



Rep. Barbara Flynn Currie

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LRB095 16877 HLH 52819 a

1 AMENDMENT TO SENATE BILL 2595

2 AMENDMENT NO. _____. Amend Senate Bill 2595, AS AMENDED,
3 by replacing everything after the enacting clause with the
4 following:

5 "ARTICLE 1

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

9 (5 ILCS 430/5-50)

10 Sec. 5-50. Ex parte communications; special government
11 agents.

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

14 (b) "Ex parte communication" means any written or oral
15 communication by any person that imparts or requests material

1 information or makes a material argument regarding potential
2 action concerning regulatory, quasi-adjudicatory, investment,
3 or licensing matters pending before or under consideration by
4 the agency. "Ex parte communication" does not include the
5 following: (i) statements by a person publicly made in a public
6 forum; (ii) statements regarding matters of procedure and
7 practice, such as format, the number of copies required, the
8 manner of filing, and the status of a matter; and (iii)
9 statements made by a State employee of the agency to the agency
10 head or other employees of that agency.

11 (b-5) An ex parte communication received by an agency,
12 agency head, or other agency employee from an interested party
13 or his or her official representative or attorney shall
14 promptly be memorialized and made a part of the record.

15 (c) An ex parte communication received by any agency,
16 agency head, or other agency employee, other than an ex parte
17 communication described in subsection (b-5), shall immediately
18 be reported to that agency's ethics officer by the recipient of
19 the communication and by any other employee of that agency who
20 responds to the communication. The ethics officer shall require
21 that the ex parte communication be promptly made a part of the
22 record. The ethics officer shall promptly file the ex parte
23 communication with the Executive Ethics Commission, including
24 all written communications, all written responses to the
25 communications, and a memorandum prepared by the ethics officer
26 stating the nature and substance of all oral communications,

1 the identity and job title of the person to whom each
2 communication was made, all responses made, the identity and
3 job title of the person making each response, the identity of
4 each person from whom the written or oral ex parte
5 communication was received, the individual or entity
6 represented by that person, any action the person requested or
7 recommended, and any other pertinent information. The
8 disclosure shall also contain the date of any ex parte
9 communication.

10 (d) "Interested party" means a person or entity whose
11 rights, privileges, or interests are the subject of or are
12 directly affected by a regulatory, quasi-adjudicatory,
13 investment, or licensing matter.

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

15 Executive Ethics Commission

16 Illinois Commerce Commission

17 Educational Labor Relations Board

18 State Board of Elections

19 ~~Illinois Gaming Board~~

20 Health Facilities Planning Board

21 Illinois Workers' Compensation Commission

22 Illinois Labor Relations Board

23 Illinois Liquor Control Commission

24 Pollution Control Board

25 Property Tax Appeal Board

26 Illinois Racing Board

1 Illinois Purchased Care Review Board
2 Department of State Police Merit Board
3 Motor Vehicle Review Board
4 Prisoner Review Board
5 Civil Service Commission
6 Personnel Review Board for the Treasurer
7 Merit Commission for the Secretary of State
8 Merit Commission for the Office of the Comptroller
9 Court of Claims
10 Board of Review of the Department of Employment Security
11 Department of Insurance
12 Department of Professional Regulation and licensing boards
13 under the Department
14 Department of Public Health and licensing boards under the
15 Department
16 Office of Banks and Real Estate and licensing boards under
17 the Office
18 State Employees Retirement System Board of Trustees
19 Judges Retirement System Board of Trustees
20 General Assembly Retirement System Board of Trustees
21 Illinois Board of Investment
22 State Universities Retirement System Board of Trustees
23 Teachers Retirement System Officers Board of Trustees
24 (f) Any person who fails to (i) report an ex parte
25 communication to an ethics officer, (ii) make information part
26 of the record, or (iii) make a filing with the Executive Ethics

1 Commission as required by this Section or as required by
2 Section 5-165 of the Illinois Administrative Procedure Act
3 violates this Act.

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

5 (5 ILCS 430/20-10)

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

7 (a) ~~Six~~ Five independent Offices of the Executive Inspector
8 General are created, one each for the Governor, the Attorney
9 General, the Secretary of State, the Comptroller, and the
10 Treasurer and one for gaming activities. Each Office shall be
11 under the direction and supervision of an Executive Inspector
12 General and shall be a fully independent office with separate
13 appropriations.

14 (b) The Governor, Attorney General, Secretary of State,
15 Comptroller, and Treasurer shall each appoint an Executive
16 Inspector General, and the Director of Gaming Enforcement shall
17 appoint an Executive Inspector General for gaming activities.
18 Each appointment must be made without regard to political
19 affiliation and solely on the basis of integrity and
20 demonstrated ability. Appointments shall be made by and with
21 the advice and consent of the Senate by three-fifths of the
22 elected members concurring by record vote. Any nomination not
23 acted upon by the Senate within 60 session days of the receipt
24 thereof shall be deemed to have received the advice and consent
25 of the Senate. If, during a recess of the Senate, there is a

1 vacancy in an office of Executive Inspector General, the
2 appointing authority shall make a temporary appointment until
3 the next meeting of the Senate when the appointing authority
4 shall make a nomination to fill that office. No person rejected
5 for an office of Executive Inspector General shall, except by
6 the Senate's request, be nominated again for that office at the
7 same session of the Senate or be appointed to that office
8 during a recess of that Senate.

9 Nothing in this Article precludes the appointment by the
10 Governor, Attorney General, Secretary of State, Comptroller,
11 or Treasurer of any other inspector general required or
12 permitted by law. The Governor, Attorney General, Secretary of
13 State, Comptroller, and Treasurer each may appoint an existing
14 inspector general as the Executive Inspector General required
15 by this Article, provided that such an inspector general is not
16 prohibited by law, rule, jurisdiction, qualification, or
17 interest from serving as the Executive Inspector General
18 required by this Article. An appointing authority may not
19 appoint a relative as an Executive Inspector General.

20 Each Executive Inspector General shall have the following
21 qualifications:

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

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

26 (3) has 5 or more years of cumulative service (A) with

1 a federal, State, or local law enforcement agency, at least
2 2 years of which have been in a progressive investigatory
3 capacity; (B) as a federal, State, or local prosecutor; (C)
4 as a senior manager or executive of a federal, State, or
5 local agency; (D) as a member, an officer, or a State or
6 federal judge; or (E) representing any combination of (A)
7 through (D).

8 The term of each initial Executive Inspector General shall
9 commence upon qualification and shall run through June 30,
10 2008. The initial appointments shall be made within 60 days
11 after the effective date of this Act.

12 After the initial term, each Executive Inspector General
13 shall serve for 5-year terms commencing on July 1 of the year
14 of appointment and running through June 30 of the fifth
15 following year. An Executive Inspector General may be
16 reappointed to one or more subsequent terms.

17 A vacancy occurring other than at the end of a term shall
18 be filled by the appointing authority only for the balance of
19 the term of the Executive Inspector General whose office is
20 vacant.

21 Terms shall run regardless of whether the position is
22 filled.

23 (c) The Executive Inspector General appointed by the
24 Attorney General shall have jurisdiction over the Attorney
25 General and all officers and employees of, and vendors and
26 others doing business with, State agencies within the

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

26 The jurisdiction of each Executive Inspector General is to

1 investigate allegations of fraud, waste, abuse, mismanagement,
2 misconduct, nonfeasance, misfeasance, malfeasance, or
3 violations of this Act or violations of other related laws and
4 rules.

5 (d) The minimum compensation for each Executive Inspector
6 General shall be determined by the Executive Ethics Commission.
7 The actual compensation for each Executive Inspector General
8 shall be determined by the appointing ~~executive branch~~
9 ~~constitutional~~ officer and must be at or above the minimum
10 compensation level set by the Executive Ethics Commission.
11 Subject to Section 20-45 of this Act, each Executive Inspector
12 General has full authority to organize his or her Office of the
13 Executive Inspector General, including the employment and
14 determination of the compensation of staff, such as deputies,
15 assistants, and other employees, as appropriations permit. A
16 separate appropriation shall be made for each Office of
17 Executive Inspector General.

18 (e) No Executive Inspector General or employee of the
19 Office of the Executive Inspector General may, during his or
20 her term of appointment or employment:

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

22 (2) hold any other elected or appointed public office
23 except for appointments on governmental advisory boards or
24 study commissions or as otherwise expressly authorized by
25 law;

26 (3) be actively involved in the affairs of any

1 political party or political organization; or

2 (4) actively participate in any campaign for any
3 elective office.

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

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

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

12 (2) hold any elected public office; or

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

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

17 (f) An Executive Inspector General may be removed only for
18 cause and may be removed only by the appointing ~~constitutional~~
19 officer. At the time of the removal, the appointing
20 ~~constitutional~~ officer must report to the Executive Ethics
21 Commission the justification for the removal.

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

23 (5 ILCS 430/20-15)

24 Sec. 20-15. Duties of the Executive Ethics Commission. In
25 addition to duties otherwise assigned by law, the Executive

1 Ethics Commission shall have the following duties:

2 (1) To promulgate rules governing the performance of
3 its duties and the exercise of its powers and governing the
4 investigations of the Executive Inspectors General. It is
5 declared to be in the public interest, safety, and welfare
6 that the Commission adopt emergency rules under the
7 Illinois Administrative Procedure Act to initially perform
8 its duties under this subsection.

9 (2) To conduct administrative hearings and rule on
10 matters brought before the Commission only upon the receipt
11 of pleadings filed by an Executive Inspector General and
12 not upon its own prerogative, but may appoint special
13 Executive Inspectors General as provided in Section 20-21.
14 Any other allegations of misconduct received by the
15 Commission from a person other than an Executive Inspector
16 General shall be referred to the Office of the appropriate
17 Executive Inspector General.

18 (3) To prepare and publish manuals and guides and,
19 working with the Office of the Attorney General, oversee
20 training of employees under its jurisdiction that explains
21 their duties.

22 (4) To prepare public information materials to
23 facilitate compliance, implementation, and enforcement of
24 this Act.

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

26 (6) To the extent authorized by this Act, to make

1 rulings, issue recommendations, and impose administrative
2 fines, if appropriate, in connection with the
3 implementation and interpretation of this Act. The powers
4 and duties of the Commission are limited to matters clearly
5 within the purview of this Act.

6 (7) To issue subpoenas with respect to matters pending
7 before the Commission, subject to the provisions of this
8 Article and in the discretion of the Commission, to compel
9 the attendance of witnesses for purposes of testimony and
10 the production of documents and other items for inspection
11 and copying.

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

14 (9) To review applications and appoint members to the
15 Nomination Panel established under the Riverboat Gambling
16 Act.

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

18 Section 1-5. The Election Code is amended by adding Section
19 9-35 as follows:

20 (10 ILCS 5/9-35 new)

21 Sec. 9-35. Registration of business entities.

22 (a) This Section governs the procedures for the
23 registration required under Section 20-160 of the Illinois
24 Procurement Code.

1 For the purposes of this Section, the terms "officeholder",
2 "State contract", "business entity", "State agency",
3 "affiliated entity", and "affiliated person" have the meanings
4 ascribed to those terms in Section 50-37 of the Illinois
5 Procurement Code.

6 (b) Registration under Section 20-160 of the Illinois
7 Procurement Code, and any changes to that registration, must be
8 made electronically. The State Board of Elections by rule shall
9 provide for electronic registration, which must contain
10 substantially the following:

11 (1) The name and address of the business entity.

12 (2) The name and address of any affiliated entity of
13 the business entity, including a description of the
14 affiliation.

15 (3) The name and address of any affiliated person of
16 the business entity, including a description of the
17 affiliation.

18 (c) The Board shall provide a certificate of registration
19 to the business entity. The certificate shall be electronic and
20 accessible to the business entity through the State Board of
21 Elections' website and protected by a password.

22 (d) Any business entity required to register under Section
23 20-160 of the Illinois Procurement Code shall provide a copy of
24 the registration certificate, by first class mail or hand
25 delivery within 10 days after registration, to each affiliated
26 entity or affiliated person whose identity is required to be

1 disclosed. Failure to provide notice to an affiliated entity or
2 affiliated person is a business offense for which the business
3 entity is subject to a fine not to exceed \$1,001.

4 (e) In addition to any penalty under Section 20-160 of the
5 Illinois Procurement Code, intentional, willful, or material
6 failure to disclose information required for registration is
7 subject to a civil penalty imposed by the State Board of
8 Elections. The State Board shall impose a civil penalty of
9 \$1,000 per business day for failure to update a registration.

10 (f) Any business entity required to register under Section
11 20-160 of the Illinois Procurement Code shall notify any
12 political committee to which it makes a contribution, at the
13 time of the contribution, that the business entity is
14 registered with the State Board of Elections under Section
15 20-160 of the Illinois Procurement Code. Any affiliated entity
16 or affiliated person of a business entity required to register
17 under Section 20-160 of the Illinois Procurement Code shall
18 notify any political committee to which it makes a contribution
19 that it is affiliated with a business entity registered with
20 the State Board of Elections under Section 20-160 of the
21 Illinois Procurement Code.

22 (g) The State Board of Elections on its official website
23 shall have a searchable database containing (i) all information
24 required to be submitted to the Board under Section 20-160 of
25 the Illinois Procurement Code and (ii) all reports filed under
26 this Article with the State Board of Elections by all political

1 committees. For the purposes of databases maintained by the
2 State Board of Elections, "searchable" means able to search by
3 "political committee", as defined in this Article, and by
4 "officeholder", "State agency", "business entity", "affiliated
5 entity", and "affiliated person". The Board shall not place the
6 name of a minor child on the website. However, the Board shall
7 provide a link to all contributions made by anyone reporting
8 the same residential address as any affiliated person. In
9 addition, the State Board of Elections on its official website
10 shall provide an electronic connection to any searchable
11 database of State contracts maintained by the Comptroller,
12 searchable by business entity.

13 (h) The State Board of Elections shall have rulemaking
14 authority to implement this Section.

15 Section 1-7. The Executive Reorganization Implementation
16 Act is amended by changing Section 3.1 as follows:

17 (15 ILCS 15/3.1) (from Ch. 127, par. 1803.1)

18 Sec. 3.1. "Agency directly responsible to the Governor" or
19 "agency" means any office, officer, division, or part thereof,
20 and any other office, nonelective officer, department,
21 division, bureau, board, or commission in the executive branch
22 of State government, except that it does not apply to any
23 agency whose primary function is service to the General
24 Assembly or the Judicial Branch of State government, or to any

1 agency administered by the Attorney General, Secretary of
2 State, State Comptroller or State Treasurer. In addition the
3 term does not apply to the following agencies created by law
4 with the primary responsibility of exercising regulatory or
5 adjudicatory functions independently of the Governor:

6 (1) the State Board of Elections;

7 (2) the State Board of Education;

8 (3) the Illinois Commerce Commission;

9 (4) the Illinois Workers' Compensation Commission;

10 (5) the Civil Service Commission;

11 (6) the Fair Employment Practices Commission;

12 (7) the Pollution Control Board;

13 (8) the Department of State Police Merit Board;

14 (9) the Illinois Gaming Board; and

15 (10) the Office of Gaming Enforcement.

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

17 Section 1-10. The Secretary of State Act is amended by
18 changing Section 5 as follows:

19 (15 ILCS 305/5) (from Ch. 124, par. 5)

20 Sec. 5. It shall be the duty of the Secretary of State:

21 1. To countersign and affix the seal of state to all
22 commissions required by law to be issued by the Governor.

23 2. To make a register of all appointments by the Governor,
24 specifying the person appointed, the office conferred, the date

1 of the appointment, the date when bond or oath is taken and the
2 date filed. If Senate confirmation is required, the date of the
3 confirmation shall be included in the register.

4 3. To make proper indexes to public acts, resolutions,
5 papers and documents in his office.

6 3-a. To review all rules of all State agencies adopted in
7 compliance with the codification system prescribed by the
8 Secretary. The review shall be for the purposes and include all
9 the powers and duties provided in the Illinois Administrative
10 Procedure Act. The Secretary of State shall cooperate with the
11 Legislative Information System to insure the accuracy of the
12 text of the rules maintained under the Legislative Information
13 System Act.

14 4. To give any person requiring the same paying the lawful
15 fees therefor, a copy of any law, act, resolution, record or
16 paper in his office, and attach thereto his certificate, under
17 the seal of the state.

18 5. To take charge of and preserve from waste, and keep in
19 repair, the houses, lots, grounds and appurtenances, situated
20 in the City of Springfield, and belonging to or occupied by the
21 State, the care of which is not otherwise provided for by law,
22 and to take charge of and preserve from waste, and keep in
23 repair, the houses, lots, grounds and appurtenances, situated
24 in the State outside the City of Springfield where such houses,
25 lots, grounds and appurtenances are occupied by the Secretary
26 of State and no other State officer or agency.

1 6. To supervise the distribution of the laws.

2 7. To perform such other duties as may be required by law.
3 The Secretary of State may, within appropriations authorized by
4 the General Assembly, maintain offices in the State Capital and
5 in such other places in the State as he may deem necessary to
6 properly carry out the powers and duties vested in him by law.

7 8. In addition to all other authority granted to the
8 Secretary by law, subject to appropriation, to make grants or
9 otherwise provide assistance to, among others without
10 limitation, units of local government, school districts,
11 educational institutions, private agencies, not-for-profit
12 organizations, and for-profit entities for the health, safety,
13 and welfare of Illinois residents for purposes related to
14 education, transportation, construction, capital improvements,
15 social services, and any other lawful public purpose. Upon
16 request of the Secretary, all State agencies are mandated to
17 provide the Secretary with assistance in administering the
18 grants.

19 (Source: P.A. 91-357, eff. 7-29-99.)

20 Section 1-15. The Illinois Lottery Law is amended by
21 changing Sections 2, 3, 4, 5, 6, 7.1, 7.2, 7.3, 7.4, 7.5, 7.8,
22 7.8a, 7.11, 8.1, 9, 10, 10.1, 10.1a, 10.2, 10.3, 10.4, 10.5,
23 10.6, 10.7, 11, 12, 13, 14, 14.2, 14.3, 15, 16, 17, 19, 20, 21,
24 21.2, 21.3, 21.5, 24, 25, 26, 27, and 28 and by adding Sections
25 2.1, 2.2, 2.3, 2.4, 2.5, 6.1, 20.2, and 21.9 as follows:

1 (20 ILCS 1605/2) (from Ch. 120, par. 1152)

2 Sec. 2. This Act is enacted to implement and establish
3 within the State a lottery to be conducted ~~operated~~ by the
4 State, whether that lottery is operated and managed by the
5 State or by a third party pursuant to a Management and
6 Concession Agreement. The operations of a lottery are unique
7 activities for State government, and private management will
8 best enable the lottery to be operated in an entrepreneurial
9 and business-like manner, thereby maximizing value for and
10 benefit to the citizens of the State. Any such private manager
11 shall be accountable to the State through a comprehensive
12 system of State regulation and enduring operational oversight.
13 The State's ongoing conduct of the Lottery throughout the term
14 of a Concession shall act to promote and ensure the integrity,
15 security, honesty, and fairness of the Lottery's operation and
16 administration. Unless the lottery is operated pursuant to the
17 terms of a Management and Concession Agreement, the entire net
18 proceeds are to be deposited into the Common School Fund,
19 except as provided in Sections 21.5, 21.6, 21.7 (added by P.A.
20 95-673), and 21.7 (added by P.A. 95-674). ~~the entire net~~
21 ~~proceeds of which are to be used for the support of the State's~~
22 ~~Common School Fund, except as provided in Sections 21.2, 21.5,~~
23 ~~21.6, and 21.7, and 21.7.~~

24 (Source: P.A. 94-120, eff. 7-6-05; 94-585, eff. 8-15-05;
25 95-331, eff. 8-21-07; 95-673, eff. 10-11-07; 95-674, eff.

1 10-11-07; revised 12-5-07.)

2 (20 ILCS 1605/2.1 new)

3 Sec. 2.1. Management and Concession Agreement authorized;
4 sale of Lottery prohibited. Notwithstanding any provision of
5 this Act or other applicable law to the contrary, the State
6 may, pursuant to a competitive process that complies with the
7 Illinois Procurement Code and rules adopted under that Code,
8 enter into a Management and Concession Agreement with a third
9 party pursuant to which that party may be authorized to manage
10 or operate the Lottery on behalf of the State, and further
11 pursuant to which that party may receive certain Lottery
12 revenues in consideration of the payment of a fee or fees to
13 the State for that right, provided that the Concession is
14 managed and operated in accordance with the provisions of this
15 Act and that the State at all times retains control of the
16 Lottery and exercises supervisory authority over the
17 Concession sufficient to implement the terms of the Management
18 and Concession Agreement and to effect the purposes of this
19 Act. Pursuant to Section 2.3 of this Act, no Management and
20 Concession Agreement may be binding and enforceable without the
21 written consent of the Governor, Comptroller, and Treasurer.
22 The Lottery shall remain, for so long as a Concessionaire
23 manages and operates the Concession in accordance with
24 provisions of this Act, a Lottery conducted by the State, and
25 the State shall not be authorized to sell or transfer the

1 Lottery to a third party.

2 (20 ILCS 1605/2.2 new)

3 Sec. 2.2. Terms of a Management and Concession Agreement.

4 The terms of a Management and Concession Agreement shall
5 include, without limitation, all of the following:

6 (a) The term of the Concession shall be no less than 50
7 years and shall not exceed 60 years, with extensions of up
8 to 5 additional years. No extension to the term of the
9 Concession may be binding and enforceable without the
10 written consent of the Illinois Gaming Board. The Illinois
11 Gaming Board must verify that all provisions of the
12 extension conform to the provisions of the Illinois
13 Procurement Code and the State Officials and Employees
14 Ethics Act.

15 (b) The consideration paid to the State for a
16 Concessionaire's right to manage and operate the
17 Concession shall have a value not less than
18 \$10,000,000,000, with no less than \$6,000,000,000
19 delivered on the date the Management and Concession
20 Agreement becomes effective and the remaining amounts
21 delivered within 2 years thereafter.

22 (c) At least 37% of the value of all contracts and
23 agreements entered into by the Concessionaire for goods and
24 services in connection with its management and operation of
25 the Lottery, other than contracts or agreements with sales

1 agents or technical operators, must be awarded as follows:
2 at least 25% to businesses that are a "minority owned
3 business", at least 10% to businesses that are a "female
4 owned business", and at least 2% to businesses that are a
5 business owned by a person with a disability, as those
6 terms are defined in the Business Enterprise for
7 Minorities, Females, and Persons with Disabilities Act.
8 For purposes of this item (c), all contracts entered into
9 by a technical operator shall be deemed to be contracts
10 entered by the Concessionaire. A contract by which the
11 Concessionaire retains a technical operator shall be
12 exempt from the requirements of this item (c).

13 (d) The State shall at all times during which a
14 Management and Concession Agreement is in effect receive an
15 amount equal to 20% of Lottery gross revenues, after prize
16 payouts.

17 (e) The minimum payout ratios with respect to instant
18 Lottery games and online Lottery games, as defined in the
19 Management and Concession Agreement, shall be in the
20 aggregate at least 55% of all ticket revenues attributable
21 to such instant Lottery games and online Lottery games.

22 (f) In any zip code where the poverty rate, as
23 determined by using the most recent decennial census
24 released by the United States Census Bureau, is at least 3%
25 higher than the State poverty rate as determined using the
26 most recent decennial census released by the United States

1 Census Bureau, neither the Concessionaire nor a technical
2 operator shall increase the number of licensed Lottery
3 ticket vendors by greater than 10% from the number of
4 vendors then licensed in the zip code at the time of the
5 most recent release of decennial census by the United
6 States Census Bureau.

7 (g) The State may cancel a Management and Concession
8 Agreement if (i) the Concessionaire, or any executive
9 employee of the Concessionaire, is found guilty of any
10 criminal offense related to the conduct of its business or
11 the regulation thereof in any jurisdiction or (ii) a
12 technical operator, or any executive employee of a
13 technical operator, is found guilty of any criminal offense
14 related to the conduct of its business or the regulation
15 thereof in any jurisdiction and the Concessionaire does not
16 terminate its agreement with the technical operator no
17 later than 30 days after the final judgement of conviction.
18 An executive employee shall be defined as the President,
19 Chairman, Chief Executive Officer, or other employee with
20 executive decision-making authority over the long-term and
21 day-to-day affairs of the Concessionaire or technical
22 operator, or an employee whose compensation is determined
23 directly, in whole or in part, by the award of or payment
24 pursuant to the Management and Concession Agreement.

25 (20 ILCS 1605/2.3 new)

1 Sec. 2.3. Authorization for a Management and Concession
2 Agreement. The Director is authorized to enter into a
3 Management and Concession Agreement on behalf of the State on
4 the foregoing terms and such other terms as the Director shall
5 determine, consistent with this amendatory Act of the 95th
6 General Assembly. No Management and Concession Agreement may be
7 binding and enforceable without the written consent of the
8 Governor, Comptroller, and Treasurer. The Governor,
9 Comptroller, and Treasurer must verify that all provisions of
10 the agreement conform to the provisions of the Illinois
11 Procurement Code, the State Officials and Employees Ethics Act,
12 and this Act. The Director must provide all transaction
13 documents to the Governor, Comptroller, and Treasurer upon
14 request and prior to their execution.

15 The Director, and such State officers as may be designated
16 by the Director, are authorized to execute and deliver on
17 behalf of the State any and all documents as the executing
18 State officer shall deem appropriate in connection with the
19 State entering into or performing its obligations under the
20 Transaction Documents and to do all such other acts and things
21 as may be necessary, advisable, or appropriate to carry out,
22 and perform the State's obligations under the Transaction
23 Documents.

24 The Department of Revenue is authorized and empowered to
25 enter into a public/private partnership agreement with any
26 lessor of the State Lottery (the "Concessionaire"), whereby the

1 Department of Revenue employees may provide services for a fee
2 to the Concessionaire to assist the Concessionaire in the
3 administration and operation of the State Lottery. The
4 Concessionaire shall contract with the Department of Revenue
5 under a public/private partnership agreement for all work that,
6 if performed by employees of the State, would be performed by
7 employees, as defined by the Illinois Public Labor Relations
8 Act (IPLRA, 5 ILCS 315/). The State of Illinois shall be the
9 employer of all non-managerial, non-supervisory, and
10 non-confidential employees, as defined by the IPLRA, assigned
11 to perform such work for the Concessionaire pursuant to the
12 public/private partnership agreement, and such employees shall
13 be State employees, as defined by the Personnel Code, 20 ILCS
14 415/. As employees of the State of Illinois, such employees
15 shall have the same employment rights and duties, and be
16 subject to the same employment policies, rules, regulations,
17 and procedures, as other employees of the Department of
18 Revenue. Neither historical representation rights under the
19 IPLRA nor existing collective bargaining agreements shall be
20 disturbed by the lease of the State Lottery. Upon expiration of
21 the applicable collective bargaining agreement on or after June
22 30, 2012, the Concessionaire shall retain the employees
23 performing such work on the expiration date and shall recognize
24 the bargaining agent or agents and honor any existing agreement
25 in conformity with applicable law. During the pendency of a
26 collective bargaining agreement expiring on or after June 30,

1 2012, any employee assigned by the State to perform work for
2 the Concessionaire shall, upon written request to the Director
3 of Central Management Services, be offered employment, without
4 loss of pay or benefits with the State of Illinois, in the same
5 county in which the employee was assigned to perform such work.

6 (20 ILCS 1605/2.4 new)

7 Sec. 2.4. Proceeds of concession transaction and future
8 proceeds payable to the State under a Management and Concession
9 Agreement; payment of transaction costs; deposit of proceeds
10 into Funds.

11 (a) All fees paid directly by the State for professional
12 services relating to the lease of the lottery, including but
13 not limited to fees for legal, accounting, project management,
14 investment banking, and consultation services, shall not
15 exceed an aggregate total of \$10,000,000. No money shall be
16 expended by the State for professional services relating to the
17 lease of the lottery in excess of this limitation without the
18 unanimous and written consent of the Governor, Comptroller, and
19 Treasurer.

20 (b) After the payment of all transaction-related costs, in
21 one or a series of transactions: (i) the first \$3,000,000,000
22 received from the Concession transaction or transactions
23 authorized pursuant to this amendatory Act of the 95th General
24 Assembly shall be deposited into the Illinois Education Trust
25 Fund, (ii) all proceeds of the Concession transaction or

1 transactions authorized pursuant to this amendatory Act of the
2 95th General Assembly in excess of \$3,000,000,000 but not
3 greater than \$10,000,000,000 shall be deposited into the GROW
4 Illinois Fund, (iii) all proceeds of the Concession transaction
5 or transactions authorized pursuant to this amendatory Act of
6 the 95th General Assembly in excess of \$10,000,000,000 but not
7 greater than \$11,000,000,000 shall be deposited into the
8 Illinois Education Trust Fund, and (iv) all proceeds of the
9 Concession transaction or transactions authorized pursuant to
10 this amendatory Act of the 95th General Assembly in excess of
11 \$11,000,000,000 shall be deposited into the Pension
12 Stabilization Fund.

13 (20 ILCS 1605/2.5 new)

14 Sec. 2.5. Creation of the Illinois Education Trust Fund;
15 State Treasurer's investment of moneys. There is created in the
16 State Treasury the Illinois Education Trust Fund.
17 Notwithstanding any other statute to the contrary, the State
18 Treasurer is hereby authorized to and shall invest all moneys
19 deposited into the Illinois Education Trust Fund pursuant to
20 this amendatory Act of the 95th General Assembly. Permissible
21 investments of the Illinois Education Trust Fund shall be
22 identical to the investment authority granted to the Illinois
23 State Board of Investments pursuant to 40 ILCS 5/22A-112,
24 subject to the requirements and restrictions set forth in
25 Sections 1-109, 1-109.1, 1-109.2, 1-110, 1-111, 1-114, and

1 1-115 of the Illinois Pension Code. Notwithstanding the
2 foregoing, the following shall not be considered permissible
3 investments of the Illinois Education Trust Fund; (i)
4 investments in venture capital, (ii) investments in hedge
5 funds, and (iii) investments in real estate.

6 Notwithstanding any other State law to the contrary, on or
7 before the last day of each fiscal year the State Comptroller
8 shall direct and the State Treasurer shall transfer from the
9 Illinois Education Trust Fund to the State Lottery Fund the
10 amount necessary to provide for the transfer of \$600,000,000 in
11 that fiscal year from the State Lottery Fund to the Common
12 School Fund in accordance with the provisions of Section 20.2
13 of this Act.

14 (20 ILCS 1605/3) (from Ch. 120, par. 1153)

15 Sec. 3. Definitions. For the purposes of this Act:

16 a. "Lottery" or "State Lottery" means the lottery or
17 lotteries established and operated pursuant to this Act.

18 b. "Board" means the Lottery Control Board created by this
19 Act.

20 c. "Department" means the Department of Revenue.

21 d. "Director" means the Director of Revenue.

22 e. "Chairman" means the Chairman of the Lottery Control
23 Board.

24 f. "Multi-state game directors" means such persons,
25 including the Superintendent, as may be designated by an

1 agreement between the Division and one or more additional
2 lotteries operated under the laws of another state or states.

3 g. "Division" means the Division of the State Lottery of
4 the Department of Revenue.

5 h. "Superintendent" means the Superintendent of the
6 Division of the State Lottery of the Department of Revenue.

7 i. "Concession" means the right of a Concessionaire to
8 manage or operate the Lottery pursuant to the terms of a
9 Management and Concession Agreement and this Act.

10 j. "Management and Concession Agreement" means that
11 agreement and all schedules, exhibits, and attachments
12 thereto, entered into pursuant to a competitive process and
13 pursuant to which the State may grant a license or other
14 contractual right to manage or operate the Lottery to a
15 Concessionaire, and further pursuant to which a Concessionaire
16 may receive certain Lottery ticket or share sales and related
17 proceeds in consideration of the payment of a fee or fees to
18 the State.

19 k. "Concessionaire" means a third party that manages or
20 operates the Lottery pursuant to a Management and Concession
21 Agreement then in effect.

22 l. "Conducted by the State" means the management and
23 operation of the Lottery pursuant to the terms of this Act,
24 whether directly by the State or by a Concessionaire pursuant
25 to the terms of a Management and Concession Agreement as
26 provided for in this amendatory Act of the 95th General

1 Assembly. The Concessionaire shall at all times remain
2 accountable to the State and the people of the State through a
3 comprehensive system of State regulation and enduring
4 operational oversight, which shall include, without
5 limitation, the Concessionaire's regular provision and the
6 State's ongoing review and analysis of audits, reports, and
7 financial disclosures as required by this amendatory Act of the
8 95th General Assembly.

9 m. "Transaction Documents" means all documents drafted,
10 prepared, or composed in connection with the Management and
11 Concession Agreement, including but not limited to all
12 documents reflecting or relating to any solicitation or
13 presolicitation activities the State may have undertaken
14 regarding a possible Concession.

15 n. "Technical operator" means an entity that, pursuant to
16 the terms of this amendatory Act of the 95th General Assembly
17 and the Concession Agreement, is substantially involved in the
18 day-to-day operations of the Lottery in a manner that includes
19 (i) the design and production of lottery games or lottery game
20 equipment, (ii) the provision and maintenance of lottery
21 equipment, (iii) the operation and monitoring of lottery games
22 or other regulated gaming activities, (iv) the development and
23 maintenance of a distribution network, or (v) the verification
24 of game outcomes, or an entity responsible for other
25 significant regulated gaming activities.

26 (Source: P.A. 94-776, eff. 5-19-06.)

1 (20 ILCS 1605/4) (from Ch. 120, par. 1154)

2 Sec. 4. Department established. The Department of the
3 Lottery is established to implement and regulate the State
4 Lottery in the manner provided in this Act.

5 In accordance with Executive Order No. 9 (2003), the
6 Division of the State Lottery is established within the
7 Department of Revenue. Unless otherwise provided by law, the
8 Division of the State Lottery shall be subject to and governed
9 by all of the laws and rules applicable to the Department.

10 If the State enters into a Management and Concession
11 Agreement pursuant to which a Concessionaire is authorized to
12 manage or operate the Lottery, the Division of the State
13 Lottery is abolished on the effective date of that Agreement,
14 and the Illinois Gaming Board and the Office of Gaming
15 Enforcement shall, as set forth in this amendatory Act of the
16 95th General Assembly, assume jurisdiction and oversight of
17 Lottery and Concession operations.

18 (Source: P.A. 94-776, eff. 5-19-06.)

19 (20 ILCS 1605/5) (from Ch. 120, par. 1155)

20 Sec. 5. Superintendent. The Division shall be under the
21 supervision and direction of a Superintendent, who shall be a
22 person qualified by training and experience to perform the
23 duties required by this Act. The Superintendent shall be
24 appointed by the Governor, by and with the advice and consent

1 of the Senate. The term of office of the Superintendent shall
2 expire on the third Monday of January in odd numbered years
3 provided that he or she shall hold office until a successor is
4 appointed and qualified.

5 Any vacancy occurring in the office of the Superintendent
6 shall be filled in the same manner as the original appointment.

7 The Superintendent shall devote his or her entire time and
8 attention to the duties of the office and shall not be engaged
9 in any other profession or occupation. The Superintendent shall
10 receive such salary as shall be provided by law.

11 If the State enters into a Management and Concession
12 Agreement pursuant to which a Concessionaire is authorized to
13 manage or operate the Lottery, the position of the
14 Superintendent is abolished on the effective date of that
15 Agreement, and the powers and duties of that position are
16 transferred, to the extent they are applicable, to the Illinois
17 Gaming Board and the Office of Gaming Enforcement.

18 (Source: P.A. 94-776, eff. 5-19-06.)

19 (20 ILCS 1605/6) (from Ch. 120, par. 1156)

20 Sec. 6. Lottery Control Board; creation; appointment;
21 chairman; terms; vacancies; removal; compensation; meetings;
22 quorum. There is hereby created an independent board to be
23 known as the Lottery Control Board, consisting of 5 members,
24 all of whom shall be citizens of the United States and
25 residents of this State and shall be appointed by the Governor

1 with the advice and consent of the Senate. No more than 3 of
2 the 5 members shall be members of the same political party. A
3 chairman of the Board shall be chosen annually from the
4 membership of the Board by a majority of the members of the
5 Board at the first meeting of the Board each fiscal year.

6 Initial members shall be appointed to the Board by the
7 Governor as follows: one member to serve until July 1, 1974,
8 and until his successor is appointed and qualified; 2 members
9 to serve until July 1, 1975, and until their successors are
10 appointed and qualified; 2 members to serve until July 1, 1976,
11 and until their successors are appointed and qualified. As
12 terms of members so appointed expire, their successors shall be
13 appointed for terms to expire the first day in July 3 years
14 thereafter, and until their successors are appointed and
15 qualified.

16 Any vacancy in the Board occurring for any reason other
17 than expiration of term, shall be filled for the unexpired term
18 in the same manner as the original appointment.

19 Any member of the Board may be removed by the Governor for
20 neglect of duty, misfeasance, malfeasance, or nonfeasance in
21 office.

22 Board members shall receive as compensation for their
23 services \$100 for each day they are in attendance at any
24 official board meeting, but in no event shall members receive
25 more than \$1,200 per year. They shall receive no other
26 compensation for their services, but shall be reimbursed for

1 necessary traveling and other reasonable expenses incurred in
2 the performance of their official duties. Each member shall
3 make a full financial disclosure upon appointment.

4 The Board shall hold at least one meeting each quarter of
5 the fiscal year. In addition, special meetings may be called by
6 the Chairman, any 2 Board members, or the Director of the
7 Department, upon delivery of 72 hours' written notice to the
8 office of each member. All Board meetings shall be open to the
9 public pursuant to the Open Meetings Act.

10 Three members of the Board shall constitute a quorum, and 3
11 votes shall be required for any final determination by the
12 Board. The Board shall keep a complete and accurate record of
13 all its meetings.

14 If the State enters into a Management and Concession
15 Agreement pursuant to which a Concessionaire is authorized to
16 manage or operate the Lottery, the terms of the members of the
17 Board shall terminate on the effective date of that Agreement
18 and the Board is thereupon abolished. The Illinois Gaming Board
19 and the Office of Gaming Enforcement shall, as set forth in
20 this amendatory Act of the 95th General Assembly, assume
21 jurisdiction and oversight of Lottery and Concession
22 operations.

23 (Source: P.A. 84-1128.)

24 (20 ILCS 1605/6.1 new)

25 Sec. 6.1. Illinois Gaming Board and Office of Gaming

1 Enforcement Authorization to Implement the Act and Oversee the
2 Concession.

3 (a) If the State enters into a Management and Concession
4 Agreement pursuant to which a Concessionaire is authorized to
5 manage or operate the Lottery, the Illinois Gaming Board and
6 the Office of Gaming Enforcement shall jointly have general
7 responsibility for the implementation of this Act and the
8 oversight and implementation of any Management and Concession
9 Agreement.

10 (b) The Illinois Gaming Board shall have regulatory
11 jurisdiction and oversight over all Lottery and Concession
12 operations governed by this Act and shall have all powers
13 necessary and proper to fully and effectively execute the
14 provisions of this Act. Its powers and duties include, without
15 limitation, the following:

16 (1) to conduct hearings pertaining to rules and
17 regulations promulgated under this Act;

18 (2) acting jointly with the Office of Gaming
19 Enforcement, to implement and administer the Concession
20 and Management Agreement, including, without limitation,
21 the supervision and administration of the operation of the
22 Lottery in accordance with this Act, the rules and
23 regulations of the Illinois Gaming Board and Office of
24 Gaming Enforcement adopted hereunder, and the terms of the
25 Management and Concession Agreement;

26 (3) beginning when members of the Illinois Gaming Board

1 have been appointed pursuant to this amendatory Act of the
2 95th General Assembly, to review all contracts entered into
3 by the Concessionaire or technical operator, directly or
4 indirectly, for the purpose of implementing and executing
5 the Management and Concession Agreement; and to review and
6 approve all contracts entered into by the Concessionaire or
7 technical operator, directly or indirectly, for the
8 purpose of implementing and executing the Management and
9 Concession Agreement, with an aggregate amount of \$50,000
10 or more or for a term to exceed 365 days; beginning on the
11 effective date of this amendatory Act of the 95th General
12 Assembly and until members of the Illinois Gaming Board
13 have been appointed pursuant to this amendatory Act of the
14 95th General Assembly, this duty shall be performed jointly
15 by the Governor, Comptroller, and Treasurer, and all
16 contracts with an aggregate amount of \$50,000 or more or
17 for a term to exceed 365 days must be approved unanimously
18 by all 3 officers;

19 (4) to promulgate rules and regulations for the purpose
20 of administering the provisions of this Act and the
21 Management and Concession Agreement and to prescribe
22 rules, regulations, and conditions under which the Lottery
23 shall be conducted; those rules and regulations are to
24 provide for the prevention of practices detrimental to the
25 public interest and for the best interests of citizens of
26 the State, including rules and regulations regarding

1 inspection;

2 (5) to review and rule upon any complaint brought by
3 the Office of Gaming Enforcement and, if deemed necessary,
4 to take appropriate disciplinary action against a
5 Concessionaire or technical operator and its contractors
6 and licensees for violations of this Act or the rules of
7 the Illinois Gaming Board or the Office of Gaming
8 Enforcement;

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

18 (7) to ensure that any Concessionaire or technical
19 operator maintains appropriate standards for Lottery
20 ticket vendors;

21 (8) to require that records, including financial or
22 other statements of any Concessionaire or technical
23 operator under this Act, shall be kept in such manner as
24 prescribed by the Illinois Gaming Board or the Office of
25 Gaming Enforcement and that any such Concessionaire or
26 technical operator regularly submit to the Illinois Gaming

1 Board and the Office of Gaming Enforcement a balance sheet
2 and profit and loss statement, list of the stockholders or
3 other persons having a beneficial interest in such amounts
4 as may be determined by the Illinois Gaming Board or the
5 Office of Gaming Enforcement, and any other information the
6 Illinois Gaming Board or the Office of Gaming Enforcement
7 deems necessary in order to effectively administer this Act
8 and all rules, regulations, orders, and final decisions
9 promulgated under this Act;

10 (9) to hire employees to gather information and carry
11 out any other tasks contemplated under this Act;

12 (10) to seek and receive the cooperation of the Office
13 of Gaming Enforcement in conducting any background
14 investigations of parties and in fulfilling its
15 responsibilities under this Act; and

16 (11) to take any other action as may be reasonable or
17 appropriate to enforce this Act and its rules and
18 regulations.

19 (c) The Office of Gaming Enforcement shall have enforcement
20 jurisdiction and oversight over all Lottery and Concession
21 operations governed by this Act and shall have all powers
22 necessary and proper to fully and effectively execute the
23 provisions of this Act. Its powers and duties include, without
24 limitation, the following:

25 (1) to promulgate such rules and regulations as in its
26 judgment may be necessary to protect or enhance the

1 credibility and integrity of the Lottery and enforce the
2 provisions of the Management and Concession Agreement
3 authorized by this Act and the regulatory process under
4 this Act;

5 (2) to be present through its inspectors and agents any
6 time Lottery operations are conducted pursuant to this Act
7 or the Management and Concession Agreement for the purpose
8 of determining compliance therewith, receiving complaints
9 from the public, and conducting such other investigations
10 into the conduct of Lottery games and operations and the
11 maintenance of all Lottery equipment as from time to time
12 the Board may deem necessary and proper;

13 (3) acting jointly with the Illinois Gaming Board, to
14 implement and administer the Concession and Management
15 Agreement, including, without limitation, the supervision
16 of the operation of the Lottery in accordance with this
17 Act, the rules and regulations of the Illinois Gaming Board
18 and Office of Gaming Enforcement adopted hereunder, and the
19 terms of the Management and Concession Agreement;

20 (4) to investigate parties providing Concession and
21 Lottery-related services;

22 (5) to enter the office, facilities, or other places of
23 business of a Concessionaire or technical operator, where
24 evidence of the compliance or noncompliance with the
25 provisions of this Act or the Management and Concession
26 Agreement is likely to be found;

1 (6) to investigate alleged violations of this Act or
2 the rules of the Illinois Gaming Board or the Office of
3 Gaming Enforcement on its own initiative or as requested by
4 the Illinois Gaming Board and if it deems appropriate, to
5 file complaints with the Illinois Gaming Board against a
6 Concessionaire or a technical operator and its contractors
7 and licensees;

8 (7) to ensure that any Concessionaire or technical
9 operator maintains appropriate standards for Lottery
10 ticket vendors;

11 (8) to hire employees to gather information, conduct
12 investigations, and carry out any other tasks contemplated
13 under this Act;

14 (9) to exchange fingerprint data with, and receive
15 criminal history record information from, the Federal
16 Bureau of Investigation, to the extent possible, and the
17 Department of State Police for use in considering
18 applicants for any license; and

19 (10) to take any other action as may be reasonable or
20 appropriate to enforce this Act and its rules and
21 regulations.

22 In the event that the State shall enter into a Management
23 and Concession Agreement, the Illinois Gaming Board may, on
24 behalf of the Concessionaire or technical operator, enter into
25 an agreement or agreements with the management of state
26 lotteries operated pursuant to the laws of other states for the

1 purpose of creating and operating a multi-state lottery game
2 wherein a separate and distinct prize pool would be combined to
3 award larger prizes to the public than could be offered by the
4 several state lotteries individually. In the event that the
5 State shall enter into a Management and Concession Agreement,
6 no tickets or shares offered in connection with a multi-state
7 lottery game shall be sold within the State, except those
8 offered by the Concessionaire or technical operator pursuant to
9 the terms of the Management and Concession Agreement and this
10 amendatory Act of the 95th General Assembly. No such agreement
11 shall purport to pledge the full faith and credit of the State
12 of Illinois or to waive the sovereign immunity of the State of
13 Illinois. No multi-state game prize awarded to a nonresident of
14 Illinois, with respect to a ticket or share purchased in a
15 state other than the State of Illinois, shall be deemed to be a
16 prize awarded under this Act for the purpose of taxation under
17 the Illinois Income Tax Act.

18 (20 ILCS 1605/7.1) (from Ch. 120, par. 1157.1)

19 Sec. 7.1. Rules and Regulations.

20 (a) The Department shall promulgate such rules and
21 regulations governing the establishment and operation of a
22 State lottery as it deems necessary to carry out the purposes
23 of this Act. Such rules and regulations shall be subject to the
24 provisions of The Illinois Administrative Procedure Act. The
25 Division shall issue written game rules, play instructions,

1 directives, operations manuals, brochures, or any other
2 publications necessary to conduct specific games, as
3 authorized by rule by the Department. Any written game rules,
4 play instructions, directives, operations manuals, brochures,
5 or other game publications issued by the Division that relate
6 to a specific lottery game shall be maintained as a public
7 record in the Division's principal office, and made available
8 for public inspection and copying but shall be exempt from the
9 rulemaking procedures of the Illinois Administrative Procedure
10 Act. However, when such written materials contain any policy of
11 general applicability, the Division shall formulate and adopt
12 such policy as a rule in accordance with the provisions of the
13 Illinois Administrative Procedure Act. In addition, the
14 Division shall publish each January in the Illinois Register a
15 list of all game-specific rules, play instructions,
16 directives, operations manuals, brochures, or other
17 game-specific publications issued by the Division during the
18 previous year and instructions concerning how the public may
19 obtain copies of these materials from the Division.

20 (b) If the State enters into a Management and Concession
21 Agreement pursuant to which a Concessionaire is authorized to
22 manage or operate the Lottery, the Illinois Gaming Board shall
23 assume the Department's duties under this Section and Section
24 7.2 of this Act. The Concessionaire or technical operator shall
25 be permitted to immediately offer any lottery games in
26 operation on September 1, 2008. The Concessionaire or technical

1 operator may offer any additional lottery games, provided that
2 those lottery games are not substantially different from the
3 lottery games in operation on the effective date of this
4 amendatory Act of the 95th General Assembly and provided that
5 those lottery games are authorized by the Illinois Gaming
6 Board. Lottery games that are substantially different from
7 those lottery games in operation on the effective date of this
8 amendatory Act of the 95th General Assembly include, but are
9 not limited to, the following: (i) games authorized, on the
10 effective date of this amendatory Act of the 95th General
11 Assembly, pursuant to the Illinois Horse Racing Act of 1975,
12 the Riverboat Gambling Act, the Raffles Act, the Illinois Pull
13 Tabs and Jar Games Act, and the Bingo License and Tax Act, (ii)
14 electronic poker, and (iii) any game conducted over the
15 Internet.

16 (Source: P.A. 94-776, eff. 5-19-06.)

17 (20 ILCS 1605/7.2) (from Ch. 120, par. 1157.2)

18 Sec. 7.2. Matters included in rules and regulations. The
19 rules and regulations of the Department or, if the State enters
20 into a Management and Concession Agreement pursuant to which a
21 Concessionaire is authorized to manage or operate the lottery,
22 the Illinois Gaming Board may include, but shall not be limited
23 to, the following:

24 (1) The types of lotteries to be conducted, subject to the
25 provisions of subsection (b) of Section 7.1.†

1 (2) The price, or prices, of tickets or shares in the
2 lottery.†

3 (3) The numbers and sizes of the prizes on the winning
4 tickets or shares.†

5 (4) The manner of selecting the winning tickets or shares,
6 including the length of the claim period.†

7 (5) The manner of payment of prizes to the holders of
8 winning tickets or shares.†

9 (6) The frequency of the drawing or selections of winning
10 tickets or shares, without limitation.†

11 (7) Without limit to number, the type or types of locations
12 at which tickets or shares may be sold.†

13 (8) The method to be used in selling tickets or shares.†

14 (9) The manner and amount of compensation, if any, to be
15 paid licensed sales agents necessary to provide for the
16 adequate availability of tickets or shares to prospective
17 buyers and for the convenience of the public.†

18 (10) Unless the lottery is operated pursuant to the terms
19 of a Management and Concession Agreement, all ~~The~~ apportionment
20 of the total revenues accruing from the sale of lottery tickets
21 or shares and from all other sources among (i) the payment of
22 prizes to the holders of winning tickets or shares, (ii) the
23 payment of costs incurred in the operation and administration
24 of the lottery, including the expenses of the Department and
25 the costs resulting from any contract or contracts entered into
26 for promotional, advertising or operational services or for the

1 purchase or lease of lottery equipment and materials, and (iii)
2 for monthly transfers to the Common School Fund. The net
3 revenues accruing from the sale of lottery tickets shall be
4 determined by deducting from total revenues the payments
5 required by paragraphs (i) and (ii) of this subsection.

6 (11) Such other matters necessary or desirable for the
7 efficient and economical operation and administration of the
8 lottery or for the implementation and oversight of any
9 Management and Concession Agreement pursuant to which a
10 Concessionaire is authorized to manage or operate the Lottery
11 and for the convenience of the purchasers of tickets or shares
12 and the holders of winning tickets or shares.

13 ~~Any rules and regulations of the Department with respect to~~
14 ~~monthly transfers to the Common School Fund are subject to~~
15 ~~Section 21.2.~~

16 (Source: P.A. 84-1128.)

17 (20 ILCS 1605/7.3) (from Ch. 120, par. 1157.3)

18 Sec. 7.3. Hearings on violations; other hearings. The Board
19 shall designate Hearing Officers who shall conduct hearings
20 upon complaints charging violations of this Act or of
21 regulations thereunder, and such other hearings as may be
22 provided by Department rule. The Board may hear appeals from
23 the recommended decisions of its Hearing Officers in accordance
24 with procedures established by Department rule. Whenever the
25 Department issues a Notice of Assessment under Section 21 of

1 this Act, the lottery sales agent may protest such Notice by
2 filing a request for hearing within 20 days of the date of such
3 Notice.

4 (Source: P.A. 85-1224; 86-1475.)

5 (20 ILCS 1605/7.4) (from Ch. 120, par. 1157.4)

6 Sec. 7.4. Studies and investigations of lottery. The
7 Department or, if the State enters into a Management and
8 Concession Agreement pursuant to which a Concessionaire is
9 authorized to manage or operate the Lottery, the Illinois
10 Gaming Board shall carry on a continuous study and
11 investigation of the lottery throughout the State (1) for the
12 purpose of ascertaining any defects in this Act or in the rules
13 and regulations issued under this Act whereby any abuses in the
14 administration and operation of the lottery or any evasion of
15 this Act or the rules and regulations may arise or be
16 practiced, (2) for the purpose of formulating recommendations
17 for changes in this Act and the rules and regulations
18 promulgated hereunder to prevent such abuses and evasions, (3)
19 to guard against the use of this Act and the rules and
20 regulations issued hereunder as a cloak for the carrying on of
21 organized gambling and crime, and (4) to insure that the law
22 and rules and regulations shall be in such form and be so
23 administered as to serve the true purposes of this Act.

24 (Source: P.A. 84-1128.)

1 (20 ILCS 1605/7.5) (from Ch. 120, par. 1157.5)

2 Sec. 7.5. Reports on matters requiring changes in law. The
3 Board or, if the State enters into a Management and
4 Concessionaire Agreement pursuant to which a Concessionaire is
5 authorized to manage or operate the Lottery, the Illinois
6 Gaming Board shall report to the Governor, the Attorney
7 General, the Speaker of the House, the President of the Senate,
8 the minority leaders of both houses, and such other State
9 officers as from time to time it deems appropriate, any matters
10 which it deems to require an immediate change in the laws of
11 this State in order to prevent abuses and evasions of this Act
12 or rules and regulations promulgated thereunder or to rectify
13 undesirable conditions in connection with the administration
14 or operation of the lottery.

15 (Source: P.A. 84-1128.)

16 (20 ILCS 1605/7.8) (from Ch. 120, par. 1157.8)

17 Sec. 7.8. Annual report; report as public report. The
18 Department, or, if the State enters into a Management and
19 Concession Agreement pursuant to which a Concessionaire is
20 authorized to manage or operate the Lottery, the Illinois
21 Gaming Board shall make an annual report regarding the work of
22 the Board to the Governor, the Speaker of the House, the
23 President of the Senate, and the minority leaders of both
24 houses, such report to be a public report.

25 (Source: P.A. 84-1128.)

1 (20 ILCS 1605/7.8a) (from Ch. 120, par. 1157.8a)

2 Sec. 7.8a. Advertising policy. The Board shall establish
3 advertising policy to ensure that advertising content and
4 practices do not target with the intent to exploit specific
5 groups or economic classes of people, and that its content is
6 accurate and not misleading. The Board shall review, at least
7 quarterly, all past advertising and proposed concepts for major
8 media campaigns to ensure that they do not target with the
9 intent to exploit specific groups or economic classes of
10 people, and that their content is accurate and not misleading.
11 If the Board finds that advertising conflicts with such policy,
12 it shall have the authority to direct the Department to cease
13 that advertising. If the State enters into a Management and
14 Concession Agreement pursuant to which a Concessionaire is
15 authorized to manage or operate the Lottery and the
16 Concessionaire or a technical operator has the right to
17 undertake marketing and advertising activities, neither the
18 Concessionaire nor a technical operator, its contractors or
19 licensees, shall engage in advertising practices that target
20 with the intent to exploit specific groups or economic classes
21 of people, or that is inaccurate or misleading. The Illinois
22 Gaming Board may promulgate rules to implement this provision.
23 The Concessionaire or technical operator shall submit, for the
24 Illinois Gaming Board's review of content and determination of
25 compliance with this Section, all marketing and advertising

1 materials prior to their use. If the Illinois Gaming Board
2 finds that action proposed or taken by the Concessionaire or
3 technical operator, its contractors and licensees, conflicts
4 with those rules or policies, the Illinois Gaming Board shall
5 have the authority to direct the Concessionaire or technical
6 operator, its contractors and licensees, to cease or refrain
7 from taking that action or impose any other disciplinary action
8 provided by law. In addition to the provisions of this Section,
9 the Concessionaire or technical operator and its contractors
10 and licensees shall be subject to the provisions of the
11 Consumer Fraud and Deceptive Business Practices Act.

12 (Source: P.A. 85-183.)

13 (20 ILCS 1605/7.11) (from Ch. 120, par. 1157.11)

14 Sec. 7.11. Unless the lottery is operated pursuant to the
15 terms of a Management and Concession Agreement, the ~~The~~
16 Division may establish and collect nominal charges for
17 promotional products ("premiums") and other promotional
18 materials produced or acquired by the Division as part of its
19 advertising and promotion activities. Such premiums or other
20 promotional materials may be sold to individuals, government
21 agencies and not-for-profit organizations, but not to
22 for-profit enterprises for the purpose of resale. Other State
23 agencies shall be charged no more than the cost to the Division
24 of the premium or promotional material. All proceeds from the
25 sale of premiums or promotional materials shall be deposited in

1 the State Lottery Fund in the State Treasury.

2 (Source: P.A. 94-776, eff. 5-19-06.)

3 (20 ILCS 1605/8.1) (from Ch. 120, par. 1158.1)

4 Sec. 8.1. Contracts; competitive negotiation. Contracts
5 for State Lottery tickets or shares or for other State Lottery
6 game related services shall be obtained through the utilization
7 of competitive negotiation procedures whenever practicable.

8 (Source: P.A. 84-268.)

9 (20 ILCS 1605/9) (from Ch. 120, par. 1159)

10 Sec. 9. Duties of Superintendent. The Superintendent, as
11 administrative head of the Division, shall direct and supervise
12 all its administrative and technical activities and shall
13 report to the Director. In addition to the duties imposed upon
14 him or her elsewhere in this Act, it shall be the
15 Superintendent's duty:

16 a. To supervise and administer the operation of the lottery
17 in accordance with the provisions of this Act or such rules and
18 regulations of the Department adopted thereunder.

19 b. To attend meetings of the Board or to appoint a designee
20 to attend in his stead.

21 c. To employ and direct such personnel in accord with the
22 Personnel Code, as may be necessary to carry out the purposes
23 of this Act. The Superintendent may, subject to the approval of
24 the Director, use the services, personnel, or facilities of the

1 Department. In addition, the Superintendent may by agreement
2 secure such services as he or she may deem necessary from any
3 other department, agency, or unit of the State government, and
4 may employ and compensate such consultants and technical
5 assistants as may be required and is otherwise permitted by
6 law.

7 d. To license, in accordance with the provisions of
8 Sections 10 and 10.1 of this Act and the rules and regulations
9 of the Department adopted thereunder, or to ensure the
10 retention, pursuant to the terms of a Management and Concession
11 Agreement, as agents to sell lottery tickets such persons as in
12 his opinion will best serve the public convenience and promote
13 the sale of tickets or shares. Unless the lottery is operated
14 pursuant to the terms of a Management and Concession Agreement,
15 the ~~The~~ Superintendent may require a bond from every licensed
16 agent, in such amount as provided in the rules and regulations
17 of the Department. Every licensed agent shall prominently
18 display his or her license, or a copy thereof, as provided in
19 the rules and regulations of the Department.

20 e. To suspend or revoke any license issued pursuant to this
21 Act or the rules and regulations promulgated by the Department
22 thereunder.

23 f. To confer regularly as necessary or desirable and not
24 less than once every month with the Lottery Control Board on
25 the operation and administration of the Lottery; to make
26 available for inspection by the Board or any member of the

1 Board, upon request, all books, records, files, and other
2 information and documents of his office; to advise the Board
3 and recommend such rules and regulations and such other matters
4 as he deems necessary and advisable to improve the operation
5 and administration of the lottery or the implementation and
6 oversight of a Management and Concession Agreement.

7 g. To enter into contracts for the operation of the
8 lottery, or any part thereof, and, unless the lottery is
9 operated pursuant to the terms of a Management and Concession
10 Agreement, to enter into contracts for the promotion of the
11 lottery on behalf of the Department, with any person, firm or
12 corporation, to perform any of the functions provided for in
13 this Act or the rules and regulations promulgated thereunder.
14 The Department shall not expend State funds on a contractual
15 basis for such functions unless those functions and
16 expenditures are expressly authorized by the General Assembly.

17 h. Unless the State has entered into a Management and
18 Concession Agreement, to ~~to~~ enter into an agreement or
19 agreements with the management of state lotteries operated
20 pursuant to the laws of other states for the purpose of
21 creating and operating a multi-state lottery game wherein a
22 separate and distinct prize pool would be combined to award
23 larger prizes to the public than could be offered by the
24 several state lotteries, individually. No tickets or shares
25 offered in connection with a multi-state lottery game shall be
26 sold within the State of Illinois, except those offered by and

1 through the Department. No such agreement shall purport to
2 pledge the full faith and credit of the State of Illinois, nor
3 shall the Department expend State funds on a contractual basis
4 in connection with any such game unless such expenditures are
5 expressly authorized by the General Assembly, provided,
6 however, that in the event of error or omission by the Illinois
7 State Lottery in the conduct of the game, as determined by the
8 multi-state game directors, the Department shall be authorized
9 to pay a prize winner or winners the lesser of a disputed prize
10 or \$1,000,000, any such payment to be made solely from funds
11 appropriated for game prize purposes. The Department shall be
12 authorized to share in the ordinary operating expenses of any
13 such multi-state lottery game, from funds appropriated by the
14 General Assembly, and in the event the multi-state game control
15 offices are physically located within the State of Illinois,
16 the Department is authorized to advance start-up operating
17 costs not to exceed \$150,000, subject to proportionate
18 reimbursement of such costs by the other participating state
19 lotteries. The Department shall be authorized to share
20 proportionately in the costs of establishing a liability
21 reserve fund from funds appropriated by the General Assembly.
22 The Department is authorized to transfer prize award funds
23 attributable to Illinois sales of multi-state lottery game
24 tickets to the multi-state control office, or its designated
25 depository, for deposit to such game pool account or accounts
26 as may be established by the multi-state game directors, the

1 records of which account or accounts shall be available at all
2 times for inspection in an audit by the Auditor General of
3 Illinois and any other auditors pursuant to the laws of the
4 State of Illinois. No multi-state game prize awarded to a
5 nonresident of Illinois, with respect to a ticket or share
6 purchased in a state other than the State of Illinois, shall be
7 deemed to be a prize awarded under this Act for the purpose of
8 taxation under the Illinois Income Tax Act. All of the net
9 revenues accruing from the sale of multi-state lottery tickets
10 or shares shall be transferred into the Common School Fund
11 pursuant to Section 7.2. The Department shall promulgate such
12 rules as may be appropriate to implement the provisions of this
13 Section.

14 (h-1) In the event that the State enters into a Management
15 and Concession Agreement, to authorize a Concessionaire to
16 enter into an agreement or agreements with the management of
17 state lotteries operated pursuant to the laws of other states
18 for the purpose of creating and operating a multi-state lottery
19 game wherein a separate and distinct prize pool would be
20 combined to award larger prizes to the public than could be
21 offered by the several state lotteries individually. The
22 Superintendent shall not authorize the Concessionaire to take
23 such action unless the Illinois Gaming Board verifies that the
24 authorization derived from the agreement conforms to the
25 provisions of the Illinois Procurement Code and the State
26 Officials and Employees Ethics Act. No tickets or shares

1 offered in connection with a multi-state lottery game shall be
2 sold within the State of Illinois, except those offered by and
3 through the Concessionaire or technical operator pursuant to
4 the terms of the Management and Concession Agreement and this
5 amendatory Act of the 95th General Assembly. No such agreement
6 shall purport to pledge the full faith and credit of the State
7 of Illinois or to waive the sovereign immunity of the State of
8 Illinois, nor shall the Department expend State funds on a
9 contractual basis in connection with any such game unless such
10 expenditures are expressly authorized by the General Assembly.
11 To the extent authorized pursuant to the terms of a Management
12 and Concession Agreement, the Concessionaire shall be
13 authorized to share in the ordinary operating expenses of any
14 such multi-state lottery game, and in the event the multi-state
15 game control offices are physically located within the State of
16 Illinois, the Concessionaire is authorized to advance start-up
17 operating costs, subject to proportionate reimbursement of
18 such costs by the other participating state lotteries. The
19 Concessionaire shall be authorized to share proportionately in
20 the costs of establishing a liability reserve fund. The
21 Concessionaire is authorized to transfer prize award funds
22 attributable to Illinois sales of multi-state lottery game
23 tickets to the multi-state control office, or its designated
24 depository, for deposit to such game pool account or accounts
25 as may be established by the multi-state game directors, the
26 records of which account or accounts shall be available at all

1 times for inspection in an audit by the Illinois Gaming Board
2 and any auditors pursuant to the laws of the State of Illinois.
3 No multi-state game prize awarded to a nonresident of Illinois,
4 with respect to a ticket or share purchased in a state other
5 than the State of Illinois, shall be deemed to be a prize
6 awarded under this Act for the purpose of taxation under the
7 Illinois Income Tax Act. The Illinois Gaming Board and the
8 Department shall promulgate such rules as may be appropriate to
9 implement the provisions of this Section.

10 i. To make a continuous study and investigation of (1) the
11 operation and the administration of similar laws which may be
12 in effect in other states or countries, (2) any literature on
13 the subject which from time to time may be published or
14 available, (3) any Federal laws which may affect the operation
15 of the lottery, and (4) the reaction of Illinois citizens to
16 existing and potential features of the lottery with a view to
17 recommending or effecting changes that will tend to serve the
18 purposes of this Act.

19 j. To report monthly to the State Treasurer and the Lottery
20 Control Board a full and complete statement of lottery
21 revenues, prize disbursements and other expenses for each month
22 and the amounts to be transferred to the Common School Fund
23 pursuant to Section 7.2 or such other funds as are otherwise
24 authorized by Section 21.2 of this Act, and to make an annual
25 report, which shall include a full and complete statement of
26 lottery revenues, prize disbursements and other expenses, to

1 the Governor and the Board. All reports required by this
2 subsection shall be public and copies of all such reports shall
3 be sent to the Speaker of the House, the President of the
4 Senate, and the minority leaders of both houses.

5 k. If the State enters into a Management and Concession
6 Agreement, the Illinois Gaming Board shall assume the powers
7 and duties in this Section 9 to the extent they are applicable.

8 (Source: P.A. 94-776, eff. 5-19-06.)

9 (20 ILCS 1605/10) (from Ch. 120, par. 1160)

10 Sec. 10. Licensing of agents to sell lottery tickets or
11 shares. The Division, upon application therefor on forms
12 prescribed by the Division, and upon a determination by the
13 Division that the applicant meets all of the qualifications
14 specified in this Act, shall issue a license as an agent to
15 sell lottery tickets or shares. No license as an agent to sell
16 lottery tickets or shares shall be issued to any person to
17 engage in business exclusively as a lottery sales agent.

18 Before issuing such license the Superintendent shall
19 consider (a) the financial responsibility and security of the
20 person and his business or activity, (b) the accessibility of
21 his place of business or activity to the public, (c) the
22 sufficiency of existing licenses to serve the public
23 convenience, (d) the volume of expected sales, and (e) such
24 other factors as he or she may deem appropriate.

25 Until September 1, 1987, the provisions of Sections 2a, 4,

1 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 6, 6a, 6b, 6c, 8, 9,
2 10, 12 and 13.5 of the Retailers' Occupation Tax Act which are
3 not inconsistent with this Act shall apply to the subject
4 matter of this Act to the same extent as if such provisions
5 were included in this Act. For purposes of this Act, references
6 in such incorporated Sections of the Retailers' Occupation Tax
7 Act to retailers, sellers or persons engaged in the business of
8 selling tangible personal property mean persons engaged in
9 selling lottery tickets or shares; references in such
10 incorporated Sections to sales of tangible personal property
11 mean the selling of lottery tickets or shares; and references
12 in such incorporated Sections to certificates of registration
13 mean licenses issued under this Act. The provisions of the
14 Retailers' Occupation Tax Act as heretofore applied to the
15 subject matter of this Act shall not apply with respect to
16 tickets sold by or delivered to lottery sales agents on and
17 after September 1, 1987, but such provisions shall continue to
18 apply with respect to transactions involving the sale and
19 delivery of tickets prior to September 1, 1987.

20 All licenses issued by the Division under this Act shall be
21 valid for a period not to exceed 2 years after issuance unless
22 sooner revoked, canceled or suspended as in this Act provided.
23 No license issued under this Act shall be transferable or
24 assignable. Such license shall be conspicuously displayed in
25 the place of business conducted by the licensee in Illinois
26 where lottery tickets or shares are to be sold under such

1 license.

2 For purposes of this Section, the term "person" shall be
3 construed to mean and include an individual, association,
4 partnership, corporation, club, trust, estate, society,
5 company, joint stock company, receiver, trustee, referee, any
6 other person acting in a fiduciary or representative capacity
7 who is appointed by a court, or any combination of individuals.
8 "Person" includes any department, commission, agency or
9 instrumentality of the State, including any county, city,
10 village, or township and any agency or instrumentality thereof.

11 If the State enters into a Management and Concession
12 Agreement pursuant to which the State authorizes a
13 Concessionaire or technical operator to retain agents to
14 distribute lottery tickets, the Division shall cease issuing
15 licenses to agents to sell lottery tickets or shares during the
16 term of the Management and Concession Agreement. In retaining
17 such agents, the Concessionaire or technical operator shall
18 apply appropriate criteria in determining suitability of those
19 agents, including without limitation, criteria establishing
20 the ineligibility for a license as set forth in Section 10.1 of
21 this Act. Further, the Concessionaire or technical operator
22 shall provide to the Department and the Illinois Gaming Board,
23 not less than monthly, a list of all agents the Concessionaire
24 or technical operator has engaged to distribute lottery tickets
25 or shares, which statement shall include a certification that
26 all such agents comply with the eligibility standards set forth

1 in this Act.

2 (Source: P.A. 94-776, eff. 5-19-06.)

3 (20 ILCS 1605/10.1) (from Ch. 120, par. 1160.1)

4 Sec. 10.1. Persons ineligible for licenses. The following
5 are ineligible for any license under this Act:

6 (a) any person who has been convicted of a felony;

7 (b) any person who is or has been a professional gambler or
8 gambling promoter, except when the person acted in such a
9 capacity pursuant to and in compliance with all applicable law;

10 (c) any person who has engaged in bookmaking or other forms
11 of illegal gambling;

12 (d) any person who is not of good character and reputation
13 in the community in which he resides;

14 (e) any person who has been found guilty of any fraud or
15 misrepresentation in any connection;

16 (f) any firm or corporation in which a person defined in
17 (a), (b), (c), (d) or (e) has a proprietary, equitable or
18 credit interest of 5% or more.

19 (g) any organization in which a person defined in (a), (b),
20 (c), (d) or (e) is an officer, director, or managing agent,
21 whether compensated or not;

22 (h) any organization in which a person defined in (a), (b),
23 (c), (d), or (e) is to participate in the management or sales
24 of lottery tickets or shares.

25 However, with respect to persons defined in (a), the

1 Department may grant any such person a license under this Act
2 when:

3 1) at least 10 years have elapsed since the date when the
4 sentence for the most recent such conviction was satisfactorily
5 completed;

6 2) the applicant has no history of criminal activity
7 subsequent to such conviction;

8 3) the applicant has complied with all conditions of
9 probation, conditional discharge, supervision, parole or
10 mandatory supervised release; and

11 4) the applicant presents at least 3 letters of
12 recommendation from responsible citizens in his community who
13 personally can attest that the character and attitude of the
14 applicant indicate that he is unlikely to commit another crime.

15 The Division may revoke, without notice or a hearing, the
16 license of any agent who violates this Act or any rule or
17 regulation promulgated pursuant to this Act. If the State
18 enters into a Management and Concession Agreement pursuant to
19 which the State authorizes a Concessionaire or technical
20 operator to engage any sales agent, the Illinois Gaming Board
21 shall have the power to revoke any such agency pursuant to the
22 provisions of this Act. However, if the Division does revoke a
23 license without notice and an opportunity for a hearing, the
24 Division shall, by appropriate notice, afford the person whose
25 license has been revoked an opportunity for a hearing within 30
26 days after the revocation order has been issued. As a result of

1 any such hearing, the Division may confirm its action in
2 revoking the license, or it may order the restoration of such
3 license.

4 (Source: P.A. 94-776, eff. 5-19-06.)

5 (20 ILCS 1605/10.1a) (from Ch. 120, par. 1160.1a)

6 Sec. 10.1a. Failure to satisfy tax Act requirements. In
7 addition to other grounds specified in this Act, the Division
8 shall refuse to issue and shall suspend the license of any
9 lottery sales agency who fails to file a return, or to pay the
10 tax, penalty or interest shown in a filed return, or to pay any
11 final assessment of tax, penalty or interest, as required by
12 any tax Act administered by the Department, until such time as
13 the requirements of any such tax Act are satisfied, unless the
14 agency is contesting, in accordance with the procedures
15 established by the appropriate revenue Act, its liability for
16 the tax or the amount of tax. If the State enters into a
17 Management and Concession Agreement pursuant to which the State
18 authorizes a Concessionaire or technical operator to engage any
19 sales agent, the Illinois Gaming Board may direct the
20 Concessionaire or technical operator to refrain from engaging
21 or to suspend the engagement of any party acting or seeking to
22 act as a sales agent, based on the grounds specified in this
23 Section. The Division shall affirmatively verify the tax status
24 of every sales agency before issuing or renewing a license,
25 except that, if the State enters into a Management and

1 Concession Agreement pursuant to which the State authorizes a
2 Concessionaire to engage any sales agent, the Department shall
3 verify the tax status of each agent from the list of agents
4 provided by the Concessionaire pursuant to Section 10 of this
5 Act and provide that information to the Illinois Gaming Board.

6 For purposes of this Section, a sales agency shall not be
7 considered delinquent in the payment of a tax if the agency (a)
8 has entered into an agreement with the Department for the
9 payment of all such taxes that are due and (b) is in compliance
10 with the agreement.

11 (Source: P.A. 94-776, eff. 5-19-06.)

12 (20 ILCS 1605/10.2) (from Ch. 120, par. 1160.2)

13 Sec. 10.2. Application and other fees. Each application
14 for a new lottery license must be accompanied by a one-time
15 application fee of \$50; the Division, however, may waive the
16 fee for licenses of limited duration as provided by Department
17 rule. Each application for renewal of a lottery license must be
18 accompanied by a renewal fee of \$25. Each lottery licensee
19 granted on-line status pursuant to the Department's rules must
20 pay a fee of \$10 per week as partial reimbursement for
21 telecommunications charges incurred by the Department in
22 providing access to the lottery's on-line gaming system. The
23 Department, by rule, may increase or decrease the amount of
24 these fees. No Concessionaire or technical operator that may
25 retain sales agents for the Lottery pursuant to the terms of a

1 Management and Concession Agreement may assess any fee pursuant
2 this Section.

3 (Source: P.A. 93-840, eff. 7-30-04; 94-776, eff. 5-19-06.)

4 (20 ILCS 1605/10.3) (from Ch. 120, par. 1160.3)

5 Sec. 10.3. Proceeds received by sales agent. All proceeds
6 from the sale of lottery tickets or shares received by a person
7 in the capacity of a sales agent shall constitute a trust fund
8 until paid to the Department either directly, or through the
9 Department's authorized collection representative. Proceeds
10 shall include unsold instant tickets received by a sales agent
11 and cash proceeds of sale of any lottery products, net of
12 allowable sales commissions and credit for lottery prizes paid
13 to winners by sales agents. Sales proceeds and unsold instant
14 tickets shall be delivered to the Department or its authorized
15 collection representative upon demand. Sales agents shall be
16 personally liable for all proceeds which shall be kept separate
17 and apart from all other funds and assets and shall not be
18 commingled with any other funds or assets. In the case of a
19 sales agent who is not an individual, personal liability shall
20 attach to the owners and officers of the sales agent. The
21 Department shall have a right to file a lien upon all real and
22 personal property of any person who is personally liable under
23 this Section for any unpaid proceeds, which were to be
24 segregated as a trust fund under this Section, at any time
25 after such payment was to have been made. Such lien shall

1 include any interest and penalty provided for by this Act and
2 shall be deemed equivalent to, and have the same effect as, the
3 State tax lien under the Retailers' Occupation Tax Act. The
4 term "person" as used in this Section, and in Section 10.4 of
5 this Act, shall have the same meaning as provided in Section 10
6 of this Act. This Section, and Sections 10.4 and 10.5 of this
7 Act shall apply with respect to all lottery tickets or shares
8 generated by computer terminal, other electronic device, and
9 any other tickets delivered to sales agents on and after
10 September 1, 1987. If the State enters into a Management and
11 Concession Agreement pursuant to which a Concessionaire is
12 authorized to manage or operate the Lottery: (i) the
13 Concessionaire may be the Department's authorized collection
14 representative; and (ii) no such arrangement shall diminish the
15 Department's rights pursuant to this Section. For purposes of
16 this Section, "sales agent" includes any sales agent engaged by
17 a Concessionaire pursuant to the terms of a Management and
18 Concession Agreement.

19 (Source: P.A. 86-905.)

20 (20 ILCS 1605/10.4) (from Ch. 120, par. 1160.4)

21 Sec. 10.4. Proceeds received by sales agent; violations.
22 Every person who shall violate the provisions of Section 10.3,
23 or who does not segregate and keep separate and apart from all
24 other funds and assets, all proceeds from the sale of lottery
25 tickets received by a person in the capacity of a sales agent,

1 shall upon conviction thereof be guilty of a Class 4 felony.
2 The provisions of this Section shall be enforced by the
3 Illinois Department of State Police and prosecuted by the
4 Attorney General.

5 (Source: P.A. 85-183; 86-1475.)

6 (20 ILCS 1605/10.5) (from Ch. 120, par. 1160.5)

7 Sec. 10.5. Sales agent; insolvency. Whenever any person who
8 receives proceeds from the sale of lottery tickets in the
9 capacity of sales agent becomes insolvent, or dies insolvent,
10 the proceeds due the Department from such person or his estate
11 shall have preference over all debts or demands, except as
12 follows:

13 (a) Amounts due for necessary funeral expenses;

14 (b) Amounts due for medical care and medicine during his
15 most recent illness preceding death;

16 (c) Debts due to the United States;

17 (d) Debts due to the State of Illinois and all State and
18 local taxes; and

19 (e) Wages for labor performed within the 6 months
20 immediately preceding the death of such deceased person, not
21 exceeding \$1,000 due to another person and provided further
22 that such proceeds shall be nondischargeable in insolvency
23 proceedings instituted pursuant to Chapter 7, Chapter 11, or
24 Chapter 13 of the Federal Bankruptcy Act.

25 (Source: P.A. 85-183.)

1 (20 ILCS 1605/10.6) (from Ch. 120, par. 1160.6)

2 Sec. 10.6. Odds of winning. The Division shall make an
3 effort to more directly inform players of the odds of winning
4 prizes. This effort shall include, at a minimum, that the
5 Division require all ticket agents to display a placard stating
6 the odds of winning for each game offered by that agent. In the
7 event that the State shall enter into a Management and
8 Concession Agreement, the Concessionaire shall be obligated to
9 comply with the requirements of this Section 10.6.

10 (Source: P.A. 94-776, eff. 5-19-06.)

11 (20 ILCS 1605/10.7)

12 Sec. 10.7. Compulsive gambling.

13 (a) Each lottery sales agent shall post a statement
14 regarding obtaining assistance with gambling problems and
15 including a toll-free "800" telephone number providing crisis
16 counseling and referral services to families experiencing
17 difficulty as a result of problem or compulsive gambling. The
18 text of the statement shall be determined by rule by the
19 Department of Human Services, shall be no more than one
20 sentence in length, and shall be posted on the placard required
21 under Section 10.6. The signs shall be provided by the
22 Department of Human Services.

23 (b) The Division shall print a statement regarding
24 obtaining assistance with gambling problems, the text of which

1 shall be determined by rule by the Department of Human
2 Services, on all paper stock it provides to the general public.

3 (c) The Division shall print a statement of no more than
4 one sentence in length regarding obtaining assistance with
5 gambling problems and including a toll-free "800" number
6 providing crisis counseling and referral services to families
7 experiencing difficulty as a result of problem or compulsive
8 gambling on the back of all lottery tickets.

9 (d) If the State enters into a Management and Concession
10 Agreement pursuant to which a Concessionaire is authorized to
11 manage or operate the Lottery, the Concessionaire shall assume
12 and discharge all duties of the Division under subsections (a),
13 (b), and (c) of this Section.

14 (Source: P.A. 94-776, eff. 5-19-06.)

15 (20 ILCS 1605/11) (from Ch. 120, par. 1161)

16 Sec. 11. Officers and employees; civil or criminal
17 penalties; devolution of powers or duties. Every officer and
18 employee shall for any offense be subject to the same penalty
19 or penalties, civil or criminal, as are prescribed by existing
20 law for the same offense by any officer or employee whose
21 powers or duties devolve upon him under this Act.

22 (Source: P.A. 78-3rd S.S.-20.)

23 (20 ILCS 1605/12) (from Ch. 120, par. 1162)

24 Sec. 12. Public inspection and copying of records and data;

1 exceptions. The public inspection and copying of the records
2 and data of the Division and the Board shall be generally
3 governed by the provisions of the Freedom of Information Act
4 except that the following shall additionally be exempt from
5 inspection and copying:

6 (i) information privileged against introduction in
7 judicial proceedings;

8 (ii) internal communications of the several agencies;

9 (iii) information concerning secret manufacturing
10 processes or confidential data submitted by any person
11 under this Act;

12 (iv) any creative proposals, scripts, storyboards or
13 other materials prepared by or for the Division or a
14 Concessionaire under a Management and Concession
15 Agreement, prior to the placement of the materials in the
16 media, if the prior release of the materials would
17 compromise the effectiveness of an advertising campaign.

18 (Source: P.A. 94-776, eff. 5-19-06.)

19 (20 ILCS 1605/13) (from Ch. 120, par. 1163)

20 Sec. 13. Right to prize; payment. Except as otherwise
21 provided in Section 13.1, no prize, nor any portion of a prize,
22 nor any right of any person to a prize awarded shall be
23 assignable. Any prize, or portion thereof remaining unpaid at
24 the death of a prize winner, may be paid to the estate of such
25 deceased prize winner, or to the trustee under a revocable

1 living trust established by the deceased prize winner as
2 settlor, provided that a copy of such a trust has been filed
3 with the Department along with a notarized letter of direction
4 from the settlor and no written notice of revocation has been
5 received by the Division prior to the settlor's death.
6 Following such a settlor's death and prior to any payment to
7 such a successor trustee, the Superintendent shall obtain from
8 the trustee a written agreement to indemnify and hold the
9 Department and the Division harmless with respect to any claims
10 that may be asserted against the Department or the Division
11 arising from payment to or through the trust. Notwithstanding
12 any other provision of this Section, any person pursuant to an
13 appropriate judicial order may be paid the prize to which a
14 winner is entitled, and all or part of any prize otherwise
15 payable by State warrant under this Section shall be withheld
16 upon certification to the State Comptroller from the Department
17 of Healthcare and Family Services as provided in Section
18 10-17.5 of The Illinois Public Aid Code. The Director and the
19 Superintendent shall be discharged of all further liability
20 upon payment of a prize pursuant to this Section.

21 If the State enters into a Management and Concession
22 Agreement pursuant to which a payor other than the State, or a
23 department, division, agency, or other unit of the State shall
24 have the obligation to pay a prize, except as otherwise
25 provided in Section 13.1, neither a prize, nor any portion of a
26 prize, nor any right of any person to a prize awarded shall be

1 assignable. Any prize, or portion thereof remaining unpaid at
2 the death of a prize winner, may be paid to the estate of that
3 deceased prize winner, or to the trustee under a revocable
4 living trust established by the deceased prize winner as
5 settlor, provided that a copy of that trust has been delivered
6 to the third party prize payor along with a notarized letter of
7 direction from the settlor and no written notice of revocation
8 has been received by the third party prize payor prior to the
9 settlor's death. Following such a settlor's death and prior to
10 any payment to such a successor trustee, the third party prize
11 payor shall obtain from the trustee a written agreement to
12 indemnify and hold the third party prize payor and the State
13 harmless with respect to any claims that may be asserted
14 against such third party prize payor or the State arising from
15 the payment of the prize to or through the trust. The Director
16 shall be discharged of all further liability upon payment of a
17 prize pursuant to this Section and shall in no event be liable
18 for any failure of a Concessionaire to pay any prize.

19 (Source: P.A. 94-776, eff. 5-19-06; 95-331, eff. 8-21-07.)

20 (20 ILCS 1605/14) (from Ch. 120, par. 1164)

21 Sec. 14. Sale of ticket or share at greater than fixed
22 price; sale or resale of tickets or shares; charging a fee to
23 redeem winning ticket or share; punishment. No person shall
24 sell a ticket or share at a price greater than that fixed by
25 rule or regulation of the Department or the Division or, if the

1 Lottery is managed or operated pursuant to a Management and
2 Concession Agreement, the Illinois Gaming Board. No person
3 other than a licensed lottery sales agent or distributor or a
4 Concessionaire or a technical operator, its contractors or
5 licensees, or a sales agent engaged by a Concessionaire
6 pursuant to the terms of a Management and Concession Agreement
7 shall sell or resell lottery tickets or shares. No person shall
8 charge a fee to redeem a winning ticket or share.

9 Any person convicted of violating this Section shall be
10 guilty of a Class B misdemeanor; provided, that if any offense
11 under this Section is a subsequent offense, the offender shall
12 be guilty of a Class 4 felony.

13 (Source: P.A. 94-776, eff. 5-19-06.)

14 (20 ILCS 1605/14.2) (from Ch. 120, par. 1164.2)

15 Sec. 14.2. Lottery ticket fraud; prima facie evidence. Any
16 person who, with intent to defraud, shall falsely make, alter,
17 forge, utter, pass or counterfeit a lottery ticket or share
18 issued by the State of Illinois under this Act shall be guilty
19 of a Class 4 felony.

20 It shall be prima facie evidence of intent to defraud for a
21 person to possess a lottery ticket or share issued by the State
22 under this Act if he or she knows that ticket or share was
23 falsely made, altered, forged, uttered, passed, or
24 counterfeited.

25 (Source: P.A. 89-466, eff. 6-13-96.)

1 (20 ILCS 1605/14.3)

2 Sec. 14.3. Misuse of proprietary material prohibited.
3 Except as may be provided in Section 7.11, or by bona fide sale
4 or by prior authorization from the Department or the Division,
5 or otherwise by law, all premiums, promotional and other
6 proprietary material produced or acquired by the Division as
7 part of its advertising and promotional activities shall remain
8 the property of the Department. Nothing herein shall be
9 construed to affect the rights or obligations of the Department
10 or any other person under federal or State trademark or
11 copyright laws, nor shall anything herein be construed to
12 prevent the Department from assigning its rights in such
13 property to a Concessionaire pursuant to a Management and
14 Concession Agreement.

15 (Source: P.A. 94-776, eff. 5-19-06.)

16 (20 ILCS 1605/15) (from Ch. 120, par. 1165)

17 Sec. 15. Prohibition against minors under 18 years of age
18 and certain other persons purchasing or being furnished lottery
19 tickets or shares. No minor under 18 years of age shall buy a
20 lottery ticket or share. No person shall sell, distribute
21 samples of, or furnish a lottery ticket or share to any minor
22 under 18 years of age, buy a lottery ticket or share for any
23 minor under 18 years of age, or aid and abet in the purchase of
24 lottery tickets or shares by a minor under 18 years of age.

1 No ticket or share shall be purchased by, and no prize
2 shall be paid to any of the following persons: any member of
3 the Board or any officer or other person employed by the Board
4 or by the Department or by the Concessionaire or any party with
5 which the Concessionaire may contract to operate the Lottery;
6 any spouse, child, brother, sister or parent residing as a
7 member of the same household in the principal place of abode of
8 any such persons; or any minor under 18 years of age.

9 Any violation of this Section by a person other than the
10 purchasing minor shall be a Class B misdemeanor; provided, that
11 if any violation of this Section is a subsequent violation, the
12 offender shall be guilty of a Class 4 felony. Notwithstanding
13 any provision to the contrary, a violation of this Section by a
14 minor under 18 years of age shall be a petty offense.

15 (Source: P.A. 90-346, eff. 8-8-97.)

16 (20 ILCS 1605/16) (from Ch. 120, par. 1166)

17 Sec. 16. Violations of Act, rules, or regulations;
18 punishment; enforcement. It shall be a Class B misdemeanor to
19 violate this Act or any rule or regulation promulgated
20 thereunder, or knowingly to submit any false information under
21 this Act or rules or regulations adopted thereunder; except
22 that, if any person engages in such offense after one or more
23 prior convictions under this Act, or any law of the United
24 States or of any State relating to gambling or State operated
25 lotteries, he shall be guilty of a Class 4 felony. It shall be

1 the duty of all State and local law enforcement officers to
2 enforce such Act and regulations.

3 (Source: P.A. 78-3rd S.S.-20.)

4 (20 ILCS 1605/17) (from Ch. 120, par. 1167)

5 Sec. 17. Other laws providing penalty or disability for
6 sale of lottery tickets or shares inapplicable. No other law
7 providing any penalty or disability for the sale of lottery
8 tickets or shares or any acts done in connection with the
9 lottery established under this Act shall apply to the sale of
10 tickets or shares performed pursuant to this Act.

11 (Source: P.A. 81-477.)

12 (20 ILCS 1605/19) (from Ch. 120, par. 1169)

13 Sec. 19. Claiming prizes. The Division shall establish an
14 appropriate period for the claiming of prizes for each lottery
15 game offered. Each claim period shall be stated in game rules
16 and written play instructions issued by the Superintendent in
17 accordance with Section 7.1 of this Act or, if the State enters
18 into a Management and Concession Agreement pursuant to which a
19 Concessionaire shall manage or operate the Lottery, such rules
20 and written play instructions as may be issued in accordance
21 with the terms of the Management and Concession Agreement, but
22 subject to change by rule of the Illinois Gaming Board. Written
23 play instructions shall be made available to all players
24 through sales agents licensed to sell game tickets or shares.

1 Prizes for lottery games which involve the purchase of a
2 physical lottery ticket may be claimed only by presentation of
3 a valid winning lottery ticket that matches validation records
4 on file with the Lottery or, if the State enters into a
5 Management and Concession Agreement pursuant to which a
6 Concessionaire manages or operates the Lottery, the records on
7 file with that Concessionaire or technical operator, its
8 contractors and licensees; no claim may be honored which is
9 based on the assertion that the ticket was lost or stolen. No
10 lottery ticket which has been altered, mutilated, or fails to
11 pass validation tests shall be deemed to be a winning ticket.

12 If no claim is made for the money within the established
13 claim period, the prize may be included in the prize pool of
14 such special drawing or drawings as the Division may, from time
15 to time, designate, except, in the event the Lottery is
16 operated pursuant to the terms of a Management and Concession
17 Agreement, then the unclaimed prize money shall be transferred
18 to the Common School Fund. Unclaimed multi-state game prize
19 money may be included in the multi-state prize pool for such
20 special drawing or drawings as the multi-state game directors
21 may, from time to time, designate, unless the lottery is
22 operated pursuant to the terms of a Management and Concession
23 Agreement, in which case all unclaimed prize money not included
24 in the prize pool of a special drawing shall be transferred to
25 the Common School Fund. Unless the lottery is operated pursuant
26 to the terms of a Management and Concession Agreement, any. Any

1 bonuses offered by the Department to sales agents who sell
2 winning tickets or shares shall be payable to such agents
3 regardless of whether or not the prize money on the ticket or
4 share is claimed, provided that the agent can be identified as
5 the vendor of the winning ticket or share, and that the winning
6 ticket or share was sold on or after January 1, 1984. ~~All~~
7 ~~unclaimed prize money not included in the prize pool of a~~
8 ~~special drawing shall be transferred to the Common School Fund.~~
9 (Source: P.A. 94-776, eff. 5-19-06.)

10 (20 ILCS 1605/20) (from Ch. 120, par. 1170)

11 Sec. 20. State Lottery Fund.

12 (a) There is created in the State Treasury a special fund
13 to be known as the "State Lottery Fund". Such fund shall
14 consist of all revenues received from (1) the sale of lottery
15 tickets or shares, (net of commissions, fees representing those
16 expenses that are directly proportionate to the sale of tickets
17 or shares at the agent location, and prizes of less than \$600
18 which have been validly paid at the agent level), (2)
19 application fees, and (3) all other sources including moneys
20 credited or transferred thereto from any other fund or source
21 pursuant to law and, if the State enters into a Management and
22 Concession Agreement, any moneys accruing to the State pursuant
23 to the terms of that Agreement. Interest earnings of the State
24 Lottery Fund shall be credited to the Common School Fund.

25 (b) The receipt and distribution of moneys under Section

1 21.5 of this Act shall be in accordance with Section 21.5.

2 (c) The receipt and distribution of moneys under Section
3 21.6 of this Act shall be in accordance with Section 21.6.

4 (d) The receipt and distribution of moneys under Section
5 21.7 of this Act shall be in accordance with Section 21.7.

6 (e) ~~(d)~~ The receipt and distribution of moneys under
7 Section 21.8 ~~21.7~~ of this Act shall be in accordance with
8 Section 21.8 ~~21.7~~.

9 (Source: P.A. 94-120, eff. 7-6-05; 94-585, eff. 8-15-05;
10 95-331, eff. 8-21-07; 95-673, eff. 10-11-07; 95-674, eff.
11 10-11-07; revised 12-5-07.)

12 (20 ILCS 1605/20.2 new)

13 Sec. 20.2. Transfer of moneys from State Lottery Fund to
14 Common School Fund. Notwithstanding any provision set forth in
15 this Act or State law to the contrary, on or before the last
16 day of each fiscal year the State Comptroller shall direct and
17 the State Treasurer shall transfer moneys in and revenues
18 received by the State Lottery Fund to the Common School Fund.

19 (20 ILCS 1605/21) (from Ch. 120, par. 1171)

20 Sec. 21. Payments or deposits of moneys and income. All
21 lottery sales agents or distributors shall be liable to the
22 Lottery for any and all tickets accepted or generated by any
23 employee or representative of that agent or distributor, and
24 such tickets shall be deemed to have been purchased by the

1 agent or distributor unless returned to the Lottery within the
2 time and in the manner prescribed by the Superintendent, or if
3 the State enters into a Management and Concession Agreement
4 pursuant to which a Concessionaire or technical operator
5 engages sales agents or distributors, to such Concessionaire as
6 may be allowed according to the terms of the Management and
7 Concession Agreement within the time and in the manner
8 prescribed by the Illinois Gaming Board Superintendent. All
9 moneys received by such agents or distributors from the sale of
10 lottery tickets or shares, less the amount retained as
11 compensation for the sale of the tickets or shares and the
12 amount paid out as prizes, shall be paid over to a lottery
13 representative or deposited in a bank or savings and loan
14 association approved by the State Treasurer, as prescribed by
15 the Superintendent or, if the State enters into a Management
16 and Concession Agreement pursuant to which those moneys are to
17 be held by a trustee, to that trustee and in accordance with
18 such terms as may be set forth in the Management and Concession
19 Agreement.

20 No bank or savings and loan association shall receive any
21 ~~public~~ funds as permitted by this Section, unless it has
22 complied with the requirements established pursuant to Section
23 6 of the Public Funds Investment Act.

24 Each payment or deposit shall be accompanied by a report of
25 the agent's receipts and transactions in the sale of lottery
26 tickets in such form and containing such information as the

1 Superintendent, or if the State enters into a Management and
2 Concession Agreement, as the Concessionaire may require. Any
3 discrepancies in such receipts and transactions may be resolved
4 as provided by the rules and regulations of the Department.

5 If any money due the Lottery by a sales agent or
6 distributor is not paid when due or demanded, it shall
7 immediately become delinquent and be billed on a subsequent
8 monthly statement. If on the closing date for any monthly
9 statement a delinquent amount previously billed of more than
10 \$50 remains unpaid, interest in such amount shall be accrued at
11 the rate of 2% per month or fraction thereof from the date when
12 such delinquent amount becomes past due until such delinquent
13 amount, including interest, penalty and other costs and charges
14 that the Department may incur in collecting such amounts, is
15 paid. In case any agent or distributor fails to pay any moneys
16 due the Lottery within 30 days after a second bill or statement
17 is rendered to the agent or distributor, such amount shall be
18 deemed seriously delinquent and may be referred by the
19 Department to a collection agency or credit bureau for
20 collection. Any contract entered into by the Department for the
21 collection of seriously delinquent accounts with a collection
22 agency or credit bureau may be satisfied by a commercially
23 reasonable percentage of the delinquent account recouped,
24 which shall be negotiated by the Department in accordance with
25 commercially accepted standards. Any costs incurred by the
26 Department or others authorized to act in its behalf in

1 collecting such delinquencies may be assessed against the agent
2 or distributor and included as a part of the delinquent
3 account.

4 In case of failure of an agent or distributor to pay a
5 seriously delinquent amount, or any portion thereof to the
6 State, including interest, penalty and costs, the Division may
7 issue a Notice of Assessment. In determining amounts shown on
8 the Notice of Assessment, the Division shall utilize the
9 financial information available from its records. Such Notice
10 of Assessment shall be prima facie correct and shall be prima
11 facie evidence of delinquent sums due under this Section at any
12 hearing before the Board, or its Hearing Officers, or at any
13 other legal proceeding. Reproduced copies of the Division's
14 records relating to a delinquent account or a Notice of
15 Assessment offered in the name of the Department, under the
16 Certificate of the Director or any officer or employee of the
17 Department designated in writing by the Director shall, without
18 further proof, be admitted into evidence in any such hearing or
19 any legal proceeding and shall be prima facie proof of the
20 delinquency, including principal and any interest, penalties
21 and costs, as shown thereon. The Attorney General may bring
22 suit on behalf of the Department to collect all such delinquent
23 amounts, or any portion thereof, including interest, penalty
24 and costs, due the Lottery.

25 Any person who accepts money that is due to the Department
26 from the sale of lottery tickets or shares under this Act, but

1 who wilfully fails to remit such payment to the Department when
2 due or who purports to make such payment but wilfully fails to
3 do so because such ~~his check or other~~ remittance fails to clear
4 the financial institution ~~bank or savings and loan association~~
5 against which it is drawn, in addition to the amount due and in
6 addition to any other penalty provided by law, shall be
7 assessed, and shall pay, a penalty equal to 5% of the
8 deficiency plus any costs or charges incurred by the Department
9 in collecting such amount.

10 The Director may make such arrangements for any person(s),
11 financial institution, ~~banks, savings and loan associations~~ or
12 distributors, to perform such functions, activities or
13 services in connection with the operation of the lottery as he
14 deems advisable pursuant to this Act, the State Comptroller
15 Act, or the rules and regulations of the Department, and such
16 functions, activities or services shall constitute lawful
17 functions, activities and services of such person(s), banks,
18 savings and loan associations or distributors.

19 All income arising out of any activity or purpose of the
20 Division shall, pursuant to the State Finance Act, be paid into
21 the State Treasury except as otherwise provided by the rules
22 and regulations of the Department and shall be covered into a
23 special fund to be known as the State Lottery Fund. Banks and
24 savings and loan associations may be compensated for services
25 rendered based upon the activity and amount of funds on
26 deposit.

1 (Source: P.A. 94-776, eff. 5-19-06.)

2 (20 ILCS 1605/21.2) (from Ch. 120, par. 1171.2)

3 Sec. 21.2. (Repealed). ~~There is created a special fund in~~
4 ~~the State Treasury known as the Illinois Land Grant Collegiate~~
5 ~~Athletics Fund. The Department shall designate a special~~
6 ~~lottery game of its choosing which it shall prepare and offer~~
7 ~~for sale to the public, the net proceeds from which shall be~~
8 ~~transferred to such fund for distribution to the University of~~
9 ~~Illinois Athletic Association as otherwise authorized by law.~~

10 (Source: P.A. 84-1128.)

11 (20 ILCS 1605/21.3) (from Ch. 120, par. 1171.3)

12 Sec. 21.3. Officer of corporation; personal liability. Any
13 officer of any corporation licensed as an agent for the sale of
14 Lottery tickets and products shall be personally liable for the
15 total amount of Lottery receipts due the Department which are
16 unpaid by the corporation, together with any interest and
17 penalties thereon assessed in accordance with the provision of
18 Section 21 of the Act.

19 The personal liability of a corporate officer as provided
20 herein shall survive the dissolution of the corporation. No
21 action to enforce such personal liability shall be commenced
22 unless a notice of the delinquent account has been sent to such
23 corporate officer at the address shown on the Lottery records
24 or otherwise known to Department officials, and no such action

1 shall be commenced after the expiration of 3 years from the
2 date of the Department's notice of delinquent account or the
3 termination of any court proceedings with respect to the issue
4 of the delinquency of a corporation.

5 Procedures for protest and review of a notice of the
6 Department's intention to enforce personal liability against a
7 corporate officer shall be the same as those prescribed for
8 protest and review of the Notice of Assessment as set forth in
9 Section 7.3 of this Act.

10 (Source: P.A. 88-522.)

11 (20 ILCS 1605/21.5)

12 Sec. 21.5. Superintendent Carolyn Adams Ticket For The
13 Cure.

14 (a) The Department shall offer a special instant
15 scratch-off game with the title of "Carolyn Adams Ticket For
16 The Cure". The game shall commence on January 1, 2006 or as
17 soon thereafter, in the discretion of the Director, as is
18 reasonably practical, and shall be discontinued on December 31,
19 2011. The operation of the game shall be governed by this Act
20 and any rules adopted by the Department. The Department must
21 consult with the Ticket For The Cure Board, which is
22 established under Section 2310-347 of the Department of Public
23 Health Powers and Duties Law of the Civil Administrative Code
24 of Illinois, regarding the design and promotion of the game. If
25 any provision of this Section is inconsistent with any other

1 provision of this Act, then this Section governs.

2 (b) The Ticket For The Cure Fund is created as a special
3 fund in the State treasury. The net revenue from the Carolyn
4 Adams Ticket For The Cure special instant scratch-off game
5 shall be deposited into the Fund for appropriation by the
6 General Assembly solely to the Department of Public Health for
7 the purpose of making grants to public or private entities in
8 Illinois for the purpose of funding research concerning breast
9 cancer and for funding services for breast cancer victims. The
10 Department must, before grants are awarded, provide copies of
11 all grant applications to the Ticket For The Cure Board,
12 receive and review the Board's recommendations and comments,
13 and consult with the Board regarding the grants. For purposes
14 of this Section, the term "research" includes, without
15 limitation, expenditures to develop and advance the
16 understanding, techniques, and modalities effective in the
17 detection, prevention, screening, and treatment of breast
18 cancer and may include clinical trials. The grant funds may not
19 be used for institutional, organizational, or community-based
20 overhead costs, indirect costs, or levies.

21 Moneys received for the purposes of this Section,
22 including, without limitation, net revenue from the special
23 instant scratch-off game and gifts, grants, and awards from any
24 public or private entity, must be deposited into the Fund. Any
25 interest earned on moneys in the Fund must be deposited into
26 the Fund.

1 For purposes of this subsection, "net revenue" means the
2 total amount for which tickets have been sold less the sum of
3 the amount paid out in prizes and the actual administrative
4 expenses of the Department solely related to the Carolyn Adams
5 Ticket For The Cure game.

6 (c) During the time that tickets are sold for the Carolyn
7 Adams Ticket For The Cure game, the Department shall not
8 unreasonably diminish the efforts devoted to marketing any
9 other instant scratch-off lottery game.

10 (d) The Department may adopt any rules necessary to
11 implement and administer the provisions of this Section.

12 (Source: P.A. 94-120, eff. 7-6-05.)

13 (20 ILCS 1605/21.9 new)

14 Sec. 21.9. Right to direct offer of special cause games. If
15 the State enters into a Management and Concession Agreement,
16 the State shall retain the right to direct the Concessionaire
17 or technical operator to offer special cause games as the
18 General Assembly may determine appropriate from time to time.
19 The General Assembly may in its discretion direct the deposit
20 and use of net revenues from any such special cause games. The
21 operation of any such special cause games shall be governed by
22 this Act and any rules necessary to implement and administer
23 the provisions of this Section as adopted by the Illinois
24 Gaming Board. For purposes of this Section, "net revenue" means
25 the total amount for which tickets have been sold less the sum

1 of the amount paid out in the prizes and the costs and expenses
2 related to the game.

3 (20 ILCS 1605/24) (from Ch. 120, par. 1174)

4 Sec. 24. Preaudit of accounts and transactions by State
5 Comptroller; post-audits by Auditor General. The State
6 Comptroller shall conduct a preaudit of all accounts and
7 transactions of the Department in connection with the operation
8 of the State Lottery under the State Comptroller Act, excluding
9 payments issued by the Department for prizes of \$25,000 or
10 less.

11 The Auditor General or a certified public accountant firm
12 appointed by him shall conduct an annual post-audit of all
13 accounts and transactions of the Department in connection with
14 the operation of the State Lottery and other special post
15 audits as the Auditor General, the Legislative Audit
16 Commission, or the General Assembly deems necessary. The annual
17 post-audits shall include payments made by lottery sales agents
18 of prizes of less than \$600 authorized under Section 20, and
19 payments made by the Department of prizes up to \$25,000
20 authorized under Section 20.1. The Auditor General or his agent
21 conducting an audit under this Act shall have access and
22 authority to examine any and all records of the Department or
23 the Board, its distributing agents and its licensees.

24 (Source: P.A. 94-776, eff. 5-19-06.)

1 (20 ILCS 1605/25) (from Ch. 120, par. 1175)

2 Sec. 25. Review under Administrative Review Law. Any party
3 adversely affected by a final order or determination of the
4 Board or the Department may obtain judicial review, by filing a
5 petition for review within 35 days after the entry of the order
6 or other final action complained of, pursuant to the provisions
7 of the Administrative Review Law, as amended and the rules
8 adopted pursuant thereto.

9 (Source: P.A. 82-783.)

10 (20 ILCS 1605/26) (from Ch. 120, par. 1176)

11 Sec. 26. Severability of invalid provisions or
12 applications. If any clause, sentence, paragraph, subdivision,
13 Section, provision or other portion of this Act or the
14 application thereof to any person or circumstances is held to
15 be invalid, such holding shall not affect, impair or invalidate
16 the remainder of this Act or the application of such portion
17 held invalid to any other person or circumstances, but shall be
18 confined in its operation to the clause, sentence, paragraph,
19 subdivision, provision or other portion thereof directly
20 involved in such holding or to the person and circumstances
21 therein involved.

22 (Source: P.A. 78-3rd S.S.-20.)

23 (20 ILCS 1605/27) (from Ch. 120, par. 1177)

24 Sec. 27. Contracts; investments; proceeds; Deferred

1 Lottery Prize Winners Trust Fund; disbursements; State Lottery
2 Fund; Lottery Concession Fund; Lottery Escrow Account.

3 (a) The State Treasurer may, with the consent of the
4 Director, contract with any person or corporation, including,
5 without limitation, a bank, banking house, trust company or
6 investment banking firm, to perform such financial functions,
7 activities or services in connection with operation of the
8 lottery as the State Treasurer and the Director may prescribe.

9 (b) All proceeds from investments made pursuant to
10 contracts executed by the State Treasurer, with the consent of
11 the Director, to perform financial functions, activities or
12 services in connection with operation of the lottery, shall be
13 deposited and held by the State Treasurer as ex-officio
14 custodian thereof, separate and apart from all public money or
15 funds of this State in a special trust fund outside the State
16 treasury. Such trust fund shall be known as the "Deferred
17 Lottery Prize Winners Trust Fund", and shall be administered by
18 the Director.

19 The Director shall, at such times and in such amounts as
20 shall be necessary, prepare and send to the State Comptroller
21 vouchers requesting payment from the Deferred Lottery Prize
22 Winners Trust Fund to deferred prize winners, in a manner that
23 will insure the timely payment of such amounts owed.

24 This Act shall constitute an irrevocable appropriation of
25 all amounts necessary for that purpose, and the irrevocable and
26 continuing authority for and direction to the Director and the

1 State Treasurer to make the necessary payments out of such
2 trust fund for that purpose. In the event that the State shall
3 enter into a Management and Concession Agreement, this Section
4 27(b) shall not apply to any prizes awarded after the closing
5 date of the Management and Concession Agreement.

6 (c) Moneys invested pursuant to subsection (a) of this
7 Section may be invested only in bonds, notes, certificates of
8 indebtedness, treasury bills, or other securities constituting
9 direct obligations of the United States of America and all
10 securities or obligations the prompt payment of principal and
11 interest of which is guaranteed by a pledge of the full faith
12 and credit of the United States of America. Interest earnings
13 on moneys in the Deferred Lottery Prize Winners Trust Fund
14 shall remain in such fund and be used to pay the winners of
15 lottery prizes deferred as to payment until such obligations
16 are discharged. Proceeds from bonds purchased and interest
17 accumulated as a result of a grand prize multi-state game
18 ticket that goes unclaimed will be transferred after the
19 termination of the relevant claim period directly from the
20 lottery's Deferred Lottery Prize Winners Trust Fund to each
21 respective multi-state partner state according to its
22 contribution ratio. All moneys invested pursuant to the terms
23 of any Management and Concession Agreement into which the State
24 may enter shall be subject to the provisions of this
25 subsection.

26 (c-5) If a deferred lottery prize is not claimed within the

1 claim period established by game rule, then the securities or
2 other instruments purchased to fund the prize shall be
3 liquidated and the liquidated amount shall be transferred to
4 the State Lottery Fund for disposition pursuant to Section 19
5 of this Act. In the event that the State shall enter into a
6 Management and Concession Agreement, this Section 27(c-5)
7 shall not apply to any prizes awarded after the closing date of
8 the Management and Concession Agreement.

9 (c-10) The Director may use a portion of the moneys in the
10 Deferred Lottery Prize Winners Trust Fund to purchase bonds to
11 pay a lifetime prize if the prize duration exceeds the length
12 of available securities. If the winner of a lifetime prize
13 exceeds his or her life expectancy as determined using
14 actuarial assumptions and the securities or moneys set aside to
15 pay the prize have been exhausted, moneys in the State Lottery
16 Fund shall be used to make payments to the winner for the
17 duration of the winner's life. In the event that the State
18 shall enter into a Management and Concession Agreement, this
19 Section 27(c-10) shall not apply to any prizes awarded after
20 the closing date of the Management and Concession Agreement.

21 (c-15) From time to time, the Director may request that the
22 State Comptroller transfer any excess moneys in the Deferred
23 Lottery Prize Winners Trust Fund to the Lottery Fund. In the
24 event that the State shall enter into a Management and
25 Concession Agreement, this Section 27(c-15) shall not apply to
26 any prizes awarded after the closing date of the Management and

1 Concession Agreement.

2 (c-20) In the event that the State shall enter into a
3 Management and Concession Agreement pursuant to which a
4 Concessionaire is authorized to manage or operate the Lottery,
5 there shall be created a fund to be known as the Lottery
6 Concession Trust Fund, which shall be a special
7 non-appropriated trust fund held outside of the State Treasury
8 and separate and apart from all public money and funds of this
9 State for the purpose of holding Concession revenues for the
10 purpose of transferring to the State its 20% share of gross
11 revenues after prize payouts. All proceeds from the sale of
12 Lottery tickets or shares and all other revenue from the
13 State's conduct of the Lottery as authorized under this
14 amendatory Act of the 95th General Assembly, including Lottery
15 revenues a Concessionaire may be eligible to receive under a
16 Management and Concession Agreement, with the exception of the
17 initial consideration distributed pursuant to Section 2.4,
18 shall be paid into the Fund. Within the Lottery Concession
19 Trust Fund, there shall be created sub-trusts for the purpose
20 of holding moneys for the exclusive benefit of the State and
21 recipients of Prize Claims.

22 The Fund shall begin to receive lottery proceeds and
23 revenues on the date that a Management and Concession Agreement
24 first becomes effective, and moneys in the Fund shall not at
25 any time during the term of such an agreement be appropriated
26 or diverted to any other use or purpose. The Fund shall be held

1 by an Illinois trustee designated pursuant to the Concession
2 and Management Agreement. All interest or other earnings
3 accruing or received on amounts in the Fund shall be credited
4 to and retained by the Fund. The Fund shall be held,
5 administered, invested, and disbursed in accordance with the
6 trust agreement and the Management and Concession Agreement.

7 The Illinois Gaming Board shall report quarterly to the
8 State Treasurer and the Governor a full and complete statement
9 of revenues into and expenses from the Lottery Concession Trust
10 Fund, which may be included in the reports required pursuant to
11 subsection (j-1) of Section 9 of this Act. The statement shall
12 be public and copies shall be sent to the Speaker of the House,
13 the President of the Senate, and the Minority Leaders of both
14 houses.

15 (d) This amendatory Act of 1985 shall be construed
16 liberally to effect the purposes of the Illinois Lottery Law.

17 (Source: P.A. 89-466, eff. 6-13-96; 90-346, eff. 8-8-97.)

18 Section 1-20. The Department of Revenue Law of the Civil
19 Administrative Code of Illinois is amended by changing Section
20 2505-305 as follows:

21 (20 ILCS 2505/2505-305) (was 20 ILCS 2505/39b15.1)

22 Sec. 2505-305. Investigators.

23 (a) The Department has the power to appoint investigators
24 to conduct all investigations, searches, seizures, arrests,

1 and other duties imposed under the provisions of any law
2 administered by the Department ~~or the Illinois Gaming Board~~.
3 Except as provided in subsection (c), these investigators have
4 and may exercise all the powers of peace officers solely for
5 the purpose of enforcing taxing measures administered by the
6 Department ~~or the Illinois Gaming Board~~.

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

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

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

22 Section 1-90. The Department of Transportation Law of the
23 Civil Administrative Code of Illinois is amended by adding
24 Section 2705-200 as follows:

1 (20 ILCS 2705/2705-200) (was 20 ILCS 2705/49.16)

2 Sec. 2705-200. Master plan; reporting requirements.

3 (a) The Department has the power to develop and maintain a
4 continuing, comprehensive, and integrated planning process
5 that shall develop and periodically revise a statewide master
6 plan for transportation to guide program development and to
7 foster efficient and economical transportation services in
8 ground, air, water, and all other modes of transportation
9 throughout the State. The Department shall coordinate its
10 transportation planning activities with those of other State
11 agencies and authorities and shall supervise and review any
12 transportation planning performed by other Executive agencies
13 under the direction of the Governor. The Department shall
14 cooperate and participate with federal, regional, interstate,
15 State, and local agencies, in accordance with Sections 5-301
16 and 7-301 of the Illinois Highway Code, and with interested
17 private individuals and organizations in the coordination of
18 plans and policies for development of the state's
19 transportation system.

20 To meet the provisions of this Section, the Department
21 shall publish and deliver to the Governor and General Assembly
22 by January 1, 1982 and every 2 years thereafter, its master
23 plan for highway, waterway, aeronautic, mass transportation,
24 and railroad systems. The plan shall identify priority
25 subsystems or components of each system that are critical to
26 the economic and general welfare of this State regardless of

1 public jurisdictional responsibility or private ownership.

2 The master plan shall provide particular emphasis and
3 detail of at least the 5-year period in the immediate future.

4 Annual and 5-year, or longer, project programs for each
5 State system in this Section shall be published and furnished
6 the General Assembly on the first Wednesday in April of each
7 year.

8 Identified needs included in the project programs shall be
9 listed and mapped in a distinctive fashion to clearly identify
10 the priority status of the projects: (1) projects to be
11 committed for execution; (2) tentative projects that are
12 dependent upon funding or other constraints; and (3) needed
13 projects that are not programmed due to lack of funding or
14 other constraints.

15 All projects shall be related to the priority systems of
16 the master plan, and the priority criteria identified. Cost and
17 estimated completion dates shall be included for work required
18 to complete a useable segment or component beyond the period of
19 the program.

20 (b) The Department shall publish and deliver to the
21 Governor and General Assembly on the first Wednesday in April
22 of each year a 5-year, or longer, Highway Improvement Program
23 reporting the number of fiscal years each project has been on
24 previous plans submitted by the Department. It is a goal of the
25 Highway Improvement Program that the percentage of
26 State-jurisdiction mileage and bridges in acceptable condition

1 be comparable throughout the State and that the percentage of
2 State-jurisdiction miles and bridges in acceptable condition
3 in each of the Department's highway districts, as those
4 districts were organized on January 1, 2008, be no lower than 5
5 percentage points below the statewide average percentage in
6 acceptable condition.

7 Funding in the Highway Improvement Program shall be
8 allocated as follows: 45% for projects in highway district 1
9 and 55% for projects in highway districts 2 through 9, as those
10 districts were organized on January 1, 2008. For Fiscal Year
11 2009, a minimum of two-thirds of the funds allocated for
12 highway districts 2 through 9 shall be allocated as follows:
13 13.63% for projects in district 2; 12.44% for projects in
14 district 3; 11.66% for projects in district 4; 9.89% for
15 projects in district 5; 13.88% for projects in district 6;
16 10.56% for projects in district 7; 17.67% for projects in
17 district 8; and 10.27% for projects in district 9. Starting in
18 Fiscal Year 2010, a minimum of two-thirds of the funds
19 allocated for highway districts 2 through 9 shall be allocated
20 as follows: one-third in the ratio that the total lane miles of
21 State-jurisdiction roads in each of the highway districts bears
22 to the total lane miles of State-jurisdiction roads in highway
23 districts 2 through 9; one-third in the ratio that the total
24 square footage of State-jurisdiction bridges in each of the
25 highway districts bears to the total square footage of
26 State-jurisdiction bridges in highway districts 2 through 9;

1 and one-third in the ratio that the miles of daily travel on
2 State-jurisdiction roads in each of the highway districts bears
3 to the total miles of daily travel on State-jurisdiction roads
4 in highway districts 2 through 9. If in any year a catastrophic
5 road or bridge failure makes impracticable the funding
6 allocation for highway districts 2 through 9, the Secretary may
7 declare an emergency and reallocate the funding as needed to
8 address the catastrophic road or bridge failure. The remaining
9 funds shall be allocated by the Department for projects in
10 highway districts 2 through 9.

11 The Highway Improvement Program shall include the
12 following information statewide and for each of the
13 Department's highway districts:

14 (1) Overall funding proposed for the first year of the
15 Highway Improvement Program.

16 (2) For roads and bridges under State jurisdiction, the
17 current percentage of miles and bridges in acceptable
18 condition.

19 (3) For roads and bridges under State jurisdiction, the
20 projected percentage of miles and bridges in acceptable
21 condition at the end of the Highway Improvement Program.

22 (b-5) The Department shall publish and deliver to the
23 Governor and General Assembly an Annual Highway Improvement
24 Program within 60 days after the start of each fiscal year or
25 of the enactment of the Department's highway construction
26 appropriation for that fiscal year, whichever is later. Funding

1 in the Annual Highway Improvement Program shall be allocated as
2 follows: 45% for projects in highway district 1 and 55% for
3 projects in highway districts 2 through 9, as those districts
4 were organized on January 1, 2008. For Fiscal Year 2009, a
5 minimum of two-thirds of the funds allocated for highway
6 districts 2 through 9 shall be allocated as follows: 13.63% for
7 projects in district 2; 12.44% for projects in district 3;
8 11.66% for projects in district 4; 9.89% for projects in
9 district 5; 13.88% for projects in district 6; 10.56% for
10 projects in district 7; 17.67% for projects in district 8; and
11 10.27% for projects in district 9. Starting in Fiscal Year
12 2010, a minimum of two-thirds of the funds allocated for
13 highway districts 2 through 9 shall be allocated as follows:
14 one-third in the ratio that the total lane miles of
15 State-jurisdiction roads in each of the highway districts bears
16 to the total lane miles of State-jurisdiction roads in highway
17 districts 2 through 9; one-third in the ratio that the total
18 square footage of State-jurisdiction bridges in each of the
19 highway districts bears to the total square footage of
20 State-jurisdiction bridges in highway districts 2 through 9;
21 and one-third in the ratio that the miles of daily travel on
22 State-jurisdiction roads in each of the highway districts bears
23 to the total miles of daily travel on State-jurisdiction roads
24 in highway districts 2 through 9. The remaining funds shall be
25 allocated by the Department for projects in highway districts 2
26 through 9. If in any year a catastrophic road or bridge failure

1 makes impracticable the funding allocation for highway
2 districts 2 through 9, the Secretary may declare an emergency
3 and reallocate the funding as needed to address the
4 catastrophic road or bridge failure.

5 The Annual Highway Improvement Program shall include the
6 following information statewide and for each of the
7 Department's highway districts:

8 (1) Total proposed funding, total number of miles to be
9 improved, and total number of bridges to be improved.

10 (2) For roads and bridges under State jurisdiction, the
11 current percentage of miles and bridges in acceptable
12 condition.

13 (3) For roads and bridges under State jurisdiction, the
14 projected percentage of miles and bridges in acceptable
15 condition at the end of the Annual Highway Improvement
16 Program.

17 (c) The Department shall publish and deliver to the
18 Governor and the General Assembly by November 1 of each year a
19 For the Record report that shall include the following:

20 (1) All the projects accomplished in the previous
21 fiscal year listed by each Illinois Department of
22 Transportation District.

23 (2) The award cost and the beginning dates of each
24 listed project.

25 (3) Statewide and for each of the Department's highway
26 districts, the total of program accomplishments in

1 dollars, number of miles, and number of bridges.

2 (4) For roads and bridges under State jurisdiction, the
3 current percentage of miles and bridges in acceptable
4 condition.

5 (5) For any highway district whose percentage of miles,
6 bridges, or both that are in acceptable condition is more
7 than 5 percentage points below the statewide average
8 percentage in acceptable condition, a description of
9 remedial actions that will be taken in the next Highway
10 Improvement Program for raising that district's percentage
11 of roads, bridges, or both that are in acceptable
12 condition.

13 (d) Following publication of each of the documents required
14 by subsections (b), (b-5), and (c), the Commission on
15 Government Forecasting and Accountability shall review the
16 documents and certify to the Governor, Senate President, and
17 Speaker of the House whether the requirements contained in
18 subsections (b), (b-5), and (c) regarding each highway
19 district's percentage funding allocation and each highway
20 district's road and bridge conditions are being met.

21 (e) Every 2 years, the Auditor General shall review the
22 performance of the Department to assure the Department is
23 meeting the requirements of subsections (b), (b-5), and (c).

24 (Source: P.A. 94-91, eff. 7-1-05.)

25 Section 1-95. The State Finance Act is amended by adding

1 Sections 5.715, 5.716, 5.717, 6z-76, and 6z-77 as follows:

2 (30 ILCS 105/5.715 new)

3 Sec. 5.715. The Illinois Education Trust Fund.

4 (30 ILCS 105/5.716 new)

5 Sec. 5.716. The GROW Illinois Fund.

6 (30 ILCS 105/5.717 new)

7 Sec. 5.717. The Capital Workforce Development Fund.

8 (30 ILCS 105/6z-76 new)

9 Sec. 6z-76. The GROW Illinois Fund.

10 (a) There is created the GROW Illinois Fund, a special fund
11 in the State treasury. GROW is an acronym for "Growing and
12 Revitalizing Our Workforce". The fund shall receive revenue
13 pursuant to Section 2.4 of the Illinois Lottery Law.

14 (b) Expenditures and transfers may be made from the GROW
15 Illinois Fund only as appropriated or directed by the General
16 Assembly by law.

17 (c) Investment income that is attributable to the
18 investment of moneys in the GROW Illinois Fund shall be
19 retained in that fund for the uses specified in this Section.

20 (d) Notwithstanding subsection (b) of this Section, 1% of
21 all moneys deposited into the Fund shall be transferred to the
22 Capital Workforce Development Fund.

1 (30 ILCS 105/6z-77 new)

2 Sec. 6z-77. The Capital Workforce Development Fund.

3 (a) There is created the Capital Workforce Development
4 Fund, a special fund in the State treasury. The Fund shall
5 receive revenue pursuant to Section 6z-76 of this of this Act.

6 (b) Expenditures and transfers may be made from the Capital
7 Workforce Development Fund only as appropriated or directed by
8 the General Assembly by law.

9 (c) Investment income that is attributable to the
10 investment of moneys in the Capital Workforce Development Fund
11 shall be retained in that Fund for the uses specified in this
12 Section.

13 Section 1-100. The Illinois Procurement Code is amended by
14 adding Sections 20-160 and 50-37 as follows:

15 (30 ILCS 500/20-160 new)

16 Sec. 20-160. Business entities; certification;
17 registration with the State Board of Elections.

18 (a) For purposes of this Section, the terms "business
19 entity", "contract", "State contract", "contract with a State
20 agency", "State agency", "affiliated entity", and "affiliated
21 person" have the meanings ascribed to those terms in Section
22 50-37.

23 (b) Every bid submitted to and every contract executed by

1 the State on or after the effective date of this amendatory Act
2 of the 95th General Assembly shall contain (1) a certification
3 by the bidder or contractor that either (i) the bidder or
4 contractor is not required to register as a business entity
5 with the State Board of Elections pursuant to this Section or
6 (ii) the bidder or contractor has registered as a business
7 entity with the State Board of Elections and acknowledges a
8 continuing duty to update the registration and (2) a statement
9 that the contract is voidable under Section 50-60 for the
10 bidder's or contractor's failure to comply with this Section.

11 (c) Within 30 days after the effective date of this
12 amendatory Act of the 95th General Assembly, each business
13 entity (i) whose aggregate bids and proposals on State
14 contracts annually total more than \$50,000, (ii) whose
15 aggregate bids and proposals on State contracts combined with
16 the business entity's aggregate annual total value of State
17 contracts exceed \$50,000, or (iii) whose contracts with State
18 agencies, in the aggregate, annually total more than \$50,000
19 shall register with the State Board of Elections in accordance
20 with Section 9-35 of the Election Code. A business entity
21 required to register under this subsection shall submit a copy
22 of the certificate of registration to the applicable chief
23 procurement officer within 90 days after the effective date of
24 this amendatory Act of the 95th General Assembly. A business
25 entity required to register under this subsection due to item
26 (i) or (ii) has a continuing duty to ensure that the

1 registration is accurate during the period beginning on the
2 date of registration and ending on the day after the date the
3 contract is awarded; any change in information must be reported
4 to the State Board of Elections within 2 business days
5 following such change. A business entity required to register
6 under this subsection due to item (iii) has a continuing duty
7 to ensure that the registration is accurate in accordance with
8 subsection (f).

9 (d) Any business entity, not required under subsection (c)
10 to register within 30 days after the effective date of this
11 amendatory Act of the 95th General Assembly, whose aggregate
12 bids and proposals on State contracts annually total more than
13 \$50,000, or whose aggregate bids and proposals on State
14 contracts combined with the business entity's aggregate annual
15 total value of State contracts exceed \$50,000, shall register
16 with the State Board of Elections in accordance with Section
17 9-35 of the Election Code prior to submitting to a State agency
18 the bid or proposal whose value causes the business entity to
19 fall within the monetary description of this subsection. A
20 business entity required to register under this subsection has
21 a continuing duty to ensure that the registration is accurate
22 during the period beginning on the date of registration and
23 ending on the day after the date the contract is awarded. Any
24 change in information must be reported to the State Board of
25 Elections within 2 business days following such change.

26 (e) A business entity whose contracts with State agencies,

1 in the aggregate, annually total more than \$50,000 must
2 maintain its registration under this Section and has a
3 continuing duty to ensure that the registration is accurate for
4 the duration of the term of office of the incumbent
5 officeholder awarding the contracts or for a period of 2 years
6 following the expiration or termination of the contracts,
7 whichever is longer. Any change in information shall be
8 reported to the State Board of Elections within 10 days
9 following such change; however, if a business entity required
10 to register under this subsection has a pending bid or
11 proposal, any change in information shall be reported to the
12 State Board of Elections within 2 business days.

13 (f) A business entity's continuing duty under this Section
14 to ensure the accuracy of its registration includes the
15 requirement that the business entity notify the State Board of
16 Elections of any change in information, including but not
17 limited to changes of affiliated entities or affiliated
18 persons.

19 (g) A copy of a certificate of registration must accompany
20 any bid or proposal for a contract with a State agency by a
21 business entity required to register under this Section. A
22 chief procurement officer shall not accept a bid or proposal
23 unless the certificate is submitted to the agency with the bid
24 or proposal.

25 (h) A registration, and any changes to a registration, must
26 include the business entity's verification of accuracy and

1 subjects the business entity to the penalties of the laws of
2 this State for perjury.

3 In addition to any penalty under Section 9-35 of the
4 Election Code, intentional, willful, or material failure to
5 disclose information required for registration shall render
6 the contract, bid, proposal, or other procurement relationship
7 voidable by the chief procurement officer if he or she deems it
8 to be in the best interest of the State of Illinois.

9 (i) This Section applies regardless of the method of source
10 selection used in awarding the contract.

11 (30 ILCS 500/50-37 new)

12 Sec. 50-37. Prohibition of political contributions.

13 (a) As used in this Section:

14 The terms "contract", "State contract", and "contract
15 with a State agency" each mean any contract, as defined in
16 this Code, between a business entity and a State agency let
17 or awarded pursuant to this Code. The terms "contract",
18 "State contract", and "contract with a State agency" do not
19 include cost reimbursement contracts; purchase of care
20 agreements as defined in Section 1-15.68 of this Code;
21 grants, including but are not limited to grants for job
22 training or transportation; and grants, loans, or tax
23 credit agreements for economic development purposes.

24 "Contribution" means a contribution as defined in
25 Section 9-1.4 of the Election Code.

1 "Declared candidate" means a person who has filed a
2 statement of candidacy and petition for nomination or
3 election in the principal office of the State Board of
4 Elections.

5 "State agency" means and includes all boards,
6 commissions, agencies, institutions, authorities, and
7 bodies politic and corporate of the State, created by or in
8 accordance with the Illinois Constitution or State
9 statute, of the executive branch of State government and
10 does include colleges, universities, public employee
11 retirement systems, and institutions under the
12 jurisdiction of the governing boards of the University of
13 Illinois, Southern Illinois University, Illinois State
14 University, Eastern Illinois University, Northern Illinois
15 University, Western Illinois University, Chicago State
16 University, Governors State University, Northeastern
17 Illinois University, and the Illinois Board of Higher
18 Education.

19 "Officeholder" means the Governor, Lieutenant
20 Governor, Attorney General, Secretary of State,
21 Comptroller, or Treasurer. The Governor shall be
22 considered the officeholder responsible for awarding all
23 contracts by all officers and employees of, and vendors and
24 others doing business with, executive branch State
25 agencies under the jurisdiction of the Executive Ethics
26 Commission and not within the jurisdiction of the Attorney

1 General, the Secretary of State, the Comptroller, or the
2 Treasurer.

3 "Sponsoring entity" means a sponsoring entity as
4 defined in Section 9-3 of the Election Code.

5 "Affiliated person" means (i) any person with any
6 ownership interest or distributive share of the bidding or
7 contracting business entity in excess of 7.5%, (ii)
8 executive employees of the bidding or contracting business
9 entity, and (iii) the spouse and minor children of any such
10 persons.

11 "Affiliated entity" means (i) any subsidiary of the
12 bidding or contracting business entity, (ii) any member of
13 the same unitary business group, (iii) any organization
14 recognized by the United States Internal Revenue Service as
15 a tax-exempt organization described in Section 501(c) of
16 the Internal Revenue Code of 1986 (or any successor
17 provision of federal tax law) established by the bidding or
18 contracting business entity, any affiliated entity of that
19 business entity, or any affiliated person of that business
20 entity, or (iv) any political committee for which the
21 bidding or contracting business entity, any affiliated
22 person, or any entity described in items (i) through (iii)
23 related to that business entity, is the sponsoring entity.

24 "Business entity" means any entity doing business for
25 profit, whether organized as a corporation, partnership,
26 sole proprietorship, limited liability company or

1 partnership, or otherwise.

2 "Executive employee" means the President, Chairman,
3 Chief Executive Officer, or other employee with executive
4 decision-making authority over the long-term and
5 day-to-day affairs of the entity employing the employee, or
6 an employee whose compensation is determined directly, in
7 whole or in part, by the award or payment of contracts by a
8 State agency to the entity employing the employee.

9 (b) Any business entity whose contracts with State
10 agencies, in the aggregate, annually total more than \$50,000,
11 and any affiliated entities or affiliated persons of such
12 business entity, are prohibited from making any contributions
13 to any political committees established to promote the
14 candidacy of (i) the officeholder responsible for awarding the
15 contracts or (ii) any other declared candidate for that office.
16 This prohibition shall be effective for the duration of the
17 term of office of the incumbent officeholder awarding the
18 contracts or for a period of 2 years following the expiration
19 or termination of the contracts, whichever is longer.

20 (c) Any business entity whose aggregate pending bids and
21 proposals on State contracts total more than \$50,000, or whose
22 aggregate pending bids and proposals on State contracts
23 combined with the business entity's aggregate annual total
24 value of State contracts exceed \$50,000, and any affiliated
25 entities or affiliated persons of such business entity, are
26 prohibited from making any contributions to any political

1 committee established to promote the candidacy of the
2 officeholder responsible for awarding the contract on which the
3 business entity has submitted a bid or proposal during the
4 period beginning on the date the invitation for bids or request
5 for proposals is issued and ending on the day after the date
6 the contract is awarded.

7 (d) All contracts between State agencies and a business
8 entity that violate subsection (b) or (c) shall be voidable
9 under Section 50-60. If a business entity violates subsection
10 (b) 3 or more times within a 36-month period, then all
11 contracts between State agencies and that business entity shall
12 be void, and that business entity shall not bid or respond to
13 any invitation to bid or request for proposals from any State
14 agency or otherwise enter into any contract with any State
15 agency for 3 years from the date of the last violation. A
16 notice of each violation and the penalty imposed shall be
17 published in both the Procurement Bulletin and the Illinois
18 Register.

19 (e) Any political committee that has received a
20 contribution in violation of subsection (b) or (c) shall pay an
21 amount equal to the value of the contribution to the State no
22 more than 30 days after notice of the violation concerning the
23 contribution appears in the Illinois Register. Payments
24 received by the State pursuant to this subsection shall be
25 deposited into the general revenue fund.

1 Section 1-101. The Illinois Procurement Code is amended by
2 changing Section 50-70 as follows:

3 (30 ILCS 500/50-70)

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

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

7 (2) the Illinois Human Rights Act;

8 (3) the Discriminatory Club Act;

9 (4) the Illinois Governmental Ethics Act;

10 (5) the State Prompt Payment Act;

11 (6) the Public Officer Prohibited Activities Act;

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

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

14 (9) ~~(8)~~ the Employee Classification Act; and ~~and~~

15 (10) The Illinois Lottery Law.

16 (Source: P.A. 95-26, eff. 1-1-08; 95-481, eff. 8-28-07; revised
17 11-2-07.)

18 Section 1-102. The Illinois Pension Code is amended by
19 changing Sections 14-110, 14-111, 14-152.1, 18-127, and 18-169
20 as follows:

21 (40 ILCS 5/14-110) (from Ch. 108 1/2, par. 14-110)

22 Sec. 14-110. Alternative retirement annuity.

23 (a) Any member who has withdrawn from service with not less

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

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

17 (ii) for periods of eligible creditable service as a
18 covered employee: if retirement occurs on or after January
19 1, 2001, 2.5% of final average compensation for each year
20 of creditable service; if retirement occurs before January
21 1, 2001, 1.67% of final average compensation for each of
22 the first 10 years of such service, 1.90% for each of the
23 next 10 years of such service, 2.10% for each year of such
24 service in excess of 20 but not exceeding 30, and 2.30% for
25 each year in excess of 30.

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

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

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

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

12 (1) State policeman;

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

15 (3) air pilot;

16 (4) special agent;

17 (5) investigator for the Secretary of State;

18 (6) conservation police officer;

19 (7) investigator for the Department of Revenue;

20 (7.5) investigator for the Office of Gaming
21 Enforcement;

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

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

26 (10) security employee of the Department of

1 Corrections or the Department of Juvenile Justice;

2 (11) dangerous drugs investigator;

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

4 (13) investigator for the Office of the Attorney
5 General;

6 (14) controlled substance inspector;

7 (15) investigator for the Office of the State's
8 Attorneys Appellate Prosecutor;

9 (16) Commerce Commission police officer;

10 (17) arson investigator;

11 (18) State highway maintenance worker.

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

22 (c) For the purposes of this Section:

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

26 (2) The term "fire fighter in the fire protection

1 service of a department" includes all officers in such fire
2 protection service including fire chiefs and assistant
3 fire chiefs.

4 (3) The term "air pilot" includes any employee whose
5 official job description on file in the Department of
6 Central Management Services, or in the department by which
7 he is employed if that department is not covered by the
8 Personnel Code, states that his principal duty is the
9 operation of aircraft, and who possesses a pilot's license;
10 however, the change in this definition made by this
11 amendatory Act of 1983 shall not operate to exclude any
12 noncovered employee who was an "air pilot" for the purposes
13 of this Section on January 1, 1984.

14 (4) The term "special agent" means any person who by
15 reason of employment by the Division of Narcotic Control,
16 the Bureau of Investigation or, after July 1, 1977, the
17 Division of Criminal Investigation, the Division of
18 Internal Investigation, the Division of Operations, or any
19 other Division or organizational entity in the Department
20 of State Police is vested by law with duties to maintain
21 public order, investigate violations of the criminal law of
22 this State, enforce the laws of this State, make arrests
23 and recover property. The term "special agent" includes any
24 title or position in the Department of State Police that is
25 held by an individual employed under the State Police Act.

26 (5) The term "investigator for the Secretary of State"

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

6 A person who became employed as an investigator for the
7 Secretary of State between January 1, 1967 and December 31,
8 1975, and who has served as such until attainment of age
9 60, either continuously or with a single break in service
10 of not more than 3 years duration, which break terminated
11 before January 1, 1976, shall be entitled to have his
12 retirement annuity calculated in accordance with
13 subsection (a), notwithstanding that he has less than 20
14 years of credit for such service.

15 (6) The term "Conservation Police Officer" means any
16 person employed by the Division of Law Enforcement of the
17 Department of Natural Resources and vested with such law
18 enforcement duties as render him 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. The
21 term "Conservation Police Officer" includes the positions
22 of Chief Conservation Police Administrator and Assistant
23 Conservation Police Administrator.

24 (7) The term "investigator for the Department of
25 Revenue" means any person employed by the Department of
26 Revenue and vested with such investigative duties as render

1 him ineligible for coverage under the Social Security Act
2 by reason of Sections 218(d)(5)(A), 218(d)(8)(D) and
3 218(1)(1) of that Act.

4 (7.5) The term "investigator for the Office of Gaming
5 Enforcement" means any person employed as such by the
6 Office of Gaming Enforcement and vested with such peace
7 officer duties as render the person ineligible for coverage
8 under the Social Security Act by reason of Sections
9 218(d)(5)(A), 218(d)(8)(D), and 218(1)(1) of that Act.

10 (8) The term "security employee of the Department of
11 Human Services" means any person employed by the Department
12 of Human Services who (i) is employed at the Chester Mental
13 Health Center and has daily contact with the residents
14 thereof, (ii) is employed within a security unit at a
15 facility operated by the Department and has daily contact
16 with the residents of the security unit, (iii) is employed
17 at a facility operated by the Department that includes a
18 security unit and is regularly scheduled to work at least
19 50% of his or her working hours within that security unit,
20 or (iv) is a mental health police officer. "Mental health
21 police officer" means any person employed by the Department
22 of Human Services in a position pertaining to the
23 Department's mental health and developmental disabilities
24 functions who is vested with such law enforcement duties as
25 render the person ineligible for coverage under the Social
26 Security Act by reason of Sections 218(d)(5)(A),

1 218(d)(8)(D) and 218(1)(1) of that Act. "Security unit"
2 means that portion of a facility that is devoted to the
3 care, containment, and treatment of persons committed to
4 the Department of Human Services as sexually violent
5 persons, persons unfit to stand trial, or persons not
6 guilty by reason of insanity. With respect to past
7 employment, references to the Department of Human Services
8 include its predecessor, the Department of Mental Health
9 and Developmental Disabilities.

10 The changes made to this subdivision (c)(8) by Public
11 Act 92-14 apply to persons who retire on or after January
12 1, 2001, notwithstanding Section 1-103.1.

13 (9) "Central Management Services security police
14 officer" means any person employed by the Department of
15 Central Management Services who is vested with such law
16 enforcement duties as render him ineligible for coverage
17 under the Social Security Act by reason of Sections
18 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act.

19 (10) For a member who first became an employee under
20 this Article before July 1, 2005, the term "security
21 employee of the Department of Corrections or the Department
22 of Juvenile Justice" means any employee of the Department
23 of Corrections or the Department of Juvenile Justice or the
24 former Department of Personnel, and any member or employee
25 of the Prisoner Review Board, who has daily contact with
26 inmates or youth by working within a correctional facility

1 or Juvenile facility operated by the Department of Juvenile
2 Justice or who is a parole officer or an employee who has
3 direct contact with committed persons in the performance of
4 his or her job duties. For a member who first becomes an
5 employee under this Article on or after July 1, 2005, the
6 term means an employee of the Department of Corrections or
7 the Department of Juvenile Justice who is any of the
8 following: (i) officially headquartered at a correctional
9 facility or Juvenile facility operated by the Department of
10 Juvenile Justice, (ii) a parole officer, (iii) a member of
11 the apprehension unit, (iv) a member of the intelligence
12 unit, (v) a member of the sort team, or (vi) an
13 investigator.

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

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

24 (13) "Investigator for the Office of the Attorney
25 General" means any person who is employed as such by the
26 Office of the Attorney General and is vested with such

1 investigative duties as render him ineligible for coverage
2 under the Social Security Act by reason of Sections
3 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act. For
4 the period before January 1, 1989, the term includes all
5 persons who were employed as investigators by the Office of
6 the Attorney General, without regard to social security
7 status.

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

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

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

1 218(1)(1) of that Act.

2 (17) "Arson investigator" means any person who is
3 employed as such by the Office of the State Fire Marshal
4 and is vested with such law enforcement duties as render
5 the person ineligible for coverage under the Social
6 Security Act by reason of Sections 218(d)(5)(A),
7 218(d)(8)(D), and 218(1)(1) of that Act. A person who was
8 employed as an arson investigator on January 1, 1995 and is
9 no longer in service but not yet receiving a retirement
10 annuity may convert his or her creditable service for
11 employment as an arson investigator into eligible
12 creditable service by paying to the System the difference
13 between the employee contributions actually paid for that
14 service and the amounts that would have been contributed if
15 the applicant were contributing at the rate applicable to
16 persons with the same social security status earning
17 eligible creditable service on the date of application.

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

20 (i) A person employed on a full-time basis by the
21 Illinois Department of Transportation in the position
22 of highway maintainer, highway maintenance lead
23 worker, highway maintenance lead/lead worker, heavy
24 construction equipment operator, power shovel
25 operator, or bridge mechanic; and whose principal
26 responsibility is to perform, on the roadway, the

1 actual maintenance necessary to keep the highways that
2 form a part of the State highway system in serviceable
3 condition for vehicular traffic.

4 (ii) A person employed on a full-time basis by the
5 Illinois State Toll Highway Authority in the position
6 of equipment operator/laborer H-4, equipment
7 operator/laborer H-6, welder H-4, welder H-6,
8 mechanical/electrical H-4, mechanical/electrical H-6,
9 water/sewer H-4, water/sewer H-6, sign maker/hanger
10 H-4, sign maker/hanger H-6, roadway lighting H-4,
11 roadway lighting H-6, structural H-4, structural H-6,
12 painter H-4, or painter H-6; and whose principal
13 responsibility is to perform, on the roadway, the
14 actual maintenance necessary to keep the Authority's
15 tollways in serviceable condition for vehicular
16 traffic.

17 (d) A security employee of the Department of Corrections or
18 the Department of Juvenile Justice, and a security employee of
19 the Department of Human Services who is not a mental health
20 police officer, shall not be eligible for the alternative
21 retirement annuity provided by this Section unless he or she
22 meets the following minimum age and service requirements at the
23 time of retirement:

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

25 or

26 (ii) beginning January 1, 1987, 25 years of eligible

1 creditable service and age 54, or 24 years of eligible
2 creditable service and age 55; or

3 (iii) beginning January 1, 1988, 25 years of eligible
4 creditable service and age 53, or 23 years of eligible
5 creditable service and age 55; or

6 (iv) beginning January 1, 1989, 25 years of eligible
7 creditable service and age 52, or 22 years of eligible
8 creditable service and age 55; or

9 (v) beginning January 1, 1990, 25 years of eligible
10 creditable service and age 51, or 21 years of eligible
11 creditable service and age 55; or

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

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

24 (e) If a member enters military service while working in a
25 position in which eligible creditable service may be earned,
26 and returns to State service in the same or another such

1 position, and fulfills in all other respects the conditions
2 prescribed in this Article for credit for military service,
3 such military service shall be credited as eligible creditable
4 service for the purposes of the retirement annuity prescribed
5 in this Section.

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

19 For purposes of calculating retirement annuities under
20 this Section, periods of service rendered after December 31,
21 1968 and before January 1, 1982 as a covered employee in the
22 position of investigator for the Department of Revenue shall be
23 deemed to have been service as a noncovered employee, provided
24 that the employee pays to the System prior to retirement an
25 amount equal to (1) the difference between the employee
26 contributions that would have been required for such service as

1 a noncovered employee, and the amount of employee contributions
2 actually paid, plus (2) if payment is made after January 1,
3 1990, regular interest on the amount specified in item (1) from
4 the date of service to the date of payment.

5 (g) A State policeman may elect, not later than January 1,
6 1990, to establish eligible creditable service for up to 10
7 years of his service as a policeman under Article 3, by filing
8 a written election with the Board, accompanied by payment of an
9 amount to be determined by the Board, equal to (i) the
10 difference between the amount of employee and employer
11 contributions transferred to the System under Section 3-110.5,
12 and the amounts that would have been contributed had such
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 Subject to the limitation in subsection (i), a State
18 policeman may elect, not later than July 1, 1993, to establish
19 eligible creditable service for up to 10 years of his service
20 as a member of the County Police Department under Article 9, by
21 filing a written election with the Board, accompanied by
22 payment of an amount to be determined by the Board, equal to
23 (i) the difference between the amount of employee and employer
24 contributions transferred to the System under Section 9-121.10
25 and the amounts that would have been contributed had those
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 (h) Subject to the limitation in subsection (i), a State
5 policeman or investigator for the Secretary of State may elect
6 to establish eligible creditable service for up to 12 years of
7 his service as a policeman under Article 5, by filing a written
8 election with the Board on or before January 31, 1992, and
9 paying to the System by January 31, 1994 an amount to be
10 determined by the Board, equal to (i) the difference between
11 the amount of employee and employer contributions transferred
12 to the System under Section 5-236, and the amounts that would
13 have been contributed had such contributions been made at the
14 rates applicable to State policemen, plus (ii) interest thereon
15 at the effective rate for each year, compounded annually, from
16 the date of service to the date of payment.

17 Subject to the limitation in subsection (i), a State
18 policeman, conservation police officer, or investigator for
19 the Secretary of State may elect to establish eligible
20 creditable service for up to 10 years of service as a sheriff's
21 law enforcement employee under Article 7, by filing a written
22 election with the Board on or before January 31, 1993, and
23 paying to the System by January 31, 1994 an amount to be
24 determined by the Board, equal to (i) the difference between
25 the amount of employee and employer contributions transferred
26 to the System under Section 7-139.7, and the amounts that would

1 have been contributed had such contributions been made at the
2 rates applicable to State policemen, plus (ii) interest thereon
3 at the effective rate for each year, compounded annually, from
4 the date of service to the date of payment.

5 Subject to the limitation in subsection (i), a State
6 policeman, conservation police officer, or investigator for
7 the Secretary of State may elect to establish eligible
8 creditable service for up to 5 years of service as a police
9 officer under Article 3, a policeman under Article 5, a
10 sheriff's law enforcement employee under Article 7, a member of
11 the county police department under Article 9, or a police
12 officer under Article 15 by filing a written election with the
13 Board and paying to the System an amount to be determined by
14 the Board, equal to (i) the difference between the amount of
15 employee and employer contributions transferred to the System
16 under Section 3-110.6, 5-236, 7-139.8, 9-121.10, or 15-134.4
17 and the amounts that would have been contributed had such
18 contributions been made at the rates applicable to State
19 policemen, plus (ii) interest thereon at the effective rate for
20 each year, compounded annually, from the date of service to the
21 date of payment.

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

25 (j) Subject to the limitation in subsection (i), an
26 investigator for the Office of the State's Attorneys Appellate

1 Prosecutor or a controlled substance inspector may elect to
2 establish eligible creditable service for up to 10 years of his
3 service as a policeman under Article 3 or a sheriff's law
4 enforcement employee under Article 7, by filing a written
5 election with the Board, accompanied by payment of an amount to
6 be determined by the Board, equal to (1) the difference between
7 the amount of employee and employer contributions transferred
8 to the System under Section 3-110.6 or 7-139.8, and the amounts
9 that would have been contributed had such contributions been
10 made at the rates applicable to State policemen, plus (2)
11 interest thereon at the effective rate for each year,
12 compounded annually, from the date of service to the date of
13 payment.

14 (k) Subject to the limitation in subsection (i) of this
15 Section, an alternative formula employee may elect to establish
16 eligible creditable service for periods spent as a full-time
17 law enforcement officer or full-time corrections officer
18 employed by the federal government or by a state or local
19 government located outside of Illinois, for which credit is not
20 held in any other public employee pension fund or retirement
21 system. To obtain this credit, the applicant must file a
22 written application with the Board by March 31, 1998,
23 accompanied by evidence of eligibility acceptable to the Board
24 and payment of an amount to be determined by the Board, equal
25 to (1) employee contributions for the credit being established,
26 based upon the applicant's salary on the first day as an

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

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

23 (m) The amendatory changes to this Section made by this
24 amendatory Act of the 94th General Assembly apply only to: (1)
25 security employees of the Department of Juvenile Justice
26 employed by the Department of Corrections before the effective

1 date of this amendatory Act of the 94th General Assembly and
2 transferred to the Department of Juvenile Justice by this
3 amendatory Act of the 94th General Assembly; and (2) persons
4 employed by the Department of Juvenile Justice on or after the
5 effective date of this amendatory Act of the 94th General
6 Assembly who are required by subsection (b) of Section 3-2.5-15
7 of the Unified Code of Corrections to have a bachelor's or
8 advanced degree from an accredited college or university with a
9 specialization in criminal justice, education, psychology,
10 social work, or a closely related social science or, in the
11 case of persons who provide vocational training, who are
12 required to have adequate knowledge in the skill for which they
13 are providing the vocational training.

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

16 (40 ILCS 5/14-111) (from Ch. 108 1/2, par. 14-111)

17 Sec. 14-111. Re-entry After retirement.

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

22 (1) An annuitant who is employed by a department while
23 he or she is a continuing participant in the General
24 Assembly Retirement System under Sections 2-117.1 and
25 14-105.4 will not be considered to have made a re-entry

1 after retirement within the meaning of this Section for the
2 duration of such continuing participation. Any person who
3 is a continuing participant under Sections 2-117.1 and
4 14-105.4 on the effective date of this amendatory Act of
5 1991 and whose retirement annuity has been suspended under
6 this Section shall be entitled to receive from the System a
7 sum equal to the annuity payments that have been withheld
8 under this Section, and shall receive the benefit of this
9 amendment without regard to Section 1-103.1.

10 (2) An annuitant who accepts temporary employment from
11 such a department for a period not exceeding 75 working
12 days in any calendar year is not considered to make a
13 re-entry after retirement within the meaning of this
14 Section. Any part of a day on temporary employment is
15 considered a full day of employment.

16 (3) An annuitant who is a member of the Illinois Gaming
17 Board or who accepts employment as a member of the Illinois
18 Gaming Board or as the Director of Gaming Enforcement on or
19 after the effective date of this amendatory Act of the 95th
20 General Assembly may elect to not participate in this
21 System with respect to that service. An annuitant who
22 elects to not participate in this System with respect to
23 that service is not considered to make a re-entry after
24 retirement within the meaning of this Section.

25 (b) If such person re-enters the service of a department,
26 not as a temporary employee, contributions to the system shall

1 begin as of the date of re-employment and additional creditable
2 service shall begin to accrue. He shall assume the status of a
3 member entitled to all rights and privileges in the system,
4 including death and disability benefits, excluding a refund of
5 contributions.

6 Upon subsequent retirement, his retirement annuity shall
7 consist of:

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

10 (2) the amount of the additional retirement annuity
11 earned by the member during the period of additional
12 membership service which shall not be subject to
13 reversionary annuity if any.

14 The total retirement annuity shall not, however, exceed the
15 maximum applicable to the member at the time of original
16 retirement. In the computation of any such retirement annuity,
17 the time that the member was on retirement shall not interrupt
18 the continuity of service for the computation of final average
19 compensation and the additional membership service shall be
20 considered, together with service rendered before the previous
21 retirement, in establishing final average compensation.

22 A person who re-enters the service of a department within 3
23 years after retiring may qualify to have the retirement annuity
24 computed as though the member had not previously retired by
25 paying to the System, within 5 years after re-entry and prior
26 to subsequent retirement, in a lump sum or in installment

1 payments in accordance with such rules as may be adopted by the
2 Board, an amount equal to all retirement payments received,
3 including any payments received in accordance with subsection
4 (c) or (d) of Section 14-130, plus regular interest from the
5 date retirement payments were suspended to the date of
6 repayment.

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

8 (40 ILCS 5/14-152.1)

9 Sec. 14-152.1. Application and expiration of new benefit
10 increases.

11 (a) As used in this Section, "new benefit increase" means
12 an increase in the amount of any benefit provided under this
13 Article, or an expansion of the conditions of eligibility for
14 any benefit under this Article, that results from an amendment
15 to this Code that takes effect after June 1, 2005 (the
16 effective date of Public Act 94-4) ~~this amendatory Act of the~~
17 ~~94th General Assembly~~. "New benefit increase", however, does
18 not include any benefit increase resulting from the changes
19 made to this Article by this amendatory Act of the 95th General
20 Assembly.

21 (b) Notwithstanding any other provision of this Code or any
22 subsequent amendment to this Code, every new benefit increase
23 is subject to this Section and shall be deemed to be granted
24 only in conformance with and contingent upon compliance with
25 the provisions of this Section.

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

5 Every new benefit increase is contingent upon the General
6 Assembly providing the additional funding required under this
7 subsection. The Commission on Government Forecasting and
8 Accountability shall analyze whether adequate additional
9 funding has been provided for the new benefit increase and
10 shall report its analysis to the Public Pension Division of the
11 Department of Financial and Professional Regulation. A new
12 benefit increase created by a Public Act that does not include
13 the additional funding required under this subsection is null
14 and void. If the Public Pension Division determines that the
15 additional funding provided for a new benefit increase under
16 this subsection is or has become inadequate, it may so certify
17 to the Governor and the State Comptroller and, in the absence
18 of corrective action by the General Assembly, the new benefit
19 increase shall expire at the end of the fiscal year in which
20 the certification is made.

21 (d) Every new benefit increase shall expire 5 years after
22 its effective date or on such earlier date as may be specified
23 in the language enacting the new benefit increase or provided
24 under subsection (c). This does not prevent the General
25 Assembly from extending or re-creating a new benefit increase
26 by law.

1 (e) Except as otherwise provided in the language creating
2 the new benefit increase, a new benefit increase that expires
3 under this Section continues to apply to persons who applied
4 and qualified for the affected benefit while the new benefit
5 increase was in effect and to the affected beneficiaries and
6 alternate payees of such persons, but does not apply to any
7 other person, including without limitation a person who
8 continues in service after the expiration date and did not
9 apply and qualify for the affected benefit while the new
10 benefit increase was in effect.

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

12 (40 ILCS 5/18-127) (from Ch. 108 1/2, par. 18-127)

13 Sec. 18-127. Retirement annuity - suspension on
14 reemployment.

15 (a) A participant receiving a retirement annuity who is
16 regularly employed for compensation by an employer other than a
17 county, in any capacity, shall have his or her retirement
18 annuity payments suspended during such employment. Upon
19 termination of such employment, retirement annuity payments at
20 the previous rate shall be resumed.

21 If such a participant resumes service as a judge, he or she
22 shall receive credit for any additional service. Upon
23 subsequent retirement, his or her retirement annuity shall be
24 the amount previously granted, plus the amount earned by the
25 additional judicial service under the provisions in effect

1 during the period of such additional service. However, if the
2 participant was receiving the maximum rate of annuity at the
3 time of re-employment, he or she may elect, in a written
4 direction filed with the board, not to receive any additional
5 service credit during the period of re-employment. In such
6 case, contributions shall not be required during the period of
7 re-employment. Any such election shall be irrevocable.

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

16 (c) Except as provided in subsection (a), beginning January
17 1, 1993, retirement annuities shall not be subject to
18 suspension upon resumption of employment for an employer, and
19 any retirement annuity that is then so suspended shall be
20 reinstated on that date.

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

25 (e) A participant receiving a retirement annuity under this
26 Article who (i) serves as a part-time employee in any of the

1 following positions: Legislative Inspector General, Special
2 Legislative Inspector General, employee of the Office of the
3 Legislative Inspector General, Executive Director of the
4 Legislative Ethics Commission, or staff of the Legislative
5 Ethics Commission or (ii) serves on the Illinois Gaming Board
6 or as the Director of Gaming Enforcement, but has not elected
7 to participate in the Article 14 System with respect to that
8 service, shall not be deemed to be regularly employed for
9 compensation by an employer other than a county, nor to have
10 resumed service as a judge, on the basis of that service, and
11 the retirement annuity payments and other benefits of that
12 person under this Code shall not be suspended, diminished, or
13 otherwise impaired solely as a consequence of that service.
14 This subsection (e) applies without regard to whether the
15 person is in service as a judge under this Article on or after
16 the effective date of this amendatory Act of the 93rd General
17 Assembly. In this subsection, a "part-time employee" is a
18 person who is not required to work at least 35 hours per week.
19 The changes made to this subsection (e) by this amendatory Act
20 of the 95th General Assembly apply without regard to whether
21 the person is in service as a judge under this Article on or
22 after the effective date of this amendatory Act of the 95th
23 General Assembly.

24 (f) A participant receiving a retirement annuity under this
25 Article who has made an election under Section 1-123 and who is
26 serving either as legal counsel in the Office of the Governor

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

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

12 (40 ILCS 5/18-169)

13 Sec. 18-169. Application and expiration of new benefit
14 increases.

15 (a) As used in this Section, "new benefit increase" means
16 an increase in the amount of any benefit provided under this
17 Article, or an expansion of the conditions of eligibility for
18 any benefit under this Article, that results from an amendment
19 to this Code that takes effect after June 1, 2005 (the
20 effective date Public Act 94-4) ~~of this amendatory Act of the~~
21 ~~94th General Assembly~~. "New benefit increase", however, does
22 not include any benefit increase resulting from the changes
23 made to this Article by this amendatory Act of the 95th General
24 Assembly.

25 (b) Notwithstanding any other provision of this Code or any

1 subsequent amendment to this Code, every new benefit increase
2 is subject to this Section and shall be deemed to be granted
3 only in conformance with and contingent upon compliance with
4 the provisions of this Section.

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

9 Every new benefit increase is contingent upon the General
10 Assembly providing the additional funding required under this
11 subsection. The Commission on Government Forecasting and
12 Accountability shall analyze whether adequate additional
13 funding has been provided for the new benefit increase and
14 shall report its analysis to the Public Pension Division of the
15 Department of Financial and Professional Regulation. A new
16 benefit increase created by a Public Act that does not include
17 the additional funding required under this subsection is null
18 and void. If the Public Pension Division determines that the
19 additional funding provided for a new benefit increase under
20 this subsection is or has become inadequate, it may so certify
21 to the Governor and the State Comptroller and, in the absence
22 of corrective action by the General Assembly, the new benefit
23 increase shall expire at the end of the fiscal year in which
24 the certification is made.

25 (d) Every new benefit increase shall expire 5 years after
26 its effective date or on such earlier date as may be specified

1 in the language enacting the new benefit increase or provided
2 under subsection (c). This does not prevent the General
3 Assembly from extending or re-creating a new benefit increase
4 by law.

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

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

16 Section 1-103. The Illinois Municipal Code is amended by
17 adding Section 9-1-15 as follows:

18 (65 ILCS 5/9-1-15 new)

19 Sec. 9-1-15. The Chicago Infrastructure Fund. The City of
20 Chicago may establish a Chicago Infrastructure Fund. The City
21 shall deposit into the Fund all amounts from appropriations,
22 transfers, gifts, grants, donations, and any other legal source
23 designated for deposit into the Fund. Until needed for
24 expenditure, the City shall invest the amounts held in the Fund

1 in investments permitted under the Public Funds Investment Act.
2 Amounts on deposit in the Fund and interest and other
3 investment earnings on those amounts shall be expended by the
4 City solely for costs of making transportation-related capital
5 improvements. Upon appropriation by law of amounts to the City
6 of Chicago for deposit into the Chicago Infrastructure Fund,
7 the Comptroller shall order paid and the Treasurer shall pay to
8 the City the appropriated amounts.

9 Section 1-104. The Regional Transportation Authority Act
10 is amended by adding Section 4.03.4 as follows:

11 (70 ILCS 3615/4.03.4 new)

12 Sec. 4.03.4. The Regional Transportation Authority
13 Infrastructure Fund. The Authority shall establish the
14 Regional Transportation Authority Infrastructure Fund. The
15 Authority shall deposit into the Fund all amounts from
16 appropriations, transfers, gifts, grants, donations, and any
17 other legal source designated for deposit into the Fund. Until
18 needed for expenditure, the Authority shall invest the amounts
19 held in the Fund in investments permitted under the Public
20 Funds Investment Act. Amounts on deposit in the Fund, and
21 interest and other investment earnings on those amounts, shall
22 be expended by the Authority solely for costs of making capital
23 improvements that have been included in a Five-Year Capital
24 Program adopted by the Authority. Upon appropriation by law of

1 amounts to the Authority for deposit into the Regional
2 Transportation Authority Infrastructure Fund, the Comptroller
3 shall order paid and the Treasurer shall pay to the Authority
4 the appropriated amounts. The Auditor General shall audit or
5 cause to be audited the income and expenditures of the Fund.

6 Section 1-105. The Riverboat Gambling Act is amended by
7 changing Sections 5, 5.1, 6, 13, and 17 and by adding Sections
8 5.2, 5.3, 5.4, 5.5, 5.7, and 14.5 as follows:

9 (230 ILCS 10/5) (from Ch. 120, par. 2405)

10 Sec. 5. Gaming Board.

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

21 (2) The Board shall consist of 5 members to be appointed by
22 the Governor with the advice and consent of the Senate, one of
23 whom shall be designated by the Governor to be chairperson
24 ~~chairman~~. Each member shall have a reasonable knowledge of the

1 practice, procedure and principles of gambling operations.
2 Each member shall either be a resident of Illinois or shall
3 certify that he or she will become a resident of Illinois
4 before taking office. Notwithstanding any provision of this
5 Section to the contrary, the term of office of each member of
6 the Board serving on the effective date of this amendatory Act
7 of the 95th General Assembly ends and those members shall hold
8 office only until their successors are appointed and qualified
9 pursuant to this amendatory Act of the 95th General Assembly.
10 Members appointed pursuant to this amendatory Act of the 95th
11 General Assembly and their successors shall serve on a
12 full-time basis and may not hold any other employment for which
13 they are compensated.

14 Beginning on the effective date of this amendatory Act of
15 the 95th General Assembly, the Board shall consist of 5 members
16 appointed by the Governor from nominations presented to the
17 Governor by the Nomination Panel and with the advice and
18 consent of the Senate by a record vote of at least two-thirds
19 of the members elected. 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) One member 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) Two members must be former judges elected or
8 appointed to judicial office in Illinois or former federal
9 judges appointed to serve in Illinois.

10 No more than 3 members of the Board may be from the same
11 political party. At least one member must reside outside of
12 Cook, Will, Lake, DuPage, and Kane counties. The Board should
13 reflect the ethnic, cultural, and geographic diversity of the
14 State. Each member shall have a reasonable knowledge of the
15 practice, procedures, and principles of gambling operations.
16 No Board member, within a period of 2 years immediately
17 preceding nomination, shall have been employed or received
18 compensation or fees for services from a person or entity, or
19 its parent or affiliate, that has engaged in business with the
20 Board or a licensee. Each member shall either be a resident of
21 Illinois or shall certify that he or she will become a resident
22 of Illinois before taking office. ~~At least one member shall be~~
23 ~~experienced in law enforcement and criminal investigation, at~~
24 ~~least one member shall be a certified public accountant~~
25 ~~experienced in accounting and auditing, and at least one member~~
26 ~~shall be a lawyer licensed to practice law in Illinois.~~

1 (3) The terms of office of the Board members shall be 4 3
2 years, except that the terms of office of the initial Board
3 members appointed pursuant to this amendatory Act of the 95th
4 General Assembly Act will commence from the effective date of
5 this amendatory Act and run as follows, to be determined by
6 lot: one for a term ending July 1 of the year following
7 confirmation, 1991, one 2 for a term ending July 1 two years
8 following confirmation, 1992, one and 2 for a term ending July
9 1 three years following confirmation, and 2 for a term ending
10 July 1 four years following confirmation 1993. Upon the
11 expiration of the foregoing terms, the successors of such
12 members shall serve a term for 4 3 years and until their
13 successors are appointed and qualified for like terms.
14 Vacancies in the Board shall be filled for the unexpired term
15 in like manner as original appointments. Each member of the
16 Board shall be eligible for reappointment, subject to the
17 nomination process of the Nomination Panel, by at the
18 discretion of the Governor with the advice and consent of the
19 Senate by a record vote of at least two-thirds of the members
20 elected.

21 (4) For members appointed pursuant to this amendatory Act
22 of the 95th General Assembly and their successors, the chairman
23 of the Board shall receive an annual salary equal to the annual
24 salary of a State appellate court judge, and other members of
25 the Board shall receive an annual salary equal to the annual
26 salary of a State circuit court judge. ~~Each member of the Board~~

1 ~~shall receive \$300 for each day the Board meets and for each~~
2 ~~day the member conducts any hearing pursuant to this Act.~~ Each
3 member of the Board shall also be reimbursed for all actual and
4 necessary expenses and disbursements incurred in the execution
5 of official duties.

6 (5) (Blank). ~~No person shall be appointed a member of the~~
7 ~~Board or continue to be a member of the Board who is, or whose~~
8 ~~spouse, child or parent is, a member of the board of directors~~
9 ~~of, or a person financially interested in, any gambling~~
10 ~~operation subject to the jurisdiction of this Board, or any~~
11 ~~race track, race meeting, racing association or the operations~~
12 ~~thereof subject to the jurisdiction of the Illinois Racing~~
13 ~~Board. No Board member shall hold any other public office for~~
14 ~~which he shall receive compensation other than necessary travel~~
15 ~~or other incidental expenses. No person shall be a member of~~
16 ~~the Board who is not of good moral character or who has been~~
17 ~~convicted of, or is under indictment for, a felony under the~~
18 ~~laws of Illinois or any other state, or the United States.~~

19 (6) Any member of the Board may be removed by the Governor
20 for neglect of duty, misfeasance, malfeasance, or nonfeasance
21 in office or for engaging in any political activity as defined
22 in subsection (g) of Section 5.5.

23 (7) Before entering upon the discharge of the duties of his
24 office, each member of the Board shall take an oath that he
25 will faithfully execute the duties of his office according to
26 the laws of the State and the rules and regulations adopted

1 therewith and shall give bond to the State of Illinois,
2 approved by the Governor, in the sum of \$25,000. Every such
3 bond, when duly executed and approved, shall be recorded in the
4 office of the Secretary of State. Whenever the Governor
5 determines that the bond of any member of the Board has become
6 or is likely to become invalid or insufficient, he shall
7 require such member forthwith to renew his bond, which is to be
8 approved by the Governor. Any member of the Board who fails to
9 take oath and give bond within 30 days from the date of his
10 appointment, or who fails to renew his bond within 30 days
11 after it is demanded by the Governor, shall be guilty of
12 neglect of duty and may be removed by the Governor. The cost of
13 any bond given by any member of the Board under this Section
14 shall be taken to be a part of the necessary expenses of the
15 Board.

16 (8) ~~The~~ Upon the request of the Board, the Department shall
17 employ such personnel as may be necessary to carry out its ~~the~~
18 functions and shall determine the salaries of all personnel,
19 except those personnel whose salaries are determined under the
20 terms of a collective bargaining agreement. An employee or the
21 employee's spouse, parent, or child may not for 2 years
22 immediately preceding employment, during employment and for 5
23 years after employment have a financial interest in or
24 financial relationship with any person or entity, or its parent
25 or affiliate that is engaged or has engaged in business with
26 the Board or a licensee ~~of the Board. No person shall be~~

1 ~~employed to serve the Board who is, or whose spouse, parent or~~
2 ~~child is, an official of, or has a financial interest in or~~
3 ~~financial relation with, any operator engaged in gambling~~
4 ~~operations within this State or any organization engaged in~~
5 ~~conducting horse racing within this State.~~ Any employee
6 violating these prohibitions shall be subject to termination of
7 employment.

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

19 (b) The Board shall have general responsibility for the
20 implementation of this Act. Its duties include, without
21 limitation, the following:

22 (1) To decide promptly and in reasonable order all
23 license applications. Any party aggrieved by an action of
24 the Board denying, suspending, revoking, restricting or
25 refusing to renew a license may request a hearing before
26 the Board. A request for a hearing must be made to the

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

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

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

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

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

1 State of Illinois;

2 (6) (Blank) ~~To be present through its inspectors and~~
3 ~~agents any time gambling operations are conducted on any~~
4 ~~riverboat for the purpose of certifying the revenue~~
5 ~~thereof, receiving complaints from the public, and~~
6 ~~conducting such other investigations into the conduct of~~
7 ~~the gambling games and the maintenance of the equipment as~~
8 ~~from time to time the Board may deem necessary and proper;~~

9 (7) To review and rule upon any complaint by a licensee
10 regarding any investigative procedures of the State which
11 are unnecessarily disruptive of gambling operations. The
12 need to inspect and investigate shall be presumed at all
13 times. The disruption of a licensee's operations shall be
14 proved by clear and convincing evidence, and establish
15 that: (A) the procedures had no reasonable law enforcement
16 purposes, and (B) the procedures were so disruptive as to
17 unreasonably inhibit gambling operations;

18 (8) (Blank) ~~To hold at least one meeting each quarter~~
19 ~~of the fiscal year. In addition, special meetings may be~~
20 ~~called by the Chairman or any 2 Board members upon 72 hours~~
21 ~~written notice to each member. All Board meetings shall be~~
22 ~~subject to the Open Meetings Act. Three members of the~~
23 ~~Board shall constitute a quorum, and 3 votes shall be~~
24 ~~required for any final determination by the Board. The~~
25 ~~Board shall keep a complete and accurate record of all its~~
26 ~~meetings. A majority of the members of the Board shall~~

1 ~~constitute a quorum for the transaction of any business,~~
2 ~~for the performance of any duty, or for the exercise of any~~
3 ~~power which this Act requires the Board members to~~
4 ~~transact, perform or exercise on behalf, except that, upon~~
5 ~~order of the Board, one of the Board members or an~~
6 ~~administrative law judge designated by the Board may~~
7 ~~conduct any hearing provided for under this Act or by Board~~
8 ~~rule and may recommend findings and decisions to the Board.~~
9 ~~The Board member or administrative law judge conducting~~
10 ~~such hearing shall have all powers and rights granted to~~
11 ~~the Board in this Act. The record made at the time of the~~
12 ~~hearing shall be reviewed by the Board, or a majority~~
13 ~~thereof, and the findings and decision of the majority of~~
14 ~~the Board shall constitute the order of the Board in such~~
15 ~~case;~~

16 (9) To maintain records which are separate and distinct
17 from the records of any other State board or commission.
18 Such records shall be available for public inspection and
19 shall accurately reflect all Board proceedings;

20 (10) (Blank) ~~To file a written annual report with the~~
21 ~~Governor on or before March 1 each year and such additional~~
22 ~~reports as the Governor may request. The annual report~~
23 ~~shall include a statement of receipts and disbursements by~~
24 ~~the Board, actions taken by the Board, and any additional~~
25 ~~information and recommendations which the Board may deem~~
26 ~~valuable or which the Governor may request;~~

1 (11) (Blank); ~~and~~

2 (12) (Blank); and ~~To assume responsibility for the~~
3 ~~administration and enforcement of the Bingo License and Tax~~
4 ~~Act, the Charitable Games Act, and the Pull Tabs and Jar~~
5 ~~Games Act if such responsibility is delegated to it by the~~
6 ~~Director of Revenue.~~

7 (13) To exercise powers and perform the duties provided
8 for pursuant to the Illinois Lottery Law.

9 (c) The Board shall have jurisdiction over and shall
10 supervise all gambling operations governed by this Act. The
11 Board shall have all powers necessary and proper to fully and
12 effectively execute the provisions of this Act, including, but
13 not limited to, the following:

14 (1) To ~~investigate applicants and~~ determine the
15 eligibility of applicants for licenses and to select among
16 competing applicants the applicants which best serve the
17 interests of the citizens of Illinois.

18 (2) To have jurisdiction and supervision over all
19 riverboat gambling operations in this State and all persons
20 on riverboats where gambling operations are conducted.

21 (3) To promulgate rules and regulations for the purpose
22 of administering the provisions of this Act and to
23 prescribe rules, regulations and conditions under which
24 all riverboat gambling in the State shall be conducted.
25 Such rules and regulations are to provide for the
26 prevention of practices detrimental to the public interest

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

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

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

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

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

21 (8) To require that the records, including financial or
22 other statements of any licensee under this Act, shall be
23 kept in such manner as prescribed by the Board and that any
24 such licensee involved in the ownership or management of
25 gambling operations submit to the Board an annual balance
26 sheet and profit and loss statement, list of the

1 stockholders or other persons having a 1% or greater
2 beneficial interest in the gambling activities of each
3 licensee, and any other information the Board deems
4 necessary in order to effectively administer this Act and
5 all rules, regulations, orders and final decisions
6 promulgated under this Act.

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

15 (10) To prescribe a form to be used by any licensee
16 involved in the ownership or management of gambling
17 operations as an application for employment for their
18 employees.

19 (11) To revoke or suspend licenses, as the Board may
20 see fit and in compliance with applicable laws of the State
21 regarding administrative procedures, and to review
22 applications for the renewal of licenses.

23 The Board may suspend an owners license, without
24 notice or hearing upon a determination that the safety or
25 health of patrons or employees is jeopardized by continuing
26 a riverboat's operation. The suspension may remain in

1 effect until the Board determines that the cause for
2 suspension has been abated. The Board may revoke a the
3 owners license upon a determination that the owner has not
4 made satisfactory progress toward abating the hazard.

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

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

21 (14) (Blank).

22 (15) To suspend, revoke or restrict licenses, to
23 require the removal of a licensee or an employee of a
24 licensee for a violation of this Act or a Board rule or for
25 engaging in a fraudulent practice, and to impose civil
26 penalties of up to \$5,000 against individuals and up to

1 \$10,000 or an amount equal to the daily gross receipts,
2 whichever is larger, against licensees for each violation
3 of any provision of the Act, any rules adopted by the
4 Board, any order of the Board or any other action which, in
5 the Board's discretion, is a detriment or impediment to
6 riverboat gambling operations.

7 (16) To hire employees to ~~gather information, conduct~~
8 ~~investigations and~~ carry out any other tasks contemplated
9 under this Act.

10 (17) To establish minimum levels of insurance to be
11 maintained by licensees.

12 (18) To authorize a licensee to sell or serve alcoholic
13 liquors, wine or beer as defined in the Liquor Control Act
14 of 1934 on board a riverboat and to have exclusive
15 authority to establish the hours for sale and consumption
16 of alcoholic liquor on board a riverboat, notwithstanding
17 any provision of the Liquor Control Act of 1934 or any
18 local ordinance, and regardless of whether the riverboat
19 makes excursions. The establishment of the hours for sale
20 and consumption of alcoholic liquor on board a riverboat is
21 an exclusive power and function of the State. A home rule
22 unit may not establish the hours for sale and consumption
23 of alcoholic liquor on board a riverboat. This amendatory
24 Act of 1991 is a denial and limitation of home rule powers
25 and functions under subsection (h) of Section 6 of Article
26 VII of the Illinois Constitution.

1 (19) After consultation with the U.S. Army Corps of
2 Engineers, to establish binding emergency orders upon the
3 concurrence of a majority of the members of the Board
4 regarding the navigability of water, relative to
5 excursions, in the event of extreme weather conditions,
6 acts of God or other extreme circumstances.

7 (20) To delegate the execution of any of its powers
8 under this Act for the purpose of administering and
9 enforcing this Act and its rules and regulations hereunder.

10 (21) To review all contracts entered into by owners
11 licensees authorized under this Act. Beginning when the
12 Board has been appointed and confirmed as provided for in
13 this amendatory Act of the 95th General Assembly, the Board
14 must review and approve all contracts entered into by an
15 owners licensee for an aggregate amount of \$50,000 or more
16 or for a term to exceed 365 days. If a contract has been
17 entered into prior to Board authorization of a requested
18 action, then the contract is not valid until the Board
19 approves both the requested action and the contract itself.

20 (24) ~~(21)~~ To take any other action as may be reasonable
21 or appropriate to enforce this Act and rules and
22 regulations hereunder.

23 (d) (Blank). ~~The Board may seek and shall receive the~~
24 ~~cooperation of the Department of State Police in conducting~~
25 ~~background investigations of applicants and in fulfilling its~~
26 ~~responsibilities under this Section. Costs incurred by the~~

1 ~~Department of State Police as a result of such cooperation~~
2 ~~shall be paid by the Board in conformance with the requirements~~
3 ~~of Section 2605-400 of the Department of State Police Law (20~~
4 ~~ILCS 2605/2605-400).~~

5 (e) (Blank). ~~The Board must authorize to each investigator~~
6 ~~and to any other employee of the Board exercising the powers of~~
7 ~~a peace officer a distinct badge that, on its face, (i) clearly~~
8 ~~states that the badge is authorized by the Board and (ii)~~
9 ~~contains a unique identifying number. No other badge shall be~~
10 ~~authorized by the Board.~~

11 (f) Except as provided in subsection (h) of Section 5.4,
12 all Board meetings are subject to the Open Meetings Act. Three
13 members of the Board constitute a quorum, and 3 votes are
14 required for any final determination by the Board. The Board
15 shall keep a complete and accurate record of all its meetings.
16 A majority of the members of the Board constitute a quorum for
17 the transaction of any business, for the performance of any
18 duty, or for the exercise of any power that this Act requires
19 the Board members to transact, perform, or exercise en banc,
20 except that, upon order of the Board, one of the Board members
21 or an administrative law judge designated by the Board may
22 conduct any hearing provided for under this Act or by Board
23 rule and may recommend findings and decisions to the Board. The
24 Board member or administrative law judge conducting such
25 hearing has all powers and rights granted to the Board in this
26 Act. The record made at the time of the hearing shall be

1 reviewed by the Board, or a majority thereof, and the findings
2 and decision of the majority of the Board constitutes the order
3 of the Board in such case.

4 (g) The Board shall carry on a continuous study of the
5 operation and administration of gaming laws that may be in
6 effect in other jurisdictions, literature on this subject that
7 may from time to time become available, federal laws that may
8 affect the operation of gaming in this State, and the reaction
9 of Illinois citizens to existing and potential features of
10 gaming under this Act. The Board is responsible for
11 ascertaining any defects in this Act or in the rules adopted
12 thereunder, formulating recommendations for changes in this
13 Act to prevent abuses thereof, guarding against the use of this
14 Act as a cloak for the carrying on of illegal gambling or other
15 criminal activities, and insuring that this Act and the rules
16 are in such form and so administered as to serve the true
17 purposes of this Act.

18 (h) The Board shall file with the Governor and the General
19 Assembly an annual report of (i) all revenues, expenses, and
20 disbursements, (ii) actions taken by the Board, and (iii) any
21 recommendations for changes in this Act as the Board deems
22 necessary or desirable. The Board shall also report
23 recommendations that promote more efficient operations of the
24 Board.

25 (i) The Board shall report immediately to the Governor and
26 the General Assembly any matters that in its judgment require

1 immediate changes in the laws of this State in order to prevent
2 abuses and evasions of this Act or of its rules or to rectify
3 undesirable conditions in connection with the operation and
4 regulation of gambling operations.

5 (Source: P.A. 91-40, eff. 1-1-00; 91-239, eff. 1-1-00; 91-883,
6 eff. 1-1-01.)

7 (230 ILCS 10/5.1) (from Ch. 120, par. 2405.1)

8 Sec. 5.1. Disclosure of records.

9 (a) Notwithstanding any applicable statutory provision to
10 the contrary, the Board shall, on written request from any
11 person, provide information furnished by an applicant or
12 licensee concerning the applicant or licensee, his products,
13 services or gambling enterprises and his business holdings, as
14 follows:

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

17 (2) An identification of any applicant or licensee
18 including, if an applicant or licensee is not an
19 individual, the state of incorporation or registration,
20 the corporate officers, and the identity of all
21 shareholders or participants. If an applicant or licensee
22 has a pending registration statement filed with the
23 Securities and Exchange Commission, only the names of those
24 persons or entities holding interest of 1% ~~5%~~ or more must
25 be provided.

1 (3) An identification of any business, including, if
2 applicable, the state of incorporation or registration, in
3 which an applicant or licensee or an applicant's or
4 licensee's spouse or children has an equity interest of
5 more than 1% ~~5%~~. If an applicant or licensee is a
6 corporation, partnership or other business entity, the
7 applicant or licensee shall identify any other
8 corporation, partnership or business entity in which it has
9 an equity interest of 1% ~~5%~~ or more, including, if
10 applicable, the state of incorporation or registration.
11 This information need not be provided by a corporation,
12 partnership or other business entity that has a pending
13 registration statement filed with the Securities and
14 Exchange Commission.

15 (4) Whether an applicant or licensee has been indicted,
16 convicted, pleaded guilty or nolo contendere, or forfeited
17 bail concerning any criminal offense under the laws of any
18 jurisdiction, either felony or misdemeanor (except for
19 traffic violations), including the date, the name and
20 location of the court, arresting agency and prosecuting
21 agency, the case number, the offense, the disposition and
22 the location and length of incarceration.

23 (5) Whether an applicant or licensee has had any
24 license or certificate issued by a licensing authority in
25 Illinois or any other jurisdiction denied, restricted,
26 suspended, revoked or not renewed and a statement

1 describing the facts and circumstances concerning the
2 denial, restriction, suspension, revocation or
3 non-renewal, including the licensing authority, the date
4 each such action was taken, and the reason for each such
5 action.

6 (6) Whether an applicant or licensee has ever filed or
7 had filed against it a proceeding in bankruptcy or has ever
8 been involved in any formal process to adjust, defer,
9 suspend or otherwise work out the payment of any debt
10 including the date of filing, the name and location of the
11 court, the case and number of the disposition.

12 (7) Whether an applicant or licensee has filed, or been
13 served with a complaint or other notice filed with any
14 public body, regarding the delinquency in the payment of,
15 or a dispute over the filings concerning the payment of,
16 any tax required under federal, State or local law,
17 including the amount, type of tax, the taxing agency and
18 time periods involved.

19 (8) A statement listing the names and titles of all
20 public officials or officers of any unit of government, and
21 relatives of said public officials or officers who,
22 directly or indirectly, own any financial interest in, have
23 any beneficial interest in, are the creditors of or hold
24 any debt instrument issued by, or hold or have any interest
25 in any contractual or service relationship with, an
26 applicant or licensee.

1 (9) Whether an applicant or licensee has made, directly
2 or indirectly, any political contribution, or any loans,
3 donations or other payments, to any candidate or office
4 holder, within 5 years from the date of filing the
5 application, including the amount and the method of
6 payment.

7 (10) The name and business telephone number of the
8 counsel representing an applicant or licensee in matters
9 before the Board.

10 (11) A description of any proposed or approved
11 riverboat gaming operation, including the type of boat,
12 home dock location, expected economic benefit to the
13 community, anticipated or actual number of employees, any
14 statement from an applicant or licensee regarding
15 compliance with federal and State affirmative action
16 guidelines, projected or actual admissions and projected
17 or actual adjusted gross gaming receipts.

18 (12) A description of the product or service to be
19 supplied by an applicant for a supplier's license.

20 (b) Notwithstanding any applicable statutory provision to
21 the contrary, the Board shall, on written request from any
22 person, also provide the following information:

23 (1) The amount of the wagering tax and admission tax
24 paid daily to the State of Illinois by the holder of an
25 owner's license.

26 (2) Whenever the Board finds an applicant for an

1 owner's license unsuitable for licensing, a copy of the
2 written letter outlining the reasons for the denial.

3 (3) Whenever the Board has refused to grant leave for
4 an applicant to withdraw his application, a copy of the
5 letter outlining the reasons for the refusal.

6 (c) Subject to the above provisions, the Board shall not
7 disclose any information which would be barred by:

8 (1) Section 7 of the Freedom of Information Act; or

9 (2) The statutes, rules, regulations or
10 intergovernmental agreements of any jurisdiction.

11 (d) The Board may assess fees for the copying of
12 information in accordance with Section 6 of the Freedom of
13 Information Act.

14 (Source: P.A. 87-826.)

15 (230 ILCS 10/5.2 new)

16 Sec. 5.2. Separation from Department of Revenue. On the
17 effective date of this amendatory Act of the 95th General
18 Assembly, all of the powers, duties, assets, liabilities,
19 employees, contracts, property, records, pending business, and
20 unexpended appropriations of the Department of Revenue related
21 to the administration and enforcement of this Act are
22 transferred to the Illinois Gaming Board and the Office of
23 Gaming Enforcement.

24 The status and rights of the transferred employees, and the
25 rights of the State of Illinois and its agencies, under the

1 Personnel Code and applicable collective bargaining agreements
2 or under any pension, retirement, or annuity plan are not
3 affected (except as provided in the Illinois Pension Code) by
4 that transfer or by any other provision of this amendatory Act
5 of the 95th General Assembly.

6 (230 ILCS 10/5.3 new)

7 Sec. 5.3. Nomination Panel.

8 (a) The Nomination Panel is established to provide a list
9 of candidates to the Governor for appointment to the Illinois
10 Gaming Board and the position of Director of Gaming
11 Enforcement. Members of the Nomination Panel shall be appointed
12 by a majority vote of the following appointing authorities: (1)
13 the Executive Ethics Commissioner appointed by the Secretary of
14 State; (2) the Executive Ethics Commissioner appointed by the
15 Treasurer; (3) the Executive Ethics Commissioner appointed by
16 the Comptroller; (4) the Executive Ethics Commissioner
17 appointed by the Attorney General; and (5) the Executive Ethics
18 Commissioner appointed to serve as the first Chairman of the
19 Executive Ethics Commission, or, upon his disqualification,
20 refusal to serve, or resignation, the longest-serving
21 Executive Ethics Commissioner appointed by the Governor.
22 However, the appointing authorities as of the effective date of
23 this amendatory Act of the 95th General Assembly shall remain
24 empowered to fill vacancies on the Nomination Panel until all
25 members of the new Gaming Board and the Director of Gaming

1 Enforcement have been appointed and qualified, regardless of
2 whether such appointing authorities remain members of the
3 Executive Ethics Commission. In the event of such appointing
4 authority's disqualification, resignation, or refusal to serve
5 as an appointing authority, the Constitutional officer that
6 appointed the Executive Ethics Commissioner may name a designee
7 to serve as an appointing authority for the Nomination Panel.
8 The appointing authorities may hold so many public or
9 non-public meetings as is required to fulfill their duties, and
10 may utilize the staff and budget of the Executive Ethics
11 Commission in carrying out their duties; provided, however,
12 that a final vote on appointees to the Nomination Panel shall
13 take place in a meeting governed by the Open Meetings Act. Any
14 ex parte communications regarding the Nomination Panel must be
15 made a part of the record at the next public meeting and part
16 of a written record. The appointing authorities shall file a
17 list of members of the Nomination Panel with the Secretary of
18 State within 60 days after the effective date of this
19 amendatory Act of the 95th General Assembly. A vacancy on the
20 Nomination Panel due to disqualification or resignation must be
21 filled within 60 days of a vacancy and the appointing
22 authorities must file the name of the new appointee with the
23 Secretary of State.

24 (b) The Nomination Panel shall consist of the following
25 members: (i) 2 members shall be former federal or State judges
26 from Illinois, (ii) 2 members shall be former federal

1 prosecutors from Illinois, (iii) one member shall be a former
2 sworn federal officer with investigatory experience with a
3 federal agency, including but not limited to the Federal Bureau
4 of Investigation, the Internal Revenue Service, the Securities
5 and Exchange Commission, the Drug Enforcement Administration,
6 the Bureau of Alcohol, Tobacco, Firearms and Explosives, or any
7 other federal agency, (iv) 2 members shall be former members of
8 federal agencies with experience in regulatory oversight, and
9 (v) 2 members shall have at least 5 years of experience with
10 nonprofit agencies in Illinois committed to public-interest
11 advocacy for which the appointing authorities shall solicit
12 recommendations from the Campaign for Political Reform, the
13 Better Government Association, the Chicago Crime Commission,
14 the League of Women Voters, the Urban League, the Mexican
15 American Legal Defense and Educational Fund, and any other
16 source deemed appropriate. Members shall submit statements of
17 economic interest to the Secretary of State. Each member of the
18 Nomination Panel shall receive \$300 for each day the Nomination
19 Panel meets. The Executive Ethics Commission shall provide
20 staff and support to the Nomination Panel pursuant to
21 appropriations available for those purposes.

22 (c) Candidates for nomination to the Illinois Gaming Board
23 or the position of Director of Gaming Enforcement may apply or
24 be nominated. All candidates must fill out a written
25 application and submit to a background investigation to be
26 eligible for consideration. The written application must

1 include, at a minimum, a sworn statement disclosing any
2 communications that the applicant has engaged in with a
3 constitutional officer, a member of the General Assembly, a
4 special government agent (as that term is defined in Section
5 4A-101 of the Illinois Governmental Ethics Act), a member of
6 the Illinois Gaming Board or the Nomination Panel, a director,
7 secretary, or other employee of the executive branch of the
8 State, or an employee of the legislative branch of the State
9 related to the regulation of gaming within the last year.

10 A person who knowingly provides false or misleading
11 information on the application or knowingly fails to disclose a
12 communication required to be disclosed in the sworn statement
13 under this Section is guilty of a Class 4 felony.

14 (d) Once an application is submitted to the Nomination
15 Panel and until (1) the nominee is rejected by the Nomination
16 Panel, (2) the nominee is rejected by the Governor, (3) the
17 candidate is rejected by the Senate, or (4) the candidate is
18 confirmed by the Senate, whichever is applicable, a candidate
19 may not engage in ex parte communications, as that term is
20 defined in Section 5.7 of this Act.

21 (e) The Nomination Panel shall conduct a background
22 investigation on candidates eligible for nomination to the
23 Illinois Gaming Board or the position of Director of Gaming
24 Enforcement. For the purpose of making the initial nominations
25 after the effective date of this amendatory Act of the 95th
26 General Assembly, the Nomination Panel shall request the

1 assistance of the Federal Bureau of Investigation to conduct
2 background investigations. If the Federal Bureau of
3 Investigation does not agree to conduct background
4 investigations, or the Federal Bureau of Investigations cannot
5 conduct the background investigations within 120 days after the
6 request is made, the Nomination Panel may contract with an
7 independent agency that specializes in conducting personal
8 investigations. After the Office of Gaming Enforcement is
9 operational, the Nomination Panel must use the Office of Gaming
10 Enforcement's investigatory staff. The Office of Gaming
11 Enforcement may seek the assistance of the Federal Bureau of
12 Investigation or an independent agency that specializes in
13 conducting background investigations. The Nomination Panel and
14 the Office of Gaming Enforcement may not engage the services or
15 enter into any contract with State or local law enforcement
16 agencies for the conduct of background investigations.

17 (f) The Nomination Panel must review written applications,
18 determine eligibility for oral interviews, confirm
19 satisfactory background investigations, and hold public
20 hearings on qualifications of candidates. Initial interviews
21 of candidates need not be held in meetings subject to the Open
22 Meetings Act; members or staff may arrange for informal
23 interviews. Prior to recommendation, however, the Nomination
24 Panel must question candidates in a meeting subject to the Open
25 Meetings Act under oath.

26 (g) The Nomination Panel must recommend candidates for

1 nomination to the Illinois Gaming Board and the position of
2 Director of Gaming Enforcement. The Nomination Panel shall
3 recommend 3 candidates for every open position and prepare a
4 memorandum detailing the candidates' qualifications. The names
5 and the memorandum must be delivered to the Governor and filed
6 with the Secretary of State. The Governor may choose only from
7 the recommendations of the Nomination Panel and must nominate a
8 candidate for every open position within 30 days of receiving
9 the recommendations. The Governor shall file the names of his
10 nominees with the Secretary of the Senate and the Secretary of
11 State. If the Governor does not name a nominee for every open
12 position, then the Nomination Panel may select the remaining
13 nominees for the Illinois Gaming Board or the position of
14 Director of Gaming Enforcement. For the purpose of making the
15 initial recommendations after the effective date of this
16 amendatory Act of the 95th General Assembly, the Nomination
17 Panel shall make recommendations to the Governor no later than
18 150 days after appointment of all members of the Nomination
19 Panel. For the purpose of filling subsequent vacancies, the
20 Nomination Panel shall make recommendations to the Governor
21 within 90 days of a vacancy in office.

22 (h) Selections by the Governor must receive the advice and
23 consent of the Senate by record vote of at least two-thirds of
24 the members elected.

1 Sec. 5.4. Office of Gaming Enforcement.

2 (a) There is established the Office of Gaming Enforcement
3 (the "Office"), which shall have the powers and duties
4 specified in this Act and the Illinois Lottery Law. Its
5 jurisdiction shall extend under this Act and the Illinois
6 Lottery Law to every licensee, person, association,
7 corporation, partnership and trust involved in gambling and
8 lottery operations in the State of Illinois.

9 (b) The Office shall have an officer as its head who shall
10 be known as the Director and who shall execute the powers and
11 discharge the duties given to the Office by this Act and the
12 Illinois Lottery Law. The Director must have at least 10 years
13 experience in law enforcement and investigatory methods at the
14 federal or state level, but not necessarily in Illinois, with a
15 preference given for experience in regulation or investigation
16 in the gaming industry. Nominations for the position of
17 Director must be made by the Nomination Panel as provided in
18 Section 5.3. The Director of the Office may be removed by the
19 Governor for neglect of duty, misfeasance, malfeasance, or
20 nonfeasance in office or for engaging in political activity as
21 defined in subsection (g) of Section 5.5. The Director shall
22 receive an annual salary equal to the annual salary of a State
23 appellate court judge and shall hold no other employment for
24 which he or she receives compensation. The Director may not
25 hold a local, state, or federal elective or appointive office
26 or be employed by a local, state, or federal governmental

1 entity while in office.

2 (c) The Director shall employ such personnel as may be
3 necessary to carry out the functions of the Office and shall
4 determine the salaries of all personnel, except those personnel
5 whose salaries are determined under the terms of a collective
6 bargaining agreement. An employee or the employee's spouse,
7 parent, or child, may not for 2 years immediately preceding
8 employment, during employment, and for 5 years after employment
9 have a financial interest in or financial relationship with any
10 person or entity, or its parent or affiliate that is engaged or
11 has engaged in business with the Board or a licensee. Any
12 employee violating these prohibitions is subject to
13 termination of employment.

14 (d) In addition to its powers and duties specified in the
15 Illinois Lottery Law, the Office shall have general
16 responsibility for the investigation and enforcement of this
17 Act. Its powers and duties include without limitation the
18 following:

19 (1) To be present through its inspectors and agents any
20 time gambling operations are conducted for the purpose of
21 certifying the revenue thereof, receiving complaints from
22 the public, and conducting such other investigations into
23 the conduct of the gambling games and the maintenance of
24 the equipment as from time to time the Office may deem
25 necessary and proper.

26 (2) To supervise all gambling operations authorized

1 under this Act and all persons in places where riverboat
2 gambling operations are conducted.

3 (3) To promulgate rules regarding the inspection of
4 riverboats.

5 (4) To enter the facility or other places of business
6 of a licensee under this Act where evidence of the
7 compliance or noncompliance with the provisions of those
8 Acts are likely to be found.

9 (5) To exchange fingerprint data with, and receive
10 criminal history record information from, the Federal
11 Bureau of Investigation, to the extent possible, and the
12 Department of State Police for use in considering
13 applicants for any license.

14 (6) To eject or exclude or authorize the ejection or
15 exclusion of any person from a riverboat where the person
16 is in violation of this Act, rules thereunder, or final
17 orders of the Board, or where such person's conduct or
18 reputation is such that his or her presence within the
19 riverboat may call into question the honesty and integrity
20 of the gambling operations or interfere with the orderly
21 conduct thereof; provided that the propriety of such
22 ejection or exclusion is subject to subsequent hearing.

23 (7) To hire employees to gather information, conduct
24 investigations, and carry out any other tasks contemplated
25 under this Act.

26 (8) To conduct investigations on its own initiative or

1 as requested by the Illinois Gaming Board or the Nomination
2 Panel, including without limitation investigations for
3 suspected violations of this Act and investigations for
4 issuance or renewal of a license.

5 (e) The Office must issue to each investigator and to any
6 other employee of the Office exercising the powers of a peace
7 officer a distinct badge that, on its face, (i) clearly states
8 that the badge is authorized by the Office and (ii) contains a
9 unique identifying number. No other badge shall be authorized
10 by the Office.

11 (f) The Office is a law enforcement agency, and its
12 employees and agents shall have such law enforcement powers as
13 may be delegated to them by the Attorney General to effectuate
14 the purposes of this Act.

15 (g) Whenever the Office has reason to believe that any
16 person may be in possession, custody, or control of any
17 documentary material or information relevant to an
18 investigation, the Office may, before commencing a civil
19 proceeding under this Act, issue in writing and cause to be
20 served upon such person, a subpoena requiring such person: (A)
21 to produce such documentary material for inspection and
22 copying, (B) to answer, in writing, written interrogatories
23 with respect to such documentary material or information, (C)
24 to give oral testimony concerning such documentary material or
25 information, or (D) to furnish any combination of such
26 material, answers, or testimony.

1 (h) The Office may order any person to answer a question or
2 questions or produce evidence of any kind and confer immunity
3 as provided in this subsection. If, in the course of any
4 investigation or hearing conducted under this Act, a person
5 refuses to answer a question or produce evidence on the ground
6 that he or she will be exposed to criminal prosecution thereby,
7 then in addition to any other remedies or sanctions provided
8 for by this Act, the Office may, by resolution of the Board and
9 after the written approval of the Attorney General, issue an
10 order to answer or to produce evidence with immunity. Hearings,
11 documents, and other communications regarding the granting of
12 immunity are not subject to the Freedom of Information Act or
13 the Open Meetings Act. If, upon issuance of such an order, the
14 person complies therewith, he or she shall be immune from
15 having such responsive answer given by him or her or such
16 responsive evidence produced by him or her, or evidence derived
17 therefrom, used to expose him or her to criminal prosecution,
18 except that such person may nevertheless be prosecuted for any
19 perjury committed in such answer or in producing such evidence,
20 or for contempt for failing to give an answer or produce
21 evidence in accordance with the order of the Office; provided,
22 however, that no period of incarceration for contempt shall
23 exceed 18 months in duration. Any such answer given or evidence
24 produced shall be admissible against him or her upon any
25 criminal investigation, proceeding, or trial against him or her
26 for such perjury; upon any investigation, proceeding or trial

1 against him or her for such contempt; or in any manner
2 consistent with State and constitutional provisions.

3 (i) When the Office or any entity authorized under this Act
4 is authorized or required by law to conduct a background
5 investigation, the Office shall:

6 (1) conduct a criminal history record check
7 investigation to obtain any information currently or
8 subsequently contained in the files of the State Police
9 and, if possible, the Federal Bureau of Investigation,
10 regarding possible criminal behavior, including
11 misdemeanor and felony convictions;

12 (2) conduct a civil action record check investigation
13 to obtain information regarding any civil matters to which
14 the person was a party, witness, or in any way
15 substantially participated in the matter;

16 (3) conduct investigation of personal and professional
17 references and acquaintances, including, but not limited
18 to, current and former employers or employees; or

19 (4) conduct investigation of financial history.

20 (230 ILCS 10/5.5 new)

21 Sec. 5.5. Ethics provisions.

22 (a) Conflict of interest. Board members, members of the
23 Nomination Panel, the Director of Gaming Enforcement, and
24 employees may not engage in communications or any activity that
25 may cause or have the appearance of causing a conflict of

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

9 (b) Financial interest. Constitutional officers, members
10 of the General Assembly, members of the Executive Ethics
11 Commission, Board members, members of the Nomination Panel, the
12 Director of Gaming Enforcement, and employees may not have a
13 financial interest, directly or indirectly, in his or her own
14 name or in the name of any other person, partnership,
15 association, trust, corporation, or other entity, in any
16 contract or subcontract for the performance of any work for the
17 Board or for any licensee under this Act. This prohibition
18 shall extend to the holding or acquisition of an interest in
19 any entity identified by Board action that, in the judgment of
20 the Board, could represent the potential for or the appearance
21 of a financial interest. The holding or acquisition of an
22 interest in such entities through an indirect means, such as
23 through a mutual fund, shall not be prohibited, except that
24 Board may identify specific investments or funds that, in its
25 judgment, are so influenced by gaming holdings as to represent
26 the potential for or the appearance of a conflict of interest.

1 (c) Gambling. Except as may be required in the conduct of
2 official duties, Board members and employees and the Director
3 of Gaming Enforcement shall not engage in gambling on any
4 riverboat or engage in legalized gambling in any establishment
5 identified by Board action that, in the judgment of the Board,
6 could represent a potential for a conflict of interest.

7 (d) Outside employment. A Board member, the Director of
8 Gaming Enforcement, or an employee of the Board or the Office
9 of Gaming Enforcement may not, within a period of 5 years
10 immediately after termination of employment, knowingly accept
11 employment or receive compensation or fees for services from a
12 person or entity, or its parent or affiliate, that has engaged
13 in business with the Board that resulted in contracts with an
14 aggregate value of at least \$25,000 or if that Board member,
15 employee, or the Director has made a decision that directly
16 applied to the person or entity, or its parent or affiliate. A
17 Board member, employee, or the Director shall not hold or
18 pursue employment, office, position, business, or occupation
19 that conflict with his or her official duties. Board members
20 and the Director shall not engage in other employment.
21 Employees may engage in other gainful employment so long as
22 that employment does not interfere or conflict with their
23 duties and such employment is approved by the Board.

24 (e) Gift ban. Board members, the Director of Gaming
25 Enforcement, members of the Nomination Panel, and employees may
26 not accept any gift, gratuity, service, compensation, travel,

1 lodging, or thing of value, with the exception of unsolicited
2 items of an incidental nature, from any person, corporation or
3 entity doing business with the Board.

4 (f) Abuse of Position. A Board member, member of the
5 Nomination Panel, Director of Gaming Enforcement, or employee
6 shall not use or attempt to use his or her official position to
7 secure, or attempt to secure, any privilege, advantage, favor,
8 or influence for himself or herself or others.

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

21 (h) A spouse, child, or parent of a Board member, member of
22 the Nomination Panel, the Director of Gaming Enforcement, or an
23 employee may not:

24 (1) Have a financial interest, directly or indirectly,
25 in his or her own name or in the name of any other person,
26 partnership, association, trust, corporation, or other

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

13 (2) Accept any gift, gratuity, service, compensation,
14 travel, lodging, or thing of value, with the exception of
15 unsolicited items of an incidental nature, from any person,
16 corporation or entity doing business with the Board.

17 (3) Within a period of 2 years immediately after
18 termination of employment, knowingly accept employment or
19 receive compensation or fees for services from a person or
20 entity, or its parent or affiliate, that has engaged in
21 business with the Board or the Office of Gaming Enforcement
22 that resulted in contracts with an aggregate value of at
23 least \$25,000 or if the Board or Office has made a decision
24 that directly applies to the person or entity, or its
25 parent or affiliate.

26 (i) Any Board member, member of the Nomination Panel,

1 Director of Gaming Enforcement, or employee or spouse, child,
2 or parent of a Board member, member of the Nomination Panel,
3 Director of Gaming Enforcement, or employee who knowingly
4 violates any provision of this Section is guilty of a Class 4
5 felony.

6 (230 ILCS 10/5.7 new)

7 Sec. 5.7. Ex parte communications.

8 (a) For the purpose of this Section:

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

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

1 licensing matter of the Board.

2 (b) A constitutional officer, a member of the General
3 Assembly, a special government agent as that term is defined in
4 Section 4A-101 of the Illinois Governmental Ethics Act, a
5 director, secretary, or other employee of the executive branch
6 of the State, an employee of the legislative branch of the
7 State, or an interested party may not engage in any ex parte
8 communication with a member of the Board or an employee. A
9 member of the Board or an employee must immediately report any
10 ex parte communication to the Inspector General for gaming
11 activities. A knowing violation of this subsection (b) is a
12 Class 4 felony.

13 (c) A constitutional officer, a member of the General
14 Assembly, a special government agent as that term is defined in
15 Section 4A-101 of the Illinois Governmental Ethics Act, a
16 director, secretary, or other employee of the executive branch
17 of the State, an employee of the legislative branch of the
18 State, or an interested party may not engage in any ex parte
19 communication with a candidate or nominee for the Board or a
20 candidate or nominee for the Director of Gaming Enforcement. A
21 person is deemed a candidate once they have submitted
22 information to the Nomination Panel and a nominee once the
23 Governor nominates the person to fill a position on the Board
24 or as Director. A candidate or nominee must immediately report
25 any ex parte communication to the Inspector General for gaming
26 activities. A knowing violation of this subsection (c) is a

1 Class 4 felony.

2 (d) Any ex parte communication from a constitutional
3 officer, a member of the General Assembly, a special government
4 agent as that term is defined in Section 4A-101 of the Illinois
5 Governmental Ethics Act, a director, secretary, or other
6 employee of the executive branch of the State, an employee of
7 the legislative branch of the State, or an interested party
8 received by a member of the Nomination Panel or employee
9 assisting the Nomination Panel must be immediately
10 memorialized and made a part of the record at the next meeting.
11 Report of the communication shall include all written
12 communications along with a statement describing the nature and
13 substance of all oral communications, any action the person
14 requested or recommended, the identity and job title of the
15 person to whom each communication was made, and all responses
16 made by the member. A knowing violation of this subsection (d)
17 is a Class A misdemeanor.

18 (230 ILCS 10/6) (from Ch. 120, par. 2406)

19 Sec. 6. Application for Owners License.

20 (a) A qualified person may apply to the Board for an owners
21 license to conduct a riverboat gambling operation as provided
22 in this Act. The application shall be made on forms provided by
23 the Board and shall contain such information as the Board
24 prescribes, including but not limited to the identity of the
25 riverboat on which such gambling operation is to be conducted

1 and the exact location where such riverboat will be docked, a
2 certification that the riverboat will be registered under this
3 Act at all times during which gambling operations are conducted
4 on board, detailed information regarding the ownership and
5 management of the applicant, and detailed personal information
6 regarding the applicant. Any application for an owners license
7 to be re-issued on or after June 1, 2003 shall also include the
8 applicant's license bid in a form prescribed by the Board.
9 Information provided on the application shall be used as a
10 basis for a thorough background investigation which the Board
11 shall conduct with respect to each applicant. An incomplete
12 application shall be cause for denial of a license by the
13 Board.

14 (b) Applicants shall submit with their application all
15 documents, resolutions, and letters of support from the
16 governing body that represents the municipality or county
17 wherein the licensee will dock.

18 (c) Each applicant shall disclose the identity of every
19 person, association, trust or corporation having a greater than
20 1% direct or indirect pecuniary interest in the riverboat
21 gambling operation with respect to which the license is sought.
22 If the disclosed entity is a trust, the application shall
23 disclose the names and addresses of the beneficiaries; if a
24 corporation, the names and addresses of all stockholders and
25 directors; if a partnership, the names and addresses of all
26 partners, both general and limited.

1 (d) An application shall be filed with the Board by January
2 1 of the year preceding any calendar year for which an
3 applicant seeks an owners license; however, applications for an
4 owners license permitting operations on January 1, 1991 shall
5 be filed by July 1, 1990. An application fee of \$50,000 shall
6 be paid at the time of filing to defray the costs associated
7 with the background investigation conducted by the Board. If
8 the costs of the investigation exceed \$50,000, the applicant
9 shall pay the additional amount to the Board. If the costs of
10 the investigation are less than \$50,000, the applicant shall
11 receive a refund of the remaining amount. All information,
12 records, interviews, reports, statements, memoranda or other
13 data supplied to or used by the Board in the course of its
14 review or investigation of an application for a license under
15 this Act shall be privileged, strictly confidential and shall
16 be used only for the purpose of evaluating an applicant. Such
17 information, records, interviews, reports, statements,
18 memoranda or other data shall not be admissible as evidence,
19 nor discoverable in any action of any kind in any court or
20 before any tribunal, board, agency or person, except for any
21 action deemed necessary by the Board.

22 (e) The Board may ~~shall~~ charge each applicant a fee set by
23 the Office ~~Department of State Police~~ to defray the costs
24 associated with the search and classification of fingerprints
25 obtained by the Board with respect to the applicant's
26 application. These fees shall be paid into the State Gaming

1 ~~Police Services~~ Fund.

2 (f) The licensed owner shall be the person primarily
3 responsible for the boat itself. Only one riverboat gambling
4 operation may be authorized by the Board on any riverboat. The
5 applicant must identify each riverboat it intends to use and
6 certify that the riverboat: (1) has the authorized capacity
7 required in this Act; (2) is accessible to disabled persons;
8 and (3) is fully registered and licensed in accordance with any
9 applicable laws.

10 (g) A person who knowingly makes a false statement on an
11 application is guilty of a Class A misdemeanor.

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

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

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

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

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

23 15% of annual adjusted gross receipts up to and
24 including \$25,000,000;

25 20% of annual adjusted gross receipts in excess of

1 \$25,000,000 but not exceeding \$50,000,000;

2 25% of annual adjusted gross receipts in excess of
3 \$50,000,000 but not exceeding \$75,000,000;

4 30% of annual adjusted gross receipts in excess of
5 \$75,000,000 but not exceeding \$100,000,000;

6 35% of annual adjusted gross receipts in excess of
7 \$100,000,000.

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

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

17 22.5% of annual adjusted gross receipts in excess of
18 \$25,000,000 but not exceeding \$50,000,000;

19 27.5% of annual adjusted gross receipts in excess of
20 \$50,000,000 but not exceeding \$75,000,000;

21 32.5% of annual adjusted gross receipts in excess of
22 \$75,000,000 but not exceeding \$100,000,000;

23 37.5% of annual adjusted gross receipts in excess of
24 \$100,000,000 but not exceeding \$150,000,000;

25 45% of annual adjusted gross receipts in excess of
26 \$150,000,000 but not exceeding \$200,000,000;

1 50% of annual adjusted gross receipts in excess of
2 \$200,000,000.

3 (a-3) Beginning July 1, 2003, a privilege tax is imposed on
4 persons engaged in the business of conducting riverboat
5 gambling operations, other than licensed managers conducting
6 riverboat gambling operations on behalf of the State, based on
7 the adjusted gross receipts received by a licensed owner from
8 gambling games authorized under this Act at the following
9 rates:

10 15% of annual adjusted gross receipts up to and
11 including \$25,000,000;

12 27.5% of annual adjusted gross receipts in excess of
13 \$25,000,000 but not exceeding \$37,500,000;

14 32.5% of annual adjusted gross receipts in excess of
15 \$37,500,000 but not exceeding \$50,000,000;

16 37.5% of annual adjusted gross receipts in excess of
17 \$50,000,000 but not exceeding \$75,000,000;

18 45% of annual adjusted gross receipts in excess of
19 \$75,000,000 but not exceeding \$100,000,000;

20 50% of annual adjusted gross receipts in excess of
21 \$100,000,000 but not exceeding \$250,000,000;

22 70% of annual adjusted gross receipts in excess of
23 \$250,000,000.

24 An amount equal to the amount of wagering taxes collected
25 under this subsection (a-3) that are in addition to the amount
26 of wagering taxes that would have been collected if the

1 wagering tax rates under subsection (a-2) were in effect shall
2 be paid into the Common School Fund.

3 The privilege tax imposed under this subsection (a-3) shall
4 no longer be imposed beginning on the earlier of (i) July 1,
5 2005; (ii) the first date after June 20, 2003 that riverboat
6 gambling operations are conducted pursuant to a dormant
7 license; or (iii) the first day that riverboat gambling
8 operations are conducted under the authority of an owners
9 license that is in addition to the 10 owners licenses initially
10 authorized under this Act. For the purposes of this subsection
11 (a-3), the term "dormant license" means an owners license that
12 is authorized by this Act under which no riverboat gambling
13 operations are being conducted on June 20, 2003.

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

22 15% of annual adjusted gross receipts up to and
23 including \$25,000,000;

24 22.5% of annual adjusted gross receipts in excess of
25 \$25,000,000 but not exceeding \$50,000,000;

26 27.5% of annual adjusted gross receipts in excess of

1 \$50,000,000 but not exceeding \$75,000,000;

2 32.5% of annual adjusted gross receipts in excess of
3 \$75,000,000 but not exceeding \$100,000,000;

4 37.5% of annual adjusted gross receipts in excess of
5 \$100,000,000 but not exceeding \$150,000,000;

6 45% of annual adjusted gross receipts in excess of
7 \$150,000,000 but not exceeding \$200,000,000;

8 50% of annual adjusted gross receipts in excess of
9 \$200,000,000.

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

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

16 (a-15) If the privilege tax imposed under subsection (a-3)
17 is no longer imposed pursuant to item (i) of the last paragraph
18 of subsection (a-3), then by June 15 of each year, each owners
19 licensee, other than an owners licensee that admitted 1,000,000
20 persons or fewer in calendar year 2004, must, in addition to
21 the payment of all amounts otherwise due under this Section,
22 pay to the Board a reconciliation payment in the amount, if
23 any, by which the licensed owner's base amount exceeds the
24 amount of net privilege tax paid by the licensed owner to the
25 Board in the then current State fiscal year. A licensed owner's
26 net privilege tax obligation due for the balance of the State

1 fiscal year shall be reduced up to the total of the amount paid
2 by the licensed owner in its June 15 reconciliation payment.
3 The obligation imposed by this subsection (a-15) is binding on
4 any person, firm, corporation, or other entity that acquires an
5 ownership interest in any such owners license. The obligation
6 imposed under this subsection (a-15) terminates on the earliest
7 of: (i) July 1, 2007, (ii) the first day after the effective
8 date of this amendatory Act of the 94th General Assembly that
9 riverboat gambling operations are conducted pursuant to a
10 dormant license, (iii) the first day that riverboat gambling
11 operations are conducted under the authority of an owners
12 license that is in addition to the 10 owners licenses initially
13 authorized under this Act, or (iv) the first day that a
14 licensee under the Illinois Horse Racing Act of 1975 conducts
15 gaming operations with slot machines or other electronic gaming
16 devices. The Board must reduce the obligation imposed under
17 this subsection (a-15) by an amount the Board deems reasonable
18 for any of the following reasons: (A) an act or acts of God,
19 (B) an act of bioterrorism or terrorism or a bioterrorism or
20 terrorism threat that was investigated by a law enforcement
21 agency, or (C) a condition beyond the control of the owners
22 licensee that does not result from any act or omission by the
23 owners licensee or any of its agents and that poses a hazardous
24 threat to the health and safety of patrons. If an owners
25 licensee pays an amount in excess of its liability under this
26 Section, the Board shall apply the overpayment to future

1 payments required under this Section.

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

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

7 "Base amount" means the following:

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

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

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

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

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

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

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

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

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

18 "Net privilege tax" means all privilege taxes paid by a
19 licensed owner to the Board under this Section, less all
20 payments made from the State Gaming Fund pursuant to subsection
21 (b) of this Section.

22 The changes made to this subsection (a-15) by Public Act
23 94-839 are intended to restate and clarify the intent of Public
24 Act 94-673 with respect to the amount of the payments required
25 to be made under this subsection by an owners licensee to the
26 Board.

1 (b) Until January 1, 1998, 25% of the tax revenue deposited
2 in the State Gaming Fund under this Section shall be paid,
3 subject to appropriation by the General Assembly, to the unit
4 of local government which is designated as the home dock of the
5 riverboat. Beginning January 1, 1998, from the tax revenue
6 deposited in the State Gaming Fund under this Section, an
7 amount equal to 5% of adjusted gross receipts generated by a
8 riverboat shall be paid monthly, subject to appropriation by
9 the General Assembly, to the unit of local government that is
10 designated as the home dock of the riverboat. From the tax
11 revenue deposited in the State Gaming Fund pursuant to
12 riverboat gambling operations conducted by a licensed manager
13 on behalf of the State, an amount equal to 5% of adjusted gross
14 receipts generated pursuant to those riverboat gambling
15 operations shall be paid monthly, subject to appropriation by
16 the General Assembly, to the unit of local government that is
17 designated as the home dock of the riverboat upon which those
18 riverboat gambling operations are conducted.

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

25 (c-5) Before May 26, 2006 (the effective date of Public Act
26 94-804) and beginning 2 years after May 26, 2006 (the effective

1 date of Public Act 94-804), after the payments required under
2 subsections (b) and (c) have been made, an amount equal to 15%
3 of the adjusted gross receipts of (1) an owners licensee that
4 relocates pursuant to Section 11.2, (2) an owners licensee
5 conducting riverboat gambling operations pursuant to an owners
6 license that is initially issued after June 25, 1999, or (3)
7 the first riverboat gambling operations conducted by a licensed
8 manager on behalf of the State under Section 7.3, whichever
9 comes first, shall be paid from the State Gaming Fund into the
10 Horse Racing Equity Fund.

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

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

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

6 (c-25) After the payments required under subsections (b),
7 (c), (c-5) and (c-15) have been made, an amount equal to 2% of
8 the adjusted gross receipts of (1) an owners licensee that
9 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 from the State Gaming Fund to
15 Chicago State University.

16 (d) From time to time, the Board shall transfer the
17 remainder of the funds generated by this Act into the Education
18 Assistance Fund, created by Public Act 86-0018, of the State of
19 Illinois.

20 (e) Nothing in this Act shall prohibit the unit of local
21 government designated as the home dock of the riverboat from
22 entering into agreements with other units of local government
23 in this State or in other states to share its portion of the
24 tax revenue.

25 (f) To the extent practicable, the Board shall administer
26 and collect the wagering taxes imposed by this Section 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; 94-804, eff. 5-26-06;
6 94-839, eff. 6-6-06; 95-331, eff. 8-21-07.)

7 (230 ILCS 10/14.5 new)

8 Sec. 14.5. Collection of delinquent amounts. At any time
9 within 5 years after any amount of fees, interest, penalties,
10 or tax required to be collected pursuant to the provisions of
11 this Act shall become due and payable, the Office of Gaming
12 Enforcement may bring a civil action in the courts of this
13 State or any other state or of the United States, in the name
14 of the State of Illinois, to collect the amount delinquent,
15 together with penalties and interest. An action may be brought
16 whether or not the person owing the amount is at such time an
17 applicant or licensee under this Act. In all actions in this
18 State, the records of the Board and the Office shall be prima
19 facie evidence of the determination of the fee or tax or the
20 amount of the delinquency.

21 (230 ILCS 10/17) (from Ch. 120, par. 2417)

22 Sec. 17. Administrative Procedures. The Illinois
23 Administrative Procedure Act shall apply to all administrative
24 rules and procedures of the Board and the Office of Gaming

1 Enforcement under this Act, except that: (1) subsection (b) of
2 Section 5-10 of the Illinois Administrative Procedure Act does
3 not apply to final orders, decisions and opinions of the Board;
4 (2) subsection (a) of Section 5-10 of the Illinois
5 Administrative Procedure Act does not apply to forms
6 established by the Board for use under this Act; (3) the
7 provisions of Section 10-45 of the Illinois Administrative
8 Procedure Act regarding proposals for decision are excluded
9 under this Act; and (4) the provisions of subsection (d) of
10 Section 10-65 of the Illinois Administrative Procedure Act do
11 not apply so as to prevent summary suspension of any license
12 pending revocation or other action, which suspension shall
13 remain in effect unless modified by the Board or unless the
14 Board's decision is reversed on the merits upon judicial
15 review.

16 (Source: P.A. 88-45; 89-626, eff. 8-9-96.)

17 Section 1-110. The Illinois Vehicle Code is amended by
18 changing Section 2-104 as follows:

19 (625 ILCS 5/2-104) (from Ch. 95 1/2, par. 2-104)

20 Sec. 2-104. Powers and duties of the Secretary of State.

21 (a) The administration of Chapters 2, 3, 4, 5, 6, 7, 8 and 9 of
22 this Act is vested in the Secretary of State, who is charged
23 with the duty of observing, administering and enforcing the
24 provisions of this Act.

1 Article that every project that receives funding in whole or in
2 part with moneys from the GROW Illinois Fund shall hire and
3 retain minority, women, and low-income employees in every
4 building trade and every skill level within each trade, from
5 first-year apprentice through journey-level status.

6 Section 5-10. Definitions.

7 "Agency" means each officer, board, commission, and agency
8 created by the Constitution, whether in the executive,
9 legislative, or judicial branch of State government; the State
10 and each officer, department, board, commission, agency,
11 institution, authority, university, and body politic and
12 corporate of the State including units of local government and
13 school districts; each administrative unit or corporate
14 outgrowth of State government that is created by or pursuant to
15 statute; and each administrative unit or corporate outgrowth of
16 the above and as may be created by executive order of the
17 Governor.

18 "Agreement" means one or more legally enforceable
19 contracts executed by and between an agency and a contracting
20 party for the provision of services related to a project.

21 "Board" means the Capital Workforce Development Oversight
22 Board created in Section 5-25.

23 "Community benefits agreement" means a legally enforceable
24 contract that is negotiated and executed by and between one or
25 more contracting parties, labor organizations, job training

1 providers, and community-based organizations, and, at a
2 minimum, contains provisions establishing employment goals,
3 apprenticeship requirements, plans for recruiting and
4 retaining a diverse workforce, and any information relevant to
5 the use of project assistance grants under Section 5-20.

6 "Contracting party" means any individual, corporation,
7 partnership, company, trust, association, joint venture, pool,
8 syndicate, sole proprietorship, unincorporated association,
9 body politic, authority, or any other entity that enters into
10 an agreement for a project. For purposes of this Article, an
11 entity and any subsidiary or affiliate of the entity is a
12 single contracting party.

13 "Department" means the Illinois Department of
14 Transportation.

15 "Employee" means an individual who performs a service or
16 function for consideration or who renders any other standard of
17 service generally accepted by industry custom and practice as
18 work for consideration.

19 "Employment goal" means the percentage of labor hours to be
20 performed by minority, women, and low-income employees on a
21 project.

22 "Federal poverty income guidelines" means the poverty
23 guidelines updated periodically in the Federal Register by the
24 United States Department of Health and Human Services under
25 authority of 42 U.S.C. 9902(2).

26 "Labor organization" is given the meaning ascribed to it in

1 the Illinois Public Labor Relations Act.

2 "Low-income community" means a census tract in which more
3 than 50% of households have annual family incomes of not more
4 than 200% of the federal poverty income guidelines.

5 "Low-income employee" means an employee on a project who
6 resides in a low-income community and has a family income of
7 not more than 200% of the federal poverty income guidelines.

8 "Minority" means a person who is a citizen or lawful
9 permanent resident of the United States and who is:

10 (1) African American, meaning a person whose origins
11 are in any of the Black racial groups of Africa, and who
12 has historically and consistently identified himself or
13 herself as being such a person;

14 (2) Hispanic American or Latino American, meaning a
15 person whose origins are in Mexico, Central or South
16 America, or any of the Spanish speaking islands of the
17 Caribbean (for example Cuba and Puerto Rico), regardless of
18 race, and who has historically and consistently identified
19 himself or herself as being such a person;

20 (3) Asian or Pacific Islander American, meaning a
21 person whose origins are in any of the original peoples of
22 the Far East, Southeast Asia, the islands of the Pacific or
23 the Northern Marianas, or the Indian Subcontinent, and who
24 has historically and consistently identified himself or
25 herself as being such a person; or

26 (4) Native American, meaning a person having origins in

1 any of the original peoples of North America, and who
2 maintain tribal affiliation or demonstrate at least
3 one-quarter descent from such groups, and who has
4 historically and consistently identified himself or
5 herself as being such a person.

6 "Project" means any construction, reconstruction,
7 improvement, rehabilitation, or resurfacing project that is
8 funded in whole or in part with moneys from the GROW Illinois
9 Fund.

10 "Secretary" means the Secretary of the Department.

11 Section 5-15. Community Benefits Agreements.

12 (a) No agency shall enter into one or more agreements on
13 any project with a value equal to or in excess of \$10,000,000,
14 the payment for which will come in whole or in part with moneys
15 from the GROW Illinois Fund, with a contracting party unless
16 the Board certifies that each contracting party has entered
17 into a Community Benefits Agreement that contains a 30%
18 employment goal and that otherwise complies with the provisions
19 of this Article. This subsection (a) shall apply to all
20 projects with a value equal to or in excess of \$10,000,000 and
21 every agreement related to that project, regardless of the
22 value of the individual agreements.

23 (b) To ensure compliance with the 30% employment goal, the
24 agency shall withhold at least 25% of the total payment to be
25 made under an agreement until such time as the Board certifies

1 to the agency that the contracting party has met the 30%
2 employment goal.

3 (c) For purposes of this Section, a "30% employment goal"
4 means that at least 30% of the total labor hours on the project
5 are to be performed by minority, women, and low-income
6 employees.

7 Section 5-20. Grants from Capital Workforce Development
8 Fund.

9 (a) Starting in State fiscal year 2009, all moneys in the
10 Capital Workforce Development Fund, held solely for the benefit
11 of eligible contracting parties, shall be appropriated to the
12 Department to make project assistance grants to eligible
13 contracting parties. No less than two-thirds of the funds may
14 be used for grants and other payments for training and
15 non-profit support services, and no more than one-third of the
16 funds may be used for wage subsidies and retention incentives.
17 The Secretary may provide a project assistance grant to a
18 contracting party, upon application to the Secretary on such
19 terms as the Secretary may establish, provided that the Board
20 certifies that the contracting party has entered into a
21 Community Benefits Agreement that contains a 30% employment
22 goal and that otherwise complies with the provisions of this
23 Article. Contracting parties are eligible for grants under this
24 Section 5-20 regardless of the value of the project. For
25 purposes of this Section, a "30% employment goal" means that at

1 least 30% of the total labor hours on the project are to be
2 performed by minority, women, and low-income employees.

3 (b) Allowable uses of the project assistance grants include
4 but are not limited to:

5 (1) Pre-employment services.

6 (2) Pre-apprenticeship training.

7 (3) Apprenticeship training.

8 (4) Skills training.

9 (5) Wage subsidies.

10 (6) Wage stipends.

11 (7) Retention incentives.

12 (8) Support services such as child care and
13 transportation services to and from the worksite.

14 Section 5-25. Capital Workforce Development Oversight
15 Board.

16 (a) There is created the Capital Workforce Development
17 Oversight Board in the Department.

18 (b) The Board shall consist of the following members:

19 (1) The Secretary or his or her designee.

20 (2) The Director of Labor or his or her designee.

21 (3) The Director of Commerce and Economic Opportunity
22 or his or her designee.

23 (4) The Director of the Illinois Community College
24 Board or his or her designee.

25 (c) The following members shall be appointed by the

1 Governor with the advice and consent of the Senate:

2 (1) A representative of a non-profit organization that
3 has demonstrated expertise in the building trades,
4 providing services to women, and preparing workers for
5 employment in the building trades, appointed by the
6 Governor.

7 (2) A representative of a non-profit organization that
8 has demonstrated expertise in providing services to
9 minority groups that are underrepresented in skilled
10 occupations in the building trades industries; knowledge
11 of the building trades industries; and expertise in
12 preparing workers for employment in the building trades.

13 (3) A representative of a non-profit organization that
14 has demonstrated expertise in providing services to
15 low-income and chronically unemployed individuals;
16 knowledge of the building trades industries; and expertise
17 in preparing workers for employment in the building trades.

18 (4) A representative of a labor organization whose
19 members work in the building trades, or a representative of
20 an organization who represents multiple union interests in
21 the building trades.

22 (5) A state contractor.

23 (6) A representative of a congregation-based community
24 organization from outside of the Chicago metropolitan area
25 who has experience in negotiating and executing community
26 benefits agreements.

1 (7) A representative of a congregation-based community
2 organization from the Chicago metropolitan area who has
3 experience in negotiating and executing community benefits
4 agreements.

5 Of the initial appointments, members shall serve staggered
6 terms determined by lot. Four members shall be appointed for a
7 term of one year, 4 members shall be appointed for a term of 2
8 years, and 3 members shall be appointed for a term of 3 years.
9 Upon the expiration of each member's term, a successor shall be
10 appointed for a term of 3 years. Vacancies on the Board shall
11 be filled in the same manner as original appointments, and any
12 members so appointed shall serve during the remainder of the
13 term for which the vacancy occurred.

14 The appointments shall be made within 90 days after the
15 effective date of this Article.

16 (d) Seven members shall constitute a quorum.

17 The Board shall elect a Chairperson from amongst its
18 members by simple majority vote.

19 Members shall serve without compensation but may be
20 reimbursed for expenses incurred in the performance of their
21 duties under this Article.

22 (e) The Board shall be funded through specific
23 appropriations made to the Department for its purposes. The
24 Department shall provide administrative support to the Board.

25 (f) Accurate minutes shall be kept of all meetings of the
26 Board.

1 (g) The Board shall be called at the discretion of the
2 Chair or any 4 members of the Board.

3 (h) The Board shall have the following powers and perform
4 the following duties:

5 (1) Approve all project assistance grants.

6 (2) Monitor the effectiveness of the project
7 assistance grants program.

8 (3) Approve the Community Benefits Agreements and
9 certify that approval to the Secretary or relevant agency.

10 (4) Determine contracting parties' compliance with the
11 30% employment goal pursuant to Section 5-15 and certify
12 that compliance to the relevant agency.

13 ARTICLE 999

14 Section 999-5. Severability. The provisions of this Act are
15 severable under Section 1.31 of the Statute on Statutes.

16 Section 999-99. Effective date. This Act takes effect upon
17 becoming law, except that Sections 1-5 and 1-100 take effect
18 January 1, 2009."