presence within the riverboat gambling facilities
7 may, in the opinion of the Board, call into question the
8 honesty and integrity of the gambling operations or
9 interfere with orderly conduct thereof; provided that the
10 propriety of such ejection or exclusion is subject to
11 subsequent hearing by the Board.

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

17 (14) (Blank).

18 (15) To suspend, revoke or restrict licenses, to
19 require the removal of a licensee or an employee of a
20 licensee for a violation of this Act or a Board rule or for
21 engaging in a fraudulent practice, and to impose civil
22 penalties of up to \$5,000 against individuals and up to
23 \$10,000 or an amount equal to the daily gross receipts,
24 whichever is larger, against licensees for each violation
25 of any provision of the Act, any rules adopted by the
26 Board, any order of the Board or any other action which, in
27 the Board's discretion, is a detriment or impediment to
28 riverboat gambling operations.

29 (16) To hire employees to gather information, conduct
30 investigations and carry out any other tasks contemplated
31 under this Act.

32 (17) To establish minimum levels of insurance to be
33 maintained by licensees.

34 (18) To authorize a licensee to sell or serve alcoholic

1 liquors, wine or beer as defined in the Liquor Control Act
2 of 1934 on board a riverboat and to have exclusive
3 authority to establish the hours for sale and consumption
4 of alcoholic liquor on board a riverboat, notwithstanding
5 any provision of the Liquor Control Act of 1934 or any
6 local ordinance, and regardless of whether the riverboat
7 makes excursions. The establishment of the hours for sale
8 and consumption of alcoholic liquor on board a riverboat is
9 an exclusive power and function of the State. A home rule
10 unit may not establish the hours for sale and consumption
11 of alcoholic liquor on board a riverboat. This amendatory
12 Act of 1991 is a denial and limitation of home rule powers
13 and functions under subsection (h) of Section 6 of Article
14 VII of the Illinois Constitution.

15 (19) After consultation with the U.S. Army Corps of
16 Engineers, to establish binding emergency orders upon the
17 concurrence of a majority of the members of the Board
18 regarding the navigability of water, relative to
19 excursions, in the event of extreme weather conditions,
20 acts of God or other extreme circumstances.

21 (20) To delegate the execution of any of its powers
22 under this Act for the purpose of administering and
23 enforcing this Act and its rules and regulations hereunder.

24 (20.5) To approve any contract entered into on its
25 behalf.

26 (20.6) To appoint investigators to conduct all
27 investigations, searches, seizures, arrests, and other
28 duties imposed under this Act. These investigators have and
29 may exercise all the rights and powers of peace officers,
30 provided that these powers shall be limited to offenses or
31 violations occurring or committed on a riverboat or dock,
32 as defined in subsections (d) and (f) of Section 4. The
33 Board must issue to each investigator a distinct badge
34 that, on its face, (i) clearly states that the badge is

1 authorized by the Board and (ii) contains a unique
2 identifying number. No other badge shall be authorized by
3 the Board.

4 (21) To take any other action as may be reasonable or
5 appropriate to enforce this Act and rules and regulations
6 hereunder, except that the Board's regulatory jurisdiction
7 under this Act shall be limited strictly to the gambling
8 operations and facilities of a licensee.

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 10/5.2 new)

26 Sec. 5.2. Separation from Department of Revenue. On the
27 effective date of this amendatory Act of the 94th General
28 Assembly, all of the powers, duties, assets, liabilities,
29 employees, contracts, property, records, pending business, and
30 unexpended appropriations of the Department of Revenue related
31 to the administration and enforcement of this Act are
32 transferred to the Illinois Gaming Board.

33 The status and rights of the transferred employees, and the

1 rights of the State of Illinois and its agencies, under the
2 Personnel Code and applicable collective bargaining agreements
3 or under any pension, retirement, or annuity plan are not
4 affected (except as provided in Sections 14-110 and 18-127 of
5 the Illinois Pension Code) by that transfer or by any other
6 provision of this amendatory Act of the 94th General Assembly.

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. A person, firm or corporation is ineligible
17 to receive an owners license if:

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

20 (2) the person has been convicted of any violation of
21 Article 28 of the Criminal Code of 1961, or substantially
22 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 defined in
30 (1), (2), (3) or (4) who participates in the management or
31 operation of gambling operations authorized under this
32 Act;

33 (7) (blank); or

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

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

6 (1) the character, reputation, experience and
7 financial integrity of the applicants and of any other or
8 separate person that either:

9 (A) controls, directly or indirectly, such
10 applicant, or

11 (B) is controlled, directly or indirectly, by such
12 applicant or by a person which controls, directly or
13 indirectly, such applicant;

14 (2) the facilities or proposed facilities for the
15 conduct of riverboat gambling;

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

18 (4) the extent to which the ownership of the applicant
19 reflects the diversity of the State by including minority
20 persons and females and the good faith affirmative action
21 plan of each applicant to recruit, train and upgrade
22 minority persons and females in all employment
23 classifications;

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

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

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

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

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

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

3 (e) The Board may issue up to 10 licenses authorizing the
4 holders of such licenses to own riverboats. In the application
5 for an owners license, the applicant shall state the dock at
6 which the riverboat is based and the water on which the
7 riverboat will be located. The Board shall issue 5 licenses to
8 become effective not earlier than January 1, 1991. Three of
9 such licenses shall authorize riverboat gambling on the
10 Mississippi River, or, with approval by the municipality in
11 which the riverboat is docked on August 7, 2003, ~~the effective~~
12 ~~date of this amendatory Act of the 93rd Assembly,~~ in a
13 municipality that (1) borders on the Mississippi River or is
14 within 5 miles of the city limits of a municipality that
15 borders on the Mississippi River and (2), on August 7, 2003,
16 ~~the effective date of this amendatory Act of the 93rd General~~
17 ~~Assembly,~~ has a riverboat conducting riverboat gambling
18 operations pursuant to a license issued under this Act;⁷ one of
19 which shall authorize riverboat gambling from a home dock in
20 the city of East St. Louis. One other license shall authorize
21 riverboat gambling on the Illinois River south of Marshall
22 County. The Board shall issue one additional license to become
23 effective not earlier than March 1, 1992, which shall authorize
24 riverboat gambling on the Des Plaines River in Will County. The
25 Board may issue 4 additional licenses to become effective not
26 earlier than March 1, 1992. In determining the water upon which
27 riverboats will operate, the Board shall consider the economic
28 benefit which riverboat gambling confers on the State, and
29 shall seek to assure that all regions of the State share in the
30 economic benefits of riverboat gambling. Notwithstanding any
31 other provision of this Act to the contrary, there is no
32 limitation on any area within the State as a location to
33 operate and dock a riverboat.

34 In granting all licenses, the Board may give favorable

1 consideration to economically depressed areas of the State, to
2 applicants presenting plans which provide for significant
3 economic development over a large geographic area, and to
4 applicants who currently operate non-gambling riverboats in
5 Illinois. In no event shall the area where the riverboat shall
6 operate and dock constitute a reason for denial of a license.

7 The Board shall review all applications for owners licenses,
8 and shall inform each applicant in detail of the Board's
9 decision and the reasons for the decision. The Board may grant
10 an owners license to an applicant that has not submitted the
11 highest license bid, but if it does not select the highest
12 bidder, the Board shall issue a written decision explaining why
13 another applicant was selected and identifying the factors set
14 forth in this Section that favored the winning bidder.

15 In addition to any other revocation powers granted to the
16 Board under this Act, the Board may revoke the owners license
17 of a licensee which fails to begin conducting gambling within
18 15 months of receipt of the Board's approval of the application
19 if the Board determines that license revocation is in the best
20 interests of the State.

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

27 (g) Upon the termination, expiration, or revocation of each
28 of the first 10 licenses, which shall be issued for a 3 year
29 period, all licenses are renewable annually upon payment of the
30 fee and a determination by the Board that the licensee
31 continues to meet all of the requirements of this Act and the
32 Board's rules. However, for licenses renewed on or after May 1,
33 1998, renewal shall be for a period of 4 years, unless the
34 Board sets a shorter period.

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

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

20 (j) The Board may issue or re-issue a license authorizing a
21 riverboat to dock in a municipality or approve a relocation
22 under Section 11.2 only if, prior to the issuance or
23 re-issuance of the license or approval, the governing body of
24 the municipality in which the riverboat will dock has by a
25 majority vote approved the docking of riverboats in the
26 municipality. The Board may issue or re-issue a license
27 authorizing a riverboat to dock in areas of a county outside
28 any municipality or approve a relocation under Section 11.2
29 only if, prior to the issuance or re-issuance of the license or
30 approval, the governing body of the county has by a majority
31 vote approved of the docking of riverboats within such areas.

32 (Source: P.A. 92-600, eff. 6-28-02; 93-28, eff. 6-20-03;
33 93-453, eff. 8-7-03; revised 1-27-04.)

1 (230 ILCS 10/7.1)

2 Sec. 7.1. Re-issuance of revoked or non-renewed owners
3 licenses.

4 (a) If an owners license terminates or expires without
5 renewal or the Board revokes or determines not to renew an
6 owners license (including, without limitation, an owners
7 license for a licensee that was not conducting riverboat
8 gambling operations on January 1, 1998) and that revocation or
9 determination is final, the Board may re-issue such license to
10 a qualified applicant pursuant to an open and competitive
11 bidding process, as set forth in Section 7.5, and subject to
12 the maximum number of authorized licenses set forth in Section
13 7(e).

14 (b) To be a qualified applicant, a person, firm, or
15 corporation cannot be ineligible to receive an owners license
16 under Section 7(a) and must submit an application for an owners
17 license that complies with Section 6. Each such applicant must
18 also submit evidence to the Board that minority persons and
19 females hold ownership interests in the applicant of at least
20 16% and 4% respectively.

21 (c) Notwithstanding anything to the contrary in Section
22 7(e), an applicant may apply to the Board for approval of
23 relocation of a re-issued license to a new home dock location
24 authorized under Section 3(c) upon receipt of the approval from
25 the municipality or county, as the case may be, pursuant to
26 Section 7(j). Notwithstanding any other provision of this Act
27 to the contrary, there is no limitation on any area within the
28 State as a location to operate and dock a riverboat.

29 (d) In determining whether to grant a re-issued owners
30 license to an applicant, the Board shall consider all of the
31 factors set forth in Sections 7(b) and (e) as well as the
32 amount of the applicant's license bid. The Board may grant the
33 re-issued owners license to an applicant that has not submitted
34 the highest license bid, but if it does not select the highest

1 bidder, the Board shall issue a written decision explaining why
2 another applicant was selected and identifying the factors set
3 forth in Sections 7(b) and (e) that favored the winning bidder.

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

8 (230 ILCS 10/7.3)

9 Sec. 7.3. State conduct of gambling operations.

10 (a) If, after reviewing each application for a re-issued
11 license, the Board determines that the highest prospective
12 total revenue to the State would be derived from State conduct
13 of the gambling operation in lieu of re-issuing the license,
14 the Board shall inform each applicant of its decision. The
15 Board shall thereafter have the authority, without obtaining an
16 owners license, to conduct riverboat gambling operations as
17 previously authorized by the terminated, expired, revoked, or
18 nonrenewed license through a licensed manager selected
19 pursuant to an open and competitive bidding process as set
20 forth in Section 7.5 and as provided in Section 7.4.

21 (b) The Board may locate any riverboat on which a gambling
22 operation is conducted by the State in any home dock location
23 authorized by Section 3(c) upon receipt of approval from a
24 majority vote of the governing body of the municipality or
25 county, as the case may be, in which the riverboat will dock.
26 Notwithstanding any other provision of this Act to the
27 contrary, there is no limitation on any area within the State
28 as a location to operate and dock a riverboat.

29 (c) The Board shall have jurisdiction over and shall
30 supervise all gambling operations conducted by the State
31 provided for in this Act and shall have all powers necessary
32 and proper to fully and effectively execute the provisions of
33 this Act relating to gambling operations conducted by the

1 State.

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

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

8 (230 ILCS 10/7.5)

9 Sec. 7.5. Competitive Bidding. When the Board determines
10 that it will re-issue an owners license pursuant to an open and
11 competitive bidding process, as set forth in Section 7.1, or
12 that it will issue a managers license pursuant to an open and
13 competitive bidding process, as set forth in Section 7.4, the
14 open and competitive bidding process shall adhere to the
15 following procedures:

16 (1) The Board shall make applications for owners and
17 managers licenses available to the public and allow a
18 reasonable time for applicants to submit applications to the
19 Board.

20 (2) During the filing period for owners or managers license
21 applications, the Board may retain the services of an
22 investment banking firm to assist the Board in conducting the
23 open and competitive bidding process.

24 (3) After receiving all of the bid proposals, the Board
25 shall open all of the proposals in a public forum and disclose
26 the prospective owners or managers names, venture partners, if
27 any, and, in the case of applicants for owners licenses, the
28 locations of the proposed development sites.

29 (4) The Board shall summarize the terms of the proposals
30 and may make this summary available to the public.

31 (5) The Board shall evaluate the proposals within a
32 reasonable time and select no more than 3 final applicants to
33 make presentations of their proposals to the Board.

1 (6) The final applicants shall make their presentations to
2 the Board on the same day during an open session of the Board.

3 (7) As soon as practicable after the public presentations
4 by the final applicants, the Board, in its discretion, may
5 conduct further negotiations among the 3 final applicants.
6 During such negotiations, each final applicant may increase its
7 license bid or otherwise enhance its bid proposal. At the
8 conclusion of such negotiations, the Board shall select the
9 winning proposal. In the case of negotiations for an owners
10 license, the Board may, at the conclusion of such negotiations,
11 make the determination allowed under Section 7.3(a).

12 (8) Upon selection of a winning bid, the Board shall
13 evaluate the winning bid within a reasonable period of time for
14 licensee suitability in accordance with all applicable
15 statutory and regulatory criteria.

16 (9) If the winning bidder is unable or otherwise fails to
17 consummate the transaction, (including if the Board determines
18 that the winning bidder does not satisfy the suitability
19 requirements), the Board may, on the same criteria, select from
20 the remaining bidders or make the determination allowed under
21 Section 7.3(a).

22 (10) Notwithstanding any other provision of this Act to the
23 contrary, there is no limitation on any area within the State
24 as a location to operate and dock a riverboat.

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

26 (230 ILCS 10/13) (from Ch. 120, par. 2413)

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

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

31 (a-1) From January 1, 1998 until July 1, 2002, a privilege
32 tax is imposed on persons engaged in the business of conducting
33 riverboat gambling operations, based on the adjusted gross

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

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

5 20% of annual adjusted gross receipts in excess of
6 \$25,000,000 but not exceeding \$50,000,000;

7 25% of annual adjusted gross receipts in excess of
8 \$50,000,000 but not exceeding \$75,000,000;

9 30% of annual adjusted gross receipts in excess of
10 \$75,000,000 but not exceeding \$100,000,000;

11 35% of annual adjusted gross receipts in excess of
12 \$100,000,000.

13 (a-2) From July 1, 2002 until July 1, 2003, a privilege tax
14 is imposed on persons engaged in the business of conducting
15 riverboat gambling operations, other than licensed managers
16 conducting riverboat gambling operations on behalf of the
17 State, based on the adjusted gross receipts received by a
18 licensed owner from gambling games authorized under this Act at
19 the following rates:

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

22 22.5% of annual adjusted gross receipts in excess of
23 \$25,000,000 but not exceeding \$50,000,000;

24 27.5% of annual adjusted gross receipts in excess of
25 \$50,000,000 but not exceeding \$75,000,000;

26 32.5% of annual adjusted gross receipts in excess of
27 \$75,000,000 but not exceeding \$100,000,000;

28 37.5% of annual adjusted gross receipts in excess of
29 \$100,000,000 but not exceeding \$150,000,000;

30 45% of annual adjusted gross receipts in excess of
31 \$150,000,000 but not exceeding \$200,000,000;

32 50% of annual adjusted gross receipts in excess of
33 \$200,000,000.

34 (a-3) Beginning July 1, 2003, a privilege tax is imposed on

1 persons engaged in the business of conducting riverboat
2 gambling operations, other than licensed managers conducting
3 riverboat gambling operations on behalf of the State, based on
4 the adjusted gross receipts received by a licensed owner from
5 gambling games authorized under this Act at the following
6 rates:

7 15% of annual adjusted gross receipts up to and
8 including \$25,000,000;

9 27.5% of annual adjusted gross receipts in excess of
10 \$25,000,000 but not exceeding \$37,500,000;

11 32.5% of annual adjusted gross receipts in excess of
12 \$37,500,000 but not exceeding \$50,000,000;

13 37.5% of annual adjusted gross receipts in excess of
14 \$50,000,000 but not exceeding \$75,000,000;

15 45% of annual adjusted gross receipts in excess of
16 \$75,000,000 but not exceeding \$100,000,000;

17 50% of annual adjusted gross receipts in excess of
18 \$100,000,000 but not exceeding \$250,000,000;

19 70% of annual adjusted gross receipts in excess of
20 \$250,000,000.

21 An amount equal to the amount of wagering taxes collected
22 under this subsection (a-3) that are in addition to the amount
23 of wagering taxes that would have been collected if the
24 wagering tax rates under subsection (a-2) were in effect shall
25 be paid into the Common School Fund.

26 The privilege tax imposed under this subsection (a-3) shall
27 no longer be imposed beginning on the earlier of (i) July 1,
28 2005; (ii) the first date after June 20, 2003 ~~the effective~~
29 ~~date of this amendatory Act of the 93rd General Assembly~~ that
30 riverboat gambling operations are conducted pursuant to a
31 dormant license; or (iii) the first day that riverboat gambling
32 operations are conducted under the authority of an owners
33 license that is in addition to the 10 owners licenses initially
34 authorized under this Act. For the purposes of this subsection

1 (a-3), the term "dormant license" means an owners license that
2 is authorized by this Act under which no riverboat gambling
3 operations are being conducted on June 20, 2003 ~~the effective~~
4 ~~date of this amendatory Act of the 93rd General Assembly.~~

5 (a-4) Beginning on the first day on which the tax imposed
6 under subsection (a-3) is no longer imposed, a privilege tax is
7 imposed on persons engaged in the business of conducting
8 riverboat gambling operations, other than licensed managers
9 conducting riverboat gambling operations on behalf of the
10 State, based on the adjusted gross receipts received by a
11 licensed owner from gambling games authorized under this Act at
12 the following rates:

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

15 22.5% of annual adjusted gross receipts in excess of
16 \$25,000,000 but not exceeding \$50,000,000;

17 27.5% of annual adjusted gross receipts in excess of
18 \$50,000,000 but not exceeding \$75,000,000;

19 32.5% of annual adjusted gross receipts in excess of
20 \$75,000,000 but not exceeding \$100,000,000;

21 37.5% of annual adjusted gross receipts in excess of
22 \$100,000,000 but not exceeding \$150,000,000;

23 45% of annual adjusted gross receipts in excess of
24 \$150,000,000 but not exceeding \$200,000,000;

25 50% of annual adjusted gross receipts in excess of
26 \$200,000,000.

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

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

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

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

17 (c) Appropriations, as approved by the General Assembly,
18 may be made from the State Gaming Fund to the Board (i)
19 ~~Department of Revenue and the Department of State Police~~ for
20 the administration and enforcement of this Act, (ii) for
21 distribution to the Department of State Police for the
22 enforcement of this Act, and (iii) for distribution ~~or~~ to the
23 Department of Human Services for the administration of programs
24 to treat problem gambling.

25 (c-5) After the payments required under subsections (b) and
26 (c) have been made, an amount equal to 15% of the adjusted
27 gross receipts of (1) an owners licensee that relocates
28 pursuant to Section 11.2, (2) an owners licensee ~~license~~
29 conducting riverboat gambling operations pursuant to an owners
30 license that is initially issued after June 25, 1999, or (3)
31 the first riverboat gambling operations conducted by a licensed
32 manager on behalf of the State under Section 7.3 ~~7.2~~, whichever
33 comes first, shall be paid from the State Gaming Fund into the
34 Horse Racing Equity Fund.

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

5 (c-15) After the payments required under subsections (b),
6 (c), and (c-5) have been made, an amount equal to 2% of the
7 adjusted gross receipts of (1) an owners licensee that
8 relocates pursuant to Section 11.2, (2) an owners licensee
9 conducting riverboat gambling operations pursuant to an owners
10 license that is initially issued after June 25, 1999, or (3)
11 the first riverboat gambling operations conducted by a licensed
12 manager on behalf of the State under Section 7.3 ~~7.2~~, whichever
13 comes first, shall be paid, subject to appropriation from the
14 General Assembly, from the State Gaming Fund to each home rule
15 county with a population of over 3,000,000 inhabitants for the
16 purpose of enhancing the county's criminal justice system.

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

22 (c-25) After the payments required under subsections (b),
23 (c), (c-5) and (c-15) have been made, an amount equal to 2% of
24 the adjusted gross receipts of (1) an owners licensee ~~license~~
25 that 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 to Chicago State University.

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

1 Illinois.

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

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

13 (Source: P.A. 92-595, eff. 6-28-02; 93-27, eff. 6-20-03; 93-28,
14 eff. 6-20-03; revised 1-28-04.)

15 Section 99. Effective date. This Act takes effect July 1,
16 2005."