

## 94TH GENERAL ASSEMBLY State of Illinois 2005 and 2006 HB4282

Introduced 12/19/05, by Rep. Lou Lang

## SYNOPSIS AS INTRODUCED:

15 ILCS 15/3.1 from Ch. 127, par. 1803.1 was 20 ILCS 2505/39b15.1 20 ILCS 2505/2505-305 40 ILCS 5/14-110 from Ch. 108 1/2, par. 14-110 40 ILCS 5/18-127 from Ch. 108 1/2, par. 18-127 230 ILCS 10/4 from Ch. 120, par. 2404 230 ILCS 10/5 from Ch. 120, par. 2405 from Ch. 120, par. 2405.1 230 ILCS 10/5.1 230 ILCS 10/5.2 new 230 TLCS 10/7 from Ch. 120, par. 2407 230 ILCS 10/13 from Ch. 120, par. 2413

Amends the Department of Revenue Law of the Civil Administrative Code of Illinois and the Riverboat Gambling Act. Separates the Illinois Gaming Board from the Department of Revenue for the purposes of enforcing and administering the Riverboat Gambling Act. Makes conforming changes. Prohibits members of the Board from holding any other public office (rather than any other public office for which he or she shall receive compensation). Prohibits members of the Board from engaging in any political activity. Provides for an annual salary for Board members. Makes changes regarding disclosure of equity interests of the Board members and their spouses and children. Makes changes in provisions concerning the determining factors in the Board's decision in granting owners licenses. In provisions concerning the powers and duties of the Board, removes language allowing the Director of Revenue to delegate responsibility for the administration and enforcement of certain Acts concerning gaming to the Board and adds language concerning appointing investigators. Makes changes concerning appropriations from the State Gaming Fund. Makes other changes. Amends the Executive Reorganization Implementation Act. Excludes the Illinois Gaming Board from the definition of "agency directly responsible to the Governor". Amends the Illinois Pension Code. In the State Employees Article, adds investigators for the Illinois Gaming Board to provisions concerning the alternative formula. In the Judges Article, allows a participant who, on or after March 1, 2005, serves on the Illinois Gaming Board to continue to receive benefits despite that service. Effective immediately.

LRB094 15387 AMC 50579 b

FISCAL NOTE ACT MAY APPLY

PENSION IMPACT NOTE ACT MAY APPLY

1 AN ACT concerning gaming.

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

- Section 5. The Executive Reorganization Implementation Act is amended by changing Section 3.1 as follows:
- 7 Sec. 3.1. "Agency directly responsible to the Governor" or

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

- 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
- 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;
- 25 (7) the Pollution Control Board;
- 26 (8) the Department of State Police Merit Board;
- 27 (9) The Illinois Gaming Board.
- 28 (Source: P.A. 93-721, eff. 1-1-05.)
- 29 Section 10. The Department of Revenue Law of the Civil
- 30 Administrative Code of Illinois is amended by changing Section
- 31 2505-305 as follows:

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1 (20 ILCS 2505/2505-305) (was 20 ILCS 2505/39b15.1)
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- Sec. 2505-305. Investigators.
- 3 (a) The Department has the power to appoint investigators 4 to conduct all investigations, searches, seizures, arrests,
- 5 and other duties imposed under the provisions of any law
- 6 administered by the Department or the Illinois Gaming Board.
- 7 These Except as provided in subsection (c), these investigators
- 8 have and may exercise all the powers of peace officers solely
- 9 for the purpose of enforcing taxing measures administered by
- 10 the Department or the Illinois Gaming Board.
- 11 (b) The Director must authorize to each investigator
- 12 employed under this Section and to any other employee of the
- Department exercising the powers of a peace officer a distinct
- 14 badge that, on its face, (i) clearly states that the badge is
- 15 authorized by the Department and (ii) contains a unique
- 16 identifying number. No other badge shall be authorized by the
- 17 Department.
- 18 (c) (Blank). Investigators appointed under this Section
- 19 who are assigned to the Illinois Gaming Board have and may
- 20 exercise all the rights and powers of peace officers, provided
- 21 that these powers shall be limited to offenses or violations
- 22 occurring or committed on a riverboat or dock, as defined in
- 23 subsections (d) and (f) of Section 4 of the Riverboat Cambling
- 24 Act.
- 25 (Source: P.A. 91-239, eff. 1-1-00; 91-883, eff. 1-1-01; 92-493,
- 26 eff. 1-1-02.)
- 27 Section 15. The Illinois Pension Code is amended by
- changing Section 14-110 and 18-127 as follows:
- 29 (40 ILCS 5/14-110) (from Ch. 108 1/2, par. 14-110)
- 30 (Text of Section before amendment by P.A. 94-696)
- 31 Sec. 14-110. Alternative retirement annuity.
- 32 (a) Any member who has withdrawn from service with not less
- 33 than 20 years of eligible creditable service and has attained

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

- (i) for periods of service as a noncovered employee: if retirement occurs on or after January 1, 2001, 3% of final average compensation for each year of creditable service; if retirement occurs before January 1, 2001, 2 1/4% of final average compensation for each of the first 10 years of creditable service, 2 1/2% for each year above 10 years to and including 20 years of creditable service, and 2 3/4% for each year of creditable service above 20 years; and
- (ii) for periods of eligible creditable service as a covered employee: if retirement occurs on or after January 1, 2001, 2.5% of final average compensation for each year of creditable service; if retirement occurs before January 1, 2001, 1.67% of final average compensation for each of the first 10 years of such service, 1.90% for each of the next 10 years of such service, 2.10% for each year of such service in excess of 20 but not exceeding 30, and 2.30% for each year in excess of 30.

Such annuity shall be subject to a maximum of 75% of final average compensation if retirement occurs before January 1, 2001 or to a maximum of 80% of final average compensation if retirement occurs on or after January 1, 2001.

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

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

1	(1) State policeman;
2	(2) fire fighter in the fire protection service of a
3	department;
4	(3) air pilot;
5	(4) special agent;
6	(5) investigator for the Secretary of State;
7	(6) conservation police officer;
8	(7) investigator for the Department of Revenue or the
9	<pre>Illinois Gaming Board;</pre>
10	(8) security employee of the Department of Human
11	Services;
12	(9) Central Management Services security police
13	officer;
14	(10) security employee of the Department of
15	Corrections;
16	(11) dangerous drugs investigator;
17	(12) investigator for the Department of State Police;
18	(13) investigator for the Office of the Attorney
19	General;
20	(14) controlled substance inspector;
21	(15) investigator for the Office of the State's
22	Attorneys Appellate Prosecutor;
23	(16) Commerce Commission police officer;
24	(17) arson investigator;
25	(18) State highway maintenance worker.

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

(c) For the purposes of this Section:

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- (1) The term "state policeman" includes any title or position in the Department of State Police that is held by an individual employed under the State Police Act.
  - (2) The term "fire fighter in the fire protection service of a department" includes all officers in such fire protection service including fire chiefs and assistant fire chiefs.
  - (3) The term "air pilot" includes any employee whose official job description on file in the Department of Central Management Services, or in the department by which he is employed if that department is not covered by the Personnel Code, states that his principal duty is the operation of aircraft, and who possesses a pilot's license; however, the change in this definition made by this amendatory Act of 1983 shall not operate to exclude any noncovered employee who was an "air pilot" for the purposes of this Section on January 1, 1984.
  - (4) The term "special agent" means any person who by reason of employment by the Division of Narcotic Control, the Bureau of Investigation or, after July 1, 1977, the Division of Criminal Investigation, the Division Internal Investigation, the Division of Operations, or any other Division or organizational entity in the Department of State Police is vested by law with duties to maintain public order, investigate violations of the criminal law of this State, enforce the laws of this State, make arrests and recover property. The term "special agent" includes any title or position in the Department of State Police that is held by an individual employed under the State Police Act.
  - (5) The term "investigator for the Secretary of State" means any person employed by the Office of the Secretary of State and vested with such investigative duties as render him ineligible for coverage under the Social Security Act by reason of Sections 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act.

A person who became employed as an investigator for the

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

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

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

(8) The term "security employee of the Department of Human Services" means any person employed by the Department of Human Services who (i) is employed at the Chester Mental Health Center and has daily contact with the residents thereof, (ii) is employed within a security unit at a facility operated by the Department and has daily contact with the residents of the security unit, (iii) is employed

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at a facility operated by the Department that includes a security unit and is regularly scheduled to work at least 50% of his or her working hours within that security unit, or (iv) is a mental health police officer. "Mental health police officer" means any person employed by the Department Human Services in a position pertaining to Department's mental health and developmental disabilities functions who is vested with such law enforcement duties as render the person ineligible for coverage under the Social Act by reason of Sections 218 (d) (5) (A), 218(d)(8)(D) and 218(l)(1) of that Act. "Security unit" means that portion of a facility that is devoted to the care, containment, and treatment of persons committed to the Department of Human Services as sexually violent persons, persons unfit to stand trial, or persons not guilty by reason of insanity. With respect to past employment, references to the Department of Human Services include its predecessor, the Department of Mental Health and Developmental Disabilities.

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

- (9) "Central Management Services security police officer" means any person employed by the Department of Central Management Services who is vested with such law enforcement duties as render him ineligible for coverage under the Social Security Act by reason of Sections 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act.
- (10) For a member who first became an employee under this Article before July 1, 2005, the term "security employee of the Department of Corrections" means any employee of the Department of Corrections or the former Department of Personnel, and any member or employee of the Prisoner Review Board, who has daily contact with inmates by working within a correctional facility or who is a parole officer or an employee who has direct contact with

committed persons in the performance of his or her job duties. For a member who first becomes an employee under this Article on or after July 1, 2005, the term means an employee of the Department of Corrections who is any of the following: (i) officially headquartered at a correctional facility, (ii) a parole officer, (iii) a member of the apprehension unit, (iv) a member of the intelligence unit, (v) a member of the sort team, or (vi) an investigator.

- (11) The term "dangerous drugs investigator" means any person who is employed as such by the Department of Human Services.
- (12) The term "investigator for the Department of State Police" means a person employed by the Department of State Police who is vested under Section 4 of the Narcotic Control Division Abolition Act with such law enforcement powers as render him ineligible for coverage under the Social Security Act by reason of Sections 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act.
- (13) "Investigator for the Office of the Attorney General" means any person who is employed as such by the Office of the Attorney General and is vested with such investigative duties as render him ineligible for coverage under the Social Security Act by reason of Sections 218(d)(5)(A), 218(d)(8)(D) and 218(l)(1) of that Act. For the period before January 1, 1989, the term includes all persons who were employed as investigators by the Office of the Attorney General, without regard to social security status.
- (14) "Controlled substance inspector" means any person who is employed as such by the Department of Professional Regulation and is vested with such law enforcement duties as render him ineligible for coverage under the Social reason of Sections 218(d)(5)(A), Security Act by 218(d)(8)(D) and 218(1)(1) of that Act. The term "controlled substance inspector" includes the Program Executive of Enforcement and the Assistant Program

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Executive of Enforcement.

- (15) The term "investigator for the Office of the State's Attorneys Appellate Prosecutor" means a person employed in that capacity on a full time basis under the authority of Section 7.06 of the State's Attorneys Appellate Prosecutor's Act.
- (16) "Commerce Commission police officer" means any person employed by the Illinois Commerce Commission who is vested with such law enforcement duties as render him ineligible for coverage under the Social Security Act by reason of Sections 218(d)(5)(A), 218(d)(8)(D), and 218(1)(1) of that Act.
- (17) "Arson investigator" means any person who is employed as such by the Office of the State Fire Marshal and is vested with such law enforcement duties as render the person ineligible for coverage under the Social Security Act by reason of Sections 218 (d) (5) (A), 218(d)(8)(D), and 218(l)(1) of that Act. A person who was employed as an arson investigator on January 1, 1995 and is no longer in service but not yet receiving a retirement annuity may convert his or her creditable service for an arson investigator into eligible employment as creditable service by paying to the System the difference between the employee contributions actually paid for that service and the amounts that would have been contributed if the applicant were contributing at the rate applicable to persons with the same social security status earning eligible creditable service on the date of application.
- (18) The term "State highway maintenance worker" means a person who is either of the following:
  - (i) A person employed on a full-time basis by the Illinois Department of Transportation in the position of highway maintainer, highway maintenance lead worker, highway maintenance lead/lead worker, heavy construction equipment operator, power shovel operator, or bridge mechanic; and whose principal

responsibility is to perform, on the roadway, the actual maintenance necessary to keep the highways that form a part of the State highway system in serviceable condition for vehicular traffic.

- (ii) A person employed on a full-time basis by the Illinois State Toll Highway Authority in the position of equipment operator/laborer H-4, equipment operator/laborer H-6, welder H-4, welder H-6, mechanical/electrical H-4, mechanical/electrical H-6, water/sewer H-4, water/sewer H-6, sign maker/hanger H-4, sign maker/hanger H-6, roadway lighting H-4, roadway lighting H-6, structural H-4, structural H-6, painter H-4, or painter H-6; and whose principal responsibility is to perform, on the roadway, the actual maintenance necessary to keep the Authority's tollways in serviceable condition for vehicular traffic.
- (d) A security employee of the Department of Corrections, and a security employee of the Department of Human Services who is not a mental health police officer, shall not be eligible for the alternative retirement annuity provided by this Section unless he or she meets the following minimum age and service requirements at the time of retirement:
  - (i) 25 years of eligible creditable service and age 55; or
    - (ii) beginning January 1, 1987, 25 years of eligible creditable service and age 54, or 24 years of eligible creditable service and age 55; or
    - (iii) beginning January 1, 1988, 25 years of eligible creditable service and age 53, or 23 years of eligible creditable service and age 55; or
    - (iv) beginning January 1, 1989, 25 years of eligible creditable service and age 52, or 22 years of eligible creditable service and age 55; or
- (v) beginning January 1, 1990, 25 years of eligible creditable service and age 51, or 21 years of eligible

creditable service and age 55; or

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

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

- (e) If a member enters military service while working in a position in which eligible creditable service may be earned, and returns to State service in the same or another such position, and fulfills in all other respects the conditions prescribed in this Article for credit for military service, such military service shall be credited as eligible creditable service for the purposes of the retirement annuity prescribed in this Section.
- (f) For purposes of calculating retirement annuities under this Section, periods of service rendered after December 31, 1968 and before October 1, 1975 as a covered employee in the position of special agent, conservation police officer, mental health police officer, or investigator for the Secretary of State, shall be deemed to have been service as a noncovered employee, provided that the employee pays to the System prior to retirement an amount equal to (1) the difference between the employee contributions that would have been required for such service as a noncovered employee, and the amount of employee contributions actually paid, plus (2) if payment is made after July 31, 1987, regular interest on the amount specified in item (1) from the date of service to the date of payment.

For purposes of calculating retirement annuities under this Section, periods of service rendered after December 31, 1968 and before January 1, 1982 as a covered employee in the

position of investigator for the Department of Revenue shall be deemed to have been service as a noncovered employee, provided that the employee pays to the System prior to retirement an amount equal to (1) the difference between the employee contributions that would have been required for such service as a noncovered employee, and the amount of employee contributions actually paid, plus (2) if payment is made after January 1, 1990, regular interest on the amount specified in item (1) from the date of service to the date of payment.

(g) A State policeman may elect, not later than January 1, 1990, to establish eligible creditable service for up to 10 years of his service as a policeman under Article 3, by filing a written election with the Board, accompanied by payment of an amount to be determined by the Board, equal to (i) the difference between the amount of employee and employer contributions transferred to the System under Section 3-110.5, and the amounts that would have been contributed had such contributions been made at the rates applicable to State policemen, plus (ii) interest thereon at the effective rate for each year, compounded annually, from the date of service to the date of payment.

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

(h) Subject to the limitation in subsection (i), a State policeman or investigator for the Secretary of State may elect

to establish eligible creditable service for up to 12 years of his service as a policeman under Article 5, by filing a written election with the Board on or before January 31, 1992, and paying to the System by January 31, 1994 an amount to be determined by the Board, equal to (i) the difference between the amount of employee and employer contributions transferred to the System under Section 5-236, and the amounts that would have been contributed had such contributions been made at the rates applicable to State policemen, plus (ii) interest thereon at the effective rate for each year, compounded annually, from the date of service to the date of payment.

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

- (i) The total amount of eligible creditable service established by any person under subsections (g), (h), (j), (k), and (l) of this Section shall not exceed 12 years.
- (j) Subject to the limitation in subsection (i), an investigator for the Office of the State's Attorneys Appellate Prosecutor or a controlled substance inspector may elect to establish eligible creditable service for up to 10 years of his service as a policeman under Article 3 or a sheriff's law enforcement employee under Article 7, by filing a written election with the Board, accompanied by payment of an amount to be determined by the Board, equal to (1) the difference between

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the amount of employee and employer contributions transferred to the System under Section 3-110.6 or 7-139.8, and the amounts that would have been contributed had such contributions been made at the rates applicable to State policemen, plus (2) interest thereon at the effective rate for each year, compounded annually, from the date of service to the date of payment.

- (k) Subject to the limitation in subsection (i) of this Section, an alternative formula employee may elect to establish eligible creditable service for periods spent as a full-time law enforcement officer or full-time corrections officer employed by the federal government or by a state or local government located outside of Illinois, for which credit is not held in any other public employee pension fund or retirement system. To obtain this credit, the applicant must file a written application with the Board by March 31, accompanied by evidence of eligibility acceptable to the Board and payment of an amount to be determined by the Board, equal to (1) employee contributions for the credit being established, based upon the applicant's salary on the first day as an alternative formula employee after the employment for which credit is being established and the rates then applicable to alternative formula employees, plus (2) an amount determined by the Board to be the employer's normal cost of the benefits accrued for the credit being established, plus (3) regular interest on the amounts in items (1) and (2) from the first day as an alternative formula employee after the employment for which credit is being established to the date of payment.
- (1) Subject to the limitation in subsection (i), a security employee of the Department of Corrections may elect, not later than July 1, 1998, to establish eligible creditable service for up to 10 years of his or her service as a policeman under Article 3, by filing a written election with the Board, accompanied by payment of an amount to be determined by the Board, equal to (i) the difference between the amount of employee and employer contributions transferred to the System

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

- 7 (Source: P.A. 94-4, eff. 6-1-05.)
- 8 (Text of Section after amendment by P.A. 94-696)
- 9 Sec. 14-110. Alternative retirement annuity.

retirement annuity computed as follows:

- (a) Any member who has withdrawn from service with not less than 20 years of eligible creditable service and has attained age 55, and any member who has withdrawn from service with not less than 25 years of eligible creditable service and has attained age 50, regardless of whether the attainment of either of the specified ages occurs while the member is still in service, shall be entitled to receive at the option of the member, in lieu of the regular or minimum retirement annuity, a
  - (i) for periods of service as a noncovered employee: if retirement occurs on or after January 1, 2001, 3% of final average compensation for each year of creditable service; if retirement occurs before January 1, 2001, 2 1/4% of final average compensation for each of the first 10 years of creditable service, 2 1/2% for each year above 10 years to and including 20 years of creditable service, and 2 3/4% for each year of creditable service above 20 years; and
  - (ii) for periods of eligible creditable service as a covered employee: if retirement occurs on or after January 1, 2001, 2.5% of final average compensation for each year of creditable service; if retirement occurs before January 1, 2001, 1.67% of final average compensation for each of the first 10 years of such service, 1.90% for each of the next 10 years of such service, 2.10% for each year of such service in excess of 20 but not exceeding 30, and 2.30% for each year in excess of 30.

1	Such annuity shall be subject to a maximum of 75% of final
2	average compensation if retirement occurs before January 1,
3	2001 or to a maximum of 80% of final average compensation if
4	retirement occurs on or after January 1, 2001.
5	These rates shall not be applicable to any service
6	performed by a member as a covered employee which is not
7	eligible creditable service. Service as a covered employee
8	which is not eligible creditable service shall be subject to
9	the rates and provisions of Section 14-108.
10	(b) For the purpose of this Section, "eligible creditable
11	service" means creditable service resulting from service in one
12	or more of the following positions:
13	(1) State policeman;
14	(2) fire fighter in the fire protection service of a
15	department;
16	(3) air pilot;
17	(4) special agent;
18	(5) investigator for the Secretary of State;
19	(6) conservation police officer;
20	(7) investigator for the Department of Revenue or the
21	<pre>Illinois Gaming Board;</pre>
22	(8) security employee of the Department of Human
23	Services;
24	(9) Central Management Services security police
25	officer;
26	(10) security employee of the Department of
27	Corrections or the Department of Juvenile Justice;
28	(11) dangerous drugs investigator;
29	(12) investigator for the Department of State Police;
30	(13) investigator for the Office of the Attorney
31	General;
32	(14) controlled substance inspector;
33	(15) investigator for the Office of the State's
34	Attorneys Appellate Prosecutor;
35	(16) Commerce Commission police officer;

(17) arson investigator;

(18) State highway maintenance worker.

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

- (c) For the purposes of this Section:
- (1) The term "state policeman" includes any title or position in the Department of State Police that is held by an individual employed under the State Police Act.
- (2) The term "fire fighter in the fire protection service of a department" includes all officers in such fire protection service including fire chiefs and assistant fire chiefs.
- (3) The term "air pilot" includes any employee whose official job description on file in the Department of Central Management Services, or in the department by which he is employed if that department is not covered by the Personnel Code, states that his principal duty is the operation of aircraft, and who possesses a pilot's license; however, the change in this definition made by this amendatory Act of 1983 shall not operate to exclude any noncovered employee who was an "air pilot" for the purposes of this Section on January 1, 1984.
- (4) The term "special agent" means any person who by reason of employment by the Division of Narcotic Control, the Bureau of Investigation or, after July 1, 1977, the Division of Criminal Investigation, the Division of Internal Investigation, the Division of Operations, or any other Division or organizational entity in the Department of State Police is vested by law with duties to maintain

public order, investigate violations of the criminal law of this State, enforce the laws of this State, make arrests and recover property. The term "special agent" includes any title or position in the Department of State Police that is held by an individual employed under the State Police Act.

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

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

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

The term "investigator for the Illinois Gaming Board"

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means any person employed as such by the Illinois Gaming

Board and vested with such peace officer duties as render

the person ineligible for coverage under the Social

Security Act by reason of Sections 218(d)(5)(A),

218(d)(8)(D), and 218(1)(1) of that Act.

(8) The term "security employee of the Department of Human Services" means any person employed by the Department of Human Services who (i) is employed at the Chester Mental Health Center and has daily contact with the residents thereof, (ii) is employed within a security unit at a facility operated by the Department and has daily contact with the residents of the security unit, (iii) is employed at a facility operated by the Department that includes a security unit and is regularly scheduled to work at least 50% of his or her working hours within that security unit, or (iv) is a mental health police officer. "Mental health police officer" means any person employed by the Department Human Services in a position pertaining to the Department's mental health and developmental disabilities functions who is vested with such law enforcement duties as render the person ineligible for coverage under the Social by reason of 218 (d) (5) (A), Security Act Sections 218(d)(8)(D) and 218(l)(1) of that Act. "Security unit" means that portion of a facility that is devoted to the care, containment, and treatment of persons committed to the Department of Human Services as sexually violent persons, persons unfit to stand trial, or persons not guilty by reason of insanity. With respect to past employment, references to the Department of Human Services include its predecessor, the Department of Mental Health and Developmental Disabilities.

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

(9) "Central Management Services security police officer" means any person employed by the Department of

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Central Management Services who is vested with such law enforcement duties as render him ineligible for coverage under the Social Security Act by reason of Sections 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act.

- (10) For a member who first became an employee under this Article before July 1, 2005, the term "security employee of the Department of Corrections or the Department of Juvenile Justice" means any employee of the Department of Corrections or the Department of Juvenile Justice or the former Department of Personnel, and any member or employee of the Prisoner Review Board, who has daily contact with inmates or youth by working within a correctional facility or Juvenile facility operated by the Department of Juvenile Justice or who is a parole officer or an employee who has direct contact with committed persons in the performance of his or her job duties. For a member who first becomes an employee under this Article on or after July 1, 2005, the term means an employee of the Department of Corrections or the Department of Juvenile Justice who is any of the following: (i) officially headquartered at a correctional facility or Juvenile facility operated by the Department of Juvenile Justice, (ii) a parole officer, (iii) a member of the apprehension unit, (iv) a member of the intelligence unit, (v) a member of the sort team, or (vi) an investigator.
- (11) The term "dangerous drugs investigator" means any person who is employed as such by the Department of Human Services.
- (12) The term "investigator for the Department of State Police" means a person employed by the Department of State Police who is vested under Section 4 of the Narcotic Control Division Abolition Act with such law enforcement powers as render him ineligible for coverage under the Social Security Act by reason of Sections 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act.
  - (13) "Investigator for the Office of the Attorney

General" means any person who is employed as such by the Office of the Attorney General and is vested with such investigative duties as render him ineligible for coverage under the Social Security Act by reason of Sections 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act. For the period before January 1, 1989, the term includes all persons who were employed as investigators by the Office of the Attorney General, without regard to social security status.

- (14) "Controlled substance inspector" means any person who is employed as such by the Department of Professional Regulation and is vested with such law enforcement duties as render him ineligible for coverage under the Social Security Act by reason of Sections 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act. The term "controlled substance inspector" includes the Program Executive of Enforcement and the Assistant Program Executive of Enforcement.
- (15) The term "investigator for the Office of the State's Attorneys Appellate Prosecutor" means a person employed in that capacity on a full time basis under the authority of Section 7.06 of the State's Attorneys Appellate Prosecutor's Act.
- (16) "Commerce Commission police officer" means any person employed by the Illinois Commerce Commission who is vested with such law enforcement duties as render him ineligible for coverage under the Social Security Act by reason of Sections 218(d)(5)(A), 218(d)(8)(D), and 218(1)(1) of that Act.
- (17) "Arson investigator" means any person who is employed as such by the Office of the State Fire Marshal and is vested with such law enforcement duties as render the person ineligible for coverage under the Social Security Act by reason of Sections 218(d)(5)(A), 218(d)(8)(D), and 218(1)(1) of that Act. A person who was employed as an arson investigator on January 1, 1995 and is

no longer in service but not yet receiving a retirement annuity may convert his or her creditable service for employment as an arson investigator into eligible creditable service by paying to the System the difference between the employee contributions actually paid for that service and the amounts that would have been contributed if the applicant were contributing at the rate applicable to persons with the same social security status earning eligible creditable service on the date of application.

- (18) The term "State highway maintenance worker" means a person who is either of the following:
  - (i) A person employed on a full-time basis by the Illinois Department of Transportation in the position of highway maintainer, highway maintenance lead worker, highway maintenance lead/lead worker, heavy construction equipment operator, power shovel operator, or bridge mechanic; and whose principal responsibility is to perform, on the roadway, the actual maintenance necessary to keep the highways that form a part of the State highway system in serviceable condition for vehicular traffic.
  - (ii) A person employed on a full-time basis by the Illinois State Toll Highway Authority in the position equipment operator/laborer H-4, equipment of H-6, welder H-4, welder H-6, operator/laborer mechanical/electrical H-4, mechanical/electrical H-6, water/sewer H-4, water/sewer H-6, sign maker/hanger H-4, sign maker/hanger H-6, roadway lighting H-4, roadway lighting H-6, structural H-4, structural H-6, painter H-4, or painter H-6; and whose principal responsibility is to perform, on the roadway, the actual maintenance necessary to keep the Authority's in serviceable condition for vehicular tollways traffic.
- (d) A security employee of the Department of Corrections or the Department of Juvenile Justice, and a security employee of

- the Department of Human Services who is not a mental health police officer, shall not be eligible for the alternative retirement annuity provided by this Section unless he or she meets the following minimum age and service requirements at the time of retirement:
- 6 (i) 25 years of eligible creditable service and age 55;
  7 or
  - (ii) beginning January 1, 1987, 25 years of eligible creditable service and age 54, or 24 years of eligible creditable service and age 55; or
  - (iii) beginning January 1, 1988, 25 years of eligible creditable service and age 53, or 23 years of eligible creditable service and age 55; or
  - (iv) beginning January 1, 1989, 25 years of eligible creditable service and age 52, or 22 years of eligible creditable service and age 55; or
  - (v) beginning January 1, 1990, 25 years of eligible creditable service and age 51, or 21 years of eligible creditable service and age 55; or
  - (vi) beginning January 1, 1991, 25 years of eligible creditable service and age 50, or 20 years of eligible creditable service and age 55.

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

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

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

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

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

(g) A State policeman may elect, not later than January 1, 1990, to establish eligible creditable service for up to 10 years of his service as a policeman under Article 3, by filing a written election with the Board, accompanied by payment of an amount to be determined by the Board, equal to (i) the difference between the amount of employee and employer contributions transferred to the System under Section 3-110.5, and the amounts that would have been contributed had such

contributions been made at the rates applicable to State policemen, plus (ii) interest thereon at the effective rate for each year, compounded annually, from the date of service to the date of payment.

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

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

Subject to the limitation in subsection (i), a State policeman, conservation police officer, or investigator for the Secretary of State may elect to establish eligible creditable service for up to 10 years of service as a sheriff's law enforcement employee under Article 7, by filing a written election with the Board on or before January 31, 1993, and

- paying to the System by January 31, 1994 an amount to be determined by the Board, equal to (i) the difference between the amount of employee and employer contributions transferred to the System under Section 7-139.7, and the amounts that would have been contributed had such contributions been made at the rates applicable to State policemen, plus (ii) interest thereon at the effective rate for each year, compounded annually, from the date of service to the date of payment.
  - (i) The total amount of eligible creditable service established by any person under subsections (g), (h), (j), (k), and (l) of this Section shall not exceed 12 years.
  - (j) Subject to the limitation in subsection (i), investigator for the Office of the State's Attorneys Appellate Prosecutor or a controlled substance inspector may elect to establish eligible creditable service for up to 10 years of his service as a policeman under Article 3 or a sheriff's law enforcement employee under Article 7, by filing a written election with the Board, accompanied by payment of an amount to be determined by the Board, equal to (1) the difference between the amount of employee and employer contributions transferred to the System under Section 3-110.6 or 7-139.8, and the amounts that would have been contributed had such contributions been made at the rates applicable to State policemen, plus (2) thereon at the effective rate for each year, interest compounded annually, from the date of service to the date of payment.
  - (k) Subject to the limitation in subsection (i) of this Section, an alternative formula employee may elect to establish eligible creditable service for periods spent as a full-time law enforcement officer or full-time corrections officer employed by the federal government or by a state or local government located outside of Illinois, for which credit is not held in any other public employee pension fund or retirement system. To obtain this credit, the applicant must file a written application with the Board by March 31, 1998, accompanied by evidence of eligibility acceptable to the Board

and payment of an amount to be determined by the Board, equal to (1) employee contributions for the credit being established, based upon the applicant's salary on the first day as an alternative formula employee after the employment for which credit is being established and the rates then applicable to alternative formula employees, plus (2) an amount determined by the Board to be the employer's normal cost of the benefits accrued for the credit being established, plus (3) regular interest on the amounts in items (1) and (2) from the first day as an alternative formula employee after the employment for which credit is being established to the date of payment.

- (1) Subject to the limitation in subsection (i), a security employee of the Department of Corrections may elect, not later than July 1, 1998, to establish eligible creditable service for up to 10 years of his or her service as a policeman under Article 3, by filing a written election with the Board, accompanied by payment of an amount to be determined by the Board, equal to (i) the difference between the amount of employee and employer contributions transferred to the System under Section 3-110.5, and the amounts that would have been contributed had such contributions been made at the rates applicable to security employees of the Department of Corrections, plus (ii) interest thereon at the effective rate for each year, compounded annually, from the date of service to the date of payment.
- (m) The amendatory changes to this Section made by this amendatory Act of the 94th General Assembly apply only to: (1) security employees of the Department of Juvenile Justice employed by the Department of Corrections before the effective date of this amendatory Act of the 94th General Assembly and transferred to the Department of Juvenile Justice by this amendatory Act of the 94th General Assembly; and (2) persons employed by the Department of Juvenile Justice on or after the effective date of this amendatory Act of the 94th General Assembly who are required by subsection (b) of Section 3-2.5-15 of the Unified Code of Corrections to have a bachelor's or

- 1 advanced degree from an accredited college or university with a
- 2 specialization in criminal justice, education, psychology,
- 3 social work, or a closely related social science or, in the
- 4 case of persons who provide vocational training, who are
- 5 required to have adequate knowledge in the skill for which they
- 6 are providing the vocational training.
- 7 (Source: P.A. 94-4, eff. 6-1-05; 94-696, eff. 6-1-06.)
- 8 (40 ILCS 5/18-127) (from Ch. 108 1/2, par. 18-127)
- 9 Sec. 18-127. Retirement annuity suspension on reemployment.
  - (a) A participant receiving a retirement annuity who is regularly employed for compensation by an employer other than a county, in any capacity, shall have his or her retirement annuity payments suspended during such employment. Upon termination of such employment, retirement annuity payments at the previous rate shall be resumed.

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

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

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- 1 his duties under the temporary employment agreement.
- (c) Except as provided in subsection (a), beginning January

  1, 1993, retirement annuities shall not be subject to

  suspension upon resumption of employment for an employer, and

  any retirement annuity that is then so suspended shall be

  reinstated on that date.
  - (d) The changes made in this Section by this amendatory Act of 1993 shall apply to judges no longer in service on its effective date, as well as to judges serving on or after that date.
- 11 (e) A participant receiving a retirement annuity under this 12 Article who (i) serves as a part-time employee in any of the 13 following positions: Legislative Inspector General, Special Legislative Inspector General, employee of the Office of the 14 15 Legislative Inspector General, Executive Director of the 16 Legislative Ethics Commission, or staff of the Legislative 17 Ethics Commission or (ii), on or after March 1, 2005, serves on the Illinois Gaming Board, but has not elected to participate 18 19 in the Article 14 System with respect to that service, shall 20 not be deemed to be regularly employed for compensation by an employer other than a county, nor to have resumed service as a 21 judge, on the basis of that service, and the retirement annuity 22 23 payments and other benefits of that person under this Code shall not be suspended, diminished, or otherwise impaired 24 solely as a consequence of that service. This subsection (e) 25 26 applies without regard to whether the person is in service as a 27 judge under this Article on or after the effective date of this 28 amendatory Act of the 93rd General Assembly. In 29 subsection, a "part-time employee" is a person who is not required to work at least 35 hours per week. The changes made 30 31 to this subsection (e) by this amendatory Act of the 94th General Assembly apply without regard to whether the person is 32 in service as a judge under this Article on or after the 33 effective date of this amendatory Act of the 94th General 34 35 Assembly.
  - (f) A participant receiving a retirement annuity under this

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1 Article who has made an election under Section 1-123 and who is 2 serving either as legal counsel in the Office of the Governor 3 or as Chief Deputy Attorney General shall not be deemed to be regularly employed for compensation by an employer other than a 4 5 county, nor to have resumed service as a judge, on the basis of 6 that service, and the retirement annuity payments and other benefits of that person under this Code shall not be suspended, 7 diminished, or otherwise impaired solely as a consequence of 8 that service. This subsection (f) applies without regard to 9 10 whether the person is in service as a judge under this Article 11 on or after the effective date of this amendatory Act of the 12 93rd General Assembly.

- 13 (Source: P.A. 93-685, eff. 7-8-04; 93-1069, eff. 1-15-05.)
- Section 20. The Riverboat Gambling Act is amended by changing Sections 4, 5, 5.1, 7, and 13 and by adding Section 5.2 as follows:
- 17 (230 ILCS 10/4) (from Ch. 120, par. 2404)
- 18 Sec. 4. Definitions. As used in this Act:
- 19 (a) "Board" means the Illinois Gaming Board.
- 20 (b) "Occupational license" means a license issued by the 21 Board to a person or entity to perform an occupation which the 22 Board has identified as requiring a license to engage in 23 riverboat gambling in Illinois.
- 24 (c) "Gambling game" includes, but is not limited to,
  25 baccarat, twenty-one, poker, craps, slot machine, video game of
  26 chance, roulette wheel, klondike table, punchboard, faro
  27 layout, keno layout, numbers ticket, push card, jar ticket, or
  28 pull tab which is authorized by the Board as a wagering device
  29 under this Act.
  - (d) "Riverboat" means a self-propelled excursion boat, a permanently moored barge, or permanently moored barges that are permanently fixed together to operate as one vessel, on which lawful gambling is authorized and licensed as provided in this Act.

- 1 (e) "Managers license" means a license issued by the Board 2 to a person or entity to manage gambling operations conducted
- by the State pursuant to Section 7.3 7.2. 3
- (f) "Dock" means the location where a riverboat moors for 4 5 the purpose of embarking passengers for and disembarking
- 6 passengers from the riverboat.
- (g) "Gross receipts" means the total amount of money 7 exchanged for the purchase of chips, tokens or electronic cards 8 by riverboat patrons. 9
- (h) "Adjusted gross receipts" means the gross receipts less 10 11 winnings paid to wagerers.
- 12 (i) "Cheat" means to alter the selection of criteria which 13 determine the result of a gambling game or the amount or frequency of payment in a gambling game. 14
- 15 (j) (Blank) "Department" means the Department of Revenue.
- 16 (k) "Gambling operation" means the conduct of authorized 17 gambling games upon a riverboat.
- (1) "License bid" means the lump sum amount of money that 19 an applicant bids and agrees to pay the State in return for an 20 owners license that is re-issued on or after July 1, 2003.
- (m) The terms "minority person" and "female" shall have the 21 same meaning as defined in Section 2 of the Business Enterprise 22 23 for Minorities, Females, and Persons with Disabilities Act.
- (Source: P.A. 92-600, eff. 6-28-02; 93-28, eff. 6-20-03; 24 revised 1-28-04.) 25
- 26 (230 ILCS 10/5) (from Ch. 120, par. 2405)
- 27 Sec. 5. Gaming Board.
- (1) There is hereby established the within the 28 29 Department of Revenue an Illinois Gaming Board, which shall 30 have the powers and duties specified in this Act, and all other 31 powers necessary and proper to fully and effectively execute this Act for the purpose of administering, regulating, and 32 enforcing the system of riverboat gambling established by this 33 Act. Its jurisdiction shall extend under this Act to every 34 person, association, corporation, partnership and trust 35

involved in riverboat gambling operations in the State of Illinois.

- (2) The Board shall consist of 5 members to be appointed by the Governor with the advice and consent of the Senate, one of whom shall be designated by the Governor to be chairman. Each member shall have a reasonable knowledge of the practice, procedure and principles of gambling operations. Each member shall either be a resident of Illinois or shall certify that he will become a resident of Illinois before taking office. At least one member shall be experienced in law enforcement and criminal investigation, at least one member shall be a certified public accountant experienced in accounting and auditing, and at least one member shall be a lawyer licensed to practice law in Illinois.
- (3) The terms of office of the Board members shall be 3 years, except that the terms of office of the initial Board members appointed pursuant to this Act will commence from the effective date of this Act and run as follows: one for a term ending July 1, 1991, 2 for a term ending July 1, 1992, and 2 for a term ending July 1, 1993. Upon the expiration of the foregoing terms, the successors of such members shall serve a term for 3 years and until their successors are appointed and qualified for like terms. Vacancies in the Board shall be filled for the unexpired term in like manner as original appointments. Each member of the Board shall be eligible for reappointment at the discretion of the Governor with the advice and consent of the Senate.
- (4) The chairman of the Board shall receive an annual salary of \$60,000, or as set by the Compensation Review Board, whichever is higher. Other members of the Board shall receive an annual salary of \$50,000, or as set by the Compensation Review Board, whichever is higher. Each member of the Board shall receive \$300 for each day the Board meets and for each day the member conducts any hearing pursuant to this Act. Each member of the Board shall also be reimbursed for all actual and necessary expenses and disbursements incurred in the execution

of official duties.

- (5) No person shall be appointed a member of the Board or continue to be a member of the Board who is, or whose spouse, child or parent is, a member of the board of directors of, or a person financially interested in, any gambling operation subject to the jurisdiction of this Board, or any race track, race meeting, racing association or the operations thereof subject to the jurisdiction of the Illinois Racing Board. No Board member shall hold any other public office for which he shall receive compensation other than necessary travel or other incidental expenses. No person shall be a member of the Board who is not of good moral character or who has been convicted of, or is under indictment for, a felony under the laws of Illinois or any other state, or the United States.
- (5.5) No member of the Board shall engage in any political activity. For the purposes of this Section, "political" means any activity in support of or in connection with any campaign for elective State office, elective office of any unit of local government or school district, or any political organization, but does not include activities (i) relating to the support or opposition of any executive, legislative, or administrative action (as those terms are defined in Section 2 of the Lobbyist Registration Act), (ii) relating to collective bargaining, or (iii) that are otherwise in furtherance of the person's official State duties or governmental and public service functions.
- (6) Any member of the Board may be removed by the Governor for neglect of duty, misfeasance, malfeasance, or nonfeasance in office or for engaging in any political activity.
- (7) Before entering upon the discharge of the duties of his office, each member of the Board shall take an oath that he will faithfully execute the duties of his office according to the laws of the State and the rules and regulations adopted therewith and shall give bond to the State of Illinois, approved by the Governor, in the sum of \$25,000. Every such bond, when duly executed and approved, shall be recorded in the

office of the Secretary of State. Whenever the Governor determines that the bond of any member of the Board has become or is likely to become invalid or insufficient, he shall require such member forthwith to renew his bond, which is to be approved by the Governor. Any member of the Board who fails to take oath and give bond within 30 days from the date of his appointment, or who fails to renew his bond within 30 days after it is demanded by the Governor, shall be guilty of neglect of duty and may be removed by the Governor. The cost of any bond given by any member of the Board under this Section shall be taken to be a part of the necessary expenses of the Board.

- (8) The Upon the request of the Board, the Department shall employ such personnel as may be necessary to carry out its the functions and shall determine the salaries of all personnel, except those personnel whose salaries are determined under the terms of a collective bargaining agreement of the Board. No person shall be employed to serve the Board who is, or whose spouse, parent or child is, an official of, or has a financial interest in or financial relation with, any operator engaged in gambling operations within this State or any organization engaged in conducting horse racing within this State. Any employee violating these prohibitions shall be subject to termination of employment.
- (9) An Administrator shall perform any and all duties that the Board shall assign him. The salary of the Administrator shall be determined by the Board and approved by the Director of the Department and, in addition, he shall be reimbursed for all actual and necessary expenses incurred by him in discharge of his official duties. The Administrator shall keep records of all proceedings of the Board and shall preserve all records, books, documents and other papers belonging to the Board or entrusted to its care. The Administrator shall devote his full time to the duties of the office and shall not hold any other office or employment.
  - (b) The Board shall have general responsibility for the

implementation of this Act. Its duties include, without
limitation, the following:

- (1) To decide promptly and in reasonable order all license applications. Any party aggrieved by an action of the Board denying, suspending, revoking, restricting or refusing to renew a license may request a hearing before the Board. A request for a hearing must be made to the Board in writing within 5 days after service of notice of the action of the Board. Notice of the action of the Board shall be served either by personal delivery or by certified mail, postage prepaid, to the aggrieved party. Notice served by certified mail shall be deemed complete on the business day following the date of such mailing. The Board shall conduct all requested hearings promptly and in reasonable order;
- (2) To conduct all hearings pertaining to civil violations of this Act or rules and regulations promulgated hereunder;
- (3) To promulgate such rules and regulations as in its judgment may be necessary to protect or enhance the credibility and integrity of gambling operations authorized by this Act and the regulatory process hereunder;
- (4) To provide for the establishment and collection of all license and registration fees and taxes imposed by this Act and the rules and regulations issued pursuant hereto. All such fees and taxes shall be deposited into the State Gaming Fund;
- (5) To provide for the levy and collection of penalties and fines for the violation of provisions of this Act and the rules and regulations promulgated hereunder. All such fines and penalties shall be deposited into the Education Assistance Fund, created by Public Act 86-0018, of the State of Illinois;
- (6) To be present through its inspectors and agents any time gambling operations are conducted on any riverboat for

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the purpose of certifying the revenue thereof, receiving complaints from the public, and conducting such other investigations into the conduct of the gambling games and the maintenance of the equipment as from time to time the Board may deem necessary and proper;

- (7) To review and rule upon any complaint by a licensee regarding any investigative procedures of the State which are unnecessarily disruptive of gambling operations. The need to inspect and investigate shall be presumed at all times. The disruption of a licensee's operations shall be proved by clear and convincing evidence, and establish that: (A) the procedures had no reasonable law enforcement purposes, and (B) the procedures were so disruptive as to unreasonably inhibit gambling operations;
- (8) To hold at least one meeting each quarter of the fiscal year. In addition, special meetings may be called by the Chairman or any 2 Board members upon 72 hours written notice to each member. All Board meetings shall be subject to the Open Meetings Act. Three members of the Board shall constitute a quorum, and 3 votes shall be required for any final determination by the Board. The Board shall keep a complete and accurate record of all its meetings. A majority of the members of the Board shall constitute a quorum for the transaction of any business, for the performance of any duty, or for the exercise of any power which this Act requires the Board members to transact, perform or exercise en banc, except that, upon order of the Board, one of the Board members or an administrative law judge designated by the Board may conduct any hearing provided for under this Act or by Board rule and may recommend findings and decisions to the Board. The Board member or administrative law judge conducting such hearing shall have all powers and rights granted to the Board in this Act. The record made at the time of the hearing shall be reviewed by the Board, or a majority thereof, and the findings and decision of the majority of the Board shall

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constitute the order of the Board in such case;

- (9) To maintain records which are separate and distinct from the records of any other State board or commission. Such records shall be available for public inspection and shall accurately reflect all Board proceedings;
- (10) To file a written annual report with the Governor on or before March 1 each year and such additional reports as the Governor may request. The annual report shall include a statement of receipts and disbursements by the Board, actions taken by the Board, and any additional information and recommendations which the Board may deem valuable or which the Governor may request;
  - (11) (Blank); and
- (12) (Blank); and To assume responsibility for the administration and enforcement of the Bingo License and Tax Act, the Charitable Games Act, and the Pull Tabs and Jar Games Act if such responsibility is delegated to it by the Director of Revenue.
- (13) To adopt, by rule, a code of conduct governing

  Board members and employees that ensure, to the maximum

  extent possible, that persons subject to this Code avoid

  situations, relationships, or associations that may

  represent or lead to a conflict of interest.
- (c) The Board shall have jurisdiction over and shall supervise all gambling operations governed by this Act. The Board shall have all powers necessary and proper to fully and effectively execute the provisions of this Act, including, but not limited to, the following:
  - (1) To investigate applicants and determine the eligibility of applicants for licenses and to select among competing applicants the applicants which best serve the interests of the citizens of Illinois.
  - (2) To have jurisdiction and supervision over all riverboat gambling operations in this State and all persons on riverboats where gambling operations are conducted.
    - (3) To promulgate rules and regulations for the purpose

of administering the provisions of this Act and to prescribe rules, regulations and conditions under which all riverboat gambling in the State shall be conducted. Such rules and regulations are to provide for the prevention of practices detrimental to the public interest and for the best interests of riverboat gambling, including rules and regulations regarding the inspection of such riverboats and the review of any permits or licenses necessary to operate a riverboat under any laws or regulations applicable to riverboats, and to impose penalties for violations thereof.

- (4) To enter the office, riverboats, facilities, or other places of business of a licensee, where evidence of the compliance or noncompliance with the provisions of this Act is likely to be found.
- (5) To investigate alleged violations of this Act or the rules of the Board and to take appropriate disciplinary action against a licensee or a holder of an occupational license for a violation, or institute appropriate legal action for enforcement, or both.
- (6) To adopt standards for the licensing of all persons under this Act, as well as for electronic or mechanical gambling games, and to establish fees for such licenses.
- (7) To adopt appropriate standards for all riverboats and facilities.
- (8) To require that the records, including financial or other statements of any licensee under this Act, shall be kept in such manner as prescribed by the Board and that any such licensee involved in the ownership or management of gambling operations submit to the Board an annual balance sheet and profit and loss statement, list of the stockholders or other persons having a 1% or greater beneficial interest in the gambling activities of each licensee, and any other information the Board deems necessary in order to effectively administer this Act and all rules, regulations, orders and final decisions

promulgated under this Act.

- (9) To conduct hearings, issue subpoenas for the attendance of witnesses and subpoenas duces tecum for the production of books, records and other pertinent documents in accordance with the Illinois Administrative Procedure Act, and to administer oaths and affirmations to the witnesses, when, in the judgment of the Board, it is necessary to administer or enforce this Act or the Board rules.
- (10) To prescribe a form to be used by any licensee involved in the ownership or management of gambling operations as an application for employment for their employees.
- (11) To revoke or suspend licenses, as the Board may see fit and in compliance with applicable laws of the State regarding administrative procedures, and to review applications for the renewal of licenses. The Board may suspend an owners license, without notice or hearing upon a determination that the safety or health of patrons or employees is jeopardized by continuing a riverboat's operation. The suspension may remain in effect until the Board determines that the cause for suspension has been abated. The Board may revoke the owners license upon a determination that the owner has not made satisfactory progress toward abating the hazard.
- (12) To eject or exclude or authorize the ejection or exclusion of, any person from riverboat gambling facilities where such person is in violation of this Act, rules and regulations thereunder, or final orders of the Board, or where such person's conduct or reputation is such that his presence within the riverboat gambling facilities may, in the opinion of the Board, call into question the honesty and integrity of the gambling operations or interfere with orderly conduct thereof; provided that the propriety of such ejection or exclusion is subject to subsequent hearing by the Board.

- (13) To require all licensees of gambling operations to utilize a cashless wagering system whereby all players' money is converted to tokens, electronic cards, or chips which shall be used only for wagering in the gambling establishment.
  - (14) (Blank).
- (15) To suspend, revoke or restrict licenses, to require the removal of a licensee or an employee of a licensee for a violation of this Act or a Board rule or for engaging in a fraudulent practice, and to impose civil penalties of up to \$5,000 against individuals and up to \$10,000 or an amount equal to the daily gross receipts, whichever is larger, against licensees for each violation of any provision of the Act, any rules adopted by the Board, any order of the Board or any other action which, in the Board's discretion, is a detriment or impediment to riverboat gambling operations.
- (16) To hire employees to gather information, conduct investigations and carry out any other tasks contemplated under this Act.
- (17) To establish minimum levels of insurance to be maintained by licensees.
- (18) To authorize a licensee to sell or serve alcoholic liquors, wine or beer as defined in the Liquor Control Act of 1934 on board a riverboat and to have exclusive authority to establish the hours for sale and consumption of alcoholic liquor on board a riverboat, notwithstanding any provision of the Liquor Control Act of 1934 or any local ordinance, and regardless of whether the riverboat makes excursions. The establishment of the hours for sale and consumption of alcoholic liquor on board a riverboat is an exclusive power and function of the State. A home rule unit may not establish the hours for sale and consumption of alcoholic liquor on board a riverboat. This amendatory Act of 1991 is a denial and limitation of home rule powers and functions under subsection (h) of Section 6 of Article

VII of the Illinois Constitution.

- (19) After consultation with the U.S. Army Corps of Engineers, to establish binding emergency orders upon the concurrence of a majority of the members of the Board regarding the navigability of water, relative to excursions, in the event of extreme weather conditions, acts of God or other extreme circumstances.
- (20) To delegate the execution of any of its powers under this Act for the purpose of administering and enforcing this Act and its rules and regulations hereunder.
- (20.5) To approve any contract entered into on its behalf.
- investigations, searches, seizures, arrests, and other duties imposed under this Act. These investigators have and may exercise all the rights and powers of peace officers, provided that these powers shall be limited to offenses or violations occurring or committed on a riverboat or dock, as defined in subsections (d) and (f) of Section 4. The Board must issue to each investigator a distinct badge that, on its face, (i) clearly states that the badge is authorized by the Board and (ii) contains a unique identifying number. No other badge shall be authorized by the Board.
- (21) To take any other action as may be reasonable or appropriate to enforce this Act and rules and regulations hereunder.
- (d) The Board may seek and shall receive the cooperation of the Department of State Police in conducting background investigations of applicants and in fulfilling its responsibilities under this Section. Costs incurred by the Department of State Police as a result of such cooperation shall be paid by the Board in conformance with the requirements of Section 2605-400 of the Department of State Police Law (20 ILCS 2605/2605-400).
  - (e) The Board must authorize to each investigator and to

- 1 any other employee of the Board exercising the powers of a
- 2 peace officer a distinct badge that, on its face, (i) clearly
- 3 states that the badge is authorized by the Board and (ii)
- 4 contains a unique identifying number. No other badge shall be
- 5 authorized by the Board.
- 6 (Source: P.A. 91-40, eff. 1-1-00; 91-239, eff. 1-1-00; 91-883,
- 7 eff. 1-1-01.)
- 8 (230 ILCS 10/5.1) (from Ch. 120, par. 2405.1)
- 9 Sec. 5.1. Disclosure of records.
- 10 (a) Notwithstanding any applicable statutory provision to 11 the contrary, the Board shall, on written request from any
- 12 person, provide information furnished by an applicant or
- 13 licensee concerning the applicant or licensee, his products,
- 14 services or gambling enterprises and his business holdings, as
- 15 follows:

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- 16 (1) The name, business address and business telephone
- 17 number of any applicant or licensee.

provided.

- (2) An identification of any applicant or licensee 18 19 including, an applicant or licensee individual, the state of incorporation or registration, 20 corporate officers, and identity 21 the the all 22 shareholders or participants. If an applicant or licensee a pending registration statement filed with the 23 Securities and Exchange Commission, only the names of those 24 persons or entities holding interest of 5% or more must be 25
  - (3) An identification of any business, including, if applicable, the state of incorporation or registration, in which an applicant or licensee or an applicant's or licensee's spouse or children has an equity interest of more than 1% 5%. If an applicant or licensee is a corporation, partnership or other business entity, the applicant or licensee shall identify any other corporation, partnership or business entity in which it has an equity interest of 1% 5% or more, including, if

applicable, the state of incorporation or registration. This information need not be provided by a corporation, partnership or other business entity that has a pending registration statement filed with the Securities and Exchange Commission.

- (4) Whether an applicant or licensee has been indicted, convicted, pleaded guilty or nolo contendere, or forfeited bail concerning any criminal offense under the laws of any jurisdiction, either felony or misdemeanor (except for traffic violations), including the date, the name and location of the court, arresting agency and prosecuting agency, the case number, the offense, the disposition and the location and length of incarceration.
- (5) Whether an applicant or licensee has had any license or certificate issued by a licensing authority in Illinois or any other jurisdiction denied, restricted, suspended, revoked or not renewed and a statement describing the facts and circumstances concerning the denial, restriction, suspension, revocation or non-renewal, including the licensing authority, the date each such action was taken, and the reason for each such action.
- (6) Whether an applicant or licensee has ever filed or had filed against it a proceeding in bankruptcy or has ever been involved in any formal process to adjust, defer, suspend or otherwise work out the payment of any debt including the date of filing, the name and location of the court, the case and number of the disposition.
- (7) Whether an applicant or licensee has filed, or been served with a complaint or other notice filed with any public body, regarding the delinquency in the payment of, or a dispute over the filings concerning the payment of, any tax required under federal, State or local law, including the amount, type of tax, the taxing agency and time periods involved.
  - (8) A statement listing the names and titles of all

public officials or officers of any unit of government, and relatives of said public officials or officers who, directly or indirectly, own any financial interest in, have any beneficial interest in, are the creditors of or hold any debt instrument issued by, or hold or have any interest in any contractual or service relationship with, an applicant or licensee.

- (9) Whether an applicant or licensee has made, directly or indirectly, any political contribution, or any loans, donations or other payments, to any candidate or office holder, within 5 years from the date of filing the application, including the amount and the method of payment.
- (10) The name and business telephone number of the counsel representing an applicant or licensee in matters before the Board.
- (11) A description of any proposed or approved riverboat gaming operation, including the type of boat, home dock location, expected economic benefit to the community, anticipated or actual number of employees, any statement from an applicant or licensee regarding compliance with federal and State affirmative action guidelines, projected or actual admissions and projected or actual adjusted gross gaming receipts.
- (12) A description of the product or service to be supplied by an applicant for a supplier's license.
- (b) Notwithstanding any applicable statutory provision to the contrary, the Board shall, on written request from any person, also provide the following information:
  - (1) The amount of the wagering tax and admission tax paid daily to the State of Illinois by the holder of an owner's license.
  - (2) Whenever the Board finds an applicant for an owner's license unsuitable for licensing, a copy of the written letter outlining the reasons for the denial.
    - (3) Whenever the Board has refused to grant leave for

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- an applicant to withdraw his application, a copy of the letter outlining the reasons for the refusal.
- 3 (c) Subject to the above provisions, the Board shall not 4 disclose any information which would be barred by:
  - (1) Section 7 of the Freedom of Information Act; or
- 6 (2) The statutes, rules, regulations or intergovernmental agreements of any jurisdiction.
- 8 (d) The Board may assess fees for the copying of 9 information in accordance with Section 6 of the Freedom of 10 Information Act.
- 11 (Source: P.A. 87-826.)
- 12 (230 ILCS 10/5.2 new)
- Sec. 5.2. Separation from Department of Revenue. On the
  effective date of this amendatory Act of the 94th General
  Assembly, all of the powers, duties, assets, liabilities,
  employees, contracts, property, records, pending business, and
  unexpended appropriations of the Department of Revenue related
  to the administration and enforcement of this Act are
  transferred to the Illinois Gaming Board.
- The status and rights of the transferred employees, and the
  rights of the State of Illinois and its agencies, under the
  Personnel Code and applicable collective bargaining agreements
  or under any pension, retirement, or annuity plan are not
  affected (except as provided in Sections 14-110 and 18-127 of
- 26 provision of this amendatory Act of the 94th General Assembly.

the Illinois Pension Code) by that transfer or by any other

- 27 (230 ILCS 10/7) (from Ch. 120, par. 2407)
- 28 Sec. 7. Owners Licenses.
- 29 (a) The Board shall issue owners licenses to persons, firms
  30 or corporations which apply for such licenses upon payment to
  31 the Board of the non-refundable license fee set by the Board,
  32 upon payment of a \$25,000 license fee for the first year of
  33 operation and a \$5,000 license fee for each succeeding year and
  34 upon a determination by the Board that the applicant is

1	eligible for an owners license pursuant to this Act and the
2	rules of the Board. A person, firm or corporation is ineligible
3	to receive an owners license if:
4	(1) the person has been convicted of a felony under the
5	laws of this State, any other state, or the United States;
6	(2) the person has been convicted of any violation of
7	Article 28 of the Criminal Code of 1961, or substantially
8	similar laws of any other jurisdiction;

- (3) the person has submitted an application for a license under this Act which contains false information;
  - (4) the person is a member of the Board;
- (5) a person defined in (1), (2), (3) or (4) is an officer, director or managerial employee of the firm or corporation;
- (6) the firm or corporation employs a person defined in (1), (2), (3) or (4) who participates in the management or operation of gambling operations authorized under this Act;
  - (7) (blank); or
- (8) a license of the person, firm or corporation issued under this Act, or a license to own or operate gambling facilities in any other jurisdiction, has been revoked.
- (b) In determining whether to grant an owners license to an applicant, the Board shall consider:
  - (1) the character, reputation, experience and financial integrity of the applicants and of any other or separate person that either:
  - (A) controls, directly or indirectly, such applicant, or
    - (B) is controlled, directly or indirectly, by such applicant or by a person which controls, directly or indirectly, such applicant;
    - (2) the facilities or proposed facilities for the conduct of riverboat gambling;
  - (3) the highest prospective total revenue to be derived by the State from the conduct of riverboat gambling;

- (4) the extent to which the ownership of the applicant reflects the diversity of the State by including minority persons, and females, and persons with a disability and the good faith affirmative action plan of each applicant to recruit, train and upgrade minority persons, and females, and persons with a disability in all employment classifications, including the most senior;
- (5) the financial ability of the applicant to purchase and maintain adequate liability and casualty insurance;
- (6) whether the applicant has adequate capitalization to provide and maintain, for the duration of a license, a riverboat;
- (7) the extent to which the applicant exceeds or meets other standards for the issuance of an owners license which the Board may adopt by rule; and
  - (8) The amount of the applicant's license bid.

For purposes of this paragraph (b), "minority", "female", and "person with a disability" shall have the meanings given them in the Business Enterprise for Minorities, Females, and Persons with Disabilities Act.

- (c) Each owners license shall specify the place where riverboats shall operate and dock.
- (d) Each applicant shall submit with his application, on forms provided by the Board, 2 sets of his fingerprints.
- (e) The Board may issue up to 10 licenses authorizing the holders of such licenses to own riverboats. In the application for an owners license, the applicant shall state the dock at which the riverboat is based and the water on which the riverboat will be located. The Board shall issue 5 licenses to become effective not earlier than January 1, 1991. Three of such licenses shall authorize riverboat gambling on the Mississippi River, or, with approval by the municipality in which the riverboat was docked on August 7, 2003 and with Board approval, be authorized to relocate to a new location, in a municipality that (1) borders on the Mississippi River or is within 5 miles of the city limits of a municipality that

borders on the Mississippi River and (2), on August 7, 2003, had a riverboat conducting riverboat gambling operations pursuant to a license issued under this Act; one of which shall authorize riverboat gambling from a home dock in the city of East St. Louis. One other license shall authorize riverboat gambling on the Illinois River south of Marshall County. The Board shall issue one additional license to become effective not earlier than March 1, 1992, which shall authorize riverboat gambling on the Des Plaines River in Will County. The Board may issue 4 additional licenses to become effective not earlier than March 1, 1992. In determining the water upon which riverboats will operate, the Board shall consider the economic benefit which riverboat gambling confers on the State, and shall seek to assure that all regions of the State share in the economic benefits of riverboat gambling.

In granting all licenses, the Board may give favorable consideration to economically depressed areas of the State, to applicants presenting plans which provide for significant economic development over a large geographic area, and to applicants who currently operate non-gambling riverboats in Illinois, and to applicants that have developed a social investment strategy.

A social investment strategy shall have all of the following elements:

- (1) In connection with the affirmative action plan described in item (4) of subsection (b) of Section 7, the establishment and maintenance of an employee diversity team comprised of employees from all levels of the enterprise.
- (2) A community outreach plan that establishes a donation budget to support not-for-profit organizations involved in community assistance and development and encourages employees at all levels of the applicant's enterprise to serve on behalf of these organizations as well as to render service to units of local government and school districts.

(3)	An	employee	VO	lunteer	pro	gram	under	which
employees	can	continue	to	receive	pav	and	benefits	while
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performing	g des	signated co	ommu	nity ser	vice			

- (4) A supplier diversity strategy plan that enables female owned businesses, minority owned businesses, and businesses owned by persons with disabilities to effectively compete for contracts entered into by the applicant in all aspects of the business. For the purposes of this paragraph, "female owned business", "minority owned business", and "business owned by a person with a disability" shall have the meanings given them in the Business Enterprise for Minorities, Females, and Persons with Disabilities Act.
- (5) A hospitality industry internship opportunities and career development program that, operating in partnership with local community colleges, colleges, or universities, provides students with internships and career training in the hospitality industry.
- (6) An employee education plan that provides opportunities for employees to acquire skills and education necessary to obtain promotions within the company, and that includes tuition reimbursement.

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

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

- (f) The first 10 owners licenses issued under this Act shall permit the holder to own up to 2 riverboats and equipment thereon for a period of 3 years after the effective date of the license. Holders of the first 10 owners licenses must pay the annual license fee for each of the 3 years during which they are authorized to own riverboats.
- (g) Upon the termination, expiration, or revocation of each of the first 10 licenses, which shall be issued for a 3 year period, all licenses are renewable annually upon payment of the fee and a determination by the Board that the licensee continues to meet all of the requirements of this Act and the Board's rules. However, for licenses renewed on or after May 1, 1998, renewal shall be for a period of 4 years, unless the Board sets a shorter period.
- (h) An owners license shall entitle the licensee to own up to 2 riverboats. A licensee shall limit the number of gambling participants to 1,200 for any such owners license. A licensee may operate both of its riverboats concurrently, provided that the total number of gambling participants on both riverboats does not exceed 1,200. Riverboats licensed to operate on the Mississippi River and the Illinois River south of Marshall County shall have an authorized capacity of at least 500 persons. Any other riverboat licensed under this Act shall have an authorized capacity of at least 400 persons.
- (i) A licensed owner is authorized to apply to the Board for and, if approved therefor, to receive all licenses from the Board necessary for the operation of a riverboat, including a liquor license, a license to prepare and serve food for human consumption, and other necessary licenses. All use, occupation and excise taxes which apply to the sale of food and beverages in this State and all taxes imposed on the sale or use of tangible personal property apply to such sales aboard the riverboat.
- (j) The Board may issue or re-issue a license authorizing a riverboat to dock in a municipality or approve a relocation under Section 11.2 only if, prior to the issuance or

- 1 re-issuance of the license or approval, the governing body of
- 2 the municipality in which the riverboat will dock has by a
- 3 majority vote approved the docking of riverboats in the
- 4 municipality. The Board may issue or re-issue a license
- 5 authorizing a riverboat to dock in areas of a county outside
- 6 any municipality or approve a relocation under Section 11.2
- only if, prior to the issuance or re-issuance of the license or
- 8 approval, the governing body of the county has by a majority
- 9 vote approved of the docking of riverboats within such areas.
- 10 (Source: P.A. 93-28, eff. 6-20-03; 93-453, eff. 8-7-03; 94-667,
- 11 eff. 8-23-05.)
- 12 (230 ILCS 10/13) (from Ch. 120, par. 2413)
- 13 Sec. 13. Wagering tax; rate; distribution.
- 14 (a) Until January 1, 1998, a tax is imposed on the adjusted
- 15 gross receipts received from gambling games authorized under
- this Act at the rate of 20%.
- 17 (a-1) From January 1, 1998 until July 1, 2002, a privilege
- 18 tax is imposed on persons engaged in the business of conducting
- 19 riverboat gambling operations, based on the adjusted gross
- 20 receipts received by a licensed owner from gambling games
- 21 authorized under this Act at the following rates:
- 22 15% of annual adjusted gross receipts up to and
- 23 including \$25,000,000;
- 24 20% of annual adjusted gross receipts in excess of
- \$25,000,000 but not exceeding \$50,000,000;
- 26 25% of annual adjusted gross receipts in excess of
- \$50,000,000 but not exceeding \$75,000,000;
- 28 30% of annual adjusted gross receipts in excess of
- \$75,000,000 but not exceeding \$100,000,000;
- 30 35% of annual adjusted gross receipts in excess of
- \$100,000,000.
- 32 (a-2) From July 1, 2002 until July 1, 2003, a privilege tax
- is imposed on persons engaged in the business of conducting
- 34 riverboat gambling operations, other than licensed managers
- 35 conducting riverboat gambling operations on behalf of the

1	State, based on the adjusted gross receipts received by a
2	licensed owner from gambling games authorized under this Act at
3	the following rates:
4	15% of annual adjusted gross receipts up to and
5	including \$25,000,000;
6	22.5% of annual adjusted gross receipts in excess of
7	\$25,000,000 but not exceeding \$50,000,000;
8	27.5% of annual adjusted gross receipts in excess of
9	\$50,000,000 but not exceeding \$75,000,000;
10	32.5% of annual adjusted gross receipts in excess of
11	\$75,000,000 but not exceeding \$100,000,000;
12	37.5% of annual adjusted gross receipts in excess of
13	\$100,000,000 but not exceeding \$150,000,000;
14	45% of annual adjusted gross receipts in excess of
15	\$150,000,000 but not exceeding \$200,000,000;
16	50% of annual adjusted gross receipts in excess of
17	\$200,000,000.
18	(a-3) Beginning July 1, 2003, a privilege tax is imposed on
19	persons engaged in the business of conducting riverboat
20	gambling operations, other than licensed managers conducting
21	riverboat gambling operations on behalf of the State, based on
22	the adjusted gross receipts received by a licensed owner from
23	gambling games authorized under this Act at the following
24	rates:
25	15% of annual adjusted gross receipts up to and
26	including \$25,000,000;
27	27.5% of annual adjusted gross receipts in excess of
28	\$25,000,000 but not exceeding \$37,500,000;
29	32.5% of annual adjusted gross receipts in excess of
30	\$37,500,000 but not exceeding \$50,000,000;
31	37.5% of annual adjusted gross receipts in excess of
32	\$50,000,000 but not exceeding \$75,000,000;
33	45% of annual adjusted gross receipts in excess of
34	\$75,000,000 but not exceeding \$100,000,000;
35	50% of annual adjusted gross receipts in excess of

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

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

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

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

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

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

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

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

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

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

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1 45% of annual adjusted gross receipts in excess of \$150,000,000 but not exceeding \$200,000,000;

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

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

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

(a-15) If the privilege tax imposed under subsection (a-3)is no longer imposed pursuant to item (i) of the last paragraph of subsection (a-3), then by June 15 of each year, each owners licensee, other than an owners licensee that admitted 1,000,000 persons or fewer in calendar year 2004, must, in addition to the payment of all amounts otherwise due under this Section, pay to the Board the amount, if any, by which the base amount for the licensed owner exceeds the amount of tax paid under this Section by the licensed owner in the then current State fiscal year. The obligation imposed by this subsection (a-15) is binding on any person, firm, corporation, or other entity that acquires an ownership interest in any such owners license. The obligation imposed under this subsection (a-15) terminates on the earliest of: (i) July 1, 2007, (ii) the first day after the effective date of this amendatory Act of the 94th General Assembly that riverboat gambling operations are conducted pursuant to a dormant license, (iii) the first day that riverboat gambling operations are conducted under authority of an owners license that is in addition to the 10 owners licenses initially authorized under this Act, or (iv) the first day that a licensee under the Illinois Horse Racing Act of 1975 conducts gaming operations with slot machines or other electronic gaming devices. The Board must reduce the obligation imposed under this subsection (a-15) by an amount the Board deems reasonable for any of the following reasons: (A) an act or acts of God, (B) an act of bioterrorism or

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1 terrorism or a bioterrorism or terrorism threat that was 2 investigated by a law enforcement agency, or (C) a condition 3 beyond the control of the owners licensee that does not result from any act or omission by the owners licensee or any of its 4 5 agents and that poses a hazardous threat to the health and safety of patrons. If an owners licensee pays an amount in 6 excess of its liability under this Section, the Board shall 7 8 apply the overpayment to future payments required under this 9 Section.

For purposes of this subsection (a-15):

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

"Base amount" means the following:

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

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

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

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

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

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

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

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

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

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

- riverboat gambling operations conducted by a licensed manager on behalf of the State, an amount equal to 5% of adjusted gross receipts generated pursuant to those riverboat gambling operations shall be paid monthly, subject to appropriation by the General Assembly, to the unit of local government that is designated as the home dock of the riverboat upon which those riverboat gambling operations are conducted.
  - (c) Appropriations, as approved by the General Assembly, may be made from the State Gaming Fund to the <u>Board (i)</u> Department of Revenue and the Department of State Police for the administration and enforcement of this Act, <u>(ii) for distribution to the Department of State Police for the enforcement of this Act, and (iii) er to the Department of Human Services for the administration of programs to treat problem gambling.</u>
  - (c-5) After the payments required under subsections (b) and (c) have been made, an amount equal to 15% of the adjusted gross receipts of (1) an owners licensee that relocates pursuant to Section 11.2, (2) an owners licensee conducting riverboat gambling operations pursuant to an owners license that is initially issued after June 25, 1999, or (3) the first riverboat gambling operations conducted by a licensed manager on behalf of the State under Section 7.3, whichever comes first, shall be paid from the State Gaming Fund into the Horse Racing Equity Fund.
  - (c-10) Each year the General Assembly shall appropriate from the General Revenue Fund to the Education Assistance Fund an amount equal to the amount paid into the Horse Racing Equity Fund pursuant to subsection (c-5) in the prior calendar year.
  - (c-15) After the payments required under subsections (b), (c), and (c-5) have been made, an amount equal to 2% of the adjusted gross receipts of (1) an owners licensee that relocates pursuant to Section 11.2, (2) an owners licensee conducting riverboat gambling operations pursuant to an owners licensee that is initially issued after June 25, 1999, or (3) the first riverboat gambling operations conducted by a licensed

- manager on behalf of the State under Section 7.3, whichever comes first, shall be paid, subject to appropriation from the General Assembly, from the State Gaming Fund to each home rule county with a population of over 3,000,000 inhabitants for the purpose of enhancing the county's criminal justice system.
  - (c-20) Each year the General Assembly shall appropriate from the General Revenue Fund to the Education Assistance Fund an amount equal to the amount paid to each home rule county with a population of over 3,000,000 inhabitants pursuant to subsection (c-15) in the prior calendar year.
  - (c-25) After the payments required under subsections (b), (c), (c-5) and (c-15) have been made, an amount equal to 2% of the adjusted gross receipts of (1) an owners licensee that relocates pursuant to Section 11.2, (2) an owners licensee conducting riverboat gambling operations pursuant to an owners license that is initially issued after June 25, 1999, or (3) the first riverboat gambling operations conducted by a licensed manager on behalf of the State under Section 7.3, whichever comes first, shall be paid from the State Gaming Fund to Chicago State University.
    - (d) From time to time, the Board shall transfer the remainder of the funds generated by this Act into the Education Assistance Fund, created by Public Act 86-0018, of the State of Illinois.
      - (e) Nothing in this Act shall prohibit the unit of local government designated as the home dock of the riverboat from entering into agreements with other units of local government in this State or in other states to share its portion of the tax revenue.
- 30 (f) To the extent practicable, the Board shall administer 31 and collect the wagering taxes imposed by this Section in a 32 manner consistent with the provisions of Sections 4, 5, 5a, 5b, 33 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, and 10 of the 34 Retailers' Occupation Tax Act and Section 3-7 of the Uniform 35 Penalty and Interest Act.
- 36 (Source: P.A. 93-27, eff. 6-20-03; 93-28, eff. 6-20-03; 94-673,

1 eff. 8-23-05.)

Section 95. No acceleration or delay. Where this Act makes changes in a statute that is represented in this Act by text that is not yet or no longer in effect (for example, a Section represented by multiple versions), the use of that text does not accelerate or delay the taking effect of (i) the changes made by this Act or (ii) provisions derived from any other Public Act.

9 Section 99. Effective date. This Act takes effect upon 10 becoming law.