



Sen. Rickey R. Hendon

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LRB095 01228 AMC 51792 a

1 AMENDMENT TO HOUSE BILL 2651

2 AMENDMENT NO. _____. Amend House Bill 2651, AS AMENDED, by
3 replacing everything after the enacting clause with the
4 following:

5 "ARTICLE 1.

6 Section 1-1. Short title. This Article may be cited as the
7 Chicago Casino Development Authority Act.

8 Section 1-5. Definitions. As used in this Act:

9 "Authority" means the Chicago Casino Development Authority
10 created by this Act.

11 "Board" means the board appointed pursuant to this Act to
12 govern and control the Authority.

13 "Casino" means one temporary land-based facility and a
14 permanent land-based facility, at each of which lawful gambling
15 is authorized and licensed as provided in the Illinois Gambling

1 Act.

2 "City" means the City of Chicago.

3 "Casino operator licensee" means any person or entity
4 selected by the Authority and approved and licensed by the
5 Gaming Board to manage and operate a casino within the City of
6 Chicago pursuant to a casino management contract.

7 "Casino management contract" means a legally binding
8 agreement between the Authority and a casino operator licensee
9 to operate or manage a casino.

10 "Executive director" means the person appointed by the
11 Board to oversee the daily operations of the Authority.

12 "Gaming Board" means the Illinois Gaming Board created by
13 the Illinois Gambling Act.

14 "Mayor" means the Mayor of the City.

15 Section 1-12. Creation of the Authority. After the 5
16 members of the Illinois Gaming Board are appointed and
17 qualified pursuant to this amendatory Act of the 95th General
18 Assembly, there is hereby created a political subdivision, unit
19 of local government with only the powers authorized by law,
20 body politic, and municipal corporation, by the name and style
21 of the Chicago Casino Development Authority.

22 Section 1-13. Duties of the Authority. It shall be the duty
23 of the Authority, as a casino licensee under the Illinois
24 Gambling Act, to promote, operate, and maintain a casino in the

1 City. The Authority shall construct, equip, and maintain
2 grounds, buildings, and facilities for that purpose. The
3 Authority has the right to contract with a casino operator
4 licensee and other third parties in order to fulfill its
5 purpose. The Authority is granted all rights and powers
6 necessary to perform such duties.

7 Section 1-15. Board.

8 (a) The governing and administrative powers of the
9 Authority shall be vested in a body known as the Chicago Casino
10 Development Board. The Board shall consist of 3 members
11 appointed by the Mayor. All appointees shall be subject to
12 background investigation and approval by the Gaming Board. One
13 of these members shall be designated by the Mayor to serve as
14 chairperson. All of the members appointed by the Mayor shall be
15 residents of the City.

16 (b) Board members shall receive \$300 for each day the
17 Authority meets and shall be entitled to reimbursement of
18 reasonable expenses incurred in the performance of their
19 official duties. A Board member who serves in the office of
20 secretary-treasurer may also receive compensation for services
21 provided as that officer.

22 Section 1-20. Terms of appointments; resignation and
23 removal.

24 (a) The Mayor shall appoint one member of the Board for an

1 initial term expiring July 1 of the year following approval by
2 the Gaming Board, one member for an initial term expiring July
3 1 three years following approval by the Gaming Board, and one
4 member for an initial term expiring July 1 five years following
5 approval by the Gaming Board.

6 (b) All successors shall hold office for a term of 5 years
7 from the first day of July of the year in which they are
8 appointed, except in the case of an appointment to fill a
9 vacancy. Each member, including the chairperson, shall hold
10 office until the expiration of his or her term and until his or
11 her successor is appointed and qualified. Nothing shall
12 preclude a member from serving consecutive terms. Any member
13 may resign from office, to take effect when a successor has
14 been appointed and qualified. A vacancy in office shall occur
15 in the case of a member's death or indictment, conviction, or
16 plea of guilty to a felony. A vacancy shall be filled for the
17 unexpired term by the Mayor with the approval of the Gaming
18 Board.

19 (c) The Mayor or the Gaming Board may remove any member of
20 the Board upon a finding of incompetence, neglect of duty, or
21 misfeasance or malfeasance in office or for a violation of this
22 Act. The Gaming Board may remove any member of the Board for
23 any violation of the Illinois Gambling Act or the rules and
24 regulations of the Gaming Board.

25 Section 1-25. Organization of Board; meetings. After

1 appointment by the Mayor and approval of the Gaming Board, the
2 Board shall organize for the transaction of business. The Board
3 shall prescribe the time and place for meetings, the manner in
4 which special meetings may be called, and the notice that must
5 be given to members. All actions and meetings of the Board
6 shall be subject to the provisions of the Open Meetings Act.
7 Two members of the Board shall constitute a quorum. All
8 substantive action of the Board shall be by resolution with an
9 affirmative vote of a majority of the members.

10 Section 1-30. Executive director; officers.

11 (a) The Board shall appoint an executive director, subject
12 to completion of a background investigation and approval by the
13 Gaming Board, who shall be the chief executive officer of the
14 Authority. The Board shall fix the compensation of the
15 executive director. Subject to the general control of the
16 Board, the executive director shall be responsible for the
17 management of the business, properties, and employees of the
18 Authority. The executive director shall direct the enforcement
19 of all resolutions, rules, and regulations of the Board, and
20 shall perform such other duties as may be prescribed from time
21 to time by the Board. All employees and independent
22 contractors, consultants, engineers, architects, accountants,
23 attorneys, financial experts, construction experts and
24 personnel, superintendents, managers, and other personnel
25 appointed or employed pursuant to this Act shall report to the

1 executive director. In addition to any other duties set forth
2 in this Act, the executive director shall do all of the
3 following:

4 (1) Direct and supervise the administrative affairs
5 and activities of the Authority in accordance with its
6 rules, regulations, and policies.

7 (2) Attend meetings of the Board.

8 (3) Keep minutes of all proceedings of the Board.

9 (4) Approve all accounts for salaries, per diem
10 payments, and allowable expenses of the Board and its
11 employees and consultants.

12 (5) Report and make recommendations to the Board
13 concerning the terms and conditions of any casino
14 management contract.

15 (6) Perform any other duty that the Board requires for
16 carrying out the provisions of this Act.

17 (7) Devote his or her full time to the duties of the
18 office and not hold any other office or employment.

19 (b) The Board may select a secretary-treasurer to hold
20 office at the pleasure of the Board. The Board shall fix the
21 duties of such officer.

22 Section 1-31. General rights and powers of the Authority.
23 In addition to the duties and powers set forth in this Act, the
24 Authority shall have the following rights and powers:

25 (1) Adopt and alter an official seal.

1 (2) Establish and change its fiscal year.

2 (3) Sue and be sued, plead and be impleaded, all in its
3 own name, and agree to binding arbitration of any dispute
4 to which it is a party.

5 (4) Adopt, amend, and repeal by-laws, rules, and
6 regulations consistent with the furtherance of the powers
7 and duties provided for.

8 (5) Maintain its principal office within the City and
9 such other offices as the Board may designate.

10 (6) Select locations in the City for a temporary and a
11 permanent casino, subject to final approval by the Gaming
12 Board.

13 (7) Conduct background investigations of potential
14 casino operator licensees, including its principals or
15 shareholders, and Authority staff. The Authority may
16 request the assistance of the Office of Gaming Enforcement.

17 (8) Employ, either as regular employees or independent
18 contractors, consultants, engineers, architects,
19 accountants, attorneys, financial experts, construction
20 experts and personnel, superintendents, managers and other
21 professional personnel, and such other personnel as may be
22 necessary in the judgment of the Board, and fix their
23 compensation.

24 (9) Own, acquire, construct, equip, lease, operate,
25 and maintain grounds, buildings, and facilities to carry
26 out its corporate purposes and duties.

1 (10) Enter into, revoke, and modify contracts, subject
2 to final approval of the Gaming Board.

3 (11) Enter into a casino management contract subject to
4 the final approval of the Gaming Board.

5 (12) Develop, or cause to be developed by a third
6 party, a master plan for the design, planning, and
7 development of a casino.

8 (13) Negotiate and enter into intergovernmental
9 agreements with the State and its agencies, the City, and
10 other units of local government, in furtherance of the
11 powers and duties of the Board. However, the Authority may
12 not enter into an agreement with the State Police.

13 (14) Receive and disburse funds for its own corporate
14 purposes or as otherwise specified in this Act.

15 (15) Borrow money from any source, public or private,
16 for any corporate purpose, including, without limitation,
17 working capital for its operations, reserve funds, or
18 payment of interest, and to mortgage, pledge, or otherwise
19 encumber the property or funds of the Authority and to
20 contract with or engage the services of any person in
21 connection with any financing, including financial
22 institutions, issuers of letters of credit, or insurers and
23 enter into reimbursement agreements with this person or
24 entity which may be secured as if money were borrowed from
25 the person or entity.

26 (16) Issue bonds as provided for under this Act.

1 (17) Receive and accept from any source, private or
2 public, contributions, gifts, or grants of money or
3 property to the Authority.

4 (18) Provide for the insurance of any property,
5 operations, officers, members, agents, or employees of the
6 Authority against any risk or hazard, to self-insure or
7 participate in joint self-insurance pools or entities to
8 insure against such risk or hazard, and to provide for the
9 indemnification of its officers, members, employees,
10 contractors, or agents against any and all risks.

11 (19) Exercise all the corporate powers granted
12 Illinois corporations under the Business Corporation Act
13 of 1983, except to the extent that powers are inconsistent
14 with those of a body politic and corporate of the State.

15 (20) Do all things necessary or convenient to carry out
16 the powers granted by this Act.

17 Section 1-32. Ethical Conduct.

18 (a) Board members and employees of the Authority must carry
19 out their duties and responsibilities in such a manner as to
20 promote and preserve public trust and confidence in the
21 integrity and conduct of gaming.

22 (b) Except as may be required in the conduct of official
23 duties, Board members and employees of the Authority shall not
24 engage in gambling on any riverboat, in any casino, or in an
25 electronic gaming facility licensed by the Illinois Gaming

1 Board or engage in legalized gambling in any establishment
2 identified by Board action that, in the judgment of the Board,
3 could represent a potential for a conflict of interest.

4 (c) A Board member or employee of the Authority shall not
5 use or attempt to use his or her official position to secure or
6 attempt to secure any privilege, advantage, favor, or influence
7 for himself or herself or others.

8 (d) Board members and employees of the Authority shall not
9 hold or pursue employment, office, position, business, or
10 occupation that may conflict with his or her official duties.
11 Employees may engage in other gainful employment so long as
12 that employment does not interfere or conflict with their
13 duties. Such employment must be disclosed to the Executive
14 Director and approved by the Board.

15 (e) Board members and employees of the Authority may not
16 engage in employment, communications, or any activity that may
17 be deemed a conflict of interest. This prohibition shall extend
18 to any act identified by Board action or Gaming Board action
19 that, in the judgment of the either entity, could represent the
20 potential for or the appearance of a conflict of interest.

21 (f) Board members and employees of the Authority may not
22 have a financial interest, directly or indirectly, in his or
23 her own name or in the name of any other person, partnership,
24 association, trust, corporation, or other entity in any
25 contract or subcontract for the performance of any work for the
26 Authority. This prohibition shall extend to the holding or

1 acquisition of an interest in any entity identified by Board
2 action or Gaming Board action that, in the judgment of the
3 either entity, could represent the potential for or the
4 appearance of a financial interest. The holding or acquisition
5 of an interest in such entities through an indirect means, such
6 as through a mutual fund, shall not be prohibited, except that
7 the Gaming Board may identify specific investments or funds
8 that, in its judgment, are so influenced by gaming holdings as
9 to represent the potential for or the appearance of a conflict
10 of interest.

11 (g) Board members and employees of the Authority may not
12 accept any gift, gratuity, service, compensation, travel,
13 lodging, or thing of value, with the exception of unsolicited
14 items of an incidental nature, from any person, corporation, or
15 entity doing business with the Authority.

16 (h) No Board member or employee of the Authority may,
17 within a period of 2 years immediately after termination of
18 employment, knowingly accept employment or receive
19 compensation or fees for services from a person or entity, or
20 its parent or affiliate, that has engaged in business with the
21 Authority that resulted in contracts with an aggregate value of
22 at least \$25,000 or if that Board member or employee has made a
23 decision that directly applied to the person or entity, or its
24 parent or affiliate.

25 (i) A spouse, child, or parent of a Board member or
26 employee of the Authority may not have a financial interest,

1 directly or indirectly, in his or her own name or in the name
2 of any other person, partnership, association, trust,
3 corporation, or other entity in any contract or subcontract for
4 the performance of any work for the Authority. This prohibition
5 shall extend to the holding or acquisition of an interest in
6 any entity identified by Board action or Gaming Board action
7 that, in the judgment of the either entity, could represent the
8 potential for or the appearance of a conflict of interest. The
9 holding or acquisition of an interest in such entities through
10 an indirect means, such as through a mutual fund, shall not be
11 prohibited, except that the Gaming Board may identify specific
12 investments or funds that, in its judgment, are so influenced
13 by gaming holdings as to represent the potential for or the
14 appearance of a conflict of interest.

15 (j) A spouse, child, or parent of a Board member or
16 employee of the Authority may not accept any gift, gratuity,
17 service, compensation, travel, lodging, or thing of value, with
18 the exception of unsolicited items of an incidental nature,
19 from any person, corporation, or entity doing business with the
20 Authority.

21 (k) A spouse, child, or parent of a Board member or
22 employee of the Authority may not, within a period of 2 years
23 immediately after termination of employment, knowingly accept
24 employment or receive compensation or fees for services from a
25 person or entity, or its parent or affiliate, that has engaged
26 in business with the Authority that resulted in contracts with

1 an aggregate value of at least \$25,000 or if that Board member
2 or employee has made a decision that directly applied to the
3 person or entity, or its parent or affiliate.

4 (l) No Board member or employee of the Authority may
5 attempt, in any way, to influence any person or corporation
6 doing business with the Authority or any officer, agent, or
7 employee thereof to hire or contract with any person or
8 corporation for any compensated work.

9 (m) Any communication between an elected official of the
10 City and any applicant for or party to a casino management
11 contract with the Authority, or an officer, director, or
12 employee thereof, concerning any manner relating in any way to
13 gaming or the Authority shall be disclosed to the Board and the
14 Gaming Board. Such disclosure shall be in writing by the
15 official within 30 days of the communication and shall be filed
16 with the Board. Disclosure must consist of the date of the
17 communication, the identity and job title of the person with
18 whom the communication was made, a brief summary of the
19 communication, the action requested or recommended, all
20 responses made, the identity and job title of the person making
21 the response, and any other pertinent information.

22 (n) Any Board member or employee of the Authority who
23 violates any provision of this Section is guilty of a Class 4
24 felony.

25 Section 1-45. Casino management contracts.

1 (a) The Board shall develop and administer a competitive
2 sealed bidding process for the selection of a potential casino
3 operator licensee to develop or operate a casino within the
4 City. The Board shall issue one or more requests for proposals.
5 The Board may establish minimum financial and investment
6 requirements to determine the eligibility of persons to respond
7 to the Board's requests for proposal, and may establish and
8 consider such other criteria as it deems appropriate. The Board
9 may impose a fee upon persons who respond to requests for
10 proposal, in order to reimburse the Board for its costs in
11 preparing and issuing the requests and reviewing the proposals.

12 (b) Within 5 days after the time limit for submitting bids
13 and proposals has passed, the Board shall make all bids and
14 proposals public. Thereafter, the Board shall evaluate the
15 responses to its requests for proposal and the ability of all
16 persons or entities responding to its request for proposal to
17 meet the requirements of this Act and to undertake and perform
18 the obligations set forth in its requests for proposal.

19 (c) After reviewing proposals and subject to Gaming Board
20 approval, the Board shall enter into a casino management
21 contract authorizing the development, construction, or
22 operation of a casino. Validity of the casino management
23 contract is contingent upon the issuance of a casino operator
24 license to the successful bidder. If the Gaming Board approves
25 the contract and grants a casino operator license, the Board
26 shall transmit a copy of the executed casino management

1 contract to the Gaming Board.

2 (d) After the Authority has been issued a casino license,
3 the Gaming Board has issued a casino operator license, and the
4 Gaming Board has approved the location of a temporary facility,
5 the Authority may conduct gaming operations at a temporary
6 facility for no longer than 12 months after gaming operations
7 begin. The Gaming Board may, after holding a public hearing,
8 grant an extension so long as a permanent facility is not
9 operational and the Authority is working in good faith to
10 complete the permanent facility. The Gaming Board may grant
11 additional extensions following a public hearing. Each
12 extension may be for a period of no longer than 6 months.

13 (e) Fifty percent of the total amount received as an
14 upfront fee by the Authority pursuant to a bid for a casino
15 management contract or an executed casino management contract
16 or \$300,000,000, whichever is greater, must be transmitted to
17 the State and deposited into the Illinois Works Fund pursuant
18 to Section 7.11 of the Illinois Gambling Act.

19 Section 1-50. Transfer of funds. The revenues received by
20 the Authority (other than amounts required to be paid pursuant
21 to the Illinois Gambling Act and amounts required to pay the
22 operating expenses of the Authority, to pay amounts due the
23 casino operator licensee pursuant to a casino management
24 contract, to repay any borrowing of the Authority made pursuant
25 to Section 1-31, to pay debt service on any bonds issued under

1 Section 1-75, and to pay any expenses in connection with the
2 issuance of such bonds pursuant to Section 1-75 or derivative
3 products pursuant to Section 1-85) shall be transferred to the
4 City by the Authority.

5 Section 1-55. Municipal distributions of proceeds from a
6 casino; gaming endowment funds. At least 70% of the moneys that
7 a municipality in which a casino is located receives pursuant
8 to Section 1-50 of this Act shall be described as "gaming
9 endowment funds" and be expended or obligated by the
10 municipality for the following purposes and in the following
11 amounts:

12 (1) 40% of such gaming endowment funds shall be used
13 for or pledged for the construction and maintenance of
14 infrastructure within the municipality, including but not
15 limited to roads, bridges, transit infrastructure, and
16 municipal facilities.

17 (2) 60% of such gaming endowment funds shall be used
18 for or pledged for the construction and maintenance of
19 schools, parks and cultural institution facilities, and
20 museums within the municipality.

21 Section 1-60. Auditor General.

22 (a) Prior to the issuance of bonds under this Act, the
23 Authority shall submit to the Auditor General a certification
24 that:

1 (1) it is legally authorized to issue bonds;

2 (2) scheduled annual payments of principal and
3 interest on the bonds to be issued meet the requirements of
4 Section 1-75 of this Act;

5 (3) no bond shall mature later than 30 years; and

6 (4) after payment of costs of issuance and necessary
7 deposits to funds and accounts established with respect to
8 debt service on the bonds, the net bond proceeds (exclusive
9 of any proceeds to be used to refund outstanding bonds)
10 will be used only for the purposes set forth in this Act.

11 The Authority also shall submit to the Auditor General its
12 projections on revenues to be generated and pledged to
13 repayment of the bonds as scheduled and such other information
14 as the Auditor General may reasonably request.

15 The Auditor General shall examine the certifications and
16 information submitted and submit a report to the Authority and
17 the Gaming Board indicating whether the required
18 certifications, projections, and other information have been
19 submitted by the Authority and that the assumptions underlying
20 the projections are not unreasonable in the aggregate. The
21 Auditor General shall submit the report no later than 60 days
22 after receiving the information required to be submitted by the
23 Authority.

24 The Authority shall not issue bonds until it receives the
25 report from the Auditor General indicating the requirements of
26 this Section have been met. The Auditor General's report shall

1 not be in the nature of a post-audit or examination and shall
2 not lead to the issuance of an opinion, as that term is defined
3 in generally accepted government auditing standards. The
4 Auditor General shall submit a bill to the Authority for costs
5 associated with the examinations and report required under this
6 Section. The Authority shall reimburse in a timely manner.

7 (b) The Auditor General has the authority and is required
8 to conduct a financial and management audit of the Authority
9 every 2 years. The Auditor General shall also conduct one
10 post-construction and financing audit of the casino after it is
11 completed and in operation. The Auditor General's audits must
12 be posted on his or her Internet website. The Auditor General
13 shall submit a bill to the Authority for costs associated with
14 the audits required under this Section. The Authority shall
15 reimburse in a timely manner.

16 Section 1-62. Advisory committee. An Advisory Committee is
17 established to monitor, review, and report on (1) the City's
18 utilization of minority-owned business enterprises and
19 female-owned business enterprises, (2) employment of females,
20 and (3) employment of minorities with regard to the development
21 and construction of the casino as authorized under Section 7.11
22 of the Illinois Gambling Act. The City of Chicago shall work
23 with the Advisory Committee in accumulating necessary
24 information for the Committee to submit reports, as necessary,
25 to the General Assembly and to the City of Chicago.

1 The Committee shall consist of 15 members as provided in
2 this Section. Seven members shall be selected by the Mayor of
3 the City of Chicago; 2 members shall be selected by the
4 President of the Illinois Senate; 2 members shall be selected
5 by the Speaker of the House of Representatives; 2 members shall
6 be selected by the Minority Leader of the Senate; and 2 members
7 shall be selected by the Minority Leader of the House of
8 Representatives. The Advisory Committee shall meet
9 periodically and shall report the information to the Mayor of
10 the City and to the General Assembly by December 31st of every
11 year.

12 The Advisory Committee shall be dissolved on the date that
13 casino gambling operations are first conducted under the
14 license authorized under Section 7.11 of the Illinois Gambling
15 Act, other than at a temporary facility.

16 For the purposes of this Section, the terms "female" and
17 "minority person" have the meanings provided in Section 2 of
18 the Business Enterprise for Minorities, Females, and Persons
19 with Disabilities Act.

20 Section 1-65. Acquisition of property; eminent domain
21 proceedings. For the lawful purposes of this Act, the City may
22 acquire by eminent domain or by condemnation proceedings in the
23 manner provided by the Eminent Domain Act, real or personal
24 property or interests in real or personal property located in
25 the City, and the City may convey to the Authority property so

1 acquired. The acquisition of property under this Section is
2 declared to be for a public use.

3 Section 1-70. Local regulation. The casino facilities and
4 operations therein shall be subject to all ordinances and
5 regulations of the City. The construction, development, and
6 operation of the casino shall comply with all ordinances,
7 regulations, rules, and controls of the City, including but not
8 limited to those relating to zoning and planned development,
9 building, fire prevention, and land use. However, the
10 regulation of gaming operations is subject to the exclusive
11 jurisdiction of the Gaming Board.

12 Section 1-75. Borrowing.

13 (a) The Authority may borrow money and issue bonds as
14 provided in this Section. Bonds of the Authority may be issued
15 to provide funds for land acquisition, site assembly and
16 preparation, and the design and construction of the casino, as
17 defined in the Illinois Gambling Act, all ancillary and related
18 facilities comprising the casino complex, and all on-site and
19 off-site infrastructure improvements required in connection
20 with the development of the casino; to refund (at the time or
21 in advance of any maturity or redemption) or redeem any bonds
22 of the Authority; to provide or increase a debt service reserve
23 fund or other reserves with respect to any or all of its bonds;
24 or to pay the legal, financial, administrative, bond insurance,

1 credit enhancement, and other legal expenses of the
2 authorization, issuance, or delivery of bonds. In this Act, the
3 term "bonds" also includes notes of any kind, interim
4 certificates, refunding bonds, or any other evidence of
5 obligation for borrowed money issued under this Section. Bonds
6 may be issued in one or more series and may be payable and
7 secured either on a parity with or separately from other bonds.

8 (b) The bonds of the Authority shall be payable from one or
9 more of the following sources: (i) the property or revenues of
10 the Authority; (ii) revenues derived from the casino; (iii)
11 revenues derived from any casino operator licensee; (iv) fees,
12 bid proceeds, charges, lease payments, payments required
13 pursuant to any casino management contract or other revenues
14 payable to the Authority, or any receipts of the Authority; (v)
15 payments by financial institutions, insurance companies, or
16 others pursuant to letters or lines of credit, policies of
17 insurance, or purchase agreements; (vi) investment earnings
18 from funds or accounts maintained pursuant to a bond resolution
19 or trust indenture; (vii) proceeds of refunding bonds; (viii)
20 any other revenues derived from or payments by the City; and
21 (ix) any payments by any casino operator licensee or others
22 pursuant to any guaranty agreement.

23 (c) Bonds shall be authorized by a resolution of the
24 Authority and may be secured by a trust indenture by and
25 between the Authority and a corporate trustee or trustees,
26 which may be any trust company or bank having the powers of a

1 trust company within or without the State. Bonds shall meet the
2 following requirements:

3 (1) Bonds shall bear interest at a rate not to exceed
4 the maximum rate authorized by the Bond Authorization Act.

5 (2) Bonds issued pursuant to this Section must be
6 issued with principal or mandatory redemption amounts in
7 equal amounts, with the first maturity issued occurring
8 within the fiscal year in which the bonds are issued or
9 within the next succeeding fiscal year, and with bonds
10 maturing or subject to mandatory redemption each fiscal
11 year thereafter up to 30 years.

12 (3) At least 25%, based on total principal amount, of
13 all bonds issued pursuant to this Section shall be sold
14 pursuant to notice of sale and public bid. No more than
15 75%, based on total principal amount, of all bonds issued
16 pursuant to this Section shall be sold by negotiated sale.

17 (4) Bonds shall be payable at a time or times, in the
18 denominations and form, including book entry form, either
19 coupon, registered, or both, and carry the registration and
20 privileges as to exchange, transfer or conversion, and
21 replacement of mutilated, lost, or destroyed bonds as the
22 resolution or trust indenture may provide.

23 (5) Bonds shall be payable in lawful money of the
24 United States at a designated place.

25 (6) Bonds shall be subject to the terms of purchase,
26 payment, redemption, refunding, or refinancing that the

1 resolution or trust indenture provides.

2 (7) Bonds shall be executed by the manual or facsimile
3 signatures of the officers of the Authority designated by
4 the Board, which signatures shall be valid at delivery even
5 for one who has ceased to hold office.

6 (8) Bonds shall be sold at public or private sale in
7 the manner and upon the terms determined by the Authority.

8 (9) Bonds shall be issued in accordance with the
9 provisions of the Local Government Debt Reform Act.

10 (d) The Authority shall adopt a procurement program with
11 respect to contracts relating to underwriters, bond counsel,
12 financial advisors, and accountants. The program shall include
13 goals for the payment of not less than 30% of the total dollar
14 value of the fees from these contracts to minority owned
15 businesses and female owned businesses as defined in the
16 Business Enterprise for Minorities, Females, and Persons with
17 Disabilities Act. The Authority shall conduct outreach to
18 minority owned businesses and female owned businesses.
19 Outreach shall include, but is not limited to, advertisements
20 in periodicals and newspapers, mailings, and other appropriate
21 media. The Authority shall submit to the General Assembly a
22 comprehensive report that shall include, at a minimum, the
23 details of the procurement plan, outreach efforts, and the
24 results of the efforts to achieve goals for the payment of
25 fees.

26 (e) Subject to the Illinois Gambling Act and rules of the

1 Gaming Board regarding pledging of interests in holders of
2 owners licenses, any resolution or trust indenture may contain
3 provisions that may be a part of the contract with the holders
4 of the bonds as to the following:

5 (1) Pledging, assigning, or directing the use,
6 investment, or disposition of revenues of the Authority or
7 proceeds or benefits of any contract, including without
8 limitation, any rights in any casino management contract.

9 (2) The setting aside of loan funding deposits, debt
10 service reserves, replacement or operating reserves, cost
11 of issuance accounts and sinking funds, and the regulation,
12 investment, and disposition thereof.

13 (3) Limitations on the purposes to which or the
14 investments in which the proceeds of sale of any issue of
15 bonds or the Authority's revenues and receipts may be
16 applied or made.

17 (4) Limitations on the issue of additional bonds, the
18 terms upon which additional bonds may be issued and
19 secured, the terms upon which additional bonds may rank on
20 a parity with, or be subordinate or superior to, other
21 bonds.

22 (5) The refunding, advance refunding, or refinancing
23 of outstanding bonds.

24 (6) The procedure, if any, by which the terms of any
25 contract with bondholders may be altered or amended and the
26 amount of bonds and holders of which must consent thereto

1 and the manner in which consent shall be given.

2 (7) Defining the acts or omissions which shall
3 constitute a default in the duties of the Authority to
4 holders of bonds and providing the rights or remedies of
5 such holders in the event of a default, which may include
6 provisions restricting individual rights of action by
7 bondholders.

8 (8) Providing for guarantees, pledges of property,
9 letters of credit, or other security, or insurance for the
10 benefit of bondholders.

11 (f) No member of the Board, nor any person executing the
12 bonds, shall be liable personally on the bonds or subject to
13 any personal liability by reason of the issuance of the bonds.

14 (g) The Authority may issue and secure bonds in accordance
15 with the provisions of the Local Government Credit Enhancement
16 Act.

17 (h) A pledge by the Authority of revenues and receipts as
18 security for an issue of bonds or for the performance of its
19 obligations under any casino management contract shall be valid
20 and binding from the time when the pledge is made. The revenues
21 and receipts pledged shall immediately be subject to the lien
22 of the pledge without any physical delivery or further act, and
23 the lien of any pledge shall be valid and binding against any
24 person having any claim of any kind in tort, contract, or
25 otherwise against the Authority, irrespective of whether the
26 person has notice. No resolution, trust indenture, management

1 agreement or financing statement, continuation statement, or
2 other instrument adopted or entered into by the Authority need
3 be filed or recorded in any public record other than the
4 records of the Authority in order to perfect the lien against
5 third persons, regardless of any contrary provision of law.

6 (i) Bonds that are being paid or retired by issuance, sale,
7 or delivery of bonds, and bonds for which sufficient funds have
8 been deposited with the paying agent or trustee to provide for
9 payment of principal and interest thereon, and any redemption
10 premium, as provided in the authorizing resolution, shall not
11 be considered outstanding for the purposes of this subsection.

12 (j) The bonds of the Authority shall not be indebtedness of
13 the State. The bonds of the Authority are not general
14 obligations of the State and are not secured by a pledge of the
15 full faith and credit of the State and the holders of bonds of
16 the Authority may not require, except as provided in this Act,
17 the application of State revenues or funds to the payment of
18 bonds of the Authority.

19 (k) The State of Illinois pledges and agrees with the
20 owners of the bonds that it will not limit or alter the rights
21 and powers vested in the Authority by this Act so as to impair
22 the terms of any contract made by the Authority with the owners
23 or in any way impair the rights and remedies of the owners
24 until the bonds, together with interest on them, and all costs
25 and expenses in connection with any action or proceedings by or
26 on behalf of the owners, are fully met and discharged. The

1 Authority is authorized to include this pledge and agreement in
2 any contract with the owners of bonds issued under this
3 Section.

4 (1) No person holding an elective office in this State,
5 holding a seat in the General Assembly, or serving as a board
6 member, trustee, officer, or employee of the Authority,
7 including the spouse of that person, may receive a legal,
8 banking, consulting, or other fee related to the issuance of
9 bonds.

10 Section 1-85. Derivative products. With respect to all or
11 part of any issue of its bonds, the Authority may enter into
12 agreements or contracts with any necessary or appropriate
13 person, which will have the benefit of providing to the
14 Authority an interest rate basis, cash flow basis, or other
15 basis different from that provided in the bonds for the payment
16 of interest. Such agreements or contracts may include, without
17 limitation, agreements or contracts commonly known as
18 "interest rate swap agreements", "forward payment conversion
19 agreements", "futures", "options", "puts", or "calls" and
20 agreements or contracts providing for payments based on levels
21 of or changes in interest rates, agreements or contracts to
22 exchange cash flows or a series of payments, or to hedge
23 payment, rate spread, or similar exposure.

24 Section 1-90. Legality for investment. The State of

1 Illinois, all governmental entities, all public officers,
2 banks, bankers, trust companies, savings banks and
3 institutions, building and loan associations, savings and loan
4 associations, investment companies, and other persons carrying
5 on a banking business, insurance companies, insurance
6 associations, and other persons carrying on an insurance
7 business, and all executors, administrators, guardians,
8 trustees, and other fiduciaries may legally invest any sinking
9 funds, moneys, or other funds belonging to them or within their
10 control in any bonds issued under this Act. However, nothing in
11 this Section shall be construed as relieving any person, firm,
12 or corporation from any duty of exercising reasonable care in
13 selecting securities for purchase or investment.

14 Section 1-95. Tax exemption. The Authority and all of its
15 operations and property used for public purposes shall be
16 exempt from all taxation of any kind imposed by the State of
17 Illinois or any political subdivision, school district,
18 municipal corporation, or unit of local government of the State
19 of Illinois. However, nothing in this Act prohibits the
20 imposition of any other taxes where such imposition is not
21 prohibited by Section 21 of the Illinois Gambling Act.

22 Section 1-105. Budgets and reporting.

23 (a) The Board shall annually adopt a budget for each fiscal
24 year. The budget may be modified from time to time in the same

1 manner and upon the same vote as it may be adopted. The budget
2 shall include the Authority's available funds and estimated
3 revenues and shall provide for payment of its obligations and
4 estimated expenditures for the fiscal year, including, without
5 limitation, expenditures for administration, operation,
6 maintenance and repairs, debt service, and deposits into
7 reserve and other funds and capital projects.

8 (b) The Board shall annually cause the finances of the
9 Authority to be audited by a firm of certified public
10 accountants and post the firm's audits of the Authority on the
11 Authority's Internet website.

12 (c) The Board shall, for each fiscal year, prepare an
13 annual report setting forth information concerning its
14 activities in the fiscal year and the status of the development
15 of the casino. The annual report shall include the audited
16 financial statements of the Authority for the fiscal year, the
17 budget for the succeeding fiscal year, and the current capital
18 plan as of the date of the report. Copies of the annual report
19 shall be made available to persons who request them and shall
20 be submitted not later than 120 days after the end of the
21 Authority's fiscal year to the Governor, the Mayor, the General
22 Assembly, and the Commission on Government Forecasting and
23 Accountability.

24 Section 1-110. Deposit and withdrawal of funds.

25 (a) All funds deposited by the Authority in any bank or

1 savings and loan association shall be placed in the name of the
2 Authority and shall be withdrawn or paid out only by check or
3 draft upon the bank or savings and loan association, signed by
4 2 officers or employees designated by the Board.
5 Notwithstanding any other provision of this Section, the Board
6 may designate any of its members or any officer or employee of
7 the Authority to authorize the wire transfer of funds deposited
8 by the secretary-treasurer of funds in a bank or savings and
9 loan association for the payment of payroll and employee
10 benefits-related expenses.

11 No bank or savings and loan association shall receive
12 public funds as permitted by this Section unless it has
13 complied with the requirements established pursuant to Section
14 6 of the Public Funds Investment Act.

15 (b) If any officer or employee whose signature appears upon
16 any check or draft issued pursuant to this Act ceases (after
17 attaching his signature) to hold his or her office before the
18 delivery of such a check or draft to the payee, his or her
19 signature shall nevertheless be valid and sufficient for all
20 purposes with the same effect as if he or she had remained in
21 office until delivery thereof.

22 Section 1-112. Contracts with the Authority or casino
23 operator licensee; disclosure requirements.

24 (a) A bidder, respondent, offeror, or contractor must
25 disclose the names of all officers and directors. A bidder,

1 respondent, or offeror, or contractor for contracts with the
2 Authority or casino operator licensee shall disclose the
3 identity of every owner, beneficiary, or person with beneficial
4 interest of more than 1%, or shareholder entitled to receive
5 more than 1% of the total distributable income of any
6 corporation, having any interest in the contract in the bidder,
7 respondent, offeror, or contractor. The disclosure shall be in
8 writing and attested to by an owner, trustee, corporate
9 official, or agent. If stock in a corporation is publicly
10 traded and there is no readily known individual having greater
11 than a 1% interest, then a statement to that affect attested to
12 by an officer or agent of the corporation or shall fulfill the
13 disclosure statement requirement of this Section. A bidder,
14 respondent, offeror, or contractor shall notify the Authority
15 of any changes in officers, directors, ownership, or
16 individuals having a beneficial interest of more than 1%.

17 (b) A bidder, respondent, offeror, or contractor for
18 contracts with an annual value of \$10,000 or for a period to
19 exceed one year shall disclose all political contributions of
20 the bidder, respondent, offeror, or contractor and any
21 affiliated person or entity. Disclosure shall include at least
22 the names and addresses of the contributors and the dollar
23 amounts of any contributions to any political committee made
24 within the previous 2 years. The disclosure must be submitted
25 to the Gaming Board with a copy of the contract prior to Gaming
26 Board approval of the contract. The Gaming Board shall refuse

1 to approve any contract that does not include the required
2 disclosure.

3 (c) As used in this Section:

4 "Contribution" means contribution as defined in Section
5 9-1.4 of the Election Code.

6 "Affiliated person" means (i) any person with any ownership
7 interest or distributive share of the bidding, responding, or
8 contracting entity in excess of 1%, (ii) executive employees of
9 the bidding, responding, or contracting entity, and (iii) the
10 spouse and minor children of any such persons.

11 "Affiliated entity" means (i) any parent or subsidiary of
12 the bidding or contracting entity, (ii) any member of the same
13 unitary business group, or (iii) any political committee for
14 which the bidding, responding, or contracting entity is the
15 sponsoring entity.

16 (d) The Gaming Board may direct the Authority or a casino
17 operator licensee to void a contract if a violation of this
18 Section occurs. The Authority may direct a casino operator
19 licensee to void a contract if a violation of this Section
20 occurs.

21 Section 1-115. Purchasing.

22 (a) All construction contracts and contracts for supplies,
23 materials, equipment, and services, when the cost thereof to
24 the Authority exceeds \$25,000, shall be let by a competitive
25 selection process to the lowest responsible proposer, after

1 advertising for proposals, except for the following:

2 (1) When repair parts, accessories, equipment, or
3 services are required for equipment or services previously
4 furnished or contracted for;

5 (2) Professional services;

6 (3) When services such as water, light, heat, power,
7 telephone (other than long-distance service), or telegraph
8 are required;

9 (4) When contracts for the use, purchase, delivery,
10 movement, or installation of data processing equipment,
11 software, or services and telecommunications equipment,
12 software, and services are required;

13 (5) Casino management contracts, which shall be
14 awarded as set forth in Section 1-45 of this Act.

15 (b) All contracts involving less than \$25,000 shall be let
16 by competitive selection process whenever possible, and in any
17 event in a manner calculated to ensure the best interests of
18 the public.

19 (c) In determining the responsibility of any proposer, the
20 Authority may take into account the proposer's (or an
21 individual having a beneficial interest, directly or
22 indirectly, of more than 1% in such proposing entity) past
23 record of dealings with the Authority, the proposer's
24 experience, adequacy of equipment, and ability to complete
25 performance within the time set, and other factors besides
26 financial responsibility. No such contract shall be awarded to

1 any proposer other than the lowest proposer (in case of
2 purchase or expenditure) unless authorized or approved by a
3 vote of at least 2 members of the Board and such action is
4 accompanied by a written statement setting forth the reasons
5 for not awarding the contract to the highest or lowest
6 proposer, as the case may be. The statement shall be kept on
7 file in the principal office of the Authority and open to
8 public inspection.

9 (d) The Authority shall have the right to reject all
10 proposals and to re-advertise for proposals. If after any such
11 re-advertisement, no responsible and satisfactory proposals,
12 within the terms of the re-advertisement, is received, the
13 Authority may award such contract without competitive
14 selection, provided that the Gaming Board must approve the
15 contract prior to its execution. The contract must not be less
16 advantageous to the Authority than any valid proposal received
17 pursuant to advertisement.

18 (e) Advertisements for proposals and re-proposals shall be
19 published at least once in a daily newspaper of general
20 circulation published in the City at least 10 calendar days
21 before the time for receiving proposals, and such
22 advertisements shall also be posted on readily accessible
23 bulletin boards in the principal office of the Authority. Such
24 advertisements shall state the time and place for receiving and
25 opening of proposals and, by reference to plans and
26 specifications on file at the time of the first publication or

1 in the advertisement itself, shall describe the character of
2 the proposed contract in sufficient detail to fully advise
3 prospective proposers of their obligations and to ensure free
4 and open competitive selection.

5 (f) All proposals in response to advertisements shall be
6 sealed and shall be publicly opened by the Authority. All
7 proposers shall be entitled to be present in person or by
8 representatives. Cash or a certified or satisfactory cashier's
9 check, as a deposit of good faith, in a reasonable amount to be
10 fixed by the Authority before advertising for proposals, shall
11 be required with the proposal. A bond for faithful performance
12 of the contract with surety or sureties satisfactory to the
13 Authority and adequate insurance may be required in reasonable
14 amounts to be fixed by the Authority before advertising for
15 proposals.

16 (g) The contract shall be awarded as promptly as possible
17 after the opening of proposals. The proposal of the successful
18 proposer, as well as the bids of the unsuccessful proposers,
19 shall be placed on file and be open to public inspection. All
20 proposals shall be void if any disclosure of the terms of any
21 proposals in response to an advertisement is made or permitted
22 to be made by the Authority before the time fixed for opening
23 proposals.

24 (h) Notice of each and every contract that is offered,
25 including renegotiated contracts and change orders, shall be
26 published in an online bulletin. The online bulletin must

1 include at least the date first offered, the date submission of
2 offers is due, the location that offers are to be submitted to,
3 a brief purchase description, the method of source selection,
4 information of how to obtain a comprehensive purchase
5 description and any disclosure and contract forms, and
6 encouragement to prospective vendors to hire qualified
7 veterans, as defined by Section 45-67 of the Illinois
8 Procurement Code, and Illinois residents discharged from any
9 Illinois adult correctional center. Notice of each and every
10 contract that is let or awarded, including renegotiated
11 contracts and change orders, shall be published in the online
12 bulletin and must include at least all of the information
13 specified in this item (h), as well as the name of the
14 successful responsible proposer or offeror, the contract
15 price, and the number of unsuccessful responsive proposers and
16 any other disclosure specified in this Section. This notice
17 must be posted in the online electronic bulletin prior to
18 execution of the contract.

19 Section 1-130. Affirmative action and equal opportunity
20 obligations of Authority.

21 (a) The Authority is subject to the requirements of Article
22 V of Chapter 2-92 (Sections 2-92-650 through 2-92-720
23 inclusive) of the Chicago Municipal Code, as now or hereafter
24 amended, renumbered, or succeeded, concerning a Minority-Owned
25 and Women-Owned Business Enterprise Procurement Program for

1 construction contracts, and Chapter 2-92-420 et. seq. of the
2 Chicago Municipal Code, as now or hereafter amended,
3 renumbered, or succeeded, concerning a Minority-Owned and
4 Women-Owned Business Enterprise Procurement Program to
5 determine the status of a firm as a Minority Business
6 Enterprise for city procurement purposes.

7 (b) The Authority is authorized to enter into agreements
8 with contractors' associations, labor unions, and the
9 contractors working on the development of the casino to
10 establish an apprenticeship preparedness training program to
11 provide for an increase in the number of minority and female
12 journeymen and apprentices in the building trades and to enter
13 into agreements with community college districts or other
14 public or private institutions to provide readiness training.
15 The Authority is further authorized to enter into contracts
16 with public and private educational institutions and persons in
17 the gaming, entertainment, hospitality, and tourism industries
18 to provide training for employment in those industries.

19 ARTICLE 5.

20 Section 5-1. Short title. This Article may be cited as the
21 Illinois Casino Development Authority Act.

22 Section 5-5. Definitions. As used in this Act:

23 "Casino" means one temporary land-based facility and a

1 permanent land-based facility.

2 "Casino management contract" means a legally binding
3 agreement between the State Authority and a State casino
4 operator licensee to operate or manage a casino.

5 "Executive director" means the person appointed by the
6 State Board to oversee the daily operations of the State
7 Authority.

8 "Gaming Board" means the Illinois Gaming Board created by
9 the Illinois Gambling Act.

10 "State" means the State of Illinois.

11 "State Authority" means the Illinois Casino Development
12 Authority created by this Act.

13 "State Board" means the board appointed pursuant to this
14 Act to govern and control the State Authority.

15 "State casino operator licensee" means any person or entity
16 selected by the State Authority and approved and licensed by
17 the Gaming Board to manage and operate a casino within the
18 State of Illinois pursuant to a casino management contract.

19 Section 5-12. Creation of the State Authority. After the 5
20 members of the Illinois Gaming Board are appointed and
21 qualified pursuant to this amendatory Act of the 95th General
22 Assembly, if the Gaming Board determines pursuant to subsection
23 (h) of Section 5 of the Illinois Gambling Act that public
24 ownership of the casino license issued pursuant to Section
25 7.11a of the Illinois Gambling Act is in the best interest of

1 the State, there is hereby created a political subdivision,
2 unit of State government with only the powers authorized by
3 law, and body politic, by the name and style of the Illinois
4 Casino Development Authority.

5 Section 5-13. Duties of the State Authority. It shall be
6 the duty of the State Authority, as a casino licensee under the
7 Illinois Gambling Act, to promote, operate, and maintain a
8 casino in the State. The State Authority shall construct,
9 equip, and maintain grounds, buildings, and facilities for that
10 purpose. The State Authority has the right to contract with a
11 casino operator licensee and other third parties in order to
12 fulfill its purpose. The State Authority is granted all rights
13 and powers necessary to perform such duties.

14 Section 5-15. State Board.

15 (a) The governing and administrative powers of the State
16 Authority shall be vested in a body known as the State Casino
17 Development Board. The State Board shall consist of 3 members
18 nominated by the Governor pursuant to nominations provided by
19 the Nomination Panel created under the Illinois Gambling Act in
20 the manner set forth in Section 5.3 of that Act with the advice
21 and consent of the Senate. All appointees shall be subject to a
22 background investigation and approval by the Gaming Board. One
23 of these members shall be designated by the Governor to serve
24 as chairperson. All of the members appointed by the Governor

1 shall be residents of Illinois.

2 (b) State Board members shall be entitled to reimbursement
3 of reasonable expenses incurred in the performance of their
4 official duties.

5 Section 5-20. Terms of appointments; resignation and
6 removal.

7 (a) The Governor shall appoint one member of the State
8 Board for an initial term expiring July 1 of the year following
9 approval by the Gaming Board, one member for an initial term
10 expiring July 1 three years following approval by the Gaming
11 Board, and one member for an initial term expiring July 1 five
12 years following approval by the Gaming Board.

13 (b) All successors shall hold office for a term of 5 years
14 from the first day of July of the year in which they are
15 appointed, except in the case of an appointment to fill a
16 vacancy. Each member, including the chairperson, shall hold
17 office until the expiration of his or her term and until his or
18 her successor is appointed and qualified. Nothing shall
19 preclude a member from serving consecutive terms. Any member
20 may resign from office, to take effect when a successor has
21 been appointed and qualified. A vacancy in office shall occur
22 in the case of a member's death or indictment, conviction, or
23 plea of guilty to a felony. A vacancy shall be filled for the
24 unexpired term by the Governor with the approval of the Gaming
25 Board.

1 (c) The Governor or the Gaming Board may remove any member
2 of the State Board upon a finding of incompetence, neglect of
3 duty, or misfeasance or malfeasance in office or for a
4 violation of this Act. The Gaming Board may remove any member
5 of the State Board for any violation of the Illinois Gambling
6 Act or the rules and regulations of the Gaming Board.

7 Section 5-25. Organization of State Board; meetings. After
8 appointment by the Governor and approval of the Gaming Board,
9 the State Board shall organize for the transaction of business.
10 The State Board shall prescribe the time and place for
11 meetings, the manner in which special meetings may be called,
12 and the notice that must be given to members. All actions and
13 meetings of the State Board shall be subject to the provisions
14 of the Open Meetings Act. Two members of the State Board shall
15 constitute a quorum. All substantive action of the State Board
16 shall be by resolution with an affirmative vote of a majority
17 of the members.

18 Section 5-30. Executive director; officers.

19 (a) The State Board shall appoint an executive director,
20 subject to completion of a background investigation and
21 approval by the Gaming Board, who shall be the chief executive
22 officer of the State Authority. The State Board shall fix the
23 compensation of the executive director. Subject to the general
24 control of the State Board, the executive director shall be

1 responsible for the management of the business, properties, and
2 employees of the State Authority. The executive director shall
3 direct the enforcement of all resolutions, rules, and
4 regulations of the State Board, and shall perform such other
5 duties as may be prescribed from time to time by the State
6 Board. All employees and independent contractors, consultants,
7 engineers, architects, accountants, attorneys, financial
8 experts, construction experts and personnel, superintendents,
9 managers, and other personnel appointed or employed pursuant to
10 this Act shall report to the executive director. In addition to
11 any other duties set forth in this Act, the executive director
12 shall do all of the following:

13 (1) Direct and supervise the administrative affairs
14 and activities of the State Authority in accordance with
15 its rules, regulations, and policies.

16 (2) Attend meetings of the State Board.

17 (3) Keep minutes of all proceedings of the State Board.

18 (4) Approve all accounts for salaries, per diem
19 payments, and allowable expenses of the State Board and its
20 employees and consultants.

21 (5) Report and make recommendations to the State Board
22 concerning the terms and conditions of any casino
23 management contract.

24 (6) Perform any other duty that the State Board
25 requires for carrying out the provisions of this Act.

26 (7) Devote his or her full time to the duties of the

1 office and not hold any other office or employment.

2 (b) The State Board may select a secretary-treasurer to
3 hold office at the pleasure of the State Board. The State Board
4 shall fix the duties of such officer.

5 Section 5-31. General rights and powers of the State
6 Authority. In addition to the duties and powers set forth in
7 this Act, the State Authority shall have the following rights
8 and powers:

9 (1) Adopt and alter an official seal.

10 (2) Establish and change its fiscal year.

11 (3) Sue and be sued, plead and be impleaded, all in its
12 own name, and agree to binding arbitration of any dispute
13 to which it is a party.

14 (4) Adopt, amend, and repeal by-laws, rules, and
15 regulations consistent with the furtherance of the powers
16 and duties provided for.

17 (5) Maintain its principal office within the State and
18 such other offices as the State Board may designate.

19 (6) Select locations for a temporary and a permanent
20 casino, subject to final approval by the Gaming Board.

21 (7) Conduct background investigations of potential
22 State casino operator licenses, including its principals
23 or shareholders, and State Authority staff. The State
24 Authority may request the assistance of the Office of
25 Gaming Enforcement.

1 (8) Employ, either as regular employees or independent
2 contractors, consultants, engineers, architects,
3 accountants, attorneys, financial experts, construction
4 experts and personnel, superintendents, managers and other
5 professional personnel, and such other personnel as may be
6 necessary in the judgment of the State Board, and fix their
7 compensation.

8 (9) Own, acquire, construct, equip, lease, operate,
9 and maintain grounds, buildings, and facilities to carry
10 out its corporate purposes and duties.

11 (10) Enter into, revoke, and modify contracts, subject
12 to final approval of the Gaming Board.

13 (11) Enter into a casino management contract subject to
14 the final approval of the Gaming Board.

15 (12) Develop, or cause to be developed by a third
16 party, a master plan for the design, planning, and
17 development of a casino.

18 (13) Negotiate and enter into intergovernmental
19 agreements with the State and its agencies and units of
20 local government, in furtherance of the powers and duties
21 of the State Board. However, the State Authority may not
22 enter into an agreement with the State Police.

23 (14) Receive and disburse funds for its own corporate
24 purposes or as otherwise specified in this Act.

25 (15) Borrow money from any source, public or private,
26 for any corporate purpose, including, without limitation,

1 working capital for its operations, reserve funds, or
2 payment of interest, and to mortgage, pledge, or otherwise
3 encumber the property or funds of the State Authority and
4 to contract with or engage the services of any person in
5 connection with any financing, including financial
6 institutions, issuers of letters of credit, or insurers and
7 enter into reimbursement agreements with this person or
8 entity which may be secured as if money were borrowed from
9 the person or entity.

10 (16) Issue bonds as provided for under this Act.

11 (17) Receive and accept from any source, private or
12 public, contributions, gifts, or grants of money or
13 property to the State Authority.

14 (18) Provide for the insurance of any property,
15 operations, officers, members, agents, or employees of the
16 State Authority against any risk or hazard, to self-insure
17 or participate in joint self-insurance pools or entities to
18 insure against such risk or hazard, and to provide for the
19 indemnification of its officers, members, employees,
20 contractors, or agents against any and all risks.

21 (19) Exercise all the corporate powers granted
22 Illinois corporations under the Business Corporation Act
23 of 1983, except to the extent that powers are inconsistent
24 with those of a body politic and corporate of the State.

25 (20) Do all things necessary or convenient to carry out
26 the powers granted by this Act.

1 Section 5-32. Ethical conduct.

2 (a) State Board members and employees of the State
3 Authority must carry out their duties and responsibilities in
4 such a manner as to promote and preserve public trust and
5 confidence in the integrity and conduct of gaming.

6 (b) Except as may be required in the conduct of official
7 duties, State Board members and employees of the State
8 Authority shall not engage in gambling on any riverboat, in any
9 casino, or in an electronic gaming facility licensed by the
10 Illinois Gaming Board or engage in legalized gambling in any
11 establishment identified by State Board action that, in the
12 judgment of the State Board, could represent a potential for a
13 conflict of interest.

14 (c) A State Board member or employee of the State Authority
15 shall not use or attempt to use his or her official position to
16 secure or attempt to secure any privilege, advantage, favor, or
17 influence for himself or herself or others.

18 (d) State Board members and employees of the State
19 Authority shall not hold or pursue employment, office,
20 position, business, or occupation that may conflict with his or
21 her official duties. Employees may engage in other gainful
22 employment so long as that employment does not interfere or
23 conflict with their duties. Such employment must be disclosed
24 to the Executive Director and approved by the State Board.

25 (e) State Board members and employees of the State

1 Authority may not engage in employment, communications, or any
2 activity that may be deemed a conflict of interest. This
3 prohibition shall extend to any act identified by State Board
4 action or Gaming Board action that, in the judgment of the
5 either entity, could represent the potential for or the
6 appearance of a conflict of interest.

7 (f) State Board members and employees of the State
8 Authority may not have a financial interest, directly or
9 indirectly, in his or her own name or in the name of any other
10 person, partnership, association, trust, corporation, or other
11 entity in any contract or subcontract for the performance of
12 any work for the State Authority. This prohibition shall extend
13 to the holding or acquisition of an interest in any entity
14 identified by State Board action or Gaming Board action that,
15 in the judgment of the either entity, could represent the
16 potential for or the appearance of a financial interest. The
17 holding or acquisition of an interest in such entities through
18 an indirect means, such as through a mutual fund, shall not be
19 prohibited, except that the Gaming Board may identify specific
20 investments or funds that, in its judgment, are so influenced
21 by gaming holdings as to represent the potential for or the
22 appearance of a conflict of interest.

23 (g) State Board members and employees of the State
24 Authority may not accept any gift, gratuity, service,
25 compensation, travel, lodging, or thing of value, with the
26 exception of unsolicited items of an incidental nature, from

1 any person, corporation, or entity doing business with the
2 State Authority.

3 (h) No State Board member or employee of the State
4 Authority may, within a period of 2 years immediately after
5 termination of employment, knowingly accept employment or
6 receive compensation or fees for services from a person or
7 entity, or its parent or affiliate, that has engaged in
8 business with the State Authority that resulted in contracts
9 with an aggregate value of at least \$25,000 or if that State
10 Board member or employee has made a decision that directly
11 applied to the person or entity, or its parent or affiliate.

12 (i) A spouse, child, or parent of a State Board member or
13 employee of the State Authority may not have a financial
14 interest, directly or indirectly, in his or her own name or in
15 the name of any other person, partnership, association, trust,
16 corporation, or other entity in any contract or subcontract for
17 the performance of any work for the State Authority. This
18 prohibition shall extend to the holding or acquisition of an
19 interest in any entity identified by State Board action or
20 Gaming Board action that, in the judgment of the either entity,
21 could represent the potential for or the appearance of a
22 conflict of interest. The holding or acquisition of an interest
23 in such entities through an indirect means, such as through a
24 mutual fund, shall not be prohibited, except that the Gaming
25 Board may identify specific investments or funds that, in its
26 judgment, are so influenced by gaming holdings as to represent

1 the potential for or the appearance of a conflict of interest.

2 (j) A spouse, child, or parent of a State Board member or
3 employee of the State Authority may not accept any gift,
4 gratuity, service, compensation, travel, lodging, or thing of
5 value, with the exception of unsolicited items of an incidental
6 nature, from any person, corporation, or entity doing business
7 with the State Authority.

8 (k) A spouse, child, or parent of a State Board member or
9 employee of the State Authority may not, within a period of 2
10 years immediately after termination of employment, knowingly
11 accept employment or receive compensation or fees for services
12 from a person or entity, or its parent or affiliate, that has
13 engaged in business with the State Authority that resulted in
14 contracts with an aggregate value of at least \$25,000 or if
15 that State Board member or employee has made a decision that
16 directly applied to the person or entity, or its parent or
17 affiliate.

18 (l) No State Board member or employee of the State
19 Authority may attempt, in any way, to influence any person or
20 corporation doing business with the State Authority or any
21 officer, agent, or employee thereof to hire or contract with
22 any person or corporation for any compensated work.

23 (m) Any communication between a State, county, or municipal
24 elected official and any applicant for or party to a State
25 casino management contract with the State Authority, or an
26 officer, director, or employee thereof, concerning any manner

1 relating in any way to gaming or the State Authority shall be
2 disclosed to the State Board and the Gaming Board. Such
3 disclosure shall be in writing by the official within 30 days
4 of the communication and shall be filed with the State Board.
5 Disclosure must consist of the date of the communication, the
6 identity and job title of the person with whom the
7 communication was made, a brief summary of the communication,
8 the action requested or recommended, all responses made, the
9 identity and job title of the person making the response, and
10 any other pertinent information.

11 (n) Any State Board member or employee of the State
12 Authority who violates any provision of this Section is guilty
13 of a Class 4 felony.

14 Section 5-45. Casino management contracts.

15 (a) The State Board shall develop and administer a
16 competitive sealed bidding process for the selection of a
17 potential State casino operator licensee to develop or operate
18 a casino within the State. The State Board shall issue one or
19 more requests for proposals. The State Board may establish
20 minimum financial and investment requirements to determine the
21 eligibility of persons to respond to the State Board's requests
22 for proposal, and may establish and consider such other
23 criteria as it deems appropriate. The State Board may impose a
24 fee upon persons who respond to requests for proposal, in order
25 to reimburse the State Board for its costs in preparing and

1 issuing the requests and reviewing the proposals.

2 (b) Within 5 days after the time limit for submitting bids
3 and proposals has passed, the State Board shall make all bids
4 and proposals public. Thereafter, the State Board shall
5 evaluate the responses to its requests for proposal and the
6 ability of all persons or entities responding to its request
7 for proposal to meet the requirements of this Act and to
8 undertake and perform the obligations set forth in its requests
9 for proposal.

10 (c) After reviewing proposals and subject to Gaming Board
11 approval, the State Board shall enter into a casino management
12 contract authorizing the development, construction, or
13 operation of a casino. Validity of the casino management
14 contract is contingent upon the issuance of a State casino
15 operator license to the successful bidder. If the Gaming Board
16 approves the contract and grants a State casino operator
17 license, the State Board shall transmit a copy of the executed
18 casino management contract to the Gaming Board.

19 (d) After the State Authority has been issued a casino
20 license, the Gaming Board has issued a State casino operator
21 license, and the Gaming Board has approved the location of a
22 temporary facility, the State Authority may conduct gaming
23 operations at a temporary facility for no longer than 12 months
24 after gaming operations begin. The Gaming Board may, after
25 holding a public hearing, grant an extension so long as a
26 permanent facility is not operational and the State Authority

1 is working in good faith to complete the permanent facility.
2 The Gaming Board may grant additional extensions following a
3 public hearing. Each extension may be for a period of no longer
4 than 6 months.

5 (e) All amounts received as an upfront fee by the State
6 Authority pursuant to a bid for a casino management contract or
7 an executed State casino management contract must be deposited
8 into the Illinois Works Fund pursuant to Section 7.11a of the
9 Illinois Gambling Act.

10 Section 5-50. Transfer of funds. All revenues received by
11 the State Authority shall be deposited into the Illinois Casino
12 Development Authority Fund. Other than amounts required to be
13 paid pursuant to the Illinois Gambling Act and amounts required
14 to pay the operating expenses of the State Authority, to pay
15 amounts due the State casino operator licensee pursuant to a
16 casino management contract, to repay any borrowing of the State
17 Authority, to pay debt service on any bonds issued, and to pay
18 any expenses in connection with the issuance of such bonds or
19 derivative products, all remaining moneys in the Illinois
20 Casino Development Fund shall be transferred from time to time
21 into the Illinois Works Debt Service Fund.

22 Section 5-60. Auditor General.

23 (a) Prior to the issuance of bonds under this Act, the
24 State Authority shall submit to the Auditor General a

1 certification that:

2 (1) it is legally authorized to issue bonds;

3 (2) scheduled annual payments of principal and
4 interest on the bonds to be issued meet the requirements of
5 Section 1-75 of this Act;

6 (3) no bond shall mature later than 30 years; and

7 (4) after payment of costs of issuance and necessary
8 deposits to funds and accounts established with respect to
9 debt service on the bonds, the net bond proceeds (exclusive
10 of any proceeds to be used to refund outstanding bonds)
11 will be used only for the purposes set forth in this Act.

12 The State Authority also shall submit to the Auditor
13 General its projections on revenues to be generated and pledged
14 to repayment of the bonds as scheduled and such other
15 information as the Auditor General may reasonably request.

16 The Auditor General shall examine the certifications and
17 information submitted and submit a report to the State
18 Authority and the Gaming Board indicating whether the required
19 certifications, projections, and other information have been
20 submitted by the State Authority and that the assumptions
21 underlying the projections are not unreasonable in the
22 aggregate. The Auditor General shall submit the report no later
23 than 60 days after receiving the information required to be
24 submitted by the State Authority.

25 The State Authority shall not issue bonds until it receives
26 the report from the Auditor General indicating the requirements

1 of this Section have been met. The Auditor General's report
2 shall not be in the nature of a post-audit or examination and
3 shall not lead to the issuance of an opinion, as that term is
4 defined in generally accepted government auditing standards.
5 The Auditor General shall submit a bill to the State Authority
6 for costs associated with the examinations and report required
7 under this Section. The State Authority shall reimburse in a
8 timely manner.

9 (b) The Auditor General has the authority and is required
10 to conduct a financial and management audit of the State
11 Authority every 2 years. The Auditor General shall also conduct
12 one post-construction and financing audit of the casino after
13 it is completed and in operation. The Auditor General's audits
14 must be posted on his or her Internet website. The Auditor
15 General shall submit a bill to the State Authority for costs
16 associated with the audits required under this Section. The
17 State Authority shall reimburse in a timely manner.

18 Section 5-62. Advisory committee. An Advisory Committee is
19 established to monitor, review, and report on (1) the State
20 Authority's utilization of minority-owned business enterprises
21 and female-owned business enterprises, (2) employment of
22 females, and (3) employment of minority persons with regard to
23 the development and construction of the casino as authorized
24 under Section 7.11a of the Illinois Gambling Act. The State
25 Authority shall work with the Advisory Committee in

1 accumulating necessary information for the Committee to submit
2 reports, as necessary, to the General Assembly and to the
3 Governor.

4 The Committee shall consist of 15 members as provided in
5 this Section. Seven members shall be selected by the Governor;
6 2 members shall be selected by the President of the Illinois
7 Senate; 2 members shall be selected by the Speaker of the House
8 of Representatives; 2 members shall be selected by the Minority
9 Leader of the Senate; and 2 members shall be selected by the
10 Minority Leader of the House of Representatives. The Advisory
11 Committee shall meet periodically and shall report the
12 information to the Governor and to the General Assembly by
13 December 31st of every year.

14 The Advisory Committee shall be dissolved on the date that
15 casino gambling operations are first conducted under the
16 license authorized under Section 7.11a of the Illinois Gambling
17 Act, other than at a temporary facility.

18 For the purposes of this Section, the terms "female" and
19 "minority person" have the meanings provided in Section 2 of
20 the Business Enterprise for Minorities, Females, and Persons
21 with Disabilities Act.

22 Section 5-65. Acquisition of property; eminent domain
23 proceedings. For the lawful purposes of this Act, the State
24 Authority may acquire by eminent domain or by condemnation
25 proceedings in the manner provided by the Eminent Domain Act,

1 real or personal property or interests in real or personal
2 property located in the State. The acquisition of property
3 under this Section is declared to be for a public use.

4 Section 5-70. Local regulation. The casino facilities and
5 operations therein shall be subject to all ordinances and
6 regulations of the municipality in which the casino is located.
7 The construction, development, and operation of the casino
8 shall comply with all ordinances, regulations, rules, and
9 controls of the city in which the casino is located, including
10 but not limited to those relating to zoning and planned
11 development, building, fire prevention, and land use. However,
12 the regulation of gaming operations is subject to the exclusive
13 jurisdiction of the Gaming Board.

14 Section 5-75. Borrowing.

15 (a) The State Authority may borrow money and issue bonds as
16 provided in this Section. Bonds of the State Authority may be
17 issued to provide funds for land acquisition, site assembly and
18 preparation, and the design and construction of the casino, as
19 defined in the Illinois Gambling Act, all ancillary and related
20 facilities comprising the casino complex, and all on-site and
21 off-site infrastructure improvements required in connection
22 with the development of the casino; to refund (at the time or
23 in advance of any maturity or redemption) or redeem any bonds
24 of the State Authority; to provide or increase a debt service

1 reserve fund or other reserves with respect to any or all of
2 its bonds; or to pay the legal, financial, administrative, bond
3 insurance, credit enhancement, and other legal expenses of the
4 authorization, issuance, or delivery of bonds. In this Act, the
5 term "bonds" also includes notes of any kind, interim
6 certificates, refunding bonds, or any other evidence of
7 obligation for borrowed money issued under this Section. Bonds
8 may be issued in one or more series and may be payable and
9 secured either on a parity with or separately from other bonds.

10 (b) The bonds of the State Authority shall be payable from
11 one or more of the following sources: (i) the property or
12 revenues of the State Authority; (ii) revenues derived from the
13 casino; (iii) revenues derived from any State casino operator
14 licensee; (iv) fees, bid proceeds, charges, lease payments,
15 payments required pursuant to any casino management contract or
16 other revenues payable to the State Authority, or any receipts
17 of the State Authority; (v) payments by financial institutions,
18 insurance companies, or others pursuant to letters or lines of
19 credit, policies of insurance, or purchase agreements; (vi)
20 investment earnings from funds or accounts maintained pursuant
21 to a bond resolution or trust indenture; (vii) proceeds of
22 refunding bonds; and (viii) any payments by any State casino
23 operator licensee or others pursuant to any guaranty agreement.

24 (c) Bonds shall be authorized by a resolution of the State
25 Board and may be secured by a trust indenture by and between
26 the State Board and a corporate trustee or trustees, which may

1 be any trust company or bank having the powers of a trust
2 company within or without the State. Bonds shall meet the
3 following requirements:

4 (1) Bonds shall bear interest at a rate not to exceed
5 the maximum rate authorized by the Bond Authorization Act.

6 (2) Bonds issued pursuant to this Section must be
7 issued with principal or mandatory redemption amounts in
8 equal amounts, with the first maturity issued occurring
9 within the fiscal year in which the bonds are issued or
10 within the next succeeding fiscal year, and with bonds
11 maturing or subject to mandatory redemption each fiscal
12 year thereafter up to 30 years.

13 (3) At least 25%, based on total principal amount, of
14 all bonds issued pursuant to this Section shall be sold
15 pursuant to notice of sale and public bid. No more than
16 75%, based on total principal amount, of all bonds issued
17 pursuant to this Section shall be sold by negotiated sale.

18 (4) Bonds shall be payable at a time or times, in the
19 denominations and form, including book entry form, either
20 coupon, registered, or both, and carry the registration and
21 privileges as to exchange, transfer or conversion, and
22 replacement of mutilated, lost, or destroyed bonds as the
23 resolution or trust indenture may provide.

24 (5) Bonds shall be payable in lawful money of the
25 United States at a designated place.

26 (6) Bonds shall be subject to the terms of purchase,

1 payment, redemption, refunding, or refinancing that the
2 resolution or trust indenture provides.

3 (7) Bonds shall be executed by the manual or facsimile
4 signatures of the officers of the State Authority
5 designated by the State Board, which signatures shall be
6 valid at delivery even for one who has ceased to hold
7 office.

8 (8) Bonds shall be sold at public or private sale in
9 the manner and upon the terms determined by the State
10 Authority.

11 (d) The State Authority shall adopt a procurement program
12 with respect to contracts relating to underwriters, bond
13 counsel, financial advisors, and accountants. The program
14 shall include goals for the payment of not less than 30% of the
15 total dollar value of the fees from these contracts to minority
16 owned businesses and female owned businesses as defined in the
17 Business Enterprise for Minorities, Females, and Persons with
18 Disabilities Act. The State Authority shall conduct outreach to
19 minority owned businesses and female owned businesses.
20 Outreach shall include, but is not limited to, advertisements
21 in periodicals and newspapers, mailings, and other appropriate
22 media. The State Authority shall submit to the General Assembly
23 a comprehensive report that shall include, at a minimum, the
24 details of the procurement plan, outreach efforts, and the
25 results of the efforts to achieve goals for the payment of
26 fees.

1 (e) Subject to the Illinois Gambling Act and rules of the
2 Gaming Board regarding pledging of interests in holders of
3 owners licenses, any resolution or trust indenture may contain
4 provisions that may be a part of the contract with the holders
5 of the bonds as to the following:

6 (1) Pledging, assigning, or directing the use,
7 investment, or disposition of revenues of the State
8 Authority or proceeds or benefits of any contract,
9 including without limitation, any rights in any casino
10 management contract.

11 (2) The setting aside of loan funding deposits, debt
12 service reserves, replacement or operating reserves, cost
13 of issuance accounts and sinking funds, and the regulation,
14 investment, and disposition thereof.

15 (3) Limitations on the purposes to which or the
16 investments in which the proceeds of sale of any issue of
17 bonds or the State Authority's revenues and receipts may be
18 applied or made.

19 (4) Limitations on the issue of additional bonds, the
20 terms upon which additional bonds may be issued and
21 secured, the terms upon which additional bonds may rank on
22 a parity with, or be subordinate or superior to, other
23 bonds.

24 (5) The refunding, advance refunding, or refinancing
25 of outstanding bonds.

26 (6) The procedure, if any, by which the terms of any

1 contract with bondholders may be altered or amended and the
2 amount of bonds and holders of which must consent thereto
3 and the manner in which consent shall be given.

4 (7) Defining the acts or omissions which shall
5 constitute a default in the duties of the State Authority
6 to holders of bonds and providing the rights or remedies of
7 such holders in the event of a default, which may include
8 provisions restricting individual rights of action by
9 bondholders.

10 (8) Providing for guarantees, pledges of property,
11 letters of credit, or other security, or insurance for the
12 benefit of bondholders.

13 (f) No member of the State Board, nor any person executing
14 the bonds, shall be liable personally on the bonds or subject
15 to any personal liability by reason of the issuance of the
16 bonds.

17 (g) The State Authority may issue and secure bonds in
18 accordance with the provisions of the Local Government Credit
19 Enhancement Act.

20 (h) A pledge by the State Authority of revenues and
21 receipts as security for an issue of bonds or for the
22 performance of its obligations under any casino management
23 contract shall be valid and binding from the time when the
24 pledge is made. The revenues and receipts pledged shall
25 immediately be subject to the lien of the pledge without any
26 physical delivery or further act, and the lien of any pledge

1 shall be valid and binding against any person having any claim
2 of any kind in tort, contract, or otherwise against the State
3 Authority, irrespective of whether the person has notice. No
4 resolution, trust indenture, management agreement or financing
5 statement, continuation statement, or other instrument adopted
6 or entered into by the State Authority need be filed or
7 recorded in any public record other than the records of the
8 State Authority in order to perfect the lien against third
9 persons, regardless of any contrary provision of law.

10 (i) Bonds that are being paid or retired by issuance, sale,
11 or delivery of bonds, and bonds for which sufficient funds have
12 been deposited with the paying agent or trustee to provide for
13 payment of principal and interest thereon, and any redemption
14 premium, as provided in the authorizing resolution, shall not
15 be considered outstanding for the purposes of this subsection.

16 (j) The bonds of the State Authority shall not be
17 indebtedness of the State. The bonds of the State Authority are
18 not general obligations of the State and are not secured by a
19 pledge of the full faith and credit of the State and the
20 holders of bonds of the State Authority may not require, except
21 as provided in this Act, the application of State revenues or
22 funds to the payment of bonds of the State Authority.

23 (k) The State of Illinois pledges and agrees with the
24 owners of the bonds that it will not limit or alter the rights
25 and powers vested in the State Authority by this Act so as to
26 impair the terms of any contract made by the State Authority

1 with the owners or in any way impair the rights and remedies of
2 the owners until the bonds, together with interest on them, and
3 all costs and expenses in connection with any action or
4 proceedings by or on behalf of the owners, are fully met and
5 discharged. The State Authority is authorized to include this
6 pledge and agreement in any contract with the owners of bonds
7 issued under this Section.

8 (1) No person holding an elective office in this State,
9 holding a seat in the General Assembly, or serving as a board
10 member, trustee, officer, or employee of the State Authority,
11 including the spouse of that person, may receive a legal,
12 banking, consulting, or other fee related to the issuance of
13 bonds.

14 Section 5-85. Derivative products. With respect to all or
15 part of any issue of its bonds, the State Authority may enter
16 into agreements or contracts with any necessary or appropriate
17 person, which will have the benefit of providing to the State
18 Authority an interest rate basis, cash flow basis, or other
19 basis different from that provided in the bonds for the payment
20 of interest. Such agreements or contracts may include, without
21 limitation, agreements or contracts commonly known as
22 "interest rate swap agreements", "forward payment conversion
23 agreements", "futures", "options", "puts", or "calls" and
24 agreements or contracts providing for payments based on levels
25 of or changes in interest rates, agreements or contracts to

1 exchange cash flows or a series of payments, or to hedge
2 payment, rate spread, or similar exposure.

3 Section 5-90. Legality for investment. The State of
4 Illinois, all governmental entities, all public officers,
5 banks, bankers, trust companies, savings banks and
6 institutions, building and loan associations, savings and loan
7 associations, investment companies, and other persons carrying
8 on a banking business, insurance companies, insurance
9 associations, and other persons carrying on an insurance
10 business, and all executors, administrators, guardians,
11 trustees, and other fiduciaries may legally invest any sinking
12 funds, moneys, or other funds belonging to them or within their
13 control in any bonds issued under this Act. However, nothing in
14 this Section shall be construed as relieving any person, firm,
15 or corporation from any duty of exercising reasonable care in
16 selecting securities for purchase or investment.

17 Section 5-95. Tax exemption. The State Authority and all of
18 its operations and property used for public purposes shall be
19 exempt from all taxation of any kind imposed by the State of
20 Illinois or any political subdivision, school district,
21 municipal corporation, or unit of local government of the State
22 of Illinois. However, nothing in this Act prohibits the
23 imposition of any other taxes where such imposition is not
24 prohibited by Section 21 of the Illinois Gambling Act.

1 Section 5-105. Budgets and reporting.

2 (a) The State Board shall annually adopt a budget for each
3 fiscal year. The budget may be modified from time to time in
4 the same manner and upon the same vote as it may be adopted.
5 The budget shall include the State Authority's available funds
6 and estimated revenues and shall provide for payment of its
7 obligations and estimated expenditures for the fiscal year,
8 including, without limitation, expenditures for
9 administration, operation, maintenance and repairs, debt
10 service, and deposits into reserve and other funds and capital
11 projects.

12 (b) The State Board shall annually cause the finances of
13 the State Authority to be audited by a firm of certified public
14 accountants and post the firm's audits of the State Authority
15 on the State Authority's Internet website.

16 (c) The State Board shall, for each fiscal year, prepare an
17 annual report setting forth information concerning its
18 activities in the fiscal year and the status of the development
19 of the casino. The annual report shall include the audited
20 financial statements of the State Authority for the fiscal
21 year, the budget for the succeeding fiscal year, and the
22 current capital plan as of the date of the report. Copies of
23 the annual report shall be made available to persons who
24 request them and shall be submitted not later than 120 days
25 after the end of the State Authority's fiscal year to the

1 Governor, the General Assembly, and the Commission on
2 Government Forecasting and Accountability.

3 Section 5-110. Deposit and withdrawal of funds.

4 (a) All funds deposited by the State Authority in any bank
5 or savings and loan association shall be placed in the name of
6 the State Authority and shall be withdrawn or paid out only by
7 check or draft upon the bank or savings and loan association,
8 signed by 2 officers or employees designated by the State
9 Board. Notwithstanding any other provision of this Section, the
10 State Board may designate any of its members or any officer or
11 employee of the State Authority to authorize the wire transfer
12 of funds deposited by the secretary-treasurer of funds in a
13 bank or savings and loan association for the payment of payroll
14 and employee benefits-related expenses.

15 No bank or savings and loan association shall receive
16 public funds as permitted by this Section unless it has
17 complied with the requirements established pursuant to Section
18 6 of the Public Funds Investment Act.

19 (b) If any officer or employee whose signature appears upon
20 any check or draft issued pursuant to this Act ceases (after
21 attaching his signature) to hold his or her office before the
22 delivery of such a check or draft to the payee, his or her
23 signature shall nevertheless be valid and sufficient for all
24 purposes with the same effect as if he or she had remained in
25 office until delivery thereof.

1 Section 5-112. Contracts with the State Authority or State
2 casino operator licensee; disclosure requirements.

3 (a) A bidder, respondent, offeror, or contractor must
4 disclose the names of all officers and directors. A bidder,
5 respondent, or offeror, or contractor for contracts with the
6 State Authority or State casino operator licensee shall
7 disclose the identity of every owner, beneficiary, or person
8 with beneficial interest of more than 1%, or shareholder
9 entitled to receive more than 1% of the total distributable
10 income of any corporation, having any interest in the contract
11 in the bidder, respondent, offeror, or contractor. The
12 disclosure shall be in writing and attested to by an owner,
13 trustee, corporate official, or agent. If stock in a
14 corporation is publicly traded and there is no readily known
15 individual having greater than a 1% interest, then a statement
16 to that effect attested to by an officer or agent of the
17 corporation or shall fulfill the disclosure statement
18 requirement of this Section. A bidder, respondent, offeror, or
19 contractor shall notify the State Authority of any changes in
20 officers, directors, ownership, or individuals having a
21 beneficial interest of more than 1%.

22 (b) A bidder, respondent, offeror, or contractor for
23 contracts with an annual value of \$10,000 or for a period to
24 exceed one year shall disclose all political contributions of
25 the bidder, respondent, offeror, or contractor and any

1 affiliated person or entity. Disclosure shall include at least
2 the names and addresses of the contributors and the dollar
3 amounts of any contributions to any political committee made
4 within the previous 2 years. The disclosure must be submitted
5 to the Gaming Board with a copy of the contract prior to Gaming
6 Board approval of the contract. The Gaming Board shall refuse
7 to approve any contract that does not include the required
8 disclosure.

9 (c) As used in this Section:

10 "Contribution" means contribution as defined in Section
11 9-1.4 of the Election Code.

12 "Affiliated person" means (i) any person with any ownership
13 interest or distributive share of the bidding, responding, or
14 contracting entity in excess of 1%, (ii) executive employees of
15 the bidding, responding, or contracting entity, and (iii) the
16 spouse and minor children of any such persons.

17 "Affiliated entity" means (i) any parent or subsidiary of
18 the bidding or contracting entity, (ii) any member of the same
19 unitary business group, or (iii) any political committee for
20 which the bidding, responding, or contracting entity is the
21 sponsoring entity.

22 (d) The Gaming Board may direct the State Authority or a
23 State casino operator licensee to void a contract if a
24 violation of this Section occurs. The State Authority may
25 direct a State casino operator licensee to void a contract if a
26 violation of this Section occurs.

1 Section 5-115. Purchasing.

2 (a) All construction contracts and contracts for supplies,
3 materials, equipment, and services, when the cost thereof to
4 the State Authority exceeds \$25,000, shall be let by a
5 competitive selection process to the lowest responsible
6 proposer, after advertising for proposals, except for the
7 following:

8 (1) When repair parts, accessories, equipment, or
9 services are required for equipment or services previously
10 furnished or contracted for;

11 (2) Professional services;

12 (3) When services such as water, light, heat, power,
13 telephone (other than long-distance service), or telegraph
14 are required;

15 (4) When contracts for the use, purchase, delivery,
16 movement, or installation of data processing equipment,
17 software, or services and telecommunications equipment,
18 software, and services are required;

19 (5) Casino management contracts, which shall be
20 awarded as set forth in Section 1-45 of this Act.

21 (b) All contracts involving less than \$25,000 shall be let
22 by competitive selection process whenever possible, and in any
23 event in a manner calculated to ensure the best interests of
24 the public.

25 (c) In determining the responsibility of any proposer, the

1 State Authority may take into account the proposer's (or an
2 individual having a beneficial interest, directly or
3 indirectly, of more than 1% in such proposing entity) past
4 record of dealings with the State Authority, the proposer's
5 experience, adequacy of equipment, and ability to complete
6 performance within the time set, and other factors besides
7 financial responsibility. No such contract shall be awarded to
8 any proposer other than the lowest proposer (in case of
9 purchase or expenditure) unless authorized or approved by a
10 vote of at least 2 members of the State Board and such action
11 is accompanied by a written statement setting forth the reasons
12 for not awarding the contract to the highest or lowest
13 proposer, as the case may be. The statement shall be kept on
14 file in the principal office of the State Authority and open to
15 public inspection.

16 (d) The State Authority shall have the right to reject all
17 proposals and to re-advertise for proposals. If after any such
18 re-advertisement, no responsible and satisfactory proposals,
19 within the terms of the re-advertisement, is received, the
20 State Authority may award such contract without competitive
21 selection, provided that the Gaming Board must approve the
22 contract prior to its execution. The contract must not be less
23 advantageous to the State Authority than any valid proposal
24 received pursuant to advertisement.

25 (e) Advertisements for proposals and re-proposals shall be
26 published at least once in a daily newspaper of general

1 circulation published in the county in which the principal
2 office of the State Authority is located at least 10 calendar
3 days before the time for receiving proposals, and such
4 advertisements shall also be posted on readily accessible
5 bulletin boards in the principal office of the State Authority.
6 Such advertisements shall state the time and place for
7 receiving and opening of proposals and, by reference to plans
8 and specifications on file at the time of the first publication
9 or in the advertisement itself, shall describe the character of
10 the proposed contract in sufficient detail to fully advise
11 prospective proposers of their obligations and to ensure free
12 and open competitive selection.

13 (f) All proposals in response to advertisements shall be
14 sealed and shall be publicly opened by the State Authority. All
15 proposers shall be entitled to be present in person or by
16 representatives. Cash or a certified or satisfactory cashier's
17 check, as a deposit of good faith, in a reasonable amount to be
18 fixed by the State Authority before advertising for proposals,
19 shall be required with the proposal. A bond for faithful
20 performance of the contract with surety or sureties
21 satisfactory to the State Authority and adequate insurance may
22 be required in reasonable amounts to be fixed by the State
23 Authority before advertising for proposals.

24 (g) The contract shall be awarded as promptly as possible
25 after the opening of proposals. The proposal of the successful
26 proposer, as well as the bids of the unsuccessful proposers,

1 shall be placed on file and be open to public inspection. All
2 proposals shall be void if any disclosure of the terms of any
3 proposals in response to an advertisement is made or permitted
4 to be made by the State Authority before the time fixed for
5 opening proposals.

6 (h) Notice of each and every contract that is offered,
7 including renegotiated contracts and change orders, shall be
8 published in an online bulletin. The online bulletin must
9 include at least the date first offered, the date submission of
10 offers is due, the location that offers are to be submitted to,
11 a brief purchase description, the method of source selection,
12 information of how to obtain a comprehensive purchase
13 description and any disclosure and contract forms, and
14 encouragement to prospective vendors to hire qualified
15 veterans, as defined by Section 45-67 of the Illinois
16 Procurement Code, and Illinois residents discharged from any
17 Illinois adult correctional center. Notice of each and every
18 contract that is let or awarded, including renegotiated
19 contracts and change orders, shall be published in the online
20 bulletin and must include at least all of the information
21 specified in this item (h), as well as the name of the
22 successful responsible proposer or offeror, the contract
23 price, and the number of unsuccessful responsive proposers and
24 any other disclosure specified in this Section. This notice
25 must be posted in the online electronic bulletin prior to
26 execution of the contract.

1 ARTICLE 90.

2 Section 90-1. The State Officials and Employees Ethics Act
3 is amended by changing Sections 5-50, 20-10, and 20-15 as
4 follows:

5 (5 ILCS 430/5-50)

6 Sec. 5-50. Ex parte communications; special government
7 agents.

8 (a) This Section applies to ex parte communications made to
9 any agency listed in subsection (e).

10 (b) "Ex parte communication" means any written or oral
11 communication by any person that imparts or requests material
12 information or makes a material argument regarding potential
13 action concerning regulatory, quasi-adjudicatory, investment,
14 or licensing matters pending before or under consideration by
15 the agency. "Ex parte communication" does not include the
16 following: (i) statements by a person publicly made in a public
17 forum; (ii) statements regarding matters of procedure and
18 practice, such as format, the number of copies required, the
19 manner of filing, and the status of a matter; and (iii)
20 statements made by a State employee of the agency to the agency
21 head or other employees of that agency.

22 (b-5) An ex parte communication received by an agency,
23 agency head, or other agency employee from an interested party

1 or his or her official representative or attorney shall
2 promptly be memorialized and made a part of the record.

3 (c) An ex parte communication received by any agency,
4 agency head, or other agency employee, other than an ex parte
5 communication described in subsection (b-5), shall immediately
6 be reported to that agency's ethics officer by the recipient of
7 the communication and by any other employee of that agency who
8 responds to the communication. The ethics officer shall require
9 that the ex parte communication be promptly made a part of the
10 record. The ethics officer shall promptly file the ex parte
11 communication with the Executive Ethics Commission, including
12 all written communications, all written responses to the
13 communications, and a memorandum prepared by the ethics officer
14 stating the nature and substance of all oral communications,
15 the identity and job title of the person to whom each
16 communication was made, all responses made, the identity and
17 job title of the person making each response, the identity of
18 each person from whom the written or oral ex parte
19 communication was received, the individual or entity
20 represented by that person, any action the person requested or
21 recommended, and any other pertinent information. The
22 disclosure shall also contain the date of any ex parte
23 communication.

24 (d) "Interested party" means a person or entity whose
25 rights, privileges, or interests are the subject of or are
26 directly affected by a regulatory, quasi-adjudicatory,

1 investment, or licensing matter.

2 (e) This Section applies to the following agencies:

3 Executive Ethics Commission

4 Illinois Commerce Commission

5 Educational Labor Relations Board

6 State Board of Elections

7 ~~Illinois Gaming Board~~

8 Health Facilities Planning Board

9 Illinois Workers' Compensation Commission

10 Illinois Labor Relations Board

11 Illinois Liquor Control Commission

12 Pollution Control Board

13 Property Tax Appeal Board

14 ~~Illinois Racing Board~~

15 Illinois Purchased Care Review Board

16 Department of State Police Merit Board

17 Motor Vehicle Review Board

18 Prisoner Review Board

19 Civil Service Commission

20 Personnel Review Board for the Treasurer

21 Merit Commission for the Secretary of State

22 Merit Commission for the Office of the Comptroller

23 Court of Claims

24 Board of Review of the Department of Employment Security

25 Department of Insurance

26 Department of Professional Regulation and licensing boards

1 under the Department
2 Department of Public Health and licensing boards under the
3 Department
4 Office of Banks and Real Estate and licensing boards under
5 the Office
6 State Employees Retirement System Board of Trustees
7 Judges Retirement System Board of Trustees
8 General Assembly Retirement System Board of Trustees
9 Illinois Board of Investment
10 State Universities Retirement System Board of Trustees
11 Teachers Retirement System Officers Board of Trustees

12 (f) Any person who fails to (i) report an ex parte
13 communication to an ethics officer, (ii) make information part
14 of the record, or (iii) make a filing with the Executive Ethics
15 Commission as required by this Section or as required by
16 Section 5-165 of the Illinois Administrative Procedure Act
17 violates this Act.

18 (Source: P.A. 95-331, eff. 8-21-07.)

19 (5 ILCS 430/20-10)

20 Sec. 20-10. Offices of Executive Inspectors General.

21 (a) ~~Six~~ Five independent Offices of the Executive Inspector
22 General are created, one each for the Governor, the Attorney
23 General, the Secretary of State, the Comptroller, and the
24 Treasurer and one for gaming activities. Each Office shall be
25 under the direction and supervision of an Executive Inspector

1 General and shall be a fully independent office with separate
2 appropriations.

3 (b) The Governor, Attorney General, Secretary of State,
4 Comptroller, and Treasurer shall each appoint an Executive
5 Inspector General, and the Director of Gaming Enforcement shall
6 appoint an Executive Inspector General for gaming activities.

7 Each appointment must be made without regard to political
8 affiliation and solely on the basis of integrity and
9 demonstrated ability. Appointments shall be made by and with
10 the advice and consent of the Senate by three-fifths of the
11 elected members concurring by record vote. Any nomination not
12 acted upon by the Senate within 60 session days of the receipt
13 thereof shall be deemed to have received the advice and consent
14 of the Senate. If, during a recess of the Senate, there is a
15 vacancy in an office of Executive Inspector General, the
16 appointing authority shall make a temporary appointment until
17 the next meeting of the Senate when the appointing authority
18 shall make a nomination to fill that office. No person rejected
19 for an office of Executive Inspector General shall, except by
20 the Senate's request, be nominated again for that office at the
21 same session of the Senate or be appointed to that office
22 during a recess of that Senate.

23 Nothing in this Article precludes the appointment by the
24 Governor, Attorney General, Secretary of State, Comptroller,
25 or Treasurer of any other inspector general required or
26 permitted by law. The Governor, Attorney General, Secretary of

1 State, Comptroller, and Treasurer each may appoint an existing
2 inspector general as the Executive Inspector General required
3 by this Article, provided that such an inspector general is not
4 prohibited by law, rule, jurisdiction, qualification, or
5 interest from serving as the Executive Inspector General
6 required by this Article. An appointing authority may not
7 appoint a relative as an Executive Inspector General.

8 Each Executive Inspector General shall have the following
9 qualifications:

10 (1) has not been convicted of any felony under the laws
11 of this State, another State, or the United States;

12 (2) has earned a baccalaureate degree from an
13 institution of higher education; and

14 (3) has 5 or more years of cumulative service (A) with
15 a federal, State, or local law enforcement agency, at least
16 2 years of which have been in a progressive investigatory
17 capacity; (B) as a federal, State, or local prosecutor; (C)
18 as a senior manager or executive of a federal, State, or
19 local agency; (D) as a member, an officer, or a State or
20 federal judge; or (E) representing any combination of (A)
21 through (D).

22 The term of each initial Executive Inspector General shall
23 commence upon qualification and shall run through June 30,
24 2008. The initial appointments shall be made within 60 days
25 after the effective date of this Act.

26 After the initial term, each Executive Inspector General

1 shall serve for 5-year terms commencing on July 1 of the year
2 of appointment and running through June 30 of the fifth
3 following year. An Executive Inspector General may be
4 reappointed to one or more subsequent terms.

5 A vacancy occurring other than at the end of a term shall
6 be filled by the appointing authority only for the balance of
7 the term of the Executive Inspector General whose office is
8 vacant.

9 Terms shall run regardless of whether the position is
10 filled.

11 (c) The Executive Inspector General appointed by the
12 Attorney General shall have jurisdiction over the Attorney
13 General and all officers and employees of, and vendors and
14 others doing business with, State agencies within the
15 jurisdiction of the Attorney General. The Executive Inspector
16 General appointed by the Secretary of State shall have
17 jurisdiction over the Secretary of State and all officers and
18 employees of, and vendors and others doing business with, State
19 agencies within the jurisdiction of the Secretary of State. The
20 Executive Inspector General appointed by the Comptroller shall
21 have jurisdiction over the Comptroller and all officers and
22 employees of, and vendors and others doing business with, State
23 agencies within the jurisdiction of the Comptroller. The
24 Executive Inspector General appointed by the Treasurer shall
25 have jurisdiction over the Treasurer and all officers and
26 employees of, and vendors and others doing business with, State

1 agencies within the jurisdiction of the Treasurer. The
2 Executive Inspector General appointed by the Governor shall
3 have jurisdiction over the Governor, the Lieutenant Governor,
4 and all officers and employees of, and vendors and others doing
5 business with, executive branch State agencies under the
6 jurisdiction of the Executive Ethics Commission and not within
7 the jurisdiction of the Attorney General, the Secretary of
8 State, the Comptroller, ~~or~~ the Treasurer, or the Executive
9 Inspector General for gaming activities. The Executive
10 Inspector General for gaming activities appointed by the
11 Director of Gaming Enforcement has jurisdiction over the
12 Illinois Gaming Board, Illinois Racing Board, the Office of
13 Gaming Enforcement, the Illinois Casino Development Authority,
14 and all officers and employees of those agencies.

15 The jurisdiction of each Executive Inspector General is to
16 investigate allegations of fraud, waste, abuse, mismanagement,
17 misconduct, nonfeasance, misfeasance, malfeasance, or
18 violations of this Act or violations of other related laws and
19 rules.

20 (d) The minimum compensation for each Executive Inspector
21 General shall be determined by the Executive Ethics Commission.
22 The actual compensation for each Executive Inspector General
23 shall be determined by the appointing ~~executive branch~~
24 ~~constitutional~~ officer and must be at or above the minimum
25 compensation level set by the Executive Ethics Commission.
26 Subject to Section 20-45 of this Act, each Executive Inspector

1 General has full authority to organize his or her Office of the
2 Executive Inspector General, including the employment and
3 determination of the compensation of staff, such as deputies,
4 assistants, and other employees, as appropriations permit. A
5 separate appropriation shall be made for each Office of
6 Executive Inspector General.

7 (e) No Executive Inspector General or employee of the
8 Office of the Executive Inspector General may, during his or
9 her term of appointment or employment:

10 (1) become a candidate for any elective office;

11 (2) hold any other elected or appointed public office
12 except for appointments on governmental advisory boards or
13 study commissions or as otherwise expressly authorized by
14 law;

15 (3) be actively involved in the affairs of any
16 political party or political organization; or

17 (4) actively participate in any campaign for any
18 elective office.

19 In this subsection an appointed public office means a
20 position authorized by law that is filled by an appointing
21 authority as provided by law and does not include employment by
22 hiring in the ordinary course of business.

23 (e-1) No Executive Inspector General or employee of the
24 Office of the Executive Inspector General may, for one year
25 after the termination of his or her appointment or employment:

26 (1) become a candidate for any elective office;

1 (2) hold any elected public office; or

2 (3) hold any appointed State, county, or local judicial
3 office.

4 (e-2) The requirements of item (3) of subsection (e-1) may
5 be waived by the Executive Ethics Commission.

6 (f) An Executive Inspector General may be removed only for
7 cause and may be removed only by the appointing ~~constitutional~~
8 officer. At the time of the removal, the appointing
9 ~~constitutional~~ officer must report to the Executive Ethics
10 Commission the justification for the removal.

11 (Source: P.A. 93-617, eff. 12-9-03.)

12 (5 ILCS 430/20-15)

13 Sec. 20-15. Duties of the Executive Ethics Commission. In
14 addition to duties otherwise assigned by law, the Executive
15 Ethics Commission shall have the following duties:

16 (1) To promulgate rules governing the performance of
17 its duties and the exercise of its powers and governing the
18 investigations of the Executive Inspectors General. It is
19 declared to be in the public interest, safety, and welfare
20 that the Commission adopt emergency rules under the
21 Illinois Administrative Procedure Act to initially perform
22 its duties under this subsection.

23 (2) To conduct administrative hearings and rule on
24 matters brought before the Commission only upon the receipt
25 of pleadings filed by an Executive Inspector General and

1 not upon its own prerogative, but may appoint special
2 Executive Inspectors General as provided in Section 20-21.
3 Any other allegations of misconduct received by the
4 Commission from a person other than an Executive Inspector
5 General shall be referred to the Office of the appropriate
6 Executive Inspector General.

7 (3) To prepare and publish manuals and guides and,
8 working with the Office of the Attorney General, oversee
9 training of employees under its jurisdiction that explains
10 their duties.

11 (4) To prepare public information materials to
12 facilitate compliance, implementation, and enforcement of
13 this Act.

14 (5) To submit reports as required by this Act.

15 (6) To the extent authorized by this Act, to make
16 rulings, issue recommendations, and impose administrative
17 fines, if appropriate, in connection with the
18 implementation and interpretation of this Act. The powers
19 and duties of the Commission are limited to matters clearly
20 within the purview of this Act.

21 (7) To issue subpoenas with respect to matters pending
22 before the Commission, subject to the provisions of this
23 Article and in the discretion of the Commission, to compel
24 the attendance of witnesses for purposes of testimony and
25 the production of documents and other items for inspection
26 and copying.

1 (8) To appoint special Executive Inspectors General as
2 provided in Section 20-21.

3 (9) Pursuant to Section 5.3 of the Illinois Gambling
4 Act, select members as required to review applications and
5 appoint members to the Nomination Panel established under
6 the Illinois Gambling Act.

7 (Source: P.A. 93-617, eff. 12-9-03.)

8 Section 90-2. The Executive Reorganization Implementation
9 Act is amended by changing Section 3.1 as follows:

10 (15 ILCS 15/3.1) (from Ch. 127, par. 1803.1)

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

23 (1) the State Board of Elections;

24 (2) the State Board of Education;

- 1 (3) the Illinois Commerce Commission;
- 2 (4) the Illinois Workers' Compensation Commission;
- 3 (5) the Civil Service Commission;
- 4 (6) the Fair Employment Practices Commission;
- 5 (7) the Pollution Control Board;
- 6 (8) the Department of State Police Merit Board;
- 7 (9) the Illinois Gaming Board;
- 8 (10) the Office of Gaming Enforcement; and
- 9 (11) the Illinois Racing Board.

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

11 Section 90-5. The Alcoholism and Other Drug Abuse and
12 Dependency Act is amended by changing Section 5-20 as follows:

13 (20 ILCS 301/5-20)

14 Sec. 5-20. Compulsive gambling program.

15 (a) Subject to appropriation, the Department shall
16 establish a program for public education, research, and
17 training regarding problem and compulsive gambling and the
18 treatment and prevention of problem and compulsive gambling.
19 Subject to specific appropriation for these stated purposes,
20 the program must include all of the following:

21 (1) Establishment and maintenance of a toll-free "800"
22 telephone number to provide crisis counseling and referral
23 services to families experiencing difficulty as a result of
24 problem or compulsive gambling.

1 (2) Promotion of public awareness regarding the
2 recognition and prevention of problem and compulsive
3 gambling.

4 (3) Facilitation, through in-service training and
5 other means, of the availability of effective assistance
6 programs for problem and compulsive gamblers.

7 (4) Conducting studies to identify adults and
8 juveniles in this State who are, or who are at risk of
9 becoming, problem or compulsive gamblers.

10 (b) Subject to appropriation, the Department shall either
11 establish and maintain the program or contract with a private
12 or public entity for the establishment and maintenance of the
13 program. Subject to appropriation, either the Department or the
14 private or public entity shall implement the toll-free
15 telephone number, promote public awareness, and conduct
16 in-service training concerning problem and compulsive
17 gambling.

18 (c) Subject to appropriation, the Department shall produce
19 and supply the signs specified in Section 10.7 of the Illinois
20 Lottery Law, Section 34.1 of the Illinois Horse Racing Act of
21 1975, Section 4.3 of the Bingo License and Tax Act, Section 8.1
22 of the Charitable Games Act, and Section 13.1 of the Illinois
23 ~~Riverboat~~ Gambling Act.

24 (Source: P.A. 89-374, eff. 1-1-96; 89-626, eff. 8-9-96.)

25 Section 90-7. The Department of Commerce and Economic

1 Opportunity Law of the Civil Administrative Code of Illinois is
2 amended by adding Section 605-530 as follows:

3 (20 ILCS 605/605-530 new)

4 Sec. 605-530. The Depressed Communities Economic
5 Development Board.

6 (a) The Depressed Communities Economic Development Board
7 is created as an advisory board within the Department of
8 Commerce and Economic Opportunity. The Board shall consist of
9 10 members as follows:

10 (1) 2 members appointed by the President of the Senate,
11 one of whom is appointed to serve an initial term of one
12 year and one of whom is appointed to serve an initial term
13 of 2 years.

14 (2) 2 members appointed by the Minority Leader of the
15 Senate, one of whom is appointed to serve an initial term
16 of one year and one of whom is appointed to serve an
17 initial term of 2 years.

18 (3) 2 members appointed by the Speaker of the House of
19 Representatives, one of whom is appointed to serve an
20 initial term of one year and one of whom is appointed to
21 serve an initial term of 2 years.

22 (4) 2 members appointed by the Minority Leader of the
23 House of Representatives, one of whom is appointed to serve
24 an initial term of one year and one of whom is appointed to
25 serve an initial term of 2 years.

1 (5) 2 members appointed by the Governor with the advice
2 and consent of the Senate, one of whom is appointed to
3 serve an initial term of one year and one of whom is
4 appointed to serve an initial term of 2 years as chair of
5 the Board at the time of appointment.

6 After the initial terms, each member shall be appointed to
7 serve a term of 2 years and until his or her successor has been
8 appointed and assumes office. If a vacancy occurs in the Board
9 membership, the vacancy shall be filled in the same manner as
10 the initial appointment.

11 (b) Board members shall serve without compensation but may
12 be reimbursed for their reasonable travel expenses from funds
13 available for that purpose. The Department of Commerce and
14 Economic Opportunity shall provide staff and administrative
15 support services to the Board.

16 (c) The Board must make recommendations to the Department
17 of Commerce and Economic Opportunity concerning the award of
18 grants from amounts appropriated to the Department from the
19 Depressed Communities Economic Development Fund. The
20 Department must make grants to public or private entities
21 submitting proposals to the Board to revitalize an Illinois
22 depressed community within Cook County. Grants may be used by
23 these entities only for those purposes conditioned with the
24 grant. For the purposes of this subsection (c), plans for
25 revitalizing an Illinois depressed community include plans
26 intended to curb high levels of poverty, unemployment, job and

1 population loss, and general distress. An Illinois depressed
2 community (i) is an area within Cook County where the poverty
3 rate, as determined by using the most recent data released by
4 the United States Census Bureau, is at least 3% greater than
5 the State poverty rate as determined by using the most recent
6 data released by the United States Census Bureau; or (ii) is an
7 area within following zip codes: 60104, 60153, 60160, 60402,
8 60406, 60409, 60411, 60419, 60426, 60429, 60432, 60472, 60473,
9 60608, 60609, 60612, 60614, 60615, 60617, 60618, 60619, 60620,
10 60622, 60623, 60624, 60628, 60629, 60630, 60632, 60636, 60637,
11 60638, 60639, 60641, 60643, 60644, 60647, 60649, 60651, 60652,
12 60653, 60655, 60804, and 60827.

13 Section 90-10. The Department of Revenue Law of the Civil
14 Administrative Code of Illinois is amended by changing Section
15 2505-305 as follows:

16 (20 ILCS 2505/2505-305) (was 20 ILCS 2505/39b15.1)

17 Sec. 2505-305. Investigators.

18 (a) The Department has the power to appoint investigators
19 to conduct all investigations, searches, seizures, arrests,
20 and other duties imposed under the provisions of any law
21 administered by the Department ~~or the Illinois Gaming Board~~.
22 Except as provided in subsection (c), these investigators have
23 and may exercise all the powers of peace officers solely for
24 the purpose of enforcing taxing measures administered by the

1 Department ~~or the Illinois Gaming Board.~~

2 (b) The Director must authorize to each investigator
3 employed under this Section and to any other employee of the
4 Department exercising the powers of a peace officer a distinct
5 badge that, on its face, (i) clearly states that the badge is
6 authorized by the Department and (ii) contains a unique
7 identifying number. No other badge shall be authorized by the
8 Department.

9 ~~(c) Investigators appointed under this Section who are
10 assigned to the Illinois Gaming Board have and may exercise all
11 the rights and powers of peace officers, provided that these
12 powers shall be limited to offenses or violations occurring or
13 committed on a riverboat or dock, as defined in subsections (d)
14 and (f) of Section 4 of the Riverboat Gambling Act.~~

15 (Source: P.A. 91-239, eff. 1-1-00; 91-883, eff. 1-1-01; 92-493,
16 eff. 1-1-02.)

17 Section 90-11. The Department of Transportation Law of the
18 Civil Administrative Code of Illinois is amended by adding
19 Section 2705-585 as follows:

20 (20 ILCS 2705/2705-585 new)

21 Sec. 2705-585. Condition Rating Survey mandates.

22 (a) Each highway district must have an average interstate
23 Condition Rating Survey (CRS) within 4% of the statewide
24 average.

1 (b) Each highway district must have an average marked route
2 CRS within 5% of the statewide average.

3 (c) Each highway district must have an average bridge
4 condition CRS within 3% of the statewide average.

5 (d) The Department must publish an annual report, and
6 release that report for review and comment by December 31 each
7 year, to verify that the mandates contained in subsections (a)
8 through (c) have been met. If a highway district's average does
9 not meet any mandate, the Department must identify the funding
10 necessary to bring that district into compliance with the
11 update of the Multi-Year Highway Improvement Program.

12 Section 90-12. The Illinois State Auditing Act is amended
13 by changing Section 3-1 as follows:

14 (30 ILCS 5/3-1) (from Ch. 15, par. 303-1)

15 Sec. 3-1. Jurisdiction of Auditor General. The Auditor
16 General has jurisdiction over all State agencies to make post
17 audits and investigations authorized by or under this Act or
18 the Constitution.

19 The Auditor General has jurisdiction over local government
20 agencies and private agencies only:

21 (a) to make such post audits authorized by or under
22 this Act as are necessary and incidental to a post audit of
23 a State agency or of a program administered by a State
24 agency involving public funds of the State, but this

1 jurisdiction does not include any authority to review local
2 governmental agencies in the obligation, receipt,
3 expenditure or use of public funds of the State that are
4 granted without limitation or condition imposed by law,
5 other than the general limitation that such funds be used
6 for public purposes;

7 (b) to make investigations authorized by or under this
8 Act or the Constitution; and

9 (c) to make audits of the records of local government
10 agencies to verify actual costs of state-mandated programs
11 when directed to do so by the Legislative Audit Commission
12 at the request of the State Board of Appeals under the
13 State Mandates Act.

14 In addition to the foregoing, the Auditor General may
15 conduct an audit of the Metropolitan Pier and Exposition
16 Authority, the Regional Transportation Authority, the Suburban
17 Bus Division, the Commuter Rail Division and the Chicago
18 Transit Authority and any other subsidized carrier when
19 authorized by the Legislative Audit Commission. Such audit may
20 be a financial, management or program audit, or any combination
21 thereof.

22 The audit shall determine whether they are operating in
23 accordance with all applicable laws and regulations. Subject to
24 the limitations of this Act, the Legislative Audit Commission
25 may by resolution specify additional determinations to be
26 included in the scope of the audit.

1 In addition to the foregoing, the Auditor General must also
2 conduct a financial audit of the Illinois Sports Facilities
3 Authority's expenditures of public funds in connection with the
4 reconstruction, renovation, remodeling, extension, or
5 improvement of all or substantially all of any existing
6 "facility", as that term is defined in the Illinois Sports
7 Facilities Authority Act.

8 The Auditor General may also conduct an audit, when
9 authorized by the Legislative Audit Commission, of any hospital
10 which receives 10% or more of its gross revenues from payments
11 from the State of Illinois, Department of Healthcare and Family
12 Services (formerly Department of Public Aid), Medical
13 Assistance Program.

14 The Auditor General is authorized to conduct financial and
15 compliance audits of the Illinois Distance Learning Foundation
16 and the Illinois Conservation Foundation.

17 As soon as practical after the effective date of this
18 amendatory Act of 1995, the Auditor General shall conduct a
19 compliance and management audit of the City of Chicago and any
20 other entity with regard to the operation of Chicago O'Hare
21 International Airport, Chicago Midway Airport and Merrill C.
22 Meigs Field. The audit shall include, but not be limited to, an
23 examination of revenues, expenses, and transfers of funds;
24 purchasing and contracting policies and practices; staffing
25 levels; and hiring practices and procedures. When completed,
26 the audit required by this paragraph shall be distributed in

1 accordance with Section 3-14.

2 The Auditor General shall conduct a financial and
3 compliance and program audit of distributions from the
4 Municipal Economic Development Fund during the immediately
5 preceding calendar year pursuant to Section 8-403.1 of the
6 Public Utilities Act at no cost to the city, village, or
7 incorporated town that received the distributions.

8 The Auditor General must conduct an audit of the Health
9 Facilities Planning Board pursuant to Section 19.5 of the
10 Illinois Health Facilities Planning Act.

11 The Auditor General must conduct an audit of the Chicago
12 Casino Development Authority pursuant to Section 1-60 of the
13 Chicago Casino Development Authority Act and the Illinois
14 Casino Development Authority pursuant to Section 5-60 of the
15 Illinois Casino Development Authority Act.

16 The Auditor General of the State of Illinois shall annually
17 conduct or cause to be conducted a financial and compliance
18 audit of the books and records of any county water commission
19 organized pursuant to the Water Commission Act of 1985 and
20 shall file a copy of the report of that audit with the Governor
21 and the Legislative Audit Commission. The filed audit shall be
22 open to the public for inspection. The cost of the audit shall
23 be charged to the county water commission in accordance with
24 Section 6z-27 of the State Finance Act. The county water
25 commission shall make available to the Auditor General its
26 books and records and any other documentation, whether in the

1 possession of its trustees or other parties, necessary to
2 conduct the audit required. These audit requirements apply only
3 through July 1, 2007.

4 The Auditor General must conduct audits of the Rend Lake
5 Conservancy District as provided in Section 25.5 of the River
6 Conservancy Districts Act.

7 The Auditor General must conduct financial audits of the
8 Southeastern Illinois Economic Development Authority as
9 provided in Section 70 of the Southeastern Illinois Economic
10 Development Authority Act.

11 (Source: P.A. 95-331, eff. 8-21-07.)

12 Section 90-15. The State Finance Act is amended by changing
13 Section 8h and adding Sections 5.710, 5.711, 5.712, 5.713,
14 5.714, and 6z-73 as follows:

15 (30 ILCS 105/5.710 new)

16 Sec. 5.710. The Illinois Works Fund.

17 (30 ILCS 105/5.711 new)

18 Sec. 5.711. The Focusing on Children, Uplifting Schools
19 (FOCUS) Fund.

20 (30 ILCS 105/5.712 new)

21 Sec. 5.712. The Depressed Communities Economic Development
22 Fund.

1 (30 ILCS 105/5.713 new)

2 Sec. 5.713. The Illinois Works Debt Service Fund.

3 (30 ILCS 105/5.714 new)

4 Sec. 5.714. The Illinois Casino Development Authority
5 Fund.

6 (30 ILCS 105/6z-73 new)

7 Sec. 6z-73. FOCUS Fund.

8 (a) There is created the Focusing on Children, Uplifting
9 Schools (FOCUS) Fund as a special fund in the State treasury.
10 All money in the Fund shall be used, subject to appropriation,
11 by the State Board of Education as provided in this Section.

12 (b) The State Board of Education shall distribute the money
13 in the FOCUS Fund as follows:

14 (1) Seventy percent of the money in the Fund must be
15 distributed according to the general State aid formula set
16 forth in Section 18-8.05 of the School Code.

17 (2) Five percent of the money in the Fund must be
18 distributed to school districts through the School Safety
19 and Educational Improvement Block Grant Program set forth
20 in Section 2-3.51.5 of the School Code. School districts
21 organized under Article 34 of the School Code are not
22 eligible for these funds.

23 (3) Five percent of the money in the Fund must be

1 distributed as fast growth grants under Section 18-8.10 of
2 the School Code to school districts that qualify.

3 (4) Five percent of the money in the Fund must be
4 distributed to the Regional Offices of Education for a
5 program to re-enroll dropouts.

6 (5) Fifteen percent of the money in the Fund must be
7 distributed through an Early Childhood Education Block
8 Grant under Section 1C-2 of the School Code.

9 (30 ILCS 105/8h)

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

11 (a) Except as otherwise provided in this Section and
12 Section 8n of this Act, and notwithstanding any other State law
13 to the contrary, the Governor may, through June 30, 2007, from
14 time to time direct the State Treasurer and Comptroller to
15 transfer a specified sum from any fund held by the State
16 Treasurer to the General Revenue Fund in order to help defray
17 the State's operating costs for the fiscal year. The total
18 transfer under this Section from any fund in any fiscal year
19 shall not exceed the lesser of (i) 8% of the revenues to be
20 deposited into the fund during that fiscal year or (ii) an
21 amount that leaves a remaining fund balance of 25% of the July
22 1 fund balance of that fiscal year. In fiscal year 2005 only,
23 prior to calculating the July 1, 2004 final balances, the
24 Governor may calculate and direct the State Treasurer with the
25 Comptroller to transfer additional amounts determined by

1 applying the formula authorized in Public Act 93-839 to the
2 funds balances on July 1, 2003. No transfer may be made from a
3 fund under this Section that would have the effect of reducing
4 the available balance in the fund to an amount less than the
5 amount remaining unexpended and unreserved from the total
6 appropriation from that fund estimated to be expended for that
7 fiscal year. This Section does not apply to any funds that are
8 restricted by federal law to a specific use, to any funds in
9 the Motor Fuel Tax Fund, the Intercity Passenger Rail Fund, the
10 Hospital Provider Fund, the Medicaid Provider Relief Fund, the
11 Teacher Health Insurance Security Fund, the Reviewing Court
12 Alternative Dispute Resolution Fund, the Voters' Guide Fund,
13 the Foreign Language Interpreter Fund, the Lawyers' Assistance
14 Program Fund, the Supreme Court Federal Projects Fund, the
15 Supreme Court Special State Projects Fund, the Supplemental
16 Low-Income Energy Assistance Fund, the Good Samaritan Energy
17 Trust Fund, the Low-Level Radioactive Waste Facility
18 Development and Operation Fund, the Horse Racing Equity Trust
19 Fund, the Racing Industry Workers' Trust Fund, the Illinois
20 Equine Research Trust Fund, the Illinois Colt Stakes Purse
21 Distribution Fund, the Illinois Thoroughbred Breeders Fund,
22 the Illinois Racing Quarter Horse Breeders Fund, the Illinois
23 Standardbred Breeders Fund, the Metabolic Screening and
24 Treatment Fund, or the Hospital Basic Services Preservation
25 Fund, or to any funds to which Section 70-50 of the Nurse
26 Practice Act applies. No transfers may be made under this

1 Section from the Pet Population Control Fund. Notwithstanding
2 any other provision of this Section, for fiscal year 2004, the
3 total transfer under this Section from the Road Fund or the
4 State Construction Account Fund shall not exceed the lesser of
5 (i) 5% of the revenues to be deposited into the fund during
6 that fiscal year or (ii) 25% of the beginning balance in the
7 fund. For fiscal year 2005 through fiscal year 2007, no amounts
8 may be transferred under this Section from the Road Fund, the
9 State Construction Account Fund, the Criminal Justice
10 Information Systems Trust Fund, the Wireless Service Emergency
11 Fund, or the Mandatory Arbitration Fund.

12 In determining the available balance in a fund, the
13 Governor may include receipts, transfers into the fund, and
14 other resources anticipated to be available in the fund in that
15 fiscal year.

16 The State Treasurer and Comptroller shall transfer the
17 amounts designated under this Section as soon as may be
18 practicable after receiving the direction to transfer from the
19 Governor.

20 (a-5) Transfers directed to be made under this Section on
21 or before February 28, 2006 that are still pending on May 19,
22 2006 (the effective date of Public Act 94-774) shall be
23 redirected as provided in Section 8n of this Act.

24 (b) This Section does not apply to: (i) the Ticket For The
25 Cure Fund; (ii) any fund established under the Community Senior
26 Services and Resources Act; or (iii) on or after January 1,

1 2006 (the effective date of Public Act 94-511), the Child Labor
2 and Day and Temporary Labor Enforcement Fund.

3 (c) This Section does not apply to the Demutualization
4 Trust Fund established under the Uniform Disposition of
5 Unclaimed Property Act.

6 (d) This Section does not apply to moneys set aside in the
7 Illinois State Podiatric Disciplinary Fund for podiatric
8 scholarships and residency programs under the Podiatric
9 Scholarship and Residency Act.

10 (e) Subsection (a) does not apply to, and no transfer may
11 be made under this Section from, the Pension Stabilization
12 Fund.

13 (f) Subsection (a) does not apply to, and no transfer may
14 be made under this Section from, the Illinois Power Agency
15 Operations Fund, the Illinois Power Agency Facilities Fund, the
16 Illinois Power Agency Debt Service Fund, and the Illinois Power
17 Agency Trust Fund.

18 (g) ~~(f)~~ This Section does not apply to the Veterans Service
19 Organization Reimbursement Fund.

20 (h) ~~(f)~~ This Section does not apply to the Supreme Court
21 Historic Preservation Fund.

22 (Source: P.A. 94-91, eff. 7-1-05; 94-120, eff. 7-6-05; 94-511,
23 eff. 1-1-06; 94-535, eff. 8-10-05; 94-639, eff. 8-22-05;
24 94-645, eff. 8-22-05; 94-648, eff. 1-1-06; 94-686, eff.
25 11-2-05; 94-691, eff. 11-2-05; 94-726, eff. 1-20-06; 94-773,
26 eff. 5-18-06; 94-774, eff. 5-19-06; 94-804, eff. 5-26-06;

1 94-839, eff. 6-6-06; 95-331, eff. 8-21-07; 95-410, eff.
2 8-24-07; 95-481, eff. 8-28-07; 95-629, eff. 9-25-07; 95-639,
3 eff. 10-5-07; 95-695, eff. 11-5-07; revised 11-2-07.)

4 Section 90-20. The Illinois Procurement Code is amended by
5 changing Section 50-70 as follows:

6 (30 ILCS 500/50-70)

7 Sec. 50-70. Additional provisions. This Code is subject to
8 applicable provisions of the following Acts:

9 (1) Article 33E of the Criminal Code of 1961;

10 (2) the Illinois Human Rights Act;

11 (3) the Discriminatory Club Act;

12 (4) the Illinois Governmental Ethics Act;

13 (5) the State Prompt Payment Act;

14 (6) the Public Officer Prohibited Activities Act;

15 (7) the Drug Free Workplace Act; ~~and~~

16 (8) the Illinois Power Agency Act; ~~and~~

17 (9) ~~(8)~~ the Employee Classification Act; and ~~and~~

18 (10) the Illinois Gambling Act.

19 (Source: P.A. 95-26, eff. 1-1-08; 95-481, eff. 8-28-07; revised
20 11-2-07.)

21 Section 90-21. The Retailers' Occupation Tax Act is amended
22 by changing Section 3 as follows:

1 (35 ILCS 120/3) (from Ch. 120, par. 442)

2 Sec. 3. Except as provided in this Section, on or before
3 the twentieth day of each calendar month, every person engaged
4 in the business of selling tangible personal property at retail
5 in this State during the preceding calendar month shall file a
6 return with the Department, stating:

7 1. The name of the seller;

8 2. His residence address and the address of his
9 principal place of business and the address of the
10 principal place of business (if that is a different
11 address) from which he engages in the business of selling
12 tangible personal property at retail in this State;

13 3. Total amount of receipts received by him during the
14 preceding calendar month or quarter, as the case may be,
15 from sales of tangible personal property, and from services
16 furnished, by him during such preceding calendar month or
17 quarter;

18 4. Total amount received by him during the preceding
19 calendar month or quarter on charge and time sales of
20 tangible personal property, and from services furnished,
21 by him prior to the month or quarter for which the return
22 is filed;

23 5. Deductions allowed by law;

24 6. Gross receipts which were received by him during the
25 preceding calendar month or quarter and upon the basis of
26 which the tax is imposed;

1 7. The amount of credit provided in Section 2d of this
2 Act;

3 8. The amount of tax due;

4 9. The signature of the taxpayer; and

5 10. Such other reasonable information as the
6 Department may require.

7 If a taxpayer fails to sign a return within 30 days after
8 the proper notice and demand for signature by the Department,
9 the return shall be considered valid and any amount shown to be
10 due on the return shall be deemed assessed.

11 Each return shall be accompanied by the statement of
12 prepaid tax issued pursuant to Section 2e for which credit is
13 claimed.

14 Prior to October 1, 2003, and on and after September 1,
15 2004 a retailer may accept a Manufacturer's Purchase Credit
16 certification from a purchaser in satisfaction of Use Tax as
17 provided in Section 3-85 of the Use Tax Act if the purchaser
18 provides the appropriate documentation as required by Section
19 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit
20 certification, accepted by a retailer prior to October 1, 2003
21 and on and after September 1, 2004 as provided in Section 3-85
22 of the Use Tax Act, may be used by that retailer to satisfy
23 Retailers' Occupation Tax liability in the amount claimed in
24 the certification, not to exceed 6.25% of the receipts subject
25 to tax from a qualifying purchase. A Manufacturer's Purchase
26 Credit reported on any original or amended return filed under

1 this Act after October 20, 2003 for reporting periods prior to
2 September 1, 2004 shall be disallowed. Manufacturer's
3 Purchaser Credit reported on annual returns due on or after
4 January 1, 2005 will be disallowed for periods prior to
5 September 1, 2004. No Manufacturer's Purchase Credit may be
6 used after September 30, 2003 through August 31, 2004 to
7 satisfy any tax liability imposed under this Act, including any
8 audit liability.

9 The Department may require returns to be filed on a
10 quarterly basis. If so required, a return for each calendar
11 quarter shall be filed on or before the twentieth day of the
12 calendar month following the end of such calendar quarter. The
13 taxpayer shall also file a return with the Department for each
14 of the first two months of each calendar quarter, on or before
15 the twentieth day of the following calendar month, stating:

16 1. The name of the seller;

17 2. The address of the principal place of business from
18 which he engages in the business of selling tangible
19 personal property at retail in this State;

20 3. The total amount of taxable receipts received by him
21 during the preceding calendar month from sales of tangible
22 personal property by him during such preceding calendar
23 month, including receipts from charge and time sales, but
24 less all deductions allowed by law;

25 4. The amount of credit provided in Section 2d of this
26 Act;

1 5. The amount of tax due; and

2 6. Such other reasonable information as the Department
3 may require.

4 Beginning on October 1, 2003, any person who is not a
5 licensed distributor, importing distributor, or manufacturer,
6 as defined in the Liquor Control Act of 1934, but is engaged in
7 the business of selling, at retail, alcoholic liquor shall file
8 a statement with the Department of Revenue, in a format and at
9 a time prescribed by the Department, showing the total amount
10 paid for alcoholic liquor purchased during the preceding month
11 and such other information as is reasonably required by the
12 Department. The Department may adopt rules to require that this
13 statement be filed in an electronic or telephonic format. Such
14 rules may provide for exceptions from the filing requirements
15 of this paragraph. For the purposes of this paragraph, the term
16 "alcoholic liquor" shall have the meaning prescribed in the
17 Liquor Control Act of 1934.

18 Beginning on October 1, 2003, every distributor, importing
19 distributor, and manufacturer of alcoholic liquor as defined in
20 the Liquor Control Act of 1934, shall file a statement with the
21 Department of Revenue, no later than the 10th day of the month
22 for the preceding month during which transactions occurred, by
23 electronic means, showing the total amount of gross receipts
24 from the sale of alcoholic liquor sold or distributed during
25 the preceding month to purchasers; identifying the purchaser to
26 whom it was sold or distributed; the purchaser's tax

1 registration number; and such other information reasonably
2 required by the Department. A distributor, importing
3 distributor, or manufacturer of alcoholic liquor must
4 personally deliver, mail, or provide by electronic means to
5 each retailer listed on the monthly statement a report
6 containing a cumulative total of that distributor's, importing
7 distributor's, or manufacturer's total sales of alcoholic
8 liquor to that retailer no later than the 10th day of the month
9 for the preceding month during which the transaction occurred.
10 The distributor, importing distributor, or manufacturer shall
11 notify the retailer as to the method by which the distributor,
12 importing distributor, or manufacturer will provide the sales
13 information. If the retailer is unable to receive the sales
14 information by electronic means, the distributor, importing
15 distributor, or manufacturer shall furnish the sales
16 information by personal delivery or by mail. For purposes of
17 this paragraph, the term "electronic means" includes, but is
18 not limited to, the use of a secure Internet website, e-mail,
19 or facsimile.

20 If a total amount of less than \$1 is payable, refundable or
21 creditable, such amount shall be disregarded if it is less than
22 50 cents and shall be increased to \$1 if it is 50 cents or more.

23 Beginning October 1, 1993, a taxpayer who has an average
24 monthly tax liability of \$150,000 or more shall make all
25 payments required by rules of the Department by electronic
26 funds transfer. Beginning October 1, 1994, a taxpayer who has

1 an average monthly tax liability of \$100,000 or more shall make
2 all payments required by rules of the Department by electronic
3 funds transfer. Beginning October 1, 1995, a taxpayer who has
4 an average monthly tax liability of \$50,000 or more shall make
5 all payments required by rules of the Department by electronic
6 funds transfer. Beginning October 1, 2000, a taxpayer who has
7 an annual tax liability of \$200,000 or more shall make all
8 payments required by rules of the Department by electronic
9 funds transfer. The term "annual tax liability" shall be the
10 sum of the taxpayer's liabilities under this Act, and under all
11 other State and local occupation and use tax laws administered
12 by the Department, for the immediately preceding calendar year.
13 The term "average monthly tax liability" shall be the sum of
14 the taxpayer's liabilities under this Act, and under all other
15 State and local occupation and use tax laws administered by the
16 Department, for the immediately preceding calendar year
17 divided by 12. Beginning on October 1, 2002, a taxpayer who has
18 a tax liability in the amount set forth in subsection (b) of
19 Section 2505-210 of the Department of Revenue Law shall make
20 all payments required by rules of the Department by electronic
21 funds transfer.

22 Before August 1 of each year beginning in 1993, the
23 Department shall notify all taxpayers required to make payments
24 by electronic funds transfer. All taxpayers required to make
25 payments by electronic funds transfer shall make those payments
26 for a minimum of one year beginning on October 1.

1 Any taxpayer not required to make payments by electronic
2 funds transfer may make payments by electronic funds transfer
3 with the permission of the Department.

4 All taxpayers required to make payment by electronic funds
5 transfer and any taxpayers authorized to voluntarily make
6 payments by electronic funds transfer shall make those payments
7 in the manner authorized by the Department.

8 The Department shall adopt such rules as are necessary to
9 effectuate a program of electronic funds transfer and the
10 requirements of this Section.

11 Any amount which is required to be shown or reported on any
12 return or other document under this Act shall, if such amount
13 is not a whole-dollar amount, be increased to the nearest
14 whole-dollar amount in any case where the fractional part of a
15 dollar is 50 cents or more, and decreased to the nearest
16 whole-dollar amount where the fractional part of a dollar is
17 less than 50 cents.

18 If the retailer is otherwise required to file a monthly
19 return and if the retailer's average monthly tax liability to
20 the Department does not exceed \$200, the Department may
21 authorize his returns to be filed on a quarter annual basis,
22 with the return for January, February and March of a given year
23 being due by April 20 of such year; with the return for April,
24 May and June of a given year being due by July 20 of such year;
25 with the return for July, August and September of a given year
26 being due by October 20 of such year, and with the return for

1 October, November and December of a given year being due by
2 January 20 of the following year.

3 If the retailer is otherwise required to file a monthly or
4 quarterly return and if the retailer's average monthly tax
5 liability with the Department does not exceed \$50, the
6 Department may authorize his returns to be filed on an annual
7 basis, with the return for a given year being due by January 20
8 of the following year.

9 Such quarter annual and annual returns, as to form and
10 substance, shall be subject to the same requirements as monthly
11 returns.

12 Notwithstanding any other provision in this Act concerning
13 the time within which a retailer may file his return, in the
14 case of any retailer who ceases to engage in a kind of business
15 which makes him responsible for filing returns under this Act,
16 such retailer shall file a final return under this Act with the
17 Department not more than one month after discontinuing such
18 business.

19 Where the same person has more than one business registered
20 with the Department under separate registrations under this
21 Act, such person may not file each return that is due as a
22 single return covering all such registered businesses, but
23 shall file separate returns for each such registered business.

24 In addition, with respect to motor vehicles, watercraft,
25 aircraft, and trailers that are required to be registered with
26 an agency of this State, every retailer selling this kind of

1 tangible personal property shall file, with the Department,
2 upon a form to be prescribed and supplied by the Department, a
3 separate return for each such item of tangible personal
4 property which the retailer sells, except that if, in the same
5 transaction, (i) a retailer of aircraft, watercraft, motor
6 vehicles or trailers transfers more than one aircraft,
7 watercraft, motor vehicle or trailer to another aircraft,
8 watercraft, motor vehicle retailer or trailer retailer for the
9 purpose of resale or (ii) a retailer of aircraft, watercraft,
10 motor vehicles, or trailers transfers more than one aircraft,
11 watercraft, motor vehicle, or trailer to a purchaser for use as
12 a qualifying rolling stock as provided in Section 2-5 of this
13 Act, then that seller may report the transfer of all aircraft,
14 watercraft, motor vehicles or trailers involved in that
15 transaction to the Department on the same uniform
16 invoice-transaction reporting return form. For purposes of
17 this Section, "watercraft" means a Class 2, Class 3, or Class 4
18 watercraft as defined in Section 3-2 of the Boat Registration
19 and Safety Act, a personal watercraft, or any boat equipped
20 with an inboard motor.

21 Any retailer who sells only motor vehicles, watercraft,
22 aircraft, or trailers that are required to be registered with
23 an agency of this State, so that all retailers' occupation tax
24 liability is required to be reported, and is reported, on such
25 transaction reporting returns and who is not otherwise required
26 to file monthly or quarterly returns, need not file monthly or

1 quarterly returns. However, those retailers shall be required
2 to file returns on an annual basis.

3 The transaction reporting return, in the case of motor
4 vehicles or trailers that are required to be registered with an
5 agency of this State, shall be the same document as the Uniform
6 Invoice referred to in Section 5-402 of The Illinois Vehicle
7 Code and must show the name and address of the seller; the name
8 and address of the purchaser; the amount of the selling price
9 including the amount allowed by the retailer for traded-in
10 property, if any; the amount allowed by the retailer for the
11 traded-in tangible personal property, if any, to the extent to
12 which Section 1 of this Act allows an exemption for the value
13 of traded-in property; the balance payable after deducting such
14 trade-in allowance from the total selling price; the amount of
15 tax due from the retailer with respect to such transaction; the
16 amount of tax collected from the purchaser by the retailer on
17 such transaction (or satisfactory evidence that such tax is not
18 due in that particular instance, if that is claimed to be the
19 fact); the place and date of the sale; a sufficient
20 identification of the property sold; such other information as
21 is required in Section 5-402 of The Illinois Vehicle Code, and
22 such other information as the Department may reasonably
23 require.

24 The transaction reporting return in the case of watercraft
25 or aircraft must show the name and address of the seller; the
26 name and address of the purchaser; the amount of the selling

1 price including the amount allowed by the retailer for
2 traded-in property, if any; the amount allowed by the retailer
3 for the traded-in tangible personal property, if any, to the
4 extent to which Section 1 of this Act allows an exemption for
5 the value of traded-in property; the balance payable after
6 deducting such trade-in allowance from the total selling price;
7 the amount of tax due from the retailer with respect to such
8 transaction; the amount of tax collected from the purchaser by
9 the retailer on such transaction (or satisfactory evidence that
10 such tax is not due in that particular instance, if that is
11 claimed to be the fact); the place and date of the sale, a
12 sufficient identification of the property sold, and such other
13 information as the Department may reasonably require.

14 Such transaction reporting return shall be filed not later
15 than 20 days after the day of delivery of the item that is
16 being sold, but may be filed by the retailer at any time sooner
17 than that if he chooses to do so. The transaction reporting
18 return and tax remittance or proof of exemption from the
19 Illinois use tax may be transmitted to the Department by way of
20 the State agency with which, or State officer with whom the
21 tangible personal property must be titled or registered (if
22 titling or registration is required) if the Department and such
23 agency or State officer determine that this procedure will
24 expedite the processing of applications for title or
25 registration.

26 With each such transaction reporting return, the retailer

1 shall remit the proper amount of tax due (or shall submit
2 satisfactory evidence that the sale is not taxable if that is
3 the case), to the Department or its agents, whereupon the
4 Department shall issue, in the purchaser's name, a use tax
5 receipt (or a certificate of exemption if the Department is
6 satisfied that the particular sale is tax exempt) which such
7 purchaser may submit to the agency with which, or State officer
8 with whom, he must title or register the tangible personal
9 property that is involved (if titling or registration is
10 required) in support of such purchaser's application for an
11 Illinois certificate or other evidence of title or registration
12 to such tangible personal property.

13 No retailer's failure or refusal to remit tax under this
14 Act precludes a user, who has paid the proper tax to the
15 retailer, from obtaining his certificate of title or other
16 evidence of title or registration (if titling or registration
17 is required) upon satisfying the Department that such user has
18 paid the proper tax (if tax is due) to the retailer. The
19 Department shall adopt appropriate rules to carry out the
20 mandate of this paragraph.

21 If the user who would otherwise pay tax to the retailer
22 wants the transaction reporting return filed and the payment of
23 the tax or proof of exemption made to the Department before the
24 retailer is willing to take these actions and such user has not
25 paid the tax to the retailer, such user may certify to the fact
26 of such delay by the retailer and may (upon the Department

1 being satisfied of the truth of such certification) transmit
2 the information required by the transaction reporting return
3 and the remittance for tax or proof of exemption directly to
4 the Department and obtain his tax receipt or exemption
5 determination, in which event the transaction reporting return
6 and tax remittance (if a tax payment was required) shall be
7 credited by the Department to the proper retailer's account
8 with the Department, but without the 2.1% or 1.75% discount
9 provided for in this Section being allowed. When the user pays
10 the tax directly to the Department, he shall pay the tax in the
11 same amount and in the same form in which it would be remitted
12 if the tax had been remitted to the Department by the retailer.

13 Refunds made by the seller during the preceding return
14 period to purchasers, on account of tangible personal property
15 returned to the seller, shall be allowed as a deduction under
16 subdivision 5 of his monthly or quarterly return, as the case
17 may be, in case the seller had theretofore included the
18 receipts from the sale of such tangible personal property in a
19 return filed by him and had paid the tax imposed by this Act
20 with respect to such receipts.

21 Where the seller is a corporation, the return filed on
22 behalf of such corporation shall be signed by the president,
23 vice-president, secretary or treasurer or by the properly
24 accredited agent of such corporation.

25 Where the seller is a limited liability company, the return
26 filed on behalf of the limited liability company shall be

1 signed by a manager, member, or properly accredited agent of
2 the limited liability company.

3 Except as provided in this Section, the retailer filing the
4 return under this Section shall, at the time of filing such
5 return, pay to the Department the amount of tax imposed by this
6 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%
7 on and after January 1, 1990, or \$5 per calendar year,
8 whichever is greater, which is allowed to reimburse the
9 retailer for the expenses incurred in keeping records,
10 preparing and filing returns, remitting the tax and supplying
11 data to the Department on request. Any prepayment made pursuant
12 to Section 2d of this Act shall be included in the amount on
13 which such 2.1% or 1.75% discount is computed. In the case of
14 retailers who report and pay the tax on a transaction by
15 transaction basis, as provided in this Section, such discount
16 shall be taken with each such tax remittance instead of when
17 such retailer files his periodic return.

18 Before October 1, 2000, if the taxpayer's average monthly
19 tax liability to the Department under this Act, the Use Tax
20 Act, the Service Occupation Tax Act, and the Service Use Tax
21 Act, excluding any liability for prepaid sales tax to be
22 remitted in accordance with Section 2d of this Act, was \$10,000
23 or more during the preceding 4 complete calendar quarters, he
24 shall file a return with the Department each month by the 20th
25 day of the month next following the month during which such tax
26 liability is incurred and shall make payments to the Department

1 on or before the 7th, 15th, 22nd and last day of the month
2 during which such liability is incurred. On and after October
3 1, 2000, if the taxpayer's average monthly tax liability to the
4 Department under this Act, the Use Tax Act, the Service
5 Occupation Tax Act, and the Service Use Tax Act, excluding any
6 liability for prepaid sales tax to be remitted in accordance
7 with Section 2d of this Act, was \$20,000 or more during the
8 preceding 4 complete calendar quarters, he shall file a return
9 with the Department each month by the 20th day of the month
10 next following the month during which such tax liability is
11 incurred and shall make payment to the Department on or before
12 the 7th, 15th, 22nd and last day of the month during which such
13 liability is incurred. If the month during which such tax
14 liability is incurred began prior to January 1, 1985, each
15 payment shall be in an amount equal to 1/4 of the taxpayer's
16 actual liability for the month or an amount set by the
17 Department not to exceed 1/4 of the average monthly liability
18 of the taxpayer to the Department for the preceding 4 complete
19 calendar quarters (excluding the month of highest liability and
20 the month of lowest liability in such 4 quarter period). If the
21 month during which such tax liability is incurred begins on or
22 after January 1, 1985 and prior to January 1, 1987, each
23 payment shall be in an amount equal to 22.5% of the taxpayer's
24 actual liability for the month or 27.5% of the taxpayer's
25 liability for the same calendar month of the preceding year. If
26 the month during which such tax liability is incurred begins on

1 or after January 1, 1987 and prior to January 1, 1988, each
2 payment shall be in an amount equal to 22.5% of the taxpayer's
3 actual liability for the month or 26.25% of the taxpayer's
4 liability for the same calendar month of the preceding year. If
5 the month during which such tax liability is incurred begins on
6 or after January 1, 1988, and prior to January 1, 1989, or
7 begins on or after January 1, 1996, each payment shall be in an
8 amount equal to 22.5% of the taxpayer's actual liability for
9 the month or 25% of the taxpayer's liability for the same
10 calendar month of the preceding year. If the month during which
11 such tax liability is incurred begins on or after January 1,
12 1989, and prior to January 1, 1996, each payment shall be in an
13 amount equal to 22.5% of the taxpayer's actual liability for
14 the month or 25% of the taxpayer's liability for the same
15 calendar month of the preceding year or 100% of the taxpayer's
16 actual liability for the quarter monthly reporting period. The
17 amount of such quarter monthly payments shall be credited
18 against the final tax liability of the taxpayer's return for
19 that month. Before October 1, 2000, once applicable, the
20 requirement of the making of quarter monthly payments to the
21 Department by taxpayers having an average monthly tax liability
22 of \$10,000 or more as determined in the manner provided above
23 shall continue until such taxpayer's average monthly liability
24 to the Department during the preceding 4 complete calendar
25 quarters (excluding the month of highest liability and the
26 month of lowest liability) is less than \$9,000, or until such

1 taxpayer's average monthly liability to the Department as
2 computed for each calendar quarter of the 4 preceding complete
3 calendar quarter period is less than \$10,000. However, if a
4 taxpayer can show the Department that a substantial change in
5 the taxpayer's business has occurred which causes the taxpayer
6 to anticipate that his average monthly tax liability for the
7 reasonably foreseeable future will fall below the \$10,000
8 threshold stated above, then such taxpayer may petition the
9 Department for a change in such taxpayer's reporting status. On
10 and after October 1, 2000, once applicable, the requirement of
11 the making of quarter monthly payments to the Department by
12 taxpayers having an average monthly tax liability of \$20,000 or
13 more as determined in the manner provided above shall continue
14 until such taxpayer's average monthly liability to the
15 Department during the preceding 4 complete calendar quarters
16 (excluding the month of highest liability and the month of
17 lowest liability) is less than \$19,000 or until such taxpayer's
18 average monthly liability to the Department as computed for
19 each calendar quarter of the 4 preceding complete calendar
20 quarter period is less than \$20,000. However, if a taxpayer can
21 show the Department that a substantial change in the taxpayer's
22 business has occurred which causes the taxpayer to anticipate
23 that his average monthly tax liability for the reasonably
24 foreseeable future will fall below the \$20,000 threshold stated
25 above, then such taxpayer may petition the Department for a
26 change in such taxpayer's reporting status. The Department

1 shall change such taxpayer's reporting status unless it finds
2 that such change is seasonal in nature and not likely to be
3 long term. If any such quarter monthly payment is not paid at
4 the time or in the amount required by this Section, then the
5 taxpayer shall be liable for penalties and interest on the
6 difference between the minimum amount due as a payment and the
7 amount of such quarter monthly payment actually and timely
8 paid, except insofar as the taxpayer has previously made
9 payments for that month to the Department in excess of the
10 minimum payments previously due as provided in this Section.
11 The Department shall make reasonable rules and regulations to
12 govern the quarter monthly payment amount and quarter monthly
13 payment dates for taxpayers who file on other than a calendar
14 monthly basis.

15 The provisions of this paragraph apply before October 1,
16 2001. Without regard to whether a taxpayer is required to make
17 quarter monthly payments as specified above, any taxpayer who
18 is required by Section 2d of this Act to collect and remit
19 prepaid taxes and has collected prepaid taxes which average in
20 excess of \$25,000 per month during the preceding 2 complete
21 calendar quarters, shall file a return with the Department as
22 required by Section 2f and shall make payments to the
23 Department on or before the 7th, 15th, 22nd and last day of the
24 month during which such liability is incurred. If the month
25 during which such tax liability is incurred began prior to the
26 effective date of this amendatory Act of 1985, each payment

1 shall be in an amount not less than 22.5% of the taxpayer's
2 actual liability under Section 2d. If the month during which
3 such tax liability is incurred begins on or after January 1,
4 1986, each payment shall be in an amount equal to 22.5% of the
5 taxpayer's actual liability for the month or 27.5% of the
6 taxpayer's liability for the same calendar month of the
7 preceding calendar year. If the month during which such tax
8 liability is incurred begins on or after January 1, 1987, each
9 payment shall be in an amount equal to 22.5% of the taxpayer's
10 actual liability for the month or 26.25% of the taxpayer's
11 liability for the same calendar month of the preceding year.
12 The amount of such quarter monthly payments shall be credited
13 against the final tax liability of the taxpayer's return for
14 that month filed under this Section or Section 2f, as the case
15 may be. Once applicable, the requirement of the making of
16 quarter monthly payments to the Department pursuant to this
17 paragraph shall continue until such taxpayer's average monthly
18 prepaid tax collections during the preceding 2 complete
19 calendar quarters is \$25,000 or less. If any such quarter
20 monthly payment is not paid at the time or in the amount
21 required, the taxpayer shall be liable for penalties and
22 interest on such difference, except insofar as the taxpayer has
23 previously made payments for that month in excess of the
24 minimum payments previously due.

25 The provisions of this paragraph apply on and after October
26 1, 2001. Without regard to whether a taxpayer is required to

1 make quarter monthly payments as specified above, any taxpayer
2 who is required by Section 2d of this Act to collect and remit
3 prepaid taxes and has collected prepaid taxes that average in
4 excess of \$20,000 per month during the preceding 4 complete
5 calendar quarters shall file a return with the Department as
6 required by Section 2f and shall make payments to the
7 Department on or before the 7th, 15th, 22nd and last day of the
8 month during which the liability is incurred. Each payment
9 shall be in an amount equal to 22.5% of the taxpayer's actual
10 liability for the month or 25% of the taxpayer's liability for
11 the same calendar month of the preceding year. The amount of
12 the quarter monthly payments shall be credited against the
13 final tax liability of the taxpayer's return for that month
14 filed under this Section or Section 2f, as the case may be.
15 Once applicable, the requirement of the making of quarter
16 monthly payments to the Department pursuant to this paragraph
17 shall continue until the taxpayer's average monthly prepaid tax
18 collections during the preceding 4 complete calendar quarters
19 (excluding the month of highest liability and the month of
20 lowest liability) is less than \$19,000 or until such taxpayer's
21 average monthly liability to the Department as computed for
22 each calendar quarter of the 4 preceding complete calendar
23 quarters is less than \$20,000. If any such quarter monthly
24 payment is not paid at the time or in the amount required, the
25 taxpayer shall be liable for penalties and interest on such
26 difference, except insofar as the taxpayer has previously made

1 payments for that month in excess of the minimum payments
2 previously due.

3 If any payment provided for in this Section exceeds the
4 taxpayer's liabilities under this Act, the Use Tax Act, the
5 Service Occupation Tax Act and the Service Use Tax Act, as
6 shown on an original monthly return, the Department shall, if
7 requested by the taxpayer, issue to the taxpayer a credit
8 memorandum no later than 30 days after the date of payment. The
9 credit evidenced by such credit memorandum may be assigned by
10 the taxpayer to a similar taxpayer under this Act, the Use Tax
11 Act, the Service Occupation Tax Act or the Service Use Tax Act,
12 in accordance with reasonable rules and regulations to be
13 prescribed by the Department. If no such request is made, the
14 taxpayer may credit such excess payment against tax liability
15 subsequently to be remitted to the Department under this Act,
16 the Use Tax Act, the Service Occupation Tax Act or the Service
17 Use Tax Act, in accordance with reasonable rules and
18 regulations prescribed by the Department. If the Department
19 subsequently determined that all or any part of the credit
20 taken was not actually due to the taxpayer, the taxpayer's 2.1%
21 and 1.75% vendor's discount shall be reduced by 2.1% or 1.75%
22 of the difference between the credit taken and that actually
23 due, and that taxpayer shall be liable for penalties and
24 interest on such difference.

25 If a retailer of motor fuel is entitled to a credit under
26 Section 2d of this Act which exceeds the taxpayer's liability

1 to the Department under this Act for the month which the
2 taxpayer is filing a return, the Department shall issue the
3 taxpayer a credit memorandum for the excess.

4 Beginning January 1, 1990, each month the Department shall
5 pay into the Local Government Tax Fund, a special fund in the
6 State treasury which is hereby created, the net revenue
7 realized for the preceding month from the 1% tax on sales of
8 food for human consumption which is to be consumed off the
9 premises where it is sold (other than alcoholic beverages, soft
10 drinks and food which has been prepared for immediate
11 consumption) and prescription and nonprescription medicines,
12 drugs, medical appliances and insulin, urine testing
13 materials, syringes and needles used by diabetics.

14 Beginning January 1, 1990, each month the Department shall
15 pay into the County and Mass Transit District Fund, a special
16 fund in the State treasury which is hereby created, 4% of the
17 net revenue realized for the preceding month from the 6.25%
18 general rate.

19 Beginning August 1, 2000, each month the Department shall
20 pay into the County and Mass Transit District Fund 20% of the
21 net revenue realized for the preceding month from the 1.25%
22 rate on the selling price of motor fuel and gasohol.

23 Beginning January 1, 1990, each month the Department shall
24 pay into the Local Government Tax Fund 16% of the net revenue
25 realized for the preceding month from the 6.25% general rate on
26 the selling price of tangible personal property.

1 Beginning August 1, 2000, each month the Department shall
 2 pay into the Local Government Tax Fund 80% of the net revenue
 3 realized for the preceding month from the 1.25% rate on the
 4 selling price of motor fuel and gasohol.

5 Of the remainder of the moneys received by the Department
 6 pursuant to this Act, (a) 1.75% thereof shall be paid into the
 7 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
 8 and after July 1, 1989, 3.8% thereof shall be paid into the
 9 Build Illinois Fund; provided, however, that if in any fiscal
 10 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
 11 may be, of the moneys received by the Department and required
 12 to be paid into the Build Illinois Fund pursuant to this Act,
 13 Section 9 of the Use Tax Act, Section 9 of the Service Use Tax
 14 Act, and Section 9 of the Service Occupation Tax Act, such Acts
 15 being hereinafter called the "Tax Acts" and such aggregate of
 16 2.2% or 3.8%, as the case may be, of moneys being hereinafter
 17 called the "Tax Act Amount", and (2) the amount transferred to
 18 the Build Illinois Fund from the State and Local Sales Tax
 19 Reform Fund shall be less than the Annual Specified Amount (as
 20 hereinafter defined), an amount equal to the difference shall
 21 be immediately paid into the Build Illinois Fund from other
 22 moneys received by the Department pursuant to the Tax Acts; the
 23 "Annual Specified Amount" means the amounts specified below for
 24 fiscal years 1986 through 1993:

Fiscal Year	Annual Specified Amount
1986	\$54,800,000

1	1987	\$76,650,000
2	1988	\$80,480,000
3	1989	\$88,510,000
4	1990	\$115,330,000
5	1991	\$145,470,000
6	1992	\$182,730,000
7	1993	\$206,520,000;

8 and means the Certified Annual Debt Service Requirement (as
9 defined in Section 13 of the Build Illinois Bond Act) or the
10 Tax Act Amount, whichever is greater, for fiscal year 1994 and
11 each fiscal year thereafter; and further provided, that if on
12 the last business day of any month the sum of (1) the Tax Act
13 Amount required to be deposited into the Build Illinois Bond
14 Account in the Build Illinois Fund during such month and (2)
15 the amount transferred to the Build Illinois Fund from the
16 State and Local Sales Tax Reform Fund shall have been less than
17 1/12 of the Annual Specified Amount, an amount equal to the
18 difference shall be immediately paid into the Build Illinois
19 Fund from other moneys received by the Department pursuant to
20 the Tax Acts; and, further provided, that in no event shall the
21 payments required under the preceding proviso result in
22 aggregate payments into the Build Illinois Fund pursuant to
23 this clause (b) for any fiscal year in excess of the greater of
24 (i) the Tax Act Amount or (ii) the Annual Specified Amount for
25 such fiscal year. The amounts payable into the Build Illinois
26 Fund under clause (b) of the first sentence in this paragraph

1 shall be payable only until such time as the aggregate amount
2 on deposit under each trust indenture securing Bonds issued and
3 outstanding pursuant to the Build Illinois Bond Act is
4 sufficient, taking into account any future investment income,
5 to fully provide, in accordance with such indenture, for the
6 defeasance of or the payment of the principal of, premium, if
7 any, and interest on the Bonds secured by such indenture and on
8 any Bonds expected to be issued thereafter and all fees and
9 costs payable with respect thereto, all as certified by the
10 Director of the Bureau of the Budget (now Governor's Office of
11 Management and Budget). If on the last business day of any
12 month in which Bonds are outstanding pursuant to the Build
13 Illinois Bond Act, the aggregate of moneys deposited in the
14 Build Illinois Bond Account in the Build Illinois Fund in such
15 month shall be less than the amount required to be transferred
16 in such month from the Build Illinois Bond Account to the Build
17 Illinois Bond Retirement and Interest Fund pursuant to Section
18 13 of the Build Illinois Bond Act, an amount equal to such
19 deficiency shall be immediately paid from other moneys received
20 by the Department pursuant to the Tax Acts to the Build
21 Illinois Fund; provided, however, that any amounts paid to the
22 Build Illinois Fund in any fiscal year pursuant to this
23 sentence shall be deemed to constitute payments pursuant to
24 clause (b) of the first sentence of this paragraph and shall
25 reduce the amount otherwise payable for such fiscal year
26 pursuant to that clause (b). The moneys received by the

1 Department pursuant to this Act and required to be deposited
2 into the Build Illinois Fund are subject to the pledge, claim
3 and charge set forth in Section 12 of the Build Illinois Bond
4 Act.

5 Subject to payment of amounts into the Build Illinois Fund
6 as provided in the preceding paragraph or in any amendment
7 thereto hereafter enacted, the following specified monthly
8 installment of the amount requested in the certificate of the
9 Chairman of the Metropolitan Pier and Exposition Authority
10 provided under Section 8.25f of the State Finance Act, but not
11 in excess of sums designated as "Total Deposit", shall be
12 deposited in the aggregate from collections under Section 9 of
13 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
14 9 of the Service Occupation Tax Act, and Section 3 of the
15 Retailers' Occupation Tax Act into the McCormick Place
16 Expansion Project Fund in the specified fiscal years.

	Fiscal Year	Total Deposit
17		
18	1993	\$0
19	1994	53,000,000
20	1995	58,000,000
21	1996	61,000,000
22	1997	64,000,000
23	1998	68,000,000
24	1999	71,000,000
25	2000	75,000,000

1	2001	80,000,000
2	2002	93,000,000
3	2003	99,000,000
4	2004	103,000,000
5	2005	108,000,000
6	2006	113,000,000
7	2007	119,000,000
8	2008	126,000,000
9	2009	132,000,000
10	2010	139,000,000
11	2011	146,000,000
12	2012	153,000,000
13	2013	161,000,000
14	2014	170,000,000
15	2015	179,000,000
16	2016	189,000,000
17	2017	199,000,000
18	2018	210,000,000
19	2019	221,000,000
20	2020	233,000,000
21	2021	246,000,000
22	2022	260,000,000
23	2023 and	275,000,000
24	each fiscal year	
25	thereafter that bonds	
26	are outstanding under	

1 Section 13.2 of the
2 Metropolitan Pier and
3 Exposition Authority Act,
4 but not after fiscal year 2042.

5 Beginning July 20, 1993 and in each month of each fiscal
6 year thereafter, one-eighth of the amount requested in the
7 certificate of the Chairman of the Metropolitan Pier and
8 Exposition Authority for that fiscal year, less the amount
9 deposited into the McCormick Place Expansion Project Fund by
10 the State Treasurer in the respective month under subsection
11 (g) of Section 13 of the Metropolitan Pier and Exposition
12 Authority Act, plus cumulative deficiencies in the deposits
13 required under this Section for previous months and years,
14 shall be deposited into the McCormick Place Expansion Project
15 Fund, until the full amount requested for the fiscal year, but
16 not in excess of the amount specified above as "Total Deposit",
17 has been deposited.

18 Subject to payment of amounts into the Build Illinois Fund
19 and the McCormick Place Expansion Project Fund pursuant to the
20 preceding paragraphs or in any amendments thereto hereafter
21 enacted, beginning July 1, 1993, the Department shall each
22 month pay into the Illinois Tax Increment Fund 0.27% of 80% of
23 the net revenue realized for the preceding month from the 6.25%
24 general rate on the selling price of tangible personal
25 property.

26 Subject to payment of amounts into the Build Illinois Fund

1 and the McCormick Place Expansion Project Fund pursuant to the
2 preceding paragraphs or in any amendments thereto hereafter
3 enacted, beginning with the receipt of the first report of
4 taxes paid by an eligible business and continuing for a 25-year
5 period, the Department shall each month pay into the Energy
6 Infrastructure Fund 80% of the net revenue realized from the
7 6.25% general rate on the selling price of Illinois-mined coal
8 that was sold to an eligible business. For purposes of this
9 paragraph, the term "eligible business" means a new electric
10 generating facility certified pursuant to Section 605-332 of
11 the Department of Commerce and Economic Opportunity Law of the
12 Civil Administrative Code of Illinois.

13 Of the remainder of the moneys received by the Department
14 pursuant to this Act, 25% of the moneys from the tax on motor
15 fuel, as estimated by the Department, shall be reserved in a
16 special account and used only for the transfer to the Common
17 School Fund as part of the monthly transfer from the General
18 Revenue Fund in accordance with Section 8a of the State Finance
19 Act and 75% of the moneys from the tax on motor fuel, as
20 estimated by the Department, shall, beginning on July 1, 2008,
21 be paid into (i) the Illinois Works Fund until \$100,000,000 is
22 paid into the Illinois Works Fund during the State fiscal year
23 and (ii) the General Revenue Fund thereafter.

24 Of the remainder of the moneys received by the Department
25 pursuant to this Act, 75% thereof shall be paid into the State
26 Treasury and 25% shall be reserved in a special account and

1 used only for the transfer to the Common School Fund as part of
2 the monthly transfer from the General Revenue Fund in
3 accordance with Section 8a of the State Finance Act.

4 The Department may, upon separate written notice to a
5 taxpayer, require the taxpayer to prepare and file with the
6 Department on a form prescribed by the Department within not
7 less than 60 days after receipt of the notice an annual
8 information return for the tax year specified in the notice.
9 Such annual return to the Department shall include a statement
10 of gross receipts as shown by the retailer's last Federal
11 income tax return. If the total receipts of the business as
12 reported in the Federal income tax return do not agree with the
13 gross receipts reported to the Department of Revenue for the
14 same period, the retailer shall attach to his annual return a
15 schedule showing a reconciliation of the 2 amounts and the
16 reasons for the difference. The retailer's annual return to the
17 Department shall also disclose the cost of goods sold by the
18 retailer during the year covered by such return, opening and
19 closing inventories of such goods for such year, costs of goods
20 used from stock or taken from stock and given away by the
21 retailer during such year, payroll information of the
22 retailer's business during such year and any additional
23 reasonable information which the Department deems would be
24 helpful in determining the accuracy of the monthly, quarterly
25 or annual returns filed by such retailer as provided for in
26 this Section.

1 If the annual information return required by this Section
2 is not filed when and as required, the taxpayer shall be liable
3 as follows:

4 (i) Until January 1, 1994, the taxpayer shall be liable
5 for a penalty equal to 1/6 of 1% of the tax due from such
6 taxpayer under this Act during the period to be covered by
7 the annual return for each month or fraction of a month
8 until such return is filed as required, the penalty to be
9 assessed and collected in the same manner as any other
10 penalty provided for in this Act.

11 (ii) On and after January 1, 1994, the taxpayer shall
12 be liable for a penalty as described in Section 3-4 of the
13 Uniform Penalty and Interest Act.

14 The chief executive officer, proprietor, owner or highest
15 ranking manager shall sign the annual return to certify the
16 accuracy of the information contained therein. Any person who
17 willfully signs the annual return containing false or
18 inaccurate information shall be guilty of perjury and punished
19 accordingly. The annual return form prescribed by the
20 Department shall include a warning that the person signing the
21 return may be liable for perjury.

22 The provisions of this Section concerning the filing of an
23 annual information return do not apply to a retailer who is not
24 required to file an income tax return with the United States
25 Government.

26 As soon as possible after the first day of each month, upon

1 certification of the Department of Revenue, the Comptroller
2 shall order transferred and the Treasurer shall transfer from
3 the General Revenue Fund to the Motor Fuel Tax Fund an amount
4 equal to 1.7% of 80% of the net revenue realized under this Act
5 for the second preceding month. Beginning April 1, 2000, this
6 transfer is no longer required and shall not be made.

7 Net revenue realized for a month shall be the revenue
8 collected by the State pursuant to this Act, less the amount
9 paid out during that month as refunds to taxpayers for
10 overpayment of liability.

11 For greater simplicity of administration, manufacturers,
12 importers and wholesalers whose products are sold at retail in
13 Illinois by numerous retailers, and who wish to do so, may
14 assume the responsibility for accounting and paying to the
15 Department all tax accruing under this Act with respect to such
16 sales, if the retailers who are affected do not make written
17 objection to the Department to this arrangement.

18 Any person who promotes, organizes, provides retail
19 selling space for concessionaires or other types of sellers at
20 the Illinois State Fair, DuQuoin State Fair, county fairs,
21 local fairs, art shows, flea markets and similar exhibitions or
22 events, including any transient merchant as defined by Section
23 2 of the Transient Merchant Act of 1987, is required to file a
24 report with the Department providing the name of the merchant's
25 business, the name of the person or persons engaged in
26 merchant's business, the permanent address and Illinois

1 Retailers Occupation Tax Registration Number of the merchant,
2 the dates and location of the event and other reasonable
3 information that the Department may require. The report must be
4 filed not later than the 20th day of the month next following
5 the month during which the event with retail sales was held.
6 Any person who fails to file a report required by this Section
7 commits a business offense and is subject to a fine not to
8 exceed \$250.

9 Any person engaged in the business of selling tangible
10 personal property at retail as a concessionaire or other type
11 of seller at the Illinois State Fair, county fairs, art shows,
12 flea markets and similar exhibitions or events, or any
13 transient merchants, as defined by Section 2 of the Transient
14 Merchant Act of 1987, may be required to make a daily report of
15 the amount of such sales to the Department and to make a daily
16 payment of the full amount of tax due. The Department shall
17 impose this requirement when it finds that there is a
18 significant risk of loss of revenue to the State at such an
19 exhibition or event. Such a finding shall be based on evidence
20 that a substantial number of concessionaires or other sellers
21 who are not residents of Illinois will be engaging in the
22 business of selling tangible personal property at retail at the
23 exhibition or event, or other evidence of a significant risk of
24 loss of revenue to the State. The Department shall notify
25 concessionaires and other sellers affected by the imposition of
26 this requirement. In the absence of notification by the

1 Department, the concessionaires and other sellers shall file
2 their returns as otherwise required in this Section.

3 (Source: P.A. 94-1074, eff. 12-26-06; 95-331, eff. 8-21-07.)

4 Section 90-22. The Illinois Pension Code is amended by
5 changing Sections 14-110, 14-111, 14-152.1, 18-127, and 18-169
6 as follows:

7 (40 ILCS 5/14-110) (from Ch. 108 1/2, par. 14-110)

8 Sec. 14-110. Alternative retirement annuity.

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

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

1 for each year of creditable service above 20 years; and

2 (ii) for periods of eligible creditable service as a
3 covered employee: if retirement occurs on or after January
4 1, 2001, 2.5% of final average compensation for each year
5 of creditable service; if retirement occurs before January
6 1, 2001, 1.67% of final average compensation for each of
7 the first 10 years of such service, 1.90% for each of the
8 next 10 years of such service, 2.10% for each year of such
9 service in excess of 20 but not exceeding 30, and 2.30% for
10 each year in excess of 30.

11 Such annuity shall be subject to a maximum of 75% of final
12 average compensation if retirement occurs before January 1,
13 2001 or to a maximum of 80% of final average compensation if
14 retirement occurs on or after January 1, 2001.

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

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

23 (1) State policeman;

24 (2) fire fighter in the fire protection service of a
25 department;

26 (3) air pilot;

- 1 (4) special agent;
- 2 (5) investigator for the Secretary of State;
- 3 (6) conservation police officer;
- 4 (7) investigator for the Department of Revenue;
- 5 (7.5) investigator for the Office of Gaming
- 6 Enforcement;
- 7 (8) security employee of the Department of Human
- 8 Services;
- 9 (9) Central Management Services security police
- 10 officer;
- 11 (10) security employee of the Department of
- 12 Corrections or the Department of Juvenile Justice;
- 13 (11) dangerous drugs investigator;
- 14 (12) investigator for the Department of State Police;
- 15 (13) investigator for the Office of the Attorney
- 16 General;
- 17 (14) controlled substance inspector;
- 18 (15) investigator for the Office of the State's
- 19 Attorneys Appellate Prosecutor;
- 20 (16) Commerce Commission police officer;
- 21 (17) arson investigator;
- 22 (18) State highway maintenance worker.

23 A person employed in one of the positions specified in this
24 subsection is entitled to eligible creditable service for
25 service credit earned under this Article while undergoing the
26 basic police training course approved by the Illinois Law

1 Enforcement Training Standards Board, if completion of that
2 training is required of persons serving in that position. For
3 the purposes of this Code, service during the required basic
4 police training course shall be deemed performance of the
5 duties of the specified position, even though the person is not
6 a sworn peace officer at the time of the training.

7 (c) For the purposes of this Section:

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

11 (2) The term "fire fighter in the fire protection
12 service of a department" includes all officers in such fire
13 protection service including fire chiefs and assistant
14 fire chiefs.

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

25 (4) The term "special agent" means any person who by
26 reason of employment by the Division of Narcotic Control,

1 the Bureau of Investigation or, after July 1, 1977, the
2 Division of Criminal Investigation, the Division of
3 Internal Investigation, the Division of Operations, or any
4 other Division or organizational entity in the Department
5 of State Police is vested by law with duties to maintain
6 public order, investigate violations of the criminal law of
7 this State, enforce the laws of this State, make arrests
8 and recover property. The term "special agent" includes any
9 title or position in the Department of State Police that is
10 held by an individual employed under the State Police Act.

11 (5) The term "investigator for the Secretary of State"
12 means any person employed by the Office of the Secretary of
13 State and vested with such investigative duties as render
14 him ineligible for coverage under the Social Security Act
15 by reason of Sections 218(d)(5)(A), 218(d)(8)(D) and
16 218(1)(1) of that Act.

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

26 (6) The term "Conservation Police Officer" means any

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

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

15 (7.5) The term "investigator for the Office of Gaming
16 Enforcement" means any person employed as such by the
17 Office of Gaming Enforcement and vested with such peace
18 officer duties as render the person ineligible for coverage
19 under the Social Security Act by reason of Sections
20 218(d)(5)(A), 218(d)(8)(D), and 218(1)(1) of that Act, but
21 only to the extent that a member received creditable
22 service under this Section prior to such employment.

23 (8) The term "security employee of the Department of
24 Human Services" means any person employed by the Department
25 of Human Services who (i) is employed at the Chester Mental
26 Health Center and has daily contact with the residents

1 thereof, (ii) is employed within a security unit at a
2 facility operated by the Department and has daily contact
3 with the residents of the security unit, (iii) is employed
4 at a facility operated by the Department that includes a
5 security unit and is regularly scheduled to work at least
6 50% of his or her working hours within that security unit,
7 or (iv) is a mental health police officer. "Mental health
8 police officer" means any person employed by the Department
9 of Human Services in a position pertaining to the
10 Department's mental health and developmental disabilities
11 functions who is vested with such law enforcement duties as
12 render the person ineligible for coverage under the Social
13 Security Act by reason of Sections 218(d)(5)(A),
14 218(d)(8)(D) and 218(1)(1) of that Act. "Security unit"
15 means that portion of a facility that is devoted to the
16 care, containment, and treatment of persons committed to
17 the Department of Human Services as sexually violent
18 persons, persons unfit to stand trial, or persons not
19 guilty by reason of insanity. With respect to past
20 employment, references to the Department of Human Services
21 include its predecessor, the Department of Mental Health
22 and Developmental Disabilities.

23 The changes made to this subdivision (c)(8) by Public
24 Act 92-14 apply to persons who retire on or after January
25 1, 2001, notwithstanding Section 1-103.1.

26 (9) "Central Management Services security police

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

6 (10) For a member who first became an employee under
7 this Article before July 1, 2005, the term "security
8 employee of the Department of Corrections or the Department
9 of Juvenile Justice" means any employee of the Department
10 of Corrections or the Department of Juvenile Justice or the
11 former Department of Personnel, and any member or employee
12 of the Prisoner Review Board, who has daily contact with
13 inmates or youth by working within a correctional facility
14 or Juvenile facility operated by the Department of Juvenile
15 Justice or who is a parole officer or an employee who has
16 direct contact with committed persons in the performance of
17 his or her job duties. For a member who first becomes an
18 employee under this Article on or after July 1, 2005, the
19 term means an employee of the Department of Corrections or
20 the Department of Juvenile Justice who is any of the
21 following: (i) officially headquartered at a correctional
22 facility or Juvenile facility operated by the Department of
23 Juvenile Justice, (ii) a parole officer, (iii) a member of
24 the apprehension unit, (iv) a member of the intelligence
25 unit, (v) a member of the sort team, or (vi) an
26 investigator.

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

4 (12) The term "investigator for the Department of State
5 Police" means a person employed by the Department of State
6 Police who is vested under Section 4 of the Narcotic
7 Control Division Abolition Act with such law enforcement
8 powers as render him ineligible for coverage under the
9 Social Security Act by reason of Sections 218(d)(5)(A),
10 218(d)(8)(D) and 218(1)(1) of that Act.

11 (13) "Investigator for the Office of the Attorney
12 General" means any person who is employed as such by the
13 Office of the Attorney General and is vested with such
14 investigative duties as render him ineligible for coverage
15 under the Social Security Act by reason of Sections
16 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act. For
17 the period before January 1, 1989, the term includes all
18 persons who were employed as investigators by the Office of
19 the Attorney General, without regard to social security
20 status.

21 (14) "Controlled substance inspector" means any person
22 who is employed as such by the Department of Professional
23 Regulation and is vested with such law enforcement duties
24 as render him ineligible for coverage under the Social
25 Security Act by reason of Sections 218(d)(5)(A),
26 218(d)(8)(D) and 218(1)(1) of that Act. The term

1 "controlled substance inspector" includes the Program
2 Executive of Enforcement and the Assistant Program
3 Executive of Enforcement.

4 (15) The term "investigator for the Office of the
5 State's Attorneys Appellate Prosecutor" means a person
6 employed in that capacity on a full time basis under the
7 authority of Section 7.06 of the State's Attorneys
8 Appellate Prosecutor's Act.

9 (16) "Commerce Commission police officer" means any
10 person employed by the Illinois Commerce Commission who is
11 vested with such law enforcement duties as render him
12 ineligible for coverage under the Social Security Act by
13 reason of Sections 218(d)(5)(A), 218(d)(8)(D), and
14 218(1)(1) of that Act.

15 (17) "Arson investigator" means any person who is
16 employed as such by the Office of the State Fire Marshal
17 and is vested with such law enforcement duties as render
18 the person ineligible for coverage under the Social
19 Security Act by reason of Sections 218(d)(5)(A),
20 218(d)(8)(D), and 218(1)(1) of that Act. A person who was
21 employed as an arson investigator on January 1, 1995 and is
22 no longer in service but not yet receiving a retirement
23 annuity may convert his or her creditable service for
24 employment as an arson investigator into eligible
25 creditable service by paying to the System the difference
26 between the employee contributions actually paid for that

1 service and the amounts that would have been contributed if
2 the applicant were contributing at the rate applicable to
3 persons with the same social security status earning
4 eligible creditable service on the date of application.

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

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

17 (ii) A person employed on a full-time basis by the
18 Illinois State Toll Highway Authority in the position
19 of equipment operator/laborer H-4, equipment
20 operator/laborer H-6, welder H-4, welder H-6,
21 mechanical/electrical H-4, mechanical/electrical H-6,
22 water/sewer H-4, water/sewer H-6, sign maker/hanger
23 H-4, sign maker/hanger H-6, roadway lighting H-4,
24 roadway lighting H-6, structural H-4, structural H-6,
25 painter H-4, or painter H-6; and whose principal
26 responsibility is to perform, on the roadway, the

1 actual maintenance necessary to keep the Authority's
2 tollways in serviceable condition for vehicular
3 traffic.

4 (d) A security employee of the Department of Corrections or
5 the Department of Juvenile Justice, and a security employee of
6 the Department of Human Services who is not a mental health
7 police officer, shall not be eligible for the alternative
8 retirement annuity provided by this Section unless he or she
9 meets the following minimum age and service requirements at the
10 time of retirement:

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

12 or

13 (ii) beginning January 1, 1987, 25 years of eligible
14 creditable service and age 54, or 24 years of eligible
15 creditable service and age 55; or

16 (iii) beginning January 1, 1988, 25 years of eligible
17 creditable service and age 53, or 23 years of eligible
18 creditable service and age 55; or

19 (iv) beginning January 1, 1989, 25 years of eligible
20 creditable service and age 52, or 22 years of eligible
21 creditable service and age 55; or

22 (v) beginning January 1, 1990, 25 years of eligible
23 creditable service and age 51, or 21 years of eligible
24 creditable service and age 55; or

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

1 creditable service and age 55.

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

11 (e) If a member enters military service while working in a
12 position in which eligible creditable service may be earned,
13 and returns to State service in the same or another such
14 position, and fulfills in all other respects the conditions
15 prescribed in this Article for credit for military service,
16 such military service shall be credited as eligible creditable
17 service for the purposes of the retirement annuity prescribed
18 in this Section.

19 (f) For purposes of calculating retirement annuities under
20 this Section, periods of service rendered after December 31,
21 1968 and before October 1, 1975 as a covered employee in the
22 position of special agent, conservation police officer, mental
23 health police officer, or investigator for the Secretary of
24 State, shall be deemed to have been service as a noncovered
25 employee, provided that the employee pays to the System prior
26 to retirement an amount equal to (1) the difference between the

1 employee contributions that would have been required for such
2 service as a noncovered employee, and the amount of employee
3 contributions actually paid, plus (2) if payment is made after
4 July 31, 1987, regular interest on the amount specified in item
5 (1) from the date of service to the date of payment.

6 For purposes of calculating retirement annuities under
7 this Section, periods of service rendered after December 31,
8 1968 and before January 1, 1982 as a covered employee in the
9 position of investigator for the Department of Revenue shall be
10 deemed to have been service as a noncovered employee, provided
11 that the employee pays to the System prior to retirement an
12 amount equal to (1) the difference between the employee
13 contributions that would have been required for such service as
14 a noncovered employee, and the amount of employee contributions
15 actually paid, plus (2) if payment is made after January 1,
16 1990, regular interest on the amount specified in item (1) from
17 the date of service to the date of payment.

18 (g) A State policeman may elect, not later than January 1,
19 1990, to establish eligible creditable service for up to 10
20 years of his service as a policeman under Article 3, by filing
21 a written election with the Board, accompanied by payment of an
22 amount to be determined by the Board, equal to (i) the
23 difference between the amount of employee and employer
24 contributions transferred to the System under Section 3-110.5,
25 and the amounts that would have been contributed had such
26 contributions been made at the rates applicable to State

1 policemen, plus (ii) interest thereon at the effective rate for
2 each year, compounded annually, from the date of service to the
3 date of payment.

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

17 (h) Subject to the limitation in subsection (i), a State
18 policeman or investigator for the Secretary of State may elect
19 to establish eligible creditable service for up to 12 years of
20 his service as a policeman under Article 5, by filing a written
21 election with the Board on or before January 31, 1992, and
22 paying to the System by January 31, 1994 an amount to be
23 determined by the Board, equal to (i) the difference between
24 the amount of employee and employer contributions transferred
25 to the System under Section 5-236, and the amounts that would
26 have been contributed had such contributions been made at the

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

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

18 Subject to the limitation in subsection (i), a State
19 policeman, conservation police officer, or investigator for
20 the Secretary of State may elect to establish eligible
21 creditable service for up to 5 years of service as a police
22 officer under Article 3, a policeman under Article 5, a
23 sheriff's law enforcement employee under Article 7, a member of
24 the county police department under Article 9, or a police
25 officer under Article 15 by filing a written election with the
26 Board and paying to the System an amount to be determined by

1 the Board, equal to (i) the difference between the amount of
2 employee and employer contributions transferred to the System
3 under Section 3-110.6, 5-236, 7-139.8, 9-121.10, or 15-134.4
4 and the amounts that would have been contributed had such
5 contributions been made at the rates applicable to State
6 policemen, plus (ii) interest thereon at the effective rate for
7 each year, compounded annually, from the date of service to the
8 date of payment.

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

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

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

22 (1) Subject to the limitation in subsection (i), a security
23 employee of the Department of Corrections may elect, not later
24 than July 1, 1998, to establish eligible creditable service for
25 up to 10 years of his or her service as a policeman under
26 Article 3, by filing a written election with the Board,

1 accompanied by payment of an amount to be determined by the
2 Board, equal to (i) the difference between the amount of
3 employee and employer contributions transferred to the System
4 under Section 3-110.5, and the amounts that would have been
5 contributed had such contributions been made at the rates
6 applicable to security employees of the Department of
7 Corrections, plus (ii) interest thereon at the effective rate
8 for each year, compounded annually, from the date of service to
9 the date of payment.

10 (m) The amendatory changes to this Section made by this
11 amendatory Act of the 94th General Assembly apply only to: (1)
12 security employees of the Department of Juvenile Justice
13 employed by the Department of Corrections before the effective
14 date of this amendatory Act of the 94th General Assembly and
15 transferred to the Department of Juvenile Justice by this
16 amendatory Act of the 94th General Assembly; and (2) persons
17 employed by the Department of Juvenile Justice on or after the
18 effective date of this amendatory Act of the 94th General
19 Assembly who are required by subsection (b) of Section 3-2.5-15
20 of the Unified Code of Corrections to have a bachelor's or
21 advanced degree from an accredited college or university with a
22 specialization in criminal justice, education, psychology,
23 social work, or a closely related social science or, in the
24 case of persons who provide vocational training, who are
25 required to have adequate knowledge in the skill for which they
26 are providing the vocational training.

1 (Source: P.A. 94-4, eff. 6-1-05; 94-696, eff. 6-1-06; 95-530,
2 eff. 8-28-07.)

3 (40 ILCS 5/14-111) (from Ch. 108 1/2, par. 14-111)
4 Sec. 14-111. Re-entry After retirement.

5 (a) An annuitant who re-enters the service of a department
6 and receives compensation on a regular payroll shall receive no
7 payments of the retirement annuity during the time he is so
8 employed, with the following exceptions:

9 (1) An annuitant who is employed by a department while
10 he or she is a continuing participant in the General
11 Assembly Retirement System under Sections 2-117.1 and
12 14-105.4 will not be considered to have made a re-entry
13 after retirement within the meaning of this Section for the
14 duration of such continuing participation. Any person who
15 is a continuing participant under Sections 2-117.1 and
16 14-105.4 on the effective date of this amendatory Act of
17 1991 and whose retirement annuity has been suspended under
18 this Section shall be entitled to receive from the System a
19 sum equal to the annuity payments that have been withheld
20 under this Section, and shall receive the benefit of this
21 amendment without regard to Section 1-103.1.

22 (2) An annuitant who accepts temporary employment from
23 such a department for a period not exceeding 75 working
24 days in any calendar year is not considered to make a
25 re-entry after retirement within the meaning of this

1 Section. Any part of a day on temporary employment is
2 considered a full day of employment.

3 (3) An annuitant who accepts employment as a member of
4 the Illinois Gaming Board or as the Director of Gaming
5 Enforcement may elect to not participate in this System
6 with respect to that service. An annuitant who elects to
7 not participate in this System with respect to that service
8 is not considered to make a re-entry after retirement
9 within the meaning of this Section.

10 (b) If such person re-enters the service of a department,
11 not as a temporary employee, contributions to the system shall
12 begin as of the date of re-employment and additional creditable
13 service shall begin to accrue. He shall assume the status of a
14 member entitled to all rights and privileges in the system,
15 including death and disability benefits, excluding a refund of
16 contributions.

17 Upon subsequent retirement, his retirement annuity shall
18 consist of:

19 (1) the amounts of the annuities terminated by re-entry
20 into service; and

21 (2) the amount of the additional retirement annuity
22 earned by the member during the period of additional
23 membership service which shall not be subject to
24 reversionary annuity if any.

25 The total retirement annuity shall not, however, exceed the
26 maximum applicable to the member at the time of original

1 retirement. In the computation of any such retirement annuity,
2 the time that the member was on retirement shall not interrupt
3 the continuity of service for the computation of final average
4 compensation and the additional membership service shall be
5 considered, together with service rendered before the previous
6 retirement, in establishing final average compensation.

7 A person who re-enters the service of a department within 3
8 years after retiring may qualify to have the retirement annuity
9 computed as though the member had not previously retired by
10 paying to the System, within 5 years after re-entry and prior
11 to subsequent retirement, in a lump sum or in installment
12 payments in accordance with such rules as may be adopted by the
13 Board, an amount equal to all retirement payments received,
14 including any payments received in accordance with subsection
15 (c) or (d) of Section 14-130, plus regular interest from the
16 date retirement payments were suspended to the date of
17 repayment.

18 (Source: P.A. 86-1488; 87-794.)

19 (40 ILCS 5/14-152.1)

20 Sec. 14-152.1. Application and expiration of new benefit
21 increases.

22 (a) As used in this Section, "new benefit increase" means
23 an increase in the amount of any benefit provided under this
24 Article, or an expansion of the conditions of eligibility for
25 any benefit under this Article, that results from an amendment

1 to this Code that takes effect after June 1, 2005 (the
2 effective date of Public Act 94-4) ~~this amendatory Act of the~~
3 ~~94th General Assembly~~. "New benefit increase", however, does
4 not include any benefit increase resulting from the changes
5 made to this Article by this amendatory Act of the 95th General
6 Assembly.

7 (b) Notwithstanding any other provision of this Code or any
8 subsequent amendment to this Code, every new benefit increase
9 is subject to this Section and shall be deemed to be granted
10 only in conformance with and contingent upon compliance with
11 the provisions of this Section.

12 (c) The Public Act enacting a new benefit increase must
13 identify and provide for payment to the System of additional
14 funding at least sufficient to fund the resulting annual
15 increase in cost to the System as it accrues.

16 Every new benefit increase is contingent upon the General
17 Assembly providing the additional funding required under this
18 subsection. The Commission on Government Forecasting and
19 Accountability shall analyze whether adequate additional
20 funding has been provided for the new benefit increase and
21 shall report its analysis to the Public Pension Division of the
22 Department of Financial and Professional Regulation. A new
23 benefit increase created by a Public Act that does not include
24 the additional funding required under this subsection is null
25 and void. If the Public Pension Division determines that the
26 additional funding provided for a new benefit increase under

1 this subsection is or has become inadequate, it may so certify
2 to the Governor and the State Comptroller and, in the absence
3 of corrective action by the General Assembly, the new benefit
4 increase shall expire at the end of the fiscal year in which
5 the certification is made.

6 (d) Every new benefit increase shall expire 5 years after
7 its effective date or on such earlier date as may be specified
8 in the language enacting the new benefit increase or provided
9 under subsection (c). This does not prevent the General
10 Assembly from extending or re-creating a new benefit increase
11 by law.

12 (e) Except as otherwise provided in the language creating
13 the new benefit increase, a new benefit increase that expires
14 under this Section continues to apply to persons who applied
15 and qualified for the affected benefit while the new benefit
16 increase was in effect and to the affected beneficiaries and
17 alternate payees of such persons, but does not apply to any
18 other person, including without limitation a person who
19 continues in service after the expiration date and did not
20 apply and qualify for the affected benefit while the new
21 benefit increase was in effect.

22 (Source: P.A. 94-4, eff. 6-1-05.)

23 (40 ILCS 5/18-127) (from Ch. 108 1/2, par. 18-127)

24 Sec. 18-127. Retirement annuity - suspension on
25 reemployment.

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

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

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

1 (c) Except as provided in subsection (a), beginning January
2 1, 1993, retirement annuities shall not be subject to
3 suspension upon resumption of employment for an employer, and
4 any retirement annuity that is then so suspended shall be
5 reinstated on that date.

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

10 (e) A participant receiving a retirement annuity under this
11 Article who (i) serves as a part-time employee in any of the
12 following positions: Legislative Inspector General, Special
13 Legislative Inspector General, employee of the Office of the
14 Legislative Inspector General, Executive Director of the
15 Legislative Ethics Commission, or staff of the Legislative
16 Ethics Commission or (ii) serves on the Illinois Gaming Board
17 or as the Director of Gaming Enforcement, but has not elected
18 to participate in the Article 14 System with respect to that
19 service, shall not be deemed to be regularly employed for
20 compensation by an employer other than a county, nor to have
21 resumed service as a judge, on the basis of that service, and
22 the retirement annuity payments and other benefits of that
23 person under this Code shall not be suspended, diminished, or
24 otherwise impaired solely as a consequence of that service.
25 This subsection (e) applies without regard to whether the
26 person is in service as a judge under this Article on or after

1 the effective date of this amendatory Act of the 93rd General
2 Assembly. In this subsection, a "part-time employee" is a
3 person who is not required to work at least 35 hours per week.
4 The changes made to this subsection (e) by this amendatory Act
5 of the 95th General Assembly apply without regard to whether
6 the person is in service as a judge under this Article on or
7 after the effective date of this amendatory Act of the 95th
8 General Assembly.

9 (f) A participant receiving a retirement annuity under this
10 Article who has made an election under Section 1-123 and who is
11 serving either as legal counsel in the Office of the Governor
12 or as Chief Deputy Attorney General shall not be deemed to be
13 regularly employed for compensation by an employer other than a
14 county, nor to have resumed service as a judge, on the basis of
15 that service, and the retirement annuity payments and other
16 benefits of that person under this Code shall not be suspended,
17 diminished, or otherwise impaired solely as a consequence of
18 that service. This subsection (f) applies without regard to
19 whether the person is in service as a judge under this Article
20 on or after the effective date of this amendatory Act of the
21 93rd General Assembly.

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

23 (40 ILCS 5/18-169)

24 Sec. 18-169. Application and expiration of new benefit
25 increases.

1 (a) As used in this Section, "new benefit increase" means
2 an increase in the amount of any benefit provided under this
3 Article, or an expansion of the conditions of eligibility for
4 any benefit under this Article, that results from an amendment
5 to this Code that takes effect after June 1, 2005 (the
6 effective date Public Act 94-4) ~~of this amendatory Act of the~~
7 ~~94th General Assembly~~. "New benefit increase", however, does
8 not include any benefit increase resulting from the changes
9 made to this Article by this amendatory Act of the 95th General
10 Assembly.

11 (b) Notwithstanding any other provision of this Code or any
12 subsequent amendment to this Code, every new benefit increase
13 is subject to this Section and shall be deemed to be granted
14 only in conformance with and contingent upon compliance with
15 the provisions of this Section.

16 (c) The Public Act enacting a new benefit increase must
17 identify and provide for payment to the System of additional
18 funding at least sufficient to fund the resulting annual
19 increase in cost to the System as it accrues.

20 Every new benefit increase is contingent upon the General
21 Assembly providing the additional funding required under this
22 subsection. The Commission on Government Forecasting and
23 Accountability shall analyze whether adequate additional
24 funding has been provided for the new benefit increase and
25 shall report its analysis to the Public Pension Division of the
26 Department of Financial and Professional Regulation. A new

1 benefit increase created by a Public Act that does not include
2 the additional funding required under this subsection is null
3 and void. If the Public Pension Division determines that the
4 additional funding provided for a new benefit increase under
5 this subsection is or has become inadequate, it may so certify
6 to the Governor and the State Comptroller and, in the absence
7 of corrective action by the General Assembly, the new benefit
8 increase shall expire at the end of the fiscal year in which
9 the certification is made.

10 (d) Every new benefit increase shall expire 5 years after
11 its effective date or on such earlier date as may be specified
12 in the language enacting the new benefit increase or provided
13 under subsection (c). This does not prevent the General
14 Assembly from extending or re-creating a new benefit increase
15 by law.

16 (e) Except as otherwise provided in the language creating
17 the new benefit increase, a new benefit increase that expires
18 under this Section continues to apply to persons who applied
19 and qualified for the affected benefit while the new benefit
20 increase was in effect and to the affected beneficiaries and
21 alternate payees of such persons, but does not apply to any
22 other person, including without limitation a person who
23 continues in service after the expiration date and did not
24 apply and qualify for the affected benefit while the new
25 benefit increase was in effect.

26 (Source: P.A. 94-4, eff. 6-1-05.)

1 Section 90-25. The Joliet Regional Port District Act is
2 amended by changing Section 5.1 as follows:

3 (70 ILCS 1825/5.1) (from Ch. 19, par. 255.1)

4 Sec. 5.1. Riverboat gambling. Notwithstanding any other
5 provision of this Act, the District may not regulate the
6 operation, conduct, or navigation of any riverboat gambling
7 casino licensed under the Illinois Riverboat Gambling Act, and
8 the District may not license, tax, or otherwise levy any
9 assessment of any kind on any riverboat gambling casino
10 licensed under the Illinois Riverboat Gambling Act. The General
11 Assembly declares that the powers to regulate the operation,
12 conduct, and navigation of riverboat gambling casinos and to
13 license, tax, and levy assessments upon riverboat gambling
14 casinos are exclusive powers of the State of Illinois and the
15 Illinois Gaming Board as provided in the Illinois Riverboat
16 Gambling Act.

17 (Source: P.A. 87-1175.)

18 Section 90-27. The School Construction Law is amended by
19 changing Section 5-10 and adding Section 5-36 as follows:

20 (105 ILCS 230/5-10)

21 Sec. 5-10. Grant awards. The Capital Development Board is
22 authorized to make grants to school districts for school

1 construction projects with funds appropriated by the General
2 Assembly from the School Infrastructure Fund pursuant to the
3 provisions of this Article or the Illinois Works Fund. The
4 State Board of Education is authorized to make grants to school
5 districts for debt service with funds appropriated by the
6 General Assembly from the School Infrastructure Fund pursuant
7 to the provisions of this Article.

8 (Source: P.A. 90-548, eff. 1-1-98.)

9 (105 ILCS 230/5-36 new)

10 Sec. 5-36. The Chicago Public Schools Capital Needs Board.

11 (a) The Chicago Public Schools Capital Needs Board is
12 created as an advisory board to the State Board of Education
13 and the Capital Development Board. The Chicago Public Schools
14 Capital Needs Board shall consist of 5 members appointed by the
15 Governor, 2 of whom are appointed to serve an initial term of
16 one year and 3 of whom are appointed to serve an initial term
17 of 2 years. One Board member shall be appointed chairperson of
18 the Board at the time of appointment.

19 (b) After the initial terms, each member shall be appointed
20 to serve a term of 2 years and until his or her successor is
21 appointed and has qualified. If a vacancy occurs in board
22 membership, the vacancy shall be filled in the same manner as
23 the initial appointment.

24 Board members shall serve without compensation, but may be
25 reimbursed for their reasonable travel expenses from funds

1 available for that purpose. The State Board of Education and
2 Capital Development Board shall provide staff and
3 administrative support services to the Chicago Public Schools
4 Capital Needs Board.

5 (c) The Chicago Public Schools Capital Needs Board shall
6 make recommendations annually to the State Board of Education
7 and Capital Development Board concerning the allocation of
8 school construction funds awarded to a school district with a
9 population exceeding 500,000 as authorized by subsection (b) of
10 Section 5-35 of this Law or by the Illinois Works Capital
11 Program.

12 (1) The Chicago Public Schools Capital Needs Board
13 shall review applications submitted to the State Board of
14 Education by the school district and other relevant
15 materials in preparing its recommendations.

16 (2) The Chicago Public Schools Capital Needs Board
17 shall consider the eligibility and project standards
18 outlined in Section 5-30 of this Law, along with other
19 factors that contribute to neighborhood revitalization and
20 educational outcomes.

21 (3) The Chicago Public Schools Capital Needs Board
22 shall make specific recommendations for allocation of the
23 award of school construction funds, including listing
24 specific schools and projects for each listed school, for
25 the upcoming fiscal year to the Capital Development Board.

26 (4) The Capital Development Board shall incorporate

1 the recommendations for allocation of the award of school
2 construction funds in item (3) of this subsection (c) and
3 include only that allocation in any grant award or
4 agreement entered into with the school district.

5 (5) The Capital Development Board shall not transfer
6 funds to the school district prior to the recommendation
7 for allocation of the award of the Chicago Public Schools
8 Capital Needs Board, incorporation of the recommendation
9 by the Capital Development Board, and completion of an
10 executed grant agreement containing the recommendations of
11 the Chicago Public Schools Capital Needs Board between the
12 Capital Development Board and the school district.

13 Section 90-30. The Consumer Installment Loan Act is amended
14 by changing Section 12.5 as follows:

15 (205 ILCS 670/12.5)

16 Sec. 12.5. Limited purpose branch.

17 (a) Upon the written approval of the Director, a licensee
18 may maintain a limited purpose branch for the sole purpose of
19 making loans as permitted by this Act. A limited purpose branch
20 may include an automatic loan machine. No other activity shall
21 be conducted at the site, including but not limited to,
22 accepting payments, servicing the accounts, or collections.

23 (b) The licensee must submit an application for a limited
24 purpose branch to the Director on forms prescribed by the

1 Director with an application fee of \$300. The approval for the
2 limited purpose branch must be renewed concurrently with the
3 renewal of the licensee's license along with a renewal fee of
4 \$300 for the limited purpose branch.

5 (c) The books, accounts, records, and files of the limited
6 purpose branch's transactions shall be maintained at the
7 licensee's licensed location. The licensee shall notify the
8 Director of the licensed location at which the books, accounts,
9 records, and files shall be maintained.

10 (d) The licensee shall prominently display at the limited
11 purpose branch the address and telephone number of the
12 licensee's licensed location.

13 (e) No other business shall be conducted at the site of the
14 limited purpose branch unless authorized by the Director.

15 (f) The Director shall make and enforce reasonable rules
16 for the conduct of a limited purpose branch.

17 (g) A limited purpose branch may not be located in ~~within~~
18 ~~1,000 feet of~~ a facility operated by an inter-track wagering
19 licensee or an organization licensee subject to the Illinois
20 Horse Racing Act of 1975, on a riverboat, in a casino, or in an
21 electronic gaming facility subject to the Illinois Riverboat
22 Gambling Act, or within 1,000 feet of any such ~~the~~ location ~~at~~
23 ~~which the riverboat docks~~.

24 (Source: P.A. 90-437, eff. 1-1-98.)

25 Section 90-35. The Illinois Horse Racing Act of 1975 is

1 amended by changing Sections 1.2, 1.3, 3.071, 3.077, 3.12,
2 3.20, 3.22, 3.23, 4, 5, 6, 7, 9, 20, 25, 26, 26.1, 27, 28.1, 30,
3 30.5, 31, 36, 42, and 45 and adding Sections 2.5, 3.24, 3.25,
4 3.26, 3.27, 3.28, 3.29, 6.5, 12.5, 21.5, 31.2, 31.3, 34.3, 56,
5 and 57 as follows:

6 (230 ILCS 5/1.2)

7 Sec. 1.2. Legislative intent. This Act is intended to
8 benefit the people of the State of Illinois by encouraging the
9 breeding and production of race horses, assisting economic
10 development, and promoting Illinois tourism. The General
11 Assembly finds and declares it to be the public policy of the
12 State of Illinois to:

13 (a) support and enhance Illinois' horse racing industry,
14 which is a significant component within the agribusiness
15 industry;

16 (b) ensure that Illinois' horse racing industry remains
17 competitive with neighboring states;

18 (c) stimulate growth within Illinois' horse racing
19 industry, thereby encouraging new investment and development
20 to produce additional tax revenues and to create additional
21 jobs;

22 (d) promote the further growth of tourism;

23 (e) encourage the breeding of thoroughbred and
24 standardbred horses in this State; and

25 (f) ensure that public confidence and trust in the

1 credibility and integrity of racing operations and the
2 regulatory process is maintained.

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

4 (230 ILCS 5/1.3)

5 Sec. 1.3. Legislative findings.

6 (a) The General Assembly finds that the Illinois gaming
7 industry is a single industry consisting of horse racing, ~~and~~
8 riverboat and casino gambling, and electronic gaming. Reports
9 issued by the Economic and Fiscal Commission (now Commission on
10 Government Forecasting and Accountability) in 1992, 1994, and
11 1998 have found that horse racing and riverboat gambling:

12 (1) "share many of the same characteristics" and are
13 "more alike than different";

14 (2) are planned events;

15 (3) have similar odds of winning;

16 (4) occur in similar settings; and

17 (5) compete with each other for limited gaming dollars.

18 (b) The General Assembly declares it to be the public
19 policy of this State to ensure the viability of all ~~both horse~~
20 ~~racing and riverboat~~ aspects of the Illinois gaming industry.

21 (Source: P.A. 95-331, eff. 8-21-07.)

22 (230 ILCS 5/2.5 new)

23 Sec. 2.5. Separation from Department of Revenue. On the
24 effective date of this amendatory Act of the 95th General

1 Assembly, all of the powers, duties, assets, liabilities,
2 employees, contracts, property, records, pending business, and
3 unexpended appropriations of the Department of Revenue related
4 to the administration and enforcement of this Act are
5 transferred to the Illinois Racing Board.

6 The status and rights of the transferred employees, and the
7 rights of the State of Illinois and its agencies, under the
8 Personnel Code and applicable collective bargaining agreements
9 or under any pension, retirement, or annuity plan are not
10 affected (except as provided in the Illinois Pension Code) by
11 that transfer or by any other provision of this amendatory Act
12 of the 95th General Assembly.

13 (230 ILCS 5/3.071) (from Ch. 8, par. 37-3.071)

14 Sec. 3.071. Inter-track wagering. "Inter-track Wagering"
15 means a legal wager on the outcome of a simultaneously
16 televised horse race taking place at an Illinois race track
17 placed or accepted at any location authorized to accept wagers
18 under this Act, excluding the Illinois race track at which that
19 horse race is being conducted, and advance deposit wagering
20 through an advance deposit wagering licensee.

21 (Source: P.A. 89-16, eff. 5-30-95.)

22 (230 ILCS 5/3.077)

23 Sec. 3.077. Non-host licensee. "Non-host licensee" means a
24 licensee operating concurrently with a host track, but does not

1 include an advance deposit wagering licensee.

2 (Source: P.A. 89-16, eff. 5-30-95.)

3 (230 ILCS 5/3.12) (from Ch. 8, par. 37-3.12)

4 Sec. 3.12. Pari-mutuel system of wagering. "Pari-mutuel
5 system of wagering" means a form of wagering on the outcome of
6 horse races in which wagers are made in various denominations
7 on a horse or horses and all wagers for each race are pooled
8 and held by a licensee for distribution in a manner approved by
9 the Board. Wagers may be placed via any method or at any
10 location authorized under this Act.

11 (Source: P.A. 89-16, eff. 5-30-95.)

12 (230 ILCS 5/3.20)

13 Sec. 3.20. Licensee. "Licensee" means an individual
14 organization licensee, an inter-track wagering licensee, an ~~or~~
15 inter-track wagering location licensee, or an advance deposit
16 wagering licensee, as the context of this Act requires.

17 (Source: P.A. 89-16, eff. 5-30-95.)

18 (230 ILCS 5/3.22)

19 Sec. 3.22. Wagering facility. "Wagering facility" means
20 any location at which a licensee, other than an advance deposit
21 wagering licensee, may accept or receive pari-mutuel wagers
22 under this Act.

23 (Source: P.A. 89-16, eff. 5-30-95.)

1 (230 ILCS 5/3.23)

2 Sec. 3.23. Wagering. "Wagering" means, collectively, the
3 pari-mutuel system of wagering, inter-track wagering, ~~and~~
4 simulcast wagering, and advance deposit wagering.

5 (Source: P.A. 89-16, eff. 5-30-95.)

6 (230 ILCS 5/3.24 new)

7 Sec. 3.24. Adjusted gross receipts. "Adjusted gross
8 receipts" means the gross receipts from electronic gaming less
9 winnings paid to wagerers.

10 (230 ILCS 5/3.25 new)

11 Sec. 3.25. Electronic gaming. "Electronic gaming" means
12 slot machine gambling, video games of chance, and electronic
13 games as defined in the Illinois Gambling Act, that is
14 conducted at a race track pursuant to an electronic gaming
15 license.

16 (230 ILCS 5/3.26 new)

17 Sec. 3.26. Electronic gaming license. "Electronic gaming
18 license" means a license to conduct electronic gaming issued
19 under Section 56.

20 (230 ILCS 5/3.27 new)

21 Sec. 3.27. Electronic gaming facility. "Electronic gaming

1 facility" means that portion of an organization licensee's race
2 track facility at which electronic gaming is conducted.

3 (230 ILCS 5/3.28 new)

4 Sec. 3.28. Advance deposit wagering licensee. "Advance
5 deposit wagering licensee" means a person licensed by the Board
6 to conduct advance deposit wagering. An advance deposit
7 wagering licensee shall be an organization licensee or a person
8 or third party who contracts with an organization licensee in
9 order to conduct advance deposit wagering.

10 (230 ILCS 5/3.29 new)

11 Sec. 3.29. Advance deposit wagering. "Advance deposit
12 wagering" means a method of pari-mutuel wagering in which an
13 individual may establish an account, deposit money into the
14 account, and use the account balance to pay for pari-mutuel
15 wagering authorized by this Act. An advance deposit wager may
16 be placed in person at a wagering facility or from any other
17 location via a telephone-type device or any other electronic
18 means. Any person who accepts an advance deposit wager who is
19 not licensed by the Board as an advance deposit wagering
20 licensee shall be considered in violation of this Act and the
21 Criminal Code of 1961. Any advance deposit wager placed in
22 person at a wagering facility shall be deemed to have been
23 placed at that wagering facility.

1 (230 ILCS 5/4) (from Ch. 8, par. 37-4)

2 Sec. 4. Until the effective date of this amendatory Act of
3 the 95th General Assembly, the ~~The~~ Board shall consist of 11
4 members to be appointed by the Governor with the advice and
5 consent of the Senate, not more than 6 of whom shall be of the
6 same political party, and one of whom shall be designated by
7 the Governor to be chairman.

8 The new Board shall consist of 7 members appointed by the
9 Governor from nominations presented to the Governor by the
10 Nomination Panel and with the advice and consent of the Senate.
11 Notwithstanding any provision of this Section to the contrary,
12 the term of office of each member of the Board sitting on the
13 effective date of this amendatory Act of the 95th General
14 Assembly ends when all 7 members of the new Board are appointed
15 and qualified pursuant to this amendatory Act.

16 Each member shall have a reasonable knowledge of harness or
17 thoroughbred racing practices and procedure and of the
18 principles of harness or thoroughbred racing and breeding and,
19 at the time of his appointment, shall be a resident of the
20 State of Illinois and shall have resided therein for a period
21 of at least 5 years next preceding his appointment and
22 qualification and he shall be a qualified voter therein and not
23 less than 25 years of age. The Board should reflect the ethnic,
24 cultural, and geographic diversity of the State.

25 (Source: P.A. 91-798, eff. 7-9-00.)

1 (230 ILCS 5/5) (from Ch. 8, par. 37-5)

2 Sec. 5. As soon as practicable following the effective date
3 of this amendatory Act of 1995, the Governor shall appoint,
4 with the advice and consent of the Senate, members to the Board
5 as follows: 3 members for terms expiring July 1, 1996; 3
6 members for terms expiring July 1, 1998; and 3 members for
7 terms expiring July 1, 2000. Of the 2 additional members
8 appointed pursuant to this amendatory Act of the 91st General
9 Assembly, the initial term of one member shall expire on July
10 1, 2002 and the initial term of the other member shall expire
11 on July 1, 2004. Thereafter, the terms of office of the Board
12 members shall be 6 years. Incumbent members on the effective
13 date of this amendatory Act of 1995 shall continue to serve
14 only until their successors are appointed and have qualified.

15 The terms of office of the initial Board members appointed
16 pursuant to this amendatory Act of the 95th General Assembly
17 will commence from the effective date of this amendatory Act
18 and run as follows, to be determined by lot: one for a term
19 expiring July 1 of the year following confirmation, 2 for a
20 term expiring July 1 two years following confirmation, 2 for a
21 term expiring July 1 three years following confirmation, and 2
22 for a term expiring July 1 four years following confirmation.
23 Upon the expiration of the foregoing terms, the successors of
24 such members shall serve a term of 4 years and until their
25 successors are appointed and qualified for like terms.

26 Each member of the Board shall receive \$300 per day for

1 each day the Board meets and for each day the member conducts a
2 hearing pursuant to Section 16 of this Act, provided that no
3 Board member shall receive more than \$5,000 in such fees during
4 any calendar year, or an amount set by the Compensation Review
5 Board, whichever is greater. Members of the Board shall also be
6 reimbursed for all actual and necessary expenses and
7 disbursements incurred in the execution of their official
8 duties.

9 (Source: P.A. 91-357, eff. 7-29-99; 91-798, eff. 7-9-00.)

10 (230 ILCS 5/6) (from Ch. 8, par. 37-6)

11 Sec. 6. Restrictions on Board members.

12 (a) No person shall be appointed a member of the Board or
13 continue to be a member of the Board if the person or any
14 member of their immediate family is a member of the Board of
15 Directors, employee, or financially interested in any of the
16 following: (i) any licensee or other person who has applied for
17 racing dates to the Board, or the operations thereof including,
18 but not limited to, concessions, data processing, track
19 maintenance, track security and pari mutuel operations,
20 located, scheduled or doing business within the State of
21 Illinois, (ii) any licensee or other person in any race horse
22 competing at a meeting under the Board's jurisdiction, or (iii)
23 any licensee under the Illinois Gambling Act. ~~No person shall~~
24 be appointed a member of the Board or continue to be a member
25 of the Board who is (or any member of whose family is) a member

1 ~~of the Board of Directors of, or who is a person financially~~
2 ~~interested in, any licensee or other person who has applied for~~
3 ~~racing dates to the Board, or the operations thereof including,~~
4 ~~but not limited to, concessions, data processing, track~~
5 ~~maintenance, track security and pari mutuel operations,~~
6 ~~located, scheduled or doing business within the State of~~
7 ~~Illinois, or in any race horse competing at a meeting under the~~
8 ~~Board's jurisdiction. No Board member shall hold any other~~
9 ~~public office for which he shall receive compensation other~~
10 ~~than necessary travel or other incidental expenses.~~

11 (b) No person shall be a member of the Board who is not of
12 good moral character or who has been convicted of, or is under
13 indictment for, a felony under the laws of Illinois or any
14 other state, or the United States.

15 (c) No member of the Board or employee shall engage in any
16 political activity. For the purposes of this Section,
17 "political" means any activity in support of or in connection
18 with any campaign for State or local elective office or any
19 political organization, but does not include activities (i)
20 relating to the support or opposition of any executive,
21 legislative, or administrative action (as those terms are
22 defined in Section 2 of the Lobbyist Registration Act), (ii)
23 relating to collective bargaining, or (iii) that are otherwise
24 in furtherance of the person's official State duties or
25 governmental and public service functions.

26 (d) Board members and employees may not engage in

1 communications or any activity that may cause or have the
2 appearance of causing a conflict of interest. A conflict of
3 interest exists if a situation influences or creates the
4 appearance that it may influence judgment or performance of
5 regulatory duties and responsibilities. This prohibition shall
6 extend to any act identified by Board action that, in the
7 judgment of the Board, could represent the potential for or the
8 appearance of a conflict of interest.

9 (e) Board members and employees may not accept any gift,
10 gratuity, service, compensation, travel, lodging, or thing of
11 value, with the exception of unsolicited items of an incidental
12 nature, from any person, corporation, or entity doing business
13 with the Board.

14 (f) A Board member or employee shall not use or attempt to
15 use his or her official position to secure, or attempt to
16 secure, any privilege, advantage, favor, or influence for
17 himself or herself or others. No Board member or employee of
18 the Board may attempt, in any way, to influence any person or
19 corporation doing business with the Authority or any officer,
20 agent, or employee thereof to hire or contract with any person
21 or corporation for any compensated work.

22 (Source: P.A. 89-16, eff. 5-30-95.)

23 (230 ILCS 5/6.5 new)

24 Sec. 6.5. Ex parte communications.

25 (a) For the purpose of this Section:

1 "Ex parte communication" means any written or oral
2 communication by any person that imparts or requests material
3 information or makes a material argument regarding potential
4 action concerning regulatory, quasi regulatory, investment, or
5 licensing matters pending before or under consideration by the
6 Illinois Racing Board. "Ex parte communication" does not
7 include the following: (i) statements by a person publicly made
8 in a public forum; (ii) statements regarding matters of
9 procedure and practice, such as format, the number of copies
10 required, the manner of filing, and the status of a matter;
11 (iii) statements regarding recommendation for pending or
12 approved legislation; (iv) statements made by a State employee
13 of the agency to the agency head or other employees of that
14 agency.

15 "Ex parte communication" does not include conversations
16 concerning qualifications to serve on the Board between members
17 of the Senate and nominees for the Board that occur in the time
18 period between nomination by the Governor and either
19 confirmation or rejection by the Senate.

20 "Interested party" means a person or entity whose rights,
21 privileges, or interests are the subject of or are directly
22 affected by a regulatory, quasi-adjudicatory, investment, or
23 licensing matter of the Board.

24 (b) A constitutional officer, a member of the General
25 Assembly, a special government agent as that term is defined in
26 Section 4A-101 of the Illinois Governmental Ethics Act, a

1 director, secretary, or other employee of the executive branch
2 of the State, an employee of the legislative branch of the
3 State, or an interested party may not engage in any ex parte
4 communication with a member of the Board or an employee. A
5 member of the Board or an employee must immediately report any
6 ex parte communication to the Board's Ethics Officer. A
7 violation of this subsection (b) is a Class 4 felony.

8 (c) A constitutional officer, a member of the General
9 Assembly, a special government agent as that term is defined in
10 Section 4A-101 of the Illinois Governmental Ethics Act, a
11 director, secretary, or other employee of the executive branch
12 of the State, an employee of the legislative branch of the
13 State, or an interested party may not engage in any ex parte
14 communication with a nominee for a position on the Board. A
15 person is deemed a nominee once he or she has submitted
16 information to the Nomination Panel. A nominee must immediately
17 report any ex parte communication to the Board's Ethics
18 Officer. A violation of this subsection (c) is a Class 4
19 felony.

20 (d) Notwithstanding any provision of this Section, if a
21 State constitutional officer or member of the General Assembly
22 or his or her designee determines that potential or actual
23 Illinois Gaming Board, Illinois Racing Board, or Director of
24 Gaming Enforcement business would affect the health, safety,
25 and welfare of the people of the State of Illinois, then the
26 State constitutional officer or member of the General Assembly

1 may submit questions or comments by written medium to the
2 Chairman of the Illinois Gaming Board, Chairman of the Illinois
3 Racing Board, and Director of Gaming Enforcement. Upon receipt
4 of the message or question, the Chairman or Director shall
5 submit the message or question to the entire board for
6 consideration.

7 (230 ILCS 5/7) (from Ch. 8, par. 37-7)

8 Sec. 7. Vacancies in the Board shall be filled for the
9 unexpired term in like manner as original appointments. Each
10 member of the Board shall be eligible for reappointment,
11 subject to the nomination process of the Nomination Panel, by
12 ~~in the discretion of~~ the Governor with the advice and consent
13 of the Senate.

14 (Source: P.A. 79-1185.)

15 (230 ILCS 5/9) (from Ch. 8, par. 37-9)

16 Sec. 9. The Board shall have all powers necessary and
17 proper to fully and effectively execute the provisions of this
18 Act, including, but not limited to, the following:

19 (a) The Board is vested with jurisdiction and supervision
20 over all race meetings in this State, over all licensees doing
21 business in this State, over all occupation licensees, and over
22 all persons on the facilities of any licensee. Such
23 jurisdiction shall include the power to issue licenses to the
24 Illinois Department of Agriculture authorizing the pari-mutuel

1 system of wagering on harness and Quarter Horse races held (1)
2 at the Illinois State Fair in Sangamon County, and (2) at the
3 DuQuoin State Fair in Perry County. The jurisdiction of the
4 Board shall also include the power to issue licenses to county
5 fairs which are eligible to receive funds pursuant to the
6 Agricultural Fair Act, as now or hereafter amended, or their
7 agents, authorizing the pari-mutuel system of wagering on horse
8 races conducted at the county fairs receiving such licenses.
9 Such licenses shall be governed by subsection (n) of this
10 Section.

11 Upon application, the Board shall issue a license to the
12 Illinois Department of Agriculture to conduct harness and
13 Quarter Horse races at the Illinois State Fair and at the
14 DuQuoin State Fairgrounds during the scheduled dates of each
15 fair. The Board shall not require and the Department of
16 Agriculture shall be exempt from the requirements of Sections
17 15.3, 18 and 19, paragraphs (a)(2), (b), (c), (d), (e), (e-5),
18 (e-10), (f), (g), and (h) of Section 20, and Sections 21, 24
19 and 25. The Board and the Department of Agriculture may extend
20 any or all of these exemptions to any contractor or agent
21 engaged by the Department of Agriculture to conduct its race
22 meetings when the Board determines that this would best serve
23 the public interest and the interest of horse racing.

24 Notwithstanding any provision of law to the contrary, it
25 shall be lawful for any licensee to operate pari-mutuel
26 wagering or contract with the Department of Agriculture to

1 operate pari-mutuel wagering at the DuQuoin State Fairgrounds
2 or for the Department to enter into contracts with a licensee,
3 employ its owners, employees or agents and employ such other
4 occupation licensees as the Department deems necessary in
5 connection with race meetings and wagerings.

6 (b) The Board is vested with the full power to promulgate
7 reasonable rules and regulations for the purpose of
8 administering the provisions of this Act and to prescribe
9 reasonable rules, regulations and conditions under which all
10 horse race meetings or wagering in the State shall be
11 conducted. Such reasonable rules and regulations are to provide
12 for the prevention of practices detrimental to the public
13 interest and to promote the best interests of horse racing and
14 to impose penalties for violations thereof.

15 (c) The Board, and any person or persons to whom it
16 delegates this power, is vested with the power to enter the
17 facilities and other places of business of any licensee to
18 determine whether there has been compliance with the provisions
19 of this Act and its rules and regulations.

20 (d) ~~The Board, and any person or persons to whom it~~
21 ~~delegates this power, is vested with the authority to~~
22 ~~investigate alleged violations of the provisions of this Act,~~
23 ~~its reasonable rules and regulations, orders and final~~
24 ~~decisions;~~ the Board shall take appropriate disciplinary
25 action against any licensee or occupation licensee for
26 violation thereof or institute appropriate legal action for the

1 enforcement thereof.

2 (e) The Board, the Office of Gaming Enforcement, and any
3 person or persons to whom it delegates this power, may eject or
4 exclude from any race meeting or the facilities of any
5 licensee, or any part thereof, any occupation licensee or any
6 other individual whose conduct or reputation is such that his
7 or her presence on those facilities may, in the opinion of the
8 Board, call into question the honesty and integrity of horse
9 racing or wagering or interfere with the orderly conduct of
10 horse racing or wagering; provided, however, that no person
11 shall be excluded or ejected from the facilities of any
12 licensee solely on the grounds of race, color, creed, national
13 origin, ancestry, or sex. The power to eject or exclude an
14 occupation licensee or other individual may be exercised for
15 just cause by the licensee, ~~or~~ the Board, or the Office of
16 Gaming Enforcement, subject to subsequent hearing by the Board
17 as to the propriety of said exclusion.

18 (f) The Board is vested with the power to acquire,
19 establish, maintain and operate (or provide by contract to
20 maintain and operate) testing laboratories and related
21 facilities, for the purpose of conducting saliva, blood, urine
22 and other tests on the horses run or to be run in any horse race
23 meeting and to purchase all equipment and supplies deemed
24 necessary or desirable in connection with any such testing
25 laboratories and related facilities and all such tests.

26 (f-5) The Department of Agriculture is vested with the

1 power to acquire, establish, maintain, and operate (or provide
2 by contract to maintain and operate) testing laboratories and
3 related facilities for the purpose of conducting saliva, blood,
4 urine, and other tests on the horses run or to be run in any
5 county fair horse race meeting and of purchasing all equipment
6 and supplies deemed necessary or desirable in connection with
7 any such testing laboratories and related facilities and all
8 such tests in any county fair horse race.

9 (g) The Board may require that the records, including
10 financial or other statements of any licensee or any person
11 affiliated with the licensee who is involved directly or
12 indirectly in the activities of any licensee as regulated under
13 this Act to the extent that those financial or other statements
14 relate to such activities be kept in such manner as prescribed
15 by the Board, and that Board employees shall have access to
16 those records during reasonable business hours. Within 120 days
17 of the end of its fiscal year, each licensee shall transmit to
18 the Board an audit of the financial transactions and condition
19 of the licensee's total operations. All audits shall be
20 conducted by certified public accountants. Each certified
21 public accountant must be registered in the State of Illinois
22 under the Illinois Public Accounting Act. The compensation for
23 each certified public accountant shall be paid directly by the
24 licensee to the certified public accountant. A licensee shall
25 also submit any other financial or related information the
26 Board deems necessary to effectively administer this Act and

1 all rules, regulations, and final decisions promulgated under
2 this Act.

3 (h) The Board shall name and appoint in the manner provided
4 by the rules and regulations of the Board: an Executive
5 Director; a State director of mutuels; State veterinarians and
6 representatives to take saliva, blood, urine and other tests on
7 horses; licensing personnel; revenue inspectors; and State
8 seasonal employees (excluding admission ticket sellers and
9 mutuel clerks). All of those named and appointed as provided in
10 this subsection shall serve during the pleasure of the Board;
11 their compensation shall be determined by the Board and be paid
12 in the same manner as other employees of the Board under this
13 Act.

14 (i) The Board shall require that there shall be 3 stewards
15 at each horse race meeting, at least 2 of whom shall be named
16 and appointed by the Board. Stewards appointed or approved by
17 the Board, while performing duties required by this Act or by
18 the Board, shall be entitled to the same rights and immunities
19 as granted to Board members and Board employees in Section 10
20 of this Act.

21 (j) The Board may discharge any Board employee who fails or
22 refuses for any reason to comply with the rules and regulations
23 of the Board, or who, in the opinion of the Board, is guilty of
24 fraud, dishonesty or who is proven to be incompetent. The Board
25 shall have no right or power to determine who shall be
26 officers, directors or employees of any licensee, or their

1 salaries except the Board may, by rule, require that all or any
2 officials or employees in charge of or whose duties relate to
3 the actual running of races be approved by the Board.

4 (k) The Board is vested with the power to appoint delegates
5 to execute any of the powers granted to it under this Section
6 for the purpose of administering this Act and any rules or
7 regulations promulgated in accordance with this Act.

8 (l) The Board is vested with the power to impose civil
9 penalties of up to \$5,000 against an individual and up to
10 \$10,000 against a licensee for each violation of any provision
11 of this Act, any rules adopted by the Board, any order of the
12 Board or any other action which, in the Board's discretion, is
13 a detriment or impediment to horse racing or wagering.

14 (m) The Board is vested with the power to prescribe a form
15 to be used by licensees as an application for employment for
16 employees of each licensee.

17 (n) The Board shall have the power to issue a license to
18 any county fair, or its agent, authorizing the conduct of the
19 pari-mutuel system of wagering. The Board is vested with the
20 full power to promulgate reasonable rules, regulations and
21 conditions under which all horse race meetings licensed
22 pursuant to this subsection shall be held and conducted,
23 including rules, regulations and conditions for the conduct of
24 the pari-mutuel system of wagering. The rules, regulations and
25 conditions shall provide for the prevention of practices
26 detrimental to the public interest and for the best interests

1 of horse racing, and shall prescribe penalties for violations
2 thereof. Any authority granted the Board under this Act shall
3 extend to its jurisdiction and supervision over county fairs,
4 or their agents, licensed pursuant to this subsection. However,
5 the Board may waive any provision of this Act or its rules or
6 regulations which would otherwise apply to such county fairs or
7 their agents.

8 (o) Whenever the Board is authorized or required by law to
9 consider some aspect of criminal history record information for
10 the purpose of carrying out its statutory powers and
11 responsibilities, then, upon request and payment of fees in
12 conformance with the requirements of Section 2605-400 of the
13 Department of State Police Law (20 ILCS 2605/2605-400), the
14 Department of State Police is authorized to furnish, pursuant
15 to positive identification, such information contained in
16 State files as is necessary to fulfill the request.

17 (p) To insure the convenience, comfort, and wagering
18 accessibility of race track patrons, to provide for the
19 maximization of State revenue, and to generate increases in
20 purse allotments to the horsemen, the Board shall require any
21 licensee to staff the pari-mutuel department with adequate
22 personnel.

23 (Source: P.A. 91-239, eff. 1-1-00.)

24 (230 ILCS 5/12.5 new)

25 Sec. 12.5. Contractor disclosure of political

1 contributions.

2 (a) As used in this Section:

3 "Contracts" means any agreement for services or goods for a
4 period to exceed one year or with an annual value of at least
5 \$10,000.

6 "Contribution" means contribution as defined in this Act.

7 "Affiliated person" means (i) any person with any ownership
8 interest or distributive share of the bidding or contracting
9 entity in excess of 1%, (ii) executive employees of the bidding
10 or contracting entity, and (iii) the spouse and minor children
11 of any such persons.

12 "Affiliated entity" means (i) any parent or subsidiary of
13 the bidding or contracting entity, (ii) any member of the same
14 unitary business group, or (iii) any political committee for
15 which the bidding or contracting entity is the sponsoring
16 entity.

17 (b) A bidder, respondent, offeror, or contractor for
18 contracts with a licensee shall disclose all political
19 contributions of the bidder, respondent, offeror, or
20 contractor and any affiliated person or entity. Such disclosure
21 must accompany any contract. The disclosure must be submitted
22 to the Board with a copy of the contract prior to Board
23 approval of the contract. The disclosure of each successful
24 bidder, respondent, or offeror shall become part of the
25 publicly available record.

26 (c) Disclosure by the bidder, respondent, offeror, or

1 contractor shall include at least the names and addresses of
2 the contributors and the dollar amounts of any contributions to
3 any political committee made within the previous 2 years.

4 (d) The Board shall refuse to approve any contract that
5 does not include the required disclosure. The Board must
6 include the disclosure on its website.

7 (230 ILCS 5/20) (from Ch. 8, par. 37-20)

8 Sec. 20. (a) Any person desiring to conduct a horse race
9 meeting may apply to the Board for an organization license. The
10 application shall be made on a form prescribed and furnished by
11 the Board. The application shall specify:

12 (1) the dates on which it intends to conduct the horse
13 race meeting, which dates shall be provided under Section
14 21;

15 (2) the hours of each racing day between which it
16 intends to hold or conduct horse racing at such meeting;

17 (3) the location where it proposes to conduct the
18 meeting; and

19 (4) any other information the Board may reasonably
20 require.

21 (b) A separate application for an organization license
22 shall be filed for each horse race meeting which such person
23 proposes to hold. Any such application, if made by an
24 individual, or by any individual as trustee, shall be signed
25 and verified under oath by such individual. If made by

1 individuals or a partnership, it shall be signed and verified
2 under oath by at least 2 of such individuals or members of such
3 partnership as the case may be. If made by an association,
4 corporation, corporate trustee or any other entity, it shall be
5 signed by the president and attested by the secretary or
6 assistant secretary under the seal of such association, trust
7 or corporation if it has a seal, and shall also be verified
8 under oath by one of the signing officers.

9 (c) The application shall specify the name of the persons,
10 association, trust, or corporation making such application and
11 the post office address of the applicant; if the applicant is a
12 trustee, the names and addresses of the beneficiaries; if a
13 corporation, the names and post office addresses of all
14 officers, stockholders and directors; or if such stockholders
15 hold stock as a nominee or fiduciary, the names and post office
16 addresses of these persons, partnerships, corporations, or
17 trusts who are the beneficial owners thereof or who are
18 beneficially interested therein; and if a partnership, the
19 names and post office addresses of all partners, general or
20 limited; if the applicant is a corporation, the name of the
21 state of its incorporation shall be specified.

22 (d) The applicant shall execute and file with the Board a
23 good faith affirmative action plan to recruit, train, and
24 upgrade minorities in all classifications within the
25 association.

26 (e) With such application there shall be delivered to the

1 Board a certified check or bank draft payable to the order of
2 the Board for an amount equal to \$1,000. All applications for
3 the issuance of an organization license shall be filed with the
4 Board before August 1 of the year prior to the year for which
5 application is made and shall be acted upon by the Board at a
6 meeting to be held on such date as shall be fixed by the Board
7 during the last 15 days of September of such prior year. At
8 such meeting, the Board shall announce the award of the racing
9 meets, live racing schedule, and designation of host track to
10 the applicants and its approval or disapproval of each
11 application. No announcement shall be considered binding until
12 a formal order is executed by the Board, which shall be
13 executed no later than October 15 of that prior year. Absent
14 the agreement of the affected organization licensees, the Board
15 shall not grant overlapping race meetings to 2 or more tracks
16 that are within 100 miles of each other to conduct the
17 thoroughbred racing.

18 (e-1) In awarding racing dates for calendar year 2008 and
19 thereafter, the Board shall award at least 625 racing days. In
20 awarding racing dates under this subsection (e-1), the Board
21 shall have the discretion to allocate those racing dates among
22 organization licensees. Of the total racing days awarded, the
23 Board must reserve an amount of racing days to standardbred
24 races in an amount equal to 90% of the amount of days awarded
25 to standardbred races in calendar year 2007. Each racing day
26 awarded for standardbred races must be comprised of at least 12

1 racess, with not less than 8 horses competing per race.

2 (e-2) In each county in which an organization licensee is
3 located, the Board shall award a minimum total of 25
4 standardbred racing dates to one or more organization
5 licensees.

6 (e-3) The Board may waive the requirements of subsection
7 (e-1) only if a lesser schedule of live racing is appropriate
8 because of (A) weather or unsafe track conditions due to acts
9 of God; (B) an agreement between the organization licensee and
10 the associations representing the largest number of owners,
11 trainers, jockeys, or standardbred drivers who race horses at
12 that organization licensee's racing meeting; or (C) a finding
13 by the Board of extraordinary circumstances and that it was in
14 the best interest of the public and the sport to conduct fewer
15 days of live racing.

16 (e-4) For each calendar year after 2007 in which an
17 electronic gaming licensee requests a number of racing days
18 under its organization license that is less than 90% of the
19 number of days of live racing it was awarded in 2007, the
20 electronic gaming licensee may not conduct electronic gaming.

21 (e-5) In reviewing an application for the purpose of
22 granting an organization license consistent with the best
23 interests of the public and the sport of horse racing, the
24 Board shall consider:

25 (1) the character, reputation, experience, and
26 financial integrity of the applicant and of any other

1 separate person that either:

2 (i) controls the applicant, directly or
3 indirectly, or

4 (ii) is controlled, directly or indirectly, by
5 that applicant or by a person who controls, directly or
6 indirectly, that applicant;

7 (2) the applicant's facilities or proposed facilities
8 for conducting horse racing;

9 (3) the total revenue without regard to Section 32.1 to
10 be derived by the State and horsemen from the applicant's
11 conducting a race meeting;

12 (4) the applicant's good faith affirmative action plan
13 to recruit, train, and upgrade minorities in all employment
14 classifications;

15 (5) the applicant's financial ability to purchase and
16 maintain adequate liability and casualty insurance;

17 (6) the applicant's proposed and prior year's
18 promotional and marketing activities and expenditures of
19 the applicant associated with those activities;

20 (7) an agreement, if any, among organization licensees
21 as provided in subsection (b) of Section 21 of this Act;
22 and

23 (8) the extent to which the applicant exceeds or meets
24 other standards for the issuance of an organization license
25 that the Board shall adopt by rule.

26 In granting organization licenses and allocating dates for

1 horse race meetings, the Board shall have discretion to
2 determine an overall schedule, including required simulcasts
3 of Illinois races by host tracks that will, in its judgment, be
4 conducive to the best interests of the public and the sport of
5 horse racing.

6 (e-10) The Illinois Administrative Procedure Act shall
7 apply to administrative procedures of the Board under this Act
8 for the granting of an organization license, except that (1)
9 notwithstanding the provisions of subsection (b) of Section
10 10-40 of the Illinois Administrative Procedure Act regarding
11 cross-examination, the Board may prescribe rules limiting the
12 right of an applicant or participant in any proceeding to award
13 an organization license to conduct cross-examination of
14 witnesses at that proceeding where that cross-examination
15 would unduly obstruct the timely award of an organization
16 license under subsection (e) of Section 20 of this Act; (2) the
17 provisions of Section 10-45 of the Illinois Administrative
18 Procedure Act regarding proposals for decision are excluded
19 under this Act; (3) notwithstanding the provisions of
20 subsection (a) of Section 10-60 of the Illinois Administrative
21 Procedure Act regarding ex parte communications, the Board may
22 prescribe rules allowing ex parte communications with
23 applicants or participants in a proceeding to award an
24 organization license where conducting those communications
25 would be in the best interest of racing, provided all those
26 communications are made part of the record of that proceeding

1 pursuant to subsection (c) of Section 10-60 of the Illinois
2 Administrative Procedure Act; (4) the provisions of Section 14a
3 of this Act and the rules of the Board promulgated under that
4 Section shall apply instead of the provisions of Article 10 of
5 the Illinois Administrative Procedure Act regarding
6 administrative law judges; and (5) the provisions of subsection
7 (d) of Section 10-65 of the Illinois Administrative Procedure
8 Act that prevent summary suspension of a license pending
9 revocation or other action shall not apply.

10 (f) The Board may allot racing dates to an organization
11 licensee for more than one calendar year but for no more than 3
12 successive calendar years in advance, provided that the Board
13 shall review such allotment for more than one calendar year
14 prior to each year for which such allotment has been made. The
15 granting of an organization license to a person constitutes a
16 privilege to conduct a horse race meeting under the provisions
17 of this Act, and no person granted an organization license
18 shall be deemed to have a vested interest, property right, or
19 future expectation to receive an organization license in any
20 subsequent year as a result of the granting of an organization
21 license. Organization licenses shall be subject to revocation
22 if the organization licensee has violated any provision of this
23 Act or the rules and regulations promulgated under this Act or
24 has been convicted of a crime or has failed to disclose or has
25 stated falsely any information called for in the application
26 for an organization license. Any organization license

1 revocation proceeding shall be in accordance with Section 16
2 regarding suspension and revocation of occupation licenses.

3 (f-5) If, (i) an applicant does not file an acceptance of
4 the racing dates awarded by the Board as required under part
5 (1) of subsection (h) of this Section 20, or (ii) an
6 organization licensee has its license suspended or revoked
7 under this Act, the Board, upon conducting an emergency hearing
8 as provided for in this Act, may reaward on an emergency basis
9 pursuant to rules established by the Board, racing dates not
10 accepted or the racing dates associated with any suspension or
11 revocation period to one or more organization licensees, new
12 applicants, or any combination thereof, upon terms and
13 conditions that the Board determines are in the best interest
14 of racing, provided, the organization licensees or new
15 applicants receiving the awarded racing dates file an
16 acceptance of those reawarded racing dates as required under
17 paragraph (1) of subsection (h) of this Section 20 and comply
18 with the other provisions of this Act. The Illinois
19 Administrative Procedures Act shall not apply to the
20 administrative procedures of the Board in conducting the
21 emergency hearing and the reallocation of racing dates on an
22 emergency basis.

23 (g) (Blank).

24 (h) The Board shall send the applicant a copy of its
25 formally executed order by certified mail addressed to the
26 applicant at the address stated in his application, which

1 notice shall be mailed within 5 days of the date the formal
2 order is executed.

3 Each applicant notified shall, within 10 days after receipt
4 of the final executed order of the Board awarding racing dates:

5 (1) file with the Board an acceptance of such award in
6 the form prescribed by the Board;

7 (2) pay to the Board an additional amount equal to \$110
8 for each racing date awarded; and

9 (3) file with the Board the bonds required in Sections
10 21 and 25 at least 20 days prior to the first day of each
11 race meeting.

12 Upon compliance with the provisions of paragraphs (1), (2), and
13 (3) of this subsection (h), the applicant shall be issued an
14 organization license.

15 If any applicant fails to comply with this Section or fails
16 to pay the organization license fees herein provided, no
17 organization license shall be issued to such applicant.

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

19 (230 ILCS 5/21.5 new)

20 Sec. 21.5. License fees; deposit.

21 (a) The Board shall annually determine the annual cost of
22 maintaining control and regulatory activities contemplated by
23 this Act for each individual licensee. The Office of Gaming
24 Enforcement shall certify to the Board actual and prospective
25 costs of the investigative and enforcement functions of the

1 Office. These costs, together with the general operating
2 expenses of the Board, shall be the basis for the fee imposed
3 on each licensee. Each individual licensee's fees shall be
4 based upon proportionate costs for each individual licensee.

5 (b) Upon issuance or the first renewal of an organization
6 license after the effective date of this amendatory Act of the
7 95th General Assembly, an organization licensee shall deposit
8 \$100,000 into a fund held by the Director of the Office of
9 Gaming Enforcement separate from State moneys. The moneys in
10 the fund shall be used by the Director of the Office of Gaming
11 Enforcement for the purpose of conducting any investigation
12 concerning that licensee. Upon each subsequent renewal of an
13 organization license, the organization licensee shall deposit
14 the amount necessary to bring the moneys in the fund
15 attributable to that licensee to \$100,000.

16 (230 ILCS 5/25) (from Ch. 8, par. 37-25)

17 Sec. 25. Admission fee.

18 (a) There shall be paid to the Board at such time or times
19 as it shall prescribe, the sum of fifteen cents (15¢) for each
20 person entering the grounds or enclosure of each organization
21 licensee and inter-track wagering licensee upon a ticket of
22 admission except as provided in subsection (b) of this Section
23 and subsection (g) of Section 27 of this Act. If tickets are
24 issued for more than one day then the sum of fifteen cents
25 (15¢) shall be paid for each person using such ticket on each

1 day that the same shall be used. Provided, however, that no
2 charge shall be made on tickets of admission issued to and in
3 the name of directors, officers, agents or employees of the
4 organization licensee, or inter-track wagering licensee, or to
5 owners, trainers, jockeys, drivers and their employees or to
6 any person or persons entering the grounds or enclosure for the
7 transaction of business in connection with such race meeting.
8 The organization licensee or inter-track wagering licensee
9 may, if it desires, collect such amount from each ticket holder
10 in addition to the amount or amounts charged for such ticket of
11 admission.

12 Accurate records and books shall at all times be kept and
13 maintained by the organization licensees and inter-track
14 wagering licensees showing the admission tickets issued and
15 used on each racing day and the attendance thereat of each
16 horse racing meeting. The Board or its duly authorized
17 representative or representatives shall at all reasonable
18 times have access to the admission records of any organization
19 licensee and inter-track wagering licensee for the purpose of
20 examining and checking the same and ascertaining whether or not
21 the proper amount has been or is being paid the State of
22 Illinois as herein provided. The Board shall also require,
23 before issuing any license, that the licensee shall execute and
24 deliver to it a bond, payable to the State of Illinois, in such
25 sum as it shall determine, not, however, in excess of fifty
26 thousand dollars (\$50,000), with a surety or sureties to be

1 approved by it, conditioned for the payment of all sums due and
2 payable or collected by it under this Section upon admission
3 fees received for any particular racing meetings. The Board may
4 also from time to time require sworn statements of the number
5 or numbers of such admissions and may prescribe blanks upon
6 which such reports shall be made. Any organization licensee or
7 inter-track wagering licensee failing or refusing to pay the
8 amount found to be due as herein provided, shall be deemed
9 guilty of a business offense and upon conviction shall be
10 punished by a fine of not more than five thousand dollars
11 (\$5,000) in addition to the amount due from such organization
12 licensee or inter-track wagering licensee as herein provided.
13 All fines paid into court by an organization licensee or
14 inter-track wagering licensee found guilty of violating this
15 Section shall be transmitted and paid over by the clerk of the
16 court to the Board.

17 (b) A person who exits the grounds or enclosure of each
18 organization licensee and inter-track wagering licensee and
19 reenters such grounds or enclosure within the same day shall be
20 subject to only the initial admissions tax.

21 (Source: P.A. 88-495; 89-16, eff. 5-30-95.)

22 (230 ILCS 5/26) (from Ch. 8, par. 37-26)

23 Sec. 26. Wagering.

24 (a) Any licensee may conduct and supervise the pari-mutuel
25 system of wagering, as defined in Section 3.12 of this Act, on

1 horse races conducted by an Illinois organization licensee or
2 conducted at a racetrack located in another state or country
3 and televised in Illinois in accordance with subsection (g) of
4 Section 26 of this Act. Subject to the prior consent of the
5 Board, licensees may supplement any pari-mutuel pool in order
6 to guarantee a minimum distribution. Such pari-mutuel method of
7 wagering shall not, under any circumstances if conducted under
8 the provisions of this Act, be held or construed to be
9 unlawful, other statutes of this State to the contrary
10 notwithstanding. Subject to rules for advance wagering
11 promulgated by the Board, any licensee may accept wagers in
12 advance of the day of the race wagered upon occurs.

13 (b) Except as otherwise provided in Section 56, no other
14 method of betting, pool making, wagering or gambling shall be
15 used or permitted by the licensee. Each licensee may retain,
16 subject to the payment of all applicable taxes and purses, an
17 amount not to exceed 17% of all money wagered under subsection
18 (a) of this Section, except as may otherwise be permitted under
19 this Act.

20 (b-5) An individual may place a wager under the pari-mutuel
21 system from any licensed location authorized under this Act
22 provided that wager is electronically recorded in the manner
23 described in Section 3.12 of this Act. Any wager made
24 electronically by an individual while physically on the
25 premises of a licensee shall be deemed to have been made at the
26 premises of that licensee.

1 (c) Until January 1, 2000, the sum held by any licensee for
2 payment of outstanding pari-mutuel tickets, if unclaimed prior
3 to December 31 of the next year, shall be retained by the
4 licensee for payment of such tickets until that date. Within 10
5 days thereafter, the balance of such sum remaining unclaimed,
6 less any uncashed supplements contributed by such licensee for
7 the purpose of guaranteeing minimum distributions of any
8 pari-mutuel pool, shall be paid to the Illinois Veterans'
9 Rehabilitation Fund of the State treasury, except as provided
10 in subsection (g) of Section 27 of this Act.

11 (c-5) Beginning January 1, 2000, the sum held by any
12 licensee for payment of outstanding pari-mutuel tickets, if
13 unclaimed prior to December 31 of the next year, shall be
14 retained by the licensee for payment of such tickets until that
15 date; except that the balance of the sum of all outstanding
16 pari-mutuel tickets generated from simulcast wagering by an
17 organization licensee located in Madison County or any licensee
18 that derives its license from that organization licensee shall
19 be evenly distributed between the organization licensee and the
20 purse account of the organization licensee. Additionally, the
21 balance of the sum of all outstanding pari-mutuel tickets
22 generated from inter-track wagering from an organization
23 licensee located in Madison County shall be evenly distributed
24 between the purse account of the organization licensee from
25 which the inter-track wagering licensee and the inter-track
26 wagering location licensee derive their licenses and the

1 organization licensee. Within 10 days thereafter, the balance
2 of such sum remaining unclaimed, less any uncashed supplements
3 contributed by such licensee for the purpose of guaranteeing
4 minimum distributions of any pari-mutuel pool, shall be evenly
5 distributed to the purse account of the organization licensee
6 and the organization licensee.

7 (d) A pari-mutuel ticket shall be honored until December 31
8 of the next calendar year, and the licensee shall pay the same
9 and may charge the amount thereof against unpaid money
10 similarly accumulated on account of pari-mutuel tickets not
11 presented for payment.

12 (e) No licensee shall knowingly permit any minor, other
13 than an employee of such licensee or an owner, trainer, jockey,
14 driver, or employee thereof, to be admitted during a racing
15 program unless accompanied by a parent or guardian, or any
16 minor to be a patron of the pari-mutuel system of wagering
17 conducted or supervised by it. The admission of any
18 unaccompanied minor, other than an employee of the licensee or
19 an owner, trainer, jockey, driver, or employee thereof at a
20 race track is a Class C misdemeanor.

21 (f) Notwithstanding the other provisions of this Act, an
22 organization licensee may contract with an entity in another
23 state or country to permit any legal wagering entity in another
24 state or country to accept wagers solely within such other
25 state or country on races conducted by the organization
26 licensee in this State. Beginning January 1, 2000, these wagers

1 shall not be subject to State taxation. Until January 1, 2000,
2 when the out-of-State entity conducts a pari-mutuel pool
3 separate from the organization licensee, a privilege tax equal
4 to 7 1/2% of all monies received by the organization licensee
5 from entities in other states or countries pursuant to such
6 contracts is imposed on the organization licensee, and such
7 privilege tax shall be remitted to the Department of Revenue
8 within 48 hours of receipt of the moneys from the simulcast.
9 When the out-of-State entity conducts a combined pari-mutuel
10 pool with the organization licensee, the tax shall be 10% of
11 all monies received by the organization licensee with 25% of
12 the receipts from this 10% tax to be distributed to the county
13 in which the race was conducted.

14 An organization licensee may permit one or more of its
15 races to be utilized for pari-mutuel wagering at one or more
16 locations in other states and may transmit audio and visual
17 signals of races the organization licensee conducts to one or
18 more locations outside the State or country and may also permit
19 pari-mutuel pools in other states or countries to be combined
20 with its gross or net wagering pools or with wagering pools
21 established by other states.

22 (g) A host track may accept interstate simulcast wagers on
23 horse races conducted in other states or countries and shall
24 control the number of signals and types of breeds of racing in
25 its simulcast program, subject to the disapproval of the Board.
26 The Board may prohibit a simulcast program only if it finds

1 that the simulcast program is clearly adverse to the integrity
2 of racing. The host track simulcast program shall include the
3 signal of live racing of all organization licensees. All
4 non-host licensees shall carry the host track simulcast program
5 and accept wagers on all races included as part of the
6 simulcast program upon which wagering is permitted. The costs
7 and expenses of the host track and non-host licensees
8 associated with interstate simulcast wagering, other than the
9 interstate commission fee, shall be borne by the host track and
10 all non-host licensees incurring these costs. The interstate
11 commission fee shall not exceed 5% of Illinois handle on the
12 interstate simulcast race or races without prior approval of
13 the Board. The Board shall promulgate rules under which it may
14 permit interstate commission fees in excess of 5%. The
15 interstate commission fee and other fees charged by the sending
16 racetrack, including, but not limited to, satellite decoder
17 fees, shall be uniformly applied to the host track and all
18 non-host licensees.

19 Notwithstanding any other provision of this Act and with
20 the consent of the horsemen association representing the
21 largest number of owners, trainers, jockeys, or standardbred
22 drivers who race horses at that organization licensee's racing
23 meeting, an organization licensee may maintain a system whereby
24 advance deposit wagering may take place or may contract with
25 another person to carry out a system of advance deposit
26 wagering. Any modifications or renegotiations to a contract

1 entered into under this subsection shall also be subject to the
2 consent of that horsemen association. All advance deposit
3 wagers placed from within Illinois must be placed through a
4 Board-approved advance deposit wagering licensee; no other
5 entity may accept an advance deposit wager from a person within
6 Illinois. All advance deposit wagering is subject to any rules
7 adopted by the Board. The Board may adopt rules necessary to
8 regulate advance deposit wagering through the use of emergency
9 rulemaking in accordance with Section 5-45 of the Illinois
10 Administrative Procedure Act. The General Assembly finds that
11 the adoption of rules to regulate advance deposit wagering is
12 deemed an emergency and necessary for the public interest,
13 safety, and welfare. After payment of the State pari-mutuel
14 tax, an advance deposit wagering licensee may retain all moneys
15 as agreed to by contract with an organization licensee. Any
16 moneys retained by the organization licensee from advance
17 deposit wagering, not including moneys retained by the advance
18 deposit wagering licensee, shall be paid 50% to the
19 organization licensee's purse account, with the purse account
20 share for races that start on or after 6:30 a.m. but before
21 6:30 p.m. Illinois time allocated to thoroughbred purses and
22 the purse account share for races that start on or after 6:30
23 p.m. but before 6:30 a.m. Illinois time allocated to
24 standardbred purses, and 50% to the organization licensee. All
25 breakage from advance deposit wagering shall be allocated as
26 provided in Section 26.1. To the extent any fees from advance

1 deposit wagering conducted in Illinois for wagers in Illinois
2 or other states have been placed in escrow or otherwise
3 withheld from wagers pending a determination of the legality of
4 advance deposit wagering, no action shall be brought to declare
5 such wagers or the disbursement of any fees previously escrowed
6 illegal.

7 (1) Between the hours of 6:30 a.m. and 6:30 p.m. an
8 intertrack wagering licensee other than the host track may
9 supplement the host track simulcast program with
10 additional simulcast races or race programs, provided that
11 between January 1 and the third Friday in February of any
12 year, inclusive, if no live thoroughbred racing is
13 occurring in Illinois during this period, only
14 thoroughbred races may be used for supplemental interstate
15 simulcast purposes. The Board shall withhold approval for a
16 supplemental interstate simulcast only if it finds that the
17 simulcast is clearly adverse to the integrity of racing. A
18 supplemental interstate simulcast may be transmitted from
19 an intertrack wagering licensee to its affiliated non-host
20 licensees. The interstate commission fee for a
21 supplemental interstate simulcast shall be paid by the
22 non-host licensee and its affiliated non-host licensees
23 receiving the simulcast.

24 (2) Between the hours of 6:30 p.m. and 6:30 a.m. an
25 intertrack wagering licensee other than the host track may
26 receive supplemental interstate simulcasts only with the

1 consent of the host track, except when the Board finds that
2 the simulcast is clearly adverse to the integrity of
3 racing. Consent granted under this paragraph (2) to any
4 intertrack wagering licensee shall be deemed consent to all
5 non-host licensees. The interstate commission fee for the
6 supplemental interstate simulcast shall be paid by all
7 participating non-host licensees.

8 (3) Each licensee conducting interstate simulcast
9 wagering may retain, subject to the payment of all
10 applicable taxes and the purses, an amount not to exceed
11 17% of all money wagered. If any licensee conducts the
12 pari-mutuel system wagering on races conducted at
13 racetracks in another state or country, each such race or
14 race program shall be considered a separate racing day for
15 the purpose of determining the daily handle and computing
16 the privilege tax of that daily handle as provided in
17 subsection (a) of Section 27. Until January 1, 2000, from
18 the sums permitted to be retained pursuant to this
19 subsection, each intertrack wagering location licensee
20 shall pay 1% of the pari-mutuel handle wagered on simulcast
21 wagering to the Horse Racing Tax Allocation Fund, subject
22 to the provisions of subparagraph (B) of paragraph (11) of
23 subsection (h) of Section 26 of this Act.

24 (4) A licensee who receives an interstate simulcast may
25 combine its gross or net pools with pools at the sending
26 racetracks pursuant to rules established by the Board. All

1 licenses combining their gross pools at a sending
2 racetrack shall adopt the take-out percentages of the
3 sending racetrack. A licensee may also establish a separate
4 pool and takeout structure for wagering purposes on races
5 conducted at race tracks outside of the State of Illinois.
6 The licensee may permit pari-mutuel wagers placed in other
7 states or countries to be combined with its gross or net
8 wagering pools or other wagering pools.

9 (5) After the payment of the interstate commission fee
10 (except for the interstate commission fee on a supplemental
11 interstate simulcast, which shall be paid by the host track
12 and by each non-host licensee through the host-track) and
13 all applicable State and local taxes, except as provided in
14 subsection (g) of Section 27 of this Act, the remainder of
15 moneys retained from simulcast wagering pursuant to this
16 subsection (g), and Section 26.2 shall be divided as
17 follows:

18 (A) For interstate simulcast wagers made at a host
19 track, 50% to the host track and 50% to purses at the
20 host track.

21 (B) For wagers placed on interstate simulcast
22 races, supplemental simulcasts as defined in
23 subparagraphs (1) and (2), and separately pooled races
24 conducted outside of the State of Illinois made at a
25 non-host licensee, 25% to the host track, 25% to the
26 non-host licensee, and 50% to the purses at the host

1 track.

2 (6) Notwithstanding any provision in this Act to the
3 contrary, non-host licensees who derive their licenses
4 from a track located in a county with a population in
5 excess of 230,000 and that borders the Mississippi River
6 may receive supplemental interstate simulcast races at all
7 times subject to Board approval, which shall be withheld
8 only upon a finding that a supplemental interstate
9 simulcast is clearly adverse to the integrity of racing.

10 (7) Notwithstanding any provision of this Act to the
11 contrary, after payment of all applicable State and local
12 taxes and interstate commission fees, non-host licensees
13 who derive their licenses from a track located in a county
14 with a population in excess of 230,000 and that borders the
15 Mississippi River shall retain 50% of the retention from
16 interstate simulcast wagers and shall pay 50% to purses at
17 the track from which the non-host licensee derives its
18 license as follows:

19 (A) Between January 1 and the third Friday in
20 February, inclusive, if no live thoroughbred racing is
21 occurring in Illinois during this period, when the
22 interstate simulcast is a standardbred race, the purse
23 share to its standardbred purse account;

24 (B) Between January 1 and the third Friday in
25 February, inclusive, if no live thoroughbred racing is
26 occurring in Illinois during this period, and the

1 interstate simulcast is a thoroughbred race, the purse
2 share to its interstate simulcast purse pool to be
3 distributed under paragraph (10) of this subsection
4 (g);

5 (C) Between January 1 and the third Friday in
6 February, inclusive, if live thoroughbred racing is
7 occurring in Illinois, between 6:30 a.m. and 6:30 p.m.
8 the purse share from wagers made during this time
9 period to its thoroughbred purse account and between
10 6:30 p.m. and 6:30 a.m. the purse share from wagers
11 made during this time period to its standardbred purse
12 accounts;

13 (D) Between the third Saturday in February and
14 December 31, when the interstate simulcast occurs
15 between the hours of 6:30 a.m. and 6:30 p.m., the purse
16 share to its thoroughbred purse account;

17 (E) Between the third Saturday in February and
18 December 31, when the interstate simulcast occurs
19 between the hours of 6:30 p.m. and 6:30 a.m., the purse
20 share to its standardbred purse account.

21 (7.1) Notwithstanding any other provision of this Act
22 to the contrary, if no standardbred racing is conducted at
23 a racetrack located in Madison County during any calendar
24 year beginning on or after January 1, 2002, all moneys
25 derived by that racetrack from simulcast wagering and
26 inter-track wagering that (1) are to be used for purses and

1 (2) are generated between the hours of 6:30 p.m. and 6:30
2 a.m. during that calendar year shall be paid as follows:

3 (A) If the licensee that conducts horse racing at
4 that racetrack requests from the Board at least as many
5 racing dates as were conducted in calendar year 2000,
6 80% shall be paid to its thoroughbred purse account;
7 and

8 (B) Twenty percent shall be deposited into the
9 Illinois Colt Stakes Purse Distribution Fund and shall
10 be paid to purses for standardbred races for Illinois
11 conceived and foaled horses conducted at any county
12 fairgrounds. The moneys deposited into the Fund
13 pursuant to this subparagraph (B) shall be deposited
14 within 2 weeks after the day they were generated, shall
15 be in addition to and not in lieu of any other moneys
16 paid to standardbred purses under this Act, and shall
17 not be commingled with other moneys paid into that
18 Fund. The moneys deposited pursuant to this
19 subparagraph (B) shall be allocated as provided by the
20 Department of Agriculture, with the advice and
21 assistance of the Illinois Standardbred Breeders Fund
22 Advisory Board.

23 (7.2) Notwithstanding any other provision of this Act
24 to the contrary, if no thoroughbred racing is conducted at
25 a racetrack located in Madison County during any calendar
26 year beginning on or after January 1, 2002, all moneys

1 derived by that racetrack from simulcast wagering and
2 inter-track wagering that (1) are to be used for purses and
3 (2) are generated between the hours of 6:30 a.m. and 6:30
4 p.m. during that calendar year shall be deposited as
5 follows:

6 (A) If the licensee that conducts horse racing at
7 that racetrack requests from the Board at least as many
8 racing dates as were conducted in calendar year 2000,
9 80% shall be deposited into its standardbred purse
10 account; and

11 (B) Twenty percent shall be deposited into the
12 Illinois Colt Stakes Purse Distribution Fund. Moneys
13 deposited into the Illinois Colt Stakes Purse
14 Distribution Fund pursuant to this subparagraph (B)
15 may be used (i) at the discretion of the Department,
16 for drug testing as authorized in Section 34.3 of this
17 Act and for distribution to Illinois county fairs to
18 supplement premiums offered in junior classes and (ii)
19 by the Department of Agriculture for the purposes
20 identified in paragraphs (2), (2.5), (4), (4.1), (6),
21 (7), (8), and (9) of subsection (g) of Section 30,
22 subsection (e) of Section 30.5, paragraphs (1), (2),
23 (3), (5), and (8) of subsection (g) of Section 31, and
24 for standardbred bonus programs for owners of horses
25 that win multiple stakes races that are limited to
26 Illinois conceived and foaled horses. Any balance

1 shall be paid to Illinois conceived and foaled
2 thoroughbred breeders' programs and to thoroughbred
3 purses for races conducted at any county fairgrounds
4 for Illinois conceived and foaled horses at the
5 discretion of the Department of Agriculture, with the
6 advice and assistance of the Illinois Thoroughbred
7 Breeders Fund Advisory Board. The moneys deposited
8 into the Illinois Colt Stakes Purse Distribution Fund
9 pursuant to this subparagraph (B) shall be deposited
10 within 2 weeks after the day they were generated, shall
11 be in addition to and not in lieu of any other moneys
12 paid to thoroughbred purses under this Act, and shall
13 not be commingled with other moneys deposited into that
14 Fund. The Illinois Colt Stakes Purse Distribution Fund
15 is a non-appropriated trust fund. The Illinois Colt
16 Stakes Purse Distribution Fund shall not be subject to
17 sweeps, administrative charges, or charge backs,
18 including, but not limited to, those authorized under
19 Section 8h of the State Finance Act, or any other
20 fiscal or budgetary maneuver that would in any way
21 transfer any funds from the Illinois Colt Stakes Purse
22 Distribution Fund into any other fund of the State.

23 (7.3) If no live standardbred racing is conducted at a
24 racetrack located in Madison County in calendar year 2000
25 or 2001, an organization licensee who is licensed to
26 conduct horse racing at that racetrack shall, before

1 January 1, 2002, pay all moneys derived from simulcast
2 wagering and inter-track wagering in calendar years 2000
3 and 2001 and paid into the licensee's standardbred purse
4 account as follows:

5 (A) Eighty percent to that licensee's thoroughbred
6 purse account to be used for thoroughbred purses; and

7 (B) Twenty percent to the Illinois Colt Stakes
8 Purse Distribution Fund.

9 Failure to make the payment to the Illinois Colt Stakes
10 Purse Distribution Fund before January 1, 2002 shall result
11 in the immediate revocation of the licensee's organization
12 license, inter-track wagering license, and inter-track
13 wagering location license.

14 Moneys paid into the Illinois Colt Stakes Purse
15 Distribution Fund pursuant to this paragraph (7.3) shall be
16 paid to purses for standardbred races for Illinois
17 conceived and foaled horses conducted at any county
18 fairgrounds. Moneys paid into the Illinois Colt Stakes
19 Purse Distribution Fund pursuant to this paragraph (7.3)
20 shall be used as determined by the Department of
21 Agriculture, with the advice and assistance of the Illinois
22 Standardbred Breeders Fund Advisory Board, shall be in
23 addition to and not in lieu of any other moneys paid to
24 standardbred purses under this Act, and shall not be
25 commingled with any other moneys paid into that Fund.

26 (7.4) If live standardbred racing is conducted at a

1 racetrack located in Madison County at any time in calendar
2 year 2001 before the payment required under paragraph (7.3)
3 has been made, the organization licensee who is licensed to
4 conduct racing at that racetrack shall pay all moneys
5 derived by that racetrack from simulcast wagering and
6 inter-track wagering during calendar years 2000 and 2001
7 that (1) are to be used for purses and (2) are generated
8 between the hours of 6:30 p.m. and 6:30 a.m. during 2000 or
9 2001 to the standardbred purse account at that racetrack to
10 be used for standardbred purses.

11 (7.5) Notwithstanding any provision of this Act to the
12 contrary, if live standardbred racing and live
13 thoroughbred racing are both conducted at a racetrack
14 located in Madison County at any time in a calendar year,
15 all moneys derived by that racetrack from simulcast
16 wagering and inter-track wagering between the hours of 6:30
17 p.m. and 6:30 a.m. that are to be used for purses shall be
18 deposited as follows: 70% shall be paid to its thoroughbred
19 purse account and 30% shall be paid to its standardbred
20 purse account.

21 (8) Notwithstanding any provision in this Act to the
22 contrary, an organization licensee from a track located in
23 a county with a population in excess of 230,000 and that
24 borders the Mississippi River and its affiliated non-host
25 licensees shall not be entitled to share in any retention
26 generated on racing, inter-track wagering, or simulcast

1 waging at any other Illinois waging facility.

2 (8.1) Notwithstanding any provisions in this Act to the
3 contrary, if 2 organization licensees are conducting
4 standardbred race meetings concurrently between the hours
5 of 6:30 p.m. and 6:30 a.m., after payment of all applicable
6 State and local taxes and interstate commission fees, the
7 remainder of the amount retained from simulcast waging
8 otherwise attributable to the host track and to host track
9 purses shall be split daily between the 2 organization
10 licensees and the purses at the tracks of the 2
11 organization licensees, respectively, based on each
12 organization licensee's share of the total live handle for
13 that day, provided that this provision shall not apply to
14 any non-host licensee that derives its license from a track
15 located in a county with a population in excess of 230,000
16 and that borders the Mississippi River.

17 (9) (Blank).

18 (10) (Blank).

19 (11) (Blank).

20 (12) The Board shall have authority to compel all host
21 tracks to receive the simulcast of any or all races
22 conducted at the Springfield or DuQuoin State fairgrounds
23 and include all such races as part of their simulcast
24 programs.

25 (13) Notwithstanding any other provision of this Act,
26 in the event that the total Illinois pari-mutuel handle on

1 Illinois horse races at all wagering facilities in any
2 calendar year is less than 75% of the total Illinois
3 pari-mutuel handle on Illinois horse races at all such
4 wagering facilities for calendar year 1994, then each
5 wagering facility that has an annual total Illinois
6 pari-mutuel handle on Illinois horse races that is less
7 than 75% of the total Illinois pari-mutuel handle on
8 Illinois horse races at such wagering facility for calendar
9 year 1994, shall be permitted to receive, from any amount
10 otherwise payable to the purse account at the race track
11 with which the wagering facility is affiliated in the
12 succeeding calendar year, an amount equal to 2% of the
13 differential in total Illinois pari-mutuel handle on
14 Illinois horse races at the wagering facility between that
15 calendar year in question and 1994 provided, however, that
16 a wagering facility shall not be entitled to any such
17 payment until the Board certifies in writing to the
18 wagering facility the amount to which the wagering facility
19 is entitled and a schedule for payment of the amount to the
20 wagering facility, based on: (i) the racing dates awarded
21 to the race track affiliated with the wagering facility
22 during the succeeding year; (ii) the sums available or
23 anticipated to be available in the purse account of the
24 race track affiliated with the wagering facility for purses
25 during the succeeding year; and (iii) the need to ensure
26 reasonable purse levels during the payment period. The

1 Board's certification shall be provided no later than
2 January 31 of the succeeding year. In the event a wagering
3 facility entitled to a payment under this paragraph (13) is
4 affiliated with a race track that maintains purse accounts
5 for both standardbred and thoroughbred racing, the amount
6 to be paid to the wagering facility shall be divided
7 between each purse account pro rata, based on the amount of
8 Illinois handle on Illinois standardbred and thoroughbred
9 racing respectively at the wagering facility during the
10 previous calendar year. Annually, the General Assembly
11 shall appropriate sufficient funds from the General
12 Revenue Fund to the Department of Agriculture for payment
13 into the thoroughbred and standardbred horse racing purse
14 accounts at Illinois pari-mutuel tracks. The amount paid to
15 each purse account shall be the amount certified by the
16 Illinois Racing Board in January to be transferred from
17 each account to each eligible racing facility in accordance
18 with the provisions of this Section. For the calendar year
19 in which an organization licensee that is eligible to
20 receive a payment under this paragraph (13) begins
21 conducting electronic gaming pursuant to an electronic
22 gaming license, the amount of that payment shall be reduced
23 by a percentage equal to the percentage of the year
24 remaining after the organization licensee begins
25 conducting electronic gaming pursuant to its electronic
26 gaming license. An organization licensee shall no longer be

1 able to receive payments under this paragraph (13)
2 beginning on the January 1 first occurring after the
3 licensee begins conducting electronic gaming pursuant to
4 an electronic gaming license issued under Section 7.7 of
5 the Illinois Gambling Act.

6 (h) The Board may approve and license the conduct of
7 inter-track wagering and simulcast wagering by inter-track
8 wagering licensees and inter-track wagering location licensees
9 subject to the following terms and conditions:

10 (1) Any person licensed to conduct a race meeting (i)
11 at a track where 60 or more days of racing were conducted
12 during the immediately preceding calendar year or where
13 over the 5 immediately preceding calendar years an average
14 of 30 or more days of racing were conducted annually may be
15 issued an inter-track wagering license; (ii) at a track
16 located in a county that is bounded by the Mississippi
17 River, which has a population of less than 150,000
18 according to the 1990 decennial census, and an average of
19 at least 60 days of racing per year between 1985 and 1993
20 may be issued an inter-track wagering license; or (iii) at
21 a track located in Madison County that conducted at least
22 100 days of live racing during the immediately preceding
23 calendar year may be issued an inter-track wagering
24 license, unless a lesser schedule of live racing is the
25 result of (A) weather, unsafe track conditions, or other
26 acts of God; (B) an agreement between the organization

1 licensee and the associations representing the largest
2 number of owners, trainers, jockeys, or standardbred
3 drivers who race horses at that organization licensee's
4 racing meeting; or (C) a finding by the Board of
5 extraordinary circumstances and that it was in the best
6 interest of the public and the sport to conduct fewer than
7 100 days of live racing. Any such person having operating
8 control of the racing facility may also receive up to 6
9 inter-track wagering location licenses. In no event shall
10 more than 6 inter-track wagering locations be established
11 for each eligible race track, except that an eligible race
12 track located in a county that has a population of more
13 than 230,000 and that is bounded by the Mississippi River
14 may establish up to 7 inter-track wagering locations. An
15 application for said license shall be filed with the Board
16 prior to such dates as may be fixed by the Board. With an
17 application for an inter-track wagering location license
18 there shall be delivered to the Board a certified check or
19 bank draft payable to the order of the Board for an amount
20 equal to \$500. The application shall be on forms prescribed
21 and furnished by the Board. The application shall comply
22 with all other rules, regulations and conditions imposed by
23 the Board in connection therewith.

24 (2) The Board shall examine the applications with
25 respect to their conformity with this Act and the rules and
26 regulations imposed by the Board. If found to be in

1 compliance with the Act and rules and regulations of the
2 Board, the Board may then issue a license to conduct
3 inter-track wagering and simulcast wagering to such
4 applicant. All such applications shall be acted upon by the
5 Board at a meeting to be held on such date as may be fixed
6 by the Board.

7 (3) In granting licenses to conduct inter-track
8 wagering and simulcast wagering, the Board shall give due
9 consideration to the best interests of the public, of horse
10 racing, and of maximizing revenue to the State.

11 (4) Prior to the issuance of a license to conduct
12 inter-track wagering and simulcast wagering, the applicant
13 shall file with the Board a bond payable to the State of
14 Illinois in the sum of \$50,000, executed by the applicant
15 and a surety company or companies authorized to do business
16 in this State, and conditioned upon (i) the payment by the
17 licensee of all taxes due under Section 27 or 27.1 and any
18 other monies due and payable under this Act, and (ii)
19 distribution by the licensee, upon presentation of the
20 winning ticket or tickets, of all sums payable to the
21 patrons of pari-mutuel pools.

22 (5) Each license to conduct inter-track wagering and
23 simulcast wagering shall specify the person to whom it is
24 issued, the dates on which such wagering is permitted, and
25 the track or location where the wagering is to be
26 conducted.

1 (6) All wagering under such license is subject to this
2 Act and to the rules and regulations from time to time
3 prescribed by the Board, and every such license issued by
4 the Board shall contain a recital to that effect.

5 (7) An inter-track wagering licensee or inter-track
6 wagering location licensee may accept wagers at the track
7 or location where it is licensed, or as otherwise provided
8 under this Act.

9 (8) Inter-track wagering or simulcast wagering shall
10 not be conducted at any track less than 5 miles from a
11 track at which a racing meeting is in progress.

12 (8.1) Inter-track wagering location licensees who
13 derive their licenses from a particular organization
14 licensee shall conduct inter-track wagering and simulcast
15 wagering only at locations which are either within 90 miles
16 of that race track where the particular organization
17 licensee is licensed to conduct racing, or within 135 miles
18 of that race track where the particular organization
19 licensee is licensed to conduct racing in the case of race
20 tracks in counties of less than 400,000 that were operating
21 on or before June 1, 1986. However, inter-track wagering
22 and simulcast wagering shall not be conducted by those
23 licensees at any location within 5 miles of any race track
24 at which a horse race meeting has been licensed in the
25 current year, unless the person having operating control of
26 such race track has given its written consent to such

1 inter-track wagering location licensees, which consent
2 must be filed with the Board at or prior to the time
3 application is made.

4 (8.2) Inter-track wagering or simulcast wagering shall
5 not be conducted by an inter-track wagering location
6 licensee at any location within 500 feet of an existing
7 church or existing school, nor within 500 feet of the
8 residences of more than 50 registered voters without
9 receiving written permission from a majority of the
10 registered voters at such residences. Such written
11 permission statements shall be filed with the Board. The
12 distance of 500 feet shall be measured to the nearest part
13 of any building used for worship services, education
14 programs, residential purposes, or conducting inter-track
15 wagering by an inter-track wagering location licensee, and
16 not to property boundaries. However, inter-track wagering
17 or simulcast wagering may be conducted at a site within 500
18 feet of a church, school or residences of 50 or more
19 registered voters if such church, school or residences have
20 been erected or established, or such voters have been
21 registered, after the Board issues the original
22 inter-track wagering location license at the site in
23 question. Inter-track wagering location licensees may
24 conduct inter-track wagering and simulcast wagering only
25 in areas that are zoned for commercial or manufacturing
26 purposes or in areas for which a special use has been

1 approved by the local zoning authority. However, no license
2 to conduct inter-track wagering and simulcast wagering
3 shall be granted by the Board with respect to any
4 inter-track wagering location within the jurisdiction of
5 any local zoning authority which has, by ordinance or by
6 resolution, prohibited the establishment of an inter-track
7 wagering location within its jurisdiction. However,
8 inter-track wagering and simulcast wagering may be
9 conducted at a site if such ordinance or resolution is
10 enacted after the Board licenses the original inter-track
11 wagering location licensee for the site in question.

12 (9) (Blank).

13 (10) An inter-track wagering licensee or an
14 inter-track wagering location licensee may retain, subject
15 to the payment of the privilege taxes and the purses, an
16 amount not to exceed 17% of all money wagered. Each program
17 of racing conducted by each inter-track wagering licensee
18 or inter-track wagering location licensee shall be
19 considered a separate racing day for the purpose of
20 determining the daily handle and computing the privilege
21 tax or pari-mutuel tax on such daily handle as provided in
22 Section 27.

23 (10.1) Except as provided in subsection (g) of Section
24 27 of this Act, inter-track wagering location licensees
25 shall pay 1% of the pari-mutuel handle at each location to
26 the municipality in which such location is situated and 1%

1 of the pari-mutuel handle at each location to the county in
2 which such location is situated. In the event that an
3 inter-track wagering location licensee is situated in an
4 unincorporated area of a county, such licensee shall pay 2%
5 of the pari-mutuel handle from such location to such
6 county.

7 (10.2) Notwithstanding any other provision of this
8 Act, with respect to intertrack wagering at a race track
9 located in a county that has a population of more than
10 230,000 and that is bounded by the Mississippi River ("the
11 first race track"), or at a facility operated by an
12 inter-track wagering licensee or inter-track wagering
13 location licensee that derives its license from the
14 organization licensee that operates the first race track,
15 on races conducted at the first race track or on races
16 conducted at another Illinois race track and
17 simultaneously televised to the first race track or to a
18 facility operated by an inter-track wagering licensee or
19 inter-track wagering location licensee that derives its
20 license from the organization licensee that operates the
21 first race track, those moneys shall be allocated as
22 follows:

23 (A) That portion of all moneys wagered on
24 standardbred racing that is required under this Act to
25 be paid to purses shall be paid to purses for
26 standardbred races.

1 (B) That portion of all moneys wagered on
2 thoroughbred racing that is required under this Act to
3 be paid to purses shall be paid to purses for
4 thoroughbred races.

5 (11) (A) After payment of the privilege or pari-mutuel
6 tax, any other applicable taxes, and the costs and expenses
7 in connection with the gathering, transmission, and
8 dissemination of all data necessary to the conduct of
9 inter-track wagering, the remainder of the monies retained
10 under either Section 26 or Section 26.2 of this Act by the
11 inter-track wagering licensee on inter-track wagering
12 shall be allocated with 50% to be split between the 2
13 participating licensees and 50% to purses, except that an
14 intertrack wagering licensee that derives its license from
15 a track located in a county with a population in excess of
16 230,000 and that borders the Mississippi River shall not
17 divide any remaining retention with the Illinois
18 organization licensee that provides the race or races, and
19 an intertrack wagering licensee that accepts wagers on
20 races conducted by an organization licensee that conducts a
21 race meet in a county with a population in excess of
22 230,000 and that borders the Mississippi River shall not
23 divide any remaining retention with that organization
24 licensee.

25 (B) From the sums permitted to be retained pursuant to
26 paragraph (10) of this subsection (h), ~~this Act~~ each

1 inter-track wagering location licensee shall pay the
2 following:

3 (i) the privilege or pari-mutuel tax to the State;

4 (ii) the following percentages ~~4.75%~~ of the
5 pari-mutuel handle on intertrack wagering at such
6 location on races as purses, except that an intertrack
7 wagering location licensee that derives its license
8 from a track located in a county with a population in
9 excess of 230,000 and that borders the Mississippi
10 River shall retain all purse moneys for its own purse
11 account consistent with distribution set forth in this
12 subsection (h), and intertrack wagering location
13 licensees that accept wagers on races conducted by an
14 organization licensee located in a county with a
15 population in excess of 230,000 and that borders the
16 Mississippi River shall distribute all purse moneys to
17 purses at the operating host track:

18 (I) until 6 months after the organizational
19 licensee from which the inter-track wagering
20 location licensee derives its license begins
21 conducting electronic gaming, 4.75%;

22 (II) beginning 6 months after the
23 organizational licensee from which the inter-track
24 wagering location licensee derives its license
25 begins conducting electronic gaming and until 12
26 months after that date, 5.75%; and

1 (III) beginning 12 months after the
2 organizational licensee from which the inter-track
3 wagering location licensee derives its license
4 begins conducting electronic gaming, 6.75%;

5 (iii) until January 1, 2000, except as provided in
6 subsection (g) of Section 27 of this Act, 1% of the
7 pari-mutuel handle wagered on inter-track wagering and
8 simulcast wagering at each inter-track wagering
9 location licensee facility to the Horse Racing Tax
10 Allocation Fund, provided that, to the extent the total
11 amount collected and distributed to the Horse Racing
12 Tax Allocation Fund under this subsection (h) during
13 any calendar year exceeds the amount collected and
14 distributed to the Horse Racing Tax Allocation Fund
15 during calendar year 1994, that excess amount shall be
16 redistributed (I) to all inter-track wagering location
17 licensees, based on each licensee's pro-rata share of
18 the total handle from inter-track wagering and
19 simulcast wagering for all inter-track wagering
20 location licensees during the calendar year in which
21 this provision is applicable; then (II) the amounts
22 redistributed to each inter-track wagering location
23 licensee as described in subpart (I) shall be further
24 redistributed as provided in subparagraph (B) of
25 paragraph (5) of subsection (g) of this Section 26
26 provided first, that the shares of those amounts, which

1 are to be redistributed to the host track or to purses
2 at the host track under subparagraph (B) of paragraph
3 (5) of subsection (g) of this Section 26 shall be
4 redistributed based on each host track's pro rata share
5 of the total inter-track wagering and simulcast
6 wagering handle at all host tracks during the calendar
7 year in question, and second, that any amounts
8 redistributed as described in part (I) to an
9 inter-track wagering location licensee that accepts
10 wagers on races conducted by an organization licensee
11 that conducts a race meet in a county with a population
12 in excess of 230,000 and that borders the Mississippi
13 River shall be further redistributed as provided in
14 subparagraphs (D) and (E) of paragraph (7) of
15 subsection (g) of this Section 26, with the portion of
16 that further redistribution allocated to purses at
17 that organization licensee to be divided between
18 standardbred purses and thoroughbred purses based on
19 the amounts otherwise allocated to purses at that
20 organization licensee during the calendar year in
21 question; and

22 (iv) the following percentages ~~8%~~ of the
23 pari-mutuel handle on inter-track wagering wagered at
24 such location to satisfy all costs and expenses of
25 conducting its wagering. The remainder of the monies
26 retained by the inter-track wagering location licensee

1 shall be allocated 40% to the location licensee and 60%
2 to the organization licensee which provides the
3 Illinois races to the location, except that an
4 intertrack wagering location licensee that derives its
5 license from a track located in a county with a
6 population in excess of 230,000 and that borders the
7 Mississippi River shall not divide any remaining
8 retention with the organization licensee that provides
9 the race or races and an intertrack wagering location
10 licensee that accepts wagers on races conducted by an
11 organization licensee that conducts a race meet in a
12 county with a population in excess of 230,000 and that
13 borders the Mississippi River shall not divide any
14 remaining retention with the organization licensee:

15 (I) until 6 months after the organizational
16 licensee from which the inter-track wagering
17 location licensee derives its license begins
18 conducting electronic gaming, 8%;

19 (II) beginning 6 months after the
20 organizational licensee from which the inter-track
21 wagering location licensee derives its license
22 begins conducting electronic gaming and until 12
23 months after that date, 7.5%; and

24 (III) beginning 12 months after the
25 organizational licensee from which the inter-track
26 wagering location licensee derives its license

1 begins conducting electronic gaming, 6.75%.

2 Notwithstanding the provisions of clauses (ii) and
3 (iv) of this paragraph, in the case of the additional
4 inter-track wagering location licenses authorized under
5 paragraph (1) of this subsection (h) by this amendatory Act
6 of 1991, those licensees shall pay the percentage of the
7 pari-mutuel handle required under clause (ii) of this
8 paragraph (B) following amounts as purses. ~~The : during the~~
9 ~~first 12 months the licensee is in operation, 5.25% of the~~
10 ~~pari-mutuel handle wagered at the location on races; during~~
11 ~~the second 12 months, 5.25%; during the third 12 months,~~
12 ~~5.75%; during the fourth 12 months, 6.25%; and during the~~
13 ~~fifth 12 months and thereafter, 6.75%. The following~~
14 ~~amounts shall be retained by the licensee~~ shall retain the
15 percentage of the pari-mutuel handle required under clause
16 (iv) of this paragraph (B) to satisfy all costs and
17 expenses of conducting its wagering: ~~during the first 12~~
18 ~~months the licensee is in operation, 8.25% of the~~
19 ~~pari mutuel handle wagered at the location; during the~~
20 ~~second 12 months, 8.25%; during the third 12 months, 7.75%;~~
21 ~~during the fourth 12 months, 7.25%; and during the fifth 12~~
22 ~~months and thereafter, 6.75%. For additional intertrack~~
23 wagering location licensees authorized under Public Act
24 89-16, after all taxes are paid, of the remainder, 50%
25 shall be retained by the licensee and 50% shall be paid to
26 purses. ~~this amendatory Act of 1995, purses for the first~~

1 ~~12 months the licensee is in operation shall be 5.75% of~~
2 ~~the pari-mutuel wagered at the location, purses for the~~
3 ~~second 12 months the licensee is in operation shall be~~
4 ~~6.25%, and purses thereafter shall be 6.75%. For additional~~
5 ~~intertrack location licensees authorized under this~~
6 ~~amendatory Act of 1995, the licensee shall be allowed to~~
7 ~~retain to satisfy all costs and expenses: 7.75% of the~~
8 ~~pari-mutuel handle wagered at the location during its first~~
9 ~~12 months of operation, 7.25% during its second 12 months~~
10 ~~of operation, and 6.75% thereafter.~~

11 (C) There is hereby created the Horse Racing Tax
12 Allocation Fund which shall remain in existence until
13 December 31, 1999. Moneys remaining in the Fund after
14 December 31, 1999 shall be paid into the General Revenue
15 Fund. Until January 1, 2000, all monies paid into the Horse
16 Racing Tax Allocation Fund pursuant to this paragraph (11)
17 by inter-track wagering location licensees located in park
18 districts of 500,000 population or less, or in a
19 municipality that is not included within any park district
20 but is included within a conservation district and is the
21 county seat of a county that (i) is contiguous to the state
22 of Indiana and (ii) has a 1990 population of 88,257
23 according to the United States Bureau of the Census, and
24 operating on May 1, 1994 shall be allocated by
25 appropriation as follows:

26 Two-sevenths to the Department of Agriculture.

1 Fifty percent of this two-sevenths shall be used to
2 promote the Illinois horse racing and breeding
3 industry, and shall be distributed by the Department of
4 Agriculture upon the advice of a 9-member committee
5 appointed by the Governor consisting of the following
6 members: the Director of Agriculture, who shall serve
7 as chairman; 2 representatives of organization
8 licensees conducting thoroughbred race meetings in
9 this State, recommended by those licensees; 2
10 representatives of organization licensees conducting
11 standardbred race meetings in this State, recommended
12 by those licensees; a representative of the Illinois
13 Thoroughbred Breeders and Owners Foundation,
14 recommended by that Foundation; a representative of
15 the Illinois Standardbred Owners and Breeders
16 Association, recommended by that Association; a
17 representative of the Horsemen's Benevolent and
18 Protective Association or any successor organization
19 thereto established in Illinois comprised of the
20 largest number of owners and trainers, recommended by
21 that Association or that successor organization; and a
22 representative of the Illinois Harness Horsemen's
23 Association, recommended by that Association.
24 Committee members shall serve for terms of 2 years,
25 commencing January 1 of each even-numbered year. If a
26 representative of any of the above-named entities has

1 not been recommended by January 1 of any even-numbered
2 year, the Governor shall appoint a committee member to
3 fill that position. Committee members shall receive no
4 compensation for their services as members but shall be
5 reimbursed for all actual and necessary expenses and
6 disbursements incurred in the performance of their
7 official duties. The remaining 50% of this
8 two-sevenths shall be distributed to county fairs for
9 premiums and rehabilitation as set forth in the
10 Agricultural Fair Act;

11 Four-sevenths to park districts or municipalities
12 that do not have a park district of 500,000 population
13 or less for museum purposes (if an inter-track wagering
14 location licensee is located in such a park district)
15 or to conservation districts for museum purposes (if an
16 inter-track wagering location licensee is located in a
17 municipality that is not included within any park
18 district but is included within a conservation
19 district and is the county seat of a county that (i) is
20 contiguous to the state of Indiana and (ii) has a 1990
21 population of 88,257 according to the United States
22 Bureau of the Census, except that if the conservation
23 district does not maintain a museum, the monies shall
24 be allocated equally between the county and the
25 municipality in which the inter-track wagering
26 location licensee is located for general purposes) or

1 to a municipal recreation board for park purposes (if
2 an inter-track wagering location licensee is located
3 in a municipality that is not included within any park
4 district and park maintenance is the function of the
5 municipal recreation board and the municipality has a
6 1990 population of 9,302 according to the United States
7 Bureau of the Census); provided that the monies are
8 distributed to each park district or conservation
9 district or municipality that does not have a park
10 district in an amount equal to four-sevenths of the
11 amount collected by each inter-track wagering location
12 licensee within the park district or conservation
13 district or municipality for the Fund. Monies that were
14 paid into the Horse Racing Tax Allocation Fund before
15 the effective date of this amendatory Act of 1991 by an
16 inter-track wagering location licensee located in a
17 municipality that is not included within any park
18 district but is included within a conservation
19 district as provided in this paragraph shall, as soon
20 as practicable after the effective date of this
21 amendatory Act of 1991, be allocated and paid to that
22 conservation district as provided in this paragraph.
23 Any park district or municipality not maintaining a
24 museum may deposit the monies in the corporate fund of
25 the park district or municipality where the
26 inter-track wagering location is located, to be used

1 for general purposes; and

2 One-seventh to the Agricultural Premium Fund to be
3 used for distribution to agricultural home economics
4 extension councils in accordance with "An Act in
5 relation to additional support and finances for the
6 Agricultural and Home Economic Extension Councils in
7 the several counties of this State and making an
8 appropriation therefor", approved July 24, 1967.

9 Until January 1, 2000, all other monies paid into the
10 Horse Racing Tax Allocation Fund pursuant to this paragraph
11 (11) shall be allocated by appropriation as follows:

12 Two-sevenths to the Department of Agriculture.
13 Fifty percent of this two-sevenths shall be used to
14 promote the Illinois horse racing and breeding
15 industry, and shall be distributed by the Department of
16 Agriculture upon the advice of a 9-member committee
17 appointed by the Governor consisting of the following
18 members: the Director of Agriculture, who shall serve
19 as chairman; 2 representatives of organization
20 licensees conducting thoroughbred race meetings in
21 this State, recommended by those licensees; 2
22 representatives of organization licensees conducting
23 standardbred race meetings in this State, recommended
24 by those licensees; a representative of the Illinois
25 Thoroughbred Breeders and Owners Foundation,
26 recommended by that Foundation; a representative of

1 the Illinois Standardbred Owners and Breeders
2 Association, recommended by that Association; a
3 representative of the Horsemen's Benevolent and
4 Protective Association or any successor organization
5 thereto established in Illinois comprised of the
6 largest number of owners and trainers, recommended by
7 that Association or that successor organization; and a
8 representative of the Illinois Harness Horsemen's
9 Association, recommended by that Association.
10 Committee members shall serve for terms of 2 years,
11 commencing January 1 of each even-numbered year. If a
12 representative of any of the above-named entities has
13 not been recommended by January 1 of any even-numbered
14 year, the Governor shall appoint a committee member to
15 fill that position. Committee members shall receive no
16 compensation for their services as members but shall be
17 reimbursed for all actual and necessary expenses and
18 disbursements incurred in the performance of their
19 official duties. The remaining 50% of this
20 two-sevenths shall be distributed to county fairs for
21 premiums and rehabilitation as set forth in the
22 Agricultural Fair Act;

23 Four-sevenths to museums and aquariums located in
24 park districts of over 500,000 population; provided
25 that the monies are distributed in accordance with the
26 previous year's distribution of the maintenance tax

1 for such museums and aquariums as provided in Section 2
2 of the Park District Aquarium and Museum Act; and

3 One-seventh to the Agricultural Premium Fund to be
4 used for distribution to agricultural home economics
5 extension councils in accordance with "An Act in
6 relation to additional support and finances for the
7 Agricultural and Home Economic Extension Councils in
8 the several counties of this State and making an
9 appropriation therefor", approved July 24, 1967. This
10 subparagraph (C) shall be inoperative and of no force
11 and effect on and after January 1, 2000.

12 (D) Except as provided in paragraph (11) of this
13 subsection (h), with respect to purse allocation from
14 intertrack wagering, the monies so retained shall be
15 divided as follows:

16 (i) If the inter-track wagering licensee,
17 except an intertrack wagering licensee that
18 derives its license from an organization licensee
19 located in a county with a population in excess of
20 230,000 and bounded by the Mississippi River, is
21 not conducting its own race meeting during the same
22 dates, then the entire purse allocation shall be to
23 purses at the track where the races wagered on are
24 being conducted.

25 (ii) If the inter-track wagering licensee,
26 except an intertrack wagering licensee that

1 derives its license from an organization licensee
2 located in a county with a population in excess of
3 230,000 and bounded by the Mississippi River, is
4 also conducting its own race meeting during the
5 same dates, then the purse allocation shall be as
6 follows: 50% to purses at the track where the races
7 wagered on are being conducted; 50% to purses at
8 the track where the inter-track wagering licensee
9 is accepting such wagers.

10 (iii) If the inter-track wagering is being
11 conducted by an inter-track wagering location
12 licensee, except an intertrack wagering location
13 licensee that derives its license from an
14 organization licensee located in a county with a
15 population in excess of 230,000 and bounded by the
16 Mississippi River, the entire purse allocation for
17 Illinois races shall be to purses at the track
18 where the race meeting being wagered on is being
19 held.

20 (12) The Board shall have all powers necessary and
21 proper to fully supervise and control the conduct of
22 inter-track wagering and simulcast wagering by inter-track
23 wagering licensees and inter-track wagering location
24 licensees, including, but not limited to the following:

25 (A) The Board is vested with power to promulgate
26 reasonable rules and regulations for the purpose of

1 administering the conduct of this wagering and to
2 prescribe reasonable rules, regulations and conditions
3 under which such wagering shall be held and conducted.
4 Such rules and regulations are to provide for the
5 prevention of practices detrimental to the public
6 interest and for the best interests of said wagering
7 and to impose penalties for violations thereof.

8 (B) The Board, and any person or persons to whom it
9 delegates this power, is vested with the power to enter
10 the facilities of any licensee to determine whether
11 there has been compliance with the provisions of this
12 Act and the rules and regulations relating to the
13 conduct of such wagering.

14 (C) The Board, and any person or persons to whom it
15 delegates this power, may eject or exclude from any
16 licensee's facilities, any person whose conduct or
17 reputation is such that his presence on such premises
18 may, in the opinion of the Board, call into the
19 question the honesty and integrity of, or interfere
20 with the orderly conduct of such wagering; provided,
21 however, that no person shall be excluded or ejected
22 from such premises solely on the grounds of race,
23 color, creed, national origin, ancestry, or sex.

24 (D) (Blank).

25 (E) The Board is vested with the power to appoint
26 delegates to execute any of the powers granted to it

1 under this Section for the purpose of administering
2 this wagering and any rules and regulations
3 promulgated in accordance with this Act.

4 (F) The Board shall name and appoint a State
5 director of this wagering who shall be a representative
6 of the Board and whose duty it shall be to supervise
7 the conduct of inter-track wagering as may be provided
8 for by the rules and regulations of the Board; such
9 rules and regulation shall specify the method of
10 appointment and the Director's powers, authority and
11 duties.

12 (G) The Board is vested with the power to impose
13 civil penalties of up to \$5,000 against individuals and
14 up to \$10,000 against licensees for each violation of
15 any provision of this Act relating to the conduct of
16 this wagering, any rules adopted by the Board, any
17 order of the Board or any other action which in the
18 Board's discretion, is a detriment or impediment to
19 such wagering.

20 (13) The Department of Agriculture may enter into
21 agreements with licensees authorizing such licensees to
22 conduct inter-track wagering on races to be held at the
23 licensed race meetings conducted by the Department of
24 Agriculture. Such agreement shall specify the races of the
25 Department of Agriculture's licensed race meeting upon
26 which the licensees will conduct wagering. In the event

1 that a licensee conducts inter-track pari-mutuel wagering
2 on races from the Illinois State Fair or DuQuoin State Fair
3 which are in addition to the licensee's previously approved
4 racing program, those races shall be considered a separate
5 racing day for the purpose of determining the daily handle
6 and computing the privilege or pari-mutuel tax on that
7 daily handle as provided in Sections 27 and 27.1. Such
8 agreements shall be approved by the Board before such
9 wagering may be conducted. In determining whether to grant
10 approval, the Board shall give due consideration to the
11 best interests of the public and of horse racing. The
12 provisions of paragraphs (1), (8), (8.1), and (8.2) of
13 subsection (h) of this Section which are not specified in
14 this paragraph (13) shall not apply to licensed race
15 meetings conducted by the Department of Agriculture at the
16 Illinois State Fair in Sangamon County or the DuQuoin State
17 Fair in Perry County, or to any wagering conducted on those
18 race meetings.

19 (i) Notwithstanding the other provisions of this Act, the
20 conduct of wagering at wagering facilities is authorized on all
21 days, except as limited by subsection (b) of Section 19 of this
22 Act.

23 (Source: P.A. 91-40, eff. 6-25-99; 92-211, eff. 8-2-01.)

24 (230 ILCS 5/26.1) (from Ch. 8, par. 37-26.1)

25 Sec. 26.1. For all pari-mutuel wagering conducted pursuant

1 to this Act, breakage shall be at all times computed on the
2 basis of not to exceed 10¢ on the dollar. If there is a minus
3 pool, the breakage shall be computed on the basis of not to
4 exceed 5¢ on the dollar. Breakage shall be calculated only
5 after the amounts retained by licensees pursuant to Sections 26
6 and 26.2 of this Act, and all applicable surcharges, are taken
7 out of winning wagers and winnings from wagers. ~~From Beginning~~
8 January 1, 2000 until the first day electronic gaming is
9 conducted by an organization licensee, all breakage shall be
10 retained by licensees, with 50% of breakage to be used by
11 licensees for racetrack improvements at the racetrack from
12 which the wagering facility derives its license. The remaining
13 50% is to be allocated 50% to the purse account for the
14 licensee from which the wagering facility derives its license
15 and 50% to the licensee. Beginning on the first day electronic
16 gaming is conducted by an organization licensee, all breakage
17 shall be retained by licensees, with 50% of breakage to be used
18 by licensees for racetrack improvements at the racetrack from
19 which the wagering facility derives its license. The remaining
20 50% is to be allocated to the purse account for the licensee
21 from which the wagering facility derives its license.

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

23 (230 ILCS 5/27) (from Ch. 8, par. 37-27)

24 Sec. 27. (a) Beginning on the date an organization licensee
25 begins conducting electronic gaming pursuant to an electronic

1 gaming license, the following pari-mutuel tax is imposed upon
2 an organization licensee on Illinois races at that licensee's
3 race track as follows:

4 1.5% of the pari-mutuel handle at or below the average
5 daily pari-mutuel handle for 2007.

6 2% of the pari-mutuel handle above the average daily
7 pari-mutuel handle for 2007 up to 125% of the average daily
8 pari-mutuel handle for 2007.

9 2.5% of the pari-mutuel handle 125% or more above the
10 average daily pari-mutuel handle for 2007 up to 150% of the
11 average daily pari-mutuel handle for 2007.

12 3% of the pari-mutuel handle 150% or more above the
13 average daily pari-mutuel handle for 2007 up to 175% of the
14 average daily pari-mutuel handle for 2007.

15 3.5% of the pari-mutuel handle 175% or more above the
16 average daily pari-mutuel handle for 2007.

17 The pari-mutuel tax imposed by this subsection (a) shall be
18 remitted to the Board within 48 hours after the close of the
19 racing day upon which it is assessed or within such other time
20 as the Board prescribes. In addition to the organization
21 license fee provided by this Act, until January 1, 2000, a
22 graduated privilege tax is hereby imposed for conducting the
23 pari-mutuel system of wagering permitted under this Act. Until
24 January 1, 2000, except as provided in subsection (g) of
25 Section 27 of this Act, all of the breakage of each racing day
26 held by any licensee in the State shall be paid to the State.

1 ~~Until January 1, 2000, such daily graduated privilege tax shall~~
2 ~~be paid by the licensee from the amount permitted to be~~
3 ~~retained under this Act. Until January 1, 2000, each day's~~
4 ~~graduated privilege tax, breakage, and Horse Racing Tax~~
5 ~~Allocation funds shall be remitted to the Department of Revenue~~
6 ~~within 48 hours after the close of the racing day upon which it~~
7 ~~is assessed or within such other time as the Board prescribes.~~
8 ~~The privilege tax hereby imposed, until January 1, 2000, shall~~
9 ~~be a flat tax at the rate of 2% of the daily pari mutuel handle~~
10 ~~except as provided in Section 27.1.~~

11 ~~In addition, every organization licensee, except as~~
12 ~~provided in Section 27.1 of this Act, which conducts multiple~~
13 ~~wagering shall pay, until January 1, 2000, as a privilege tax~~
14 ~~on multiple wagers an amount equal to 1.25% of all moneys~~
15 ~~wagered each day on such multiple wagers, plus an additional~~
16 ~~amount equal to 3.5% of the amount wagered each day on any~~
17 ~~other multiple wager which involves a single betting interest~~
18 ~~on 3 or more horses. The licensee shall remit the amount of~~
19 ~~such taxes to the Department of Revenue within 48 hours after~~
20 ~~the close of the racing day on which it is assessed or within~~
21 ~~such other time as the Board prescribes.~~

22 ~~This subsection (a) shall be inoperative and of no force~~
23 ~~and effect on and after January 1, 2000.~~

24 ~~(a-5) Except as provided in this subsection (a-5) and~~
25 ~~subsection (a) of this Section, Beginning on January 1, 2000, a~~
26 ~~flat pari-mutuel tax at the rate of 1.5% of the daily~~

1 pari-mutuel handle is imposed on ~~at~~ all pari-mutuel wagering
2 ~~facilities, except as otherwise provided for in this subsection~~
3 ~~(a-5)~~. Until an organization licensee located in a county that
4 borders the Mississippi River and conducted live racing in the
5 previous year begins conducting electronic gaming pursuant an
6 electronic gaming license ~~Beginning on the effective date of~~
7 ~~this amendatory Act of the 94th General Assembly and until~~
8 ~~moneys deposited pursuant to Section 54 are distributed and~~
9 ~~received~~, a pari-mutuel tax at the rate of 0.25% of the daily
10 pari-mutuel handle is imposed on ~~at~~ a pari-mutuel wagering
11 conducted by that licensee facility whose license is derived
12 ~~from a track located in a county that borders the Mississippi~~
13 ~~River and conducted live racing in the previous year.~~ When an
14 organization licensee located in a county that borders the
15 Mississippi River and conducted live racing in the previous
16 year begins conducting electronic gaming pursuant an
17 electronic gaming license ~~After moneys deposited pursuant to~~
18 ~~Section 54 are distributed and received~~, a pari-mutuel tax at
19 the rate of 1.5% of the daily pari-mutuel handle is imposed on
20 ~~at~~ a pari-mutuel wagering conducted by that licensee facility
21 ~~whose license is derived from a track located in a county that~~
22 ~~borders the Mississippi River and conducted live racing in the~~
23 ~~previous year~~. The pari-mutuel tax imposed by this subsection
24 (a-5) shall be remitted to the Department of Revenue within 48
25 hours after the close of the racing day upon which it is
26 assessed or within such other time as the Board prescribes.

1 (b) On or before December 31, 1999, in the event that any
2 organization licensee conducts 2 separate programs of races on
3 any day, each such program shall be considered a separate
4 racing day for purposes of determining the daily handle and
5 computing the privilege tax on such daily handle as provided in
6 subsection (a) of this Section.

7 (c) Licensees shall at all times keep accurate books and
8 records of all monies wagered on each day of a race meeting and
9 of the taxes paid to the Department of Revenue under the
10 provisions of this Section. The Board or its duly authorized
11 representative or representatives shall at all reasonable
12 times have access to such records for the purpose of examining
13 and checking the same and ascertaining whether the proper
14 amount of taxes is being paid as provided. The Board shall
15 require verified reports and a statement of the total of all
16 monies wagered daily at each wagering facility upon which the
17 taxes are assessed and may prescribe forms upon which such
18 reports and statement shall be made.

19 (d) Any licensee failing or refusing to pay the amount of
20 any tax due under this Section shall be guilty of a business
21 offense and upon conviction shall be fined not more than \$5,000
22 in addition to the amount found due as tax under this Section.
23 Each day's violation shall constitute a separate offense. All
24 fines paid into Court by a licensee hereunder shall be
25 transmitted and paid over by the Clerk of the Court to the
26 Board.

1 (e) No other license fee, privilege tax, excise tax, or
2 racing fee, except as provided in this Act, shall be assessed
3 or collected from any such licensee by the State.

4 (f) No other license fee, privilege tax, excise tax or
5 racing fee shall be assessed or collected from any such
6 licensee by units of local government except as provided in
7 paragraph 10.1 of subsection (h) and subsection (f) of Section
8 26 of this Act. However, any municipality that has a Board
9 licensed horse race meeting at a race track wholly within its
10 corporate boundaries or a township that has a Board licensed
11 horse race meeting at a race track wholly within the
12 unincorporated area of the township may charge a local
13 amusement tax not to exceed 10¢ per admission to such horse
14 race meeting by the enactment of an ordinance. However, any
15 municipality or county that has a Board licensed inter-track
16 wagering location facility wholly within its corporate
17 boundaries may each impose an admission fee not to exceed \$1.00
18 per admission to such inter-track wagering location facility,
19 so that a total of not more than \$2.00 per admission may be
20 imposed. Except as provided in subparagraph (g) of Section 27
21 of this Act, the inter-track wagering location licensee shall
22 collect any and all such fees and within 48 hours remit the
23 fees to the Board, which shall, pursuant to rule, cause the
24 fees to be distributed to the county or municipality.

25 (g) Notwithstanding any provision in this Act to the
26 contrary, if in any calendar year the total taxes and fees from

1 wagering on live racing and from inter-track wagering required
2 to be collected from licensees and distributed under this Act
3 to all State and local governmental authorities exceeds the
4 amount of such taxes and fees distributed to each State and
5 local governmental authority to which each State and local
6 governmental authority was entitled under this Act for calendar
7 year 1994, then the first \$11 million of that excess amount
8 shall be allocated at the earliest possible date for
9 distribution as purse money for the succeeding calendar year.
10 Upon reaching the 1994 level, and until the excess amount of
11 taxes and fees exceeds \$11 million, the Board shall direct all
12 licensees to cease paying the subject taxes and fees and the
13 Board shall direct all licensees to allocate any such excess
14 amount for purses as follows:

15 (i) the excess amount shall be initially divided
16 between thoroughbred and standardbred purses based on the
17 thoroughbred's and standardbred's respective percentages
18 of total Illinois live wagering in calendar year 1994;

19 (ii) each thoroughbred and standardbred organization
20 licensee issued an organization licensee in that
21 succeeding allocation year shall be allocated an amount
22 equal to the product of its percentage of total Illinois
23 live thoroughbred or standardbred wagering in calendar
24 year 1994 (the total to be determined based on the sum of
25 1994 on-track wagering for all organization licensees
26 issued organization licenses in both the allocation year

1 and the preceding year) multiplied by the total amount
2 allocated for standardbred or thoroughbred purses,
3 provided that the first \$1,500,000 of the amount allocated
4 to standardbred purses under item (i) shall be allocated to
5 the Department of Agriculture to be expended with the
6 assistance and advice of the Illinois Standardbred
7 Breeders Funds Advisory Board for the purposes listed in
8 subsection (g) of Section 31 of this Act, before the amount
9 allocated to standardbred purses under item (i) is
10 allocated to standardbred organization licensees in the
11 succeeding allocation year.

12 To the extent the excess amount of taxes and fees to be
13 collected and distributed to State and local governmental
14 authorities exceeds \$11 million, that excess amount shall be
15 collected and distributed to State and local authorities as
16 provided for under this Act.

17 (Source: P.A. 94-805, eff. 5-26-06.)

18 (230 ILCS 5/28.1)

19 Sec. 28.1. Payments.

20 (a) Beginning on January 1, 2000, moneys collected by the
21 Department of Revenue and the Racing Board pursuant to Section
22 26 or Section 27 of this Act shall be deposited into the Horse
23 Racing Fund, which is hereby created as a non-appropriated
24 trust ~~special~~ fund in the State Treasury.

25 The Horse Racing Fund shall not be subject to sweeps,

1 administrative charges, or charge backs, including, but not
2 limited to, those authorized under Section 8h of the State
3 Finance Act, or any other fiscal or budgetary maneuver that
4 would in any way transfer any funds from the Horse Racing Fund
5 into any other fund of the State, except as provided in
6 subsection (c).

7 (b) Appropriations, as approved by the General Assembly,
8 may be made from the Horse Racing Fund to the Board to pay the
9 salaries of the Board members, secretary, stewards, directors
10 of mutuels, veterinarians, representatives, accountants,
11 clerks, stenographers, inspectors and other employees of the
12 Board, and all expenses of the Board incident to the
13 administration of this Act, including, but not limited to, all
14 expenses and salaries incident to the taking of saliva and
15 urine samples in accordance with the rules and regulations of
16 the Board.

17 (c) Beginning on January 1, 2000, the Board shall transfer
18 the remainder of the funds generated pursuant to Sections 26
19 and 27 from the Horse Racing Fund into the General Revenue
20 Fund.

21 (d) Beginning January 1, 2000, payments to all programs in
22 existence on the effective date of this amendatory Act of 1999
23 that are identified in Sections 26(c), 26(f), 26(h)(11)(C), and
24 28, subsections (a), (b), (c), (d), (e), (f), (g), and (h) of
25 Section 30, and subsections (a), (b), (c), (d), (e), (f), (g),
26 and (h) of Section 31 shall be made from the General Revenue

1 Fund at the funding levels determined by amounts paid under
2 this Act in calendar year 1998. Beginning on the effective date
3 of this amendatory Act of the 93rd General Assembly, payments
4 to the Peoria Park District shall be made from the General
5 Revenue Fund at the funding level determined by amounts paid to
6 that park district for museum purposes under this Act in
7 calendar year 1994. Beginning on the effective date of this
8 amendatory Act of the 94th General Assembly, in lieu of
9 payments to the Champaign Park District for museum purposes,
10 payments to the Urbana Park District shall be made from the
11 General Revenue Fund at the funding level determined by amounts
12 paid to the Champaign Park District for museum purposes under
13 this Act in calendar year 2005.

14 (e) Beginning July 1, 2006, the payment authorized under
15 subsection (d) to museums and aquariums located in park
16 districts of over 500,000 population shall be paid to museums,
17 aquariums, and zoos in amounts determined by Museums in the
18 Park, an association of museums, aquariums, and zoos located on
19 Chicago Park District property.

20 (f) Beginning July 1, 2007, the Children's Discovery Museum
21 in Normal, Illinois shall receive payments from the General
22 Revenue Fund at the funding level determined by the amounts
23 paid to the Miller Park Zoo in Bloomington, Illinois under this
24 Section in calendar year 2006.

25 (g) Notwithstanding any other provision of this Act to the
26 contrary, moneys paid into the Illinois Colt Stakes

1 Distribution Fund may be distributed by the Department of
2 Agriculture to Illinois county fairs to supplement premiums
3 offered in junior classes.

4 (Source: P.A. 94-813, eff. 5-26-06; 95-222, eff. 8-16-07.)

5 (230 ILCS 5/30) (from Ch. 8, par. 37-30)

6 Sec. 30. (a) The General Assembly declares that it is the
7 policy of this State to encourage the breeding of thoroughbred
8 horses in this State and the ownership of such horses by
9 residents of this State in order to provide for: sufficient
10 numbers of high quality thoroughbred horses to participate in
11 thoroughbred racing meetings in this State, and to establish
12 and preserve the agricultural and commercial benefits of such
13 breeding and racing industries to the State of Illinois. It is
14 the intent of the General Assembly to further this policy by
15 the provisions of this Act.

16 (b) Each organization licensee conducting a thoroughbred
17 racing meeting pursuant to this Act shall provide at least two
18 races each day limited to Illinois conceived and foaled horses
19 or Illinois foaled horses or both. A minimum of 6 races shall
20 be conducted each week limited to Illinois conceived and foaled
21 or Illinois foaled horses or both. Subject to the daily
22 availability of horses, one of the 6 races scheduled per week
23 that are limited to Illinois conceived and foaled or Illinois
24 foaled horses or both shall be limited to Illinois conceived
25 and foaled or Illinois foaled maidens. No horses shall be

1 permitted to start in such races unless duly registered under
2 the rules of the Department of Agriculture.

3 (c) Conditions of races under subsection (b) shall be
4 commensurate with past performance, quality, and class of
5 Illinois conceived and foaled and Illinois foaled horses
6 available. If, however, sufficient competition cannot be had
7 among horses of that class on any day, the races may, with
8 consent of the Board, be eliminated for that day and substitute
9 races provided.

10 (d) There is hereby created a non-appropriated trust
11 ~~special~~ fund of the State Treasury to be known as the Illinois
12 Thoroughbred Breeders Fund.

13 Except as provided in subsection (g) of Section 27 of this
14 Act, 8.5% of all the monies received by the State as privilege
15 taxes on Thoroughbred racing meetings shall be paid into the
16 Illinois Thoroughbred Breeders Fund. The Illinois Thoroughbred
17 Breeders Fund shall not be subject to sweeps, administrative
18 charges, or charge backs, including, but not limited to, those
19 authorized under Section 8h of the State Finance Act, or any
20 other fiscal or budgetary maneuver that would in any way
21 transfer any funds from the Illinois Thoroughbred Breeders Fund
22 into any other fund of the State.

23 (e) The Illinois Thoroughbred Breeders Fund shall be
24 administered by the Department of Agriculture with the advice
25 and assistance of the Advisory Board created in subsection (f)
26 of this Section.

1 (f) The Illinois Thoroughbred Breeders Fund Advisory Board
2 shall consist of the Director of the Department of Agriculture,
3 who shall serve as Chairman; a member of the Illinois Racing
4 Board, designated by it; 2 representatives of the organization
5 licensees conducting thoroughbred racing meetings, recommended
6 by them; 2 representatives of the Illinois Thoroughbred
7 Breeders and Owners Foundation, recommended by it; and 2
8 representatives of the Horsemen's Benevolent Protective
9 Association or any successor organization established in
10 Illinois comprised of the largest number of owners and
11 trainers, recommended by it, with one representative of the
12 Horsemen's Benevolent and Protective Association to come from
13 its Illinois Division, and one from its Chicago Division.
14 Advisory Board members shall serve for 2 years commencing
15 January 1 of each odd numbered year. If representatives of the
16 organization licensees conducting thoroughbred racing
17 meetings, the Illinois Thoroughbred Breeders and Owners
18 Foundation, and the Horsemen's Benevolent Protection
19 Association have not been recommended by January 1, of each odd
20 numbered year, the Director of the Department of Agriculture
21 shall make an appointment for the organization failing to so
22 recommend a member of the Advisory Board. Advisory Board
23 members shall receive no compensation for their services as
24 members but shall be reimbursed for all actual and necessary
25 expenses and disbursements incurred in the execution of their
26 official duties.

1 (g) Moneys in ~~No monies shall be expended from the Illinois~~
2 ~~Thoroughbred Breeders Fund except as appropriated by the~~
3 ~~General Assembly. Monies appropriated from~~ the Illinois
4 Thoroughbred Breeders Fund shall be expended by the Department
5 of Agriculture, with the advice and assistance of the Illinois
6 Thoroughbred Breeders Fund Advisory Board, for the following
7 purposes only:

8 (1) To provide purse supplements to owners of horses
9 participating in races limited to Illinois conceived and
10 foaled and Illinois foaled horses. Any such purse
11 supplements shall not be included in and shall be paid in
12 addition to any purses, stakes, or breeders' awards offered
13 by each organization licensee as determined by agreement
14 between such organization licensee and an organization
15 representing the horsemen. No monies from the Illinois
16 Thoroughbred Breeders Fund shall be used to provide purse
17 supplements for claiming races in which the minimum
18 claiming price is less than \$7,500.

19 (2) To provide stakes and awards to be paid to the
20 owners of the winning horses in certain races limited to
21 Illinois conceived and foaled and Illinois foaled horses
22 designated as stakes races.

23 (2.5) To provide an award to the owner or owners of an
24 Illinois conceived and foaled or Illinois foaled horse that
25 wins a maiden special weight, an allowance, overnight
26 handicap race, or claiming race with claiming price of

1 \$10,000 or more providing the race is not restricted to
2 Illinois conceived and foaled or Illinois foaled horses.
3 Awards shall also be provided to the owner or owners of
4 Illinois conceived and foaled and Illinois foaled horses
5 that place second or third in those races. To the extent
6 that additional moneys are required to pay the minimum
7 additional awards of 40% of the purse the horse earns for
8 placing first, second or third in those races for Illinois
9 foaled horses and of 60% of the purse the horse earns for
10 placing first, second or third in those races for Illinois
11 conceived and foaled horses, those moneys shall be provided
12 from the purse account at the track where earned.

13 (3) To provide stallion awards to the owner or owners
14 of any stallion that is duly registered with the Illinois
15 Thoroughbred Breeders Fund Program ~~prior to the effective~~
16 ~~date of this amendatory Act of 1995~~ whose duly registered
17 Illinois conceived and foaled offspring wins a race
18 conducted at an Illinois thoroughbred racing meeting other
19 than a claiming race. Such award shall not be paid to the
20 owner or owners of an Illinois stallion that served outside
21 this State at any time during the calendar year in which
22 such race was conducted.

23 (4) To provide \$75,000 annually for purses to be
24 distributed to county fairs that provide for the running of
25 races during each county fair exclusively for the
26 thoroughbreds conceived and foaled in Illinois. The

1 conditions of the races shall be developed by the county
2 fair association and reviewed by the Department with the
3 advice and assistance of the Illinois Thoroughbred
4 Breeders Fund Advisory Board. There shall be no wagering of
5 any kind on the running of Illinois conceived and foaled
6 races at county fairs.

7 (4.1) To provide purse money for an Illinois stallion
8 stakes program.

9 (5) No less than 80% of all monies appropriated from
10 the Illinois Thoroughbred Breeders Fund shall be expended
11 for the purposes in (1), (2), (2.5), (3), (4), (4.1), and
12 (5) as shown above.

13 (6) To provide for educational programs regarding the
14 thoroughbred breeding industry.

15 (7) To provide for research programs concerning the
16 health, development and care of the thoroughbred horse.

17 (8) To provide for a scholarship and training program
18 for students of equine veterinary medicine.

19 (9) To provide for dissemination of public information
20 designed to promote the breeding of thoroughbred horses in
21 Illinois.

22 (10) To provide for all expenses incurred in the
23 administration of the Illinois Thoroughbred Breeders Fund.

24 (h) Whenever the Governor finds that the amount in the
25 Illinois Thoroughbred Breeders Fund is more than the total of
26 the outstanding appropriations from such fund, the Governor

1 shall notify the State Comptroller and the State Treasurer of
2 such fact. The Comptroller and the State Treasurer, upon
3 receipt of such notification, shall transfer such excess amount
4 from the Illinois Thoroughbred Breeders Fund to the General
5 Revenue Fund.

6 (i) A sum equal to 17% ~~12-1/2%~~ of the first prize money of
7 every purse won by an Illinois foaled or an Illinois conceived
8 and foaled horse in races not limited to Illinois foaled horses
9 or Illinois conceived and foaled horses, or both, shall be paid
10 by the organization licensee conducting the horse race meeting.
11 Such sum shall be paid from the organization licensee's share
12 of the money wagered as follows: 15% ~~11-1/2%~~ to the breeder of
13 the winning horse and 2% ~~1%~~ to the organization representing
14 thoroughbred breeders and owners whose representative serves
15 on the Illinois Thoroughbred Breeders Fund Advisory Board for
16 verifying the amounts of breeders' awards earned, assuring
17 their distribution in accordance with this Act, and servicing
18 and promoting the Illinois thoroughbred horse racing industry.
19 The organization representing thoroughbred breeders and owners
20 shall cause all expenditures of monies received under this
21 subsection (i) to be audited at least annually by a registered
22 public accountant. The organization shall file copies of each
23 annual audit with the Racing Board, the Clerk of the House of
24 Representatives and the Secretary of the Senate, and shall make
25 copies of each annual audit available to the public upon
26 request and upon payment of the reasonable cost of photocopying

1 the requested number of copies. Such payments shall not reduce
2 any award to the owner of the horse or reduce the taxes payable
3 under this Act. Upon completion of its racing meet, each
4 organization licensee shall deliver to the organization
5 representing thoroughbred breeders and owners whose
6 representative serves on the Illinois Thoroughbred Breeders
7 Fund Advisory Board a listing of all the Illinois foaled and
8 the Illinois conceived and foaled horses which won breeders'
9 awards and the amount of such breeders' awards under this
10 subsection to verify accuracy of payments and assure proper
11 distribution of breeders' awards in accordance with the
12 provisions of this Act. Such payments shall be delivered by the
13 organization licensee within 30 days of the end of each race
14 meeting.

15 (j) A sum equal to 17% ~~12 1/2%~~ of the first prize money won
16 in each race limited to Illinois foaled horses or Illinois
17 conceived and foaled horses, or both, shall be paid in the
18 following manner by the organization licensee conducting the
19 horse race meeting, from the organization licensee's share of
20 the money wagered: 15% ~~11 1/2%~~ to the breeders of the horses in
21 each such race which are the official first, second, third and
22 fourth finishers and 2% ~~1%~~ to the organization representing
23 thoroughbred breeders and owners whose representative serves
24 on the Illinois Thoroughbred Breeders Fund Advisory Board for
25 verifying the amounts of breeders' awards earned, assuring
26 their proper distribution in accordance with this Act, and

1 servicing and promoting the Illinois thoroughbred horse racing
2 industry. The organization representing thoroughbred breeders
3 and owners shall cause all expenditures of monies received
4 under this subsection (j) to be audited at least annually by a
5 registered public accountant. The organization shall file
6 copies of each annual audit with the Racing Board, the Clerk of
7 the House of Representatives and the Secretary of the Senate,
8 and shall make copies of each annual audit available to the
9 public upon request and upon payment of the reasonable cost of
10 photocopying the requested number of copies.

11 The 17% ~~11 1/2%~~ paid to the breeders in accordance with
12 this subsection shall be distributed as follows:

13 (1) 60% of such sum shall be paid to the breeder of the
14 horse which finishes in the official first position;

15 (2) 20% of such sum shall be paid to the breeder of the
16 horse which finishes in the official second position;

17 (3) 15% of such sum shall be paid to the breeder of the
18 horse which finishes in the official third position; and

19 (4) 5% of such sum shall be paid to the breeder of the
20 horse which finishes in the official fourth position.

21 Such payments shall not reduce any award to the owners of a
22 horse or reduce the taxes payable under this Act. Upon
23 completion of its racing meet, each organization licensee shall
24 deliver to the organization representing thoroughbred breeders
25 and owners whose representative serves on the Illinois
26 Thoroughbred Breeders Fund Advisory Board a listing of all the

1 Illinois foaled and the Illinois conceived and foaled horses
2 which won breeders' awards and the amount of such breeders'
3 awards in accordance with the provisions of this Act. Such
4 payments shall be delivered by the organization licensee within
5 30 days of the end of each race meeting.

6 (k) The term "breeder", as used herein, means the owner of
7 the mare at the time the foal is dropped. An "Illinois foaled
8 horse" is a foal dropped by a mare which enters this State on
9 or before December 1, in the year in which the horse is bred,
10 provided the mare remains continuously in this State until its
11 foal is born. An "Illinois foaled horse" also means a foal born
12 of a mare in the same year as the mare enters this State on or
13 before March 1, and remains in this State at least 30 days
14 after foaling, is bred back during the season of the foaling to
15 an Illinois Registered Stallion (unless a veterinarian
16 certifies that the mare should not be bred for health reasons),
17 and is not bred to a stallion standing in any other state
18 during the season of foaling. An "Illinois foaled horse" also
19 means a foal born in Illinois of a mare purchased at public
20 auction subsequent to the mare entering this State prior to
21 March 1 ~~February 1~~ of the foaling year providing the mare is
22 owned solely by one or more Illinois residents or an Illinois
23 entity that is entirely owned by one or more Illinois
24 residents.

25 (l) The Department of Agriculture shall, by rule, with the
26 advice and assistance of the Illinois Thoroughbred Breeders

1 Fund Advisory Board:

2 (1) Qualify stallions for Illinois breeding; such
3 stallions to stand for service within the State of Illinois
4 at the time of a foal's conception. Such stallion must not
5 stand for service at any place outside the State of
6 Illinois during the calendar year in which the foal is
7 conceived. The Department of Agriculture may assess and
8 collect an application fee of up to \$500 ~~fees~~ for the
9 registration of each Illinois-eligible stallion ~~stallions~~.
10 All fees collected are to be paid into the Illinois
11 Thoroughbred Breeders Fund and with the advice and
12 assistance of the Illinois Thoroughbred Breeders Fund
13 Advisory Board shall be used for stallion awards.

14 (2) Provide for the registration of Illinois conceived
15 and foaled horses and Illinois foaled horses. No such horse
16 shall compete in the races limited to Illinois conceived
17 and foaled horses or Illinois foaled horses or both unless
18 registered with the Department of Agriculture. The
19 Department of Agriculture may prescribe such forms as are
20 necessary to determine the eligibility of such horses. The
21 Department of Agriculture may assess and collect
22 application fees for the registration of Illinois-eligible
23 foals. All fees collected are to be paid into the Illinois
24 Thoroughbred Breeders Fund. No person shall knowingly
25 prepare or cause preparation of an application for
26 registration of such foals containing false information.

1 (m) The Department of Agriculture, with the advice and
2 assistance of the Illinois Thoroughbred Breeders Fund Advisory
3 Board, shall provide that certain races limited to Illinois
4 conceived and foaled and Illinois foaled horses be stakes races
5 and determine the total amount of stakes and awards to be paid
6 to the owners of the winning horses in such races.

7 In determining the stakes races and the amount of awards
8 for such races, the Department of Agriculture shall consider
9 factors, including but not limited to, the amount of money
10 appropriated for the Illinois Thoroughbred Breeders Fund
11 program, organization licensees' contributions, availability
12 of stakes caliber horses as demonstrated by past performances,
13 whether the race can be coordinated into the proposed racing
14 dates within organization licensees' racing dates, opportunity
15 for colts and fillies and various age groups to race, public
16 wagering on such races, and the previous racing schedule.

17 (n) The Board and the organizational licensee shall notify
18 the Department of the conditions and minimum purses for races
19 limited to Illinois conceived and foaled and Illinois foaled
20 horses conducted for each organizational licensee conducting a
21 thoroughbred racing meeting. The Department of Agriculture
22 with the advice and assistance of the Illinois Thoroughbred
23 Breeders Fund Advisory Board may allocate monies for purse
24 supplements for such races. In determining whether to allocate
25 money and the amount, the Department of Agriculture shall
26 consider factors, including but not limited to, the amount of

1 money appropriated for the Illinois Thoroughbred Breeders Fund
2 program, the number of races that may occur, and the
3 organizational licensee's purse structure.

4 (o) (Blank). ~~In order to improve the breeding quality of~~
5 ~~thoroughbred horses in the State, the General Assembly~~
6 ~~recognizes that existing provisions of this Section to~~
7 ~~encourage such quality breeding need to be revised and~~
8 ~~strengthened. As such, a Thoroughbred Breeder's Program Task~~
9 ~~Force is to be appointed by the Governor by September 1, 1999~~
10 ~~to make recommendations to the General Assembly by no later~~
11 ~~than March 1, 2000. This task force is to be composed of 2~~
12 ~~representatives from the Illinois Thoroughbred Breeders and~~
13 ~~Owners Foundation, 2 from the Illinois Thoroughbred Horsemen's~~
14 ~~Association, 3 from Illinois race tracks operating~~
15 ~~thoroughbred race meets for an average of at least 30 days in~~
16 ~~the past 3 years, the Director of Agriculture, the Executive~~
17 ~~Director of the Racing Board, who shall serve as Chairman.~~

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

19 (230 ILCS 5/30.5)

20 Sec. 30.5. Illinois Quarter Horse Breeders Fund.

21 (a) The General Assembly declares that it is the policy of
22 this State to encourage the breeding of racing quarter horses
23 in this State and the ownership of such horses by residents of
24 this State in order to provide for sufficient numbers of high
25 quality racing quarter horses in this State and to establish

1 and preserve the agricultural and commercial benefits of such
2 breeding and racing industries to the State of Illinois. It is
3 the intent of the General Assembly to further this policy by
4 the provisions of this Act.

5 (b) There is hereby created a non-appropriated trust
6 ~~special~~ fund in the State Treasury to be known as the Illinois
7 Racing Quarter Horse Breeders Fund. Except as provided in
8 subsection (g) of Section 27 of this Act, 8.5% of all the
9 moneys received by the State as pari-mutuel taxes on quarter
10 horse racing shall be paid into the Illinois Racing Quarter
11 Horse Breeders Fund. The Illinois Racing Quarter Horse Breeders
12 Fund shall not be subject to sweeps, administrative charges, or
13 charge backs, including, but not limited to, those authorized
14 under Section 8h of the State Finance Act, or any other fiscal
15 or budgetary maneuver that would in any way transfer any funds
16 from the Illinois Racing Quarter Horse Breeders Fund into any
17 other fund of the State.

18 (c) The Illinois Racing Quarter Horse Breeders Fund shall
19 be administered by the Department of Agriculture with the
20 advice and assistance of the Advisory Board created in
21 subsection (d) of this Section.

22 (d) The Illinois Racing Quarter Horse Breeders Fund
23 Advisory Board shall consist of the Director of the Department
24 of Agriculture, who shall serve as Chairman; a member of the
25 Illinois Racing Board, designated by it; one representative of
26 the organization licensees conducting pari-mutuel quarter

1 horse racing meetings, recommended by them; 2 representatives
2 of the Illinois Running Quarter Horse Association, recommended
3 by it; and the Superintendent of Fairs and Promotions from the
4 Department of Agriculture. Advisory Board members shall serve
5 for 2 years commencing January 1 of each odd numbered year. If
6 representatives have not been recommended by January 1 of each
7 odd numbered year, the Director of the Department of
8 Agriculture may make an appointment for the organization
9 failing to so recommend a member of the Advisory Board.
10 Advisory Board members shall receive no compensation for their
11 services as members but may be reimbursed for all actual and
12 necessary expenses and disbursements incurred in the execution
13 of their official duties.

14 (e) ~~No moneys shall be expended from the Illinois Racing~~
15 ~~Quarter Horse Breeders Fund except as appropriated by the~~
16 ~~General Assembly. Moneys in appropriated from the Illinois~~
17 Racing Quarter Horse Breeders Fund shall be expended by the
18 Department of Agriculture, with the advice and assistance of
19 the Illinois Racing Quarter Horse Breeders Fund Advisory Board,
20 for the following purposes only:

21 (1) To provide stakes and awards to be paid to the
22 owners of the winning horses in certain races. This
23 provision is limited to Illinois conceived and foaled
24 horses.

25 (2) To provide an award to the owner or owners of an
26 Illinois conceived and foaled horse that wins a race when

1 pari-mutuel wagering is conducted; providing the race is
2 not restricted to Illinois conceived and foaled horses.

3 (3) To provide purse money for an Illinois stallion
4 stakes program.

5 (4) To provide for purses to be distributed for the
6 running of races during the Illinois State Fair and the
7 DuQuoin State Fair exclusively for quarter horses
8 conceived and foaled in Illinois.

9 (5) To provide for purses to be distributed for the
10 running of races at Illinois county fairs exclusively for
11 quarter horses conceived and foaled in Illinois.

12 (6) To provide for purses to be distributed for running
13 races exclusively for quarter horses conceived and foaled
14 in Illinois at locations in Illinois determined by the
15 Department of Agriculture with advice and consent of the
16 Racing Quarter Horse Breeders Fund Advisory Board.

17 (7) No less than 90% of all moneys appropriated from
18 the Illinois Racing Quarter Horse Breeders Fund shall be
19 expended for the purposes in items (1), (2), (3), (4), and
20 (5) of this subsection (e).

21 (8) To provide for research programs concerning the
22 health, development, and care of racing quarter horses.

23 (9) To provide for dissemination of public information
24 designed to promote the breeding of racing quarter horses
25 in Illinois.

26 (10) To provide for expenses incurred in the

1 administration of the Illinois Racing Quarter Horse
2 Breeders Fund.

3 (f) The Department of Agriculture shall, by rule, with the
4 advice and assistance of the Illinois Racing Quarter Horse
5 Breeders Fund Advisory Board:

6 (1) Qualify stallions for Illinois breeding; such
7 stallions to stand for service within the State of
8 Illinois, at the time of a foal's conception. Such stallion
9 must not stand for service at any place outside the State
10 of Illinois during the calendar year in which the foal is
11 conceived. The Department of Agriculture may assess and
12 collect application fees for the registration of
13 Illinois-eligible stallions. All fees collected are to be
14 paid into the Illinois Racing Quarter Horse Breeders Fund.

15 (2) Provide for the registration of Illinois conceived
16 and foaled horses. No such horse shall compete in the races
17 limited to Illinois conceived and foaled horses unless it
18 is registered with the Department of Agriculture. The
19 Department of Agriculture may prescribe such forms as are
20 necessary to determine the eligibility of such horses. The
21 Department of Agriculture may assess and collect
22 application fees for the registration of Illinois-eligible
23 foals. All fees collected are to be paid into the Illinois
24 Racing Quarter Horse Breeders Fund. No person shall
25 knowingly prepare or cause preparation of an application
26 for registration of such foals that contains false

1 information.

2 (3) Allow 150 days after the effective date of this
3 amendatory Act of the 95th General Assembly to grandfather
4 any quarter horse conceived and foaled in Illinois into the
5 Illinois Racing Quarter Horse Breeders Fund Program of the
6 Illinois Department of Agriculture.

7 (g) The Department of Agriculture, with the advice and
8 assistance of the Illinois Racing Quarter Horse Breeders Fund
9 Advisory Board, shall provide that certain races limited to
10 Illinois conceived and foaled be stakes races and determine the
11 total amount of stakes and awards to be paid to the owners of
12 the winning horses in such races.

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

14 (230 ILCS 5/31) (from Ch. 8, par. 37-31)

15 Sec. 31. (a) The General Assembly declares that it is the
16 policy of this State to encourage the breeding of standardbred
17 horses in this State and the ownership of such horses by
18 residents of this State in order to provide for: sufficient
19 numbers of high quality standardbred horses to participate in
20 harness racing meetings in this State, and to establish and
21 preserve the agricultural and commercial benefits of such
22 breeding and racing industries to the State of Illinois. It is
23 the intent of the General Assembly to further this policy by
24 the provisions of this Section of this Act.

25 (b) Each organization licensee conducting a harness racing

1 meeting pursuant to this Act shall provide for at least two
2 races each race program limited to Illinois conceived and
3 foaled horses. A minimum of 6 races shall be conducted each
4 week limited to Illinois conceived and foaled horses. No horses
5 shall be permitted to start in such races unless duly
6 registered under the rules of the Department of Agriculture.

7 (b-5) Each organization licensee conducting a harness
8 racing meeting pursuant to this Act shall provide stakes races
9 and early closer races for Illinois conceived and foaled horses
10 so the total purses distributed for such races shall be no less
11 than an amount equal to (i) the total of the horsemen's
12 payments and entry fees, plus (ii) 17% of the total purses
13 distributed at the meeting.

14 (b-10) Each organization licensee conducting a harness
15 racing meeting pursuant to this Act shall provide an owner
16 award to be paid from the purse account equal to 25% of the
17 amount earned by Illinois conceived and foaled horses in races
18 that are not restricted to Illinois conceived and foaled
19 horses.

20 (c) Conditions of races under subsection (b) shall be
21 commensurate with past performance, quality and class of
22 Illinois conceived and foaled horses available. If, however,
23 sufficient competition cannot be had among horses of that class
24 on any day, the races may, with consent of the Board, be
25 eliminated for that day and substitute races provided.

26 (d) There is hereby created a non-appropriated trust

1 ~~special~~ fund of the State Treasury to be known as the Illinois
2 Standardbred Breeders Fund. The Illinois Standardbred Breeders
3 Fund shall not be subject to sweeps, administrative charges, or
4 charge backs, including, but not limited to, those authorized
5 under Section 8h of the State Finance Act, or any other fiscal
6 or budgetary maneuver that would in any way transfer any funds
7 from the Illinois Standardbred Breeders Fund into any other
8 fund of the State.

9 During the calendar year 1981, and each year thereafter,
10 except as provided in subsection (g) of Section 27 of this Act,
11 eight and one-half per cent of all the monies received by the
12 State as privilege taxes on harness racing meetings shall be
13 paid into the Illinois Standardbred Breeders Fund.

14 (e) The Illinois Standardbred Breeders Fund shall be
15 administered by the Department of Agriculture with the
16 assistance and advice of the Advisory Board created in
17 subsection (f) of this Section.

18 (f) The Illinois Standardbred Breeders Fund Advisory Board
19 is hereby created. The Advisory Board shall consist of the
20 Director of the Department of Agriculture, who shall serve as
21 Chairman; the Superintendent of the Illinois State Fair; a
22 member of the Illinois Racing Board, designated by it; a
23 representative of the Illinois Standardbred Owners and
24 Breeders Association, recommended by it; a representative of
25 the Illinois Association of Agricultural Fairs, recommended by
26 it, such representative to be from a fair at which Illinois

1 conceived and foaled racing is conducted; a representative of
2 the organization licensees conducting harness racing meetings,
3 recommended by them and a representative of the Illinois
4 Harness Horsemen's Association, recommended by it. Advisory
5 Board members shall serve for 2 years commencing January 1, of
6 each odd numbered year. If representatives of the Illinois
7 Standardbred Owners and Breeders Associations, the Illinois
8 Association of Agricultural Fairs, the Illinois Harness
9 Horsemen's Association, and the organization licensees
10 conducting harness racing meetings have not been recommended by
11 January 1, of each odd numbered year, the Director of the
12 Department of Agriculture shall make an appointment for the
13 organization failing to so recommend a member of the Advisory
14 Board. Advisory Board members shall receive no compensation for
15 their services as members but shall be reimbursed for all
16 actual and necessary expenses and disbursements incurred in the
17 execution of their official duties.

18 (g) ~~No monies shall be expended from the Illinois~~
19 ~~Standardbred Breeders Fund except as appropriated by the~~
20 ~~General Assembly. Monies in appropriated from the Illinois~~
21 Standardbred Breeders Fund shall be expended by the Department
22 of Agriculture, with the assistance and advice of the Illinois
23 Standardbred Breeders Fund Advisory Board for the following
24 purposes only:

- 25 1. To provide purses for races limited to Illinois
26 conceived and foaled horses at the State Fair and the

1 DuQuoin State Fair.

2 2. To provide purses for races limited to Illinois
3 conceived and foaled horses at county fairs.

4 3. To provide purse supplements for races limited to
5 Illinois conceived and foaled horses conducted by
6 associations conducting harness racing meetings.

7 4. No less than 75% of all monies in the Illinois
8 Standardbred Breeders Fund shall be expended for purses in
9 1, 2 and 3 as shown above.

10 4.5. To provide for bonus programs to pay owners of
11 horses that win multiple stake races that are restricted to
12 Illinois conceived and foaled horses.

13 5. In the discretion of the Department of Agriculture
14 to provide awards to harness breeders of Illinois conceived
15 and foaled horses which win races conducted by organization
16 licensees conducting harness racing meetings. A breeder is
17 the owner of a mare at the time of conception. No more than
18 10% of all monies appropriated from the Illinois
19 Standardbred Breeders Fund shall be expended for such
20 harness breeders awards. No more than 25% of the amount
21 expended for harness breeders awards shall be expended for
22 expenses incurred in the administration of such harness
23 breeders awards.

24 6. To pay for the improvement of racing facilities
25 located at the State Fair and County fairs.

26 7. To pay the expenses incurred in the administration

1 of the Illinois Standardbred Breeders Fund.

2 8. To promote the sport of harness racing, including
3 grants up to a maximum of \$7,500 per fair per year for the
4 cost of a totalizator system to be used for conducting
5 pari-mutuel wagering during the advertised dates of a
6 county fair.

7 (h) Whenever the Governor finds that the amount in the
8 Illinois Standardbred Breeders Fund is more than the total of
9 the outstanding appropriations from such fund, the Governor
10 shall notify the State Comptroller and the State Treasurer of
11 such fact. The Comptroller and the State Treasurer, upon
12 receipt of such notification, shall transfer such excess amount
13 from the Illinois Standardbred Breeders Fund to the General
14 Revenue Fund.

15 (i) A sum equal to 12 1/2% of the first prize money of the
16 gross ~~every~~ purse won by an Illinois conceived and foaled horse
17 shall be paid by the organization licensee conducting the horse
18 race meeting to the breeder of such winning horse from the
19 organization licensee's account ~~share of the money wagered.~~
20 Such payment shall not reduce any award to the owner of the
21 horse or reduce the taxes payable under this Act. Such payment
22 shall be delivered by the organization licensee at the end of
23 each month ~~race meeting.~~

24 (j) The Department of Agriculture shall, by rule, with the
25 assistance and advice of the Illinois Standardbred Breeders
26 Fund Advisory Board:

1 1. Qualify stallions for Illinois Standardbred Breeders
2 Fund breeding; such stallion shall be owned by a resident of
3 the State of Illinois or by an Illinois corporation all of
4 whose shareholders, directors, officers and incorporators are
5 residents of the State of Illinois. Such stallion shall stand
6 for service at and within the State of Illinois at the time of
7 a foal's conception, and such stallion must not stand for
8 service at any place, ~~nor may semen from such stallion be~~
9 ~~transported,~~ outside the State of Illinois during that calendar
10 year in which the foal is conceived and that the owner of the
11 stallion was for the 12 months prior, a resident of Illinois.
12 The articles of agreement of any partnership, joint venture,
13 limited partnership, syndicate, association or corporation and
14 any bylaws and stock certificates must contain a restriction
15 that provides that the ownership or transfer of interest by any
16 one of the persons a party to the agreement can only be made to
17 a person who qualifies as an Illinois resident. Foals conceived
18 outside the State of Illinois from shipped semen from a
19 stallion qualified for breeders' awards under this Section are
20 not eligible to participate in the Illinois conceived and
21 foaled program.

22 2. Provide for the registration of Illinois conceived and
23 foaled horses and no such horse shall compete in the races
24 limited to Illinois conceived and foaled horses unless
25 registered with the Department of Agriculture. The Department
26 of Agriculture may prescribe such forms as may be necessary to

1 determine the eligibility of such horses. No person shall
2 knowingly prepare or cause preparation of an application for
3 registration of such foals containing false information. A mare
4 (dam) must be in the state at least 30 days prior to foaling or
5 remain in the State at least 30 days at the time of foaling.
6 Beginning with the 1996 breeding season and for foals of 1997
7 and thereafter, a foal conceived in the State of Illinois by
8 transported fresh semen may be eligible for Illinois conceived
9 and foaled registration provided all breeding and foaling
10 requirements are met. The stallion must be qualified for
11 Illinois Standardbred Breeders Fund breeding at the time of
12 conception and the mare must be inseminated within the State of
13 Illinois. The foal must be dropped in Illinois and properly
14 registered with the Department of Agriculture in accordance
15 with this Act.

16 3. Provide that at least a 5 day racing program shall be
17 conducted at the State Fair each year, which program shall
18 include at least the following races limited to Illinois
19 conceived and foaled horses: (a) a two year old Trot and Pace,
20 and Filly Division of each; (b) a three year old Trot and Pace,
21 and Filly Division of each; (c) an aged Trot and Pace, and Mare
22 Division of each.

23 4. Provide for the payment of nominating, sustaining and
24 starting fees for races promoting the sport of harness racing
25 and for the races to be conducted at the State Fair as provided
26 in subsection (j) 3 of this Section provided that the

1 nominating, sustaining and starting payment required from an
2 entrant shall not exceed 2% of the purse of such race. All
3 nominating, sustaining and starting payments shall be held for
4 the benefit of entrants and shall be paid out as part of the
5 respective purses for such races. Nominating, sustaining and
6 starting fees shall be held in trust accounts for the purposes
7 as set forth in this Act and in accordance with Section 205-15
8 of the Department of Agriculture Law (20 ILCS 205/205-15).

9 5. Provide for the registration with the Department of
10 Agriculture of Colt Associations or county fairs desiring to
11 sponsor races at county fairs.

12 (k) The Department of Agriculture, with the advice and
13 assistance of the Illinois Standardbred Breeders Fund Advisory
14 Board, may allocate monies for purse supplements for such
15 races. In determining whether to allocate money and the amount,
16 the Department of Agriculture shall consider factors,
17 including but not limited to, the amount of money appropriated
18 for the Illinois Standardbred Breeders Fund program, the number
19 of races that may occur, and an organizational licensee's purse
20 structure. The organizational licensee shall notify the
21 Department of Agriculture of the conditions and minimum purses
22 for races limited to Illinois conceived and foaled horses to be
23 conducted by each organizational licensee conducting a harness
24 racing meeting for which purse supplements have been
25 negotiated.

26 (l) All races held at county fairs and the State Fair which

1 receive funds from the Illinois Standardbred Breeders Fund
2 shall be conducted in accordance with the rules of the United
3 States Trotting Association unless otherwise modified by the
4 Department of Agriculture.

5 (m) At all standardbred race meetings held or conducted
6 under authority of a license granted by the Board, and at all
7 standardbred races held at county fairs which are approved by
8 the Department of Agriculture or at the Illinois or DuQuoin
9 State Fairs, no one shall jog, train, warm up or drive a
10 standardbred horse unless he or she is wearing a protective
11 safety helmet, with the chin strap fastened and in place, which
12 meets the standards and requirements as set forth in the 1984
13 Standard for Protective Headgear for Use in Harness Racing and
14 Other Equestrian Sports published by the Snell Memorial
15 Foundation, or any standards and requirements for headgear the
16 Illinois Racing Board may approve. Any other standards and
17 requirements so approved by the Board shall equal or exceed
18 those published by the Snell Memorial Foundation. Any
19 equestrian helmet bearing the Snell label shall be deemed to
20 have met those standards and requirements.

21 (Source: P.A. 91-239, eff. 1-1-00.)

22 (230 ILCS 5/31.2 new)

23 Sec. 31.2. Racing Industry Workers' Trust Fund; advisory
24 board.

25 (a) The General Assembly finds that backstretch workers

1 play a critical role in the success and prosperity of the
2 racing industry. The General Assembly finds that there is a
3 need to improve the quality and viability of live racing in
4 Illinois by providing new resources to increase purse sizes and
5 to improve race track facilities. The General Assembly finds
6 that there is a concomitant responsibility and duty to address
7 the human service and housing needs of backstretch workers.

8 (b) There is hereby created a non-appropriated trust fund
9 to be known as the Racing Industry Workers' Trust Fund, which
10 is administered by the Board and held separate and apart from
11 State moneys. The Fund shall consist of moneys paid into it
12 under subsection (b) of Section 56 of this Act.

13 (c) The Board is authorized to use funds in the Racing
14 Industry Workers' Trust Fund to fund programs and initiatives
15 that improve the quality of life of backstretch workers.
16 Initiatives funded by the Board shall address needs such as
17 illiteracy, substance dependence, primary health care, child
18 care, housing, and any other social service need determined by
19 the Board.

20 (d) On December 31st of each year the Board shall report to
21 the General Assembly and the Governor on the programs funded by
22 the Board during the preceding fiscal year, the number of
23 persons served, and the working and living conditions of
24 backstretch workers.

25 (e) The Board shall appoint a Backstretch Programs Advisory
26 Board, who shall report to and advise the Board on matters

1 concerning backstretch conditions and needs. The Backstretch
2 Programs Advisory Board shall consist of the following 7
3 members:

4 (1) 2 persons who represent the interests of an
5 organization licensee;

6 (2) one person who represents the interests of
7 standardbred horsemen;

8 (3) one person who represents the interests of
9 thoroughbred horsemen;

10 (4) one person who is or was a backstretch worker;

11 (5) one person who advocates on behalf of backstretch
12 workers; and

13 (6) one person who has significant experience in
14 administering social services.

15 (f) The Board shall hire, in its sole discretion, a
16 backstretch workers' Program Coordinator who shall serve under
17 the direction of the Board to supervise and coordinate the
18 programs funded by the Racing Industry Workers' Trust Fund. The
19 Program Coordinator shall be paid from the Racing Industry
20 Workers' Trust Fund.

21 (230 ILCS 5/31.3 new)

22 Sec. 31.3. Illinois Equine Research Trust Fund. There is
23 created a non-appropriated trust fund to be known as the
24 Illinois Equine Research Trust Fund, which is administered by
25 the Department of Agriculture and held separate and apart from

1 State moneys. The Fund shall consist of moneys paid into it
2 under subsection (b) of Section 56 of this Act. The Department
3 may use funds in the Illinois Equine Research Trust Fund to
4 award 2 equal grants to the University of Illinois and to
5 Southern Illinois University for equine research. The total
6 amount of each grant award shall be used for only the direct
7 costs of research.

8 The Illinois Equine Research Trust Fund shall not be
9 subject to sweeps, administrative charges, or charge backs,
10 including, but not limited to, those authorized under Section
11 8h of the State Finance Act, or any other fiscal or budgetary
12 maneuver that would in any way transfer any funds from the
13 Illinois Equine Research Trust Fund into any other fund of the
14 State.

15 (230 ILCS 5/34.3 new)

16 Sec. 34.3. Drug testing. The Illinois Racing Board and the
17 Department of Agriculture shall jointly establish a program for
18 the purpose of conducting random drug testing of horses at
19 county fairs and shall adopt any rules necessary for
20 enforcement of the program. The rules shall include appropriate
21 penalties for violations.

22 (230 ILCS 5/36) (from Ch. 8, par. 37-36)

23 Sec. 36. (a) Whoever administers or conspires to administer
24 to any horse a hypnotic, narcotic, stimulant, depressant or any

1 chemical substance which may affect the speed of a horse at any
2 time in any race where the purse or any part of the purse is
3 made of money authorized by any Section of this Act, except
4 those chemical substances permitted by ruling of the Board,
5 internally, externally or by hypodermic method in a race or
6 prior thereto, or whoever knowingly enters a horse in any race
7 within a period of 24 hours after any hypnotic, narcotic,
8 stimulant, depressant or any other chemical substance which may
9 affect the speed of a horse at any time, except those chemical
10 substances permitted by ruling of the Board, has been
11 administered to such horse either internally or externally or
12 by hypodermic method for the purpose of increasing or retarding
13 the speed of such horse shall be guilty of a Class 4 felony.
14 The Board shall suspend or revoke such violator's license.

15 (b) The term "hypnotic" as used in this Section includes
16 all barbituric acid preparations and derivatives.

17 (c) The term "narcotic" as used in this Section includes
18 opium and all its alkaloids, salts, preparations and
19 derivatives, cocaine and all its salts, preparations and
20 derivatives and substitutes.

21 (d) The provisions of this Section 36 and the treatment
22 authorized herein apply to horses entered in and competing in
23 race meetings as defined in Section 3.47 of this Act and to
24 horses entered in and competing at any county fair.

25 (e) Drug testing for horses entered in and competing at any
26 county fair shall be conducted by the Department of

1 Agriculture, with the advice and assistance of the Board. The
2 Department of Agriculture, with the assistance of the Board,
3 shall adopt rules for drug testing, for horses entered in and
4 competing at any county fair.

5 (Source: P.A. 79-1185.)

6 (230 ILCS 5/42) (from Ch. 8, par. 37-42)

7 Sec. 42. (a) Except as to the distribution of monies
8 provided for by Sections 28, 29, 30, and 31 and the treating of
9 horses as provided in Section 36, nothing whatsoever in this
10 Act shall be held or taken to apply to county fairs and State
11 Fairs or to agricultural and livestock exhibitions where the
12 pari-mutuel system of wagering upon the result of horses is not
13 permitted or conducted.

14 (b) Nothing herein shall be construed to permit the
15 pari-mutuel method of wagering upon any race track unless such
16 race track is licensed under this Act. It is hereby declared to
17 be unlawful for any person to permit, conduct or supervise upon
18 any race track ground the pari-mutuel method of wagering except
19 in accordance with the provisions of this Act.

20 (c) Whoever violates subsection (b) of this Section is
21 guilty of a Class 4 felony.

22 (Source: P.A. 89-16, eff. 5-30-95.)

23 (230 ILCS 5/45) (from Ch. 8, par. 37-45)

24 Sec. 45. It shall be the duty of the Attorney General and

1 the various State's attorneys in this State in cooperation with
2 the Office of Gaming Enforcement ~~Department of State Police~~ to
3 enforce this Act. The Director of Gaming Enforcement ~~Governor~~
4 may, upon request of the Board ~~Department of State Police~~,
5 order the law enforcing officers of the various cities and
6 counties to assign a sufficient number of deputies to aid
7 ~~members of the Department of State Police~~ in preventing horse
8 racing at any track within the respective jurisdiction of such
9 cities or counties an organization license for which has been
10 refused, suspended or revoked by the Board. The Director of
11 Gaming Enforcement ~~Governor~~ may ~~similarly~~ assign ~~such~~ deputies
12 to aid the local law enforcement ~~Department of State Police~~
13 when, by his determination, additional forces are needed to
14 preserve the health, welfare or safety of any person or animal
15 within the grounds of any race track in the State.

16 (Source: P.A. 84-25.)

17 (230 ILCS 5/56 new)

18 Sec. 56. Electronic gaming.

19 (a) An organization licensee may apply to the Gaming Board
20 for an electronic gaming license pursuant to Section 7.7 of the
21 Illinois Gambling Act. An electronic gaming licensee may not
22 permit persons under 21 years of age to be present in its
23 electronic gaming facility, but the licensee may accept wagers
24 on live racing and inter-track wagers at its electronic gaming
25 facility.

1 (a-5) An amount equal to 15% of the total adjusted gross
2 receipts received by an electronic gaming licensee from
3 electronic gaming shall be paid to purse accounts.

4 Moneys paid into purse equity accounts by licensees at
5 tracks located in counties other than Madison County shall be
6 maintained separately from moneys paid into purse equity
7 accounts by a licensee at a track located in Madison County.

8 Of the moneys paid to purse equity accounts by an
9 electronic gaming licensee located in a county other than
10 Madison County, 57% of the moneys shall be paid into a single
11 thoroughbred purse pool and 43% of the moneys shall be paid
12 into a single standardbred purse pool. Each calendar year,
13 moneys in the thoroughbred purse pool shall be distributed
14 equally for each awarded racing date to the thoroughbred purse
15 accounts of each organization licensee that paid money into the
16 thoroughbred purse pool. Each calendar year, moneys in the
17 standardbred purse pool shall be distributed equally for each
18 awarded racing date to the standardbred purse accounts of each
19 organization licensee that paid money into the standardbred
20 purse pool.

21 Of the moneys paid into purse equity accounts by an
22 electronic gaming licensee located in Madison County, 70% shall
23 be paid to its thoroughbred purse account and 30% shall be paid
24 to its standardbred purse account.

25 (b) After payment required under subsection (a-5) of this
26 Section and Section 13 of the Illinois Gambling Act, the

1 adjusted gross receipts received by all electronic gaming
2 licensees from electronic gaming shall be distributed as
3 follows:

4 (1) a total of \$4,100,000 annually shall be paid to the
5 Illinois Colt Stakes Purse Distribution Fund;

6 (2) a total of \$250,000 annually shall be paid to the
7 Illinois Racing Quarter Horse Breeders Fund;

8 (3) a total of \$500,000 annually shall be paid to the
9 Illinois Equine Research Trust Fund;

10 (4) a total of \$1,000,000 annually shall be paid to the
11 Racing Industry Workers' Trust Fund;

12 (5) an amount equal to 2.25% of adjusted gross receipts
13 from each electronic gaming licensee shall be paid to the
14 Illinois Thoroughbred Breeders Fund and the Illinois
15 Standardbred Breeders Fund, divided pro rata based on the
16 proportion of live thoroughbred racing and live
17 standardbred racing conducted at that licensee's race
18 track; and

19 (6) an amount equal to 0.25% of adjusted gross receipts
20 from each electronic gaming licensee shall be paid to the
21 licensee's live racing and horse ownership promotional
22 account; and

23 (7) the remainder shall be retained by the licensee.

24 (c) The moneys collected pursuant to items (1), (2), (3),
25 and (4) of subsection (b) of this Section is payable by the
26 licensees on a pro-rated basis, based on each licensee's

1 adjusted gross receipts. The Illinois Gaming Board shall
2 provide the Illinois Racing Board with the information needed
3 to make this determination. The Illinois Racing Board shall
4 adopt rules for the administration of this Section.

5 (d) Moneys distributed under this subsection (b) shall be
6 distributed as directed by the Board.

7 (e) As a condition of licensure, an electronic gaming
8 licensee must expend an amount equal to the sum of (i) amounts
9 expended in 2007; (ii) the amounts required in item (6) of
10 subsection (b) of this Section; and (iii) the amount of
11 pari-mutuel tax credit received under Section 32.1 of this Act
12 for the purpose of live racing and horse ownership promotion.
13 The Board shall adopt rules to enforce this subsection (e),
14 including reasonable fines and penalties for noncompliance.

15 (230 ILCS 5/57 new)

16 Sec. 57. Compliance report.

17 (a) The Board shall prepare a report once every 2 years
18 regarding the compliance of each electronic gaming licensee
19 with this Act and the electronic gaming licensee's support of
20 live racing. The Board shall determine whether each electronic
21 gaming licensee has maintained an appropriate level of live
22 horse racing. In making that determination, the Board shall
23 consider all of the following factors:

24 (1) The increase, if any, in the on-track handle at the
25 race track where the electronic gaming facility is located.

1 (2) The increase, if any, in purses at the racing
2 facility where electronic gaming facility is located.

3 (3) Investments in capital improvements made by the
4 organization licensee to the racing facility, excluding
5 electronic gaming areas.

6 (b) If the Board finds that a licensee has failed to comply
7 with this Act or has substantially failed to support live
8 racing, then the Board may do any of the following:

9 (1) Issue a warning to the organization licensee.

10 (2) Impose a civil penalty upon the organization
11 licensee.

12 (3) Suspend or revoke the organization license.

13 Section 90-40. The Riverboat Gambling Act is amended by
14 changing Sections 1, 2, 3, 4, 5, 5.1, 6, 7, 7.3, 7.4, 7.5, 8, 9,
15 11, 11.1, 11.2, 12, 13, 14, 17, 18, 19, and 20 and by adding
16 Sections 5.2, 5.3, 5.4, 5.5, 5.7, 7.6, 7.7, 7.8, 7.10, 7.11,
17 7.11a, 7.12, 7.14, 7.15, 7.25, 7.30, 9.3, 9.5, 12.1, 13.2,
18 14.5, 17.2, 22.5, and 22.6 as follows:

19 (230 ILCS 10/1) (from Ch. 120, par. 2401)

20 Sec. 1. Short title. This Act shall be known and may be
21 cited as the Illinois Riverboat Gambling Act.

22 (Source: P.A. 86-1029.)

23 (230 ILCS 10/2) (from Ch. 120, par. 2402)

1 Sec. 2. Legislative intent; findings ~~Intent~~.

2 (a) This Act is intended to benefit the people of the State
3 of Illinois by assisting economic development and promoting
4 Illinois tourism and by increasing the amount of revenues
5 available to the State for infrastructure and capital programs
6 and to assist and support education.

7 (b) While authorization of riverboat gambling will enhance
8 investment, development and tourism in Illinois, it is
9 recognized that it will do so successfully only if public
10 confidence and trust in the credibility and integrity of the
11 gambling operations and the regulatory process is maintained.
12 Therefore, regulatory provisions of this Act are designed to
13 strictly regulate the facilities, persons, associations and
14 practices related to gambling operations pursuant to the police
15 powers of the State, including comprehensive law enforcement
16 supervision.

17 (c) The Illinois Gaming Board established under this Act
18 should, as soon as possible, inform each applicant for an
19 owners license of the Board's intent to grant or deny a
20 license.

21 (d) The General Assembly finds that the Illinois gaming
22 industry does not include a fair proportion of minority and
23 female ownership participation in the gaming industry. It is
24 vital to the gaming industry in this State to promote diverse
25 interests in order to create social and economic parity. As a
26 result of historical exclusion within the gaming industry,

1 there is a need to increase the number of minority and female
2 owners within the State. The State shall require that at least
3 20% of an owners licensee's or casino licensee's equity
4 interest be awarded to minorities and at least 5% of an owners
5 licensee's or casino licensee's equity interest be awarded to
6 women for all licenses awarded after the date of this
7 amendatory Act of the 95th General Assembly.

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

9 (230 ILCS 10/3) (from Ch. 120, par. 2403)

10 Sec. 3. ~~Riverboat~~ Gambling Authorized.

11 (a) Riverboat gambling operations, casino gambling
12 operations, and electronic gaming operations ~~and the system of~~
13 ~~wagering incorporated therein~~, as defined in this Act, are
14 hereby authorized to the extent that they are carried out in
15 accordance with the provisions of this Act.

16 (b) This Act does not apply to the pari-mutuel system of
17 wagering or to advance deposit wagering used or intended to be
18 used in connection with the horse-race meetings as authorized
19 under the Illinois Horse Racing Act of 1975, lottery games
20 authorized under the Illinois Lottery Law, bingo authorized
21 under the Bingo License and Tax Act, charitable games
22 authorized under the Charitable Games Act or pull tabs and jar
23 games conducted under the Illinois Pull Tabs and Jar Games Act.

24 (c) Riverboat gambling conducted pursuant to this Act may
25 be authorized upon any water within the State of Illinois or

1 any water other than Lake Michigan which constitutes a boundary
2 of the State of Illinois. A casino licensee shall not conduct
3 gaming upon any water or lakefront within the City of Chicago.
4 Notwithstanding any provision in this subsection (c) to the
5 contrary, a licensee may conduct gambling at its home dock
6 facility as provided in Sections 7 and 11. A licensee may
7 conduct riverboat gambling authorized under this Act
8 regardless of whether it conducts excursion cruises. A licensee
9 may permit the continuous ingress and egress of passengers for
10 the purpose of gambling.

11 (d) Gambling that is conducted in accordance with this Act
12 using slot machines, video games of chance, and electronic
13 gambling games shall be authorized at electronic gaming
14 facilities as provided in this Act.

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

16 (230 ILCS 10/4) (from Ch. 120, par. 2404)

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

18 "Authority" means the Chicago Casino Development
19 Authority.

20 "State Authority" means the Illinois Casino Development
21 Authority.

22 ~~(a)~~ "Board" means the Illinois Gaming Board.

23 ~~(b)~~ "Occupational license" means a license issued by the
24 Board to a person or entity to perform an occupation which the
25 Board has identified as requiring a license to engage in

1 ~~riverboat~~ gambling in Illinois.

2 ~~(e)~~ "Gambling game" includes, but is not limited to,
3 baccarat, twenty-one, poker, craps, slot machine, video game of
4 chance, roulette wheel, klondike table, punchboard, faro
5 layout, keno layout, numbers ticket, push card, jar ticket, or
6 pull tab which is authorized by the Board as a wagering device
7 under this Act.

8 ~~(d)~~ "Riverboat" means a self-propelled excursion boat, a
9 permanently moored barge, or permanently moored barges that are
10 permanently fixed together to operate as one vessel, on which
11 lawful gambling is authorized and licensed as provided in this
12 Act.

13 ~~(e)~~ "Managers license" means a license issued by the Board
14 to a person or entity to manage gambling operations conducted
15 by the State pursuant to Section 7.3.

16 ~~(f)~~ "Dock" means the location where a riverboat moors for
17 the purpose of embarking passengers for and disembarking
18 passengers from the riverboat.

19 ~~(g)~~ "Gross receipts" means the total amount of cash or any
20 instrument exchangeable for cash ~~money~~ exchanged for the
21 purchase of chips, tokens or electronic cards by ~~riverboat~~
22 patrons on a riverboat, in a casino, or at an electronic gaming
23 facility. "Gross receipts" includes revenues derived by the
24 gaming licensee from the conduct of electronic poker.

25 ~~(h)~~ "Adjusted gross receipts" means the gross receipts less
26 winnings paid to wagerers.

1 ~~(i)~~ "Cheat" means to alter the selection of criteria which
2 determine the result of a gambling game or electronic poker
3 outcome or the amount or frequency of payment in a gambling
4 game or electronic poker.

5 ~~(j)~~ "Department" means the Department of Revenue.

6 ~~(k)~~ "Gambling operation" means the conduct of ~~authorized~~
7 gambling games and electronic poker authorized under this Act
8 on ~~upon~~ a riverboat, in a casino, or at an electronic gaming
9 facility as authorized under this Act.

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

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

16 "Casino" means a land-based facility at which lawful
17 gambling is authorized and licensed as provided in this Act.

18 "Owners license" means a license to conduct riverboat
19 gambling operations, but does not include a casino license or
20 an electronic gaming license.

21 "Electronic gaming license" means a license issued by the
22 Board under Section 7.7 of this Act authorizing electronic
23 gaming at an electronic gaming facility.

24 "Electronic gaming" means the conduct of gambling using
25 slot machines, video games of chance, and electronic gambling
26 games at a race track licensed under the Illinois Horse Racing

1 Act of 1975 pursuant to the Illinois Horse Racing Act of 1975
2 and this Act.

3 "Electronic gaming facility" means the area where the Board
4 has authorized electronic gaming at a race track of an
5 organization licensee under the Illinois Horse Racing Act of
6 1975 that holds an electronic gaming license.

7 "Organization license" means a license issued by the
8 Illinois Racing Board authorizing the conduct of pari-mutuel
9 wagering in accordance with the Illinois Horse Racing Act of
10 1975.

11 "Gaming license" includes an owners license, a casino
12 license, an electronic gaming license, a managers license, and
13 a casino operator license.

14 "Licensed facility" means a riverboat, a casino, or an
15 electronic gaming facility.

16 "Electronic poker" means a form of gambling operation by
17 which players can play poker electronically via a network of
18 machines at the same or any other licensed facility in this
19 State. "Electronic poker" is not considered a gambling game as
20 defined by this Act.

21 "Casino license" means a license held to conduct or cause
22 to be conducted gambling operations at a casino.

23 "Casino operator license" means a license held by a person
24 or entity selected to manage and operate a casino pursuant to a
25 casino management contract.

26 "License" includes all licenses authorized under this Act,

1 including a gaming license, an occupational license, and
2 suppliers license.

3 "State casino license" means the license held by the State
4 Authority to conduct or cause to be conducted gambling
5 operations at a casino pursuant to this Act and the Illinois
6 Casino Development Authority Act.

7 "State casino operator license" means the license held by
8 the person or entity selected by the State Authority to manage
9 and operate a casino within the State pursuant to a casino
10 management contract, as provided for under the Illinois Casino
11 Development Authority Act.

12 (Source: P.A. 95-331, eff. 8-21-07.)

13 (230 ILCS 10/5) (from Ch. 120, par. 2405)

14 Sec. 5. Gaming Board.

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

25 (2) The Board shall consist of 5 members to be appointed by

1 the Governor with the advice and consent of the Senate, one of
2 whom shall be designated by the Governor to be chairperson
3 ~~chairman~~. Each member shall have a reasonable knowledge of the
4 practice, procedure and principles of gambling operations.
5 Each member shall either be a resident of Illinois or shall
6 certify that he or she will become a resident of Illinois
7 before taking office. The term of office of each member of the
8 Board serving on the effective date of this amendatory Act of
9 the 95th General Assembly ends when all of their successors are
10 appointed and qualified pursuant to this amendatory Act of the
11 95th General Assembly. Members appointed pursuant to this
12 amendatory Act of the 95th General Assembly and their
13 successors shall serve on a full-time basis and may not hold
14 any other employment for which they are compensated.

15 Beginning on the effective date of this amendatory Act of
16 the 95th General Assembly, the Board shall consist of 5 members
17 appointed by the Governor from nominations presented to the
18 Governor by the Nomination Panel and with the advice and
19 consent of the Senate. The Board must include the following:

20 (1) One member must have, at a minimum, a bachelor's
21 degree from an accredited school and at least 10 years of
22 verifiable training and experience in the fields of
23 investigation and law enforcement.

24 (2) One member must be a certified public accountant
25 with experience in auditing and with knowledge of complex
26 corporate structures and transactions.

1 (3) Two members must have 5 years' experience as a
2 principal, senior officer, or director of a company or
3 business with either material responsibility for the daily
4 operations and management of the overall company or
5 business or material responsibility for the policy making
6 of the company or business.

7 (4) One member must be a former judge elected or
8 appointed to judicial office in Illinois or former federal
9 judge appointed to serve in Illinois.

10 No more than 3 members of the Board may be from the same
11 political party. No more than 3 members may reside within Cook,
12 Will, Lake, DuPage, or Kane County. The Board should reflect
13 the ethnic, cultural, and geographic diversity of the State.
14 Each member shall have a reasonable knowledge of the practice,
15 procedures, and principles of gambling operations. No Board
16 member, within a period of 2 years immediately preceding
17 nomination, shall have been employed or received compensation
18 or fees for services from a person or entity, or its parent or
19 affiliate, that has engaged in business with the Board, a
20 licensee, or a licensee under the Horse Racing Act of 1975.
21 Each member shall either be a resident of Illinois or shall
22 certify that he or she will become a resident of Illinois
23 before taking office. ~~At least one member shall be experienced~~
24 ~~in law enforcement and criminal investigation, at least one~~
25 ~~member shall be a certified public accountant experienced in~~
26 ~~accounting and auditing, and at least one member shall be a~~

1 ~~lawyer licensed to practice law in Illinois.~~

2 (3) The terms of office of the Board members shall be 4 ~~3~~
3 years, except that the terms of office of the initial Board
4 members appointed pursuant to this amendatory Act of the 95th
5 General Assembly Act will commence from the effective date of
6 this amendatory Act and run as follows, to be determined by
7 lot: one for a term ending July 1 of the year following
8 confirmation, 1991, one ~~2~~ for a term ending July 1 two years
9 following confirmation, 1992, one ~~and 2~~ for a term ending July
10 1 three years following confirmation, and 2 for a term ending
11 July 1 four years following confirmation 1993. Upon the
12 expiration of the foregoing terms, the successors of such
13 members shall serve a term for 4 ~~3~~ years and until their
14 successors are appointed and qualified for like terms.
15 Vacancies in the Board shall be filled for the unexpired term
16 in like manner as original appointments. Each member of the
17 Board shall be eligible for reappointment, subject to the
18 nomination process of the Nomination Panel, by at the
19 ~~discretion of~~ the Governor with the advice and consent of the
20 Senate.

21 Until all 5 members of the Board are appointed and
22 qualified pursuant to this amendatory Act of the 95th General
23 Assembly, the Illinois Gaming Board may not act with regard to
24 any license under which gambling operations are not being
25 conducted on the effective date of this amendatory Act,
26 excluding the dormant license as defined in subsection (a-3) of

1 Section 13; however, the Board may authorize additional
2 positions at riverboats in operation on the effective date of
3 this amendatory Act and issue electronic gaming licenses
4 pursuant to this amendatory Act.

5 (4) The chairman of the Board shall receive an annual
6 salary equal to the annual salary of a State appellate court
7 judge. Other members of the Board shall receive an annual
8 salary equal to the annual salary of a State circuit court
9 judge. ~~Each member of the Board shall receive \$300 for each day~~
10 ~~the Board meets and for each day the member conducts any~~
11 ~~hearing pursuant to this Act.~~ Each member of the Board shall
12 also be reimbursed for all actual and necessary expenses and
13 disbursements incurred in the execution of official duties.

14 (5) (Blank). ~~No person shall be appointed a member of the~~
15 ~~Board or continue to be a member of the Board who is, or whose~~
16 ~~spouse, child or parent is, a member of the board of directors~~
17 ~~of, or a person financially interested in, any gambling~~
18 ~~operation subject to the jurisdiction of this Board, or any~~
19 ~~race track, race meeting, racing association or the operations~~
20 ~~thereof subject to the jurisdiction of the Illinois Racing~~
21 ~~Board. No Board member shall hold any other public office for~~
22 ~~which he shall receive compensation other than necessary travel~~
23 ~~or other incidental expenses. No person shall be a member of~~
24 ~~the Board who is not of good moral character or who has been~~
25 ~~convicted of, or is under indictment for, a felony under the~~
26 ~~laws of Illinois or any other state, or the United States.~~

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

4 (7) Before entering upon the discharge of the duties of his
5 office, each member of the Board shall take an oath that he
6 will faithfully execute the duties of his office according to
7 the laws of the State and the rules and regulations adopted
8 therewith and shall give bond to the State of Illinois,
9 approved by the Governor, in the sum of \$25,000. Every such
10 bond, when duly executed and approved, shall be recorded in the
11 office of the Secretary of State. Whenever the Governor
12 determines that the bond of any member of the Board has become
13 or is likely to become invalid or insufficient, he shall
14 require such member forthwith to renew his bond, which is to be
15 approved by the Governor. Any member of the Board who fails to
16 take oath and give bond within 30 days from the date of his
17 appointment, or who fails to renew his bond within 30 days
18 after it is demanded by the Governor, shall be guilty of
19 neglect of duty and may be removed by the Governor. The cost of
20 any bond given by any member of the Board under this Section
21 shall be taken to be a part of the necessary expenses of the
22 Board.

23 (8) ~~The~~ Upon the request of the Board, the Department shall
24 employ such personnel as may be necessary to carry out its the
25 functions and shall determine the salaries of all personnel,
26 except those personnel whose salaries are determined under the

1 terms of a collective bargaining agreement of the Board. No
2 person shall be employed to serve the Board who is, or whose
3 spouse, parent or child is, an official of, or has a financial
4 interest in or financial relation with, any operator engaged in
5 gambling operations within this State or any organization
6 engaged in conducting horse racing within this State. For the 2
7 years immediately preceding employment, an employee shall not
8 have been employed or received compensation or fees for
9 services from a person or entity, or its parent or affiliate,
10 that has engaged in business with the Board, a licensee, or a
11 licensee under the Horse Racing Act of 1975. Any employee
12 violating these prohibitions shall be subject to termination of
13 employment.

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

25 (b) The Board shall have general responsibility for the
26 implementation of this Act. Its duties include, without

1 limitation, the following:

2 (1) To decide promptly and in reasonable order all
3 license applications. Any party aggrieved by an action of
4 the Board denying, suspending, revoking, restricting or
5 refusing to renew a license may request a hearing before
6 the Board. A request for a hearing must be made to the
7 Board in writing within 5 days after service of notice of
8 the action of the Board. Notice of the action of the Board
9 shall be served either by personal delivery or by certified
10 mail, postage prepaid, to the aggrieved party. Notice
11 served by certified mail shall be deemed complete on the
12 business day following the date of such mailing. The Board
13 shall conduct all requested hearings promptly and in
14 reasonable order;

15 (2) To conduct all hearings pertaining to civil
16 violations of this Act or rules and regulations promulgated
17 hereunder;

18 (3) To promulgate such rules and regulations as in its
19 judgment may be necessary to protect or enhance the
20 credibility and integrity of gambling operations
21 authorized by this Act and the regulatory process
22 hereunder;

23 (4) To provide for the establishment and collection of
24 all license and registration fees and taxes imposed by this
25 Act and the rules and regulations issued pursuant hereto.
26 All such fees and taxes shall be deposited into the State

1 Gaming Fund, unless otherwise provided for;

2 (5) To provide for the levy and collection of penalties
3 and fines for the violation of provisions of this Act and
4 the rules and regulations promulgated hereunder. All such
5 fines and penalties shall be deposited into the Education
6 Assistance Fund, created by Public Act 86-0018, of the
7 State of Illinois;

8 (6) (Blank) ~~To be present through its inspectors and
9 agents any time gambling operations are conducted on any
10 riverboat for the purpose of certifying the revenue
11 thereof, receiving complaints from the public, and
12 conducting such other investigations into the conduct of
13 the gambling games and the maintenance of the equipment as
14 from time to time the Board may deem necessary and proper;~~

15 (7) To review and rule upon any complaint by a licensee
16 regarding any investigative procedures of the State which
17 are unnecessarily disruptive of gambling operations. The
18 need to inspect and investigate shall be presumed at all
19 times. The disruption of a licensee's operations shall be
20 proved by clear and convincing evidence, and establish
21 that: (A) the procedures had no reasonable law enforcement
22 purposes, and (B) the procedures were so disruptive as to
23 unreasonably inhibit gambling operations;

24 (8) (Blank) ~~To hold at least one meeting each quarter
25 of the fiscal year. In addition, special meetings may be
26 called by the Chairman or any 2 Board members upon 72 hours~~

1 ~~written notice to each member. All Board meetings shall be~~
2 ~~subject to the Open Meetings Act. Three members of the~~
3 ~~Board shall constitute a quorum, and 3 votes shall be~~
4 ~~required for any final determination by the Board. The~~
5 ~~Board shall keep a complete and accurate record of all its~~
6 ~~meetings. A majority of the members of the Board shall~~
7 ~~constitute a quorum for the transaction of any business,~~
8 ~~for the performance of any duty, or for the exercise of any~~
9 ~~power which this Act requires the Board members to~~
10 ~~transact, perform or exercise en banc, except that, upon~~
11 ~~order of the Board, one of the Board members or an~~
12 ~~administrative law judge designated by the Board may~~
13 ~~conduct any hearing provided for under this Act or by Board~~
14 ~~rule and may recommend findings and decisions to the Board.~~
15 ~~The Board member or administrative law judge conducting~~
16 ~~such hearing shall have all powers and rights granted to~~
17 ~~the Board in this Act. The record made at the time of the~~
18 ~~hearing shall be reviewed by the Board, or a majority~~
19 ~~thereof, and the findings and decision of the majority of~~
20 ~~the Board shall constitute the order of the Board in such~~
21 ~~case;~~

22 (9) To maintain records which are separate and distinct
23 from the records of any other State board or commission.
24 Such records shall be available for public inspection and
25 shall accurately reflect all Board proceedings;

26 (10) (Blank) ~~To file a written annual report with the~~

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

7 (11) (Blank); ~~and~~

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

13 (13) To assume responsibility for the administration
14 and enforcement of operations at electronic gaming
15 facilities pursuant to this Act.

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

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

25 (2) To have jurisdiction and supervision over all
26 ~~riverboat~~ gambling operations authorized under this Act ~~in~~

1 ~~this State~~ and all persons in places ~~on riverboats~~ where
2 gambling operations are conducted.

3 (3) To promulgate rules and regulations for the purpose
4 of administering the provisions of this Act and to
5 prescribe rules, regulations and conditions under which
6 all ~~riverboat~~ gambling operations subject to this Act ~~in~~
7 ~~the State~~ shall be conducted. Such rules and regulations
8 are to provide for the prevention of practices detrimental
9 to the public interest and for the best interests of
10 ~~riverboat~~ gambling, including rules and regulations
11 regarding the inspection of licensed facilities ~~such~~
12 ~~riverboats~~ and the review of any permits or licenses
13 necessary to operate a licensed facility ~~riverboat~~ under
14 any laws or regulations applicable to licensed facilities
15 ~~riverboats,~~ and to impose penalties for violations
16 thereof.

17 (4) (Blank). ~~To enter the office, riverboats,~~
18 ~~facilities, or other places of business of a licensee,~~
19 ~~where evidence of the compliance or noncompliance with the~~
20 ~~provisions of this Act is likely to be found.~~

21 (5) To ~~investigate alleged violations of this Act or~~
22 ~~the rules of the Board and to~~ take appropriate disciplinary
23 action against a licensee ~~or a holder of an occupational~~
24 ~~license~~ for a violation, or institute appropriate legal
25 action for enforcement, or both.

26 (6) To adopt standards for the licensing of all persons

1 under this Act, as well as for electronic or mechanical
2 gambling games, and to establish fees for such licenses.

3 (7) To adopt appropriate standards for all licensed
4 facilities authorized under this Act ~~riverboats and~~
5 ~~facilities~~.

6 (8) To require that the records, including financial or
7 other statements of any licensee under this Act, shall be
8 kept in such manner as prescribed by the Board and that any
9 such licensee involved in the ownership or management of
10 gambling operations submit to the Board an annual balance
11 sheet and profit and loss statement, list of the
12 stockholders or other persons having a 1% or greater
13 beneficial interest in the gambling activities of each
14 licensee, and any other information the Board deems
15 necessary in order to effectively administer this Act and
16 all rules, regulations, orders and final decisions
17 promulgated under this Act.

18 (9) To conduct hearings, issue subpoenas for the
19 attendance of witnesses and subpoenas duces tecum for the
20 production of books, records and other pertinent documents
21 in accordance with the Illinois Administrative Procedure
22 Act, and to administer oaths and affirmations to the
23 witnesses, when, in the judgment of the Board, it is
24 necessary to administer or enforce this Act or the Board
25 rules.

26 (10) To prescribe a form to be used by any licensee

1 involved in the ownership or management of gambling
2 operations as an application for employment for their
3 employees.

4 (11) To revoke or suspend licenses, as the Board may
5 see fit and in compliance with applicable laws of the State
6 regarding administrative procedures, and to review
7 applications for the renewal of licenses.

8 (11.5) To ~~The Board may~~ suspend a ~~an owners~~ license,
9 without notice or hearing, upon a determination that the
10 safety or health of patrons or employees is jeopardized by
11 continuing a gambling operation conducted under that
12 license ~~a riverboat's operation~~. The suspension may remain
13 in effect until the Board determines that the cause for
14 suspension has been abated. After such a suspension, the
15 ~~The~~ Board may revoke a ~~the owners~~ license upon a
16 determination that the licensee ~~owner~~ has not made
17 satisfactory progress toward abating the hazard.

18 (12) (Blank). ~~To eject or exclude or authorize the~~
19 ~~ejection or exclusion of, any person from riverboat~~
20 ~~gambling facilities where such person is in violation of~~
21 ~~this Act, rules and regulations thereunder, or final orders~~
22 ~~of the Board, or where such person's conduct or reputation~~
23 ~~is such that his presence within the riverboat gambling~~
24 ~~facilities may, in the opinion of the Board, call into~~
25 ~~question the honesty and integrity of the gambling~~
26 ~~operations or interfere with orderly conduct thereof;~~

1 ~~provided that the propriety of such ejection or exclusion~~
2 ~~is subject to subsequent hearing by the Board.~~

3 (13) To require all gaming licensees ~~of gambling~~
4 ~~operations~~ to utilize a cashless wagering system whereby
5 all players' money is converted to tokens, electronic
6 cards, or chips which shall be used only for wagering in
7 the gambling establishment.

8 (14) (Blank).

9 (15) To suspend, revoke or restrict licenses, to
10 require the removal of a licensee or an employee of a
11 licensee for a violation of this Act or a Board rule or for
12 engaging in a fraudulent practice, and to impose civil
13 penalties of up to \$5,000 against individuals and up to
14 \$10,000 or an amount equal to the daily gross receipts,
15 whichever is larger, against licensees for each violation
16 of any provision of the Act, any rules adopted by the
17 Board, any order of the Board or any other action which, in
18 the Board's discretion, is a detriment or impediment to
19 ~~riverboat~~ gambling operations.

20 (16) To hire employees to ~~gather information, conduct~~
21 ~~investigations and~~ carry out any other tasks contemplated
22 under this Act.

23 (17) To establish minimum levels of insurance to be
24 maintained by licensees.

25 (18) To authorize a gaming licensee to sell or serve
26 alcoholic liquors, wine or beer as defined in the Liquor

1 Control Act of 1934 in a licensed facility ~~on board a~~
2 ~~riverboat~~ and to have exclusive authority to establish the
3 hours for sale and consumption of alcoholic liquor in a
4 licensed facility ~~on board a riverboat~~, notwithstanding
5 any provision of the Liquor Control Act of 1934 or any
6 local ordinance, and regardless of whether the riverboat
7 makes excursions. The establishment of the hours for sale
8 and consumption of alcoholic liquor in a licensed facility
9 ~~on board a riverboat~~ is an exclusive power and function of
10 the State. A home rule unit may not establish the hours for
11 sale and consumption of alcoholic liquor in a licensed
12 facility ~~on board a riverboat~~. This subdivision (18)
13 ~~amendatory Act of 1991~~ is a denial and limitation of home
14 rule powers and functions under subsection (h) of Section 6
15 of Article VII of the Illinois Constitution.

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

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

25 (21) To make rules concerning the conduct of electronic
26 gaming.

1 (22) To make rules concerning the conduct of electronic
2 poker.

3 (23) To review all contracts entered into by gaming
4 licensees authorized under this Act. The Board must review
5 and approve all contracts entered into by a gaming licensee
6 for an aggregate amount of \$10,000 or more or for a term to
7 exceed 365 days. If an electronic gaming licensee enters
8 into a contract that is exclusively related to the
9 operation of the licensee's race track, however, then no
10 Board approval is necessary. If there is any doubt as to
11 whether a contract entered into is exclusively related to
12 the operation of the licensee's race track, then the
13 contract shall be determined to be subject to the
14 jurisdiction of the Board. If a contract has been entered
15 into prior to Board authorization of a requested action,
16 including without limitation a contract for a construction
17 project for expansion of a facility, or for construction of
18 a relocated facility, then the contract is not valid until
19 the Board approves both the requested action and the
20 contract itself.

21 (24) ~~(21)~~ To take any other action as may be reasonable
22 or appropriate to enforce this Act and rules and
23 regulations hereunder.

24 (d) (Blank). ~~The Board may seek and shall receive the~~
25 ~~cooperation of the Department of State Police in conducting~~
26 ~~background investigations of applicants and in fulfilling its~~

1 ~~responsibilities under this Section. Costs incurred by the~~
2 ~~Department of State Police as a result of such cooperation~~
3 ~~shall be paid by the Board in conformance with the requirements~~
4 ~~of Section 2605-400 of the Department of State Police Law (20~~
5 ~~ILCS 2605/2605-400).~~

6 (e) (Blank). ~~The Board must authorize to each investigator~~
7 ~~and to any other employee of the Board exercising the powers of~~
8 ~~a peace officer a distinct badge that, on its face, (i) clearly~~
9 ~~states that the badge is authorized by the Board and (ii)~~
10 ~~contains a unique identifying number. No other badge shall be~~
11 ~~authorized by the Board.~~

12 (f) Except as provided in subsection (h) of Section 5.4,
13 all Board meetings are subject to the Open Meetings Act. Three
14 members of the Board constitute a quorum, and 3 votes are
15 required for any final determination by the Board. The Board
16 shall keep a complete and accurate record of all its meetings.
17 A majority of the members of the Board constitute a quorum for
18 the transaction of any business, for the performance of any
19 duty, or for the exercise of any power that this Act requires
20 the Board members to transact, perform, or exercise en banc,
21 except that, upon order of the Board, one of the Board members
22 or an administrative law judge designated by the Board may
23 conduct any hearing provided for under this Act or by Board
24 rule and may recommend findings and decisions to the Board. The
25 Board member or administrative law judge conducting such
26 hearing has all powers and rights granted to the Board in this

1 Act. The record made at the time of the hearing shall be
2 reviewed by the Board, or a majority thereof, and the findings
3 and decision of the majority of the Board constitutes the order
4 of the Board in such case.

5 (g) The Board shall carry on a continuous study of the
6 operation and administration of gaming laws that may be in
7 effect in other jurisdictions, literature on this subject that
8 may from time to time become available, federal laws that may
9 affect the operation of gaming in this State, and the reaction
10 of Illinois citizens to existing and potential features of
11 gaming under this Act. The Board is responsible for
12 ascertaining any defects in this Act or in the rules adopted
13 thereunder, formulating recommendations for changes in this
14 Act to prevent abuses thereof, guarding against the use of this
15 Act as a cloak for the carrying on of illegal gambling or other
16 criminal activities, and insuring that this Act and the rules
17 are in such form and so administered as to serve the true
18 purposes of this Act.

19 (h) Prior to the issuance of the license authorized by
20 Section 7.11a, the Board shall conduct a study of the
21 feasibility of granting that license to the State Authority as
22 opposed to a privately owned authority. In conducting this
23 study, the Board shall consider:

24 (1) the highest prospective total revenue to be derived
25 by the State from the conduct of gambling as operated by
26 the State Authority as opposed to a privately owned

1 authority;

2 (2) whether granting the license to the State Authority
3 will maintain public confidence and trust in the
4 credibility and integrity of the gambling operations;

5 (3) the operation and administration of publicly owned
6 gaming operations in other jurisdictions;

7 (4) the reaction of Illinois citizens to a publicly
8 owned authority;

9 (5) whether the State Authority has a greater financial
10 ability to insure against liability and casualty;

11 (6) whether the State Authority can more adequately
12 assure capitalization to provide and maintain, for the
13 duration of a license, a gaming operation;

14 (7) the extent to which the State Authority exceeds or
15 meets the standards for the issuance of a license, which
16 the Board may adopt by rule; and

17 (8) the most significant economic development over a
18 large geographic area from the conduct of gambling as
19 operated by the State Authority as opposed to a privately
20 owner authority.

21 The study required under this subsection (h) shall be
22 completed within one year after the appointment of the Board
23 authorized under this amendatory Act of the 95th General
24 Assembly.

25 (i) The Board shall file with the Governor and the General
26 Assembly an annual report of (i) all revenues, expenses, and

1 disbursements, (ii) actions taken by the Board, (iii) activity
2 at Responsible Play Information Centers at licensed
3 facilities, and (iv) any recommendations for changes in this
4 Act as the Board deems necessary or desirable. The Board shall
5 also report recommendations that promote more efficient
6 operations of the Board.

7 (j) The Board shall report immediately to the Governor and
8 the General Assembly any matters that in its judgment require
9 immediate changes in the laws of this State in order to prevent
10 abuses and evasions of this Act or of its rules or to rectify
11 undesirable conditions in connection with the operation and
12 regulation of gambling operations.

13 (Source: P.A. 91-40, eff. 1-1-00; 91-239, eff. 1-1-00; 91-883,
14 eff. 1-1-01.)

15 (230 ILCS 10/5.1) (from Ch. 120, par. 2405.1)

16 Sec. 5.1. Disclosure of records.

17 (a) Notwithstanding any applicable statutory provision to
18 the contrary, the Board shall, on written request from any
19 person, provide information furnished by an applicant for a
20 gaming license or a gaming licensee concerning the applicant or
21 licensee, his products, services or gambling enterprises and
22 his business holdings, as follows:

23 (1) The name, business address and business telephone
24 number of any applicant or licensee.

25 (2) An identification of any applicant or licensee

1 including, if an applicant or licensee is not an
2 individual, the state of incorporation or registration,
3 the corporate officers, and the identity of all
4 shareholders or participants. If an applicant or licensee
5 has a pending registration statement filed with the
6 Securities and Exchange Commission, only the names of those
7 persons or entities holding interest of 1% ~~5%~~ or more must
8 be provided.

9 (3) An identification of any business, including, if
10 applicable, the state of incorporation or registration, in
11 which an applicant or licensee or an applicant's or
12 licensee's spouse or children has an equity interest of
13 more than 1% ~~5%~~. If an applicant or licensee is a
14 corporation, partnership or other business entity, the
15 applicant or licensee shall identify any other
16 corporation, partnership or business entity in which it has
17 an equity interest of 1% ~~5%~~ or more, including, if
18 applicable, the state of incorporation or registration.
19 This information need not be provided by a corporation,
20 partnership or other business entity that has a pending
21 registration statement filed with the Securities and
22 Exchange Commission.

23 (4) Whether an applicant or licensee has been indicted,
24 convicted, pleaded guilty or nolo contendere, or forfeited
25 bail concerning any criminal offense under the laws of any
26 jurisdiction, either felony or misdemeanor (except for

1 traffic violations), including the date, the name and
2 location of the court, arresting agency and prosecuting
3 agency, the case number, the offense, the disposition and
4 the location and length of incarceration.

5 (5) Whether an applicant or licensee has had any
6 license or certificate issued by a licensing authority in
7 Illinois or any other jurisdiction denied, restricted,
8 suspended, revoked or not renewed and a statement
9 describing the facts and circumstances concerning the
10 denial, restriction, suspension, revocation or
11 non-renewal, including the licensing authority, the date
12 each such action was taken, and the reason for each such
13 action.

14 (6) Whether an applicant or licensee has ever filed or
15 had filed against it a proceeding in bankruptcy or has ever
16 been involved in any formal process to adjust, defer,
17 suspend or otherwise work out the payment of any debt
18 including the date of filing, the name and location of the
19 court, the case and number of the disposition.

20 (7) Whether an applicant or licensee has filed, or been
21 served with a complaint or other notice filed with any
22 public body, regarding the delinquency in the payment of,
23 or a dispute over the filings concerning the payment of,
24 any tax required under federal, State or local law,
25 including the amount, type of tax, the taxing agency and
26 time periods involved.

1 (8) A statement listing the names and titles of all
2 public officials or officers of any unit of government, and
3 relatives of said public officials or officers who,
4 directly or indirectly, own any financial interest in, have
5 any beneficial interest in, are the creditors of or hold
6 any debt instrument issued by, or hold or have any interest
7 in any contractual or service relationship with, an
8 applicant or licensee.

9 (9) Whether an applicant or licensee has made, directly
10 or indirectly, any political contribution, or any loans,
11 donations or other payments, to any candidate or office
12 holder, within 5 years from the date of filing the
13 application, including the amount and the method of
14 payment.

15 (10) The name and business telephone number of the
16 counsel representing an applicant or licensee in matters
17 before the Board.

18 (11) A description of any proposed or approved gambling
19 ~~riverboat gaming~~ operation, including the type of boat (if
20 applicable), ~~home dock~~ location, expected economic benefit
21 to the community, anticipated or actual number of
22 employees, any statement from an applicant or licensee
23 regarding compliance with federal and State affirmative
24 action guidelines, projected or actual admissions and
25 projected or actual adjusted gross gaming receipts.

26 (12) A description of the product or service to be

1 supplied by an applicant for a supplier's license.

2 (b) Notwithstanding any applicable statutory provision to
3 the contrary, the Board shall, on written request from any
4 person, also provide the following information furnished by an
5 applicant for a gaming license or gaming licensee:

6 (1) The amount of the wagering tax and admission tax
7 paid daily to the State of Illinois by the holder of an
8 owner's license.

9 (2) Whenever the Board finds an applicant for an
10 owner's license unsuitable for licensing, a copy of the
11 written letter outlining the reasons for the denial.

12 (3) Whenever the Board has refused to grant leave for
13 an applicant to withdraw his application, a copy of the
14 letter outlining the reasons for the refusal.

15 (c) Subject to the above provisions, the Board shall not
16 disclose any information which would be barred by:

17 (1) Section 7 of the Freedom of Information Act; or

18 (2) The statutes, rules, regulations or
19 intergovernmental agreements of any jurisdiction.

20 (d) The Board may assess fees for the copying of
21 information in accordance with Section 6 of the Freedom of
22 Information Act.

23 (Source: P.A. 87-826.)

24 (230 ILCS 10/5.2 new)

25 Sec. 5.2. Separation from Department of Revenue. On the

1 effective date of this amendatory Act of the 95th General
2 Assembly, all of the powers, duties, assets, liabilities,
3 employees, contracts, property, records, pending business, and
4 unexpended appropriations of the Department of Revenue related
5 to the administration and enforcement of this Act are
6 transferred to the Illinois Gaming Board and the Office of
7 Gaming Enforcement.

8 The status and rights of the transferred employees, and the
9 rights of the State of Illinois and its agencies, under the
10 Personnel Code and applicable collective bargaining agreements
11 or under any pension, retirement, or annuity plan are not
12 affected (except as provided in the Illinois Pension Code) by
13 that transfer or by any other provision of this amendatory Act
14 of the 95th General Assembly.

15 (230 ILCS 10/5.3 new)

16 Sec. 5.3. Nomination Panel.

17 (a) The Nomination Panel is established to provide a list
18 of nominees to the Governor for appointment to the Illinois
19 Gaming Board, the Illinois Racing Board, the Illinois Casino
20 Development Board, and the position of Director of Gaming
21 Enforcement. Members of the Nomination Panel shall be the
22 following: (1) the Executive Ethics Commissioner appointed by
23 the Secretary of State; (2) the Executive Ethics Commissioner
24 appointed by the Treasurer; (3) the Executive Ethics
25 Commissioner appointed by the Comptroller; (4) the Executive

1 Ethics Commissioner appointed by the Attorney General; and (5)
2 one Executive Ethics Commissioner appointed by the Governor.
3 However, the appointing authorities as of the effective date of
4 this amendatory Act of the 95th General Assembly shall remain
5 empowered to fill vacancies on the Nomination Panel until all
6 members of the new Gaming Board, Racing Board, and Illinois
7 Casino Development Board and the Director of Gaming Enforcement
8 have been appointed and qualified, regardless of whether such
9 appointing authorities remain members of the Executive Ethics
10 Commission. In the event of such appointing authority's
11 disqualification, resignation, or refusal to serve as an
12 appointing authority, the Constitutional officer that
13 appointed the Executive Ethics Commissioner may name a designee
14 to serve as an appointing authority for the Nomination Panel.
15 The appointing authorities may hold so many public or
16 non-public meetings as is required to fulfill their duties, and
17 may utilize the staff and budget of the Executive Ethics
18 Commission in carrying out their duties; provided, however,
19 that a final vote on appointees to the Nomination Panel shall
20 take place in a meeting governed by the Open Meetings Act. Any
21 ex parte communications regarding the Nomination Panel must be
22 made a part of the record at the next public meeting and part
23 of a written record. The appointing authorities shall file a
24 list of members of the Nomination Panel with the Secretary of
25 State within 60 days after the effective date of this
26 amendatory Act of the 95th General Assembly. A vacancy on the

1 Nomination Panel due to disqualification or resignation must be
2 filled within 60 days of a vacancy and the appointing
3 authorities must file the name of the new appointee with the
4 Secretary of State.

5 (b) Candidates for nomination to the Illinois Gaming Board,
6 the Illinois Racing Board, or the position of Director of
7 Gaming Enforcement may apply or be nominated. All candidates
8 must fill out a written application and submit to a background
9 investigation to be eligible for consideration. The written
10 application must include, at a minimum, a sworn statement
11 disclosing any communications that the applicant has engaged in
12 with a constitutional officer, a member of the General
13 Assembly, a special government agent (as that term is defined
14 in Section 4A-101 of the Illinois Governmental Ethics Act), a
15 director, secretary, or other employee of the executive branch
16 of the State, or an employee of the legislative branch of the
17 State related to the regulation of gaming within the last year.

18 A person who provides false or misleading information on
19 the application or fails to disclose a communication required
20 to be disclosed in the sworn statement under this Section is
21 guilty of a Class 4 felony.

22 (c) Once an application is submitted to the Nomination
23 Panel and until (1) the candidate is rejected by the Nomination
24 Panel, (2) the candidate is rejected by the Governor, (3) the
25 candidate is rejected by the Senate, or (4) the candidate is
26 confirmed by the Senate, whichever is applicable, a candidate

1 may not engage in ex parte communications, as that term is
2 defined in Section 5.7 of this Act.

3 (d) For the purpose of making the initial nominations after
4 the effective date of the amendatory Act of the 95th General
5 Assembly, the Nomination Panel shall request the assistance of
6 the Illinois State Police to conduct the background
7 investigation. The Nomination Panel shall have 60 days after
8 approval with the Illinois State Police to conduct background
9 investigations of candidates under consideration of the
10 Nomination Panel.

11 (e) The Nomination Panel must review written applications,
12 determine eligibility for oral interviews, confirm
13 satisfactory background investigations, and hold public
14 hearings on qualifications of candidates. Initial interviews
15 of candidates need not be held in meetings subject to the Open
16 Meetings Act; members or staff may arrange for informal
17 interviews. Prior to recommendation, however, the Nomination
18 Panel must question candidates in a meeting subject to the Open
19 Meetings Act under oath.

20 (f) The Nomination Panel must review written applications,
21 determine eligibility for oral interviews, confirm
22 satisfactory criminal history records checks, and hold public
23 hearings on qualifications of candidates.

24 (g) The Nomination Panel must recommend candidates for
25 nomination to the Illinois Gaming Board, the Illinois Racing
26 Board, the Illinois Casino Development Authority, and the

1 Director of Gaming Enforcement. The Governor may choose only
2 from the Nomination Panel's recommendations; however, within
3 30 days, he or she must accept or reject the original
4 recommendations and request additional recommendations from
5 the Nomination Panel, if necessary. The Nomination Panel shall
6 recommend to the Governor 3 candidates for every open position
7 for the Illinois Racing Board, the Illinois Gaming Board, the
8 Illinois Casino Development Authority, and the Director of
9 Gaming Enforcement. The Nomination Panel shall recommend
10 candidates to the Governor within 10 days upon request by the
11 Governor for additional candidates. The Nomination Panel shall
12 file the names of nominees with the Senate and the Secretary of
13 State. The Secretary of State shall indicate the date and time
14 of filing. Any nominations not forwarded by the Governor to the
15 Senate within 30 days are disapproved.

16 (h) Selections by the Governor must receive the consent of
17 the Senate.

18 (230 ILCS 10/5.4 new)

19 Sec. 5.4. Office of Gaming Enforcement.

20 (a) There is established the Office of Gaming Enforcement,
21 which shall have the powers and duties specified in this Act or
22 the Illinois Horse Racing Act of 1975. Its jurisdiction shall
23 extend under this Act and the Illinois Horse Racing Act of 1975
24 to every licensee, person, association, corporation,
25 partnership and trust involved in gambling operations in the

1 State of Illinois.

2 (b) The Office shall have an officer as its head who shall
3 be known as the Director and who shall execute the powers and
4 discharge the duties given to the Office by this Act and the
5 Illinois Horse Racing Act of 1975. The Director must have at
6 least 10 years experience in law enforcement and investigatory
7 methods at the federal or state level, but not necessarily in
8 Illinois, with a preference given for experience in regulation
9 or investigation in the gaming industry. Nominations for the
10 position of Director must be made by the Nomination Panel as
11 provided in Section 5.3. The Director of the Office may be
12 removed by the Governor for neglect of duty, misfeasance,
13 malfeasance, or nonfeasance in office. The Director shall
14 receive an annual salary equal to the annual salary of a State
15 appellate court judge and shall hold no other employment for
16 which he or she receives compensation. The Director may not
17 hold a local, state, or federal elective or appointive office
18 or be employed by a local, state, or federal governmental
19 entity while in office.

20 (c) The Director shall employ such personnel as may be
21 necessary to carry out the functions of the Office and shall
22 determine the salaries of all personnel, except those personnel
23 whose salaries are determined under the terms of a collective
24 bargaining agreement. An employee or the employee's spouse,
25 parent, or child, may not, for 2 years before employment,
26 during employment, and for 5 years after employment by the

1 Office have a financial interest in or financial relationship
2 with, any operator engaged in gambling operations within this
3 State or any organization engaged in conducting horse racing
4 within this State. Any employee violating these prohibitions is
5 subject to termination of employment.

6 (d) The Office shall have general responsibility for the
7 investigation and enforcement under this Act and the Illinois
8 Horse Racing Act of 1975. Its duties include without limitation
9 the following:

10 (1) To be present through its inspectors and agents any
11 time gambling operations are conducted for the purpose of
12 certifying the revenue thereof, receiving complaints from
13 the public, and conducting such other investigations into
14 the conduct of the gambling games and the maintenance of
15 the equipment as from time to time the Board may deem
16 necessary and proper.

17 (2) To supervise all gambling operations authorized
18 under this Act and the Illinois Horse Racing Act of 1975
19 and all persons in places where gambling operations are
20 conducted.

21 (3) To promulgate rules regarding the inspection of
22 riverboats, casinos, and electronic gaming facilities.

23 (4) To enter the licensed facility or other places of
24 business of a licensee under this Act or the Illinois Horse
25 Racing Act of 1975 where evidence of the compliance or
26 noncompliance with the provisions of those Acts are likely

1 to be found.

2 (5) To exchange fingerprint data with, and receive
3 criminal history record information from, the Federal
4 Bureau of Investigation, to the extent possible, and the
5 Department of State Police for use in considering
6 applicants for any license.

7 (6) To eject or exclude or authorize the ejection or
8 exclusion of any person from licensed facilities where the
9 person is in violation of this Act or the Illinois Horse
10 Racing Act of 1975, rules thereunder, or final orders of
11 the appropriate Board, or where such person's conduct or
12 reputation is such that his or her presence within the
13 licensed facilities may call into question the honesty and
14 integrity of the gambling operations or interfere with the
15 orderly conduct thereof; provided that the propriety of
16 such ejection or exclusion is subject to subsequent
17 hearing.

18 (7) To hire employees to gather information, conduct
19 investigations, and carry out any other tasks contemplated
20 under this Act or the Illinois Horse Racing Act of 1975.

21 (8) To conduct investigations on its own initiative or
22 as requested by the Illinois Gaming Board, Illinois Racing
23 Board, or the Nomination Panel, including without
24 limitation investigations for suspected violations of this
25 Act and the Illinois Horse Racing Act of 1975 and
26 investigations for issuance or renewal of a license.

1 (e) The Office must issue to each investigator and to any
2 other employee of the Office exercising the powers of a peace
3 officer a distinct badge that, on its face, (i) clearly states
4 that the badge is authorized by the Office and (ii) contains a
5 unique identifying number. No other badge shall be authorized
6 by the Office.

7 (f) The Office is a law enforcement agency, and its
8 employees and agents shall have such law enforcement powers as
9 may be delegated to them by the Attorney General to effectuate
10 the purposes of this Act.

11 (g) Whenever the Office has reason to believe that any
12 person may be in possession, custody, or control of any
13 documentary material or information relevant to an
14 investigation, the Office may, before commencing a civil
15 proceeding under this Act, issue in writing and cause to be
16 served upon such person, a subpoena requiring such person: (A)
17 to produce such documentary material for inspection and
18 copying, (B) to answer, in writing, written interrogatories
19 with respect to such documentary material or information, (C)
20 to give oral testimony concerning such documentary material or
21 information, or (D) to furnish any combination of such
22 material, answers, or testimony.

23 (h) The Office may order any person to answer a question or
24 questions or produce evidence of any kind and confer immunity
25 as provided in this subsection. If, in the course of any
26 investigation or hearing conducted under this Act, a person

1 refuses to answer a question or produce evidence on the ground
2 that he or she will be exposed to criminal prosecution thereby,
3 then in addition to any other remedies or sanctions provided
4 for by this Act, the Office may, by resolution of the Board and
5 after the written approval of the Attorney General, issue an
6 order to answer or to produce evidence with immunity. Hearings,
7 documents, and other communications regarding the granting of
8 immunity are not subject to the Freedom of Information Act or
9 the Open Meetings Act. If, upon issuance of such an order, the
10 person complies therewith, he or she shall be immune from
11 having such responsive answer given by him or her or such
12 responsive evidence produced by him or her, or evidence derived
13 therefrom, used to expose him or her to criminal prosecution,
14 except that such person may nevertheless be prosecuted for any
15 perjury committed in such answer or in producing such evidence,
16 or for contempt for failing to give an answer or produce
17 evidence in accordance with the order of the Office; provided,
18 however, that no period of incarceration for contempt shall
19 exceed 18 months in duration. Any such answer given or evidence
20 produced shall be admissible against him or her upon any
21 criminal investigation, proceeding, or trial against him or her
22 for such perjury; upon any investigation, proceeding or trial
23 against him or her for such contempt; or in any manner
24 consistent with State and constitutional provisions.

25 (i) When the Office or any entity authorized under this Act
26 or the Illinois Horse Racing Act of 1975 is authorized or

1 required by law to conduct a background investigation, the
2 Office shall:

3 (1) conduct a criminal history record check
4 investigation to obtain any information currently or
5 subsequently contained in the files of the State Police
6 and, if possible, the Federal Bureau of Investigation,
7 regarding possible criminal behavior, including
8 misdemeanor and felony convictions;

9 (2) conduct a civil action record check investigation
10 to obtain information regarding any civil matters to which
11 the person was a party, witness, or in any way
12 substantially participated in the matter;

13 (3) conduct investigation of personal and professional
14 references and acquaintances, including, but not limited
15 to, current and former employers or employees; or

16 (4) conduct investigation of financial history.

17 (230 ILCS 10/5.5 new)

18 Sec. 5.5. Ethics provisions.

19 (a) Conflict of interest. Board members, members of the
20 Nomination Panel, the Director of Gaming Enforcement, and
21 employees may not engage in communications or any activity that
22 may cause or have the appearance of causing a conflict of
23 interest. A conflict of interest exists if a situation
24 influences or creates the appearance that it may influence
25 judgment or performance of regulatory duties and

1 responsibilities. This prohibition shall extend to any act
2 identified by Board action that, in the judgment of the Board,
3 could represent the potential for or the appearance of a
4 conflict of interest.

5 (b) No State constitutional officer or member of the
6 General Assembly nor an entity from which the State
7 constitutional officer or member of the General Assembly
8 receives compensation may own a direct interest in a gaming
9 licensee or have a direct financial interest in or relationship
10 with any entity that owns, operates, or is an affiliate of a
11 gaming licensee during his or her term or for a period of 5
12 years after the State constitutional officer or member of
13 General Assembly leaves office. The holding or acquisition of
14 an interest in such entities through indirect means, such as
15 through a mutual fund, shall not be prohibited. For purposes of
16 this subsection (b), "State constitutional officer or member of
17 the General Assembly" includes the spouse or minor child of the
18 State constitutional officer or member of the General Assembly.
19 A violation of this subsection (b) is a Class 4 felony.

20 (c) Financial interest. Board members, members of the
21 Nomination Panel, the Director of Gaming Enforcement, and
22 employees may not have a financial interest, directly or
23 indirectly, in his or her own name or in the name of any other
24 person, partnership, association, trust, corporation, or other
25 entity, in any contract or subcontract for the performance of
26 any work for the Board or for any licensee. This prohibition

1 shall extend to the holding or acquisition of an interest in
2 any entity identified by Board action that, in the judgment of
3 the Board, could represent the potential for or the appearance
4 of a financial interest. The holding or acquisition of an
5 interest in such entities through an indirect means, such as
6 through a mutual fund, shall not be prohibited, except that
7 Board may identify specific investments or funds that, in its
8 judgment, are so influenced by gaming holdings as to represent
9 the potential for or the appearance of a conflict of interest.

10 (d) Gambling. Except as may be required in the conduct of
11 official duties, Board members and employees and the Director
12 of Gaming Enforcement shall not engage in gambling on any
13 riverboat, in any casino, or in an electronic gaming facility
14 licensed by the Board or engage in legalized gambling in any
15 establishment identified by Board action that, in the judgment
16 of the Board, could represent a potential for a conflict of
17 interest.

18 (e) Outside employment. A Board member, an employee, or the
19 Director of Gaming Enforcement may not, within a period of 5
20 years immediately after termination of employment, knowingly
21 accept employment or receive compensation or fees for services
22 from a person or entity, or its parent or affiliate, that has
23 engaged in business with the Board that resulted in contracts
24 with an aggregate value of at least \$25,000 or if that Board
25 member, employee, or the Director has made a decision that
26 directly applied to the person or entity, or its parent or

1 affiliate. Board members and employees shall not hold or pursue
2 employment, office, position, business, or occupation that
3 conflict with his or her official duties. Board members shall
4 not engage in other employment. Employees may engage in other
5 gainful employment so long as that employment does not
6 interfere or conflict with their duties and such employment is
7 approved by the Board.

8 (f) Gift ban. Board members, the Director of Gaming
9 Enforcement, and employees may not accept any gift, gratuity,
10 service, compensation, travel, lodging, or thing of value, with
11 the exception of unsolicited items of an incidental nature,
12 from any person, corporation or entity doing business with the
13 Board. For the Director and employees of the Office of Gaming
14 Enforcement, this ban shall also apply to any person,
15 corporation, or entity doing business with the Illinois Racing
16 Board.

17 (g) Abuse of Position. A Board member, member of the
18 Nomination Panel, Director of Gaming Enforcement, or employee
19 shall not use or attempt to use his or her official position to
20 secure, or attempt to secure, any privilege, advantage, favor,
21 or influence for himself or herself or others. No Board member,
22 member of the Nomination Panel, Director of Gaming Enforcement,
23 or employee of the Authority may attempt, in any way, to
24 influence any person or corporation doing business with the
25 Authority or any officer, agent, or employee thereof to hire or
26 contract with any person or corporation for any compensated

1 work.

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

14 (i) A spouse, child, or parent of a Board member, the
15 Director of Gaming Enforcement, or an employee may not:

16 (1) Have a financial interest, directly or indirectly,
17 in his or her own name or in the name of any other person,
18 partnership, association, trust, corporation, or other
19 entity, in any contract or subcontract for the performance
20 of any work for the Board of any licensee. This prohibition
21 shall extend to the holding or acquisition of an interest
22 in any entity identified by Board action that, in the
23 judgment of the Board, could represent the potential for or
24 the appearance of a conflict of interest. The holding or
25 acquisition of an interest in such entities through an
26 indirect means, such as through a mutual fund, shall not be

1 prohibited, expect that the Board may identify specific
2 investments or funds that, in its judgment, are so
3 influenced by gaming holdings as to represent the potential
4 for or the appearance of a conflict of interest.

5 (2) Accept any gift, gratuity, service, compensation,
6 travel, lodging, or thing of value, with the exception of
7 unsolicited items of an incidental nature, from any person,
8 corporation or entity doing business with the Board.

9 (3) Within a period of 2 years immediately after
10 termination of employment, knowingly accept employment or
11 receive compensation or fees for services from a person or
12 entity, or its parent or affiliate, that has engaged in
13 business with the Board, the Illinois Casino Development
14 Authority, the Chicago Casino Development Authority, or
15 the Office of Gaming Enforcement that resulted in contracts
16 with an aggregate value of at least \$25,000 or if the Board
17 or Office has made a decision that directly applies to the
18 person or entity, or its parent or affiliate.

19 (j) Any Board member, member of the Nomination Panel,
20 Director of Gaming Enforcement, or employee or spouse, child,
21 or parent of a Board member, member of the Nomination Panel,
22 Director of Gaming Enforcement, or employee who violates any
23 provision of this Section is guilty of a Class 4 felony.

24 (230 ILCS 10/5.7 new)

25 Sec. 5.7. Ex parte communications.

1 (a) For the purpose of this Section:

2 "Ex parte communication" means any written or oral
3 communication by any person that imparts or requests material
4 information or makes a material argument regarding potential
5 action concerning regulatory, quasi regulatory, investment, or
6 licensing matters pending before or under consideration by the
7 Illinois Gaming Board. "Ex parte communication" does not
8 include the following: (i) statements by a person publicly made
9 in a public forum; (ii) statements regarding matters of
10 procedure and practice, such as format, the number of copies
11 required, the manner of filing, and the status of a matter;
12 (iii) statements regarding recommendation for pending or
13 approved legislation; (iv) statements made by a State employee
14 of the agency to the agency head or other employees of that
15 agency.

16 "Ex parte communication" does not include conversations
17 concerning qualifications to serve on the Board or as Director
18 of Gaming Enforcement between members of the Senate and
19 nominees to the Board that occur in the time period between
20 nomination by the Governor and either confirmation or rejection
21 by the Senate.

22 "Interested party" means a person or entity whose rights,
23 privileges, or interests are the subject of or are directly
24 affected by a regulatory, quasi-adjudicatory, investment, or
25 licensing matter of the Board.

26 (b) A constitutional officer, a member of the General

1 Assembly, a special government agent as that term is defined in
2 Section 4A-101 of the Illinois Governmental Ethics Act, a
3 director, secretary, or other employee of the executive branch
4 of the State, an employee of the legislative branch of the
5 State, or an interested party may not engage in any ex parte
6 communication with a member of the Board or an employee. A
7 member of the Board or an employee must immediately report any
8 ex parte communication to the Inspector General for gaming
9 activities. A violation of this subsection (b) is a Class 4
10 felony.

11 (c) A constitutional officer, a member of the General
12 Assembly, a special government agent as that term is defined in
13 Section 4A-101 of the Illinois Governmental Ethics Act, a
14 director, secretary, or other employee of the executive branch
15 of the State, an employee of the legislative branch of the
16 State, or an interested party may not engage in any ex parte
17 communication with a nominee for the Board or a nominee for the
18 Director of Gaming Enforcement. A person is deemed a nominee
19 once they have submitted information to the nomination panel. A
20 nominee must immediately report any ex parte communication to
21 the Inspector General for gaming activities. A violation of
22 this subsection (c) is a Class 4 felony.

23 (d) Any ex parte communication from a constitutional
24 officer, a member of the General Assembly, a special government
25 agent as that term is defined in Section 4A-101 of the Illinois
26 Governmental Ethics Act, a director, secretary, or other

1 employee of the executive branch of the State, an employee of
2 the legislative branch of the State, or an interested party
3 received by a member of the Nomination Panel or employee
4 assisting the Nomination Panel must be immediately
5 memorialized and made a part of the record at the next meeting.
6 Report of the communication shall include all written
7 communications along with a statement describing the nature and
8 substance of all oral communications, any action the person
9 requested or recommended, the identity and job title of the
10 person to whom each communication was made, all responses made
11 by the member. A violation of this subsection (d) is a Class A
12 misdemeanor.

13 (e) Notwithstanding any provision of this Section, if a
14 State constitutional officer or member of the General Assembly
15 or his or her designee determines that potential or actual
16 Illinois Gaming Board, Illinois Racing Board, or Director of
17 Gaming Enforcement business would affect the health, safety,
18 and welfare of the people of the State of Illinois, then the
19 State constitutional officer or member of the General Assembly
20 may submit questions or comments by written medium to the
21 Chairman of the Illinois Gaming Board, Chairman of the Illinois
22 Racing Board, or Director of Gaming Enforcement. Upon receipt
23 of the message or question, the Chairman or Director shall
24 submit the message or question to the entire board for a vote.

1 Sec. 6. Application for Owners License or casino license.

2 (a) A qualified person may apply to the Board for an owners
3 license or casino license to conduct a ~~riverboat~~ gambling
4 operation as provided in this Act. The application shall be
5 made on forms provided by the Board and shall contain such
6 information as the Board prescribes, including but not limited
7 to the identity of the riverboat on which such gambling
8 operation is to be conducted and the exact location where such
9 riverboat will be docked, or the location of the casino, a
10 certification that the riverboat will be registered under this
11 Act at all times during which gambling operations are conducted
12 on board, detailed information regarding the ownership and
13 management of the applicant, and detailed personal information
14 regarding the applicant. ~~Any application for an owners license~~
15 ~~to be re-issued on or after June 1, 2003 shall also include the~~
16 ~~applicant's license bid in a form prescribed by the Board.~~
17 Information provided on the application shall be used as a
18 basis for a thorough background investigation which the Board
19 shall conduct with respect to each applicant. An incomplete
20 application shall be cause for denial of a license by the
21 Board.

22 (a-5) In addition to any other information required under
23 this Section, each application for an owners license or casino
24 license must include the following information:

25 (1) The history and success of the applicant and each
26 person and entity disclosed under subsection (c) of this

1 Section in developing tourism facilities ancillary to
2 gaming, if applicable.

3 (2) The likelihood that granting a license to the
4 applicant will lead to the creation of quality, living wage
5 jobs and permanent, full-time jobs for residents of the
6 State and residents of the unit of local government that is
7 designated as the home dock or location of the proposed
8 facility where gambling is to be conducted by the
9 applicant.

10 (3) The projected number of jobs that would be created
11 if the license is granted and the projected number of new
12 employees at the proposed facility where gambling is to be
13 conducted by the applicant.

14 (4) The record of the applicant and its developer in
15 meeting commitments to local agencies, community-based
16 organizations, and employees at other locations where the
17 applicant or its developer has performed similar functions
18 as they would perform if the applicant were granted a
19 license.

20 (5) Identification of adverse effects that might be
21 caused by the proposed facility where gambling is to be
22 conducted by the applicant, including the costs of meeting
23 increased demand for public health care, child care, public
24 transportation, affordable housing, and social services,
25 and a plan to mitigate those adverse effects.

26 (6) The record of the applicant and its developer

1 regarding compliance with:

2 (A) Federal, State, and local discrimination, wage
3 and hour, disability, and occupational and
4 environmental health and safety laws.

5 (B) State and local labor relations and employment
6 laws.

7 (7) The applicant's record in dealing with its
8 employees and their representatives at other locations.

9 (8) A plan concerning the utilization of minority
10 person-owned and female-owned businesses and concerning
11 the hiring of minority persons and females. For the
12 purposes of this item (8), the terms "minority person" and
13 "female" have the meanings provided in Section 2 of the
14 Business Enterprise for Minorities, Females, and Persons
15 with Disabilities Act.

16 Each applicant must submit evidence to the Board that
17 minority persons and females hold ownership interests in the
18 applicant of at least 20% and 5%, respectively.

19 (b) Applicants shall submit with their application all
20 documents, resolutions, and letters of support from the
21 governing body that represents the municipality or county
22 wherein the facility will be located ~~licensee will dock.~~

23 (c) Each applicant shall disclose the identity of every
24 person, association, trust or corporation having a greater than
25 1% direct or indirect pecuniary interest in the ~~riverboat~~
26 gambling operation with respect to which the license is sought.

1 If the disclosed entity is a trust, the application shall
2 disclose the names and addresses of the beneficiaries; if a
3 corporation, the names and addresses of all stockholders and
4 directors; if a partnership, the names and addresses of all
5 partners, both general and limited.

6 (d) An application shall be filed and considered in
7 accordance with the rules of the Board ~~with the Board by~~
8 ~~January 1 of the year preceding any calendar year for which an~~
9 ~~applicant seeks an owners license; however, applications for an~~
10 ~~owners license permitting operations on January 1, 1991 shall~~
11 ~~be filed by July 1, 1990.~~ A non-refundable An application fee
12 of \$250,000 ~~\$50,000~~ shall be paid at the time of filing and
13 shall be applied to the initial license fee if the application
14 is approved. ~~to defray the costs associated with the background~~
15 ~~investigation conducted by the Board. If the costs of the~~
16 ~~investigation exceed \$50,000, the applicant shall pay the~~
17 ~~additional amount to the Board. If the costs of the~~
18 ~~investigation are less than \$50,000, the applicant shall~~
19 ~~receive a refund of the remaining amount.~~ All information,
20 records, interviews, reports, statements, memoranda or other
21 data supplied to or used by the Board in the course of its
22 review or investigation of an application for a license under
23 this Act shall be privileged, strictly confidential and shall
24 be used only for the purpose of evaluating an applicant. Such
25 information, records, interviews, reports, statements,
26 memoranda or other data shall not be admissible as evidence,

1 nor discoverable in any action of any kind in any court or
2 before any tribunal, board, agency or person, except for any
3 action deemed necessary by the Board.

4 (e) (Blank). ~~The Board shall charge each applicant a fee~~
5 ~~set by the Department of State Police to defray the costs~~
6 ~~associated with the search and classification of fingerprints~~
7 ~~obtained by the Board with respect to the applicant's~~
8 ~~application. These fees shall be paid into the State Police~~
9 ~~Services Fund.~~

10 (f) The licensed owner of a riverboat gambling operation
11 shall be the person primarily responsible for the boat itself.
12 Only one riverboat gambling operation may be authorized by the
13 Board on any riverboat. The applicant must identify each
14 riverboat it intends to use and certify that the riverboat: (1)
15 has the authorized capacity required in this Act; (2) is
16 accessible to disabled persons; and (3) is fully registered and
17 licensed in accordance with any applicable laws.

18 (g) A person who knowingly makes a false statement on an
19 application is guilty of a Class A misdemeanor.

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

21 (230 ILCS 10/7) (from Ch. 120, par. 2407)

22 Sec. 7. Owners licenses and casino licenses ~~Licenses~~.

23 (a) The Board shall issue owners licenses and casino
24 licenses to persons, firms or corporations which apply for such
25 licenses upon payment to the Board of the non-refundable

1 license fee set by the Board pursuant to this Act, ~~upon payment~~
2 ~~of a \$25,000 license fee for the first year of operation and a~~
3 ~~\$5,000 license fee for each succeeding year~~ and upon a
4 determination by the Board that the applicant is eligible for
5 an owners license pursuant to this Act and the rules of the
6 Board. For a period of 2 years beginning on the effective date
7 of this amendatory Act of the 94th General Assembly, as a
8 condition of licensure and as an alternative source of payment
9 for those funds payable under subsection (c-5) of Section 13 of
10 this ~~the Riverboat Gambling~~ Act, any owners licensee that holds
11 or receives its owners license on or after the effective date
12 of this amendatory Act of the 94th General Assembly, other than
13 an owners licensee operating a riverboat with adjusted gross
14 receipts in calendar year 2004 of less than \$200,000,000, must
15 pay into the Horse Racing Equity Trust Fund, in addition to any
16 other payments required under this Act, an amount equal to 3%
17 of the adjusted gross receipts received by the owners licensee.
18 The payments required under this Section shall be made by the
19 owners licensee to the State Treasurer no later than 3:00
20 o'clock p.m. of the day after the day when the adjusted gross
21 receipts were received by the owners licensee. A person, firm
22 or corporation is ineligible to receive an owners license if:

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

25 (2) the person has been convicted of any violation of
26 Article 28 of the Criminal Code of 1961, or substantially

1 similar laws of any other jurisdiction;

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

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

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

8 (6) the firm or corporation employs a person defined in
9 (1), (2), (3) or (4) who participates in the management or
10 operation of gambling operations authorized under this
11 Act;

12 (7) (blank); or

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

16 (a-5) The Board shall establish annual fees for the
17 issuance or renewal of owners licenses and casino licenses,
18 except a license held by the Illinois Casino Development
19 Authority, by rule. The issuance fee shall be based upon the
20 cost of investigation and consideration of the license
21 application and shall not be less than \$250,000.

22 (a-10) From any amounts received for the reissuance of an
23 owners license that was revoked before the effective date of
24 this amendatory Act of the 95th General Assembly, the sum of
25 \$1,750,000 shall be paid by the licensee to the County of
26 JoDaviess in recompense for expenses incurred by that unit of

1 government with respect to former riverboat operations within
2 the corporate limits of that county and the sum of \$1,750,000
3 shall be paid by the licensee to the City of East Dubuque in
4 recompense for expenses incurred by that unit of government
5 with respect to former riverboat operations within the
6 corporate limits of that municipality.

7 (b) In determining whether to grant an owners license or
8 casino license, reissue a revoked owners license or casino
9 license, or non-renew an owners license or casino license to an
10 applicant, the Board shall consider:

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

14 (A) controls, directly or indirectly, such
15 applicant, or

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

19 (2) the facilities or proposed facilities for the
20 conduct of ~~riverboat~~ gambling;

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

23 (4) the extent to which the ownership of the applicant
24 reflects the diversity of the State by including minority
25 persons and females and the good faith affirmative action
26 plan of each applicant to recruit, train and upgrade

1 minority persons and females in all employment
2 classifications;

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

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

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

11 (8) The amount of the applicant's license bid made
12 pursuant to Section 7.5.

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

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

17 (e) The Board may issue up to 11 ~~10~~ licenses authorizing
18 the holders of such licenses to own riverboats. In the
19 application for an owners license, the applicant shall state
20 the dock at which the riverboat is based and the water on which
21 the riverboat will be located. The Board shall issue 5 licenses
22 to become effective not earlier than January 1, 1991. Three of
23 such licenses shall authorize riverboat gambling on the
24 Mississippi River, or, with approval by the municipality in
25 which the riverboat was docked on August 7, 2003 and with Board
26 approval, be authorized to relocate to a new location, in a

1 municipality that (1) borders on the Mississippi River or is
2 within 5 miles of the city limits of a municipality that
3 borders on the Mississippi River and (2), on August 7, 2003,
4 had a riverboat conducting riverboat gambling operations
5 pursuant to a license issued under this Act; one of which shall
6 authorize riverboat gambling from a home dock in the city of
7 East St. Louis. One other license shall authorize riverboat
8 gambling on the Illinois River south of Marshall County. The
9 Board shall issue one additional license to become effective
10 not earlier than March 1, 1992, which shall authorize riverboat
11 gambling on the Des Plaines River in Will County. The Board may
12 issue 4 additional licenses to become effective not earlier
13 than March 1, 1992. After the 5 members of the Board are
14 appointed and qualified pursuant to this amendatory Act of the
15 95th General Assembly, the Board may issue one additional
16 riverboat license subject to the competitive bidding process
17 described in Section 7.5. In determining the water upon which
18 riverboats will operate, the Board shall consider the economic
19 benefit which riverboat gambling confers on the State, and
20 shall seek to assure that all regions of the State share in the
21 economic benefits of riverboat gambling.

22 In granting all licenses, the Board may give favorable
23 consideration to economically depressed areas of the State, to
24 applicants presenting plans which provide for significant
25 economic development over a large geographic area, and to
26 applicants who currently operate non-gambling riverboats in

1 Illinois. The Board shall review all applications for owners
2 licenses, and shall inform each applicant of the Board's
3 decision. The Board may grant an owners license or casino
4 license, except a license held by Illinois Casino Development
5 Authority, to an applicant that has not submitted the highest
6 license bid, but if it does not select the highest bidder, the
7 Board shall issue a written decision explaining why another
8 applicant was selected and identifying the factors set forth in
9 this Section that favored the winning bidder.

10 (e-5) In addition to any other revocation powers granted to
11 the Board under this Act, the Board may revoke the owners
12 license of a licensee which fails to begin conducting gambling
13 within 12 ~~15~~ months of receipt of the Board's approval of the
14 application if the Board determines that license revocation is
15 in the best interests of the State. The Board may, after
16 holding a public hearing, grant extensions so long as an owners
17 licensee is working in good faith to begin conducting gambling.
18 The extension may be for a period of 6 months. If, after the
19 period of the extension, a licensee has not begun to conduct
20 gambling, another public hearing must be held by the Board
21 before it may grant another extension.

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

1 years during which they are authorized to conduct gambling
2 operations ~~own riverboats.~~

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

13 (h) An owners license shall entitle the licensee to operate
14 1,200 gaming positions plus any additional positions
15 authorized and obtained under subsection (h-2) of this Section
16 or subsection (f) of Section 7.7.

17 (h-2) Beginning on the effective date of this amendatory
18 Act of the 95th General Assembly, the Board shall make an equal
19 portion of an additional 3,500 positions available to each
20 owners licensee conducting gambling operations on the
21 effective date of this amendatory Act subject to an initial fee
22 of \$50,000 per position, plus the reconciliation payment as
23 required under subsection (h-5). Within 30 days after the Board
24 offers the positions, owners licensees may apply to the Board
25 to operate any portion of their allocated positions. The
26 \$50,000 fee per position is payable in full at the time

1 positions are awarded. Any positions that are not obtained by
2 an owners licensee shall be retained by the Board and shall be
3 offered in equal amounts to owners licensees who have purchased
4 the full amount of positions offered to them. This process
5 shall continue in a timely manner until all positions have been
6 purchased. In the event that any positions remain unpurchased,
7 those positions shall first be made available in equal amounts
8 to all electronic gaming licensees under Section 7.7, subject
9 to the payment of all applicable fees. In the event that
10 positions remain unpurchased after being offered to electronic
11 gaming licensees, those positions shall be held by the Board
12 for an owners licensee that was not conducting gambling
13 operations on the effective date of this amendatory Act of the
14 95th General Assembly. All positions obtained pursuant to this
15 process must be in operation within 12 months after they were
16 obtained or the licensee forfeits the right to operate all of
17 the positions, but is not entitled to a refund of any fees
18 paid. The Board may, after holding a public hearing, grant
19 extensions so long as an organization licensee is working in
20 good faith to begin conducting electronic gaming. The extension
21 may be for a period of 6 months. If, after the period of the
22 extension, a licensee has not begun to conduct electronic
23 gaming, another public hearing must be held by the Board before
24 it may grant another extension.

25 Subject to approval by the Board, owners licensees
26 conducting gambling operations on the effective date of this

1 amendatory Act of the 95th General Assembly may make
2 modifications and additions to their facilities, including the
3 portion that sits on land, to accommodate any additional
4 positions obtained under this subsection (h-2). A minimum of
5 1,200 positions must operate on water. The positions allowed on
6 land must be located in a single structure no farther than 100
7 yards from the water-based portion of the facility. Subject to
8 approval by the Board, the positions may be placed in a
9 temporary location for up to 12 months after the positions are
10 obtained, but the Board may grant extensions as provided in
11 this subsection (h-2).

12 (h-5) An owners licensee who purchases additional
13 positions under subsection (h-2) must make a reconciliation
14 payment 4 years after the date the owners license begins
15 operating the additional positions in an amount equal to 75% of
16 the owner licensee's annual adjusted gross receipts for the
17 most lucrative 12-month period of operations within the
18 previous 4 years, minus (i) the owners licensee's annual
19 adjusted gross receipts from 2007 and (ii) an amount equal to
20 \$50,000 per additional position obtained pursuant to
21 subsection (h-2). If this calculation results in a negative
22 amount, then the owners licensee is not entitled to any
23 reimbursement of fees previously paid. This reconciliation
24 payment may be made in installments over a period of no more
25 than 5 years, subject to Board approval. ~~own up to 2~~
26 riverboats.

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

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

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

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

6 (Source: P.A. 93-28, eff. 6-20-03; 93-453, eff. 8-7-03; 94-667,
7 eff. 8-23-05; 94-804, eff. 5-26-06.)

8 (230 ILCS 10/7.3)

9 Sec. 7.3. State conduct of riverboat gambling operations.

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

22 (b) The Board may locate any riverboat on which a gambling
23 operation is conducted by the State in any home dock location
24 authorized by Section 3(c) upon receipt of approval from a
25 majority vote of the governing body of the municipality or

1 county, as the case may be, in which the riverboat will dock.

2 (c) The Board shall have jurisdiction over and shall
3 supervise all gambling operations conducted by the State
4 provided for in this Act and shall have all powers necessary
5 and proper to fully and effectively execute the provisions of
6 this Act relating to gambling operations conducted by the
7 State.

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

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

14 (230 ILCS 10/7.4)

15 Sec. 7.4. Managers licenses.

16 (a) A qualified person may apply to the Board for a
17 managers license to operate and manage any gambling operation
18 conducted by the State. The application shall be made on forms
19 provided by the Board and shall contain such information as the
20 Board prescribes, including but not limited to information
21 required in Sections 6(a), (b), and (c) and information
22 relating to the applicant's proposed price to manage State
23 gambling operations and to provide the riverboat, gambling
24 equipment, and supplies necessary to conduct State gambling
25 operations.

1 (b) (Blank). ~~Each applicant must submit evidence to the~~
2 ~~Board that minority persons and females hold ownership~~
3 ~~interests in the applicant of at least 16% and 4%,~~
4 ~~respectively.~~

5 (c) A person, firm, or corporation is ineligible to receive
6 a managers license if:

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

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

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

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

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

18 (6) the firm or corporation employs a person defined in
19 (1), (2), (3), or (4) who participates in the management or
20 operation of gambling operations authorized under this
21 Act; or

22 (7) a license of the person, firm, or corporation
23 issued under this Act, or a license to own or operate
24 gambling facilities in any other jurisdiction, has been
25 revoked.

26 (d) Each applicant shall submit with his or her

1 application, on forms prescribed by the Board, 2 sets of his or
2 her fingerprints.

3 (e) The Board shall charge each applicant a fee, set by the
4 Board, to defray the costs associated with the background
5 investigation conducted by the Board.

6 (f) A person who knowingly makes a false statement on an
7 application is guilty of a Class A misdemeanor.

8 (g) The managers license shall be for a term not to exceed
9 10 years, shall be renewable at the Board's option, and shall
10 contain such terms and provisions as the Board deems necessary
11 to protect or enhance the credibility and integrity of State
12 gambling operations, achieve the highest prospective total
13 revenue to the State, and otherwise serve the interests of the
14 citizens of Illinois.

15 (h) Issuance of a managers license shall be subject to an
16 open and competitive bidding process. The Board may select an
17 applicant other than the lowest bidder by price. If it does not
18 select the lowest bidder, the Board shall issue a notice of who
19 the lowest bidder was and a written decision as to why another
20 bidder was selected.

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

22 (230 ILCS 10/7.5)

23 Sec. 7.5. Competitive Bidding. When the Board issues or
24 re-issues an owners license authorized under Section 7,
25 ~~determines that it will re issue an owners license pursuant to~~

1 ~~an open and competitive bidding process, as set forth in~~
2 ~~Section 7.1, or~~ that it will issue a managers license pursuant
3 to an open and competitive bidding process, as set forth in
4 Section 7.4, or determines that it will issue a casino license
5 under Section 7.11a of this Act to a private entity, the open
6 and competitive bidding process shall adhere to the following
7 procedures:

8 (1) The Board shall make applications for owners, casino,
9 and managers licenses available to the public and allow a
10 reasonable time for applicants to submit applications to the
11 Board.

12 (2) During the filing period for owners, casino, or
13 managers license applications, the Board may retain the
14 services of an investment banking firm to assist the Board in
15 conducting the open and competitive bidding process.

16 (3) After receiving all of the bid proposals, the Board
17 shall open all of the proposals in a public forum and disclose
18 the prospective owners or managers names, venture partners, if
19 any, and, in the case of applicants for owners licenses, the
20 locations of the proposed development sites.

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

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

26 (6) The final applicants shall make their presentations to

1 the Board on the same day during an open session of the Board.

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

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

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

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

22 (230 ILCS 10/7.7 new)

23 Sec. 7.7. Electronic gaming.

24 (a) The General Assembly finds that the horse racing and
25 riverboat gambling industries share many similarities and

1 collectively comprise the bulk of the State's gaming industry.
2 One feature in common to both industries is that each is highly
3 regulated by the State of Illinois.

4 The General Assembly further finds, however, that despite
5 their shared features each industry is distinct from the other
6 in that horse racing is and continues to be intimately tied to
7 Illinois' agricultural economy and is, at its core, a spectator
8 sport. This distinction requires the General Assembly to
9 utilize different methods to regulate and promote the horse
10 racing industry throughout the State.

11 The General Assembly finds that in order to promote live
12 horse racing as a spectator sport in Illinois and the
13 agricultural economy of this State, it is necessary to allow
14 electronic gaming at Illinois race tracks given the success of
15 other states in increasing live racing purse accounts and
16 improving the quality of horses participating in horse race
17 meetings.

18 The General Assembly finds, however, that even though the
19 authority to conduct electronic gaming is a uniform means to
20 improve live horse racing in this State, electronic gaming must
21 be regulated and implemented differently in southern Illinois
22 versus the Chicago area. The General Assembly finds that
23 Fairmount Park is the only race track operating on a year-round
24 basis that offers live racing and for that matter only conducts
25 live thoroughbred racing. The General Assembly finds that the
26 current state of affairs deprives spectators and standardbred

1 horsemen residing in southern Illinois of the opportunity to
2 participate in live standardbred racing in a manner similar to
3 spectators, thoroughbred horsemen, and standardbred horsemen
4 residing in the Chicago area. The General Assembly declares
5 that southern Illinois spectators and standardbred horsemen
6 are entitled to have a similar opportunity to participate in
7 live standardbred racing as spectators in the Chicago area. The
8 General Assembly declares that in order to remove this
9 disparity between southern Illinois and the Chicago area, it is
10 necessary for the State to mandate standardbred racing
11 throughout the State by tying the authorization to conduct
12 electronic gaming to a commitment to conduct at least 25 days
13 of standardbred racing in any county in which an organization
14 licensee is operating.

15 (b) The Board shall award one electronic gaming license to
16 each organization licensee under the Illinois Horse Racing Act
17 of 1975, subject to application and eligibility requirements of
18 this Act, including the payment of all applicable fees.

19 (c) As soon as practical after the effective date of this
20 amendatory Act of the 95th General Assembly, the Board may
21 authorize up to 3,600 aggregate electronic gambling positions
22 statewide as provided in this Section. The authority to operate
23 positions under this Section shall be allocated as follows:

24 (1) The organization licensee operating at Arlington
25 Park Race Course may operate up to 1,100 gaming positions
26 at a time;

1 (2) The organization licensees operating at Hawthorne
2 Race Course, including the organization licensee formerly
3 operating at Sportsman's Park, may collectively operate up
4 to 900 gaming positions at a time;

5 (3) The organization licensee operating at Balmoral
6 Park may operate up to 300 gaming positions at a time;

7 (4) The organization licensee operating at Maywood
8 Park may operate up to 800 gaming positions at a time; and

9 (5) The organization licensee operating at Fairmount
10 Park may operate up to 500 gaming positions at a time.

11 (d) Any positions that are not obtained by an organization
12 licensee shall be retained by the Gaming Board and shall be
13 offered in equal amounts to electronic gaming licensees who
14 have purchased all of the positions that were offered. This
15 process shall continue until all positions have been purchased.
16 All positions obtained pursuant to this process must be in
17 operation within 12 months after they were obtained or the
18 electronic gaming licensee forfeits the right to operate all of
19 the positions, but is not entitled to a refund of any fees
20 paid. The Board may, after holding a public hearing, grant
21 extensions so long as an gaming licensee is working in good
22 faith to begin conducting electronic gaming. The extension may
23 be for a period of 6 months. If, after the period of the
24 extension, a licensee has not begun to conduct electronic
25 gaming, another public hearing must be held by the Board before
26 it may grant another extension.

1 (e) In the event that any positions remain unpurchased,
2 those positions shall first be made available in equal amounts
3 to owners licensees conducting gambling operations on the
4 effective date of this amendatory Act of the 95th General
5 Assembly under subsection (h-2) of Section 7, subject to the
6 payment of all applicable fees. In the event the positions
7 remain unpurchased after being offered to owners licensees
8 conducting gambling operations on the effective date of this
9 amendatory Act of the 95th General Assembly, those positions
10 shall be held by the Board for any owners licensee that was not
11 conducting gambling operations on the effective date of this
12 amendatory Act.

13 (f) The Gaming Board shall determine hours of operation for
14 electronic gaming facilities by rule.

15 (g) To be eligible to conduct electronic gaming, an
16 organization licensee must (i) obtain an electronic gaming
17 license, (ii) hold an organization license under the Illinois
18 Horse Racing Act of 1975, (iii) hold an inter-track wagering
19 license, (iv) pay an initial fee of \$50,000 for each position
20 it is authorized to operate, plus make the reconciliation
21 payment required under subsection (i), (v) meet the live racing
22 requirements set forth in Section 20 of the Illinois Horse
23 Racing Act of 1975, and (vi) meet all other requirements of
24 this Act that apply to owners licensees. The \$50,000 fee per
25 position is payable in full at the time the positions are
26 awarded.

1 (h) Each organization licensee who obtains electronic
2 gaming positions must make a reconciliation payment 4 years
3 after the date the electronic gaming licensee begins operating
4 the positions in an amount equal to 75% of the net adjusted
5 gross receipts from electronic gaming for the most lucrative
6 12-month period of operations, minus an amount equal to \$50,000
7 per electronic gaming position. If this calculation results in
8 a negative amount, then the electronic gaming licensee is not
9 entitled to any reimbursement of fees previously paid. This
10 reconciliation payment may be made in installments over a
11 period of no more than 5 years, subject to Board approval. For
12 the purpose of this subsection (h), "net adjusted gross
13 receipts" has the same meaning as that term is given in
14 subsection (a-6) of Section 13.

15 (i) For each calendar year after 2007 in which an
16 electronic gaming licensee requests a number of racing days
17 under its organization license that is less than 90% of the
18 number of days of live racing it was awarded in 2007, the
19 electronic gaming licensee may not conduct electronic gaming.

20 (j) In any calendar year that an organization licensee with
21 an electronic gaming license conducts fewer races than they
22 were awarded in that calendar year, except for the reasons
23 specified in subsection (e-3) of Section 20 of the Illinois
24 Horse Racing Act of 1975, the revenues retained by the
25 electronic gaming licensee from electronic gaming on the days
26 when racing was awarded and did not occur will be split evenly

1 between that organization licensee's purse account and the
2 Racing Industry Worker's Trust Fund.

3 (k) Subject to the approval of the Illinois Gaming Board
4 and the Illinois Racing Board, an electronic gaming licensee
5 may make any temporary or permanent modification or additions
6 to any existing or new buildings and structures. No
7 modifications or additions shall alter the grounds of the
8 organization licensee such that the act of live racing is an
9 ancillary activity to electronic gaming.

10 Electronic gaming may take place in existing structures
11 where inter-track wagering is conducted at the race track or a
12 facility within 300 yards of the race track in accordance with
13 the provisions of this Act and the Illinois Horse Racing Act of
14 1975. Any electronic gaming conducted at a facility within 300
15 yards of the race track in accordance with this Act and the
16 Illinois Horse Racing Act of 1975 shall have an all-weather
17 egress connecting the electronic gaming facility and the race
18 track facility.

19 The electronic gambling facility must be distinctly
20 separate from the other areas of the racetrack to prohibit the
21 entrance of persons under 21 years of age and for the purpose
22 of tracking admissions to the electronic gambling facility to
23 comply with the admissions taxes under the Illinois Horse
24 Racing Act of 1975 and this Act.

25 (l) An electronic gaming licensee may conduct electronic
26 gaming at a temporary facility pending the construction of a

1 permanent facility or the remodeling of an existing facility to
2 accommodate electronic gaming participants for up to 12 months
3 after receiving an electronic gaming license. The Board may
4 grant extensions as provided in subsection (d) of this Section.

5 (m) The Illinois Gaming Board may adopt emergency rules in
6 accordance with Section 5-45 of the Illinois Administrative
7 Procedure Act as necessary to ensure compliance with the
8 provisions of this amendatory Act of the 95th General Assembly
9 concerning electronic gaming. The adoption of emergency rules
10 authorized by this subsection (m) shall be deemed to be
11 necessary for the public interest, safety, and welfare.

12 (n) As soon as practical after a request is made by the
13 Illinois Gaming Board, to minimize duplicate submissions by the
14 applicant, the Illinois Racing Board must provide information
15 on an applicant for an electronic gaming license to the
16 Illinois Gaming Board.

17 (o) The electronic gaming licenses issued under this Act
18 shall permit the holder to own the licensed facility and
19 equipment for a period of 3 years after the effective date of
20 the license. Holders of electronic gaming licenses must pay the
21 annual license fee for each of the 3 years during which they
22 are authorized to conduct gambling operations.

23 (p) Upon the termination, expiration, or revocation of each
24 electronic gaming license, all licenses are renewable for a
25 period of 4 years, unless the Board sets a shorter period, upon
26 payment of the fee and a determination by the Board that the

1 licensee continues to meet all of the requirements of this Act
2 and the Board's rules.

3 (230 ILCS 10/7.8 new)

4 Sec. 7.8. Home rule. The regulation and licensing of
5 electronic gaming and electronic gaming licensees are
6 exclusive powers and functions of the State. A home rule unit
7 may not regulate or license electronic gaming or electronic
8 gaming licensees. This Section is a denial and limitation of
9 home rule powers and functions under subsection (h) of Section
10 6 of Article VII of the Illinois Constitution.

11 (230 ILCS 10/7.10 new)

12 Sec. 7.10. Electronic poker.

13 (a) A gaming licensee may apply to the Board for
14 authorization to operate up to 100 electronic poker positions
15 at its licensed facility. The authorization that the Board
16 issues to the gaming licensee shall specify the number of
17 electronic poker positions the gaming licensee may operate,
18 which shall not be counted against the limit on the number of
19 gaming positions under this Act.

20 (b) The Board must adopt rules for the authorization and
21 administration of the conduct of electronic poker.

22 (230 ILCS 10/7.11 new)

23 Sec. 7.11. Casino license. Upon approval of the Authority

1 Board and the casino operator licensee, the Illinois Gaming
2 Board shall issue a casino license to the Authority that
3 authorizes the conduct of gambling operations in a land-based
4 facility located in the City of Chicago. A casino license shall
5 authorize the holder to operate 4,000 gaming positions. The
6 Illinois Gaming Board shall assess a license fee of
7 \$200,000,000, plus (i) \$300,000,000 or (ii) 50% of the total
8 amount received by the Authority pursuant to a bid for a casino
9 management contract or an executed casino management contract
10 as authorized under the Chicago Casino Development Authority
11 Act, whichever is greater. The Board shall deposit the license
12 fee into the Illinois Works Fund.

13 In granting any license authorizing the conduct of gambling
14 operations in a casino, the Illinois Gaming Board shall
15 determine the fitness of the licensee to hold the license in
16 the same manner as any other license under this Act. If the
17 license is held by the Authority, the Illinois Gaming Board
18 shall have the same authority over that licensee as any other
19 licensee under this Act.

20 (230 ILCS 10/7.11a new)

21 Sec. 7.11a. Casino license. If, after conducting the study
22 in subsection (h) of Section 5, the Board determines that State
23 conduct of gambling is in the best interest of the State, then
24 upon approval of the State Casino Development Board and the
25 State casino operator licensee, the Illinois Gaming Board shall

1 issue a casino license to the State Authority that authorizes
2 the conduct of gambling operations in a casino in this State,
3 which shall be the State casino license. If, after conducting
4 the study in subsection (h) of Section 5, the Board determines
5 that State conduct of gambling is not in the best interest of
6 this State, then the Board shall issue a casino license through
7 a competitive bidding process to a private entity as set forth
8 in Section 7.5 of this Act. Application for the license shall
9 be as set forth in Section 6 of this Act. A casino license
10 issued under this Section shall authorize the holder to operate
11 1,200 gaming positions. The Board shall have the same authority
12 over the State Authority as any other licensee.

13 The Board may locate any casino in which a gambling
14 operation is conducted by the State in any location upon
15 receipt of approval from a majority vote of the governing body
16 of the municipality or county, as the case may be, in which the
17 casino will be located.

18 (230 ILCS 10/7.12 new)

19 Sec. 7.12. Casino operator license or State casino operator
20 license.

21 (a) A qualified person may apply to the Board for a casino
22 operator license or State casino operator license to operate
23 and manage any gambling operation conducted by the Authority or
24 State Authority. The application shall be made on forms
25 provided by the Board and shall contain such information as the

1 Board prescribes, including but not limited to information
2 required in Sections 6(a), (b), and (c) and information
3 relating to the applicant's proposed price to manage the
4 Authority's or State Authority's gambling operations and to
5 provide the casino, gambling equipment, and supplies necessary
6 to conduct gambling operations.

7 (b) A person, firm, or corporation is ineligible to receive
8 a casino operator license or State casino operator license if:

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

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

14 (3) the person has submitted an application for a
15 license under this Act that contains false information;

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

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

20 (6) the firm or corporation employs a person defined in
21 (1), (2), (3), or (4) who participates in the management or
22 operation of gambling operations authorized under this
23 Act; or

24 (7) a license of the person, firm, or corporation
25 issued under this Act, or a license to own or operate
26 gambling facilities in any other jurisdiction, has been

1 revoked.

2 (c) In determining whether to grant a casino operator
3 license or State casino operator license, the Board shall
4 consider:

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

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

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

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

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

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

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

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

1 casino; and

2 (7) the extent to which the applicant exceeds or meets
3 other standards for the issuance of a managers license that
4 the Board may adopt by rule.

5 (d) Each applicant shall submit with his or her
6 application, on forms prescribed by the Board, 2 sets of his or
7 her fingerprints.

8 (e) The Board shall charge each applicant a fee, set by the
9 Board, to defray the costs associated with the background
10 investigation conducted by the Office of Gaming Enforcement.

11 (f) A person who knowingly makes a false statement on an
12 application is guilty of a Class A misdemeanor.

13 (g) The casino operator license or State casino operator
14 license shall be issued only upon proof that it has entered
15 into a labor peace agreement with each labor organization that
16 is actively engaged in representing and attempting to represent
17 casino and hospitality industry workers in this State. The
18 labor peace agreement must be a valid and enforceable agreement
19 under 29 U.S.C. 185 that protects the city's and State's
20 revenues from the operation of the casino facility by
21 prohibiting the labor organization and its members from
22 engaging in any picketing, work stoppages, boycotts, or any
23 other economic interference with the casino facility for at
24 least the first 5 years of the casino license and must cover
25 all operations at the casino facility that are conducted by
26 lessees or tenants or under management agreements.

1 (h) The casino operator license or State casino operator
2 license shall be for a term not to exceed 10 years, shall be
3 renewable at the Board's option, and shall contain such terms
4 and provisions as the Board deems necessary to protect or
5 enhance the credibility and integrity of State gambling
6 operations, achieve the highest prospective total revenue to
7 the State, and otherwise serve the interests of the citizens of
8 Illinois.

9 (230 ILCS 10/7.14 new)

10 Sec. 7.14. Obligations of licensure; licensure is a
11 privilege.

12 (a) All licensees under this Act have a continuing duty to
13 maintain suitability for licensure. A license does not create a
14 property right, but is a revocable privilege granted by the
15 State contingent upon continuing suitability for licensure.

16 (b) Licensees under this Act shall have a continuing,
17 affirmative duty to investigate the backgrounds of its
18 principal shareholders and officers.

19 (c) An applicant for licensure under this Act is seeking a
20 privilege and assumes and accepts any and all risk of adverse
21 publicity, notoriety, embarrassment, criticism, or other
22 action or financial loss which may occur in connection with the
23 application process. Any misrepresentation or omission made
24 with respect to an application may be grounds for denial of the
25 application.

1 (230 ILCS 10/7.15 new)

2 Sec. 7.15. Undue economic concentration.

3 (a) In addition to considering all other requirements under
4 this Act, in deciding whether to approve direct or indirect
5 ownership or control of a gaming license, the Board shall
6 consider the impact of any economic concentration of the
7 ownership or control. No direct or indirect ownership or
8 control shall be approved and no gaming license shall be issued
9 or transferred to or held by any person or entity if the Board
10 determines that approval, issuance, transfer, or holding shall
11 result in undue economic concentration in the direct or
12 indirect ownership or control of gambling operations in
13 Illinois. However, under no circumstances shall the geographic
14 location of any gaming license be a factor in determining
15 whether an undue economic concentration exists.

16 (b) For the purposes of this Section, "undue economic
17 concentration" means that a person or entity would have actual
18 or potential domination of gambling in Illinois sufficient to:

19 (1) substantially impede or suppress competition among
20 holders of gaming licenses;

21 (2) adversely impact the economic stability of the
22 gaming industry in Illinois; or

23 (3) negatively impact the purposes of this Act,
24 including tourism, economic development, benefits to local
25 communities, and State and local revenues.

1 (c) In determining whether the issuance, transfer, or
2 holding, directly or indirectly, of a gaming license shall
3 result in undue economic concentration, the Board shall
4 consider the following criteria:

5 (1) The percentage share of the market presently owned
6 or controlled by a person or entity, directly or
7 indirectly, in each of the following categories:

8 (A) The total number of licensed facilities in
9 Illinois.

10 (B) Total gaming square footage.

11 (C) Number of persons employed in the gambling
12 operation and any affiliated hotel operation.

13 (D) Number of guest rooms in an affiliated hotel.

14 (E) Number of electronic gaming devices.

15 (F) Number of table games.

16 (G) Net revenue and adjusted gross receipts.

17 (H) Table win.

18 (I) Electronic gaming device win.

19 (J) Table drop.

20 (K) Electronic gaming device drop.

21 (2) The estimated increase in the market shares in the
22 categories in item (1) of this subsection (c) if the person
23 or entity is approved, or is issued or permitted to hold
24 the gaming license.

25 (3) The relative position of other persons or entities
26 that own or control gaming licenses in Illinois, as

1 evidenced by the market shares of each gaming license in
2 the categories in item (1) of this subsection (c).

3 (4) The current and projected financial condition of
4 the gaming industry.

5 (5) Current market conditions, including level of
6 competition, consumer demand, market concentration, and
7 any other relevant characteristics of the market.

8 (6) Whether the gaming licenses to be issued,
9 transferred or held, directly or indirectly, by the person
10 or entity have separate organizational structures or other
11 independent obligations.

12 (7) The potential impact on the projected future growth
13 and development of the gambling industry, the local
14 communities in which gaming licenses are located, and the
15 State of Illinois.

16 (8) The barriers to entry into the gambling industry,
17 including the licensure requirements of this Act and its
18 rules, and whether the issuance or transfer to, or holding,
19 directly or indirectly, of, a gaming license by the person
20 or entity will operate as a barrier to new companies and
21 individuals desiring to enter the market.

22 (9) Whether the issuance or transfer to or holding,
23 directly or indirectly, of the gaming license by the person
24 or entity will adversely impact on consumer interests, or
25 whether such issuance, transfer or holding is likely to
26 result in enhancing the quality and customer appeal of

1 products and services offered by licensed facilities in
2 order to maintain or increase their respective market
3 shares.

4 (10) Whether a restriction on the issuance or transfer
5 of a gaming license to, or holding, directly or indirectly,
6 of, an additional gaming license by the person is necessary
7 in order to encourage and preserve competition in casino
8 operations.

9 (11) Any other information deemed relevant by the
10 Board.

11 (d) A current licensee may bid on any license awarded after
12 the effective date of this amendatory Act of the 95th General
13 Assembly; provided however, if the Board determines issuance of
14 the license will result in undue economic concentration, the
15 Board may require the licensee to divest holdings in a current
16 license as a condition of granting a license. The Board may
17 also require a licensee to divest holdings in a current license
18 if the licensee acquires an additional license through transfer
19 or sale.

20 (230 ILCS 10/7.25 new)

21 Sec. 7.25. Diversity program.

22 (a) Each gaming licensee and suppliers licensee shall
23 establish and maintain a diversity program to ensure
24 non-discrimination in the award and administration of
25 contracts. The programs shall establish goals of awarding not

1 less than 25% of the annual dollar value of all contracts,
2 purchase orders, or other agreements to minority owned
3 businesses and 5% of the annual dollar value of all contracts
4 to female owned businesses.

5 (b) Each gaming licensee shall establish and maintain a
6 diversity program designed to promote equal opportunity for
7 employment. The program shall establish hiring goals as the
8 Board and each licensee determines appropriate. The Board shall
9 monitor the progress of the gaming licensees' progress with
10 respect to the program's goals.

11 (c) No later than May 31st of each year each licensee shall
12 report to the Board the number of respective employees and the
13 number of their respective employees who have designated
14 themselves as members of a minority group and gender. In
15 addition, all licensees shall submit a report with respect to
16 the minority owned and female owned businesses program created
17 in this Section to the Board.

18 (d) There is created the Diversity Program Commission. The
19 Commission shall consist of 2 members appointed by the
20 Governor, 2 members appointed by the President of the Senate, 2
21 members appointed by the Minority Leader of the Senate, 2
22 members appointed by the Speaker of the House of
23 Representatives, and 2 members appointed by the Minority leader
24 of the House of Representatives. Within 2 years after the
25 members of the Commission are appointed, the Commission shall
26 file a report with the Illinois Gaming Board, the General

1 Assembly, and the Governor regarding the status of minority and
2 female participation in gaming investment opportunities. The
3 report shall focus on all of the following topics:

4 (1) The percentage of minorities and females that
5 currently reside in Illinois.

6 (2) The history of discrimination against minorities
7 and females within the gaming industry in Illinois.

8 (3) The availability of ready, willing, and able
9 minorities and females in Illinois to invest in gaming
10 operations within the State.

11 (4) The current amount of gaming investment throughout
12 Illinois by minorities and females.

13 (5) The need throughout the State to remedy past
14 discrimination practices regarding investment
15 opportunities for these groups.

16 (6) Other facts and statistical data to support the
17 need for remedial measures as a result of historical
18 exclusion of these groups within the gaming industry.

19 (230 ILCS 10/7.30 new)

20 Sec. 7.30. Electronic gaming license transfer fee.

21 (a) An electronic gaming licensee or any other person must
22 apply for and receive the Illinois Gaming Board's approval
23 before:

24 (1) an electronic gaming license is transferred, sold,
25 or purchased; or

1 (2) a voting trust agreement or other similar agreement
2 is established with respect to the electronic gaming
3 license.

4 (b) The Illinois Gaming Board shall adopt rules governing
5 the procedure an electronic gaming licensee or other person
6 must follow to take an action under subsection (a) and (d). The
7 rules must specify that a person who obtains an ownership
8 interest in an electronic gaming license must meet the criteria
9 of this Act and comply with all applicable rules adopted by the
10 Illinois Gaming Board. A licensee may transfer an electronic
11 gaming license only in accordance with this Act and the rules
12 adopted by the Illinois Gaming Board.

13 (c) Except in compliance with rules adopted by the Illinois
14 Gaming Board, which shall not prohibit holders of electronic
15 gaming licenses or the parent companies of any such holders
16 from borrowings for the purpose of developing a gaming
17 investment nor, with respect to any public company, borrowings
18 at the parent level for general corporate purposes consistent
19 with past practices, in each case in the event such borrowings
20 are secured generally by substantially all of the assets of
21 holders or their parent companies, a person may not lease,
22 hypothecate, or borrow or loan money against an electronic
23 gaming license.

24 (d) Except as provided in subsection (e), a transfer fee is
25 imposed on an initial licensee who sells or otherwise
26 relinquishes an interest in an electronic gaming license in an

1 amount equal to the lesser for 20% of the net proceeds received
2 or the estimated net proceeds that could have been received
3 from the gaming positions added as a result of the electronic
4 gaming license for a period of one year preceding the license
5 transfer multiplied by the percentage interest in the
6 electronic gaming license sold or the percentage interest sold
7 multiplied by the product of the original gaming positions
8 licensed times \$20,000

9 This transfer fee will no longer be due on and after the
10 fifth anniversary of the effective date of this amendatory Act
11 of the 95th General Assembly.

12 (e) The fee imposed by subsection (d) shall not apply if:

13 (1) The electronic gaming license is transferred as a
14 result of any of the following:

15 (A) Bankruptcy, a receivership, or a debt
16 adjustment initiated by or against the initial
17 licensee or the substantial owners of the initial
18 license.

19 (B) Cancellation, revocation, or termination of
20 the electronic gaming licensee's license by the
21 Illinois Gaming Board.

22 (C) A determination by the Illinois Gaming Board
23 that transfer of the license is in the best interests
24 of Illinois Gaming.

25 (D) The death of an owner of the equity interest in
26 a licensee.

1 (E) A transaction in which less than a 5% interest
2 of a publicly traded company is transferred.

3 (F) A transfer by a parent company to a wholly
4 owned subsidiary.

5 (2) The controlling interest in the electronic gaming
6 license is transferred in a transaction to lineal
7 descendants in which no gain or loss is recognized or as a
8 result of a transaction in accordance with Section 351 of
9 the Internal Revenue Code in which no gain or loss is
10 recognized.

11 (f) The transfer of an electronic gaming license by a
12 person other than the initial licensee to receive the
13 electronic gaming license is not subject to a transfer fee.

14 (230 ILCS 10/8) (from Ch. 120, par. 2408)

15 Sec. 8. Suppliers licenses.

16 (a) The Board may issue a suppliers license to such
17 persons, firms or corporations which apply therefor upon the
18 payment of a non-refundable application fee set by the Board,
19 upon a determination by the Board that the applicant is
20 eligible for a suppliers license and upon payment of a \$5,000
21 annual license fee.

22 (b) The holder of a suppliers license is authorized to sell
23 or lease, and to contract to sell or lease, gambling equipment
24 and supplies to any licensee involved in the ownership or
25 management of gambling operations.

1 (c) Gambling supplies and equipment may not be distributed
2 unless supplies and equipment conform to standards adopted by
3 rules of the Board.

4 (d) A person, firm or corporation is ineligible to receive
5 a suppliers license if:

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

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

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

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

14 (5) the firm or corporation is one in which a person
15 defined in (1), (2), (3) or (4), is an officer, director or
16 managerial employee;

17 (6) the firm or corporation employs a person who
18 participates in the management or operation of riverboat
19 gambling authorized under this Act;

20 (7) the license of the person, firm or corporation
21 issued under this Act, or a license to own or operate
22 gambling facilities in any other jurisdiction, has been
23 revoked.

24 (e) Any person that supplies any equipment, devices, or
25 supplies to a gambling operation at a licensed facility
26 ~~licensed riverboat gambling operation~~ must first obtain a

1 suppliers license. A supplier shall furnish to the Board a list
2 of all equipment, devices and supplies offered for sale or
3 lease in connection with gambling ~~games~~ authorized under this
4 Act. A supplier shall keep books and records for the furnishing
5 of equipment, devices and supplies to gambling operations
6 separate and distinct from any other business that the supplier
7 might operate. A supplier shall file a quarterly return with
8 the Board listing all sales and leases. A supplier shall
9 permanently affix its name to all its equipment, devices, and
10 supplies for gambling operations. Any supplier's equipment,
11 devices or supplies which are used by any person in an
12 unauthorized gambling operation shall be forfeited to the
13 State. A gaming licensee ~~licensed owner~~ may own its own
14 equipment, devices and supplies. Each gaming licensee ~~holder of~~
15 ~~an owners license under the Act~~ shall file an annual report
16 listing its inventories of gambling equipment, devices and
17 supplies.

18 (f) Any person who knowingly makes a false statement on an
19 application is guilty of a Class A misdemeanor.

20 (g) Any gambling equipment, devices and supplies provided
21 by any licensed supplier may either be repaired at the licensed
22 facility ~~on the riverboat~~ or removed from the licensed facility
23 ~~riverboat~~ to a ~~an on-shore~~ facility owned by gaming licensee
24 ~~the holder of an owners license~~ for repair.

25 (Source: P.A. 86-1029; 87-826.)

1 (230 ILCS 10/9) (from Ch. 120, par. 2409)

2 Sec. 9. Occupational licenses.

3 (a) The Board may issue an occupational license to an
4 applicant upon the payment of a non-refundable fee set by the
5 Board, upon a determination by the Board that the applicant is
6 eligible for an occupational license and upon payment of an
7 annual license fee in an amount to be established. To be
8 eligible for an occupational license, an applicant must:

9 (1) be at least 21 years of age if the applicant will
10 perform any function involved in gaming by patrons. Any
11 applicant seeking an occupational license for a non-gaming
12 function shall be at least 18 years of age;

13 (2) not have been convicted of a felony offense, a
14 violation of Article 28 of the Criminal Code of 1961, or a
15 similar statute of any other jurisdiction, or a crime
16 involving dishonesty or moral turpitude;

17 (3) have demonstrated a level of skill or knowledge
18 which the Board determines to be necessary in order to
19 operate gambling at a licensed facility or to staff a
20 Responsible Play Information Center ~~aboard a riverboat~~;
21 and

22 (4) have met standards for the holding of an
23 occupational license as adopted by rules of the Board. Such
24 rules shall provide that any person or entity seeking an
25 occupational license to manage gambling operations
26 hereunder shall be subject to background inquiries and

1 further requirements similar to those required of
2 applicants for an owners license. Furthermore, such rules
3 shall provide that each such entity shall be permitted to
4 manage gambling operations for only one licensed owner.

5 (b) Each application for an occupational license shall be
6 on forms prescribed by the Board and shall contain all
7 information required by the Board. The applicant shall set
8 forth in the application: whether he has been issued prior
9 gambling related licenses; whether he has been licensed in any
10 other state under any other name, and, if so, such name and his
11 age; and whether or not a permit or license issued to him in
12 any other state has been suspended, restricted or revoked, and,
13 if so, for what period of time.

14 (c) Each applicant shall submit with his application, on
15 forms provided by the Board, 2 sets of his fingerprints. The
16 Board shall charge each applicant a fee set by the Department
17 of State Police to defray the costs associated with the search
18 and classification of fingerprints obtained by the Board with
19 respect to the applicant's application. These fees shall be
20 paid into the State Police Services Fund.

21 (d) The Board may in its discretion refuse an occupational
22 license to any person: (1) who is unqualified to perform the
23 duties required of such applicant; (2) who fails to disclose or
24 states falsely any information called for in the application;
25 (3) who has been found guilty of a violation of this Act or
26 whose prior gambling related license or application therefor

1 has been suspended, restricted, revoked or denied for just
2 cause in any other state; or (4) for any other just cause.

3 (e) The Board may suspend, revoke or restrict any
4 occupational licensee: (1) for violation of any provision of
5 this Act; (2) for violation of any of the rules and regulations
6 of the Board; (3) for any cause which, if known to the Board,
7 would have disqualified the applicant from receiving such
8 license; or (4) for default in the payment of any obligation or
9 debt due to the State of Illinois; or (5) for any other just
10 cause.

11 (f) A person who knowingly makes a false statement on an
12 application is guilty of a Class A misdemeanor.

13 (g) Any license issued pursuant to this Section shall be
14 valid for a period of one year from the date of issuance.

15 (h) Nothing in this Act shall be interpreted to prohibit a
16 gaming licensee ~~licensed owner~~ from entering into an agreement
17 with a school approved under the Private Business and
18 Vocational Schools Act for the training of any occupational
19 licensee. Any training offered by such a school shall be in
20 accordance with a written agreement between the gaming licensee
21 ~~licensed owner~~ and the school.

22 (i) Any training provided for occupational licensees may be
23 conducted either at the licensed facility ~~on the riverboat~~ or
24 at a school with which a gaming licensee ~~licensed owner~~ has
25 entered into an agreement pursuant to subsection (h).

26 (Source: P.A. 86-1029; 87-826.)

1 (230 ILCS 10/9.3 new)

2 Sec. 9.3. License fees; deposit.

3 (a) The Board shall annually determine the annual cost of
4 maintaining control and regulatory activities contemplated by
5 this Act for each individual licensee. The Office of Gaming
6 Enforcement shall certify to the Board actual and prospective
7 costs of the investigative and enforcement functions of the
8 Office. These costs, together with the general operating
9 expenses of the Board, shall be the basis for the fee imposed
10 on each licensee. Each individual licensee's fees shall be
11 based upon disproportionate costs for each individual
12 licensee.

13 (b) Upon issuance or the first renewal of a gaming license
14 after the effective date of this amendatory Act of the 95th
15 General Assembly, a gaming licensee shall deposit \$100,000 into
16 a fund held by the Director of the Office of Gaming Enforcement
17 separate from State moneys. The moneys in the fund shall be
18 used by the Director of the Office of Gaming Enforcement for
19 the purpose of conducting any investigation concerning that
20 licensee. Upon each subsequent renewal of a gaming license, the
21 gaming licensee shall deposit the amount necessary to bring the
22 moneys in the fund attributable to that licensee to \$100,000.

23 (230 ILCS 10/9.5 new)

24 Sec. 9.5. Contractor disclosure of political

1 contributions.

2 (a) As used in this Section:

3 "Contracts" means any agreement for services or goods for a
4 period to exceed one year or with an annual value of at least
5 \$10,000.

6 "Contribution" means contribution as defined in this act.

7 "Affiliated person" means (i) any person with any ownership
8 interest or distributive share of the bidding or contracting
9 entity in excess of 1%, (ii) executive employees of the bidding
10 or contracting entity, and (iii) the spouse and minor children
11 of any such persons.

12 "Affiliated entity" means (i) any parent or subsidiary of
13 the bidding or contracting entity, (ii) any member of the same
14 unitary business group, or (iii) any political committee for
15 which the bidding or contracting entity is the sponsoring
16 entity.

17 (b) A bidder, offeror, or contractor for contracts with a
18 licensee shall disclose all political contributions of the
19 bidder, offeror, or contractor and any affiliated person or
20 entity. Such disclosure must accompany any contract. The
21 disclosure must be submitted to the Board with a copy of the
22 contract prior to Board approval of the contract. The
23 disclosure of each successful bidder or offeror shall become
24 part of the publicly available record.

25 (c) Disclosure by the bidder, offeror, or contractor shall
26 include at least the names and addresses of the contributors

1 and the dollar amounts of any contributions to any political
2 committee made within the previous 2 years.

3 (d) The Board shall refuse to approve any contract that
4 does not include the required disclosure. The Board must
5 include the disclosure on their website.

6 (e) The Board may direct a licensee to void a contract if a
7 violation of this Section occurs.

8 (230 ILCS 10/11) (from Ch. 120, par. 2411)

9 Sec. 11. Conduct of gambling. Gambling may be conducted by
10 gaming licensees at licensed facilities or in a temporary
11 location as provided in this Act. Gambling authorized under
12 this Section shall be ~~licensed owners or licensed managers on~~
13 ~~behalf of the State aboard riverboats,~~ subject to the following
14 standards:

15 (1) An owners ~~A~~ licensee may conduct riverboat gambling
16 authorized under this Act regardless of whether it conducts
17 excursion cruises. A licensee may permit the continuous
18 ingress and egress of passengers for the purpose of
19 gambling.

20 (2) (Blank).

21 (3) Minimum and maximum wagers on games shall be set by
22 the licensee.

23 (4) Agents of the Office of Gaming Enforcement ~~Board~~
24 ~~and the Department of State Police~~ may board and inspect
25 any licensed facility ~~riverboat~~ at any time for the purpose

1 of determining whether this Act is being complied with.
2 Every riverboat, if under way and being hailed by a law
3 enforcement officer or agent of the Board, must stop
4 immediately and lay to.

5 (5) Employees of the Board or Office of Gaming
6 Enforcement shall have the right to be present at the
7 licensed facility ~~on the riverboat~~ or on adjacent
8 facilities under the control of the gaming licensee.

9 (6) Gambling equipment and supplies customarily used
10 in the conduct of ~~conducting riverboat~~ gambling must be
11 purchased or leased only from suppliers licensed for such
12 purpose under this Act.

13 (7) Persons licensed under this Act shall permit no
14 form of wagering on gambling games except as permitted by
15 this Act.

16 (8) Wagers may be received only from a person present
17 at a licensed facility ~~on a licensed riverboat~~. No person
18 present at a licensed facility ~~on a licensed riverboat~~
19 shall place or attempt to place a wager on behalf of
20 another person who is not present at the licensed facility
21 ~~on the riverboat~~.

22 (9) Wagering, including electronic gaming, shall not
23 be conducted with money or other negotiable currency.

24 (10) A person under age 21 shall not be permitted on an
25 area of a licensed facility ~~riverboat~~ where gambling is
26 being conducted, except for a person at least 18 years of

1 age who is an employee of the ~~riverboat~~ gambling operation.
2 No employee under age 21 shall perform any function
3 involved in gambling by the patrons. No person under age 21
4 shall be permitted to make a wager under this Act.

5 (11) Gambling excursion cruises are permitted only
6 when the waterway for which the riverboat is licensed is
7 navigable, as determined by the Board in consultation with
8 the U.S. Army Corps of Engineers. This paragraph (11) does
9 not limit the ability of a licensee to conduct gambling
10 authorized under this Act when gambling excursion cruises
11 are not permitted.

12 (12) All tokens, chips, or electronic cards used to
13 make wagers must be purchased (i) from an owners licensee a
14 licensed owner or manager, in the case of a riverboat,
15 either aboard the a riverboat or at an onshore facility
16 which has been approved by the Board and which is located
17 where the riverboat docks, (ii) in the case of a casino,
18 from a licensed casino operator at the casino, or (iii)
19 from an electronic gaming licensee at the electronic gaming
20 facility. The tokens, chips or electronic cards may be
21 purchased by means of an agreement under which the owner or
22 manager extends credit to the patron. Such tokens, chips or
23 electronic cards may be used while at the licensed facility
24 ~~aboard the riverboat~~ only for the purpose of making wagers
25 on gambling games and electronic poker.

26 (13) Notwithstanding any other Section of this Act, in

1 addition to the other licenses authorized under this Act,
2 the Board may issue special event licenses allowing persons
3 who are not otherwise licensed to conduct riverboat
4 gambling to conduct such gambling on a specified date or
5 series of dates. Riverboat gambling under such a license
6 may take place on a riverboat not normally used for
7 riverboat gambling. The Board shall establish standards,
8 fees and fines for, and limitations upon, such licenses,
9 which may differ from the standards, fees, fines and
10 limitations otherwise applicable under this Act. All such
11 fees shall be deposited into the State Gaming Fund. All
12 such fines shall be deposited into the Education Assistance
13 Fund, created by Public Act 86-0018, of the State of
14 Illinois.

15 (14) In addition to the above, gambling must be
16 conducted in accordance with all rules adopted by the
17 Board.

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

19 (230 ILCS 10/11.1) (from Ch. 120, par. 2411.1)

20 Sec. 11.1. Collection of amounts owing under credit
21 agreements. Notwithstanding any applicable statutory provision
22 to the contrary, a gaming licensee ~~licensed owner or manager~~
23 who extends credit to a ~~riverboat~~ gambling patron pursuant to
24 Section 11 (a) (12) of this Act is expressly authorized to
25 institute a cause of action to collect any amounts due and

1 owing under the extension of credit, as well as the owner's or
2 manager's costs, expenses and reasonable attorney's fees
3 incurred in collection.

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

5 (230 ILCS 10/11.2)

6 Sec. 11.2. Relocation of riverboat home dock.

7 (a) Prior to the effective date of this amendatory Act of
8 the 95th General Assembly, a ~~A~~ licensee that was not conducting
9 riverboat gambling on January 1, 1998 may apply to the Board
10 for renewal and approval of relocation to a new home dock
11 location authorized under Section 3(c) and the Board shall
12 grant the application and approval upon receipt by the licensee
13 of approval from the new municipality or county, as the case
14 may be, in which the licensee wishes to relocate pursuant to
15 Section 7(j).

16 (b) Any licensee that relocates its home dock pursuant to
17 this Section shall attain a level of at least 20% minority
18 person and female ownership, at least 16% and 4% respectively,
19 within a time period prescribed by the Board, but not to exceed
20 12 months from the date the licensee begins conducting gambling
21 at the new home dock location. The 12-month period shall be
22 extended by the amount of time necessary to conduct a
23 background investigation pursuant to Section 6. For the
24 purposes of this Section, the terms "female" and "minority
25 person" have the meanings provided in Section 2 of the Business

1 Enterprise for Minorities, Females, and Persons with
2 Disabilities Act.

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

4 (230 ILCS 10/12) (from Ch. 120, par. 2412)

5 Sec. 12. Admission tax; fees.

6 (a) A tax is hereby imposed upon admissions to riverboats
7 and casinos operated by licensed owners and upon admissions to
8 casinos and riverboats operated by casino operators on behalf
9 of the Authority authorized pursuant to this Act. Until July 1,
10 2002, the rate is \$2 per person admitted. From July 1, 2002
11 until July 1, 2003, the rate is \$3 per person admitted. From
12 July 1, 2003 until the effective date of this amendatory Act of
13 the 94th General Assembly, for a licensee that admitted
14 1,000,000 persons or fewer in the previous calendar year, the
15 rate is \$3 per person admitted; for a licensee that admitted
16 more than 1,000,000 but no more than 2,300,000 persons in the
17 previous calendar year, the rate is \$4 per person admitted; and
18 for a licensee that admitted more than 2,300,000 persons in the
19 previous calendar year, the rate is \$5 per person admitted.
20 Beginning on August 23, 2005 (the effective date of Public Act
21 94-673) and until the effective date of this amendatory Act of
22 the 95th General Assembly ~~this amendatory Act of the 94th~~
23 ~~General Assembly~~, for a licensee that admitted 1,000,000
24 persons or fewer in calendar year 2004, the rate is \$2 per
25 person admitted, and for all other licensees the rate is \$3 per

1 person admitted. Beginning on the effective date of this
2 amendatory Act of the 95th General Assembly, for a licensee
3 that conducted riverboat gambling operations in calendar year
4 2003 and (i) admitted 1,000,000 persons or fewer in the
5 calendar year 2003, the rate is \$1 per person admitted; (ii)
6 admitted more than 1,000,000 persons but fewer than 1,500,000
7 persons, the rate is \$2 per person admitted; and (iii) admitted
8 1,500,000 persons or more, the rate is \$3 per person admitted.
9 For a licensee that receives its license under Section 7 and
10 was not conducting riverboat gambling operations in calendar
11 year 2003 and for a licensee under Section 7.11a, except for a
12 license held by the Illinois Casino Development Act, the rate
13 is \$3 per person admitted. This admission tax is imposed upon
14 the licensed owner conducting gambling.

15 (1) The admission tax shall be paid for each admission,
16 except that a person who exits a riverboat gambling
17 facility and reenters that riverboat gambling facility
18 within the same gaming day shall be subject only to the
19 initial admission tax. The Board shall establish, by rule,
20 a procedure to determine whether a person admitted to a
21 riverboat gambling facility or casino has paid the
22 admission tax.

23 (2) (Blank).

24 (3) An owners licensee and the Authority ~~The riverboat~~
25 ~~licensee~~ may issue tax-free passes to actual and necessary
26 officials and employees of the licensee or other persons

1 actually working on the riverboat or in the casino.

2 (4) The number and issuance of tax-free passes is
3 subject to the rules of the Board, and a list of all
4 persons to whom the tax-free passes are issued shall be
5 filed with the Board.

6 (a-5) A fee is hereby imposed upon admissions operated by
7 licensed managers on behalf of the State pursuant to Section
8 7.3 at the rates provided in this subsection (a-5). For a
9 licensee that admitted 1,000,000 persons or fewer in the
10 previous calendar year, the rate is \$3 per person admitted; for
11 a licensee that admitted more than 1,000,000 but no more than
12 2,300,000 persons in the previous calendar year, the rate is \$4
13 per person admitted; and for a licensee that admitted more than
14 2,300,000 persons in the previous calendar year, the rate is \$5
15 per person admitted.

16 (1) The admission fee shall be paid for each admission.

17 (2) (Blank).

18 (3) The licensed manager may issue fee-free passes to
19 actual and necessary officials and employees of the manager
20 or other persons actually working on the riverboat.

21 (4) The number and issuance of fee-free passes is
22 subject to the rules of the Board, and a list of all
23 persons to whom the fee-free passes are issued shall be
24 filed with the Board.

25 (b) From the tax imposed under subsection (a) and the fee
26 imposed under subsection (a-5), a municipality shall receive

1 from the State \$1 for each person embarking on a riverboat
2 docked within the municipality or entering a casino located
3 within the municipality, and a county shall receive \$1 for each
4 person entering a casino or embarking on a riverboat docked
5 within the county but outside the boundaries of any
6 municipality. The municipality's or county's share shall be
7 collected by the Board on behalf of the State and remitted
8 quarterly by the State, subject to appropriation, to the
9 treasurer of the unit of local government for deposit in the
10 general fund. For each admission in excess of 1,500,000 in a
11 year, from the tax imposed under this Section, the county in
12 which the licensee's home dock is located shall receive,
13 subject to appropriation, \$0.15, which shall be in addition to
14 any other moneys paid to the county under this Section.

15 (c) The licensed owner and the licensed casino operator
16 conducting gambling operations on behalf of the Authority shall
17 pay the entire admission tax to the Board and the licensed
18 manager shall pay the entire admission fee to the Board. Such
19 payments shall be made daily. Accompanying each payment shall
20 be a return on forms provided by the Board which shall include
21 other information regarding admissions as the Board may
22 require. Failure to submit either the payment or the return
23 within the specified time may result in suspension or
24 revocation of the owners or managers license.

25 (d) The Board shall administer and collect the admission
26 tax imposed by this Section, to the extent practicable, in a

1 manner consistent with the provisions of Sections 4, 5, 5a, 5b,
2 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9 and 10 of the
3 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
4 Penalty and Interest Act.

5 (Source: P.A. 94-673, eff. 8-23-05; 95-663, eff. 10-11-07.)

6 (230 ILCS 10/12.1 new)

7 Sec. 12.1. Identification required. An owners licensee or
8 casino licensee shall implement procedures to obtain a valid
9 government-issued photo identification card containing, at a
10 minimum, a date of birth from patrons appearing to be age 30
11 and under prior to the patron passing through the admission
12 turnstiles. The owners licensee or casino licensee shall file
13 the procedures with the Board. The procedures shall include the
14 following:

15 (1) The forms of identification accepted, which shall
16 include:

17 (A) a driver's license or State photo
18 identification card issued in the United States;

19 (B) a passport;

20 (C) a U.S. issued military I.D.;

21 (D) a photo identification card issued by a
22 government entity located within the United States or a
23 U.S. territory or possession; and

24 (E) a U.S. issued alien identification card.

25 (2) A description of how information obtained from the

1 identification card will be compared to the Board's
2 Statewide Voluntary Self-Exclusion List, including a
3 description of procedures to ensure the confidentiality of
4 the information. Information obtained from identification
5 cards may be maintained for statistical or regulatory
6 purposes, but not for marketing, promotional, or any other
7 purpose.

8 The Board may not enforce, impose, or adopt administrative
9 rules for identification requirements or procedures other than
10 those contained in this Section.

11 (230 ILCS 10/13) (from Ch. 120, par. 2413)

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

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

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

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

23 20% of annual adjusted gross receipts in excess of
24 \$25,000,000 but not exceeding \$50,000,000;

25 25% of annual adjusted gross receipts in excess of

1 \$50,000,000 but not exceeding \$75,000,000;

2 30% of annual adjusted gross receipts in excess of
3 \$75,000,000 but not exceeding \$100,000,000;

4 35% of annual adjusted gross receipts in excess of
5 \$100,000,000.

6 (a-2) From July 1, 2002 until July 1, 2003, a privilege tax
7 is imposed on persons engaged in the business of conducting
8 riverboat gambling operations, other than licensed managers
9 conducting riverboat gambling operations on behalf of the
10 State, based on the adjusted gross receipts received by a
11 licensed owner from gambling games authorized under this Act at
12 the following rates:

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

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

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

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

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

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

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

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

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

10 27.5% of annual adjusted gross receipts in excess of
11 \$25,000,000 but not exceeding \$37,500,000;

12 32.5% of annual adjusted gross receipts in excess of
13 \$37,500,000 but not exceeding \$50,000,000;

14 37.5% of annual adjusted gross receipts in excess of
15 \$50,000,000 but not exceeding \$75,000,000;

16 45% of annual adjusted gross receipts in excess of
17 \$75,000,000 but not exceeding \$100,000,000;

18 50% of annual adjusted gross receipts in excess of
19 \$100,000,000 but not exceeding \$250,000,000;

20 70% of annual adjusted gross receipts in excess of
21 \$250,000,000.

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

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

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

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

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

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

26 32.5% of annual adjusted gross receipts in excess of

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

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

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

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

8 (a-5) Beginning on the effective date of this amendatory
9 Act of the 95th General Assembly, a privilege tax is imposed on
10 casino gambling operations conducted pursuant to a license
11 issued to the Chicago Casino Development Authority or pursuant
12 to a license issued under Section 7.11a to a private entity at
13 the same rates specified in subsection (a-4) for the privilege
14 tax on riverboat gambling operations. No privilege tax shall be
15 imposed on casino gambling operations conducted pursuant to a
16 license issued to the Illinois Casino Development Authority.

17 (a-6) Beginning on the effective date of this amendatory
18 Act of the 95th General Assembly, a privilege tax is imposed on
19 persons conducting electronic gaming based on the net adjusted
20 gross receipts received by an electronic gaming licensee from
21 electronic gaming and electronic poker at the following rates:

22 15% of annual net adjusted gross receipts up to and
23 including \$25,000,000;

24 22.5% of annual net adjusted gross receipts in excess
25 of \$25,000,000 but not exceeding \$50,000,000;

26 27.5% of annual net adjusted gross receipts in excess

1 of \$50,000,000 but not exceeding \$75,000,000;

2 32.5% of annual net adjusted gross receipts in excess
3 of \$75,000,000 but not exceeding \$100,000,000;

4 37.5% of annual net adjusted gross receipts in excess
5 of \$100,000,000 but not exceeding \$150,000,000;

6 45% of annual net adjusted gross receipts in excess of
7 \$150,000,000 but not exceeding \$200,000,000;

8 50% of annual net adjusted gross receipts in excess of
9 \$200,000,000.

10 As used in this Section, "net adjusted gross receipts"
11 means total adjusted gross receipts minus purse account
12 distributions made pursuant to subsection (a-5) of Section 56
13 of the Illinois Horse Racing Act of 1975.

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

17 (a-10) The taxes imposed by this Section shall be paid by
18 the gaming licensee ~~licensed owner~~ to the Board not later than
19 3:00 o'clock p.m. of the day after the day when the wagers were
20 made.

21 (a-15) If the privilege tax imposed under subsection (a-3)
22 is no longer imposed pursuant to item (i) of the last paragraph
23 of subsection (a-3), then by June 15 of each year, each owners
24 licensee, other than an owners licensee that admitted 1,000,000
25 persons or fewer in calendar year 2004, must, in addition to
26 the payment of all amounts otherwise due under this Section,

1 pay to the Board a reconciliation payment in the amount, if
2 any, by which the licensed owner's base amount exceeds the
3 amount of net privilege tax paid by the licensed owner to the
4 Board in the then current State fiscal year. A licensed owner's
5 net privilege tax obligation due for the balance of the State
6 fiscal year shall be reduced up to the total of the amount paid
7 by the licensed owner in its June 15 reconciliation payment.
8 The obligation imposed by this subsection (a-15) is binding on
9 any person, firm, corporation, or other entity that acquires an
10 ownership interest in any such owners license. The obligation
11 imposed under this subsection (a-15) terminates on the earliest
12 of: (i) July 1, 2007, (ii) the first day after the effective
13 date of this amendatory Act of the 94th General Assembly that
14 riverboat gambling operations are conducted pursuant to a
15 dormant license, (iii) the first day that riverboat gambling
16 operations are conducted under the authority of an owners
17 license that is in addition to the 10 owners licenses initially
18 authorized under this Act, or (iv) the first day that a
19 licensee under the Illinois Horse Racing Act of 1975 conducts
20 gaming operations with slot machines or other electronic gaming
21 devices. The Board must reduce the obligation imposed under
22 this subsection (a-15) by an amount the Board deems reasonable
23 for any of the following reasons: (A) an act or acts of God,
24 (B) an act of bioterrorism or terrorism or a bioterrorism or
25 terrorism threat that was investigated by a law enforcement
26 agency, or (C) a condition beyond the control of the owners

1 licensee that does not result from any act or omission by the
2 owners licensee or any of its agents and that poses a hazardous
3 threat to the health and safety of patrons. If an owners
4 licensee pays an amount in excess of its liability under this
5 Section, the Board shall apply the overpayment to future
6 payments required under this Section.

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

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

12 "Base amount" means the following:

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

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

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

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

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

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

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

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

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

23 "Net privilege tax" means all privilege taxes paid by a
24 licensed owner to the Board under this Section, less all
25 payments made from the State Gaming Fund pursuant to subsection
26 (b) of this Section.

1 The changes made to this subsection (a-15) by Public Act
2 94-839 are intended to restate and clarify the intent of Public
3 Act 94-673 with respect to the amount of the payments required
4 to be made under this subsection by an owners licensee to the
5 Board.

6 (b) Until January 1, 1998, 25% of the tax revenue deposited
7 in the State Gaming Fund under this Section shall be paid,
8 subject to appropriation by the General Assembly, to the unit
9 of local government which is designated as the home dock of the
10 riverboat. Except as otherwise provided in this subsection (b),
11 beginning ~~Beginning~~ January 1, 1998, from the tax revenue
12 deposited in the State Gaming Fund under this Section, an
13 amount equal to 5% of adjusted gross receipts generated by a
14 riverboat shall be paid monthly, subject to appropriation by
15 the General Assembly, to the unit of local government that is
16 designated as the home dock of the riverboat.

17 For calendar year 2008 and each year thereafter, (i) the
18 unit of local government that is designated as the home dock of
19 a riverboat conducting gambling operations on the effective
20 date of this amendatory Act of the 95th General Assembly shall
21 not receive more money pursuant to this subsection (b) than it
22 received in the calendar year 2007.

23 If the Board certifies that the amounts paid under this
24 subsection (b) to a unit of local government in which a
25 riverboat in operation in calendar year 2007 is located during
26 the first and second calendar year that electronic gaming is

1 conducted are less than those paid under this subsection during
2 the base year, then the Board shall pay from the State Gaming
3 Fund to the unit of local government that is designated as the
4 home dock of the riverboat an amount equal to 100% of the
5 difference. If the Board certifies that the amounts paid under
6 this subsection (b) to a unit of local government in which a
7 riverboat in operation in calendar year 2007 is located during
8 the third and fourth calendar year that electronic gaming is
9 conducted are less than those paid under this subsection during
10 the base year, then the Board shall pay from the State Gaming
11 Fund to the unit of local government that is designated as the
12 home dock of the riverboat an amount equal to 75% of the
13 difference. If the Board certifies that the amounts paid under
14 this subsection (b) to a unit of local government in which a
15 riverboat in operation in calendar year 2007 is located during
16 the fifth calendar year that electronic gaming is conducted are
17 less than those paid under this subsection during the base
18 year, then the Board shall pay from the State Gaming Fund to
19 the unit of local government that is designated as the home
20 dock of the riverboat an amount equal to 50% of the difference.
21 No payments for losses associated with electronic gaming shall
22 be made after the fifth year that electronic gaming is
23 conducted.

24 For the purpose of this subsection (b), "base year" means
25 the calendar year before electronic gaming is conducted in the
26 State of Illinois.

1 Beginning on the effective date of this amendatory Act of
2 the 95th General Assembly, from the tax revenue deposited in
3 the State Gaming Fund under this Section, an amount equal to 2%
4 of the new adjusted gross receipts generated by a riverboat not
5 located in St. Clair County that is conducting gambling
6 operations on the effective date of this amendatory Act of the
7 95th General Assembly shall be paid monthly, subject to
8 appropriation by the General Assembly, to the county in which
9 the home dock of the riverboat is located for the purposes of
10 its criminal justice system or health care.

11 Beginning on the effective date of this amendatory Act of
12 the 95th General Assembly, from the tax revenue deposited into
13 the State Gaming Fund under this Section, (i) an amount equal
14 to 0.75% of new adjusted gross receipts generated by a
15 riverboat located in St. Clair County conducting gambling
16 operations on the effective date of this amendatory Act of the
17 95th General Assembly shall be paid monthly, subject to
18 appropriation by the General Assembly, to St. Clair County for
19 the purposes of its criminal justice system or health care and
20 (ii) an amount equal to 1.25% of new adjusted gross receipts
21 generated by a riverboat located in St. Clair County conducting
22 gambling operations on the effective date of this amendatory
23 Act of the 95th General Assembly shall be divided equally and
24 paid monthly, subject to appropriation by the General Assembly,
25 to the Village of Alorton, the Village of Brooklyn, the Village
26 of Cahokia, the City of Centreville, and the Village of

1 Washington Park for the purposes of economic development.

2 As used in this subsection (b), "new adjusted gross
3 receipts" means the difference between the adjusted gross
4 receipts generated by a riverboat conducting gambling
5 operations on the effective date of this amendatory Act of the
6 95th General Assembly in the payment month and the adjusted
7 gross receipts generated by that riverboat in the corresponding
8 month in 2007.

9 As used in this subsection (b), "base year" means the
10 calendar year before electronic gaming is conducted in the
11 State of Illinois.

12 Beginning on the effective date of this amendatory Act of
13 the 95th General Assembly, from the tax revenue deposited in
14 the State Gaming Fund under this Section, an amount equal to
15 (i) 2% of adjusted gross receipts (net adjusted gross receipts
16 for electronic gaming facilities) generated by a riverboat not
17 in operation on the effective date of this amendatory Act of
18 the 95th General Assembly, casino, excluding the casino
19 operated by the Chicago Casino Development Authority and the
20 casino operated by the Illinois Casino Development Authority,
21 or electronic gaming facility located outside Madison County
22 shall be paid monthly, subject to appropriation by the General
23 Assembly, to the unit of local government that is designated as
24 the home dock of the riverboat or the municipality in which a
25 casino, excluding the casino operated by the Chicago Casino
26 Development Authority and the casino operated by the Illinois

1 Casino Development Authority, or an electronic gaming facility
2 is located, (ii) 3% of adjusted gross receipts (net adjusted
3 gross receipts for tracks) generated by a riverboat or casino
4 not in operation on the effective date of this amendatory Act
5 of the 95th General Assembly, except the casino operated by the
6 Chicago Casino Development Authority and the casino operated by
7 the Illinois Casino Development Authority, or the electronic
8 gaming facility located outside Madison County shall be paid
9 monthly, subject to appropriation by the General Assembly, to
10 the county in which the home dock of the riverboat, the casino,
11 excluding the casino operated by the Chicago Casino Development
12 Authority and the casino operated by the Illinois Casino
13 Development Authority, or electronic gaming facility is
14 located for the purposes of its criminal justice system or
15 health care system, and (iii) 1.5% of adjusted gross receipts
16 generated by the casino operated by the Chicago Casino
17 Development Authority shall be paid monthly to Cook County for
18 the purposes of its criminal justice system or health care
19 system. In the case of an electronic gaming facility that is
20 not located in a municipality on the effective date of this
21 amendatory Act of the 95th General Assembly, the amounts
22 distributed under this subsection (b) shall be distributed
23 wholly to the county.

24 Beginning on the effective date of this amendatory Act of
25 the 95th General Assembly, from the tax revenue deposited in
26 the State Gaming Fund under this section, an amount equal to

1 (i) 2% of net adjusted gross receipts generated by an
2 electronic gaming facility located in Madison County shall be
3 paid monthly, subject to appropriation by the General Assembly,
4 to the unit of local government in which the electronic gaming
5 facility is located, (ii) 1.5% of net adjusted gross receipts
6 generated by an electronic gaming facility located in Madison
7 County shall be paid monthly, subject to appropriation by the
8 General Assembly, to Madison County for the purposes of its
9 criminal justice or health care systems, and (iii) 1.5% of net
10 adjusted gross receipts generated by an electronic gaming
11 facility located in Madison County shall be paid monthly,
12 subject to appropriation by the General Assembly, to St. Clair
13 County for the purposes of its criminal justice or health care
14 systems.

15 From the tax revenue deposited in the State Gaming Fund
16 pursuant to riverboat gambling operations conducted by a
17 licensed manager on behalf of the State, an amount equal to 5%
18 of adjusted gross receipts generated pursuant to those
19 riverboat gambling operations shall be paid monthly, subject to
20 appropriation by the General Assembly, to the unit of local
21 government that is designated as the home dock of the riverboat
22 upon which those riverboat gambling operations are conducted.

23 (b-5) An amount equal to 1% of the adjusted gross receipts
24 from the first owners licensee, riverboat, or casino licensee
25 issued on or after the effective date of this amendatory Act of
26 the 95th General Assembly authorizing gambling in Cook County

1 shall be paid monthly, subject to appropriation by the General
2 Assembly, to the Depressed Communities Economic Development
3 Fund, which is created as a special fund in the State treasury.
4 The Department of Commerce and Economic Opportunity shall
5 administer the Fund and use moneys in the Fund to make grants
6 for revitalization of communities in accordance with Section
7 605-530 of The Department of Economic Opportunity Law of the
8 Civil Administration Code of Illinois.

9 (c) (Blank). ~~Appropriations, as approved by the General~~
10 ~~Assembly, may be made from the State Gaming Fund to the~~
11 ~~Department of Revenue and the Department of State Police for~~
12 ~~the administration and enforcement of this Act, or to the~~
13 ~~Department of Human Services for the administration of programs~~
14 ~~to treat problem gambling.~~

15 (c-5) (Blank). ~~Before May 26, 2006 (the effective date of~~
16 ~~Public Act 94-804) and beginning 2 years after May 26, 2006~~
17 ~~(the effective date of Public Act 94-804), after the payments~~
18 ~~required under subsections (b) and (c) have been made, an~~
19 ~~amount equal to 15% of the adjusted gross receipts of (1) an~~
20 ~~owners licensee that relocates pursuant to Section 11.2, (2) an~~
21 ~~owners licensee conducting riverboat gambling operations~~
22 ~~pursuant to an owners license that is initially issued after~~
23 ~~June 25, 1999, or (3) the first riverboat gambling operations~~
24 ~~conducted by a licensed manager on behalf of the State under~~
25 ~~Section 7.3, whichever comes first, shall be paid from the~~
26 ~~State Gaming Fund into the Horse Racing Equity Fund.~~

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

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

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

23 (c-25) (Blank). ~~After the payments required under~~
24 ~~subsections (b), (c), (c-5) and (c-15) have been made, an~~
25 ~~amount equal to 2% of the adjusted gross receipts of (1) an~~
26 ~~owners licensee that relocates pursuant to Section 11.2, (2) an~~

1 ~~owners licensee conducting riverboat gambling operations~~
2 ~~pursuant to an owners license that is initially issued after~~
3 ~~June 25, 1999, or (3) the first riverboat gambling operations~~
4 ~~conducted by a licensed manager on behalf of the State under~~
5 ~~Section 7.3, whichever comes first, shall be paid from the~~
6 ~~State Gaming Fund to Chicago State University.~~

7 (d) From time to time, the Board shall transfer all
8 remaining revenue generated by riverboat gambling under this
9 Act as follows: (i) from revenue generated by riverboats in
10 operation on the effective date of this amendatory Act of the
11 95th General Assembly, an amount equal to the amount
12 transferred from the State Gaming Fund into the Education
13 Assistance Fund in fiscal year 2007, plus all revenue generated
14 by the dormant license, shall be transferred ~~the remainder of~~
15 ~~the funds generated by this Act~~ into the Education Assistance
16 Fund, created by Public Act 86-0018, of the State of Illinois
17 and (ii) the remainder of the funds generated by riverboat
18 gambling under this Act shall be transferred into the Illinois
19 Works Debt Service Fund. For the purposes of this subsection
20 (d), "dormant license" means an owners license that was
21 authorized by this Act on June 20, 2003, but under which no
22 riverboat gambling operations were being conducted on that
23 date.

24 (e) From time to time, the Board shall transfer all
25 remaining revenue generated under this Act from casino gambling
26 operations and electronic gaming into the Illinois Works Debt

1 Service Fund.

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

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

14 (Source: P.A. 94-673, eff. 8-23-05; 94-804, eff. 5-26-06;
15 94-839, eff. 6-6-06; 95-331, eff. 8-21-07.)

16 (230 ILCS 10/13.2 new)

17 Sec. 13.2. Responsible Play Information Centers.

18 (a) Each gaming licensee must provide on-site Responsible
19 Play Information Centers (RPICs) in each licensed facility for
20 the purposes of (1) increasing patron knowledge and
21 understanding of how games of chance work; (2) providing
22 on-site information and referral services to customers or other
23 persons seeking information on responsible gambling
24 strategies, problem gambling programs, and voluntary
25 self-exclusion; (3) informing patrons of the risks of problem

1 gambling and their limitations and teaching them how to play
2 within their means; (4) improving the effectiveness and
3 efficiency of assistance to individuals experiencing problems
4 with gambling; and (5) improving gambling delivery by
5 increasing the promotion and delivery of responsible gambling
6 practices.

7 (b) RPICs must be staffed at a minimum for 15 hours per
8 day, as determined by the Board on a facility-by-facility
9 basis, and must contain a self-service, computer-based
10 gambling tutorial, continuously looped informational videos,
11 and brochures for use when staff is unavailable. RPICs must be
12 designed as a dedicated space that is easily accessible from
13 the gaming floor, brilliantly lighted, comfortably furnished,
14 and patron friendly.

15 (c) Staff at RPICs must be trained in prevention education
16 and counseling and must be fully integrated within the gaming
17 environment, working closely with gaming staff and managers to
18 educate players and assist with staff training. The RPIC staff
19 responsibilities shall include all of the following:

20 (1) To provide customer service-based player
21 information about the principles of gambling, including
22 randomness, house advantage, odds, and payouts.

23 (2) To provide information, support, and referrals, as
24 appropriate, to patrons who may be experiencing problems.

25 (3) To provide assistance with the voluntary
26 self-exclusion program.

1 (4) To consult with gaming staff, as appropriate, to
2 resolve situations where patrons may be in distress.

3 (5) To demonstrate a gaming-neutral approach to
4 issues.

5 (6) To keep log sheets on-site to record customer
6 interactions and information provided.

7 (d) All materials viewed in or distributed by a RPIC must
8 be approved by the Board.

9 (230 ILCS 10/14) (from Ch. 120, par. 2414)

10 Sec. 14. Licensees - Records - Reports - Supervision.

11 (a) Gaming licensees ~~A Licensed owner~~ shall keep their ~~his~~
12 books and records so as to clearly show the following:

13 (1) The amount received daily from admission fees.

14 (2) The total amount of gross receipts.

15 (3) The total amount of the adjusted gross receipts.

16 (b) The gaming licensee ~~Licensed owner~~ shall furnish to the
17 Board reports and information as the Board may require with
18 respect to its activities on forms designed and supplied for
19 such purpose by the Board.

20 (c) The books and records kept by a gaming licensee
21 ~~licensed owner~~ as provided by this Section are public records
22 and the examination, publication, and dissemination of the
23 books and records are governed by the provisions of the ~~The~~
24 Freedom of Information Act.

25 (Source: P.A. 86-1029.)

1 (230 ILCS 10/14.5 new)

2 Sec. 14.5. Collection of delinquent amounts. At any time
3 within 5 years after any amount of fees, interest, penalties,
4 or tax required to be collected pursuant to the provisions of
5 this Act shall become due and payable, the Office of Gaming
6 Enforcement may bring a civil action in the courts of this
7 State or any other state or of the United States, in the name
8 of the State of Illinois, to collect the amount delinquent,
9 together with penalties and interest. An action may be brought
10 whether or not the person owing the amount is at such time an
11 applicant or licensee under this Act. In all actions in this
12 State, the records of the Board and the Office shall be prima
13 facie evidence of the determination of the fee or tax or the
14 amount of the delinquency.

15 (230 ILCS 10/17) (from Ch. 120, par. 2417)

16 Sec. 17. Administrative Procedures. The Illinois
17 Administrative Procedure Act shall apply to all administrative
18 rules and procedures of the Board and the Office of Gaming
19 Enforcement under this Act, except that: (1) subsection (b) of
20 Section 5-10 of the Illinois Administrative Procedure Act does
21 not apply to final orders, decisions and opinions of the Board;
22 (2) subsection (a) of Section 5-10 of the Illinois
23 Administrative Procedure Act does not apply to forms
24 established by the Board for use under this Act; (3) the

1 provisions of Section 10-45 of the Illinois Administrative
2 Procedure Act regarding proposals for decision are excluded
3 under this Act; and (4) the provisions of subsection (d) of
4 Section 10-65 of the Illinois Administrative Procedure Act do
5 not apply so as to prevent summary suspension of any license
6 pending revocation or other action, which suspension shall
7 remain in effect unless modified by the Board or unless the
8 Board's decision is reversed on the merits upon judicial
9 review.

10 (Source: P.A. 88-45; 89-626, eff. 8-9-96.)

11 (230 ILCS 10/17.2 new)

12 Sec. 17.2. Administrative proceedings; burden of proof. In
13 proceedings before the Board, the burden of proof is at all
14 times on the petitioner. The petitioner shall have the
15 affirmative responsibility of establishing by clear and
16 convincing evidence that the petitioner is suitable for
17 licensing or a transfer of ownership.

18 (230 ILCS 10/18) (from Ch. 120, par. 2418)

19 Sec. 18. Prohibited Activities - Penalty.

20 (a) A person is guilty of a Class A misdemeanor for doing
21 any of the following:

22 (1) Conducting gambling where wagering is used or to be
23 used without a license issued by the Board.

24 (2) Conducting gambling where wagering is permitted

1 other than in the manner specified by Section 11.

2 (b) A person is guilty of a Class B misdemeanor for doing
3 any of the following:

4 (1) permitting a person under 21 years to make a wager;

5 or

6 (2) violating paragraph (12) of subsection (a) of
7 Section 11 of this Act.

8 (c) A person wagering or accepting a wager at any location
9 outside the licensed facility in violation of paragraph
10 ~~riverboat is subject to the penalties in paragraphs~~ (1) or (2)
11 of subsection (a) of Section 28-1 of the Criminal Code of 1961
12 is subject to the penalties provided in that Section.

13 (d) A person commits a Class 4 felony and, in addition,
14 shall be barred for life from gambling operations ~~riverboats~~
15 under the jurisdiction of the Board, if the person does any of
16 the following:

17 (1) Offers, promises, or gives anything of value or
18 benefit to a person who is connected with a gaming licensee
19 ~~riverboat owner~~ including, but not limited to, an officer
20 or employee of a gaming licensee ~~licensed owner~~ or holder
21 of an occupational license pursuant to an agreement or
22 arrangement or with the intent that the promise or thing of
23 value or benefit will influence the actions of the person
24 to whom the offer, promise, or gift was made in order to
25 affect or attempt to affect the outcome of a gambling game,
26 or to influence official action of a member of the Board.

1 (2) Solicits or knowingly accepts or receives a promise
2 of anything of value or benefit while the person is
3 connected with a gaming licensee ~~riverboat~~ including, but
4 not limited to, an officer or employee of a gaming licensee
5 ~~licensed owner~~, or the holder of an occupational license,
6 pursuant to an understanding or arrangement or with the
7 intent that the promise or thing of value or benefit will
8 influence the actions of the person to affect or attempt to
9 affect the outcome of a gambling game or electronic poker,
10 or to influence official action of a member of the Board.

11 (3) Uses or possesses with the intent to use a device
12 to assist:

13 (i) In projecting the outcome of the game.

14 (ii) In keeping track of the cards played.

15 (iii) In analyzing the probability of the
16 occurrence of an event relating to the gambling game or
17 electronic poker.

18 (iv) In analyzing the strategy for playing or
19 betting to be used in the game except as permitted by
20 the Board.

21 (4) Cheats at a gambling game or electronic poker.

22 (5) Manufactures, sells, or distributes any cards,
23 chips, dice, game or device which is intended to be used to
24 violate any provision of this Act.

25 (6) Alters or misrepresents the outcome of a gambling
26 game or electronic poker on which wagers have been made

1 after the outcome is made sure but before it is revealed to
2 the players.

3 (7) Places a bet after acquiring knowledge, not
4 available to all players, of the outcome of the gambling
5 game or electronic poker which is subject of the bet or to
6 aid a person in acquiring the knowledge for the purpose of
7 placing a bet contingent on that outcome.

8 (8) Claims, collects, or takes, or attempts to claim,
9 collect, or take, money or anything of value in or from the
10 gambling games or electronic poker, with intent to defraud,
11 without having made a wager contingent on winning a
12 gambling game or electronic poker, or claims, collects, or
13 takes an amount of money or thing of value of greater value
14 than the amount won.

15 (9) Uses counterfeit chips or tokens in a gambling game
16 or electronic poker.

17 (10) Possesses any key or device designed for the
18 purpose of opening, entering, or affecting the operation of
19 a gambling game or electronic poker, drop box, or an
20 electronic or mechanical device connected with the
21 gambling game or for removing coins, tokens, chips or other
22 contents of a gambling game or electronic poker. This
23 paragraph (10) does not apply to a gambling licensee or
24 employee of a gambling licensee acting in furtherance of
25 the employee's employment.

26 (e) The possession of more than one of the devices

1 described in subsection (d), paragraphs (3), (5) or (10)
2 permits a rebuttable presumption that the possessor intended to
3 use the devices for cheating.

4 An action to prosecute any crime occurring on a riverboat
5 shall be tried in the county of the dock at which the riverboat
6 is based. An action to prosecute any crime occurring in a
7 casino or electronic gaming facility shall be tried in the
8 county in which the casino or electronic gaming facility is
9 located.

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

11 (230 ILCS 10/19) (from Ch. 120, par. 2419)

12 Sec. 19. Forfeiture of property.

13 (a) Except as provided in subsection (b), any licensed
14 facility ~~riverboat~~ used for the conduct of gambling ~~games~~ in
15 violation of this Act shall be considered a gambling place in
16 violation of Section 28-3 of the Criminal Code of 1961, as now
17 or hereafter amended. Every gambling device found at a licensed
18 facility ~~on a riverboat~~ operating gambling ~~games~~ in violation
19 of this Act shall be subject to seizure, confiscation and
20 destruction as provided in Section 28-5 of the Criminal Code of
21 1961, as now or hereafter amended.

22 (b) It is not a violation of this Act for a riverboat or
23 other watercraft which is licensed for gaming by a contiguous
24 state to dock on the shores of this State if the municipality
25 having jurisdiction of the shores, or the county in the case of

1 unincorporated areas, has granted permission for docking and no
2 gaming is conducted on the riverboat or other watercraft while
3 it is docked on the shores of this State. No gambling device
4 shall be subject to seizure, confiscation or destruction if the
5 gambling device is located on a riverboat or other watercraft
6 which is licensed for gaming by a contiguous state and which is
7 docked on the shores of this State if the municipality having
8 jurisdiction of the shores, or the county in the case of
9 unincorporated areas, has granted permission for docking and no
10 gaming is conducted on the riverboat or other watercraft while
11 it is docked on the shores of this State.

12 (Source: P.A. 86-1029.)

13 (230 ILCS 10/20) (from Ch. 120, par. 2420)

14 Sec. 20. Prohibited activities - civil penalties. Any
15 person who conducts a gambling operation without first
16 obtaining a license to do so, or who continues to conduct such
17 games after revocation of his license, or any licensee who
18 conducts or allows to be conducted any unauthorized gambling at
19 a licensed facility ~~games on a riverboat~~ where it is authorized
20 to conduct its ~~riverboat~~ gambling operation, in addition to
21 other penalties provided, shall be subject to a civil penalty
22 equal to the amount of gross receipts derived from wagering on
23 the gambling activity ~~games~~, whether unauthorized or
24 authorized, conducted on that day as well as confiscation and
25 forfeiture of all gambling ~~game~~ equipment used in the conduct

1 of unauthorized gambling ~~games~~.

2 (Source: P.A. 86-1029.)

3 (230 ILCS 10/22.5 new)

4 Sec. 22.5. Illinois Works Fund.

5 (a) There is created the Illinois Works Fund, a special
6 fund in the State Treasury. The Board shall deposit the
7 following into the Illinois Works Fund:

8 (1) The initial fee and reconciliation payment from the
9 positions under subsections (h-2) and (h-5) of Section 7.

10 (2) The initial fee and reconciliation payment from
11 electronic gaming positions.

12 (3) Amounts received pursuant to competitive bidding
13 for the additional riverboat authorized under this
14 amendatory Act of the 95th General Assembly under
15 subsection (e) of Section 7 and for the casino license
16 authorized under Section 7.11a.

17 (4) The casino license fee.

18 (5) Amounts received pursuant to subsection (e) of
19 Section 1-45 of the Chicago Casino Development Authority
20 Act.

21 (6) Amounts received pursuant to subsection (e) of
22 Section 5-45 of the Illinois Casino Development Authority
23 Act.

24 (b) Moneys in the Illinois Works Fund shall, subject to
25 appropriation, be used for the making of grants and

1 expenditures for the Illinois Works Capital Program.

2 (c) Thirty percent of the moneys deposited into the
3 Illinois Works Fund shall be transferred into the Focusing on
4 Children, Uplifting Schools (FOCUS) Fund.

5 (c-5) Any changes in the purposes or use of this Fund, or
6 changes in revenues directed to this Fund, must be approved by
7 three-fifths vote of both the Senate and House of
8 Representatives.

9 (d) Designees of the President and the Minority Leader of
10 the Senate, the Speaker and Minority Leader of the House, and
11 the Director of the Governor's Office of Management and Budget
12 shall meet periodically and frequently at the request of any
13 one party named to review the status of each capital project
14 appropriated under the Illinois Works program.

15 (e) On the last day of each quarterly period in each fiscal
16 year, the Governor's Office of Management and Budget shall
17 provide to the President and the Minority Leader of the Senate
18 and the Speaker and the Minority Leader of the House of
19 Representatives a report on the status of new capital projects
20 first appropriated under the Illinois Works program. The report
21 must be provided in electronic format and may be provided in
22 written format upon request. The report must include all of the
23 following:

24 (1) Projected revenues for the fiscal year and actual
25 revenues year-to-date into the Illinois Works Fund that
26 will support pay-as-you-go or debt service on Illinois

1 Works capital projects.

2 (2) For each Illinois Works capital project
3 appropriated in that fiscal year:

4 (A) a brief description or stated purpose;

5 (B) the estimated total State expenditures, the
6 amount spent year-to-date, and the proposed schedule
7 of expenditures;

8 (C) a projected timeline for completion of each
9 state-managed project (excluding grants) and any
10 delays that could lead to substantial variances from
11 this timeline must be explained;

12 (D) indication of whether the project is supported
13 from pay-as-you-go sources or is bond supported;

14 (E) if a project is supported by bond revenue, the
15 bond authorization category; and

16 (F) the date the written release of the Governor
17 was submitted to the Comptroller or is anticipated to
18 be submitted; if a release for any project has not been
19 submitted to the Comptroller within 6 months of the
20 appropriation becoming law, an explanation of why the
21 project has not yet been released, including whether
22 bond authorization or projected revenues were
23 insufficient to support the release of the project.

24 (f) The Governor shall make good faith efforts to release
25 each appropriated Illinois Works project as quickly as is
26 practicable, based on availability of revenues and sufficient

1 bond authorization for the length and scope of the project.

2 (g) Any interest generated by the Illinois Works Fund shall
3 be reserved in a special account in the Illinois Works Fund and
4 used only as set forth in this subsection (g). In the event
5 that the Director of the Governor's Office of Management and
6 Budget determines that there remains an insufficient balance in
7 the Education Trust Fund to meet the requirements of Section
8 2.3 of the Illinois Lottery Law in any year, the Director of
9 the Governor's Office of Management and Budget shall direct the
10 Comptroller and the Treasurer to transfer and the Treasurer and
11 the Comptroller shall transfer to the Education Trust Fund from
12 the special account such funds as may be necessary to meet the
13 requirements of Section 2.3 of the Illinois Lottery Law. On
14 July 1, 2018 or on any date thereafter, in the event that the
15 Director of the Governor's Office of Management and Budget
16 certifies that no additional funds are required to merit
17 Section 2.3 of the Illinois Lottery Law, the special account
18 shall be dissolved.

19 (230 ILCS 10/22.6 new)

20 Sec. 22.6. Illinois Works Debt Service Fund.

21 (a) There is created the Illinois Works Debt Service Fund,
22 a special fund in the State Treasury. The Board shall deposit
23 all amounts received from Sections (d) and (e) of Section 13
24 into the Illinois Works Debt Service Fund. Any changes in the
25 purposes or use of this Fund, or changes in revenues directed

1 to this Fund, must be approved by three-fifths vote of both the
2 Senate and House of Representatives.

3 (b) Subject to the transfer provisions set forth in this
4 subsection (b), money in the Illinois Works Debt Service Fund
5 shall, if and when the State of Illinois incurs any bonded
6 indebtedness under the Illinois Works capital program, as
7 certified by the Director of the Governor's Office of
8 Management and Budget to the State Comptroller and State
9 Treasurer, be set aside and used for the purpose of paying and
10 discharging annually the principal and interest on that bonded
11 indebtedness then due and payable. In addition to other
12 transfers to the General Obligation Bond Retirement and
13 Interest Fund made pursuant to Section 15 of the General
14 Obligation Bond Act, upon each delivery of bonds issued for the
15 Illinois Works capital program, as certified by the Director of
16 the Governor's Office of Management and Budget, the State
17 Comptroller shall compute and certify to the State Treasurer
18 the total amount of principal of, interest on, and premium, if
19 any, on such bonds during the then current and each succeeding
20 fiscal year. With respect to the interest payable on variable
21 rate bonds, such certification shall be calculated at the
22 maximum rate of interest that may be payable during the fiscal
23 year, after taking into account any credits permitted in the
24 related indenture or other instrument against the amount of
25 such interest required to be appropriated for that period. On
26 or before the last day of each month, the State Treasurer and

1 State Comptroller shall transfer from the Illinois Works Debt
2 Service Fund into the General Obligation Bond Retirement and
3 Interest Fund an amount sufficient to pay the aggregate of the
4 principal of, interest on, and premium, if any, on the bonds
5 payable on their next payment date, divided by the number of
6 monthly transfer occurring between the last previous payment
7 date (or the delivery date if no payment date has yet occurred)
8 and the next succeeding payment date. Interest payable on
9 variable rate bonds shall be calculated at the maximum rate of
10 interest that may be payable for the relevant period, after
11 taking into account any credits permitted in the related
12 indenture or other instrument against the amount of such
13 interest required to be appropriated for that period.

14 (c) On July 1, 2009 and each July 1 thereafter, or as soon
15 thereafter as practical, the Director of the Governor's Office
16 of Management and Budget shall certify to the State Comptroller
17 and the State Treasurer the amount, if any, of the \$100,000,000
18 paid into the Fund during the prior State fiscal year under the
19 Retailers' Occupation Tax Act from tax on the sale of motor
20 fuel, as estimated by the Department of Revenue, that exceeded
21 the amount needed during that State fiscal year to meet debt
22 service requirements on the outstanding bonds and notes issued
23 in association with the Illinois Works Capital Program.
24 Immediately upon receipt of the certification, the Comptroller
25 shall order transferred and the Treasurer shall transfer the
26 amount certified from the Illinois Works Debt Service Fund to

1 the General Revenue Fund.

2 (230 ILCS 10/7.1 rep.)

3 Section 90-45. The Riverboat Gambling Act is amended by
4 repealing Section 7.1.

5 Section 90-50. The Liquor Control Act of 1934 is amended by
6 changing Sections 5-1 and 6-30 as follows:

7 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

8 (Text of Section before amendment by P.A. 95-634)

9 Sec. 5-1. Licenses issued by the Illinois Liquor Control
10 Commission shall be of the following classes:

11 (a) Manufacturer's license - Class 1. Distiller, Class 2.
12 Rectifier, Class 3. Brewer, Class 4. First Class Wine
13 Manufacturer, Class 5. Second Class Wine Manufacturer, Class 6.
14 First Class Winemaker, Class 7. Second Class Winemaker, Class
15 8. Limited Wine Manufacturer,

16 (b) Distributor's license,

17 (c) Importing Distributor's license,

18 (d) Retailer's license,

19 (e) Special Event Retailer's license (not-for-profit),

20 (f) Railroad license,

21 (g) Boat license,

22 (h) Non-Beverage User's license,

23 (i) Wine-maker's premises license,

- 1 (j) Airplane license,
- 2 (k) Foreign importer's license,
- 3 (l) Broker's license,
- 4 (m) Non-resident dealer's license,
- 5 (n) Brew Pub license,
- 6 (o) Auction liquor license,
- 7 (p) Caterer retailer license,
- 8 (q) Special use permit license.

9 No person, firm, partnership, corporation, or other legal
10 business entity that is engaged in the manufacturing of wine
11 may concurrently obtain and hold a wine-maker's license and a
12 wine manufacturer's license.

13 (a) A manufacturer's license shall allow the manufacture,
14 importation in bulk, storage, distribution and sale of
15 alcoholic liquor to persons without the State, as may be
16 permitted by law and to licensees in this State as follows:

17 Class 1. A Distiller may make sales and deliveries of
18 alcoholic liquor to distillers, rectifiers, importing
19 distributors, distributors and non-beverage users and to no
20 other licensees.

21 Class 2. A Rectifier, who is not a distiller, as defined
22 herein, may make sales and deliveries of alcoholic liquor to
23 rectifiers, importing distributors, distributors, retailers
24 and non-beverage users and to no other licensees.

25 Class 3. A Brewer may make sales and deliveries of beer to
26 importing distributors, distributors, and to non-licensees,

1 and to retailers provided the brewer obtains an importing
2 distributor's license or distributor's license in accordance
3 with the provisions of this Act.

4 Class 4. A first class wine-manufacturer may make sales and
5 deliveries of up to 50,000 gallons of wine to manufacturers,
6 importing distributors and distributors, and to no other
7 licensees.

8 Class 5. A second class Wine manufacturer may make sales
9 and deliveries of more than 50,000 gallons of wine to
10 manufacturers, importing distributors and distributors and to
11 no other licensees.

12 Class 6. A first-class wine-maker's license shall allow the
13 manufacture of up to 50,000 gallons of wine per year, and the
14 storage and sale of such wine to distributors in the State and
15 to persons without the State, as may be permitted by law. A
16 first-class wine-maker's license shall allow the sale of no
17 more than 5,000 gallons of the licensee's wine to retailers.
18 The State Commission shall issue only one first-class
19 wine-maker's license to any person, firm, partnership,
20 corporation, or other legal business entity that is engaged in
21 the making of less than 50,000 gallons of wine annually that
22 applies for a first-class wine-maker's license. No subsidiary
23 or affiliate thereof, nor any officer, associate, member,
24 partner, representative, employee, agent, or shareholder may
25 be issued an additional wine-maker's license by the State
26 Commission.

1 Class 7. A second-class wine-maker's license shall allow
2 the manufacture of between 50,000 and 100,000 gallons of wine
3 per year, and the storage and sale of such wine to distributors
4 in this State and to persons without the State, as may be
5 permitted by law. A second-class wine-maker's license shall
6 allow the sale of no more than 10,000 gallons of the licensee's
7 wine directly to retailers. The State Commission shall issue
8 only one second-class wine-maker's license to any person, firm,
9 partnership, corporation, or other legal business entity that
10 is engaged in the making of less than 100,000 gallons of wine
11 annually that applies for a second-class wine-maker's license.
12 No subsidiary or affiliate thereof, or any officer, associate,
13 member, partner, representative, employee, agent, or
14 shareholder may be issued an additional wine-maker's license by
15 the State Commission.

16 Class 8. A limited wine-manufacturer may make sales and
17 deliveries not to exceed 40,000 gallons of wine per year to
18 distributors, and to non-licensees in accordance with the
19 provisions of this Act.

20 (a-1) A manufacturer which is licensed in this State to
21 make sales or deliveries of alcoholic liquor and which enlists
22 agents, representatives, or individuals acting on its behalf
23 who contact licensed retailers on a regular and continual basis
24 in this State must register those agents, representatives, or
25 persons acting on its behalf with the State Commission.

26 Registration of agents, representatives, or persons acting

1 on behalf of a manufacturer is fulfilled by submitting a form
2 to the Commission. The form shall be developed by the
3 Commission and shall include the name and address of the
4 applicant, the name and address of the manufacturer he or she
5 represents, the territory or areas assigned to sell to or
6 discuss pricing terms of alcoholic liquor, and any other
7 questions deemed appropriate and necessary. All statements in
8 the forms required to be made by law or by rule shall be deemed
9 material, and any person who knowingly misstates any material
10 fact under oath in an application is guilty of a Class B
11 misdemeanor. Fraud, misrepresentation, false statements,
12 misleading statements, evasions, or suppression of material
13 facts in the securing of a registration are grounds for
14 suspension or revocation of the registration.

15 (b) A distributor's license shall allow the wholesale
16 purchase and storage of alcoholic liquors and sale of alcoholic
17 liquors to licensees in this State and to persons without the
18 State, as may be permitted by law.

19 (c) An importing distributor's license may be issued to and
20 held by those only who are duly licensed distributors, upon the
21 filing of an application by a duly licensed distributor, with
22 the Commission and the Commission shall, without the payment of
23 any fee, immediately issue such importing distributor's
24 license to the applicant, which shall allow the importation of
25 alcoholic liquor by the licensee into this State from any point
26 in the United States outside this State, and the purchase of

1 alcoholic liquor in barrels, casks or other bulk containers and
2 the bottling of such alcoholic liquors before resale thereof,
3 but all bottles or containers so filled shall be sealed,
4 labeled, stamped and otherwise made to comply with all
5 provisions, rules and regulations governing manufacturers in
6 the preparation and bottling of alcoholic liquors. The
7 importing distributor's license shall permit such licensee to
8 purchase alcoholic liquor from Illinois licensed non-resident
9 dealers and foreign importers only.

10 (d) A retailer's license shall allow the licensee to sell
11 and offer for sale at retail, only in the premises specified in
12 the license, alcoholic liquor for use or consumption, but not
13 for resale in any form: Provided that any retail license issued
14 to a manufacturer shall only permit the manufacturer to sell
15 beer at retail on the premises actually occupied by the
16 manufacturer. For the purpose of further describing the type of
17 business conducted at a retail licensed premises, a retailer's
18 licensee may be designated by the State Commission as (i) an on
19 premise consumption retailer, (ii) an off premise sale
20 retailer, or (iii) a combined on premise consumption and off
21 premise sale retailer.

22 Notwithstanding any other provision of this subsection
23 (d), a retail licensee may sell alcoholic liquors to a special
24 event retailer licensee for resale to the extent permitted
25 under subsection (e).

26 (e) A special event retailer's license (not-for-profit)

1 shall permit the licensee to purchase alcoholic liquors from an
2 Illinois licensed distributor (unless the licensee purchases
3 less than \$500 of alcoholic liquors for the special event, in
4 which case the licensee may purchase the alcoholic liquors from
5 a licensed retailer) and shall allow the licensee to sell and
6 offer for sale, at retail, alcoholic liquors for use or
7 consumption, but not for resale in any form and only at the
8 location and on the specific dates designated for the special
9 event in the license. An applicant for a special event retailer
10 license must (i) furnish with the application: (A) a resale
11 number issued under Section 2c of the Retailers' Occupation Tax
12 Act or evidence that the applicant is registered under Section
13 2a of the Retailers' Occupation Tax Act, (B) a current, valid
14 exemption identification number issued under Section 1g of the
15 Retailers' Occupation Tax Act, and a certification to the
16 Commission that the purchase of alcoholic liquors will be a
17 tax-exempt purchase, or (C) a statement that the applicant is
18 not registered under Section 2a of the Retailers' Occupation
19 Tax Act, does not hold a resale number under Section 2c of the
20 Retailers' Occupation Tax Act, and does not hold an exemption
21 number under Section 1g of the Retailers' Occupation Tax Act,
22 in which event the Commission shall set forth on the special
23 event retailer's license a statement to that effect; (ii)
24 submit with the application proof satisfactory to the State
25 Commission that the applicant will provide dram shop liability
26 insurance in the maximum limits; and (iii) show proof

1 satisfactory to the State Commission that the applicant has
2 obtained local authority approval.

3 (f) A railroad license shall permit the licensee to import
4 alcoholic liquors into this State from any point in the United
5 States outside this State and to store such alcoholic liquors
6 in this State; to make wholesale purchases of alcoholic liquors
7 directly from manufacturers, foreign importers, distributors
8 and importing distributors from within or outside this State;
9 and to store such alcoholic liquors in this State; provided
10 that the above powers may be exercised only in connection with
11 the importation, purchase or storage of alcoholic liquors to be
12 sold or dispensed on a club, buffet, lounge or dining car
13 operated on an electric, gas or steam railway in this State;
14 and provided further, that railroad licensees exercising the
15 above powers shall be subject to all provisions of Article VIII
16 of this Act as applied to importing distributors. A railroad
17 license shall also permit the licensee to sell or dispense
18 alcoholic liquors on any club, buffet, lounge or dining car
19 operated on an electric, gas or steam railway regularly
20 operated by a common carrier in this State, but shall not
21 permit the sale for resale of any alcoholic liquors to any
22 licensee within this State. A license shall be obtained for
23 each car in which such sales are made.

24 (g) A boat license shall allow the sale of alcoholic liquor
25 in individual drinks, on any passenger boat regularly operated
26 as a common carrier on navigable waters in this State or on any

1 riverboat operated under the Illinois ~~Riverboat~~ Gambling Act,
2 which boat or riverboat maintains a public dining room or
3 restaurant thereon.

4 A casino license shall allow the sale of alcoholic liquor
5 in individual drinks at any casino gambling facility operated
6 under the Illinois Gambling Act that maintains a public dining
7 room or restaurant at that facility.

8 (h) A non-beverage user's license shall allow the licensee
9 to purchase alcoholic liquor from a licensed manufacturer or
10 importing distributor, without the imposition of any tax upon
11 the business of such licensed manufacturer or importing
12 distributor as to such alcoholic liquor to be used by such
13 licensee solely for the non-beverage purposes set forth in
14 subsection (a) of Section 8-1 of this Act, and such licenses
15 shall be divided and classified and shall permit the purchase,
16 possession and use of limited and stated quantities of
17 alcoholic liquor as follows:

- 18 Class 1, not to exceed 500 gallons
- 19 Class 2, not to exceed 1,000 gallons
- 20 Class 3, not to exceed 5,000 gallons
- 21 Class 4, not to exceed 10,000 gallons
- 22 Class 5, not to exceed 50,000 gallons

23 (i) A wine-maker's premises license shall allow a licensee
24 that concurrently holds a first-class wine-maker's license to
25 sell and offer for sale at retail in the premises specified in
26 such license not more than 50,000 gallons of the first-class

1 wine-maker's wine that is made at the first-class wine-maker's
2 licensed premises per year for use or consumption, but not for
3 resale in any form. A wine-maker's premises license shall allow
4 a licensee who concurrently holds a second-class wine-maker's
5 license to sell and offer for sale at retail in the premises
6 specified in such license up to 100,000 gallons of the
7 second-class wine-maker's wine that is made at the second-class
8 wine-maker's licensed premises per year for use or consumption
9 but not for resale in any form. A wine-maker's premises license
10 shall allow a licensee that concurrently holds a first-class
11 wine-maker's license or a second-class wine-maker's license to
12 sell and offer for sale at retail at the premises specified in
13 the wine-maker's premises license, for use or consumption but
14 not for resale in any form, any beer, wine, and spirits
15 purchased from a licensed distributor. Upon approval from the
16 State Commission, a wine-maker's premises license shall allow
17 the licensee to sell and offer for sale at (i) the wine-maker's
18 licensed premises and (ii) at up to 2 additional locations for
19 use and consumption and not for resale. Each location shall
20 require additional licensing per location as specified in
21 Section 5-3 of this Act.

22 (j) An airplane license shall permit the licensee to import
23 alcoholic liquors into this State from any point in the United
24 States outside this State and to store such alcoholic liquors
25 in this State; to make wholesale purchases of alcoholic liquors
26 directly from manufacturers, foreign importers, distributors

1 and importing distributors from within or outside this State;
2 and to store such alcoholic liquors in this State; provided
3 that the above powers may be exercised only in connection with
4 the importation, purchase or storage of alcoholic liquors to be
5 sold or dispensed on an airplane; and provided further, that
6 airplane licensees exercising the above powers shall be subject
7 to all provisions of Article VIII of this Act as applied to
8 importing distributors. An airplane licensee shall also permit
9 the sale or dispensing of alcoholic liquors on any passenger
10 airplane regularly operated by a common carrier in this State,
11 but shall not permit the sale for resale of any alcoholic
12 liquors to any licensee within this State. A single airplane
13 license shall be required of an airline company if liquor
14 service is provided on board aircraft in this State. The annual
15 fee for such license shall be as determined in Section 5-3.

16 (k) A foreign importer's license shall permit such licensee
17 to purchase alcoholic liquor from Illinois licensed
18 non-resident dealers only, and to import alcoholic liquor other
19 than in bulk from any point outside the United States and to
20 sell such alcoholic liquor to Illinois licensed importing
21 distributors and to no one else in Illinois; provided that the
22 foreign importer registers with the State Commission every
23 brand of alcoholic liquor that it proposes to sell to Illinois
24 licensees during the license period and provided further that
25 the foreign importer complies with all of the provisions of
26 Section 6-9 of this Act with respect to registration of such

1 Illinois licensees as may be granted the right to sell such
2 brands at wholesale.

3 (1) (i) A broker's license shall be required of all persons
4 who solicit orders for, offer to sell or offer to supply
5 alcoholic liquor to retailers in the State of Illinois, or who
6 offer to retailers to ship or cause to be shipped or to make
7 contact with distillers, rectifiers, brewers or manufacturers
8 or any other party within or without the State of Illinois in
9 order that alcoholic liquors be shipped to a distributor,
10 importing distributor or foreign importer, whether such
11 solicitation or offer is consummated within or without the
12 State of Illinois.

13 No holder of a retailer's license issued by the Illinois
14 Liquor Control Commission shall purchase or receive any
15 alcoholic liquor, the order for which was solicited or offered
16 for sale to such retailer by a broker unless the broker is the
17 holder of a valid broker's license.

18 The broker shall, upon the acceptance by a retailer of the
19 broker's solicitation of an order or offer to sell or supply or
20 deliver or have delivered alcoholic liquors, promptly forward
21 to the Illinois Liquor Control Commission a notification of
22 said transaction in such form as the Commission may by
23 regulations prescribe.

24 (ii) A broker's license shall be required of a person
25 within this State, other than a retail licensee, who, for a fee
26 or commission, promotes, solicits, or accepts orders for

1 alcoholic liquor, for use or consumption and not for resale, to
2 be shipped from this State and delivered to residents outside
3 of this State by an express company, common carrier, or
4 contract carrier. This Section does not apply to any person who
5 promotes, solicits, or accepts orders for wine as specifically
6 authorized in Section 6-29 of this Act.

7 A broker's license under this subsection (1) shall not
8 entitle the holder to buy or sell any alcoholic liquors for his
9 own account or to take or deliver title to such alcoholic
10 liquors.

11 This subsection (1) shall not apply to distributors,
12 employees of distributors, or employees of a manufacturer who
13 has registered the trademark, brand or name of the alcoholic
14 liquor pursuant to Section 6-9 of this Act, and who regularly
15 sells such alcoholic liquor in the State of Illinois only to
16 its registrants thereunder.

17 Any agent, representative, or person subject to
18 registration pursuant to subsection (a-1) of this Section shall
19 not be eligible to receive a broker's license.

20 (m) A non-resident dealer's license shall permit such
21 licensee to ship into and warehouse alcoholic liquor into this
22 State from any point outside of this State, and to sell such
23 alcoholic liquor to Illinois licensed foreign importers and
24 importing distributors and to no one else in this State;
25 provided that said non-resident dealer shall register with the
26 Illinois Liquor Control Commission each and every brand of

1 alcoholic liquor which it proposes to sell to Illinois
2 licensees during the license period; and further provided that
3 it shall comply with all of the provisions of Section 6-9
4 hereof with respect to registration of such Illinois licensees
5 as may be granted the right to sell such brands at wholesale.

6 (n) A brew pub license shall allow the licensee to
7 manufacture beer only on the premises specified in the license,
8 to make sales of the beer manufactured on the premises to
9 importing distributors, distributors, and to non-licensees for
10 use and consumption, to store the beer upon the premises, and
11 to sell and offer for sale at retail from the licensed
12 premises, provided that a brew pub licensee shall not sell for
13 off-premises consumption more than 50,000 gallons per year.

14 (o) A caterer retailer license shall allow the holder to
15 serve alcoholic liquors as an incidental part of a food service
16 that serves prepared meals which excludes the serving of snacks
17 as the primary meal, either on or off-site whether licensed or
18 unlicensed.

19 (p) An auction liquor license shall allow the licensee to
20 sell and offer for sale at auction wine and spirits for use or
21 consumption, or for resale by an Illinois liquor licensee in
22 accordance with provisions of this Act. An auction liquor
23 license will be issued to a person and it will permit the
24 auction liquor licensee to hold the auction anywhere in the
25 State. An auction liquor license must be obtained for each
26 auction at least 14 days in advance of the auction date.

1 (q) A special use permit license shall allow an Illinois
2 licensed retailer to transfer a portion of its alcoholic liquor
3 inventory from its retail licensed premises to the premises
4 specified in the license hereby created, and to sell or offer
5 for sale at retail, only in the premises specified in the
6 license hereby created, the transferred alcoholic liquor for
7 use or consumption, but not for resale in any form. A special
8 use permit license may be granted for the following time
9 periods: one day or less; 2 or more days to a maximum of 15 days
10 per location in any 12 month period. An applicant for the
11 special use permit license must also submit with the
12 application proof satisfactory to the State Commission that the
13 applicant will provide dram shop liability insurance to the
14 maximum limits and have local authority approval.

15 (Source: P.A. 95-331, eff. 8-21-07.)

16 (Text of Section after amendment by P.A. 95-634)

17 Sec. 5-1. Licenses issued by the Illinois Liquor Control
18 Commission shall be of the following classes:

19 (a) Manufacturer's license - Class 1. Distiller, Class 2.
20 Rectifier, Class 3. Brewer, Class 4. First Class Wine
21 Manufacturer, Class 5. Second Class Wine Manufacturer, Class 6.
22 First Class Winemaker, Class 7. Second Class Winemaker, Class
23 8. Limited Wine Manufacturer,

24 (b) Distributor's license,

25 (c) Importing Distributor's license,

- 1 (d) Retailer's license,
- 2 (e) Special Event Retailer's license (not-for-profit),
- 3 (f) Railroad license,
- 4 (g) Boat license,
- 5 (h) Non-Beverage User's license,
- 6 (i) Wine-maker's premises license,
- 7 (j) Airplane license,
- 8 (k) Foreign importer's license,
- 9 (l) Broker's license,
- 10 (m) Non-resident dealer's license,
- 11 (n) Brew Pub license,
- 12 (o) Auction liquor license,
- 13 (p) Caterer retailer license,
- 14 (q) Special use permit license,
- 15 (r) Winery shipper's license.

16 No person, firm, partnership, corporation, or other legal
17 business entity that is engaged in the manufacturing of wine
18 may concurrently obtain and hold a wine-maker's license and a
19 wine manufacturer's license.

20 (a) A manufacturer's license shall allow the manufacture,
21 importation in bulk, storage, distribution and sale of
22 alcoholic liquor to persons without the State, as may be
23 permitted by law and to licensees in this State as follows:

24 Class 1. A Distiller may make sales and deliveries of
25 alcoholic liquor to distillers, rectifiers, importing
26 distributors, distributors and non-beverage users and to no

1 other licensees.

2 Class 2. A Rectifier, who is not a distiller, as defined
3 herein, may make sales and deliveries of alcoholic liquor to
4 rectifiers, importing distributors, distributors, retailers
5 and non-beverage users and to no other licensees.

6 Class 3. A Brewer may make sales and deliveries of beer to
7 importing distributors, distributors, and to non-licensees,
8 and to retailers provided the brewer obtains an importing
9 distributor's license or distributor's license in accordance
10 with the provisions of this Act.

11 Class 4. A first class wine-manufacturer may make sales and
12 deliveries of up to 50,000 gallons of wine to manufacturers,
13 importing distributors and distributors, and to no other
14 licensees.

15 Class 5. A second class Wine manufacturer may make sales
16 and deliveries of more than 50,000 gallons of wine to
17 manufacturers, importing distributors and distributors and to
18 no other licensees.

19 Class 6. A first-class wine-maker's license shall allow the
20 manufacture of up to 50,000 gallons of wine per year, and the
21 storage and sale of such wine to distributors in the State and
22 to persons without the State, as may be permitted by law. A
23 person who, prior to the effective date of this amendatory Act
24 of the 95th General Assembly, is a holder of a first-class
25 wine-maker's license and annually produces more than 25,000
26 gallons of its own wine and who distributes its wine to

1 licensed retailers shall cease this practice on or before July
2 1, 2008 in compliance with this amendatory Act of the 95th
3 General Assembly.

4 Class 7. A second-class wine-maker's license shall allow
5 the manufacture of between 50,000 and 150,000 gallons of wine
6 per year, and the storage and sale of such wine to distributors
7 in this State and to persons without the State, as may be
8 permitted by law. A person who, prior to the effective date of
9 this amendatory Act of the 95th General Assembly, is a holder
10 of a second-class wine-maker's license and annually produces
11 more than 25,000 gallons of its own wine and who distributes
12 its wine to licensed retailers shall cease this practice on or
13 before July 1, 2008 in compliance with this amendatory Act of
14 the 95th General Assembly.

15 Class 8. A limited wine-manufacturer may make sales and
16 deliveries not to exceed 40,000 gallons of wine per year to
17 distributors, and to non-licensees in accordance with the
18 provisions of this Act.

19 (a-1) A manufacturer which is licensed in this State to
20 make sales or deliveries of alcoholic liquor and which enlists
21 agents, representatives, or individuals acting on its behalf
22 who contact licensed retailers on a regular and continual basis
23 in this State must register those agents, representatives, or
24 persons acting on its behalf with the State Commission.

25 Registration of agents, representatives, or persons acting
26 on behalf of a manufacturer is fulfilled by submitting a form

1 to the Commission. The form shall be developed by the
2 Commission and shall include the name and address of the
3 applicant, the name and address of the manufacturer he or she
4 represents, the territory or areas assigned to sell to or
5 discuss pricing terms of alcoholic liquor, and any other
6 questions deemed appropriate and necessary. All statements in
7 the forms required to be made by law or by rule shall be deemed
8 material, and any person who knowingly misstates any material
9 fact under oath in an application is guilty of a Class B
10 misdemeanor. Fraud, misrepresentation, false statements,
11 misleading statements, evasions, or suppression of material
12 facts in the securing of a registration are grounds for
13 suspension or revocation of the registration.

14 (b) A distributor's license shall allow the wholesale
15 purchase and storage of alcoholic liquors and sale of alcoholic
16 liquors to licensees in this State and to persons without the
17 State, as may be permitted by law.

18 (c) An importing distributor's license may be issued to and
19 held by those only who are duly licensed distributors, upon the
20 filing of an application by a duly licensed distributor, with
21 the Commission and the Commission shall, without the payment of
22 any fee, immediately issue such importing distributor's
23 license to the applicant, which shall allow the importation of
24 alcoholic liquor by the licensee into this State from any point
25 in the United States outside this State, and the purchase of
26 alcoholic liquor in barrels, casks or other bulk containers and

1 the bottling of such alcoholic liquors before resale thereof,
2 but all bottles or containers so filled shall be sealed,
3 labeled, stamped and otherwise made to comply with all
4 provisions, rules and regulations governing manufacturers in
5 the preparation and bottling of alcoholic liquors. The
6 importing distributor's license shall permit such licensee to
7 purchase alcoholic liquor from Illinois licensed non-resident
8 dealers and foreign importers only.

9 (d) A retailer's license shall allow the licensee to sell
10 and offer for sale at retail, only in the premises specified in
11 the license, alcoholic liquor for use or consumption, but not
12 for resale in any form. Nothing in this amendatory Act of the
13 95th General Assembly shall deny, limit, remove, or restrict
14 the ability of a holder of a retailer's license to transfer,
15 deliver, or ship alcoholic liquor to the purchaser for use or
16 consumption subject to any applicable local law or ordinance.
17 Any retail license issued to a manufacturer shall only permit
18 the manufacturer to sell beer at retail on the premises
19 actually occupied by the manufacturer. For the purpose of
20 further describing the type of business conducted at a retail
21 licensed premises, a retailer's licensee may be designated by
22 the State Commission as (i) an on premise consumption retailer,
23 (ii) an off premise sale retailer, or (iii) a combined on
24 premise consumption and off premise sale retailer.

25 Notwithstanding any other provision of this subsection
26 (d), a retail licensee may sell alcoholic liquors to a special

1 event retailer licensee for resale to the extent permitted
2 under subsection (e).

3 (e) A special event retailer's license (not-for-profit)
4 shall permit the licensee to purchase alcoholic liquors from an
5 Illinois licensed distributor (unless the licensee purchases
6 less than \$500 of alcoholic liquors for the special event, in
7 which case the licensee may purchase the alcoholic liquors from
8 a licensed retailer) and shall allow the licensee to sell and
9 offer for sale, at retail, alcoholic liquors for use or
10 consumption, but not for resale in any form and only at the
11 location and on the specific dates designated for the special
12 event in the license. An applicant for a special event retailer
13 license must (i) furnish with the application: (A) a resale
14 number issued under Section 2c of the Retailers' Occupation Tax
15 Act or evidence that the applicant is registered under Section
16 2a of the Retailers' Occupation Tax Act, (B) a current, valid
17 exemption identification number issued under Section 1g of the
18 Retailers' Occupation Tax Act, and a certification to the
19 Commission that the purchase of alcoholic liquors will be a
20 tax-exempt purchase, or (C) a statement that the applicant is
21 not registered under Section 2a of the Retailers' Occupation
22 Tax Act, does not hold a resale number under Section 2c of the
23 Retailers' Occupation Tax Act, and does not hold an exemption
24 number under Section 1g of the Retailers' Occupation Tax Act,
25 in which event the Commission shall set forth on the special
26 event retailer's license a statement to that effect; (ii)

1 submit with the application proof satisfactory to the State
2 Commission that the applicant will provide dram shop liability
3 insurance in the maximum limits; and (iii) show proof
4 satisfactory to the State Commission that the applicant has
5 obtained local authority approval.

6 (f) A railroad license shall permit the licensee to import
7 alcoholic liquors into this State from any point in the United
8 States outside this State and to store such alcoholic liquors
9 in this State; to make wholesale purchases of alcoholic liquors
10 directly from manufacturers, foreign importers, distributors
11 and importing distributors from within or outside this State;
12 and to store such alcoholic liquors in this State; provided
13 that the above powers may be exercised only in connection with
14 the importation, purchase or storage of alcoholic liquors to be
15 sold or dispensed on a club, buffet, lounge or dining car
16 operated on an electric, gas or steam railway in this State;
17 and provided further, that railroad licensees exercising the
18 above powers shall be subject to all provisions of Article VIII
19 of this Act as applied to importing distributors. A railroad
20 license shall also permit the licensee to sell or dispense
21 alcoholic liquors on any club, buffet, lounge or dining car
22 operated on an electric, gas or steam railway regularly
23 operated by a common carrier in this State, but shall not
24 permit the sale for resale of any alcoholic liquors to any
25 licensee within this State. A license shall be obtained for
26 each car in which such sales are made.

1 (g) A boat license shall allow the sale of alcoholic liquor
 2 in individual drinks, on any passenger boat regularly operated
 3 as a common carrier on navigable waters in this State or on any
 4 riverboat operated under the Illinois ~~Riverboat~~ Gambling Act,
 5 which boat or riverboat maintains a public dining room or
 6 restaurant thereon.

7 A casino license shall allow the sale of alcoholic liquor
 8 in individual drinks at any casino gambling facility operated
 9 under the Illinois Gambling Act that maintains a public dining
 10 room or restaurant at that facility.

11 (h) A non-beverage user's license shall allow the licensee
 12 to purchase alcoholic liquor from a licensed manufacturer or
 13 importing distributor, without the imposition of any tax upon
 14 the business of such licensed manufacturer or importing
 15 distributor as to such alcoholic liquor to be used by such
 16 licensee solely for the non-beverage purposes set forth in
 17 subsection (a) of Section 8-1 of this Act, and such licenses
 18 shall be divided and classified and shall permit the purchase,
 19 possession and use of limited and stated quantities of
 20 alcoholic liquor as follows:

- 21 Class 1, not to exceed 500 gallons
- 22 Class 2, not to exceed 1,000 gallons
- 23 Class 3, not to exceed 5,000 gallons
- 24 Class 4, not to exceed 10,000 gallons
- 25 Class 5, not to exceed 50,000 gallons

26 (i) A wine-maker's premises license shall allow a licensee

1 that concurrently holds a first-class wine-maker's license to
2 sell and offer for sale at retail in the premises specified in
3 such license not more than 50,000 gallons of the first-class
4 wine-maker's wine that is made at the first-class wine-maker's
5 licensed premises per year for use or consumption, but not for
6 resale in any form. A wine-maker's premises license shall allow
7 a licensee who concurrently holds a second-class wine-maker's
8 license to sell and offer for sale at retail in the premises
9 specified in such license up to 100,000 gallons of the
10 second-class wine-maker's wine that is made at the second-class
11 wine-maker's licensed premises per year for use or consumption
12 but not for resale in any form. A wine-maker's premises license
13 shall allow a licensee that concurrently holds a first-class
14 wine-maker's license or a second-class wine-maker's license to
15 sell and offer for sale at retail at the premises specified in
16 the wine-maker's premises license, for use or consumption but
17 not for resale in any form, any beer, wine, and spirits
18 purchased from a licensed distributor. Upon approval from the
19 State Commission, a wine-maker's premises license shall allow
20 the licensee to sell and offer for sale at (i) the wine-maker's
21 licensed premises and (ii) at up to 2 additional locations for
22 use and consumption and not for resale. Each location shall
23 require additional licensing per location as specified in
24 Section 5-3 of this Act. A wine-maker's premises licensee shall
25 secure liquor liability insurance coverage in an amount at
26 least equal to the maximum liability amounts set forth in

1 subsection (a) of Section 6-21 of this Act.

2 (j) An airplane license shall permit the licensee to import
3 alcoholic liquors into this State from any point in the United
4 States outside this State and to store such alcoholic liquors
5 in this State; to make wholesale purchases of alcoholic liquors
6 directly from manufacturers, foreign importers, distributors
7 and importing distributors from within or outside this State;
8 and to store such alcoholic liquors in this State; provided
9 that the above powers may be exercised only in connection with
10 the importation, purchase or storage of alcoholic liquors to be
11 sold or dispensed on an airplane; and provided further, that
12 airplane licensees exercising the above powers shall be subject
13 to all provisions of Article VIII of this Act as applied to
14 importing distributors. An airplane licensee shall also permit
15 the sale or dispensing of alcoholic liquors on any passenger
16 airplane regularly operated by a common carrier in this State,
17 but shall not permit the sale for resale of any alcoholic
18 liquors to any licensee within this State. A single airplane
19 license shall be required of an airline company if liquor
20 service is provided on board aircraft in this State. The annual
21 fee for such license shall be as determined in Section 5-3.

22 (k) A foreign importer's license shall permit such licensee
23 to purchase alcoholic liquor from Illinois licensed
24 non-resident dealers only, and to import alcoholic liquor other
25 than in bulk from any point outside the United States and to
26 sell such alcoholic liquor to Illinois licensed importing

1 distributors and to no one else in Illinois; provided that the
2 foreign importer registers with the State Commission every
3 brand of alcoholic liquor that it proposes to sell to Illinois
4 licensees during the license period and provided further that
5 the foreign importer complies with all of the provisions of
6 Section 6-9 of this Act with respect to registration of such
7 Illinois licensees as may be granted the right to sell such
8 brands at wholesale.

9 (1) (i) A broker's license shall be required of all persons
10 who solicit orders for, offer to sell or offer to supply
11 alcoholic liquor to retailers in the State of Illinois, or who
12 offer to retailers to ship or cause to be shipped or to make
13 contact with distillers, rectifiers, brewers or manufacturers
14 or any other party within or without the State of Illinois in
15 order that alcoholic liquors be shipped to a distributor,
16 importing distributor or foreign importer, whether such
17 solicitation or offer is consummated within or without the
18 State of Illinois.

19 No holder of a retailer's license issued by the Illinois
20 Liquor Control Commission shall purchase or receive any
21 alcoholic liquor, the order for which was solicited or offered
22 for sale to such retailer by a broker unless the broker is the
23 holder of a valid broker's license.

24 The broker shall, upon the acceptance by a retailer of the
25 broker's solicitation of an order or offer to sell or supply or
26 deliver or have delivered alcoholic liquors, promptly forward

1 to the Illinois Liquor Control Commission a notification of
2 said transaction in such form as the Commission may by
3 regulations prescribe.

4 (ii) A broker's license shall be required of a person
5 within this State, other than a retail licensee, who, for a fee
6 or commission, promotes, solicits, or accepts orders for
7 alcoholic liquor, for use or consumption and not for resale, to
8 be shipped from this State and delivered to residents outside
9 of this State by an express company, common carrier, or
10 contract carrier. This Section does not apply to any person who
11 promotes, solicits, or accepts orders for wine as specifically
12 authorized in Section 6-29 of this Act.

13 A broker's license under this subsection (1) shall not
14 entitle the holder to buy or sell any alcoholic liquors for his
15 own account or to take or deliver title to such alcoholic
16 liquors.

17 This subsection (1) shall not apply to distributors,
18 employees of distributors, or employees of a manufacturer who
19 has registered the trademark, brand or name of the alcoholic
20 liquor pursuant to Section 6-9 of this Act, and who regularly
21 sells such alcoholic liquor in the State of Illinois only to
22 its registrants thereunder.

23 Any agent, representative, or person subject to
24 registration pursuant to subsection (a-1) of this Section shall
25 not be eligible to receive a broker's license.

26 (m) A non-resident dealer's license shall permit such

1 licensee to ship into and warehouse alcoholic liquor into this
2 State from any point outside of this State, and to sell such
3 alcoholic liquor to Illinois licensed foreign importers and
4 importing distributors and to no one else in this State;
5 provided that said non-resident dealer shall register with the
6 Illinois Liquor Control Commission each and every brand of
7 alcoholic liquor which it proposes to sell to Illinois
8 licensees during the license period; and further provided that
9 it shall comply with all of the provisions of Section 6-9
10 hereof with respect to registration of such Illinois licensees
11 as may be granted the right to sell such brands at wholesale.

12 (n) A brew pub license shall allow the licensee to
13 manufacture beer only on the premises specified in the license,
14 to make sales of the beer manufactured on the premises to
15 importing distributors, distributors, and to non-licensees for
16 use and consumption, to store the beer upon the premises, and
17 to sell and offer for sale at retail from the licensed
18 premises, provided that a brew pub licensee shall not sell for
19 off-premises consumption more than 50,000 gallons per year.

20 (o) A caterer retailer license shall allow the holder to
21 serve alcoholic liquors as an incidental part of a food service
22 that serves prepared meals which excludes the serving of snacks
23 as the primary meal, either on or off-site whether licensed or
24 unlicensed.

25 (p) An auction liquor license shall allow the licensee to
26 sell and offer for sale at auction wine and spirits for use or

1 consumption, or for resale by an Illinois liquor licensee in
2 accordance with provisions of this Act. An auction liquor
3 license will be issued to a person and it will permit the
4 auction liquor licensee to hold the auction anywhere in the
5 State. An auction liquor license must be obtained for each
6 auction at least 14 days in advance of the auction date.

7 (q) A special use permit license shall allow an Illinois
8 licensed retailer to transfer a portion of its alcoholic liquor
9 inventory from its retail licensed premises to the premises
10 specified in the license hereby created, and to sell or offer
11 for sale at retail, only in the premises specified in the
12 license hereby created, the transferred alcoholic liquor for
13 use or consumption, but not for resale in any form. A special
14 use permit license may be granted for the following time
15 periods: one day or less; 2 or more days to a maximum of 15 days
16 per location in any 12 month period. An applicant for the
17 special use permit license must also submit with the
18 application proof satisfactory to the State Commission that the
19 applicant will provide dram shop liability insurance to the
20 maximum limits and have local authority approval.

21 (r) A winery shipper's license shall allow a person with a
22 first-class or second-class wine manufacturer's license, a
23 first-class or second-class wine-maker's license, or a limited
24 wine manufacturer's license or who is licensed to make wine
25 under the laws of another state to ship wine made by that
26 licensee directly to a resident of this State who is 21 years

1 of age or older for that resident's personal use and not for
2 resale. Prior to receiving a winery shipper's license, an
3 applicant for the license must provide the Commission with a
4 true copy of its current license in any state in which it is
5 licensed as a manufacturer of wine. An applicant for a winery
6 shipper's license must also complete an application form that
7 provides any other information the Commission deems necessary.
8 The application form shall include an acknowledgement
9 consenting to the jurisdiction of the Commission, the Illinois
10 Department of Revenue, and the courts of this State concerning
11 the enforcement of this Act and any related laws, rules, and
12 regulations, including authorizing the Department of Revenue
13 and the Commission to conduct audits for the purpose of
14 ensuring compliance with this amendatory Act.

15 A winery shipper licensee must pay to the Department of
16 Revenue the State liquor gallonage tax under Section 8-1 for
17 all wine that is sold by the licensee and shipped to a person
18 in this State. For the purposes of Section 8-1, a winery
19 shipper licensee shall be taxed in the same manner as a
20 manufacturer of wine. A licensee who is not otherwise required
21 to register under the Retailers' Occupation Tax Act must
22 register under the Use Tax Act to collect and remit use tax to
23 the Department of Revenue for all gallons of wine that are sold
24 by the licensee and shipped to persons in this State. If a
25 licensee fails to remit the tax imposed under this Act in
26 accordance with the provisions of Article VIII of this Act, the

1 winery shipper's license shall be revoked in accordance with
2 the provisions of Article VII of this Act. If a licensee fails
3 to properly register and remit tax under the Use Tax Act or the
4 Retailers' Occupation Tax Act for all wine that is sold by the
5 winery shipper and shipped to persons in this State, the winery
6 shipper's license shall be revoked in accordance with the
7 provisions of Article VII of this Act.

8 A winery shipper licensee must collect, maintain, and
9 submit to the Commission on a semi-annual basis the total
10 number of cases per resident of wine shipped to residents of
11 this State. A winery shipper licensed under this subsection (r)
12 must comply with the requirements of Section 6-29 of this
13 amendatory Act.

14 (Source: P.A. 95-331, eff. 8-21-07; 95-634, eff. 6-1-08.)

15 (235 ILCS 5/6-30) (from Ch. 43, par. 144f)

16 Sec. 6-30. Notwithstanding any other provision of this Act,
17 the Illinois Gaming Board shall have exclusive authority to
18 establish the hours for sale and consumption of alcoholic
19 liquor at a casino or on board a riverboat during riverboat
20 gambling excursions conducted in accordance with the Illinois
21 ~~Riverboat~~ Gambling Act.

22 (Source: P.A. 87-826.)

23 Section 90-55. The Criminal Code of 1961 is amended by
24 changing Sections 28-1, 28-1.1, 28-3, 28-5, and 28-7 as

1 follows:

2 (720 ILCS 5/28-1) (from Ch. 38, par. 28-1)

3 Sec. 28-1. Gambling.

4 (a) A person commits gambling when he:

5 (1) Plays a game of chance or skill for money or other
6 thing of value, unless excepted in subsection (b) of this
7 Section; or

8 (2) Makes a wager upon the result of any game, contest,
9 or any political nomination, appointment or election; or

10 (3) Operates, keeps, owns, uses, purchases, exhibits,
11 rents, sells, bargains for the sale or lease of,
12 manufactures or distributes any gambling device; or

13 (4) Contracts to have or give himself or another the
14 option to buy or sell, or contracts to buy or sell, at a
15 future time, any grain or other commodity whatsoever, or
16 any stock or security of any company, where it is at the
17 time of making such contract intended by both parties
18 thereto that the contract to buy or sell, or the option,
19 whenever exercised, or the contract resulting therefrom,
20 shall be settled, not by the receipt or delivery of such
21 property, but by the payment only of differences in prices
22 thereof; however, the issuance, purchase, sale, exercise,
23 endorsement or guarantee, by or through a person registered
24 with the Secretary of State pursuant to Section 8 of the
25 Illinois Securities Law of 1953, or by or through a person

1 exempt from such registration under said Section 8, of a
2 put, call, or other option to buy or sell securities which
3 have been registered with the Secretary of State or which
4 are exempt from such registration under Section 3 of the
5 Illinois Securities Law of 1953 is not gambling within the
6 meaning of this paragraph (4); or

7 (5) Knowingly owns or possesses any book, instrument or
8 apparatus by means of which bets or wagers have been, or
9 are, recorded or registered, or knowingly possesses any
10 money which he has received in the course of a bet or
11 wager; or

12 (6) Sells pools upon the result of any game or contest
13 of skill or chance, political nomination, appointment or
14 election; or

15 (7) Sets up or promotes any lottery or sells, offers to
16 sell or transfers any ticket or share for any lottery; or

17 (8) Sets up or promotes any policy game or sells,
18 offers to sell or knowingly possesses or transfers any
19 policy ticket, slip, record, document or other similar
20 device; or

21 (9) Knowingly drafts, prints or publishes any lottery
22 ticket or share, or any policy ticket, slip, record,
23 document or similar device, except for such activity
24 related to lotteries, bingo games and raffles authorized by
25 and conducted in accordance with the laws of Illinois or
26 any other state or foreign government; or

1 (10) Knowingly advertises any lottery or policy game,
2 except for such activity related to lotteries, bingo games
3 and raffles authorized by and conducted in accordance with
4 the laws of Illinois or any other state; or

5 (11) Knowingly transmits information as to wagers,
6 betting odds, or changes in betting odds by telephone,
7 telegraph, radio, semaphore or similar means; or knowingly
8 installs or maintains equipment for the transmission or
9 receipt of such information; except that nothing in this
10 subdivision (11) prohibits transmission or receipt of such
11 information for use in news reporting of sporting events or
12 contests; or

13 (12) Knowingly establishes, maintains, or operates an
14 Internet site that permits a person to play a game of
15 chance or skill for money or other thing of value by means
16 of the Internet or to make a wager upon the result of any
17 game, contest, political nomination, appointment, or
18 election by means of the Internet.

19 (b) Participants in any of the following activities shall
20 not be convicted of gambling therefor:

21 (1) Agreements to compensate for loss caused by the
22 happening of chance including without limitation contracts
23 of indemnity or guaranty and life or health or accident
24 insurance;

25 (2) Offers of prizes, award or compensation to the
26 actual contestants in any bona fide contest for the

1 determination of skill, speed, strength or endurance or to
2 the owners of animals or vehicles entered in such contest;

3 (3) Pari-mutuel betting as authorized by the law of
4 this State;

5 (4) Manufacture of gambling devices, including the
6 acquisition of essential parts therefor and the assembly
7 thereof, for transportation in interstate or foreign
8 commerce to any place outside this State when such
9 transportation is not prohibited by any applicable Federal
10 law;

11 (5) The game commonly known as "bingo", when conducted
12 in accordance with the Bingo License and Tax Act;

13 (6) Lotteries when conducted by the State of Illinois
14 in accordance with the Illinois Lottery Law;

15 (7) Possession of an antique slot machine that is
16 neither used nor intended to be used in the operation or
17 promotion of any unlawful gambling activity or enterprise.
18 For the purpose of this subparagraph (b)(7), an antique
19 slot machine is one manufactured 25 years ago or earlier;

20 (8) Raffles when conducted in accordance with the
21 Raffles Act;

22 (9) Charitable games when conducted in accordance with
23 the Charitable Games Act;

24 (10) Pull tabs and jar games when conducted under the
25 Illinois Pull Tabs and Jar Games Act; or

26 (11) Gambling games ~~conducted on riverboats~~ when

1 authorized by the Illinois Riverboat Gambling Act.

2 (c) Sentence.

3 Gambling under subsection (a)(1) or (a)(2) of this Section
4 is a Class A misdemeanor. Gambling under any of subsections
5 (a)(3) through (a)(11) of this Section is a Class A
6 misdemeanor. A second or subsequent conviction under any of
7 subsections (a)(3) through (a)(11), is a Class 4 felony.
8 Gambling under subsection (a)(12) of this Section is a Class A
9 misdemeanor. A second or subsequent conviction under
10 subsection (a)(12) is a Class 4 felony.

11 (d) Circumstantial evidence.

12 In prosecutions under subsection (a)(1) through (a)(12) of
13 this Section circumstantial evidence shall have the same
14 validity and weight as in any criminal prosecution.

15 (Source: P.A. 91-257, eff. 1-1-00.)

16 (720 ILCS 5/28-1.1) (from Ch. 38, par. 28-1.1)

17 Sec. 28-1.1. Syndicated gambling.

18 (a) Declaration of Purpose. Recognizing the close
19 relationship between professional gambling and other organized
20 crime, it is declared to be the policy of the legislature to
21 restrain persons from engaging in the business of gambling for
22 profit in this State. This Section shall be liberally construed
23 and administered with a view to carrying out this policy.

24 (b) A person commits syndicated gambling when he operates a
25 "policy game" or engages in the business of bookmaking.

1 (c) A person "operates a policy game" when he knowingly
2 uses any premises or property for the purpose of receiving or
3 knowingly does receive from what is commonly called "policy":

4 (1) money from a person other than the better or player
5 whose bets or plays are represented by such money; or

6 (2) written "policy game" records, made or used over
7 any period of time, from a person other than the better or
8 player whose bets or plays are represented by such written
9 record.

10 (d) A person engages in bookmaking when he receives or
11 accepts more than five bets or wagers upon the result of any
12 trials or contests of skill, speed or power of endurance or
13 upon any lot, chance, casualty, unknown or contingent event
14 whatsoever, which bets or wagers shall be of such size that the
15 total of the amounts of money paid or promised to be paid to
16 such bookmaker on account thereof shall exceed \$2,000.
17 Bookmaking is the receiving or accepting of such bets or wagers
18 regardless of the form or manner in which the bookmaker records
19 them.

20 (e) Participants in any of the following activities shall
21 not be convicted of syndicated gambling:

22 (1) Agreements to compensate for loss caused by the
23 happening of chance including without limitation contracts
24 of indemnity or guaranty and life or health or accident
25 insurance; and

26 (2) Offers of prizes, award or compensation to the

1 actual contestants in any bona fide contest for the
2 determination of skill, speed, strength or endurance or to
3 the owners of animals or vehicles entered in such contest;
4 and

5 (3) Pari-mutuel betting as authorized by law of this
6 State; and

7 (4) Manufacture of gambling devices, including the
8 acquisition of essential parts therefor and the assembly
9 thereof, for transportation in interstate or foreign
10 commerce to any place outside this State when such
11 transportation is not prohibited by any applicable Federal
12 law; and

13 (5) Raffles when conducted in accordance with the
14 Raffles Act; and

15 (6) Gambling games conducted on riverboats, in
16 casinos, or at electronic gaming facilities when
17 authorized by the Illinois Riverboat Gambling Act.

18 (f) Sentence. Syndicated gambling is a Class 3 felony.

19 (Source: P.A. 86-1029; 87-435.)

20 (720 ILCS 5/28-3) (from Ch. 38, par. 28-3)

21 Sec. 28-3. Keeping a Gambling Place. A "gambling place" is
22 any real estate, vehicle, boat or any other property whatsoever
23 used for the purposes of gambling other than gambling conducted
24 in the manner authorized by the Illinois Riverboat Gambling
25 Act. Any person who knowingly permits any premises or property

1 owned or occupied by him or under his control to be used as a
2 gambling place commits a Class A misdemeanor. Each subsequent
3 offense is a Class 4 felony. When any premises is determined by
4 the circuit court to be a gambling place:

5 (a) Such premises is a public nuisance and may be proceeded
6 against as such, and

7 (b) All licenses, permits or certificates issued by the
8 State of Illinois or any subdivision or public agency thereof
9 authorizing the serving of food or liquor on such premises
10 shall be void; and no license, permit or certificate so
11 cancelled shall be reissued for such premises for a period of
12 60 days thereafter; nor shall any person convicted of keeping a
13 gambling place be reissued such license for one year from his
14 conviction and, after a second conviction of keeping a gambling
15 place, any such person shall not be reissued such license, and

16 (c) Such premises of any person who knowingly permits
17 thereon a violation of any Section of this Article shall be
18 held liable for, and may be sold to pay any unsatisfied
19 judgment that may be recovered and any unsatisfied fine that
20 may be levied under any Section of this Article.

21 (Source: P.A. 86-1029.)

22 (720 ILCS 5/28-5) (from Ch. 38, par. 28-5)

23 Sec. 28-5. Seizure of gambling devices and gambling funds.

24 (a) Every device designed for gambling which is incapable
25 of lawful use or every device used unlawfully for gambling

1 shall be considered a "gambling device", and shall be subject
2 to seizure, confiscation and destruction by the Department of
3 State Police or by any municipal, or other local authority,
4 within whose jurisdiction the same may be found. As used in
5 this Section, a "gambling device" includes any slot machine,
6 and includes any machine or device constructed for the
7 reception of money or other thing of value and so constructed
8 as to return, or to cause someone to return, on chance to the
9 player thereof money, property or a right to receive money or
10 property. With the exception of any device designed for
11 gambling which is incapable of lawful use, no gambling device
12 shall be forfeited or destroyed unless an individual with a
13 property interest in said device knows of the unlawful use of
14 the device.

15 (b) Every gambling device shall be seized and forfeited to
16 the county wherein such seizure occurs. Any money or other
17 thing of value integrally related to acts of gambling shall be
18 seized and forfeited to the county wherein such seizure occurs.

19 (c) If, within 60 days after any seizure pursuant to
20 subparagraph (b) of this Section, a person having any property
21 interest in the seized property is charged with an offense, the
22 court which renders judgment upon such charge shall, within 30
23 days after such judgment, conduct a forfeiture hearing to
24 determine whether such property was a gambling device at the
25 time of seizure. Such hearing shall be commenced by a written
26 petition by the State, including material allegations of fact,

1 the name and address of every person determined by the State to
2 have any property interest in the seized property, a
3 representation that written notice of the date, time and place
4 of such hearing has been mailed to every such person by
5 certified mail at least 10 days before such date, and a request
6 for forfeiture. Every such person may appear as a party and
7 present evidence at such hearing. The quantum of proof required
8 shall be a preponderance of the evidence, and the burden of
9 proof shall be on the State. If the court determines that the
10 seized property was a gambling device at the time of seizure,
11 an order of forfeiture and disposition of the seized property
12 shall be entered: a gambling device shall be received by the
13 State's Attorney, who shall effect its destruction, except that
14 valuable parts thereof may be liquidated and the resultant
15 money shall be deposited in the general fund of the county
16 wherein such seizure occurred; money and other things of value
17 shall be received by the State's Attorney and, upon
18 liquidation, shall be deposited in the general fund of the
19 county wherein such seizure occurred. However, in the event
20 that a defendant raises the defense that the seized slot
21 machine is an antique slot machine described in subparagraph
22 (b) (7) of Section 28-1 of this Code and therefore he is exempt
23 from the charge of a gambling activity participant, the seized
24 antique slot machine shall not be destroyed or otherwise
25 altered until a final determination is made by the Court as to
26 whether it is such an antique slot machine. Upon a final

1 determination by the Court of this question in favor of the
2 defendant, such slot machine shall be immediately returned to
3 the defendant. Such order of forfeiture and disposition shall,
4 for the purposes of appeal, be a final order and judgment in a
5 civil proceeding.

6 (d) If a seizure pursuant to subparagraph (b) of this
7 Section is not followed by a charge pursuant to subparagraph
8 (c) of this Section, or if the prosecution of such charge is
9 permanently terminated or indefinitely discontinued without
10 any judgment of conviction or acquittal (1) the State's
11 Attorney shall commence an in rem proceeding for the forfeiture
12 and destruction of a gambling device, or for the forfeiture and
13 deposit in the general fund of the county of any seized money
14 or other things of value, or both, in the circuit court and (2)
15 any person having any property interest in such seized gambling
16 device, money or other thing of value may commence separate
17 civil proceedings in the manner provided by law.

18 (e) Any gambling device displayed for sale to a riverboat
19 gambling operation, casino gambling operation, or electronic
20 gaming facility or used to train occupational licensees of a
21 riverboat gambling operation, casino gambling operation, or
22 electronic gaming facility as authorized under the Illinois
23 ~~Riverboat~~ Gambling Act is exempt from seizure under this
24 Section.

25 (f) Any gambling equipment, devices and supplies provided
26 by a licensed supplier in accordance with the Illinois

1 ~~Riverboat~~ Gambling Act which are removed from a the riverboat,
2 casino, or electronic gaming facility for repair are exempt
3 from seizure under this Section.

4 (Source: P.A. 87-826.)

5 (720 ILCS 5/28-7) (from Ch. 38, par. 28-7)

6 Sec. 28-7. Gambling contracts void.

7 (a) All promises, notes, bills, bonds, covenants,
8 contracts, agreements, judgments, mortgages, or other
9 securities or conveyances made, given, granted, drawn, or
10 entered into, or executed by any person whatsoever, where the
11 whole or any part of the consideration thereof is for any money
12 or thing of value, won or obtained in violation of any Section
13 of this Article are null and void.

14 (b) Any obligation void under this Section may be set aside
15 and vacated by any court of competent jurisdiction, upon a
16 complaint filed for that purpose, by the person so granting,
17 giving, entering into, or executing the same, or by his
18 executors or administrators, or by any creditor, heir, legatee,
19 purchaser or other person interested therein; or if a judgment,
20 the same may be set aside on motion of any person stated above,
21 on due notice thereof given.

22 (c) No assignment of any obligation void under this Section
23 may in any manner affect the defense of the person giving,
24 granting, drawing, entering into or executing such obligation,
25 or the remedies of any person interested therein.

1 (d) This Section shall not prevent a licensed owner of a
2 riverboat gambling operation, casino gambling operation, or an
3 electronic gaming licensee under the Illinois Gambling Act and
4 the Illinois Horse Racing Act of 1975 from instituting a cause
5 of action to collect any amount due and owing under an
6 extension of credit to a ~~riverboat~~ gambling patron as
7 authorized under Section 11.1 of the Illinois Riverboat
8 Gambling Act.

9 (Source: P.A. 87-826.)

10 Section 90-57. The Eminent Domain Act is amended by adding
11 Section 15-5-45 as follows:

12 (735 ILCS 30/15-5-45 new)

13 Sec. 15-5-45. Eminent domain powers in New Acts. The
14 following provisions of law may include express grants of the
15 power to acquire property by condemnation or eminent domain:

16 Chicago Casino Development Authority Act; City of Chicago; for
17 the purposes of the Act.

18 Illinois Casino Development Authority Act; Illinois Casino
19 Development Authority; for the purposes of the Act.

20 Section 90-60. The Payday Loan Reform Act is amended by
21 changing Section 3-5 as follows:

1 (815 ILCS 122/3-5)

2 Sec. 3-5. Licensure.

3 (a) A license to make a payday loan shall state the
4 address, including city and state, at which the business is to
5 be conducted and shall state fully the name of the licensee.
6 The license shall be conspicuously posted in the place of
7 business of the licensee and shall not be transferable or
8 assignable.

9 (b) An application for a license shall be in writing and in
10 a form prescribed by the Secretary. The Secretary may not issue
11 a payday loan license unless and until the following findings
12 are made:

13 (1) that the financial responsibility, experience,
14 character, and general fitness of the applicant are such as
15 to command the confidence of the public and to warrant the
16 belief that the business will be operated lawfully and
17 fairly and within the provisions and purposes of this Act;
18 and

19 (2) that the applicant has submitted such other
20 information as the Secretary may deem necessary.

21 (c) A license shall be issued for no longer than one year,
22 and no renewal of a license may be provided if a licensee has
23 substantially violated this Act and has not cured the violation
24 to the satisfaction of the Department.

25 (d) A licensee shall appoint, in writing, the Secretary as
26 attorney-in-fact upon whom all lawful process against the

1 licensee may be served with the same legal force and validity
2 as if served on the licensee. A copy of the written
3 appointment, duly certified, shall be filed in the office of
4 the Secretary, and a copy thereof certified by the Secretary
5 shall be sufficient evidence to subject a licensee to
6 jurisdiction in a court of law. This appointment shall remain
7 in effect while any liability remains outstanding in this State
8 against the licensee. When summons is served upon the Secretary
9 as attorney-in-fact for a licensee, the Secretary shall
10 immediately notify the licensee by registered mail, enclosing
11 the summons and specifying the hour and day of service.

12 (e) A licensee must pay an annual fee of \$1,000. In
13 addition to the license fee, the reasonable expense of any
14 examination or hearing by the Secretary under any provisions of
15 this Act shall be borne by the licensee. If a licensee fails to
16 renew its license by December 31, its license shall
17 automatically expire; however, the Secretary, in his or her
18 discretion, may reinstate an expired license upon:

19 (1) payment of the annual fee within 30 days of the
20 date of expiration; and

21 (2) proof of good cause for failure to renew.

22 (f) Not more than one place of business shall be maintained
23 under the same license, but the Secretary may issue more than
24 one license to the same licensee upon compliance with all the
25 provisions of this Act governing issuance of a single license.
26 The location, except those locations already in existence as of

1 June 1, 2005, may not be within one mile of a horse race track
2 subject to the Illinois Horse Racing Act of 1975, within one
3 mile of a facility at which gambling is conducted under the
4 Illinois ~~Riverboat~~ Gambling Act, within one mile of the
5 location at which a riverboat subject to the Illinois ~~Riverboat~~
6 Gambling Act docks, within one mile of the location of a casino
7 subject to the Illinois Gambling Act, within one mile of the
8 location of an electronic gaming facility subject to the
9 Illinois Gambling Act, or within one mile of any State of
10 Illinois or United States military base or naval installation.

11 (g) No licensee shall conduct the business of making loans
12 under this Act within any office, suite, room, or place of
13 business in which any other business is solicited or engaged in
14 unless the other business is licensed by the Department or, in
15 the opinion of the Secretary, the other business would not be
16 contrary to the best interests of consumers and is authorized
17 by the Secretary in writing.

18 (h) The Secretary shall maintain a list of licensees that
19 shall be available to interested consumers and lenders and the
20 public. The Secretary shall maintain a toll-free number whereby
21 consumers may obtain information about licensees. The
22 Secretary shall also establish a complaint process under which
23 an aggrieved consumer may file a complaint against a licensee
24 or non-licensee who violates any provision of this Act.

25 (Source: P.A. 94-13, eff. 12-6-05.)

1

ARTICLE 99.

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Section 99-95. 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.

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