



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

SB3971

Introduced 11/16/2010, by Sen. Christine Radogno

SYNOPSIS AS INTRODUCED:

See Index

Amends the Illinois Income Tax Act to impose a surcharge on all taxpayers on income arising from the sale or exchange of capital assets, depreciable business property, real property used in the trade or business, and certain intangibles (i) of an organization licensee under the Illinois Horse Racing Act of 1975 and (ii) of an electronic gaming licensee under the Riverboat Gambling Act. Amends the Illinois Horse Racing Act of 1975 and the Riverboat Gambling Act. Authorizes the conduct of electronic gaming by an organization licensee under the Illinois Horse Racing Act of 1975 at a race track. Provides for administration and enforcement of electronic gaming by the Illinois Gaming Board. Provides that on or after January 1, 2013, the limitations on the number of total gambling participants for various licensees under the Riverboat Gambling Act no longer apply and a licensee under the Act may purchase additional gaming positions subject to certain fees and conditions. Pre-empts home rule with regard to the regulation and licensing of electronic gaming and electronic gaming licensees. Makes other changes. Amends other Acts to make conforming changes. Effective immediately.

LRB096 24366 ASK 43970 b

FISCAL NOTE ACT
MAY APPLY

HOME RULE NOTE
ACT MAY APPLY

1 AN ACT concerning gaming.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 1. Findings. The General Assembly makes all of the
5 following findings:

6 (1) That more than 50 municipalities and 5 counties
7 have opted out of video gaming legislation that was enacted
8 by the 96th General Assembly as Public Act 96-34, and
9 revenues for the State's newly approved capital
10 construction program are on track to fall short of
11 projections.

12 (2) That these shortfalls could postpone much-needed
13 road construction, school construction, and other
14 infrastructure improvements.

15 (3) That the State likely will wait a year or more,
16 until video gaming is licensed, organized, and online, to
17 realize meaningful revenue from the program.

18 (4) That a significant infusion of new revenue is
19 necessary to ensure that those projects, which are
20 fundamental to the State's economic recovery, proceed as
21 planned.

22 (5) That the decline of the Illinois horse racing and
23 breeding program, a \$2.5 billion industry, would be
24 reversed if this amendatory Act of the 96th General

1 Assembly would be enacted.

2 (6) That the Illinois horse racing industry is on the
3 verge of extinction due to fierce competition from fully
4 developed horse racing and gaming operations in other
5 states.

6 (7) That Illinois lawmakers agreed in 1999 to earmark
7 15% of the forthcoming 10th casino's revenue for horse
8 racing; the State's horse racing industry has never seen a
9 penny of that revenue because the 10th casino has yet to
10 open.

11 (8) That allowing the State's horse racing venues,
12 currently licensed gaming destinations, to maximize their
13 capacities with gaming machines, would generate up to \$120
14 million to \$200 million for the State in the form of extra
15 licensing fees, plus an additional \$100 million to \$300
16 million in recurring annual tax revenue for the State to
17 help ensure that school, road, and other building projects
18 promised under the capital plan occur on schedule.

19 (8) That Illinois agriculture and other businesses
20 that support and supply the horse racing industry, already
21 a sector that employs over 37,000 Illinoisans, also stand
22 to substantially benefit and would be much more likely to
23 create additional jobs should Illinois horse racing once
24 again become competitive with other states.

25 (9) That by keeping these projects on track, the State
26 can be sure that significant job and economic growth will

1 in fact result from the previously enacted legislation.

2 (10) That gaming machines at Illinois horse racing
3 tracks would create an estimated 1,200 to 1,500 permanent
4 jobs, and an estimated capital investment of up to \$200
5 million to \$400 million at these race tracks would prompt
6 additional trade organization jobs necessary to construct
7 new facilities or remodel race tracks to operate electronic
8 gaming.

9 Section 3. The Illinois Income Tax Act is amended by
10 changing Section 201 as follows:

11 (35 ILCS 5/201) (from Ch. 120, par. 2-201)

12 Sec. 201. Tax Imposed.

13 (a) In general. A tax measured by net income is hereby
14 imposed on every individual, corporation, trust and estate for
15 each taxable year ending after July 31, 1969 on the privilege
16 of earning or receiving income in or as a resident of this
17 State. Such tax shall be in addition to all other occupation or
18 privilege taxes imposed by this State or by any municipal
19 corporation or political subdivision thereof.

20 (b) Rates. The tax imposed by subsection (a) of this
21 Section shall be determined as follows, except as adjusted by
22 subsection (d-1):

23 (1) In the case of an individual, trust or estate, for
24 taxable years ending prior to July 1, 1989, an amount equal

1 to 2 1/2% of the taxpayer's net income for the taxable
2 year.

3 (2) In the case of an individual, trust or estate, for
4 taxable years beginning prior to July 1, 1989 and ending
5 after June 30, 1989, an amount equal to the sum of (i) 2
6 1/2% of the taxpayer's net income for the period prior to
7 July 1, 1989, as calculated under Section 202.3, and (ii)
8 3% of the taxpayer's net income for the period after June
9 30, 1989, as calculated under Section 202.3.

10 (3) In the case of an individual, trust or estate, for
11 taxable years beginning after June 30, 1989, an amount
12 equal to 3% of the taxpayer's net income for the taxable
13 year.

14 (4) (Blank).

15 (5) (Blank).

16 (6) In the case of a corporation, for taxable years
17 ending prior to July 1, 1989, an amount equal to 4% of the
18 taxpayer's net income for the taxable year.

19 (7) In the case of a corporation, for taxable years
20 beginning prior to July 1, 1989 and ending after June 30,
21 1989, an amount equal to the sum of (i) 4% of the
22 taxpayer's net income for the period prior to July 1, 1989,
23 as calculated under Section 202.3, and (ii) 4.8% of the
24 taxpayer's net income for the period after June 30, 1989,
25 as calculated under Section 202.3.

26 (8) In the case of a corporation, for taxable years

1 beginning after June 30, 1989, an amount equal to 4.8% of
2 the taxpayer's net income for the taxable year.

3 Surcharge; sale or exchange of assets, properties, and
4 intangibles of gaming licensees. For each of taxable years 2010
5 through 2019, a surcharge is imposed on all taxpayers on income
6 arising from the sale or exchange of capital assets,
7 depreciable business property, real property used in the trade
8 or business, and Section 197 intangibles (i) of an organization
9 licensee under the Illinois Horse Racing Act of 1975 and (ii)
10 of an electronic gaming licensee under the Riverboat Gambling
11 Act. The amount of the surcharge is equal to the amount of
12 federal income tax liability for the taxable year attributable
13 to those sales and exchanges. The surcharge imposed shall not
14 apply if:

15 (1) the electronic gaming license, organization
16 license, or race track property is transferred as a result
17 of any of the following:

18 (A) bankruptcy, a receivership, or a debt
19 adjustment initiated by or against the initial
20 licensee or the substantial owners of the initial
21 licensee;

22 (B) cancellation, revocation, or termination of
23 the electronic gaming licensee's license by the
24 Illinois Gaming Board;

25 (C) a determination by the Illinois Gaming Board
26 that transfer of the license is in the best interests

1 of Illinois gaming;

2 (D) the death of an owner of the equity interest in
3 a licensee;

4 (E) the acquisition of a controlling interest in
5 the stock or substantially all of the assets of a
6 publicly traded company;

7 (F) a transfer by a parent company to a wholly
8 owned subsidiary; or

9 (G) the transfer or sale to or by one person to
10 another person where both persons were initial owners
11 of the license when the license was issued; or

12 (2) the controlling interest in the electronic gaming
13 license, organization license, or race track property is
14 transferred in a transaction to lineal descendants in which
15 no gain or loss is recognized or as a result of a
16 transaction in accordance with Section 351 of the Internal
17 Revenue Code in which no gain or loss is recognized.

18 The transfer of an electronic gaming license, organization
19 license, or race track property by a person other than the
20 initial licensee to receive the electronic gaming license is
21 not subject to a surcharge. The Department shall adopt rules
22 necessary to implement and administer this paragraph.

23 (c) Personal Property Tax Replacement Income Tax.
24 Beginning on July 1, 1979 and thereafter, in addition to such
25 income tax, there is also hereby imposed the Personal Property
26 Tax Replacement Income Tax measured by net income on every

1 corporation (including Subchapter S corporations), partnership
2 and trust, for each taxable year ending after June 30, 1979.
3 Such taxes are imposed on the privilege of earning or receiving
4 income in or as a resident of this State. The Personal Property
5 Tax Replacement Income Tax shall be in addition to the income
6 tax imposed by subsections (a) and (b) of this Section and in
7 addition to all other occupation or privilege taxes imposed by
8 this State or by any municipal corporation or political
9 subdivision thereof.

10 (d) Additional Personal Property Tax Replacement Income
11 Tax Rates. The personal property tax replacement income tax
12 imposed by this subsection and subsection (c) of this Section
13 in the case of a corporation, other than a Subchapter S
14 corporation and except as adjusted by subsection (d-1), shall
15 be an additional amount equal to 2.85% of such taxpayer's net
16 income for the taxable year, except that beginning on January
17 1, 1981, and thereafter, the rate of 2.85% specified in this
18 subsection shall be reduced to 2.5%, and in the case of a
19 partnership, trust or a Subchapter S corporation shall be an
20 additional amount equal to 1.5% of such taxpayer's net income
21 for the taxable year.

22 (d-1) Rate reduction for certain foreign insurers. In the
23 case of a foreign insurer, as defined by Section 35A-5 of the
24 Illinois Insurance Code, whose state or country of domicile
25 imposes on insurers domiciled in Illinois a retaliatory tax
26 (excluding any insurer whose premiums from reinsurance assumed

1 are 50% or more of its total insurance premiums as determined
2 under paragraph (2) of subsection (b) of Section 304, except
3 that for purposes of this determination premiums from
4 reinsurance do not include premiums from inter-affiliate
5 reinsurance arrangements), beginning with taxable years ending
6 on or after December 31, 1999, the sum of the rates of tax
7 imposed by subsections (b) and (d) shall be reduced (but not
8 increased) to the rate at which the total amount of tax imposed
9 under this Act, net of all credits allowed under this Act,
10 shall equal (i) the total amount of tax that would be imposed
11 on the foreign insurer's net income allocable to Illinois for
12 the taxable year by such foreign insurer's state or country of
13 domicile if that net income were subject to all income taxes
14 and taxes measured by net income imposed by such foreign
15 insurer's state or country of domicile, net of all credits
16 allowed or (ii) a rate of zero if no such tax is imposed on such
17 income by the foreign insurer's state of domicile. For the
18 purposes of this subsection (d-1), an inter-affiliate includes
19 a mutual insurer under common management.

20 (1) For the purposes of subsection (d-1), in no event
21 shall the sum of the rates of tax imposed by subsections
22 (b) and (d) be reduced below the rate at which the sum of:

23 (A) the total amount of tax imposed on such foreign
24 insurer under this Act for a taxable year, net of all
25 credits allowed under this Act, plus

26 (B) the privilege tax imposed by Section 409 of the

1 Illinois Insurance Code, the fire insurance company
2 tax imposed by Section 12 of the Fire Investigation
3 Act, and the fire department taxes imposed under
4 Section 11-10-1 of the Illinois Municipal Code,
5 equals 1.25% for taxable years ending prior to December 31,
6 2003, or 1.75% for taxable years ending on or after
7 December 31, 2003, of the net taxable premiums written for
8 the taxable year, as described by subsection (1) of Section
9 409 of the Illinois Insurance Code. This paragraph will in
10 no event increase the rates imposed under subsections (b)
11 and (d).

12 (2) Any reduction in the rates of tax imposed by this
13 subsection shall be applied first against the rates imposed
14 by subsection (b) and only after the tax imposed by
15 subsection (a) net of all credits allowed under this
16 Section other than the credit allowed under subsection (i)
17 has been reduced to zero, against the rates imposed by
18 subsection (d).

19 This subsection (d-1) is exempt from the provisions of
20 Section 250.

21 (e) Investment credit. A taxpayer shall be allowed a credit
22 against the Personal Property Tax Replacement Income Tax for
23 investment in qualified property.

24 (1) A taxpayer shall be allowed a credit equal to .5%
25 of the basis of qualified property placed in service during
26 the taxable year, provided such property is placed in

1 service on or after July 1, 1984. There shall be allowed an
2 additional credit equal to .5% of the basis of qualified
3 property placed in service during the taxable year,
4 provided such property is placed in service on or after
5 July 1, 1986, and the taxpayer's base employment within
6 Illinois has increased by 1% or more over the preceding
7 year as determined by the taxpayer's employment records
8 filed with the Illinois Department of Employment Security.
9 Taxpayers who are new to Illinois shall be deemed to have
10 met the 1% growth in base employment for the first year in
11 which they file employment records with the Illinois
12 Department of Employment Security. The provisions added to
13 this Section by Public Act 85-1200 (and restored by Public
14 Act 87-895) shall be construed as declaratory of existing
15 law and not as a new enactment. If, in any year, the
16 increase in base employment within Illinois over the
17 preceding year is less than 1%, the additional credit shall
18 be limited to that percentage times a fraction, the
19 numerator of which is .5% and the denominator of which is
20 1%, but shall not exceed .5%. The investment credit shall
21 not be allowed to the extent that it would reduce a
22 taxpayer's liability in any tax year below zero, nor may
23 any credit for qualified property be allowed for any year
24 other than the year in which the property was placed in
25 service in Illinois. For tax years ending on or after
26 December 31, 1987, and on or before December 31, 1988, the

1 credit shall be allowed for the tax year in which the
2 property is placed in service, or, if the amount of the
3 credit exceeds the tax liability for that year, whether it
4 exceeds the original liability or the liability as later
5 amended, such excess may be carried forward and applied to
6 the tax liability of the 5 taxable years following the
7 excess credit years if the taxpayer (i) makes investments
8 which cause the creation of a minimum of 2,000 full-time
9 equivalent jobs in Illinois, (ii) is located in an
10 enterprise zone established pursuant to the Illinois
11 Enterprise Zone Act and (iii) is certified by the
12 Department of Commerce and Community Affairs (now
13 Department of Commerce and Economic Opportunity) as
14 complying with the requirements specified in clause (i) and
15 (ii) by July 1, 1986. The Department of Commerce and
16 Community Affairs (now Department of Commerce and Economic
17 Opportunity) shall notify the Department of Revenue of all
18 such certifications immediately. For tax years ending
19 after December 31, 1988, the credit shall be allowed for
20 the tax year in which the property is placed in service,
21 or, if the amount of the credit exceeds the tax liability
22 for that year, whether it exceeds the original liability or
23 the liability as later amended, such excess may be carried
24 forward and applied to the tax liability of the 5 taxable
25 years following the excess credit years. The credit shall
26 be applied to the earliest year for which there is a

1 liability. If there is credit from more than one tax year
2 that is available to offset a liability, earlier credit
3 shall be applied first.

4 (2) The term "qualified property" means property
5 which:

6 (A) is tangible, whether new or used, including
7 buildings and structural components of buildings and
8 signs that are real property, but not including land or
9 improvements to real property that are not a structural
10 component of a building such as landscaping, sewer
11 lines, local access roads, fencing, parking lots, and
12 other appurtenances;

13 (B) is depreciable pursuant to Section 167 of the
14 Internal Revenue Code, except that "3-year property"
15 as defined in Section 168(c)(2)(A) of that Code is not
16 eligible for the credit provided by this subsection
17 (e);

18 (C) is acquired by purchase as defined in Section
19 179(d) of the Internal Revenue Code;

20 (D) is used in Illinois by a taxpayer who is
21 primarily engaged in manufacturing, or in mining coal
22 or fluorite, or in retailing, or was placed in service
23 on or after July 1, 2006 in a River Edge Redevelopment
24 Zone established pursuant to the River Edge
25 Redevelopment Zone Act; and

26 (E) has not previously been used in Illinois in

1 such a manner and by such a person as would qualify for
2 the credit provided by this subsection (e) or
3 subsection (f).

4 (3) For purposes of this subsection (e),
5 "manufacturing" means the material staging and production
6 of tangible personal property by procedures commonly
7 regarded as manufacturing, processing, fabrication, or
8 assembling which changes some existing material into new
9 shapes, new qualities, or new combinations. For purposes of
10 this subsection (e) the term "mining" shall have the same
11 meaning as the term "mining" in Section 613(c) of the
12 Internal Revenue Code. For purposes of this subsection (e),
13 the term "retailing" means the sale of tangible personal
14 property for use or consumption and not for resale, or
15 services rendered in conjunction with the sale of tangible
16 personal property for use or consumption and not for
17 resale. For purposes of this subsection (e), "tangible
18 personal property" has the same meaning as when that term
19 is used in the Retailers' Occupation Tax Act, and, for
20 taxable years ending after December 31, 2008, does not
21 include the generation, transmission, or distribution of
22 electricity.

23 (4) The basis of qualified property shall be the basis
24 used to compute the depreciation deduction for federal
25 income tax purposes.

26 (5) If the basis of the property for federal income tax

1 depreciation purposes is increased after it has been placed
2 in service in Illinois by the taxpayer, the amount of such
3 increase shall be deemed property placed in service on the
4 date of such increase in basis.

5 (6) The term "placed in service" shall have the same
6 meaning as under Section 46 of the Internal Revenue Code.

7 (7) If during any taxable year, any property ceases to
8 be qualified property in the hands of the taxpayer within
9 48 months after being placed in service, or the situs of
10 any qualified property is moved outside Illinois within 48
11 months after being placed in service, the Personal Property
12 Tax Replacement Income Tax for such taxable year shall be
13 increased. Such increase shall be determined by (i)
14 recomputing the investment credit which would have been
15 allowed for the year in which credit for such property was
16 originally allowed by eliminating such property from such
17 computation and, (ii) subtracting such recomputed credit
18 from the amount of credit previously allowed. For the
19 purposes of this paragraph (7), a reduction of the basis of
20 qualified property resulting from a redetermination of the
21 purchase price shall be deemed a disposition of qualified
22 property to the extent of such reduction.

23 (8) Unless the investment credit is extended by law,
24 the basis of qualified property shall not include costs
25 incurred after December 31, 2013, except for costs incurred
26 pursuant to a binding contract entered into on or before

1 December 31, 2013.

2 (9) Each taxable year ending before December 31, 2000,
3 a partnership may elect to pass through to its partners the
4 credits to which the partnership is entitled under this
5 subsection (e) for the taxable year. A partner may use the
6 credit allocated to him or her under this paragraph only
7 against the tax imposed in subsections (c) and (d) of this
8 Section. If the partnership makes that election, those
9 credits shall be allocated among the partners in the
10 partnership in accordance with the rules set forth in
11 Section 704(b) of the Internal Revenue Code, and the rules
12 promulgated under that Section, and the allocated amount of
13 the credits shall be allowed to the partners for that
14 taxable year. The partnership shall make this election on
15 its Personal Property Tax Replacement Income Tax return for
16 that taxable year. The election to pass through the credits
17 shall be irrevocable.

18 For taxable years ending on or after December 31, 2000,
19 a partner that qualifies its partnership for a subtraction
20 under subparagraph (I) of paragraph (2) of subsection (d)
21 of Section 203 or a shareholder that qualifies a Subchapter
22 S corporation for a subtraction under subparagraph (S) of
23 paragraph (2) of subsection (b) of Section 203 shall be
24 allowed a credit under this subsection (e) equal to its
25 share of the credit earned under this subsection (e) during
26 the taxable year by the partnership or Subchapter S

1 corporation, determined in accordance with the
2 determination of income and distributive share of income
3 under Sections 702 and 704 and Subchapter S of the Internal
4 Revenue Code. This paragraph is exempt from the provisions
5 of Section 250.

6 (f) Investment credit; Enterprise Zone; River Edge
7 Redevelopment Zone.

8 (1) A taxpayer shall be allowed a credit against the
9 tax imposed by subsections (a) and (b) of this Section for
10 investment in qualified property which is placed in service
11 in an Enterprise Zone created pursuant to the Illinois
12 Enterprise Zone Act or, for property placed in service on
13 or after July 1, 2006, a River Edge Redevelopment Zone
14 established pursuant to the River Edge Redevelopment Zone
15 Act. For partners, shareholders of Subchapter S
16 corporations, and owners of limited liability companies,
17 if the liability company is treated as a partnership for
18 purposes of federal and State income taxation, there shall
19 be allowed a credit under this subsection (f) to be
20 determined in accordance with the determination of income
21 and distributive share of income under Sections 702 and 704
22 and Subchapter S of the Internal Revenue Code. The credit
23 shall be .5% of the basis for such property. The credit
24 shall be available only in the taxable year in which the
25 property is placed in service in the Enterprise Zone or
26 River Edge Redevelopment Zone and shall not be allowed to

1 the extent that it would reduce a taxpayer's liability for
2 the tax imposed by subsections (a) and (b) of this Section
3 to below zero. For tax years ending on or after December
4 31, 1985, the credit shall be allowed for the tax year in
5 which the property is placed in service, or, if the amount
6 of the credit exceeds the tax liability for that year,
7 whether it exceeds the original liability or the liability
8 as later amended, such excess may be carried forward and
9 applied to the tax liability of the 5 taxable years
10 following the excess credit year. The credit shall be
11 applied to the earliest year for which there is a
12 liability. If there is credit from more than one tax year
13 that is available to offset a liability, the credit
14 accruing first in time shall be applied first.

15 (2) The term qualified property means property which:

16 (A) is tangible, whether new or used, including
17 buildings and structural components of buildings;

18 (B) is depreciable pursuant to Section 167 of the
19 Internal Revenue Code, except that "3-year property"
20 as defined in Section 168(c)(2)(A) of that Code is not
21 eligible for the credit provided by this subsection
22 (f);

23 (C) is acquired by purchase as defined in Section
24 179(d) of the Internal Revenue Code;

25 (D) is used in the Enterprise Zone or River Edge
26 Redevelopment Zone by the taxpayer; and

1 (E) has not been previously used in Illinois in
2 such a manner and by such a person as would qualify for
3 the credit provided by this subsection (f) or
4 subsection (e).

5 (3) The basis of qualified property shall be the basis
6 used to compute the depreciation deduction for federal
7 income tax purposes.

8 (4) If the basis of the property for federal income tax
9 depreciation purposes is increased after it has been placed
10 in service in the Enterprise Zone or River Edge
11 Redevelopment Zone by the taxpayer, the amount of such
12 increase shall be deemed property placed in service on the
13 date of such increase in basis.

14 (5) The term "placed in service" shall have the same
15 meaning as under Section 46 of the Internal Revenue Code.

16 (6) If during any taxable year, any property ceases to
17 be qualified property in the hands of the taxpayer within
18 48 months after being placed in service, or the situs of
19 any qualified property is moved outside the Enterprise Zone
20 or River Edge Redevelopment Zone within 48 months after
21 being placed in service, the tax imposed under subsections
22 (a) and (b) of this Section for such taxable year shall be
23 increased. Such increase shall be determined by (i)
24 recomputing the investment credit which would have been
25 allowed for the year in which credit for such property was
26 originally allowed by eliminating such property from such

1 computation, and (ii) subtracting such recomputed credit
2 from the amount of credit previously allowed. For the
3 purposes of this paragraph (6), a reduction of the basis of
4 qualified property resulting from a redetermination of the
5 purchase price shall be deemed a disposition of qualified
6 property to the extent of such reduction.

7 (7) There shall be allowed an additional credit equal
8 to 0.5% of the basis of qualified property placed in
9 service during the taxable year in a River Edge
10 Redevelopment Zone, provided such property is placed in
11 service on or after July 1, 2006, and the taxpayer's base
12 employment within Illinois has increased by 1% or more over
13 the preceding year as determined by the taxpayer's
14 employment records filed with the Illinois Department of
15 Employment Security. Taxpayers who are new to Illinois
16 shall be deemed to have met the 1% growth in base
17 employment for the first year in which they file employment
18 records with the Illinois Department of Employment
19 Security. If, in any year, the increase in base employment
20 within Illinois over the preceding year is less than 1%,
21 the additional credit shall be limited to that percentage
22 times a fraction, the numerator of which is 0.5% and the
23 denominator of which is 1%, but shall not exceed 0.5%.

24 (g) Jobs Tax Credit; Enterprise Zone, River Edge
25 Redevelopment Zone, and Foreign Trade Zone or Sub-Zone.

26 (1) A taxpayer conducting a trade or business in an

1 enterprise zone or a High Impact Business designated by the
2 Department of Commerce and Economic Opportunity or for
3 taxable years ending on or after December 31, 2006, in a
4 River Edge Redevelopment Zone conducting a trade or
5 business in a federally designated Foreign Trade Zone or
6 Sub-Zone shall be allowed a credit against the tax imposed
7 by subsections (a) and (b) of this Section in the amount of
8 \$500 per eligible employee hired to work in the zone during
9 the taxable year.

10 (2) To qualify for the credit:

11 (A) the taxpayer must hire 5 or more eligible
12 employees to work in an enterprise zone, River Edge
13 Redevelopment Zone, or federally designated Foreign
14 Trade Zone or Sub-Zone during the taxable year;

15 (B) the taxpayer's total employment within the
16 enterprise zone, River Edge Redevelopment Zone, or
17 federally designated Foreign Trade Zone or Sub-Zone
18 must increase by 5 or more full-time employees beyond
19 the total employed in that zone at the end of the
20 previous tax year for which a jobs tax credit under
21 this Section was taken, or beyond the total employed by
22 the taxpayer as of December 31, 1985, whichever is
23 later; and

24 (C) the eligible employees must be employed 180
25 consecutive days in order to be deemed hired for
26 purposes of this subsection.

1 (3) An "eligible employee" means an employee who is:

2 (A) Certified by the Department of Commerce and
3 Economic Opportunity as "eligible for services"
4 pursuant to regulations promulgated in accordance with
5 Title II of the Job Training Partnership Act, Training
6 Services for the Disadvantaged or Title III of the Job
7 Training Partnership Act, Employment and Training
8 Assistance for Dislocated Workers Program.

9 (B) Hired after the enterprise zone, River Edge
10 Redevelopment Zone, or federally designated Foreign
11 Trade Zone or Sub-Zone was designated or the trade or
12 business was located in that zone, whichever is later.

13 (C) Employed in the enterprise zone, River Edge
14 Redevelopment Zone, or Foreign Trade Zone or Sub-Zone.
15 An employee is employed in an enterprise zone or
16 federally designated Foreign Trade Zone or Sub-Zone if
17 his services are rendered there or it is the base of
18 operations for the services performed.

19 (D) A full-time employee working 30 or more hours
20 per week.

21 (4) For tax years ending on or after December 31, 1985
22 and prior to December 31, 1988, the credit shall be allowed
23 for the tax year in which the eligible employees are hired.
24 For tax years ending on or after December 31, 1988, the
25 credit shall be allowed for the tax year immediately
26 following the tax year in which the eligible employees are

1 hired. If the amount of the credit exceeds the tax
2 liability for that year, whether it exceeds the original
3 liability or the liability as later amended, such excess
4 may be carried forward and applied to the tax liability of
5 the 5 taxable years following the excess credit year. The
6 credit shall be applied to the earliest year for which
7 there is a liability. If there is credit from more than one
8 tax year that is available to offset a liability, earlier
9 credit shall be applied first.

10 (5) The Department of Revenue shall promulgate such
11 rules and regulations as may be deemed necessary to carry
12 out the purposes of this subsection (g).

13 (6) The credit shall be available for eligible
14 employees hired on or after January 1, 1986.

15 (h) Investment credit; High Impact Business.

16 (1) Subject to subsections (b) and (b-5) of Section 5.5
17 of the Illinois Enterprise Zone Act, a taxpayer shall be
18 allowed a credit against the tax imposed by subsections (a)
19 and (b) of this Section for investment in qualified
20 property which is placed in service by a Department of
21 Commerce and Economic Opportunity designated High Impact
22 Business. The credit shall be .5% of the basis for such
23 property. The credit shall not be available (i) until the
24 minimum investments in qualified property set forth in
25 subdivision (a)(3)(A) of Section 5.5 of the Illinois
26 Enterprise Zone Act have been satisfied or (ii) until the

1 time authorized in subsection (b-5) of the Illinois
2 Enterprise Zone Act for entities designated as High Impact
3 Businesses under subdivisions (a)(3)(B), (a)(3)(C), and
4 (a)(3)(D) of Section 5.5 of the Illinois Enterprise Zone
5 Act, and shall not be allowed to the extent that it would
6 reduce a taxpayer's liability for the tax imposed by
7 subsections (a) and (b) of this Section to below zero. The
8 credit applicable to such investments shall be taken in the
9 taxable year in which such investments have been completed.
10 The credit for additional investments beyond the minimum
11 investment by a designated high impact business authorized
12 under subdivision (a)(3)(A) of Section 5.5 of the Illinois
13 Enterprise Zone Act shall be available only in the taxable
14 year in which the property is placed in service and shall
15 not be allowed to the extent that it would reduce a
16 taxpayer's liability for the tax imposed by subsections (a)
17 and (b) of this Section to below zero. For tax years ending
18 on or after December 31, 1987, the credit shall be allowed
19 for the tax year in which the property is placed in
20 service, or, if the amount of the credit exceeds the tax
21 liability for that year, whether it exceeds the original
22 liability or the liability as later amended, such excess
23 may be carried forward and applied to the tax liability of
24 the 5 taxable years following the excess credit year. The
25 credit shall be applied to the earliest year for which
26 there is a liability. If there is credit from more than one

1 tax year that is available to offset a liability, the
2 credit accruing first in time shall be applied first.

3 Changes made in this subdivision (h) (1) by Public Act
4 88-670 restore changes made by Public Act 85-1182 and
5 reflect existing law.

6 (2) The term qualified property means property which:

7 (A) is tangible, whether new or used, including
8 buildings and structural components of buildings;

9 (B) is depreciable pursuant to Section 167 of the
10 Internal Revenue Code, except that "3-year property"
11 as defined in Section 168(c) (2) (A) of that Code is not
12 eligible for the credit provided by this subsection
13 (h);

14 (C) is acquired by purchase as defined in Section
15 179(d) of the Internal Revenue Code; and

16 (D) is not eligible for the Enterprise Zone
17 Investment Credit provided by subsection (f) of this
18 Section.

19 (3) The basis of qualified property shall be the basis
20 used to compute the depreciation deduction for federal
21 income tax purposes.

22 (4) If the basis of the property for federal income tax
23 depreciation purposes is increased after it has been placed
24 in service in a federally designated Foreign Trade Zone or
25 Sub-Zone located in Illinois by the taxpayer, the amount of
26 such increase shall be deemed property placed in service on

1 the date of such increase in basis.

2 (5) The term "placed in service" shall have the same
3 meaning as under Section 46 of the Internal Revenue Code.

4 (6) If during any taxable year ending on or before
5 December 31, 1996, any property ceases to be qualified
6 property in the hands of the taxpayer within 48 months
7 after being placed in service, or the situs of any
8 qualified property is moved outside Illinois within 48
9 months after being placed in service, the tax imposed under
10 subsections (a) and (b) of this Section for such taxable
11 year shall be increased. Such increase shall be determined
12 by (i) recomputing the investment credit which would have
13 been allowed for the year in which credit for such property
14 was originally allowed by eliminating such property from
15 such computation, and (ii) subtracting such recomputed
16 credit from the amount of credit previously allowed. For
17 the purposes of this paragraph (6), a reduction of the
18 basis of qualified property resulting from a
19 redetermination of the purchase price shall be deemed a
20 disposition of qualified property to the extent of such
21 reduction.

22 (7) Beginning with tax years ending after December 31,
23 1996, if a taxpayer qualifies for the credit under this
24 subsection (h) and thereby is granted a tax abatement and
25 the taxpayer relocates its entire facility in violation of
26 the explicit terms and length of the contract under Section

1 18-183 of the Property Tax Code, the tax imposed under
2 subsections (a) and (b) of this Section shall be increased
3 for the taxable year in which the taxpayer relocated its
4 facility by an amount equal to the amount of credit
5 received by the taxpayer under this subsection (h).

6 (i) Credit for Personal Property Tax Replacement Income
7 Tax. For tax years ending prior to December 31, 2003, a credit
8 shall be allowed against the tax imposed by subsections (a) and
9 (b) of this Section for the tax imposed by subsections (c) and
10 (d) of this Section. This credit shall be computed by
11 multiplying the tax imposed by subsections (c) and (d) of this
12 Section by a fraction, the numerator of which is base income
13 allocable to Illinois and the denominator of which is Illinois
14 base income, and further multiplying the product by the tax
15 rate imposed by subsections (a) and (b) of this Section.

16 Any credit earned on or after December 31, 1986 under this
17 subsection which is unused in the year the credit is computed
18 because it exceeds the tax liability imposed by subsections (a)
19 and (b) for that year (whether it exceeds the original
20 liability or the liability as later amended) may be carried
21 forward and applied to the tax liability imposed by subsections
22 (a) and (b) of the 5 taxable years following the excess credit
23 year, provided that no credit may be carried forward to any
24 year ending on or after December 31, 2003. This credit shall be
25 applied first to the earliest year for which there is a
26 liability. If there is a credit under this subsection from more

1 than one tax year that is available to offset a liability the
2 earliest credit arising under this subsection shall be applied
3 first.

4 If, during any taxable year ending on or after December 31,
5 1986, the tax imposed by subsections (c) and (d) of this
6 Section for which a taxpayer has claimed a credit under this
7 subsection (i) is reduced, the amount of credit for such tax
8 shall also be reduced. Such reduction shall be determined by
9 recomputing the credit to take into account the reduced tax
10 imposed by subsections (c) and (d). If any portion of the
11 reduced amount of credit has been carried to a different
12 taxable year, an amended return shall be filed for such taxable
13 year to reduce the amount of credit claimed.

14 (j) Training expense credit. Beginning with tax years
15 ending on or after December 31, 1986 and prior to December 31,
16 2003, a taxpayer shall be allowed a credit against the tax
17 imposed by subsections (a) and (b) under this Section for all
18 amounts paid or accrued, on behalf of all persons employed by
19 the taxpayer in Illinois or Illinois residents employed outside
20 of Illinois by a taxpayer, for educational or vocational
21 training in semi-technical or technical fields or semi-skilled
22 or skilled fields, which were deducted from gross income in the
23 computation of taxable income. The credit against the tax
24 imposed by subsections (a) and (b) shall be 1.6% of such
25 training expenses. For partners, shareholders of subchapter S
26 corporations, and owners of limited liability companies, if the

1 liability company is treated as a partnership for purposes of
2 federal and State income taxation, there shall be allowed a
3 credit under this subsection (j) to be determined in accordance
4 with the determination of income and distributive share of
5 income under Sections 702 and 704 and subchapter S of the
6 Internal Revenue Code.

7 Any credit allowed under this subsection which is unused in
8 the year the credit is earned may be carried forward to each of
9 the 5 taxable years following the year for which the credit is
10 first computed until it is used. This credit shall be applied
11 first to the earliest year for which there is a liability. If
12 there is a credit under this subsection from more than one tax
13 year that is available to offset a liability the earliest
14 credit arising under this subsection shall be applied first. No
15 carryforward credit may be claimed in any tax year ending on or
16 after December 31, 2003.

17 (k) Research and development credit.

18 For tax years ending after July 1, 1990 and prior to
19 December 31, 2003, and beginning again for tax years ending on
20 or after December 31, 2004, and ending prior to January 1,
21 2011, a taxpayer shall be allowed a credit against the tax
22 imposed by subsections (a) and (b) of this Section for
23 increasing research activities in this State. The credit
24 allowed against the tax imposed by subsections (a) and (b)
25 shall be equal to 6 1/2% of the qualifying expenditures for
26 increasing research activities in this State. For partners,

1 shareholders of subchapter S corporations, and owners of
2 limited liability companies, if the liability company is
3 treated as a partnership for purposes of federal and State
4 income taxation, there shall be allowed a credit under this
5 subsection to be determined in accordance with the
6 determination of income and distributive share of income under
7 Sections 702 and 704 and subchapter S of the Internal Revenue
8 Code.

9 For purposes of this subsection, "qualifying expenditures"
10 means the qualifying expenditures as defined for the federal
11 credit for increasing research activities which would be
12 allowable under Section 41 of the Internal Revenue Code and
13 which are conducted in this State, "qualifying expenditures for
14 increasing research activities in this State" means the excess
15 of qualifying expenditures for the taxable year in which
16 incurred over qualifying expenditures for the base period,
17 "qualifying expenditures for the base period" means the average
18 of the qualifying expenditures for each year in the base
19 period, and "base period" means the 3 taxable years immediately
20 preceding the taxable year for which the determination is being
21 made.

22 Any credit in excess of the tax liability for the taxable
23 year may be carried forward. A taxpayer may elect to have the
24 unused credit shown on its final completed return carried over
25 as a credit against the tax liability for the following 5
26 taxable years or until it has been fully used, whichever occurs

1 first; provided that no credit earned in a tax year ending
2 prior to December 31, 2003 may be carried forward to any year
3 ending on or after December 31, 2003, and no credit may be
4 carried forward to any taxable year ending on or after January
5 1, 2011.

6 If an unused credit is carried forward to a given year from
7 2 or more earlier years, that credit arising in the earliest
8 year will be applied first against the tax liability for the
9 given year. If a tax liability for the given year still
10 remains, the credit from the next earliest year will then be
11 applied, and so on, until all credits have been used or no tax
12 liability for the given year remains. Any remaining unused
13 credit or credits then will be carried forward to the next
14 following year in which a tax liability is incurred, except
15 that no credit can be carried forward to a year which is more
16 than 5 years after the year in which the expense for which the
17 credit is given was incurred.

18 No inference shall be drawn from this amendatory Act of the
19 91st General Assembly in construing this Section for taxable
20 years beginning before January 1, 1999.

21 (1) Environmental Remediation Tax Credit.

22 (i) For tax years ending after December 31, 1997 and on
23 or before December 31, 2001, a taxpayer shall be allowed a
24 credit against the tax imposed by subsections (a) and (b)
25 of this Section for certain amounts paid for unreimbursed
26 eligible remediation costs, as specified in this

1 subsection. For purposes of this Section, "unreimbursed
2 eligible remediation costs" means costs approved by the
3 Illinois Environmental Protection Agency ("Agency") under
4 Section 58.14 of the Environmental Protection Act that were
5 paid in performing environmental remediation at a site for
6 which a No Further Remediation Letter was issued by the
7 Agency and recorded under Section 58.10 of the
8 Environmental Protection Act. The credit must be claimed
9 for the taxable year in which Agency approval of the
10 eligible remediation costs is granted. The credit is not
11 available to any taxpayer if the taxpayer or any related
12 party caused or contributed to, in any material respect, a
13 release of regulated substances on, in, or under the site
14 that was identified and addressed by the remedial action
15 pursuant to the Site Remediation Program of the
16 Environmental Protection Act. After the Pollution Control
17 Board rules are adopted pursuant to the Illinois
18 Administrative Procedure Act for the administration and
19 enforcement of Section 58.9 of the Environmental
20 Protection Act, determinations as to credit availability
21 for purposes of this Section shall be made consistent with
22 those rules. For purposes of this Section, "taxpayer"
23 includes a person whose tax attributes the taxpayer has
24 succeeded to under Section 381 of the Internal Revenue Code
25 and "related party" includes the persons disallowed a
26 deduction for losses by paragraphs (b), (c), and (f)(1) of

1 Section 267 of the Internal Revenue Code by virtue of being
2 a related taxpayer, as well as any of its partners. The
3 credit allowed against the tax imposed by subsections (a)
4 and (b) shall be equal to 25% of the unreimbursed eligible
5 remediation costs in excess of \$100,000 per site, except
6 that the \$100,000 threshold shall not apply to any site
7 contained in an enterprise zone as determined by the
8 Department of Commerce and Community Affairs (now
9 Department of Commerce and Economic Opportunity). The
10 total credit allowed shall not exceed \$40,000 per year with
11 a maximum total of \$150,000 per site. For partners and
12 shareholders of subchapter S corporations, there shall be
13 allowed a credit under this subsection to be determined in
14 accordance with the determination of income and
15 distributive share of income under Sections 702 and 704 and
16 subchapter S of the Internal Revenue Code.

17 (ii) A credit allowed under this subsection that is
18 unused in the year the credit is earned may be carried
19 forward to each of the 5 taxable years following the year
20 for which the credit is first earned until it is used. The
21 term "unused credit" does not include any amounts of
22 unreimbursed eligible remediation costs in excess of the
23 maximum credit per site authorized under paragraph (i).
24 This credit shall be applied first to the earliest year for
25 which there is a liability. If there is a credit under this
26 subsection from more than one tax year that is available to

1 offset a liability, the earliest credit arising under this
2 subsection shall be applied first. A credit allowed under
3 this subsection may be sold to a buyer as part of a sale of
4 all or part of the remediation site for which the credit
5 was granted. The purchaser of a remediation site and the
6 tax credit shall succeed to the unused credit and remaining
7 carry-forward period of the seller. To perfect the
8 transfer, the assignor shall record the transfer in the
9 chain of title for the site and provide written notice to
10 the Director of the Illinois Department of Revenue of the
11 assignor's intent to sell the remediation site and the
12 amount of the tax credit to be transferred as a portion of
13 the sale. In no event may a credit be transferred to any
14 taxpayer if the taxpayer or a related party would not be
15 eligible under the provisions of subsection (i).

16 (iii) For purposes of this Section, the term "site"
17 shall have the same meaning as under Section 58.2 of the
18 Environmental Protection Act.

19 (m) Education expense credit. Beginning with tax years
20 ending after December 31, 1999, a taxpayer who is the custodian
21 of one or more qualifying pupils shall be allowed a credit
22 against the tax imposed by subsections (a) and (b) of this
23 Section for qualified education expenses incurred on behalf of
24 the qualifying pupils. The credit shall be equal to 25% of
25 qualified education expenses, but in no event may the total
26 credit under this subsection claimed by a family that is the

1 custodian of qualifying pupils exceed \$500. In no event shall a
2 credit under this subsection reduce the taxpayer's liability
3 under this Act to less than zero. This subsection is exempt
4 from the provisions of Section 250 of this Act.

5 For purposes of this subsection:

6 "Qualifying pupils" means individuals who (i) are
7 residents of the State of Illinois, (ii) are under the age of
8 21 at the close of the school year for which a credit is
9 sought, and (iii) during the school year for which a credit is
10 sought were full-time pupils enrolled in a kindergarten through
11 twelfth grade education program at any school, as defined in
12 this subsection.

13 "Qualified education expense" means the amount incurred on
14 behalf of a qualifying pupil in excess of \$250 for tuition,
15 book fees, and lab fees at the school in which the pupil is
16 enrolled during the regular school year.

17 "School" means any public or nonpublic elementary or
18 secondary school in Illinois that is in compliance with Title
19 VI of the Civil Rights Act of 1964 and attendance at which
20 satisfies the requirements of Section 26-1 of the School Code,
21 except that nothing shall be construed to require a child to
22 attend any particular public or nonpublic school to qualify for
23 the credit under this Section.

24 "Custodian" means, with respect to qualifying pupils, an
25 Illinois resident who is a parent, the parents, a legal
26 guardian, or the legal guardians of the qualifying pupils.

1 (n) River Edge Redevelopment Zone site remediation tax
2 credit.

3 (i) For tax years ending on or after December 31, 2006,
4 a taxpayer shall be allowed a credit against the tax
5 imposed by subsections (a) and (b) of this Section for
6 certain amounts paid for unreimbursed eligible remediation
7 costs, as specified in this subsection. For purposes of
8 this Section, "unreimbursed eligible remediation costs"
9 means costs approved by the Illinois Environmental
10 Protection Agency ("Agency") under Section 58.14a of the
11 Environmental Protection Act that were paid in performing
12 environmental remediation at a site within a River Edge
13 Redevelopment Zone for which a No Further Remediation
14 Letter was issued by the Agency and recorded under Section
15 58.10 of the Environmental Protection Act. The credit must
16 be claimed for the taxable year in which Agency approval of
17 the eligible remediation costs is granted. The credit is
18 not available to any taxpayer if the taxpayer or any
19 related party caused or contributed to, in any material
20 respect, a release of regulated substances on, in, or under
21 the site that was identified and addressed by the remedial
22 action pursuant to the Site Remediation Program of the
23 Environmental Protection Act. Determinations as to credit
24 availability for purposes of this Section shall be made
25 consistent with rules adopted by the Pollution Control
26 Board pursuant to the Illinois Administrative Procedure

1 Act for the administration and enforcement of Section 58.9
2 of the Environmental Protection Act. For purposes of this
3 Section, "taxpayer" includes a person whose tax attributes
4 the taxpayer has succeeded to under Section 381 of the
5 Internal Revenue Code and "related party" includes the
6 persons disallowed a deduction for losses by paragraphs
7 (b), (c), and (f) (1) of Section 267 of the Internal Revenue
8 Code by virtue of being a related taxpayer, as well as any
9 of its partners. The credit allowed against the tax imposed
10 by subsections (a) and (b) shall be equal to 25% of the
11 unreimbursed eligible remediation costs in excess of
12 \$100,000 per site.

13 (ii) A credit allowed under this subsection that is
14 unused in the year the credit is earned may be carried
15 forward to each of the 5 taxable years following the year
16 for which the credit is first earned until it is used. This
17 credit shall be applied first to the earliest year for
18 which there is a liability. If there is a credit under this
19 subsection from more than one tax year that is available to
20 offset a liability, the earliest credit arising under this
21 subsection shall be applied first. A credit allowed under
22 this subsection may be sold to a buyer as part of a sale of
23 all or part of the remediation site for which the credit
24 was granted. The purchaser of a remediation site and the
25 tax credit shall succeed to the unused credit and remaining
26 carry-forward period of the seller. To perfect the

1 transfer, the assignor shall record the transfer in the
2 chain of title for the site and provide written notice to
3 the Director of the Illinois Department of Revenue of the
4 assignor's intent to sell the remediation site and the
5 amount of the tax credit to be transferred as a portion of
6 the sale. In no event may a credit be transferred to any
7 taxpayer if the taxpayer or a related party would not be
8 eligible under the provisions of subsection (i).

9 (iii) For purposes of this Section, the term "site"
10 shall have the same meaning as under Section 58.2 of the
11 Environmental Protection Act.

12 (iv) This subsection is exempt from the provisions of
13 Section 250.

14 (Source: P.A. 95-454, eff. 8-27-07; 96-115, eff. 7-31-09;
15 96-116, eff. 7-31-09; 96-937, eff. 6-23-10; 96-1000, eff.
16 7-2-10.)

17 Section 5. The Illinois Horse Racing Act of 1975 is amended
18 by changing Sections 1.2, 3.11, 3.12, 9, 15, 15.1, 18, 19, 20,
19 24, 26, 27, 28, 28.1, 30, 31, 31.1, 32.1, 36, and 40 and by
20 adding Sections 3.31, 3.32, 3.33, 3.34, 3.35, and 56 as
21 follows:

22 (230 ILCS 5/1.2)

23 Sec. 1.2. Legislative intent. This Act is intended to
24 benefit the people of the State of Illinois by encouraging the

1 breeding and production of race horses, assisting economic
2 development and promoting Illinois tourism. The General
3 Assembly finds and declares it to be the public policy of the
4 State of Illinois to:

5 (a) support and enhance Illinois' horse racing industry,
6 which is a significant component within the agribusiness
7 industry;

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

10 (c) stimulate growth within Illinois' horse racing
11 industry, thereby encouraging new investment and development
12 to produce additional tax revenues and to create additional
13 jobs;

14 (d) promote the further growth of tourism;

15 (e) encourage the breeding of thoroughbred and
16 standardbred horses in this State; and

17 (f) ensure that public confidence and trust in the
18 credibility and integrity of racing operations and the
19 regulatory process is maintained.

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

21 (230 ILCS 5/3.11) (from Ch. 8, par. 37-3.11)

22 Sec. 3.11. "Organization Licensee" means any person
23 receiving an organization license from the Board to conduct a
24 race meeting or meetings. With respect only to electronic
25 gaming, "organization licensee" includes the authorization for

1 an electronic gaming license under subsection (a) of Section 56
2 of this Act.

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

4 (230 ILCS 5/3.12) (from Ch. 8, par. 37-3.12)

5 Sec. 3.12. Pari-mutuel system of wagering. "Pari-mutuel
6 system of wagering" means a form of wagering on the outcome of
7 horse races in which wagers are made in various denominations
8 on a horse or horses and all wagers for each race are pooled
9 and held by a licensee for distribution in a manner approved by
10 the Board. "Pari-mutuel system of wagering" shall not include
11 wagering on historic races. Wagers may be placed via any method
12 or at any location authorized under this Act.

13 (Source: P.A. 96-762, eff. 8-25-09.)

14 (230 ILCS 5/3.31 new)

15 Sec. 3.31. Gross gaming receipts. "Gross gaming receipts"
16 means the whole gaming receipts less winnings paid to wagerers.

17 (230 ILCS 5/3.32 new)

18 Sec. 3.32. Whole gaming receipts. "Whole gaming receipts"
19 means the total amount of money exchanged for the purchase of
20 chips, tokens, or electronic cards by riverboat patrons or
21 electronic gaming patrons.

22 (230 ILCS 5/3.33 new)

1 Sec. 3.33. Electronic gaming. "Electronic gaming" means
2 slot machine gambling, video game of chance gambling, or
3 gambling with electronic gambling games as defined in the
4 Riverboat Gambling Act that is conducted at a race track
5 pursuant to an electronic gaming license.

6 (230 ILCS 5/3.34 new)

7 Sec. 3.34. Electronic gaming license. "Electronic gaming
8 license" means a license issued by the Illinois Gaming Board
9 under Section 7.6 of the Riverboat Gambling Act authorizing
10 electronic gaming at an electronic gaming facility.

11 (230 ILCS 5/3.35 new)

12 Sec. 3.35. Electronic gaming facility. "Electronic gaming
13 facility" means that portion of an organization licensee's race
14 track facility at which electronic gaming is conducted.

15 (230 ILCS 5/9) (from Ch. 8, par. 37-9)

16 Sec. 9. The Board shall have all powers necessary and
17 proper to fully and effectively execute the provisions of this
18 Act, including, but not limited to, the following:

19 (a) The Board is vested with jurisdiction and supervision
20 over all race meetings in this State, over all licensees doing
21 business in this State, over all occupation licensees, and over
22 all persons on the facilities of any licensee. Such
23 jurisdiction shall include the power to issue licenses to the

1 Illinois Department of Agriculture authorizing the pari-mutuel
2 system of wagering on harness and Quarter Horse races held (1)
3 at the Illinois State Fair in Sangamon County, and (2) at the
4 DuQuoin State Fair in Perry County. The jurisdiction of the
5 Board shall also include the power to issue licenses to county
6 fairs which are eligible to receive funds pursuant to the
7 Agricultural Fair Act, as now or hereafter amended, or their
8 agents, authorizing the pari-mutuel system of wagering on horse
9 races conducted at the county fairs receiving such licenses.
10 Such licenses shall be governed by subsection (n) of this
11 Section.

12 Upon application, the Board shall issue a license to the
13 Illinois Department of Agriculture to conduct harness and
14 Quarter Horse races at the Illinois State Fair and at the
15 DuQuoin State Fairgrounds during the scheduled dates of each
16 fair. The Board shall not require and the Department of
17 Agriculture shall be exempt from the requirements of Sections
18 15.3, 18 and 19, paragraphs (a)(2), (b), (c), (d), (e), (e-5),
19 (e-10), (f), (g), and (h) of Section 20, and Sections 21, 24
20 and 25. The Board and the Department of Agriculture may extend
21 any or all of these exemptions to any contractor or agent
22 engaged by the Department of Agriculture to conduct its race
23 meetings when the Board determines that this would best serve
24 the public interest and the interest of horse racing.

25 Notwithstanding any provision of law to the contrary, it
26 shall be lawful for any licensee to operate pari-mutuel

1 wagering or contract with the Department of Agriculture to
2 operate pari-mutuel wagering at the DuQuoin State Fairgrounds
3 or for the Department to enter into contracts with a licensee,
4 employ its owners, employees or agents and employ such other
5 occupation licensees as the Department deems necessary in
6 connection with race meetings and wagerings.

7 (b) The Board is vested with the full power to promulgate
8 reasonable rules and regulations for the purpose of
9 administering the provisions of this Act and to prescribe
10 reasonable rules, regulations and conditions under which all
11 horse race meetings or wagering in the State shall be
12 conducted. Such reasonable rules and regulations are to provide
13 for the prevention of practices detrimental to the public
14 interest and to promote the best interests of horse racing and
15 to impose penalties for violations thereof.

16 (c) The Board, and any person or persons to whom it
17 delegates this power, is vested with the power to enter the
18 facilities and other places of business of any licensee to
19 determine whether there has been compliance with the provisions
20 of this Act and its rules and regulations.

21 (d) The Board, and any person or persons to whom it
22 delegates this power, is vested with the authority to
23 investigate alleged violations of the provisions of this Act,
24 its reasonable rules and regulations, orders and final
25 decisions; the Board shall take appropriate disciplinary
26 action against any licensee or occupation licensee for

1 violation thereof or institute appropriate legal action for the
2 enforcement thereof.

3 (e) The Board, and any person or persons to whom it
4 delegates this power, may eject or exclude from any race
5 meeting or the facilities of any licensee, or any part thereof,
6 any occupation licensee or any other individual whose conduct
7 or reputation is such that his presence on those facilities
8 may, in the opinion of the Board, call into question the
9 honesty and integrity of horse racing or wagering or interfere
10 with the orderly conduct of horse racing or wagering; provided,
11 however, that no person shall be excluded or ejected from the
12 facilities of any licensee solely on the grounds of race,
13 color, creed, national origin, ancestry, or sex. The power to
14 eject or exclude an occupation licensee or other individual may
15 be exercised for just cause by the licensee or the Board,
16 subject to subsequent hearing by the Board as to the propriety
17 of said exclusion.

18 (f) The Board is vested with the power to acquire,
19 establish, maintain and operate (or provide by contract to
20 maintain and operate) testing laboratories and related
21 facilities, for the purpose of conducting saliva, blood, urine
22 and other tests on the horses run or to be run in any horse race
23 meeting and to purchase all equipment and supplies deemed
24 necessary or desirable in connection with any such testing
25 laboratories and related facilities and all such tests.

26 (g) The Board may require that the records, including

1 financial or other statements of any licensee or any person
2 affiliated with the licensee who is involved directly or
3 indirectly in the activities of any licensee as regulated under
4 this Act to the extent that those financial or other statements
5 relate to such activities be kept in such manner as prescribed
6 by the Board, and that Board employees shall have access to
7 those records during reasonable business hours. Within 120 days
8 of the end of its fiscal year, each licensee shall transmit to
9 the Board an audit of the financial transactions and condition
10 of the licensee's total operations. All audits shall be
11 conducted by certified public accountants. Each certified
12 public accountant must be registered in the State of Illinois
13 under the Illinois Public Accounting Act. The compensation for
14 each certified public accountant shall be paid directly by the
15 licensee to the certified public accountant. A licensee shall
16 also submit any other financial or related information the
17 Board deems necessary to effectively administer this Act and
18 all rules, regulations, and final decisions promulgated under
19 this Act.

20 (h) The Board shall name and appoint in the manner provided
21 by the rules and regulations of the Board: an Executive
22 Director; a State director of mutuels; State veterinarians and
23 representatives to take saliva, blood, urine and other tests on
24 horses; licensing personnel; revenue inspectors; and State
25 seasonal employees (excluding admission ticket sellers and
26 mutuel clerks). All of those named and appointed as provided in

1 this subsection shall serve during the pleasure of the Board;
2 their compensation shall be determined by the Board and be paid
3 in the same manner as other employees of the Board under this
4 Act.

5 (i) The Board shall require that there shall be 3 stewards
6 at each horse race meeting, at least 2 of whom shall be named
7 and appointed by the Board. Stewards appointed or approved by
8 the Board, while performing duties required by this Act or by
9 the Board, shall be entitled to the same rights and immunities
10 as granted to Board members and Board employees in Section 10
11 of this Act.

12 (j) The Board may discharge any Board employee who fails or
13 refuses for any reason to comply with the rules and regulations
14 of the Board, or who, in the opinion of the Board, is guilty of
15 fraud, dishonesty or who is proven to be incompetent. The Board
16 shall have no right or power to determine who shall be
17 officers, directors or employees of any licensee, or their
18 salaries except the Board may, by rule, require that all or any
19 officials or employees in charge of or whose duties relate to
20 the actual running of races be approved by the Board.

21 (k) The Board is vested with the power to appoint delegates
22 to execute any of the powers granted to it under this Section
23 for the purpose of administering this Act and any rules or
24 regulations promulgated in accordance with this Act.

25 (l) The Board is vested with the power to impose civil
26 penalties of up to \$5,000 against an individual and up to

1 \$10,000 against a licensee for each violation of any provision
2 of this Act, any rules adopted by the Board, any order of the
3 Board or any other action which, in the Board's discretion, is
4 a detriment or impediment to horse racing or wagering. All such
5 civil penalties shall be deposited into the Horse Racing Fund.

6 (m) The Board is vested with the power to prescribe a form
7 to be used by licensees as an application for employment for
8 employees of each licensee.

9 (n) The Board shall have the power to issue a license to
10 any county fair, or its agent, authorizing the conduct of the
11 pari-mutuel system of wagering. The Board is vested with the
12 full power to promulgate reasonable rules, regulations and
13 conditions under which all horse race meetings licensed
14 pursuant to this subsection shall be held and conducted,
15 including rules, regulations and conditions for the conduct of
16 the pari-mutuel system of wagering. The rules, regulations and
17 conditions shall provide for the prevention of practices
18 detrimental to the public interest and for the best interests
19 of horse racing, and shall prescribe penalties for violations
20 thereof. Any authority granted the Board under this Act shall
21 extend to its jurisdiction and supervision over county fairs,
22 or their agents, licensed pursuant to this subsection. However,
23 the Board may waive any provision of this Act or its rules or
24 regulations which would otherwise apply to such county fairs or
25 their agents.

26 (o) Whenever the Board is authorized or required by law to

1 consider some aspect of criminal history record information for
2 the purpose of carrying out its statutory powers and
3 responsibilities, then, upon request and payment of fees in
4 conformance with the requirements of Section 2605-400 of the
5 Department of State Police Law (20 ILCS 2605/2605-400), the
6 Department of State Police is authorized to furnish, pursuant
7 to positive identification, such information contained in
8 State files as is necessary to fulfill the request.

9 (p) To insure the convenience, comfort, and wagering
10 accessibility of race track patrons, to provide for the
11 maximization of State revenue, and to generate increases in
12 purse allotments to the horsemen, the Board shall require any
13 licensee to staff the pari-mutuel department with adequate
14 personnel.

15 (Source: P.A. 91-239, eff. 1-1-00.)

16 (230 ILCS 5/15) (from Ch. 8, par. 37-15)

17 Sec. 15. (a) The Board shall, in its discretion, issue
18 occupation licenses to horse owners, trainers, harness
19 drivers, jockeys, agents, apprentices, grooms, stable foremen,
20 exercise persons, veterinarians, valets, blacksmiths,
21 concessionaires and others designated by the Board whose work,
22 in whole or in part, is conducted upon facilities within the
23 State. Such occupation licenses will be obtained prior to the
24 persons engaging in their vocation upon such facilities. The
25 Board shall not license pari-mutuel clerks, parking

1 attendants, security guards and employees of concessionaires.
2 No occupation license shall be required of any person who works
3 at facilities within this State as a pari-mutuel clerk, parking
4 attendant, security guard or as an employee of a
5 concessionaire. Concessionaires of the Illinois State Fair and
6 DuQuoin State Fair and employees of the Illinois Department of
7 Agriculture shall not be required to obtain an occupation
8 license by the Board.

9 (b) Each application for an occupation license shall be on
10 forms prescribed by the Board. Such license, when issued, shall
11 be for the period ending December 31 of each year, except that
12 the Board in its discretion may grant 3-year licenses. The
13 application shall be accompanied by a fee of not more than \$25
14 per year or, in the case of 3-year occupation license
15 applications, a fee of not more than \$60. Each applicant shall
16 set forth in the application his full name and address, and if
17 he had been issued prior occupation licenses or has been
18 licensed in any other state under any other name, such name,
19 his age, whether or not a permit or license issued to him in
20 any other state has been suspended or revoked and if so whether
21 such suspension or revocation is in effect at the time of the
22 application, and such other information as the Board may
23 require. Fees for registration of stable names shall not exceed
24 \$50.00.

25 (c) The Board may in its discretion refuse an occupation
26 license to any person:

- 1 (1) who has been convicted of a crime;
- 2 (2) who is unqualified to perform the duties required
3 of such applicant;
- 4 (3) who fails to disclose or states falsely any
5 information called for in the application;
- 6 (4) who has been found guilty of a violation of this
7 Act or of the rules and regulations of the Board; or
- 8 (5) whose license or permit has been suspended, revoked
9 or denied for just cause in any other state.
- 10 (d) The Board may suspend or revoke any occupation license:
- 11 (1) for violation of any of the provisions of this Act;
12 or
- 13 (2) for violation of any of the rules or regulations of
14 the Board; or
- 15 (3) for any cause which, if known to the Board, would
16 have justified the Board in refusing to issue such
17 occupation license; or
- 18 (4) for any other just cause.
- 19 (e) Each applicant shall submit his or her fingerprints
20 to the Department of State Police in the form and manner
21 prescribed by the Department of State Police. These
22 fingerprints shall be checked against the fingerprint records
23 now and hereafter filed in the Department of State Police and
24 Federal Bureau of Investigation criminal history records
25 databases. The Department of State Police shall charge a fee
26 for conducting the criminal history records check, which shall

1 be deposited in the State Police Services Fund and shall not
2 exceed the actual cost of the records check. The Department of
3 State Police shall furnish, pursuant to positive
4 identification, records of conviction to the Board. Each
5 applicant for licensure shall submit with his occupation
6 license application, on forms provided by the Board, 2 sets of
7 his fingerprints. All such applicants shall appear in person at
8 the location designated by the Board for the purpose of
9 submitting such sets of fingerprints; however, with the prior
10 approval of a State steward, an applicant may have such sets of
11 fingerprints taken by an official law enforcement agency and
12 submitted to the Board.

13 (f) The Board may, in its discretion, issue an occupation
14 license without submission of fingerprints ~~if an applicant has~~
15 ~~been duly licensed in another recognized racing jurisdiction~~
16 ~~after submitting fingerprints that were subjected to a Federal~~
17 ~~Bureau of Investigation criminal history background check in~~
18 ~~that jurisdiction.~~

19 (Source: P.A. 93-418, eff. 1-1-04.)

20 (230 ILCS 5/15.1) (from Ch. 8, par. 37-15.1)

21 Sec. 15.1. Upon collection of the fee accompanying the
22 application for an occupation license, the Board shall be
23 authorized to make daily temporary deposits of the fees, for a
24 period not to exceed 7 days, with the horsemen's bookkeeper at
25 a race meeting. The horsemen's bookkeeper shall issue a check,

1 payable to the order of the Illinois Racing Board, for monies
2 deposited under this Section within 24 hours of receipt of the
3 monies. Provided however, upon the issuance of the check by the
4 horsemen's bookkeeper the check shall be deposited into the
5 Horse Racing Fund ~~in the State Treasury in accordance with the~~
6 ~~provisions of the "State Officers and Employees Money~~
7 ~~Disposition Act", approved June 9, 1911, as amended.~~

8 (Source: P.A. 84-432.)

9 (230 ILCS 5/18) (from Ch. 8, par. 37-18)

10 Sec. 18. (a) Together with its application, each applicant
11 for racing dates shall deliver to the Board a certified check
12 or bank draft payable to the order of the Board for \$1,000. In
13 the event the applicant applies for racing dates in 2 or 3
14 successive calendar years as provided in subsection (b) of
15 Section 21, the fee shall be \$2,000. Filing fees shall not be
16 refunded in the event the application is denied. All filing
17 fees shall be deposited into the Horse Racing Fund.

18 (b) In addition to the filing fee of \$1000 and the fees
19 provided in subsection (j) of Section 20, each organization
20 licensee shall pay a license fee of \$100 for each racing
21 program on which its daily pari-mutuel handle is \$400,000 or
22 more but less than \$700,000, and a license fee of \$200 for each
23 racing program on which its daily pari-mutuel handle is
24 \$700,000 or more. The additional fees required to be paid under
25 this Section by this amendatory Act of 1982 shall be remitted

1 by the organization licensee to the Illinois Racing Board with
2 each day's graduated privilege tax or pari-mutuel tax and
3 breakage as provided under Section 27.

4 (c) Sections 11-42-1, 11-42-5, and 11-54-1 of the "Illinois
5 Municipal Code," approved May 29, 1961, as now or hereafter
6 amended, shall not apply to any license under this Act.

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

8 (230 ILCS 5/19) (from Ch. 8, par. 37-19)

9 Sec. 19. (a) No organization license may be granted to
10 conduct a horse race meeting:

11 (1) except as provided in subsection (c) of Section 21
12 of this Act, to any person at any place within 35 miles of
13 any other place licensed by the Board to hold a race
14 meeting on the same date during the same hours, the mileage
15 measurement used in this subsection (a) shall be certified
16 to the Board by the Bureau of Systems and Services in the
17 Illinois Department of Transportation as the most commonly
18 used public way of vehicular travel;

19 (2) to any person in default in the payment of any
20 obligation or debt due the State under this Act, provided
21 no applicant shall be deemed in default in the payment of
22 any obligation or debt due to the State under this Act as
23 long as there is pending a hearing of any kind relevant to
24 such matter;

25 (3) to any person who has been convicted of the

1 violation of any law of the United States or any State law
2 which provided as all or part of its penalty imprisonment
3 in any penal institution; to any person against whom there
4 is pending a Federal or State criminal charge; to any
5 person who is or has been connected with or engaged in the
6 operation of any illegal business; to any person who does
7 not enjoy a general reputation in his community of being an
8 honest, upright, law-abiding person; provided that none of
9 the matters set forth in this subparagraph (3) shall make
10 any person ineligible to be granted an organization license
11 if the Board determines, based on circumstances of any such
12 case, that the granting of a license would not be
13 detrimental to the interests of horse racing and of the
14 public;

15 (4) to any person who does not at the time of
16 application for the organization license own or have a
17 contract or lease for the possession of a finished race
18 track suitable for the type of racing intended to be held
19 by the applicant and for the accommodation of the public.

20 (b) (Blank) ~~Horse racing on Sunday shall be prohibited~~
21 ~~unless authorized by ordinance or referendum of the~~
22 ~~municipality in which a race track or any of its appurtenances~~
23 ~~or facilities are located, or utilized.~~

24 (c) If any person is ineligible to receive an organization
25 license because of any of the matters set forth in subsection
26 (a) (2) or subsection (a) (3) of this Section, any other or

1 separate person that either (i) controls, directly or
2 indirectly, such ineligible person or (ii) is controlled,
3 directly or indirectly, by such ineligible person or by a
4 person which controls, directly or indirectly, such ineligible
5 person shall also be ineligible.

6 (Source: P.A. 88-495; 89-16, eff. 5-30-95.)

7 (230 ILCS 5/20) (from Ch. 8, par. 37-20)

8 Sec. 20. (a) Any person desiring to conduct a horse race
9 meeting may apply to the Board for an organization license. The
10 application shall be made on a form prescribed and furnished by
11 the Board. The application shall specify:

12 (1) the dates on which it intends to conduct the horse
13 race meeting, which dates shall be provided under Section
14 21;

15 (2) the hours of each racing day between which it
16 intends to hold or conduct horse racing at such meeting;

17 (3) the location where it proposes to conduct the
18 meeting; and

19 (4) any other information the Board may reasonably
20 require.

21 (b) A separate application for an organization license
22 shall be filed for each horse race meeting which such person
23 proposes to hold. Any such application, if made by an
24 individual, or by any individual as trustee, shall be signed
25 and verified under oath by such individual. If made by

1 individuals or a partnership, it shall be signed and verified
2 under oath by at least 2 of such individuals or members of such
3 partnership as the case may be. If made by an association,
4 corporation, corporate trustee or any other entity, it shall be
5 signed by the president and attested by the secretary or
6 assistant secretary under the seal of such association, trust
7 or corporation if it has a seal, and shall also be verified
8 under oath by one of the signing officers.

9 (c) The application shall specify the name of the persons,
10 association, trust, or corporation making such application and
11 the post office address of the applicant; if the applicant is a
12 trustee, the names and addresses of the beneficiaries; if a
13 corporation, the names and post office addresses of all
14 officers, stockholders and directors; or if such stockholders
15 hold stock as a nominee or fiduciary, the names and post office
16 addresses of these persons, partnerships, corporations, or
17 trusts who are the beneficial owners thereof or who are
18 beneficially interested therein; and if a partnership, the
19 names and post office addresses of all partners, general or
20 limited; if the applicant is a corporation, the name of the
21 state of its incorporation shall be specified.

22 (d) The applicant shall execute and file with the Board a
23 good faith affirmative action plan to recruit, train, and
24 upgrade minorities in all classifications within the
25 association.

26 (e) With such application there shall be delivered to the

1 Board a certified check or bank draft payable to the order of
2 the Board for an amount equal to \$1,000. All applications for
3 the issuance of an organization license shall be filed with the
4 Board before August 1 of the year prior to the year for which
5 application is made and shall be acted upon by the Board at a
6 meeting to be held on such date as shall be fixed by the Board
7 during the last 15 days of September of such prior year. At
8 such meeting, the Board shall announce the award of the racing
9 meets, live racing schedule, and designation of host track to
10 the applicants and its approval or disapproval of each
11 application. No announcement shall be considered binding until
12 a formal order is executed by the Board, which shall be
13 executed no later than October 15 of that prior year. Absent
14 the agreement of the affected organization licensees, the Board
15 shall not grant overlapping race meetings to 2 or more tracks
16 that are within 100 miles of each other to conduct the
17 thoroughbred racing.

18 (e-1) In awarding standardbred racing dates for calendar
19 year 2011 and thereafter, the Board shall award at least 310
20 racing days, and each organization licensee shall average at
21 least 12 races for each racing day awarded. The Board shall
22 have the discretion to allocate those racing days among
23 organization licensees requesting standardbred race dates.
24 Once awarded by the Board, organization licensees awarded
25 standardbred dates shall run at least 3,500 races in total
26 during that calendar year.

1 (e-2) In awarding racing dates for calendar year 2011 and
2 thereafter, the Board shall award racing dates and the
3 organization licensees shall run at least 2,500 thoroughbred
4 races at Cook County race tracks and 700 thoroughbred races at
5 a race track in Madison County each year. In awarding racing
6 dates under this subsection (e-2), the Board shall have the
7 discretion to allocate those racing dates among organization
8 licensees.

9 (e-3) The Board shall ensure that each organization
10 licensee shall individually run a sufficient number of races
11 per year to qualify for an electronic gaming license under
12 Section 7.6 of the Riverboat Gambling Act.

13 (e-4) Notwithstanding the provisions of Section 7.6 of the
14 Riverboat Gambling Act, for each calendar year for which an
15 electronic gaming licensee requests a number of live racing
16 days under its organization license that is less than the
17 number of days of live racing awarded in 2009 for its race
18 track facility, the electronic gaming licensee may not conduct
19 electronic gaming for the calendar year of such requested
20 racing days. The number of days of live racing may be adjusted,
21 on a year-by-year basis, because of weather or unsafe track
22 conditions due to acts of God or an agreement between the
23 organization licensee and the association representing the
24 largest number of owners, trainers, or standardbred drivers who
25 race horses at that organization licensee's racing meeting.

26 (e-5) In reviewing an application for the purpose of

1 granting an organization license consistent with the best
2 interests of the public and the sport of horse racing, the
3 Board shall consider:

4 (1) the character, reputation, experience, and
5 financial integrity of the applicant and of any other
6 separate person that either:

7 (i) controls the applicant, directly or
8 indirectly, or

9 (ii) is controlled, directly or indirectly, by
10 that applicant or by a person who controls, directly or
11 indirectly, that applicant;

12 (2) the applicant's facilities or proposed facilities
13 for conducting horse racing;

14 (3) the total revenue without regard to Section 32.1 to
15 be derived by the State and horsemen from the applicant's
16 conducting a race meeting;

17 (4) the applicant's good faith affirmative action plan
18 to recruit, train, and upgrade minorities in all employment
19 classifications;

20 (5) the applicant's financial ability to purchase and
21 maintain adequate liability and casualty insurance;

22 (6) the applicant's proposed and prior year's
23 promotional and marketing activities and expenditures of
24 the applicant associated with those activities;

25 (7) an agreement, if any, among organization licensees
26 as provided in subsection (b) of Section 21 of this Act;

1 and

2 (8) the extent to which the applicant exceeds or meets
3 other standards for the issuance of an organization license
4 that the Board shall adopt by rule.

5 In granting organization licenses and allocating dates for
6 horse race meetings, the Board shall have discretion to
7 determine an overall schedule, including required simulcasts
8 of Illinois races by host tracks that will, in its judgment, be
9 conducive to the best interests of the public and the sport of
10 horse racing.

11 (e-10) The Illinois Administrative Procedure Act shall
12 apply to administrative procedures of the Board under this Act
13 for the granting of an organization license, except that (1)
14 notwithstanding the provisions of subsection (b) of Section
15 10-40 of the Illinois Administrative Procedure Act regarding
16 cross-examination, the Board may prescribe rules limiting the
17 right of an applicant or participant in any proceeding to award
18 an organization license to conduct cross-examination of
19 witnesses at that proceeding where that cross-examination
20 would unduly obstruct the timely award of an organization
21 license under subsection (e) of Section 20 of this Act; (2) the
22 provisions of Section 10-45 of the Illinois Administrative
23 Procedure Act regarding proposals for decision are excluded
24 under this Act; (3) notwithstanding the provisions of
25 subsection (a) of Section 10-60 of the Illinois Administrative
26 Procedure Act regarding ex parte communications, the Board may

1 prescribe rules allowing ex parte communications with
2 applicants or participants in a proceeding to award an
3 organization license where conducting those communications
4 would be in the best interest of racing, provided all those
5 communications are made part of the record of that proceeding
6 pursuant to subsection (c) of Section 10-60 of the Illinois
7 Administrative Procedure Act; (4) the provisions of Section 14a
8 of this Act and the rules of the Board promulgated under that
9 Section shall apply instead of the provisions of Article 10 of
10 the Illinois Administrative Procedure Act regarding
11 administrative law judges; and (5) the provisions of subsection
12 (d) of Section 10-65 of the Illinois Administrative Procedure
13 Act that prevent summary suspension of a license pending
14 revocation or other action shall not apply.

15 (f) The Board may allot racing dates to an organization
16 licensee for more than one calendar year but for no more than 3
17 successive calendar years in advance, provided that the Board
18 shall review such allotment for more than one calendar year
19 prior to each year for which such allotment has been made. The
20 granting of an organization license to a person constitutes a
21 privilege to conduct a horse race meeting under the provisions
22 of this Act, and no person granted an organization license
23 shall be deemed to have a vested interest, property right, or
24 future expectation to receive an organization license in any
25 subsequent year as a result of the granting of an organization
26 license. Organization licenses shall be subject to revocation

1 if the organization licensee has violated any provision of this
2 Act or the rules and regulations promulgated under this Act or
3 has been convicted of a crime or has failed to disclose or has
4 stated falsely any information called for in the application
5 for an organization license. Any organization license
6 revocation proceeding shall be in accordance with Section 16
7 regarding suspension and revocation of occupation licenses.

8 (f-5) If, (i) an applicant does not file an acceptance of
9 the racing dates awarded by the Board as required under part
10 (1) of subsection (h) of this Section 20, or (ii) an
11 organization licensee has its license suspended or revoked
12 under this Act, the Board, upon conducting an emergency hearing
13 as provided for in this Act, may reaward on an emergency basis
14 pursuant to rules established by the Board, racing dates not
15 accepted or the racing dates associated with any suspension or
16 revocation period to one or more organization licensees, new
17 applicants, or any combination thereof, upon terms and
18 conditions that the Board determines are in the best interest
19 of racing, provided, the organization licensees or new
20 applicants receiving the awarded racing dates file an
21 acceptance of those reawarded racing dates as required under
22 paragraph (1) of subsection (h) of this Section 20 and comply
23 with the other provisions of this Act. The Illinois
24 Administrative Procedure ~~Procedures~~ Act shall not apply to the
25 administrative procedures of the Board in conducting the
26 emergency hearing and the reallocation of racing dates on an

1 emergency basis.

2 (g) (Blank).

3 (h) The Board shall send the applicant a copy of its
4 formally executed order by certified mail addressed to the
5 applicant at the address stated in his application, which
6 notice shall be mailed within 5 days of the date the formal
7 order is executed.

8 Each applicant notified shall, within 10 days after receipt
9 of the final executed order of the Board awarding racing dates:

10 (1) file with the Board an acceptance of such award in
11 the form prescribed by the Board;

12 (2) pay to the Board an additional amount equal to \$110
13 for each racing date awarded; and

14 (3) file with the Board the bonds required in Sections
15 21 and 25 at least 20 days prior to the first day of each
16 race meeting.

17 Upon compliance with the provisions of paragraphs (1), (2), and
18 (3) of this subsection (h), the applicant shall be issued an
19 organization license.

20 If any applicant fails to comply with this Section or fails
21 to pay the organization license fees herein provided, no
22 organization license shall be issued to such applicant.

23 (Source: P.A. 91-40, eff. 6-25-99; revised 9-16-10.)

24 (230 ILCS 5/24) (from Ch. 8, par. 37-24)

25 Sec. 24. (a) No license shall be issued to or held by an

1 organization licensee unless all of its officers, directors,
2 and holders of ownership interests of at least 5% are first
3 approved by the Board. The Board shall not give approval of an
4 organization license application to any person who has been
5 convicted of or is under an indictment for a crime of moral
6 turpitude or has violated any provision of the racing law of
7 this State or any rules of the Board.

8 (b) An organization licensee must notify the Board within
9 10 days of any change in the holders of a direct or indirect
10 interest in the ownership of the organization licensee. The
11 Board may, after hearing, revoke the organization license of
12 any person who registers on its books or knowingly permits a
13 direct or indirect interest in the ownership of that person
14 without notifying the Board of the name of the holder in
15 interest within this period.

16 (c) In addition to the provisions of subsection (a) of this
17 Section, no person shall be granted an organization license if
18 any public official of the State or member of his or her family
19 holds any ownership or financial interest, directly or
20 indirectly, in the person.

21 (d) No person which has been granted an organization
22 license to hold a race meeting shall give to any public
23 official or member of his family, directly or indirectly, for
24 or without consideration, any interest in the person. The Board
25 shall, after hearing, revoke the organization license granted
26 to a person which has violated this subsection.

1 (e) (Blank).

2 (f) No organization licensee or concessionaire or officer,
3 director or holder or controller of 5% or more legal or
4 beneficial interest in any organization licensee or concession
5 shall make any sort of gift or contribution that is prohibited
6 under Article 10 of the State Officials and Employees Ethics
7 Act ~~of any kind~~ or pay or give any money or other thing of value
8 to any person who is a public official, or a candidate or
9 nominee for public office if that payment or gift is prohibited
10 under Article 10 of the State Officials and Employees Ethics
11 Act.

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

13 (230 ILCS 5/26) (from Ch. 8, par. 37-26)

14 Sec. 26. Wagering.

15 (a) Any licensee may conduct and supervise the pari-mutuel
16 system of wagering, as defined in Section 3.12 of this Act, on
17 horse races conducted by an Illinois organization licensee or
18 conducted at a racetrack located in another state or country
19 ~~and televised in Illinois~~ in accordance with subsection (g) of
20 Section 26 of this Act. Subject to the prior consent of the
21 Board, licensees may supplement any pari-mutuel pool in order
22 to guarantee a minimum distribution. Such pari-mutuel method of
23 wagering shall not, under any circumstances if conducted under
24 the provisions of this Act, be held or construed to be
25 unlawful, other statutes of this State to the contrary

1 notwithstanding. Subject to rules for advance wagering
2 promulgated by the Board, any licensee may accept wagers in
3 advance of the day of the race wagered upon occurs.

4 (b) Except for those gaming activities for which a license
5 is obtained and authorized under the Illinois Lottery Act, the
6 Charitable Games Act, the Raffles Act, or the Riverboat
7 Gambling Act, no ~~no~~ other method of betting, pool making,
8 wagering or gambling shall be used or permitted by the
9 licensee. Each licensee may retain, subject to the payment of
10 all applicable taxes and purses, an amount not to exceed 17% of
11 all money wagered under subsection (a) of this Section, except
12 as may otherwise be permitted under this Act.

13 (b-5) An individual may place a wager under the pari-mutuel
14 system from any licensed location authorized under this Act
15 provided that wager is electronically recorded in the manner
16 described in Section 3.12 of this Act. Any wager made
17 electronically by an individual while physically on the
18 premises of a licensee shall be deemed to have been made at the
19 premises of that licensee.

20 (c) Until January 1, 2000, the sum held by any licensee for
21 payment of outstanding pari-mutuel tickets, if unclaimed prior
22 to December 31 of the next year, shall be retained by the
23 licensee for payment of such tickets until that date. Within 10
24 days thereafter, the balance of such sum remaining unclaimed,
25 less any uncashed supplements contributed by such licensee for
26 the purpose of guaranteeing minimum distributions of any

1 pari-mutuel pool, shall be paid to the Illinois Veterans'
2 Rehabilitation Fund of the State treasury, except as provided
3 in subsection (g) of Section 27 of this Act.

4 (c-5) Beginning January 1, 2000, the sum held by any
5 licensee for payment of outstanding pari-mutuel tickets, if
6 unclaimed prior to December 31 of the next year, shall be
7 retained by the licensee for payment of such tickets until that
8 date. Within 10 days thereafter, the balance of such sum
9 remaining unclaimed, less any uncashed supplements contributed
10 by such licensee for the purpose of guaranteeing minimum
11 distributions of any pari-mutuel pool, shall be evenly
12 distributed to the purse account of the organization licensee
13 and the organization licensee.

14 (d) A pari-mutuel ticket shall be honored until December 31
15 of the next calendar year, and the licensee shall pay the same
16 and may charge the amount thereof against unpaid money
17 similarly accumulated on account of pari-mutuel tickets not
18 presented for payment.

19 (e) No licensee shall knowingly permit any minor, other
20 than an employee of such licensee or an owner, trainer, jockey,
21 driver, or employee thereof, to be admitted during a racing
22 program unless accompanied by a parent or guardian, or any
23 minor to be a patron of the pari-mutuel system of wagering
24 conducted or supervised by it. The admission of any
25 unaccompanied minor, other than an employee of the licensee or
26 an owner, trainer, jockey, driver, or employee thereof at a

1 race track is a Class C misdemeanor.

2 (f) Notwithstanding the other provisions of this Act, an
3 organization licensee may contract with an entity in another
4 state or country to permit any legal wagering entity in another
5 state or country to accept wagers solely within such other
6 state or country on races conducted by the organization
7 licensee in this State. Beginning January 1, 2000, these wagers
8 shall not be subject to State taxation. Until January 1, 2000,
9 when the out-of-State entity conducts a pari-mutuel pool
10 separate from the organization licensee, a privilege tax equal
11 to 7 1/2% of all monies received by the organization licensee
12 from entities in other states or countries pursuant to such
13 contracts is imposed on the organization licensee, and such
14 privilege tax shall be remitted to the Department of Revenue
15 within 48 hours of receipt of the moneys from the simulcast.
16 When the out-of-State entity conducts a combined pari-mutuel
17 pool with the organization licensee, the tax shall be 10% of
18 all monies received by the organization licensee with 25% of
19 the receipts from this 10% tax to be distributed to the county
20 in which the race was conducted.

21 An organization licensee may permit one or more of its
22 races to be utilized for pari-mutuel wagering at one or more
23 locations in other states and may transmit audio and visual
24 signals of races the organization licensee conducts to one or
25 more locations outside the State or country and may also permit
26 pari-mutuel pools in other states or countries to be combined

1 with its gross or net wagering pools or with wagering pools
2 established by other states.

3 (g) A host track may accept interstate simulcast wagers on
4 horse races conducted in other states or countries and shall
5 control the number of signals and types of breeds of racing in
6 its simulcast program, subject to the disapproval of the Board.
7 The Board may prohibit a simulcast program only if it finds
8 that the simulcast program is clearly adverse to the integrity
9 of racing. The host track simulcast program shall include the
10 signal of live racing of all organization licensees. All
11 non-host licensees and advance deposit wagering licensees
12 shall carry the signal of and accept wagers on live racing of
13 all organization licensees. Advance deposit wagering licensees
14 shall not be permitted to accept out-of-state wagers on any
15 Illinois signal provided pursuant to this Section without the
16 approval and consent of the organization licensee providing the
17 signal. Non-host licensees may carry the host track simulcast
18 program and shall accept wagers on all races included as part
19 of the simulcast program upon which wagering is permitted. All
20 organization licensees shall provide their live signal to all
21 advance deposit wagering licensees for a simulcast commission
22 fee not to exceed 6% of the advance deposit wagering licensee's
23 Illinois handle on the organization licensee's signal without
24 prior approval by the Board. The Board may adopt rules under
25 which it may permit simulcast commission fees in excess of 6%.
26 The Board shall adopt rules limiting the interstate commission

1 fees charged to an advance deposit wagering licensee. The Board
2 shall adopt rules regarding advance deposit wagering on
3 interstate simulcast races that shall reflect, among other
4 things, the General Assembly's desire to maximize revenues to
5 the State, horsemen purses, and organizational licensees.
6 However, organization licensees providing live signals
7 pursuant to the requirements of this subsection (g) may
8 petition the Board to withhold their live signals from an
9 advance deposit wagering licensee if the organization licensee
10 discovers and the Board finds reputable or credible information
11 that the advance deposit wagering licensee is under
12 investigation by another state or federal governmental agency,
13 the advance deposit wagering licensee's license has been
14 suspended in another state, or the advance deposit wagering
15 licensee's license is in revocation proceedings in another
16 state. The organization licensee's provision of their live
17 signal to an advance deposit wagering licensee under this
18 subsection (g) pertains to wagers placed from within Illinois.
19 Advance deposit wagering licensees may place advance deposit
20 wagering terminals at wagering facilities as a convenience to
21 customers. The advance deposit wagering licensee shall not
22 charge or collect any fee from purses for the placement of the
23 advance deposit wagering terminals. The costs and expenses of
24 the host track and non-host licensees associated with
25 interstate simulcast wagering, other than the interstate
26 commission fee, shall be borne by the host track and all

1 non-host licensees incurring these costs. The interstate
2 commission fee shall not exceed 5% of Illinois handle on the
3 interstate simulcast race or races without prior approval of
4 the Board. The Board shall promulgate rules under which it may
5 permit interstate commission fees in excess of 5%. The
6 interstate commission fee and other fees charged by the sending
7 racetrack, including, but not limited to, satellite decoder
8 fees, shall be uniformly applied to the host track and all
9 non-host licensees.

10 Notwithstanding any other provision of this Act, for a
11 period of 3 years after the effective date of this amendatory
12 Act of the 96th General Assembly, an organization licensee may
13 maintain a system whereby advance deposit wagering may take
14 place or an organization licensee, with the consent of the
15 horsemen association representing the largest number of
16 owners, trainers, jockeys, or standardbred drivers who race
17 horses at that organization licensee's racing meeting, may
18 contract with another person to carry out a system of advance
19 deposit wagering. Such consent may not be unreasonably
20 withheld. All advance deposit wagers placed from within
21 Illinois must be placed through a Board-approved advance
22 deposit wagering licensee; no other entity may accept an
23 advance deposit wager from a person within Illinois. All
24 advance deposit wagering is subject to any rules adopted by the
25 Board. The Board may adopt rules necessary to regulate advance
26 deposit wagering through the use of emergency rulemaking in

1 accordance with Section 5-45 of the Illinois Administrative
2 Procedure Act. The General Assembly finds that the adoption of
3 rules to regulate advance deposit wagering is deemed an
4 emergency and necessary for the public interest, safety, and
5 welfare. An advance deposit wagering licensee may retain all
6 moneys as agreed to by contract with an organization licensee.
7 Any moneys retained by the organization licensee from advance
8 deposit wagering, not including moneys retained by the advance
9 deposit wagering licensee, shall be paid 50% to the
10 organization licensee's purse account and 50% to the
11 organization licensee. If more than one breed races at the same
12 race track facility, then the 50% of the moneys to be paid to
13 an organization licensee's purse account shall be allocated
14 among all organization licensees' purse accounts operating at
15 that race track facility proportionately based on the actual
16 number of host days that the Board grants to that breed at that
17 race track facility in the current calendar year. To the extent
18 any fees from advance deposit wagering conducted in Illinois
19 for wagers in Illinois or other states have been placed in
20 escrow or otherwise withheld from wagers pending a
21 determination of the legality of advance deposit wagering, no
22 action shall be brought to declare such wagers or the
23 disbursement of any fees previously escrowed illegal.

24 (1) Between the hours of 6:30 a.m. and 6:30 p.m. an
25 intertrack wagering licensee other than the host track may
26 supplement the host track simulcast program with

1 additional simulcast races or race programs, provided that
2 between January 1 and the third Friday in February of any
3 year, inclusive, if no live thoroughbred racing is
4 occurring in Illinois during this period, only
5 thoroughbred races may be used for supplemental interstate
6 simulcast purposes. The Board shall withhold approval for a
7 supplemental interstate simulcast only if it finds that the
8 simulcast is clearly adverse to the integrity of racing. A
9 supplemental interstate simulcast may be transmitted from
10 an intertrack wagering licensee to its affiliated non-host
11 licensees. The interstate commission fee for a
12 supplemental interstate simulcast shall be paid by the
13 non-host licensee and its affiliated non-host licensees
14 receiving the simulcast.

15 (2) Between the hours of 6:30 p.m. and 6:30 a.m. an
16 intertrack wagering licensee other than the host track may
17 receive supplemental interstate simulcasts only with the
18 consent of the host track, except when the Board finds that
19 the simulcast is clearly adverse to the integrity of
20 racing. Consent granted under this paragraph (2) to any
21 intertrack wagering licensee shall be deemed consent to all
22 non-host licensees. The interstate commission fee for the
23 supplemental interstate simulcast shall be paid by all
24 participating non-host licensees.

25 (3) Each licensee conducting interstate simulcast
26 wagering may retain, subject to the payment of all

1 applicable taxes and the purses, an amount not to exceed
2 17% of all money wagered. If any licensee conducts the
3 pari-mutuel system wagering on races conducted at
4 racetracks in another state or country, each such race or
5 race program shall be considered a separate racing day for
6 the purpose of determining the daily handle and computing
7 the privilege tax of that daily handle as provided in
8 subsection (a) of Section 27. Until January 1, 2000, from
9 the sums permitted to be retained pursuant to this
10 subsection, each intertrack wagering location licensee
11 shall pay 1% of the pari-mutuel handle wagered on simulcast
12 wagering to the Horse Racing Tax Allocation Fund, subject
13 to the provisions of subparagraph (B) of paragraph (11) of
14 subsection (h) of Section 26 of this Act.

15 (4) A licensee who receives an interstate simulcast may
16 combine its gross or net pools with pools at the sending
17 racetracks pursuant to rules established by the Board. All
18 licensees combining their gross pools at a sending
19 racetrack shall adopt the take-out percentages of the
20 sending racetrack. A licensee may also establish a separate
21 pool and takeout structure for wagering purposes on races
22 conducted at race tracks outside of the State of Illinois.
23 The licensee may permit pari-mutuel wagers placed in other
24 states or countries to be combined with its gross or net
25 wagering pools or other wagering pools.

26 (5) After the payment of the interstate commission fee

1 (except for the interstate commission fee on a supplemental
2 interstate simulcast, which shall be paid by the host track
3 and by each non-host licensee through the host-track) and
4 all applicable State and local taxes, except as provided in
5 subsection (g) of Section 27 of this Act, the remainder of
6 moneys retained from simulcast wagering pursuant to this
7 subsection (g), and Section 26.2 shall be divided as
8 follows:

9 (A) For interstate simulcast wagers made at a host
10 track, 50% to the host track and 50% to purses at the
11 host track.

12 (B) For wagers placed on interstate simulcast
13 races, supplemental simulcasts as defined in
14 subparagraphs (1) and (2), and separately pooled races
15 conducted outside of the State of Illinois made at a
16 non-host licensee, 25% to the host track, 25% to the
17 non-host licensee, and 50% to the purses at the host
18 track.

19 (6) Notwithstanding any provision in this Act to the
20 contrary, non-host licensees who derive their licenses
21 from a track located in a county with a population in
22 excess of 230,000 and that borders the Mississippi River
23 may receive supplemental interstate simulcast races at all
24 times subject to Board approval, which shall be withheld
25 only upon a finding that a supplemental interstate
26 simulcast is clearly adverse to the integrity of racing.

1 (7) Notwithstanding any provision of this Act to the
2 contrary, after payment of all applicable State and local
3 taxes and interstate commission fees, non-host licensees
4 who derive their licenses from a track located in a county
5 with a population in excess of 230,000 and that borders the
6 Mississippi River shall retain 50% of the retention from
7 interstate simulcast wagers and shall pay 50% to purses at
8 the track from which the non-host licensee derives its
9 license as follows:

10 (A) Between January 1 and the third Friday in
11 February, inclusive, if no live thoroughbred racing is
12 occurring in Illinois during this period, when the
13 interstate simulcast is a standardbred race, the purse
14 share to its standardbred purse account;

15 (B) Between January 1 and the third Friday in
16 February, inclusive, if no live thoroughbred racing is
17 occurring in Illinois during this period, and the
18 interstate simulcast is a thoroughbred race, the purse
19 share to its interstate simulcast purse pool to be
20 distributed under paragraph (10) of this subsection
21 (g);

22 (C) Between January 1 and the third Friday in
23 February, inclusive, if live thoroughbred racing is
24 occurring in Illinois, between 6:30 a.m. and 6:30 p.m.
25 the purse share from wagers made during this time
26 period to its thoroughbred purse account and between

1 6:30 p.m. and 6:30 a.m. the purse share from wagers
2 made during this time period to its standardbred purse
3 accounts;

4 (D) Between the third Saturday in February and
5 December 31, when the interstate simulcast occurs
6 between the hours of 6:30 a.m. and 6:30 p.m., the purse
7 share to its thoroughbred purse account;

8 (E) Between the third Saturday in February and
9 December 31, when the interstate simulcast occurs
10 between the hours of 6:30 p.m. and 6:30 a.m., the purse
11 share to its standardbred purse account.

12 (7.1) Notwithstanding any other provision of this Act
13 to the contrary, if no standardbred racing is conducted at
14 a racetrack located in Madison County during any calendar
15 year beginning on or after January 1, 2002, all moneys
16 derived by that racetrack from simulcast wagering and
17 inter-track wagering that (1) are to be used for purses and
18 (2) are generated between the hours of 6:30 p.m. and 6:30
19 a.m. during that calendar year shall be paid as follows:

20 (A) If the licensee that conducts horse racing at
21 that racetrack requests from the Board at least as many
22 racing dates as were conducted in calendar year 2000,
23 80% shall be paid to its thoroughbred purse account;
24 and

25 (B) Twenty percent shall be deposited into the
26 Illinois Colt Stakes Purse Distribution Fund and shall

1 be paid to purses for standardbred races for Illinois
2 conceived and foaled horses conducted at any county
3 fairgrounds. The moneys deposited into the Fund
4 pursuant to this subparagraph (B) shall be deposited
5 within 2 weeks after the day they were generated, shall
6 be in addition to and not in lieu of any other moneys
7 paid to standardbred purses under this Act, and shall
8 not be commingled with other moneys paid into that
9 Fund. The moneys deposited pursuant to this
10 subparagraph (B) shall be allocated as provided by the
11 Department of Agriculture, with the advice and
12 assistance of the Illinois Standardbred Breeders Fund
13 Advisory Board.

14 (7.2) Notwithstanding any other provision of this Act
15 to the contrary, if no thoroughbred racing is conducted at
16 a racetrack located in Madison County during any calendar
17 year beginning on or after January 1, 2002, all moneys
18 derived by that racetrack from simulcast wagering and
19 inter-track wagering that (1) are to be used for purses and
20 (2) are generated between the hours of 6:30 a.m. and 6:30
21 p.m. during that calendar year shall be deposited as
22 follows:

23 (A) If the licensee that conducts horse racing at
24 that racetrack requests from the Board at least as many
25 racing dates as were conducted in calendar year 2000,
26 80% shall be deposited into its standardbred purse

1 account; and

2 (B) Twenty percent shall be deposited into the
3 Illinois Colt Stakes Purse Distribution Fund. Moneys
4 deposited into the Illinois Colt Stakes Purse
5 Distribution Fund pursuant to this subparagraph (B)
6 shall be paid to Illinois conceived and foaled
7 thoroughbred breeders' programs and to thoroughbred
8 purses for races conducted at any county fairgrounds
9 for Illinois conceived and foaled horses at the
10 discretion of the Department of Agriculture, with the
11 advice and assistance of the Illinois Thoroughbred
12 Breeders Fund Advisory Board. The moneys deposited
13 into the Illinois Colt Stakes Purse Distribution Fund
14 pursuant to this subparagraph (B) shall be deposited
15 within 2 weeks after the day they were generated, shall
16 be in addition to and not in lieu of any other moneys
17 paid to thoroughbred purses under this Act, and shall
18 not be commingled with other moneys deposited into that
19 Fund.

20 (7.3) If no live standardbred racing is conducted at a
21 racetrack located in Madison County in calendar year 2000
22 or 2001, an organization licensee who is licensed to
23 conduct horse racing at that racetrack shall, before
24 January 1, 2002, pay all moneys derived from simulcast
25 wagering and inter-track wagering in calendar years 2000
26 and 2001 and paid into the licensee's standardbred purse

1 account as follows:

2 (A) Eighty percent to that licensee's thoroughbred
3 purse account to be used for thoroughbred purses; and

4 (B) Twenty percent to the Illinois Colt Stakes
5 Purse Distribution Fund.

6 Failure to make the payment to the Illinois Colt Stakes
7 Purse Distribution Fund before January 1, 2002 shall result
8 in the immediate revocation of the licensee's organization
9 license, inter-track wagering license, and inter-track
10 wagering location license.

11 Moneys paid into the Illinois Colt Stakes Purse
12 Distribution Fund pursuant to this paragraph (7.3) shall be
13 paid to purses for standardbred races for Illinois
14 conceived and foaled horses conducted at any county
15 fairgrounds. Moneys paid into the Illinois Colt Stakes
16 Purse Distribution Fund pursuant to this paragraph (7.3)
17 shall be used as determined by the Department of
18 Agriculture, with the advice and assistance of the Illinois
19 Standardbred Breeders Fund Advisory Board, shall be in
20 addition to and not in lieu of any other moneys paid to
21 standardbred purses under this Act, and shall not be
22 commingled with any other moneys paid into that Fund.

23 (7.4) If live standardbred racing is conducted at a
24 racetrack located in Madison County at any time in calendar
25 year 2001 before the payment required under paragraph (7.3)
26 has been made, the organization licensee who is licensed to

1 conduct racing at that racetrack shall pay all moneys
2 derived by that racetrack from simulcast wagering and
3 inter-track wagering during calendar years 2000 and 2001
4 that (1) are to be used for purses and (2) are generated
5 between the hours of 6:30 p.m. and 6:30 a.m. during 2000 or
6 2001 to the standardbred purse account at that racetrack to
7 be used for standardbred purses.

8 (8) Notwithstanding any provision in this Act to the
9 contrary, an organization licensee from a track located in
10 a county with a population in excess of 230,000 and that
11 borders the Mississippi River and its affiliated non-host
12 licensees shall not be entitled to share in any retention
13 generated on racing, inter-track wagering, or simulcast
14 wagering at any other Illinois wagering facility.

15 (8.1) Notwithstanding any provisions in this Act to the
16 contrary, if 2 organization licensees are conducting
17 standardbred race meetings concurrently between the hours
18 of 6:30 p.m. and 6:30 a.m., after payment of all applicable
19 State and local taxes and interstate commission fees, the
20 remainder of the amount retained from simulcast wagering
21 otherwise attributable to the host track and to host track
22 purses shall be split daily between the 2 organization
23 licensees and the purses at the tracks of the 2
24 organization licensees, respectively, based on each
25 organization licensee's share of the total live handle for
26 that day, provided that this provision shall not apply to

1 any non-host licensee that derives its license from a track
2 located in a county with a population in excess of 230,000
3 and that borders the Mississippi River.

4 (9) (Blank).

5 (10) (Blank).

6 (11) (Blank).

7 (12) The Board shall have authority to compel all host
8 tracks to receive the simulcast of any or all races
9 conducted at the Springfield or DuQuoin State fairgrounds
10 and include all such races as part of their simulcast
11 programs.

12 (13) Notwithstanding any other provision of this Act,
13 in the event that the total Illinois pari-mutuel handle on
14 Illinois horse races at all wagering facilities in any
15 calendar year is less than 75% of the total Illinois
16 pari-mutuel handle on Illinois horse races at all such
17 wagering facilities for calendar year 1994, then each
18 wagering facility that has an annual total Illinois
19 pari-mutuel handle on Illinois horse races that is less
20 than 75% of the total Illinois pari-mutuel handle on
21 Illinois horse races at such wagering facility for calendar
22 year 1994, shall be permitted to receive, from any amount
23 otherwise payable to the purse account at the race track
24 with which the wagering facility is affiliated in the
25 succeeding calendar year, an amount equal to 2% of the
26 differential in total Illinois pari-mutuel handle on

1 Illinois horse races at the wagering facility between that
2 calendar year in question and 1994 provided, however, that
3 a wagering facility shall not be entitled to any such
4 payment until the Board certifies in writing to the
5 wagering facility the amount to which the wagering facility
6 is entitled and a schedule for payment of the amount to the
7 wagering facility, based on: (i) the racing dates awarded
8 to the race track affiliated with the wagering facility
9 during the succeeding year; (ii) the sums available or
10 anticipated to be available in the purse account of the
11 race track affiliated with the wagering facility for purses
12 during the succeeding year; and (iii) the need to ensure
13 reasonable purse levels during the payment period. The
14 Board's certification shall be provided no later than
15 January 31 of the succeeding year. In the event a wagering
16 facility entitled to a payment under this paragraph (13) is
17 affiliated with a race track that maintains purse accounts
18 for both standardbred and thoroughbred racing, the amount
19 to be paid to the wagering facility shall be divided
20 between each purse account pro rata, based on the amount of
21 Illinois handle on Illinois standardbred and thoroughbred
22 racing respectively at the wagering facility during the
23 previous calendar year. Annually, the General Assembly
24 shall appropriate sufficient funds from the General
25 Revenue Fund to the Department of Agriculture for payment
26 into the thoroughbred and standardbred horse racing purse

1 accounts at Illinois pari-mutuel tracks. The amount paid to
2 each purse account shall be the amount certified by the
3 Illinois Racing Board in January to be transferred from
4 each account to each eligible racing facility in accordance
5 with the provisions of this Section. Beginning in the
6 calendar year in which an organization licensee that is
7 eligible to receive payment under this paragraph (13)
8 begins to receive funds from electronic gaming, the amount
9 of the payment due to all wagering facilities licensed
10 under that organization licensee under this paragraph (13)
11 shall be the amount certified by the Board in January of
12 that year. An organization licensee and its related
13 wagering facilities shall no longer be able to receive
14 payments under this paragraph (13) beginning in the year
15 subsequent to the first year in which the organization
16 licensee begins to receive funds from electronic gaming.

17 (h) The Board may approve and license the conduct of
18 inter-track wagering and simulcast wagering by inter-track
19 wagering licensees and inter-track wagering location licensees
20 subject to the following terms and conditions:

21 (1) Any person licensed to conduct a race meeting (i)
22 at a track where 60 or more days of racing were conducted
23 during the immediately preceding calendar year or where
24 over the 5 immediately preceding calendar years an average
25 of 30 or more days of racing were conducted annually may be
26 issued an inter-track wagering license; (ii) at a track

1 located in a county that is bounded by the Mississippi
2 River, which has a population of less than 150,000
3 according to the 1990 decennial census, and an average of
4 at least 60 days of racing per year between 1985 and 1993
5 may be issued an inter-track wagering license; or (iii) at
6 a track located in Madison County that conducted at least
7 100 days of live racing during the immediately preceding
8 calendar year may be issued an inter-track wagering
9 license, unless a lesser schedule of live racing is the
10 result of (A) weather, unsafe track conditions, or other
11 acts of God; (B) an agreement between the organization
12 licensee and the associations representing the largest
13 number of owners, trainers, jockeys, or standardbred
14 drivers who race horses at that organization licensee's
15 racing meeting; or (C) a finding by the Board of
16 extraordinary circumstances and that it was in the best
17 interest of the public and the sport to conduct fewer than
18 100 days of live racing. Any such person having operating
19 control of the racing facility may also receive up to 6
20 inter-track wagering location licenses. In no event shall
21 more than 6 inter-track wagering locations be established
22 for each eligible race track, except that an eligible race
23 track located in a county that has a population of more
24 than 230,000 and that is bounded by the Mississippi River
25 may establish up to 7 inter-track wagering locations. An
26 application for said license shall be filed with the Board

1 prior to such dates as may be fixed by the Board. With an
2 application for an inter-track wagering location license
3 there shall be delivered to the Board a certified check or
4 bank draft payable to the order of the Board for an amount
5 equal to \$500. The application shall be on forms prescribed
6 and furnished by the Board. The application shall comply
7 with all other rules, regulations and conditions imposed by
8 the Board in connection therewith.

9 (2) The Board shall examine the applications with
10 respect to their conformity with this Act and the rules and
11 regulations imposed by the Board. If found to be in
12 compliance with the Act and rules and regulations of the
13 Board, the Board may then issue a license to conduct
14 inter-track wagering and simulcast wagering to such
15 applicant. All such applications shall be acted upon by the
16 Board at a meeting to be held on such date as may be fixed
17 by the Board.

18 (3) In granting licenses to conduct inter-track
19 wagering and simulcast wagering, the Board shall give due
20 consideration to the best interests of the public, of horse
21 racing, and of maximizing revenue to the State.

22 (4) Prior to the issuance of a license to conduct
23 inter-track wagering and simulcast wagering, the applicant
24 shall file with the Board a bond payable to the State of
25 Illinois in the sum of \$50,000, executed by the applicant
26 and a surety company or companies authorized to do business

1 in this State, and conditioned upon (i) the payment by the
2 licensee of all taxes due under Section 27 or 27.1 and any
3 other monies due and payable under this Act, and (ii)
4 distribution by the licensee, upon presentation of the
5 winning ticket or tickets, of all sums payable to the
6 patrons of pari-mutuel pools.

7 (5) Each license to conduct inter-track wagering and
8 simulcast wagering shall specify the person to whom it is
9 issued, the dates on which such wagering is permitted, and
10 the track or location where the wagering is to be
11 conducted.

12 (6) All wagering under such license is subject to this
13 Act and to the rules and regulations from time to time
14 prescribed by the Board, and every such license issued by
15 the Board shall contain a recital to that effect.

16 (7) An inter-track wagering licensee or inter-track
17 wagering location licensee may accept wagers at the track
18 or location where it is licensed, or as otherwise provided
19 under this Act.

20 (8) Inter-track wagering or simulcast wagering shall
21 not be conducted at any track less than 5 miles from a
22 track at which a racing meeting is in progress.

23 (8.1) Inter-track wagering location licensees who
24 derive their licenses from a particular organization
25 licensee shall conduct inter-track wagering and simulcast
26 wagering only at locations which are either within 90 miles

1 of that race track where the particular organization
2 licensee is licensed to conduct racing, or within 135 miles
3 of that race track where the particular organization
4 licensee is licensed to conduct racing in the case of race
5 tracks in counties of less than 400,000 that were operating
6 on or before June 1, 1986. However, inter-track wagering
7 and simulcast wagering shall not be conducted by those
8 licensees at any location within 5 miles of any race track
9 at which a horse race meeting has been licensed in the
10 current year, unless the person having operating control of
11 such race track has given its written consent to such
12 inter-track wagering location licensees, which consent
13 must be filed with the Board at or prior to the time
14 application is made.

15 (8.2) Inter-track wagering or simulcast wagering shall
16 not be conducted by an inter-track wagering location
17 licensee at any location within 500 feet of an existing
18 church, an ~~or~~ existing elementary or secondary public
19 school, or an existing elementary or secondary private
20 school registered with or recognized by the State Board of
21 Education ~~school~~, nor within 500 feet of the residences of
22 more than 50 registered voters without receiving written
23 permission from a majority of the registered voters at such
24 residences. Such written permission statements shall be
25 filed with the Board. The distance of 500 feet shall be
26 measured to the nearest part of any building used for

1 worship services, education programs, residential
2 purposes, or conducting inter-track wagering by an
3 inter-track wagering location licensee, and not to
4 property boundaries. However, inter-track wagering or
5 simulcast wagering may be conducted at a site within 500
6 feet of a church, school or residences of 50 or more
7 registered voters if such church, school or residences have
8 been erected or established, or such voters have been
9 registered, after the Board issues the original
10 inter-track wagering location license at the site in
11 question. Inter-track wagering location licensees may
12 conduct inter-track wagering and simulcast wagering only
13 in areas that are zoned for commercial or manufacturing
14 purposes or in areas for which a special use has been
15 approved by the local zoning authority. However, no license
16 to conduct inter-track wagering and simulcast wagering
17 shall be granted by the Board with respect to any
18 inter-track wagering location within the jurisdiction of
19 any local zoning authority which has, by ordinance or by
20 resolution, prohibited the establishment of an inter-track
21 wagering location within its jurisdiction. However,
22 inter-track wagering and simulcast wagering may be
23 conducted at a site if such ordinance or resolution is
24 enacted after the Board licenses the original inter-track
25 wagering location licensee for the site in question.

26 (9) (Blank).

1 (10) An inter-track wagering licensee or an
2 inter-track wagering location licensee may retain, subject
3 to the payment of the privilege taxes and the purses, an
4 amount not to exceed 17% of all money wagered. Each program
5 of racing conducted by each inter-track wagering licensee
6 or inter-track wagering location licensee shall be
7 considered a separate racing day for the purpose of
8 determining the daily handle and computing the privilege
9 tax or pari-mutuel tax on such daily handle as provided in
10 Section 27.

11 (10.1) Except as provided in subsection (g) of Section
12 27 of this Act, inter-track wagering location licensees
13 shall pay 1% of the pari-mutuel handle at each location to
14 the municipality in which such location is situated and 1%
15 of the pari-mutuel handle at each location to the county in
16 which such location is situated. In the event that an
17 inter-track wagering location licensee is situated in an
18 unincorporated area of a county, such licensee shall pay 2%
19 of the pari-mutuel handle from such location to such
20 county.

21 (10.2) Notwithstanding any other provision of this
22 Act, with respect to intertrack wagering at a race track
23 located in a county that has a population of more than
24 230,000 and that is bounded by the Mississippi River ("the
25 first race track"), or at a facility operated by an
26 inter-track wagering licensee or inter-track wagering

1 location licensee that derives its license from the
2 organization licensee that operates the first race track,
3 on races conducted at the first race track or on races
4 conducted at another Illinois race track and
5 simultaneously televised to the first race track or to a
6 facility operated by an inter-track wagering licensee or
7 inter-track wagering location licensee that derives its
8 license from the organization licensee that operates the
9 first race track, those moneys shall be allocated as
10 follows:

11 (A) That portion of all moneys wagered on
12 standardbred racing that is required under this Act to
13 be paid to purses shall be paid to purses for
14 standardbred races.

15 (B) That portion of all moneys wagered on
16 thoroughbred racing that is required under this Act to
17 be paid to purses shall be paid to purses for
18 thoroughbred races.

19 (11) (A) After payment of the privilege or pari-mutuel
20 tax, any other applicable taxes, and the costs and expenses
21 in connection with the gathering, transmission, and
22 dissemination of all data necessary to the conduct of
23 inter-track wagering, the remainder of the monies retained
24 under either Section 26 or Section 26.2 of this Act by the
25 inter-track wagering licensee on inter-track wagering
26 shall be allocated with 50% to be split between the 2

1 participating licensees and 50% to purses, except that an
2 intertrack wagering licensee that derives its license from
3 a track located in a county with a population in excess of
4 230,000 and that borders the Mississippi River shall not
5 divide any remaining retention with the Illinois
6 organization licensee that provides the race or races, and
7 an intertrack wagering licensee that accepts wagers on
8 races conducted by an organization licensee that conducts a
9 race meet in a county with a population in excess of
10 230,000 and that borders the Mississippi River shall not
11 divide any remaining retention with that organization
12 licensee.

13 (B) From the sums permitted to be retained pursuant to
14 this Act each inter-track wagering location licensee shall
15 pay (i) the privilege or pari-mutuel tax to the State; (ii)
16 4.75% of the pari-mutuel handle on intertrack wagering at
17 such location on races as purses, except that an intertrack
18 wagering location licensee that derives its license from a
19 track located in a county with a population in excess of
20 230,000 and that borders the Mississippi River shall retain
21 all purse moneys for its own purse account consistent with
22 distribution set forth in this subsection (h), and
23 intertrack wagering location licensees that accept wagers
24 on races conducted by an organization licensee located in a
25 county with a population in excess of 230,000 and that
26 borders the Mississippi River shall distribute all purse

1 moneys to purses at the operating host track; (iii) until
2 January 1, 2000, except as provided in subsection (g) of
3 Section 27 of this Act, 1% of the pari-mutuel handle
4 wagered on inter-track wagering and simulcast wagering at
5 each inter-track wagering location licensee facility to
6 the Horse Racing Tax Allocation Fund, provided that, to the
7 extent the total amount collected and distributed to the
8 Horse Racing Tax Allocation Fund under this subsection (h)
9 during any calendar year exceeds the amount collected and
10 distributed to the Horse Racing Tax Allocation Fund during
11 calendar year 1994, that excess amount shall be
12 redistributed (I) to all inter-track wagering location
13 licensees, based on each licensee's pro-rata share of the
14 total handle from inter-track wagering and simulcast
15 wagering for all inter-track wagering location licensees
16 during the calendar year in which this provision is
17 applicable; then (II) the amounts redistributed to each
18 inter-track wagering location licensee as described in
19 subpart (I) shall be further redistributed as provided in
20 subparagraph (B) of paragraph (5) of subsection (g) of this
21 Section 26 provided first, that the shares of those
22 amounts, which are to be redistributed to the host track or
23 to purses at the host track under subparagraph (B) of
24 paragraph (5) of subsection (g) of this Section 26 shall be
25 redistributed based on each host track's pro rata share of
26 the total inter-track wagering and simulcast wagering

1 handle at all host tracks during the calendar year in
2 question, and second, that any amounts redistributed as
3 described in part (I) to an inter-track wagering location
4 licensee that accepts wagers on races conducted by an
5 organization licensee that conducts a race meet in a county
6 with a population in excess of 230,000 and that borders the
7 Mississippi River shall be further redistributed as
8 provided in subparagraphs (D) and (E) of paragraph (7) of
9 subsection (g) of this Section 26, with the portion of that
10 further redistribution allocated to purses at that
11 organization licensee to be divided between standardbred
12 purses and thoroughbred purses based on the amounts
13 otherwise allocated to purses at that organization
14 licensee during the calendar year in question; and (iv) 8%
15 of the pari-mutuel handle on inter-track wagering wagered
16 at such location to satisfy all costs and expenses of
17 conducting its wagering. The remainder of the monies
18 retained by the inter-track wagering location licensee
19 shall be allocated 40% to the location licensee and 60% to
20 the organization licensee which provides the Illinois
21 races to the location, except that an intertrack wagering
22 location licensee that derives its license from a track
23 located in a county with a population in excess of 230,000
24 and that borders the Mississippi River shall not divide any
25 remaining retention with the organization licensee that
26 provides the race or races and an intertrack wagering

1 location licensee that accepts wagers on races conducted by
2 an organization licensee that conducts a race meet in a
3 county with a population in excess of 230,000 and that
4 borders the Mississippi River shall not divide any
5 remaining retention with the organization licensee.
6 Notwithstanding the provisions of clauses (ii) and (iv) of
7 this paragraph, in the case of the additional inter-track
8 wagering location licenses authorized under paragraph (1)
9 of this subsection (h) by this amendatory Act of 1991,
10 those licensees shall pay the following amounts as purses:
11 during the first 12 months the licensee is in operation,
12 5.25% of the pari-mutuel handle wagered at the location on
13 races; during the second 12 months, 5.25%; during the third
14 12 months, 5.75%; during the fourth 12 months, 6.25%; and
15 during the fifth 12 months and thereafter, 6.75%. The
16 following amounts shall be retained by the licensee to
17 satisfy all costs and expenses of conducting its wagering:
18 during the first 12 months the licensee is in operation,
19 8.25% of the pari-mutuel handle wagered at the location;
20 during the second 12 months, 8.25%; during the third 12
21 months, 7.75%; during the fourth 12 months, 7.25%; and
22 during the fifth 12 months and thereafter, 6.75%. For
23 additional intertrack wagering location licensees
24 authorized under this amendatory Act of 1995, purses for
25 the first 12 months the licensee is in operation shall be
26 5.75% of the pari-mutuel wagered at the location, purses

1 for the second 12 months the licensee is in operation shall
2 be 6.25%, and purses thereafter shall be 6.75%. For
3 additional intertrack location licensees authorized under
4 this amendatory Act of 1995, the licensee shall be allowed
5 to retain to satisfy all costs and expenses: 7.75% of the
6 pari-mutuel handle wagered at the location during its first
7 12 months of operation, 7.25% during its second 12 months
8 of operation, and 6.75% thereafter.

9 (C) There is hereby created the Horse Racing Tax
10 Allocation Fund which shall remain in existence until
11 December 31, 1999. Moneys remaining in the Fund after
12 December 31, 1999 shall be paid into the General Revenue
13 Fund. Until January 1, 2000, all monies paid into the Horse
14 Racing Tax Allocation Fund pursuant to this paragraph (11)
15 by inter-track wagering location licensees located in park
16 districts of 500,000 population or less, or in a
17 municipality that is not included within any park district
18 but is included within a conservation district and is the
19 county seat of a county that (i) is contiguous to the state
20 of Indiana and (ii) has a 1990 population of 88,257
21 according to the United States Bureau of the Census, and
22 operating on May 1, 1994 shall be allocated by
23 appropriation as follows:

24 Two-sevenths to the Department of Agriculture.
25 Fifty percent of this two-sevenths shall be used to
26 promote the Illinois horse racing and breeding

1 industry, and shall be distributed by the Department of
2 Agriculture upon the advice of a 9-member committee
3 appointed by the Governor consisting of the following
4 members: the Director of Agriculture, who shall serve
5 as chairman; 2 representatives of organization
6 licensees conducting thoroughbred race meetings in
7 this State, recommended by those licensees; 2
8 representatives of organization licensees conducting
9 standardbred race meetings in this State, recommended
10 by those licensees; a representative of the Illinois
11 Thoroughbred Breeders and Owners Foundation,
12 recommended by that Foundation; a representative of
13 the Illinois Standardbred Owners and Breeders
14 Association, recommended by that Association; a
15 representative of the Horsemen's Benevolent and
16 Protective Association or any successor organization
17 thereto established in Illinois comprised of the
18 largest number of owners and trainers, recommended by
19 that Association or that successor organization; and a
20 representative of the Illinois Harness Horsemen's
21 Association, recommended by that Association.
22 Committee members shall serve for terms of 2 years,
23 commencing January 1 of each even-numbered year. If a
24 representative of any of the above-named entities has
25 not been recommended by January 1 of any even-numbered
26 year, the Governor shall appoint a committee member to

1 fill that position. Committee members shall receive no
2 compensation for their services as members but shall be
3 reimbursed for all actual and necessary expenses and
4 disbursements incurred in the performance of their
5 official duties. The remaining 50% of this
6 two-sevenths shall be distributed to county fairs for
7 premiums and rehabilitation as set forth in the
8 Agricultural Fair Act;

9 Four-sevenths to park districts or municipalities
10 that do not have a park district of 500,000 population
11 or less for museum purposes (if an inter-track wagering
12 location licensee is located in such a park district)
13 or to conservation districts for museum purposes (if an
14 inter-track wagering location licensee is located in a
15 municipality that is not included within any park
16 district but is included within a conservation
17 district and is the county seat of a county that (i) is
18 contiguous to the state of Indiana and (ii) has a 1990
19 population of 88,257 according to the United States
20 Bureau of the Census, except that if the conservation
21 district does not maintain a museum, the monies shall
22 be allocated equally between the county and the
23 municipality in which the inter-track wagering
24 location licensee is located for general purposes) or
25 to a municipal recreation board for park purposes (if
26 an inter-track wagering location licensee is located

1 in a municipality that is not included within any park
2 district and park maintenance is the function of the
3 municipal recreation board and the municipality has a
4 1990 population of 9,302 according to the United States
5 Bureau of the Census); provided that the monies are
6 distributed to each park district or conservation
7 district or municipality that does not have a park
8 district in an amount equal to four-sevenths of the
9 amount collected by each inter-track wagering location
10 licensee within the park district or conservation
11 district or municipality for the Fund. Monies that were
12 paid into the Horse Racing Tax Allocation Fund before
13 the effective date of this amendatory Act of 1991 by an
14 inter-track wagering location licensee located in a
15 municipality that is not included within any park
16 district but is included within a conservation
17 district as provided in this paragraph shall, as soon
18 as practicable after the effective date of this
19 amendatory Act of 1991, be allocated and paid to that
20 conservation district as provided in this paragraph.
21 Any park district or municipality not maintaining a
22 museum may deposit the monies in the corporate fund of
23 the park district or municipality where the
24 inter-track wagering location is located, to be used
25 for general purposes; and

26 One-seventh to the Agricultural Premium Fund to be

1 used for distribution to agricultural home economics
2 extension councils in accordance with "An Act in
3 relation to additional support and finances for the
4 Agricultural and Home Economic Extension Councils in
5 the several counties of this State and making an
6 appropriation therefor", approved July 24, 1967.

7 Until January 1, 2000, all other monies paid into the
8 Horse Racing Tax Allocation Fund pursuant to this paragraph
9 (11) shall be allocated by appropriation as follows:

10 Two-sevenths to the Department of Agriculture.
11 Fifty percent of this two-sevenths shall be used to
12 promote the Illinois horse racing and breeding
13 industry, and shall be distributed by the Department of
14 Agriculture upon the advice of a 9-member committee
15 appointed by the Governor consisting of the following
16 members: the Director of Agriculture, who shall serve
17 as chairman; 2 representatives of organization
18 licensees conducting thoroughbred race meetings in
19 this State, recommended by those licensees; 2
20 representatives of organization licensees conducting
21 standardbred race meetings in this State, recommended
22 by those licensees; a representative of the Illinois
23 Thoroughbred Breeders and Owners Foundation,
24 recommended by that Foundation; a representative of
25 the Illinois Standardbred Owners and Breeders
26 Association, recommended by that Association; a

1 representative of the Horsemen's Benevolent and
2 Protective Association or any successor organization
3 thereto established in Illinois comprised of the
4 largest number of owners and trainers, recommended by
5 that Association or that successor organization; and a
6 representative of the Illinois Harness Horsemen's
7 Association, recommended by that Association.
8 Committee members shall serve for terms of 2 years,
9 commencing January 1 of each even-numbered year. If a
10 representative of any of the above-named entities has
11 not been recommended by January 1 of any even-numbered
12 year, the Governor shall appoint a committee member to
13 fill that position. Committee members shall receive no
14 compensation for their services as members but shall be
15 reimbursed for all actual and necessary expenses and
16 disbursements incurred in the performance of their
17 official duties. The remaining 50% of this
18 two-sevenths shall be distributed to county fairs for
19 premiums and rehabilitation as set forth in the
20 Agricultural Fair Act;

21 Four-sevenths to museums and aquariums located in
22 park districts of over 500,000 population; provided
23 that the monies are distributed in accordance with the
24 previous year's distribution of the maintenance tax
25 for such museums and aquariums as provided in Section 2
26 of the Park District Aquarium and Museum Act; and

1 One-seventh to the Agricultural Premium Fund to be
2 used for distribution to agricultural home economics
3 extension councils in accordance with "An Act in
4 relation to additional support and finances for the
5 Agricultural and Home Economic Extension Councils in
6 the several counties of this State and making an
7 appropriation therefor", approved July 24, 1967. This
8 subparagraph (C) shall be inoperative and of no force
9 and effect on and after January 1, 2000.

10 (D) Except as provided in paragraph (11) of this
11 subsection (h), with respect to purse allocation from
12 intertrack wagering, the monies so retained shall be
13 divided as follows:

14 (i) If the inter-track wagering licensee,
15 except an intertrack wagering licensee that
16 derives its license from an organization licensee
17 located in a county with a population in excess of
18 230,000 and bounded by the Mississippi River, is
19 not conducting its own race meeting during the same
20 dates, then the entire purse allocation shall be to
21 purses at the track where the races wagered on are
22 being conducted.

23 (ii) If the inter-track wagering licensee,
24 except an intertrack wagering licensee that
25 derives its license from an organization licensee
26 located in a county with a population in excess of

1 230,000 and bounded by the Mississippi River, is
2 also conducting its own race meeting during the
3 same dates, then the purse allocation shall be as
4 follows: 50% to purses at the track where the races
5 wagered on are being conducted; 50% to purses at
6 the track where the inter-track wagering licensee
7 is accepting such wagers.

8 (iii) If the inter-track wagering is being
9 conducted by an inter-track wagering location
10 licensee, except an intertrack wagering location
11 licensee that derives its license from an
12 organization licensee located in a county with a
13 population in excess of 230,000 and bounded by the
14 Mississippi River, the entire purse allocation for
15 Illinois races shall be to purses at the track
16 where the race meeting being wagered on is being
17 held.

18 (12) The Board shall have all powers necessary and
19 proper to fully supervise and control the conduct of
20 inter-track wagering and simulcast wagering by inter-track
21 wagering licensees and inter-track wagering location
22 licensees, including, but not limited to the following:

23 (A) The Board is vested with power to promulgate
24 reasonable rules and regulations for the purpose of
25 administering the conduct of this wagering and to
26 prescribe reasonable rules, regulations and conditions

1 under which such wagering shall be held and conducted.
2 Such rules and regulations are to provide for the
3 prevention of practices detrimental to the public
4 interest and for the best interests of said wagering
5 and to impose penalties for violations thereof.

6 (B) The Board, and any person or persons to whom it
7 delegates this power, is vested with the power to enter
8 the facilities of any licensee to determine whether
9 there has been compliance with the provisions of this
10 Act and the rules and regulations relating to the
11 conduct of such wagering.

12 (C) The Board, and any person or persons to whom it
13 delegates this power, may eject or exclude from any
14 licensee's facilities, any person whose conduct or
15 reputation is such that his presence on such premises
16 may, in the opinion of the Board, call into the
17 question the honesty and integrity of, or interfere
18 with the orderly conduct of such wagering; provided,
19 however, that no person shall be excluded or ejected
20 from such premises solely on the grounds of race,
21 color, creed, national origin, ancestry, or sex.

22 (D) (Blank).

23 (E) The Board is vested with the power to appoint
24 delegates to execute any of the powers granted to it
25 under this Section for the purpose of administering
26 this wagering and any rules and regulations

1 promulgated in accordance with this Act.

2 (F) The Board shall name and appoint a State
3 director of this wagering who shall be a representative
4 of the Board and whose duty it shall be to supervise
5 the conduct of inter-track wagering as may be provided
6 for by the rules and regulations of the Board; such
7 rules and regulation shall specify the method of
8 appointment and the Director's powers, authority and
9 duties.

10 (G) The Board is vested with the power to impose
11 civil penalties of up to \$5,000 against individuals and
12 up to \$10,000 against licensees for each violation of
13 any provision of this Act relating to the conduct of
14 this wagering, any rules adopted by the Board, any
15 order of the Board or any other action which in the
16 Board's discretion, is a detriment or impediment to
17 such wagering.

18 (13) The Department of Agriculture may enter into
19 agreements with licensees authorizing such licensees to
20 conduct inter-track wagering on races to be held at the
21 licensed race meetings conducted by the Department of
22 Agriculture. Such agreement shall specify the races of the
23 Department of Agriculture's licensed race meeting upon
24 which the licensees will conduct wagering. In the event
25 that a licensee conducts inter-track pari-mutuel wagering
26 on races from the Illinois State Fair or DuQuoin State Fair

1 which are in addition to the licensee's previously approved
2 racing program, those races shall be considered a separate
3 racing day for the purpose of determining the daily handle
4 and computing the privilege or pari-mutuel tax on that
5 daily handle as provided in Sections 27 and 27.1. Such
6 agreements shall be approved by the Board before such
7 wagering may be conducted. In determining whether to grant
8 approval, the Board shall give due consideration to the
9 best interests of the public and of horse racing. The
10 provisions of paragraphs (1), (8), (8.1), and (8.2) of
11 subsection (h) of this Section which are not specified in
12 this paragraph (13) shall not apply to licensed race
13 meetings conducted by the Department of Agriculture at the
14 Illinois State Fair in Sangamon County or the DuQuoin State
15 Fair in Perry County, or to any wagering conducted on those
16 race meetings.

17 (i) Notwithstanding the other provisions of this Act, the
18 conduct of wagering at wagering facilities is authorized on all
19 days, except as limited by subsection (b) of Section 19 of this
20 Act.

21 (Source: P.A. 96-762, eff. 8-25-09.)

22 (230 ILCS 5/27) (from Ch. 8, par. 37-27)

23 Sec. 27. (a) In addition to the organization license fee
24 provided by this Act, until January 1, 2000, a graduated
25 privilege tax is hereby imposed for conducting the pari-mutuel

1 system of wagering permitted under this Act. Until January 1,
2 2000, except as provided in subsection (g) of Section 27 of
3 this Act, all of the breakage of each racing day held by any
4 licensee in the State shall be paid to the State. Until January
5 1, 2000, such daily graduated privilege tax shall be paid by
6 the licensee from the amount permitted to be retained under
7 this Act. Until January 1, 2000, each day's graduated privilege
8 tax, breakage, and Horse Racing Tax Allocation funds shall be
9 remitted to the Department of Revenue within 48 hours after the
10 close of the racing day upon which it is assessed or within
11 such other time as the Board prescribes. The privilege tax
12 hereby imposed, until January 1, 2000, shall be a flat tax at
13 the rate of 2% of the daily pari-mutuel handle except as
14 provided in Section 27.1.

15 In addition, every organization licensee, except as
16 provided in Section 27.1 of this Act, which conducts multiple
17 wagering shall pay, until January 1, 2000, as a privilege tax
18 on multiple wagers an amount equal to 1.25% of all moneys
19 wagered each day on such multiple wagers, plus an additional
20 amount equal to 3.5% of the amount wagered each day on any
21 other multiple wager which involves a single betting interest
22 on 3 or more horses. The licensee shall remit the amount of
23 such taxes to the Department of Revenue within 48 hours after
24 the close of the racing day on which it is assessed or within
25 such other time as the Board prescribes.

26 This subsection (a) shall be inoperative and of no force

1 and effect on and after January 1, 2000.

2 (a-5) Beginning on January 1, 2000, a flat pari-mutuel tax
3 at the rate of 1.5% of the daily pari-mutuel handle is imposed
4 at all pari-mutuel wagering facilities and on advance deposit
5 wagering from a location other than a wagering facility, except
6 as otherwise provided for in this subsection (a-5). In addition
7 to the pari-mutuel tax imposed on advance deposit wagering
8 pursuant to this subsection (a-5), an additional pari-mutuel
9 tax at the rate of 0.25% shall be imposed on advance deposit
10 wagering, the amount of which shall not exceed \$250,000 in each
11 calendar year. The additional 0.25% pari-mutuel tax imposed on
12 advance deposit wagering by this amendatory Act of the 96th
13 General Assembly shall be deposited into the Quarter Horse
14 Purse Fund, which shall be created as a non-appropriated trust
15 fund administered by the Board for grants to thoroughbred
16 organization licensees for payment of purses for quarter horse
17 races conducted by the organization licensee. Thoroughbred
18 organization licensees may petition the Board to conduct
19 quarter horse racing and receive purse grants from the Quarter
20 Horse Purse Fund. The Board shall have complete discretion in
21 distributing the Quarter Horse Purse Fund to the petitioning
22 organization licensees. Beginning on the effective date of this
23 amendatory Act of the 96th General Assembly and until moneys
24 deposited pursuant to Section 54 are distributed and received,
25 a pari-mutuel tax at the rate of 0.75% of the daily pari-mutuel
26 handle is imposed at a pari-mutuel facility whose license is

1 derived from a track located in a county that borders the
2 Mississippi River and conducted live racing in the previous
3 year. After moneys deposited pursuant to Section 54 are
4 distributed and received, a pari-mutuel tax at the rate of 1.5%
5 of the daily pari-mutuel handle is imposed at a pari-mutuel
6 facility whose license is derived from a track located in a
7 county that borders the Mississippi River and conducted live
8 racing in the previous year. The pari-mutuel tax imposed by
9 this subsection (a-5) shall be remitted to the Department of
10 Revenue within 48 hours after the close of the racing day upon
11 which it is assessed or within such other time as the Board
12 prescribes.

13 (a-10) Beginning on the date when an organization licensee
14 begins conducting electronic gaming pursuant to an electronic
15 gaming license, the following pari-mutuel tax is imposed upon
16 an organization licensee on Illinois races at the licensee's
17 race track:

18 1.5% of the pari-mutuel handle at or below the average
19 daily pari-mutuel handle for 2010.

20 2% of the pari-mutuel handle above the average daily
21 pari-mutuel handle for 2010 up to 125% of the average daily
22 pari-mutuel handle for 2010.

23 2.5% of the pari-mutuel handle 125% or more above the
24 average daily pari-mutuel handle for 2010 up to 150% of the
25 average daily pari-mutuel handle for 2010.

26 3% of the pari-mutuel handle 150% or more above the

1 average daily pari-mutuel handle for 2010 up to 175% of the
2 average daily pari-mutuel handle for 2010.

3 3.5% of the pari-mutuel handle 175% or more above the
4 average daily pari-mutuel handle for 2010.

5 The pari-mutuel tax imposed by this subsection (a-10) shall
6 be remitted to the Board within 48 hours after the close of the
7 racing day upon which it is assessed or within such other time
8 as the Board prescribes.

9 (b) On or before December 31, 1999, in the event that any
10 organization licensee conducts 2 separate programs of races on
11 any day, each such program shall be considered a separate
12 racing day for purposes of determining the daily handle and
13 computing the privilege tax on such daily handle as provided in
14 subsection (a) of this Section.

15 (c) Licensees shall at all times keep accurate books and
16 records of all monies wagered on each day of a race meeting and
17 of the taxes paid to the Department of Revenue under the
18 provisions of this Section. The Board or its duly authorized
19 representative or representatives shall at all reasonable
20 times have access to such records for the purpose of examining
21 and checking the same and ascertaining whether the proper
22 amount of taxes is being paid as provided. The Board shall
23 require verified reports and a statement of the total of all
24 monies wagered daily at each wagering facility upon which the
25 taxes are assessed and may prescribe forms upon which such
26 reports and statement shall be made.

1 (d) Any licensee failing or refusing to pay the amount of
2 any tax due under this Section shall be guilty of a business
3 offense and upon conviction shall be fined not more than \$5,000
4 in addition to the amount found due as tax under this Section.
5 Each day's violation shall constitute a separate offense. All
6 fines paid into Court by a licensee hereunder shall be
7 transmitted and paid over by the Clerk of the Court to the
8 Board.

9 (e) No other license fee, privilege tax, excise tax, or
10 racing fee, except as provided in this Act, shall be assessed
11 or collected from any such licensee by the State.

12 (f) No other license fee, privilege tax, excise tax or
13 racing fee shall be assessed or collected from any such
14 licensee by units of local government except as provided in
15 paragraph 10.1 of subsection (h) and subsection (f) of Section
16 26 of this Act. However, any municipality that has a Board
17 licensed horse race meeting at a race track wholly within its
18 corporate boundaries or a township that has a Board licensed
19 horse race meeting at a race track wholly within the
20 unincorporated area of the township may charge a local
21 amusement tax not to exceed 10¢ per admission to such horse
22 race meeting by the enactment of an ordinance. However, any
23 municipality or county that has a Board licensed inter-track
24 wagering location facility wholly within its corporate
25 boundaries may each impose an admission fee not to exceed \$1.00
26 per admission to such inter-track wagering location facility,

1 so that a total of not more than \$2.00 per admission may be
2 imposed. Except as provided in subparagraph (g) of Section 27
3 of this Act, the inter-track wagering location licensee shall
4 collect any and all such fees and within 48 hours remit the
5 fees to the Board, which shall, pursuant to rule, cause the
6 fees to be distributed to the county or municipality.

7 (g) Notwithstanding any provision in this Act to the
8 contrary, if in any calendar year the total taxes and fees from
9 wagering on live racing and from inter-track wagering required
10 to be collected from licensees and distributed under this Act
11 to all State and local governmental authorities exceeds the
12 amount of such taxes and fees distributed to each State and
13 local governmental authority to which each State and local
14 governmental authority was entitled under this Act for calendar
15 year 1994, then the first \$11 million of that excess amount
16 shall be allocated at the earliest possible date for
17 distribution as purse money for the succeeding calendar year.
18 Upon reaching the 1994 level, and until the excess amount of
19 taxes and fees exceeds \$11 million, the Board shall direct all
20 licensees to cease paying the subject taxes and fees and the
21 Board shall direct all licensees to allocate any such excess
22 amount for purses as follows:

23 (i) the excess amount shall be initially divided
24 between thoroughbred and standardbred purses based on the
25 thoroughbred's and standardbred's respective percentages
26 of total Illinois live wagering in calendar year 1994;

1 (ii) each thoroughbred and standardbred organization
2 licensee issued an organization licensee in that
3 succeeding allocation year shall be allocated an amount
4 equal to the product of its percentage of total Illinois
5 live thoroughbred or standardbred wagering in calendar
6 year 1994 (the total to be determined based on the sum of
7 1994 on-track wagering for all organization licensees
8 issued organization licenses in both the allocation year
9 and the preceding year) multiplied by the total amount
10 allocated for standardbred or thoroughbred purses,
11 provided that the first \$1,500,000 of the amount allocated
12 to standardbred purses under item (i) shall be allocated to
13 the Department of Agriculture to be expended with the
14 assistance and advice of the Illinois Standardbred
15 Breeders Funds Advisory Board for the purposes listed in
16 subsection (g) of Section 31 of this Act, before the amount
17 allocated to standardbred purses under item (i) is
18 allocated to standardbred organization licensees in the
19 succeeding allocation year.

20 To the extent the excess amount of taxes and fees to be
21 collected and distributed to State and local governmental
22 authorities exceeds \$11 million, that excess amount shall be
23 collected and distributed to State and local authorities as
24 provided for under this Act.

25 (Source: P.A. 96-762, eff. 8-25-09; 96-1287, eff. 7-26-10.)

1 (230 ILCS 5/28) (from Ch. 8, par. 37-28)

2 Sec. 28. Except as provided in subsection (g) of Section 27
3 of this Act, moneys collected shall be distributed according to
4 the provisions of this Section 28.

5 (a) Thirty per cent of the total of all monies received by
6 the State as privilege taxes shall be paid into the
7 Metropolitan Exposition Auditorium and Office Building Fund in
8 the State Treasury.

9 (b) In addition, 4.5% of the total of all monies received
10 by the State as privilege taxes shall be paid into the State
11 treasury into a special Fund to be known as the Metropolitan
12 Exposition, Auditorium, and Office Building Fund.

13 (c) Fifty per cent of the total of all monies received by
14 the State as privilege taxes under the provisions of this Act
15 shall be paid into the Agricultural Premium Fund.

16 (d) Seven per cent of the total of all monies received by
17 the State as privilege taxes shall be paid into the Fair and
18 Exposition Fund in the State treasury; provided, however, that
19 when all bonds issued prior to July 1, 1984 by the Metropolitan
20 Fair and Exposition Authority shall have been paid or payment
21 shall have been provided for upon a refunding of those bonds,
22 thereafter 1/12 of \$1,665,662 of such monies shall be paid each
23 month into the Build Illinois Fund, and the remainder into the
24 Fair and Exposition Fund. All excess monies shall be allocated
25 to the Department of Agriculture for distribution to county
26 fairs for premiums and rehabilitation as set forth in the

1 Agricultural Fair Act.

2 (e) The monies provided for in Section 30 shall be paid
3 into the Illinois Thoroughbred Breeders Fund.

4 (f) The monies provided for in Section 31 shall be paid
5 into the Illinois Standardbred Breeders Fund.

6 (g) Until January 1, 2000, that part representing 1/2 of
7 the total breakage in Thoroughbred, Harness, Appaloosa,
8 Arabian, and Quarter Horse racing in the State shall be paid
9 into the Illinois Race Track Improvement Fund as established in
10 Section 32.

11 (h) All other monies received by the Board under this Act
12 shall be paid into the Horse Racing Fund ~~General Revenue Fund~~
13 ~~of the State~~.

14 (i) The salaries of the Board members, secretary, stewards,
15 directors of mutuels, veterinarians, representatives,
16 accountants, clerks, stenographers, inspectors and other
17 employees of the Board, and all expenses of the Board incident
18 to the administration of this Act, including, but not limited
19 to, all expenses and salaries incident to the taking of saliva
20 and urine samples in accordance with the rules and regulations
21 of the Board shall be paid out of the Agricultural Premium
22 Fund.

23 (j) The Agricultural Premium Fund shall also be used:

24 (1) for the expenses of operating the Illinois State
25 Fair and the DuQuoin State Fair, including the payment of
26 prize money or premiums;

1 (2) for the distribution to county fairs, vocational
2 agriculture section fairs, agricultural societies, and
3 agricultural extension clubs in accordance with the
4 Agricultural Fair Act, as amended;

5 (3) for payment of prize monies and premiums awarded
6 and for expenses incurred in connection with the
7 International Livestock Exposition and the Mid-Continent
8 Livestock Exposition held in Illinois, which premiums, and
9 awards must be approved, and paid by the Illinois
10 Department of Agriculture;

11 (4) for personal service of county agricultural
12 advisors and county home advisors;

13 (5) for distribution to agricultural home economic
14 extension councils in accordance with "An Act in relation
15 to additional support and finance for the Agricultural and
16 Home Economic Extension Councils in the several counties in
17 this State and making an appropriation therefor", approved
18 July 24, 1967, as amended;

19 (6) for research on equine disease, including a
20 development center therefor;

21 (7) for training scholarships for study on equine
22 diseases to students at the University of Illinois College
23 of Veterinary Medicine;

24 (8) for the rehabilitation, repair and maintenance of
25 the Illinois and DuQuoin State Fair Grounds and the
26 structures and facilities thereon and the construction of

1 permanent improvements on such Fair Grounds, including
2 such structures, facilities and property located on such
3 State Fair Grounds which are under the custody and control
4 of the Department of Agriculture;

5 (9) for the expenses of the Department of Agriculture
6 under Section 5-530 of the Departments of State Government
7 Law (20 ILCS 5/5-530);

8 (10) for the expenses of the Department of Commerce and
9 Economic Opportunity under Sections 605-620, 605-625, and
10 605-630 of the Department of Commerce and Economic
11 Opportunity Law (20 ILCS 605/605-620, 605/605-625, and
12 605/605-630);

13 (11) for remodeling, expanding, and reconstructing
14 facilities destroyed by fire of any Fair and Exposition
15 Authority in counties with a population of 1,000,000 or
16 more inhabitants;

17 (12) for the purpose of assisting in the care and
18 general rehabilitation of disabled veterans of any war and
19 their surviving spouses and orphans;

20 (13) for expenses of the Department of State Police for
21 duties performed under this Act;

22 (14) for the Department of Agriculture for soil surveys
23 and soil and water conservation purposes;

24 (15) for the Department of Agriculture for grants to
25 the City of Chicago for conducting the Chicagofest;

26 (16) for the State Comptroller for grants and operating

1 expenses authorized by the Illinois Global Partnership
2 Act.

3 (k) To the extent that monies paid by the Board to the
4 Agricultural Premium Fund are in the opinion of the Governor in
5 excess of the amount necessary for the purposes herein stated,
6 the Governor shall notify the Comptroller and the State
7 Treasurer of such fact, who, upon receipt of such notification,
8 shall transfer such excess monies from the Agricultural Premium
9 Fund to the General Revenue Fund.

10 (Source: P.A. 94-91, Sections 55-135 and 90-10, eff. 7-1-05.)

11 (230 ILCS 5/28.1)

12 Sec. 28.1. Payments.

13 (a) Beginning on January 1, 2000, moneys collected by the
14 Department of Revenue and the Racing Board pursuant to Section
15 26 or Section 27 of this Act shall be deposited into the Horse
16 Racing Fund, which is hereby created as a special fund in the
17 State Treasury.

18 (b) Appropriations, as approved by the General Assembly,
19 may be made from the Horse Racing Fund to the Board to pay the
20 salaries of the Board members, secretary, stewards, directors
21 of mutuels, veterinarians, representatives, accountants,
22 clerks, stenographers, inspectors and other employees of the
23 Board, and all expenses of the Board incident to the
24 administration of this Act, including, but not limited to, all
25 expenses and salaries incident to the taking of saliva and

1 urine samples in accordance with the rules and regulations of
2 the Board.

3 (c) Beginning on January 1, 2000, the Board shall transfer
4 the remainder of the funds generated pursuant to Sections 26
5 and 27 from the Horse Racing Fund into the General Revenue
6 Fund.

7 In the event that, in any fiscal year, the amount of total
8 funds in the Horse Racing Fund is insufficient to meet the
9 annual operating expenses of the Board, as appropriated by the
10 General Assembly for that fiscal year, the Board shall invoice
11 the organization licensees for the amount of the deficit. The
12 amount of the invoice shall be allocated in a proportionate
13 amount of pari-mutuel wagering handled by the organization
14 licensee in the year preceding assessment and divided by the
15 total pari-mutuel wagering handled by all Illinois
16 organization licensees. The payments shall be made 50% from the
17 organization licensee's account and 50% from the organization
18 licensee's purse account.

19 (d) Beginning January 1, 2000, payments to all programs in
20 existence on the effective date of this amendatory Act of 1999
21 that are identified in Sections 26(c), 26(f), 26(h) (11) (C), and
22 28, subsections (a), (b), (c), (d), (e), (f), (g), and (h) of
23 Section 30, and subsections (a), (b), (c), (d), (e), (f), (g),
24 and (h) of Section 31 shall be made from the General Revenue
25 Fund at the funding levels determined by amounts paid under
26 this Act in calendar year 1998. Beginning on the effective date

1 of this amendatory Act of the 93rd General Assembly, payments
2 to the Peoria Park District shall be made from the General
3 Revenue Fund at the funding level determined by amounts paid to
4 that park district for museum purposes under this Act in
5 calendar year 1994.

6 If an inter-track wagering location licensee's facility
7 changes its location, then the payments associated with that
8 facility under this subsection (d) for museum purposes shall be
9 paid to the park district in the area where the facility
10 relocates, and the payments shall be used for museum purposes.
11 If the facility does not relocate to a park district, then the
12 payments shall be paid to the taxing district that is
13 responsible for park or museum expenditures.

14 (e) Beginning July 1, 2006, the payment authorized under
15 subsection (d) to museums and aquariums located in park
16 districts of over 500,000 population shall be paid to museums,
17 aquariums, and zoos in amounts determined by Museums in the
18 Park, an association of museums, aquariums, and zoos located on
19 Chicago Park District property.

20 (f) Beginning July 1, 2007, the Children's Discovery Museum
21 in Normal, Illinois shall receive payments from the General
22 Revenue Fund at the funding level determined by the amounts
23 paid to the Miller Park Zoo in Bloomington, Illinois under this
24 Section in calendar year 2006.

25 (Source: P.A. 95-222, eff. 8-16-07; 96-562, eff. 8-18-09.)

1 (230 ILCS 5/30) (from Ch. 8, par. 37-30)

2 Sec. 30. (a) The General Assembly declares that it is the
3 policy of this State to encourage the breeding of thoroughbred
4 horses in this State and the ownership of such horses by
5 residents of this State in order to provide for: sufficient
6 numbers of high quality thoroughbred horses to participate in
7 thoroughbred racing meetings in this State, and to establish
8 and preserve the agricultural and commercial benefits of such
9 breeding and racing industries to the State of Illinois. It is
10 the intent of the General Assembly to further this policy by
11 the provisions of this Act.

12 (b) Each organization licensee conducting a thoroughbred
13 racing meeting pursuant to this Act shall provide at least two
14 races each day limited to Illinois conceived and foaled horses
15 or Illinois foaled horses or both. A minimum of 6 races shall
16 be conducted each week limited to Illinois conceived and foaled
17 or Illinois foaled horses or both. No horses shall be permitted
18 to start in such races unless duly registered under the rules
19 of the Department of Agriculture.

20 (c) Conditions of races under subsection (b) shall be
21 commensurate with past performance, quality, and class of
22 Illinois conceived and foaled and Illinois foaled horses
23 available. If, however, sufficient competition cannot be had
24 among horses of that class on any day, the races may, with
25 consent of the Board, be eliminated for that day and substitute
26 races provided.

1 (d) There is hereby created a special fund of the State
2 Treasury to be known as the Illinois Thoroughbred Breeders
3 Fund.

4 Beginning on the effective date of this amendatory Act of
5 the 96th General Assembly, the Illinois Thoroughbred Breeders
6 Fund shall become a non-appropriated trust fund held separate
7 and apart from State moneys. Expenditures from this fund shall
8 no longer be subject to appropriation.

9 Except as provided in subsection (g) of Section 27 of this
10 Act, 8.5% of all the monies received by the State as privilege
11 taxes on Thoroughbred racing meetings shall be paid into the
12 Illinois Thoroughbred Breeders Fund.

13 Notwithstanding any provision of law to the contrary,
14 amounts deposited into the Illinois Thoroughbred Breeders Fund
15 from revenues generated by electronic gaming after the
16 effective date of this amendatory Act of the 96th General
17 Assembly shall be in addition to tax and fee amounts paid under
18 this Section for calendar year 2010 and thereafter.

19 (e) The Illinois Thoroughbred Breeders Fund shall be
20 administered by the Department of Agriculture with the advice
21 and assistance of the Advisory Board created in subsection (f)
22 of this Section.

23 (f) The Illinois Thoroughbred Breeders Fund Advisory Board
24 shall consist of the Director of the Department of Agriculture,
25 who shall serve as Chairman; a member of the Illinois Racing
26 Board, designated by it; 2 representatives of the organization

1 licensees conducting thoroughbred racing meetings, recommended
2 by them; 2 representatives of the Illinois Thoroughbred
3 Breeders and Owners Foundation, recommended by it; one
4 representative ~~and 2 representatives~~ of the Horsemen's
5 Benevolent Protective Association; and one representative from
6 the Illinois Thoroughbred Horsemen's Association ~~or any~~
7 ~~successor organization established in Illinois comprised of~~
8 ~~the largest number of owners and trainers, recommended by it,~~
9 ~~with one representative of the Horsemen's Benevolent and~~
10 ~~Protective Association to come from its Illinois Division, and~~
11 ~~one from its Chicago Division.~~ Advisory Board members shall
12 serve for 2 years commencing January 1 of each odd numbered
13 year. If representatives of the organization licensees
14 conducting thoroughbred racing meetings, the Illinois
15 Thoroughbred Breeders and Owners Foundation, ~~and~~ the
16 Horsemen's Benevolent Protection Association, and the Illinois
17 Thoroughbred Horsemen's Association have not been recommended
18 by January 1, of each odd numbered year, the Director of the
19 Department of Agriculture shall make an appointment for the
20 organization failing to so recommend a member of the Advisory
21 Board. Advisory Board members shall receive no compensation for
22 their services as members but shall be reimbursed for all
23 actual and necessary expenses and disbursements incurred in the
24 execution of their official duties.

25 (g) ~~No monies shall be expended from the Illinois~~
26 ~~Thoroughbred Breeders Fund except as appropriated by the~~

1 ~~General Assembly.~~ Monies expended ~~appropriated~~ from the
2 Illinois Thoroughbred Breeders Fund shall be expended by the
3 Department of Agriculture, with the advice and assistance of
4 the Illinois Thoroughbred Breeders Fund Advisory Board, for the
5 following purposes only:

6 (1) To provide purse supplements to owners of horses
7 participating in races limited to Illinois conceived and
8 foaled and Illinois foaled horses. Any such purse
9 supplements shall not be included in and shall be paid in
10 addition to any purses, stakes, or breeders' awards offered
11 by each organization licensee as determined by agreement
12 between such organization licensee and an organization
13 representing the horsemen. No monies from the Illinois
14 Thoroughbred Breeders Fund shall be used to provide purse
15 supplements for claiming races in which the minimum
16 claiming price is less than \$7,500.

17 (2) To provide stakes and awards to be paid to the
18 owners of the winning horses in certain races limited to
19 Illinois conceived and foaled and Illinois foaled horses
20 designated as stakes races.

21 (2.5) To provide an award to the owner or owners of an
22 Illinois conceived and foaled or Illinois foaled horse that
23 wins a maiden special weight, an allowance, overnight
24 handicap race, or claiming race with claiming price of
25 \$10,000 or more providing the race is not restricted to
26 Illinois conceived and foaled or Illinois foaled horses.

1 Awards shall also be provided to the owner or owners of
2 Illinois conceived and foaled and Illinois foaled horses
3 that place second or third in those races. To the extent
4 that additional moneys are required to pay the minimum
5 additional awards of 40% of the purse the horse earns for
6 placing first, second or third in those races for Illinois
7 foaled horses and of 60% of the purse the horse earns for
8 placing first, second or third in those races for Illinois
9 conceived and foaled horses, those moneys shall be provided
10 from the purse account at the track where earned.

11 (3) To provide stallion awards to the owner or owners
12 of any stallion that is duly registered with the Illinois
13 Thoroughbred Breeders Fund Program ~~prior to the effective~~
14 ~~date of this amendatory Act of 1995~~ whose duly registered
15 Illinois conceived and foaled offspring wins a race
16 conducted at an Illinois thoroughbred racing meeting other
17 than a claiming race, provided that the stallion stood
18 service within Illinois at the time the offspring was
19 conceived and that the stallion did not stand for service
20 outside of Illinois at any time during the year in which
21 the offspring was conceived. ~~Such award shall not be paid~~
22 ~~to the owner or owners of an Illinois stallion that served~~
23 ~~outside this State at any time during the calendar year in~~
24 ~~which such race was conducted.~~

25 (4) To provide \$75,000 annually for purses to be
26 distributed to county fairs that provide for the running of

1 races during each county fair exclusively for the
2 thoroughbreds conceived and foaled in Illinois. The
3 conditions of the races shall be developed by the county
4 fair association and reviewed by the Department with the
5 advice and assistance of the Illinois Thoroughbred
6 Breeders Fund Advisory Board. There shall be no wagering of
7 any kind on the running of Illinois conceived and foaled
8 races at county fairs.

9 (4.1) To provide purse money for an Illinois stallion
10 stakes program.

11 (5) No less than 90% ~~80%~~ of all monies appropriated
12 from the Illinois Thoroughbred Breeders Fund shall be
13 expended for the purposes in (1), (2), (2.5), (3), (4),
14 (4.1), and (5) as shown above.

15 (6) To provide for educational programs regarding the
16 thoroughbred breeding industry.

17 (7) To provide for research programs concerning the
18 health, development and care of the thoroughbred horse.

19 (8) To provide for a scholarship and training program
20 for students of equine veterinary medicine.

21 (9) To provide for dissemination of public information
22 designed to promote the breeding of thoroughbred horses in
23 Illinois.

24 (10) To provide for all expenses incurred in the
25 administration of the Illinois Thoroughbred Breeders Fund.

26 (h) The Illinois Thoroughbred Breeders Fund is not subject

1 to administrative charges or charge-backs, including, but not
2 limited to, those authorized under Section 8h of the State
3 Finance Act. Whenever the Governor finds that the amount in the
4 Illinois Thoroughbred Breeders Fund is more than the total of
5 the outstanding appropriations from such fund, the Governor
6 shall notify the State Comptroller and the State Treasurer of
7 such fact. The Comptroller and the State Treasurer, upon
8 receipt of such notification, shall transfer such excess amount
9 from the Illinois Thoroughbred Breeders Fund to the General
10 Revenue Fund.

11 (i) A sum equal to 13% ~~12 1/2%~~ of the first prize money of
12 every purse won by an Illinois foaled or an Illinois conceived
13 and foaled horse in races not limited to Illinois foaled horses
14 or Illinois conceived and foaled horses, or both, shall be paid
15 by the organization licensee conducting the horse race meeting.
16 Such sum shall be paid 50% from the organization licensee's
17 account and 50% from the purse account of the licensee share of
18 the money wagered as follows: 11 1/2% to the breeder of the
19 winning horse and 1 1/2% ~~1%~~ to the organization representing
20 thoroughbred breeders and owners whose representative serves
21 on the Illinois Thoroughbred Breeders Fund Advisory Board for
22 verifying the amounts of breeders' awards earned, assuring
23 their distribution in accordance with this Act, and servicing
24 and promoting the Illinois thoroughbred horse racing industry.
25 The organization representing thoroughbred breeders and owners
26 shall cause all expenditures of monies received under this

1 subsection (i) to be audited at least annually by a registered
2 public accountant. The organization shall file copies of each
3 annual audit with the Racing Board, the Clerk of the House of
4 Representatives and the Secretary of the Senate, and shall make
5 copies of each annual audit available to the public upon
6 request and upon payment of the reasonable cost of photocopying
7 the requested number of copies. Such payments shall not reduce
8 any award to the owner of the horse or reduce the taxes payable
9 under this Act. Upon completion of its racing meet, each
10 organization licensee shall deliver to the organization
11 representing thoroughbred breeders and owners whose
12 representative serves on the Illinois Thoroughbred Breeders
13 Fund Advisory Board a listing of all the Illinois foaled and
14 the Illinois conceived and foaled horses which won breeders'
15 awards and the amount of such breeders' awards under this
16 subsection to verify accuracy of payments and assure proper
17 distribution of breeders' awards in accordance with the
18 provisions of this Act. Such payments shall be delivered by the
19 organization licensee within 30 days of the end of each race
20 meeting.

21 (j) A sum equal to 13% ~~12-1/2%~~ of the first prize money won
22 in each race limited to Illinois foaled horses or Illinois
23 conceived and foaled horses, or both, shall be paid in the
24 following manner by the organization licensee conducting the
25 horse race meeting, 50% from the organization licensee's
26 account and 50% from the purse account of the licensee ~~share of~~

1 ~~the money wagered:~~ 11 1/2% to the breeders of the horses in
2 each such race which are the official first, second, third and
3 fourth finishers and 1 1/2% ~~1%~~ to the organization representing
4 thoroughbred breeders and owners whose representative serves
5 on the Illinois Thoroughbred Breeders Fund Advisory Board for
6 verifying the amounts of breeders' awards earned, assuring
7 their proper distribution in accordance with this Act, and
8 servicing and promoting the Illinois thoroughbred horse racing
9 industry. The organization representing thoroughbred breeders
10 and owners shall cause all expenditures of monies received
11 under this subsection (j) to be audited at least annually by a
12 registered public accountant. The organization shall file
13 copies of each annual audit with the Racing Board, the Clerk of
14 the House of Representatives and the Secretary of the Senate,
15 and shall make copies of each annual audit available to the
16 public upon request and upon payment of the reasonable cost of
17 photocopying the requested number of copies.

18 The 11 1/2% paid to the breeders in accordance with this
19 subsection shall be distributed as follows:

20 (1) 60% of such sum shall be paid to the breeder of the
21 horse which finishes in the official first position;

22 (2) 20% of such sum shall be paid to the breeder of the
23 horse which finishes in the official second position;

24 (3) 15% of such sum shall be paid to the breeder of the
25 horse which finishes in the official third position; and

26 (4) 5% of such sum shall be paid to the breeder of the

1 horse which finishes in the official fourth position.

2 Such payments shall not reduce any award to the owners of a
3 horse or reduce the taxes payable under this Act. Upon
4 completion of its racing meet, each organization licensee shall
5 deliver to the organization representing thoroughbred breeders
6 and owners whose representative serves on the Illinois
7 Thoroughbred Breeders Fund Advisory Board a listing of all the
8 Illinois foaled and the Illinois conceived and foaled horses
9 which won breeders' awards and the amount of such breeders'
10 awards in accordance with the provisions of this Act. Such
11 payments shall be delivered by the organization licensee within
12 30 days of the end of each race meeting.

13 (k) The term "breeder", as used herein, means the owner of
14 the mare at the time the foal is dropped. An "Illinois foaled
15 horse" is a foal dropped by a mare which enters this State on
16 or before December 1, in the year in which the horse is bred,
17 provided the mare remains continuously in this State until its
18 foal is born. An "Illinois foaled horse" also means a foal born
19 of a mare in the same year as the mare enters this State on or
20 before March 1, and remains in this State at least 30 days
21 after foaling, is bred back during the season of the foaling to
22 an Illinois Registered Stallion (unless a veterinarian
23 certifies that the mare should not be bred for health reasons),
24 and is not bred to a stallion standing in any other state
25 during the season of foaling. An "Illinois foaled horse" also
26 means a foal born in Illinois of a mare purchased at public

1 auction subsequent to the mare entering this State on or before
2 March 1 ~~prior to February 1~~ of the foaling year providing the
3 mare is owned solely by one or more Illinois residents or an
4 Illinois entity that is entirely owned by one or more Illinois
5 residents.

6 (1) The Department of Agriculture shall, by rule, with the
7 advice and assistance of the Illinois Thoroughbred Breeders
8 Fund Advisory Board:

9 (1) Qualify stallions for Illinois breeding; such
10 stallions to stand for service within the State of Illinois
11 at the time of a foal's conception. Such stallion must not
12 stand for service at any place outside the State of
13 Illinois during the calendar year in which the foal is
14 conceived. The Department of Agriculture may assess and
15 collect an application fee of up to \$500 ~~fees~~ for the
16 registration of Illinois-eligible stallions. All fees
17 collected are to be held in trust accounts for the purposes
18 set forth in this Act and in accordance with Section 205-15
19 of the Department of Agriculture Law ~~paid into the Illinois~~
20 ~~Thoroughbred Breeders Fund.~~

21 (2) Provide for the registration of Illinois conceived
22 and foaled horses and Illinois foaled horses. No such horse
23 shall compete in the races limited to Illinois conceived
24 and foaled horses or Illinois foaled horses or both unless
25 registered with the Department of Agriculture. The
26 Department of Agriculture may prescribe such forms as are

1 necessary to determine the eligibility of such horses. The
2 Department of Agriculture may assess and collect
3 application fees for the registration of Illinois-eligible
4 foals. All fees collected are to be held in trust accounts
5 for the purposes set forth in this Act and in accordance
6 with Section 205-15 of the Department of Agriculture Law
7 ~~paid into the Illinois Thoroughbred Breeders Fund~~. No
8 person shall knowingly prepare or cause preparation of an
9 application for registration of such foals containing
10 false information.

11 (m) The Department of Agriculture, with the advice and
12 assistance of the Illinois Thoroughbred Breeders Fund Advisory
13 Board, shall provide that certain races limited to Illinois
14 conceived and foaled and Illinois foaled horses be stakes races
15 and determine the total amount of stakes and awards to be paid
16 to the owners of the winning horses in such races.

17 In determining the stakes races and the amount of awards
18 for such races, the Department of Agriculture shall consider
19 factors, including but not limited to, the amount of money
20 appropriated for the Illinois Thoroughbred Breeders Fund
21 program, organization licensees' contributions, availability
22 of stakes caliber horses as demonstrated by past performances,
23 whether the race can be coordinated into the proposed racing
24 dates within organization licensees' racing dates, opportunity
25 for colts and fillies and various age groups to race, public
26 wagering on such races, and the previous racing schedule.

1 (n) The Board and the organizational licensee shall notify
2 the Department of the conditions and minimum purses for races
3 limited to Illinois conceived and foaled and Illinois foaled
4 horses conducted for each organizational licensee conducting a
5 thoroughbred racing meeting. The Department of Agriculture
6 with the advice and assistance of the Illinois Thoroughbred
7 Breeders Fund Advisory Board may allocate monies for purse
8 supplements for such races. In determining whether to allocate
9 money and the amount, the Department of Agriculture shall
10 consider factors, including but not limited to, the amount of
11 money appropriated for the Illinois Thoroughbred Breeders Fund
12 program, the number of races that may occur, and the
13 organizational licensee's purse structure.

14 (o) In order to improve the breeding quality of
15 thoroughbred horses in the State, the General Assembly
16 recognizes that existing provisions of this Section to
17 encourage such quality breeding need to be revised and
18 strengthened. As such, a Thoroughbred Breeder's Program Task
19 Force is to be appointed by the Governor by September 1, 1999
20 to make recommendations to the General Assembly by no later
21 than March 1, 2000. This task force is to be composed of 2
22 representatives from the Illinois Thoroughbred Breeders and
23 Owners Foundation, 2 from the Illinois Thoroughbred Horsemen's
24 Association, 3 from Illinois race tracks operating
25 thoroughbred race meets for an average of at least 30 days in
26 the past 3 years, the Director of Agriculture, the Executive

1 Director of the Racing Board, who shall serve as Chairman.

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

3 (230 ILCS 5/31) (from Ch. 8, par. 37-31)

4 Sec. 31. (a) The General Assembly declares that it is the
5 policy of this State to encourage the breeding of standardbred
6 horses in this State and the ownership of such horses by
7 residents of this State in order to provide for: sufficient
8 numbers of high quality standardbred horses to participate in
9 harness racing meetings in this State, and to establish and
10 preserve the agricultural and commercial benefits of such
11 breeding and racing industries to the State of Illinois. It is
12 the intent of the General Assembly to further this policy by
13 the provisions of this Section of this Act.

14 (b) Each organization licensee conducting a harness racing
15 meeting pursuant to this Act shall provide for at least two
16 races each race program limited to Illinois conceived and
17 foaled horses. A minimum of 6 races shall be conducted each
18 week limited to Illinois conceived and foaled horses. No horses
19 shall be permitted to start in such races unless duly
20 registered under the rules of the Department of Agriculture.

21 (b-5) Organization licensees, not including the Illinois
22 State Fair or the DuQuoin State Fair, shall provide stake races
23 and early closer races for Illinois conceived and foaled horses
24 so that purses distributed for such races shall be no less than
25 17% of total purses distributed for harness racing in that

1 calendar year in addition to any stakes payments and starting
2 fees contributed by horse owners.

3 (b-10) Each organization licensee conducting a harness
4 racing meeting pursuant to this Act shall provide an owner
5 award to be paid from the purse account equal to 25% of the
6 amount earned by Illinois conceived and foaled horses in races
7 that are not restricted to Illinois conceived and foaled
8 horses. The owner awards shall not be paid on races below the
9 \$10,000 claiming class.

10 (c) Conditions of races under subsection (b) shall be
11 commensurate with past performance, quality and class of
12 Illinois conceived and foaled horses available. If, however,
13 sufficient competition cannot be had among horses of that class
14 on any day, the races may, with consent of the Board, be
15 eliminated for that day and substitute races provided.

16 (d) There is hereby created a special fund of the State
17 Treasury to be known as the Illinois Standardbred Breeders
18 Fund.

19 During the calendar year 1981, and each year thereafter,
20 except as provided in subsection (g) of Section 27 of this Act,
21 eight and one-half per cent of all the monies received by the
22 State as privilege taxes on harness racing meetings shall be
23 paid into the Illinois Standardbred Breeders Fund.

24 (e) The Illinois Standardbred Breeders Fund shall be
25 administered by the Department of Agriculture with the
26 assistance and advice of the Advisory Board created in

1 subsection (f) of this Section.

2 (f) The Illinois Standardbred Breeders Fund Advisory Board
3 is hereby created. The Advisory Board shall consist of the
4 Director of the Department of Agriculture, who shall serve as
5 Chairman; the Superintendent of the Illinois State Fair; a
6 member of the Illinois Racing Board, designated by it; a
7 representative of the Illinois Standardbred Owners and
8 Breeders Association, recommended by it; a representative of
9 the Illinois Association of Agricultural Fairs, recommended by
10 it, such representative to be from a fair at which Illinois
11 conceived and foaled racing is conducted; a representative of
12 the organization licensees conducting harness racing meetings,
13 recommended by them and a representative of the Illinois
14 Harness Horsemen's Association, recommended by it. Advisory
15 Board members shall serve for 2 years commencing January 1, of
16 each odd numbered year. If representatives of the Illinois
17 Standardbred Owners and Breeders Associations, the Illinois
18 Association of Agricultural Fairs, the Illinois Harness
19 Horsemen's Association, and the organization licensees
20 conducting harness racing meetings have not been recommended by
21 January 1, of each odd numbered year, the Director of the
22 Department of Agriculture shall make an appointment for the
23 organization failing to so recommend a member of the Advisory
24 Board. Advisory Board members shall receive no compensation for
25 their services as members but shall be reimbursed for all
26 actual and necessary expenses and disbursements incurred in the

1 execution of their official duties.

2 (g) No monies shall be expended from the Illinois
3 Standardbred Breeders Fund except as appropriated by the
4 General Assembly. Monies appropriated from the Illinois
5 Standardbred Breeders Fund shall be expended by the Department
6 of Agriculture, with the assistance and advice of the Illinois
7 Standardbred Breeders Fund Advisory Board for the following
8 purposes only:

9 1. To provide purses for races limited to Illinois
10 conceived and foaled horses at the State Fair and the
11 DuQuoin State Fair.

12 2. To provide purses for races limited to Illinois
13 conceived and foaled horses at county fairs.

14 3. To provide purse supplements for races limited to
15 Illinois conceived and foaled horses conducted by
16 associations conducting harness racing meetings.

17 4. No less than 75% of all monies in the Illinois
18 Standardbred Breeders Fund shall be expended for purses in
19 1, 2 and 3 as shown above.

20 5. In the discretion of the Department of Agriculture
21 to provide awards to harness breeders of Illinois conceived
22 and foaled horses which win races conducted by organization
23 licensees conducting harness racing meetings. A breeder is
24 the owner of a mare at the time of conception. No more than
25 10% of all monies appropriated from the Illinois
26 Standardbred Breeders Fund shall be expended for such

1 harness breeders awards. No more than 25% of the amount
2 expended for harness breeders awards shall be expended for
3 expenses incurred in the administration of such harness
4 breeders awards.

5 6. To pay for the improvement of racing facilities
6 located at the State Fair and County fairs.

7 7. To pay the expenses incurred in the administration
8 of the Illinois Standardbred Breeders Fund.

9 8. To promote the sport of harness racing, including
10 grants up to a maximum of \$7,500 per fair per year for
11 conducting pari-mutuel wagering during the advertised
12 dates of a county fair.

13 9. To pay up to \$50,000 annually for the Department of
14 Agriculture to conduct drug testing at county fairs racing
15 standardbred horses.

16 10. To pay up to \$100,000 annually for distribution to
17 Illinois county fairs to supplement premiums offered in
18 junior classes.

19 11. To pay up to \$100,000 for distribution to Illinois
20 universities for equine research and education.

21 (h) (Blank) ~~Whenever the Governor finds that the amount in~~
22 ~~the Illinois Standardbred Breeders Fund is more than the total~~
23 ~~of the outstanding appropriations from such fund, the Governor~~
24 ~~shall notify the State Comptroller and the State Treasurer of~~
25 ~~such fact. The Comptroller and the State Treasurer, upon~~
26 ~~receipt of such notification, shall transfer such excess amount~~

1 ~~from the Illinois Standardbred Breeders Fund to the General~~
2 ~~Revenue Fund.~~

3 (i) A sum equal to 13% ~~12 1/2%~~ of the first prize money of
4 the gross ~~every~~ purse won by an Illinois conceived and foaled
5 horse shall be paid 50% by the organization licensee conducting
6 the horse race meeting to the breeder of such winning horse
7 from the organization licensee's account and 50% from the purse
8 account of the licensee ~~share of the money wagered~~. Such
9 payment shall not reduce any award to the owner of the horse or
10 reduce the taxes payable under this Act. Such payment shall be
11 delivered by the organization licensee at the end of each
12 quarter ~~race meeting~~.

13 (j) The Department of Agriculture shall, by rule, with the
14 assistance and advice of the Illinois Standardbred Breeders
15 Fund Advisory Board:

16 1. Qualify stallions for Illinois Standardbred
17 Breeders Fund breeding; ~~such stallion shall be owned by a~~
18 ~~resident of the State of Illinois or by an Illinois~~
19 ~~corporation all of whose shareholders, directors, officers~~
20 ~~and incorporators are residents of the State of Illinois.~~

21 Such stallion shall stand for service at and within the
22 State of Illinois at the time of a foal's conception, and
23 such stallion must not stand for service at any place, ~~nor~~
24 ~~may semen from such stallion be transported,~~ outside the
25 State of Illinois during that calendar year in which the
26 foal is conceived ~~and that the owner of the stallion was~~

1 ~~for the 12 months prior, a resident of Illinois. Foals~~
2 ~~conceived outside the State of Illinois from shipped semen~~
3 ~~from a stallion qualified for breeders' awards under this~~
4 ~~Section are not eligible to participate in the Illinois~~
5 ~~conceived and foaled program. The articles of agreement of~~
6 ~~any partnership, joint venture, limited partnership,~~
7 ~~syndicate, association or corporation and any bylaws and~~
8 ~~stock certificates must contain a restriction that~~
9 ~~provides that the ownership or transfer of interest by any~~
10 ~~one of the persons a party to the agreement can only be~~
11 ~~made to a person who qualifies as an Illinois resident.~~

12 2. Provide for the registration of Illinois conceived
13 and foaled horses and no such horse shall compete in the
14 races limited to Illinois conceived and foaled horses
15 unless registered with the Department of Agriculture. The
16 Department of Agriculture may prescribe such forms as may
17 be necessary to determine the eligibility of such horses.
18 No person shall knowingly prepare or cause preparation of
19 an application for registration of such foals containing
20 false information. A mare (dam) must be in the state at
21 least 30 days prior to foaling or remain in the State at
22 least 30 days at the time of foaling. Beginning with the
23 1996 breeding season and for foals of 1997 and thereafter,
24 a foal conceived in the State of Illinois by transported
25 fresh semen may be eligible for Illinois conceived and
26 foaled registration provided all breeding and foaling

1 requirements are met. The stallion must be qualified for
2 Illinois Standardbred Breeders Fund breeding at the time of
3 conception and the mare must be inseminated within the
4 State of Illinois. The foal must be dropped in Illinois and
5 properly registered with the Department of Agriculture in
6 accordance with this Act.

7 3. Provide that at least a 5 day racing program shall
8 be conducted at the State Fair each year, which program
9 shall include at least the following races limited to
10 Illinois conceived and foaled horses: (a) a two year old
11 Trot and Pace, and Filly Division of each; (b) a three year
12 old Trot and Pace, and Filly Division of each; (c) an aged
13 Trot and Pace, and Mare Division of each.

14 4. Provide for the payment of nominating, sustaining
15 and starting fees for races promoting the sport of harness
16 racing and for the races to be conducted at the State Fair
17 as provided in subsection (j) 3 of this Section provided
18 that the nominating, sustaining and starting payment
19 required from an entrant shall not exceed 2% of the purse
20 of such race. All nominating, sustaining and starting
21 payments shall be held for the benefit of entrants and
22 shall be paid out as part of the respective purses for such
23 races. Nominating, sustaining and starting fees shall be
24 held in trust accounts for the purposes as set forth in
25 this Act and in accordance with Section 205-15 of the
26 Department of Agriculture Law (20 ILCS 205/205-15).

1 5. Provide for the registration with the Department of
2 Agriculture of Colt Associations or county fairs desiring
3 to sponsor races at county fairs.

4 6. Provide for the promotion of producing standardbred
5 racehorses by providing a bonus award program for owners of
6 2-year-old horses that win multiple major stakes races that
7 are limited to Illinois conceived and foaled horses.

8 (k) The Department of Agriculture, with the advice and
9 assistance of the Illinois Standardbred Breeders Fund Advisory
10 Board, may allocate monies for purse supplements for such
11 races. In determining whether to allocate money and the amount,
12 the Department of Agriculture shall consider factors,
13 including but not limited to, the amount of money appropriated
14 for the Illinois Standardbred Breeders Fund program, the number
15 of races that may occur, and an organizational licensee's purse
16 structure. The organizational licensee shall notify the
17 Department of Agriculture of the conditions and minimum purses
18 for races limited to Illinois conceived and foaled horses to be
19 conducted by each organizational licensee conducting a harness
20 racing meeting for which purse supplements have been
21 negotiated.

22 (l) All races held at county fairs and the State Fair which
23 receive funds from the Illinois Standardbred Breeders Fund
24 shall be conducted in accordance with the rules of the United
25 States Trotting Association unless otherwise modified by the
26 Department of Agriculture.

1 (m) At all standardbred race meetings held or conducted
2 under authority of a license granted by the Board, and at all
3 standardbred races held at county fairs which are approved by
4 the Department of Agriculture or at the Illinois or DuQuoin
5 State Fairs, no one shall jog, train, warm up or drive a
6 standardbred horse unless he or she is wearing a protective
7 safety helmet, with the chin strap fastened and in place, which
8 meets the standards and requirements as set forth in the 1984
9 Standard for Protective Headgear for Use in Harness Racing and
10 Other Equestrian Sports published by the Snell Memorial
11 Foundation, or any standards and requirements for headgear the
12 Illinois Racing Board may approve. Any other standards and
13 requirements so approved by the Board shall equal or exceed
14 those published by the Snell Memorial Foundation. Any
15 equestrian helmet bearing the Snell label shall be deemed to
16 have met those standards and requirements.

17 (Source: P.A. 91-239, eff. 1-1-00.)

18 (230 ILCS 5/31.1) (from Ch. 8, par. 37-31.1)

19 Sec. 31.1. (a) Organization licensees collectively shall
20 contribute annually to charity the sum of \$1,000,000 ~~\$750,000~~
21 to non-profit organizations that provide medical and family,
22 counseling, and similar services to persons who reside or work
23 on the backstretch of Illinois racetracks. These contributions
24 shall be collected as follows: (i) no later than July 1st of
25 each year the Board shall assess each organization licensee,

1 except those tracks which are not within 100 miles of each
2 other which tracks shall pay \$40,000 ~~\$30,000~~ annually apiece
3 into the Board charity fund, that amount which equals \$920,000
4 ~~\$690,000~~ multiplied by the amount of pari-mutuel wagering
5 handled by the organization licensee in the year preceding
6 assessment and divided by the total pari-mutuel wagering
7 handled by all Illinois organization licensees, except those
8 tracks which are not within 100 miles of each other, in the
9 year preceding assessment; (ii) notice of the assessed
10 contribution shall be mailed to each organization licensee;
11 (iii) within thirty days of its receipt of such notice, each
12 organization licensee shall remit the assessed contribution to
13 the Board. If an organization licensee wilfully fails to so
14 remit the contribution, the Board may revoke its license to
15 conduct horse racing.

16 (b) No later than October 1st of each year, any qualified
17 charitable organization seeking an allotment of contributed
18 funds shall submit to the Board an application for those funds,
19 using the Board's approved form. No later than December 31st of
20 each year, the Board shall distribute all such amounts
21 collected that year to such charitable organization
22 applicants.

23 (Source: P.A. 87-110.)

24 (230 ILCS 5/32.1)

25 Sec. 32.1. Pari-mutuel tax credit; statewide racetrack

1 real estate equalization. In order to encourage new investment
2 in Illinois racetrack facilities and mitigate differing real
3 estate tax burdens among all racetracks, the licensees
4 affiliated or associated with each racetrack that has been
5 awarded live racing dates in the current year shall receive an
6 immediate pari-mutuel tax credit in an amount equal to the
7 greater of (i) 50% of the amount of the real estate taxes paid
8 in the prior year attributable to that racetrack, or (ii) the
9 amount by which the real estate taxes paid in the prior year
10 attributable to that racetrack exceeds 60% of the average real
11 estate taxes paid in the prior year for all racetracks awarded
12 live horse racing meets in the current year. The licensee's tax
13 credit may not exceed the amount certified by the Board in
14 2010.

15 Each year, regardless of whether the organization licensee
16 conducted live racing in the year of certification, the Board
17 shall certify in writing, prior to December 31, the real estate
18 taxes paid in that year for each racetrack and the amount of
19 the pari-mutuel tax credit that each organization licensee,
20 intertrack wagering licensee, and intertrack wagering location
21 licensee that derives its license from such racetrack is
22 entitled in the succeeding calendar year. The real estate taxes
23 considered under this Section for any racetrack shall be those
24 taxes on the real estate parcels and related facilities used to
25 conduct a horse race meeting and inter-track wagering at such
26 racetrack under this Act. In no event shall the amount of the

1 tax credit under this Section exceed the amount of pari-mutuel
2 taxes otherwise calculated under this Act. The amount of the
3 tax credit under this Section shall be retained by each
4 licensee and shall not be subject to any reallocation or
5 further distribution under this Act. The Board may promulgate
6 emergency rules to implement this Section.

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

8 (230 ILCS 5/36) (from Ch. 8, par. 37-36)

9 Sec. 36. (a) Whoever administers or conspires to administer
10 to any horse a hypnotic, narcotic, stimulant, depressant or any
11 chemical substance which may affect the speed of a horse at any
12 time in any race where the purse or any part of the purse is
13 made of money authorized by any Section of this Act, except
14 those chemical substances permitted by ruling of the Board,
15 internally, externally or by hypodermic method in a race or
16 prior thereto, or whoever knowingly enters a horse in any race
17 within a period of 24 hours after any hypnotic, narcotic,
18 stimulant, depressant or any other chemical substance which may
19 affect the speed of a horse at any time, except those chemical
20 substances permitted by ruling of the Board, has been
21 administered to such horse either internally or externally or
22 by hypodermic method for the purpose of increasing or retarding
23 the speed of such horse shall be guilty of a Class 4 felony.
24 The Board shall suspend or revoke such violator's license.

25 (b) The term "hypnotic" as used in this Section includes

1 all barbituric acid preparations and derivatives.

2 (c) The term "narcotic" as used in this Section includes
3 opium and all its alkaloids, salts, preparations and
4 derivatives, cocaine and all its salts, preparations and
5 derivatives and substitutes.

6 (d) The provisions of this Section 36 and the treatment
7 authorized herein apply to horses entered in and competing in
8 race meetings as defined in Section 3.47 of this Act and to
9 horses entered in and competing at any county fair.

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

11 (230 ILCS 5/40) (from Ch. 8, par. 37-40)

12 Sec. 40. (a) The imposition of any fine or penalty provided
13 in this Act shall not preclude the Board in its rules and
14 regulations from imposing a fine or penalty for any other
15 action which, in the Board's discretion, is a detriment or
16 impediment to horse racing.

17 (b) The Director of Agriculture or his or her authorized
18 representative shall impose the following monetary penalties
19 and hold administrative hearings as required for failure to
20 submit the following applications, lists, or reports within the
21 time period, date or manner required by statute or rule or for
22 removing a foal from Illinois prior to inspection:

23 (1) late filing of a renewal application for offering
24 or standing stallion for service:

25 (A) if an application is submitted no more than 30

1 days late, \$50;

2 (B) if an application is submitted no more than 45
3 days late, \$150; or

4 (C) if an application is submitted more than 45
5 days late, if filing of the application is allowed
6 under an administrative hearing, \$250;

7 (2) late filing of list or report of mares bred:

8 (A) if a list or report is submitted no more than
9 30 days late, \$50;

10 (B) if a list or report is submitted no more than
11 60 days late \$150; or

12 (C) if a list or report is submitted more than 60
13 days late, if filing of the list or report is allowed
14 under an administrative hearing, \$250;

15 (3) filing an Illinois foaled thoroughbred mare status
16 report after the statutory deadline as provided in
17 subsection (k) of Section 30 of this Act ~~December 31:~~

18 (A) if a report is submitted no more than 30 days
19 late, \$50;

20 (B) if a report is submitted no more than 90 days
21 late, \$150;

22 (C) if a report is submitted no more than 150 days
23 late, \$250; or

24 (D) if a report is submitted more than 150 days
25 late, if filing of the report is allowed under an
26 administrative hearing, \$500;

1 (4) late filing of application for foal eligibility
2 certificate:

3 (A) if an application is submitted no more than 30
4 days late, \$50;

5 (B) if an application is submitted no more than 90
6 days late, \$150;

7 (C) if an application is submitted no more than 150
8 days late, \$250; or

9 (D) if an application is submitted more than 150
10 days late, if filing of the application is allowed
11 under an administrative hearing, \$500;

12 (5) failure to report the intent to remove a foal from
13 Illinois prior to inspection, identification and
14 certification by a Department of Agriculture investigator,
15 \$50; and

16 (6) if a list or report of mares bred is incomplete,
17 \$50 per mare not included on the list or report.

18 Any person upon whom monetary penalties are imposed under
19 this Section 3 times within a 5 year period shall have any
20 further monetary penalties imposed at double the amounts set
21 forth above. All monies assessed and collected for violations
22 relating to thoroughbreds shall be paid into the Thoroughbred
23 Breeders Fund. All monies assessed and collected for violations
24 relating to standardbreds shall be paid into the Standardbred
25 Breeders Fund.

26 (Source: P.A. 87-397.)

1 (230 ILCS 5/56 new)

2 Sec. 56. Electronic gaming.

3 (a) A person, firm, or corporation having operating control
4 of a race track may apply to the Gaming Board for an electronic
5 gaming license. An electronic gaming license shall authorize
6 its holder to conduct gambling using slot machines, video games
7 of chance, electronic gambling games, or any combination of
8 these on the grounds of the race track controlled by the
9 licensee's race track. Only one electronic gaming license may
10 be awarded for any race track. Each license shall specify the
11 number of slot machines, video games of chance, or electronic
12 gambling games that its holder may operate.

13 An electronic gaming licensee may not permit persons under
14 21 years of age to be present in its electronic gaming
15 facility, but the licensee may accept wagers on live racing and
16 inter-track wagers at its electronic gaming facility.

17 (b) The gross gaming receipts by an electronic gaming
18 licensee from electronic gaming remaining after the payment of
19 taxes under Section 13 of the Riverboat Gambling Act shall be
20 distributed as follows:

21 (1) Amounts shall be paid to the purse account at the
22 track at which the organization licensee conducting racing
23 equal to the following:

24 12.75% of annual gross gaming receipts up to and
25 including \$75,000,000;

1 20% of annual gross gaming receipts in excess of
2 \$75,000,000 but not exceeding \$100,000,000;

3 26.5% of annual gross gaming receipts in excess of
4 \$100,000,000 but not exceeding \$125,000,000; and

5 20.5% of annual gross gaming receipts in excess of
6 \$125,000,000.

7 (2) The remainder shall be retained by the electronic
8 gaming licensee.

9 (c) Electronic gaming receipts placed into the purse
10 account of an organization licensee racing thoroughbred horses
11 shall be used for purses, for health care services and worker's
12 compensation for racing industry workers, for equine research,
13 for programs to care for and transition injured and retired
14 thoroughbred horses that race at the race track, or for horse
15 ownership promotion, in accordance with the agreement of the
16 horsemen's association representing the largest number of
17 owners or trainers who race at that organization licensee's
18 race meeting. Annually, from the purse account of an
19 organization licensee racing thoroughbred horses, an amount
20 equal to 12% of the electronic gaming receipts shall be paid to
21 the Illinois Thoroughbred Breeders Fund and shall be used for
22 owner awards; a stallion program pursuant to paragraph (3) of
23 subsection (g) of Section 30 of this Act; and Illinois
24 conceived and foaled stakes races pursuant to paragraph (2) of
25 subsection (g) of Section 30 of this Act, as specifically
26 designated by the horsemen's association representing the

1 largest number of owners or trainers who race at the
2 organization licensee's race meeting. Annually from the purse
3 account of an organization licensee conducting thoroughbred
4 races at a race track in Madison County, an amount equal to
5 0.33 1/3% of the electronic gaming receipts shall be paid to
6 Southern Illinois University for equine research and
7 education, an amount equal to 0.33 1/3% of the electronic
8 gaming receipts shall be used to operate laundry facilities for
9 backstretch workers at that race track, and an amount equal to
10 0.33 1/3% of the electronic gaming receipts shall be paid to
11 the programs to care for injured and unwanted horses that race
12 at that race track.

13 Annually from the purse account of organization licenses
14 conducting thoroughbred races at race tracks in Cook County,
15 \$100,000 shall be paid to Illinois universities for equine
16 research and education.

17 (d) Annually, from the purse account of an organization
18 licensee racing standardbred horses, an amount equal to 15% of
19 the electronic gaming receipts placed into that purse account
20 shall be paid to the Illinois Colt Stakes Purse Distribution
21 Fund. Moneys deposited into the Illinois Colt Stakes Purse
22 Distribution Fund shall be used for standardbred racing as
23 authorized in paragraphs 1, 2, 3, 8, 9, 10, and 11 of
24 subsection (g) of Section 31 of this Act and for bonus awards
25 as authorized under paragraph 6 of subsection (j) of Section 31
26 of this Act.

1 As a requirement for continued eligibility to conduct
2 electronic gaming, each organization licensee must promote
3 live racing and horse ownership through marketing and
4 promotional efforts. To meet this requirement, all
5 organization licensees operating at each racetrack facility
6 must collectively expend the amount of the pari-mutuel tax
7 credit that was certified by the Illinois Racing Board in the
8 prior calendar year pursuant to Section 32.1 of the Illinois
9 Horse Racing Act for that racetrack facility, in addition to
10 the amount that was expended by each organizational licensee
11 for such efforts in calendar year 2009. Such incremental
12 expenditures must be directed to assure that all marketing
13 expenditures, including those for the organization licensee's
14 electronic gaming facility, advertise, market and promote
15 horse racing and/or horse ownership. The amount spent by the
16 organization licensee for such marketing and promotional
17 efforts in 2009 shall be certified by the Board no later than
18 90 days after the effective date of this Act.

19 Section 10. The Riverboat Gambling Act is amended by
20 changing Sections 3, 4, 5, 7, 8, 9, 11, 11.1, 12, 13, 14, 18,
21 19, 20, and 23 and by adding Sections 7.6 and 7.7 as follows:

22 (230 ILCS 10/3) (from Ch. 120, par. 2403)

23 Sec. 3. ~~Riverboat~~ Gambling Authorized.

24 (a) Riverboat gambling operations and electronic gaming

1 ~~operations and the system of wagering incorporated therein~~, as
2 defined in this Act, are hereby authorized to the extent that
3 they are carried out in accordance with the provisions of this
4 Act.

5 (b) This Act does not apply to the pari-mutuel system of
6 wagering used or intended to be used in connection with the
7 horse-race meetings as authorized under the Illinois Horse
8 Racing Act of 1975, lottery games authorized under the Illinois
9 Lottery Law, bingo authorized under the Bingo License and Tax
10 Act, charitable games authorized under the Charitable Games Act
11 or pull tabs and jar games conducted under the Illinois Pull
12 Tabs and Jar Games Act. This Act does apply to electronic
13 gaming authorized under the Illinois Horse Racing Act of 1975
14 to the extent provided in that Act and in this Act.

15 (c) Riverboat gambling conducted pursuant to this Act may
16 be authorized upon any water within the State of Illinois or
17 any water other than Lake Michigan which constitutes a boundary
18 of the State of Illinois. A licensee may conduct riverboat
19 gambling authorized under this Act regardless of whether it
20 conducts excursion cruises. A licensee may permit the
21 continuous ingress and egress of passengers for the purpose of
22 gambling.

23 (d) Gambling that is conducted in accordance with this Act
24 using slot machines and video games of chance and other
25 electronic gambling games as defined in both this Act and the
26 Illinois Horse Racing Act of 1975.

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

2 (230 ILCS 10/4) (from Ch. 120, par. 2404)

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

4 ~~(a)~~ "Board" means the Illinois Gaming Board.

5 ~~(b)~~ "Occupational license" means a license issued by the
6 Board to a person or entity to perform an occupation which the
7 Board has identified as requiring a license to engage in
8 riverboat gambling in Illinois.

9 ~~(c)~~ "Gambling game" includes, but is not limited to,
10 baccarat, twenty-one, poker, craps, slot machine, video game of
11 chance, roulette wheel, klondike table, punchboard, faro
12 layout, keno layout, numbers ticket, push card, jar ticket, or
13 pull tab which is authorized by the Board as a wagering device
14 under this Act.

15 ~~(d)~~ "Riverboat" means a self-propelled excursion boat, a
16 permanently moored barge, or permanently moored barges that are
17 permanently fixed together to operate as one vessel, on which
18 lawful gambling is authorized and licensed as provided in this
19 Act.

20 ~~(e)~~ "Managers license" means a license issued by the Board
21 to a person or entity to manage gambling operations conducted
22 by the State pursuant to Section 7.3.

23 ~~(f)~~ "Dock" means the location where a riverboat moors for
24 the purpose of embarking passengers for and disembarking
25 passengers from the riverboat.

1 ~~(g)~~ "Whole gaming Gross receipts" means the total amount of
2 money exchanged for the purchase of chips, tokens or electronic
3 cards by riverboat patrons or electronic gaming patrons.

4 ~~(h)~~ "Gross gaming Adjusted gross receipts" means the whole
5 gaming gross receipts less winnings paid to wagerers.

6 ~~(i)~~ "Cheat" means to alter the selection of criteria which
7 determine the result of a gambling game or the amount or
8 frequency of payment in a gambling game.

9 ~~(j)~~ (Blank).

10 ~~(k)~~ "Gambling operation" means the conduct of ~~authorized~~
11 gambling games authorized under this Act upon a riverboat or
12 authorized under this Act and the Illinois Horse Racing Act of
13 1975 at an electronic gaming facility.

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

17 ~~(m)~~ The terms "minority person", "female", and "person with
18 a disability" shall have the same meaning as defined in Section
19 2 of the Business Enterprise for Minorities, Females, and
20 Persons with Disabilities Act.

21 "Owners license" means a license to conduct riverboat
22 gambling operations, but does not include an electronic gaming
23 license.

24 "Licensed owner" means a person who holds an owners
25 license.

26 "Electronic gaming" means the conduct of gambling using

1 slot machines, video games of chance, and electronic gambling
2 games licensed under this Act at a race track licensed under
3 the Illinois Horse Racing Act of 1975 pursuant to the Illinois
4 Horse Racing Act of 1975 and this Act.

5 "Electronic gaming facility" means the area where the Board
6 has authorized electronic gaming at a race track of an
7 organization licensee under the Illinois Horse Racing Act of
8 1975 that holds an electronic gaming license.

9 "Electronic gaming license" means a license issued by the
10 Board under Section 7.6 of this Act authorizing electronic
11 gaming at an electronic gaming facility.

12 "Electronic gaming licensee" means an entity that holds an
13 electronic gaming license.

14 "Organization licensee" means an entity authorized by the
15 Illinois Racing Board to conduct pari-mutuel wagering in
16 accordance with the Illinois Horse Racing Act of 1975. With
17 respect only to electronic gaming, "organization licensee"
18 includes the authorization for electronic gaming created under
19 subsection (a) of Section 56 of the Illinois Horse Racing Act
20 of 1975.

21 (Source: P.A. 95-331, eff. 8-21-07; 96-1392, eff. 1-1-11.)

22 (230 ILCS 10/5) (from Ch. 120, par. 2405)

23 Sec. 5. Gaming Board.

24 (a) (1) There is hereby established the Illinois Gaming
25 Board, which shall have the powers and duties specified in this

1 Act, and all other powers necessary and proper to fully and
2 effectively execute this Act for the purpose of administering,
3 regulating, and enforcing the system of riverboat gambling
4 established by this Act. Its jurisdiction shall extend under
5 this Act to every person, association, corporation,
6 partnership and trust involved in riverboat gambling
7 operations in the State of Illinois.

8 (2) The Board shall consist of 5 members to be appointed by
9 the Governor with the advice and consent of the Senate, one of
10 whom shall be designated by the Governor to be chairman. Each
11 member shall have a reasonable knowledge of the practice,
12 procedure and principles of gambling operations. Each member
13 shall either be a resident of Illinois or shall certify that he
14 will become a resident of Illinois before taking office. At
15 least one member shall be experienced in law enforcement and
16 criminal investigation, at least one member shall be a
17 certified public accountant experienced in accounting and
18 auditing, and at least one member shall be a lawyer licensed to
19 practice law in Illinois.

20 (3) The terms of office of the Board members shall be 3
21 years, except that the terms of office of the initial Board
22 members appointed pursuant to this Act will commence from the
23 effective date of this Act and run as follows: one for a term
24 ending July 1, 1991, 2 for a term ending July 1, 1992, and 2 for
25 a term ending July 1, 1993. Upon the expiration of the
26 foregoing terms, the successors of such members shall serve a

1 term for 3 years and until their successors are appointed and
2 qualified for like terms. Vacancies in the Board shall be
3 filled for the unexpired term in like manner as original
4 appointments. Each member of the Board shall be eligible for
5 reappointment at the discretion of the Governor with the advice
6 and consent of the Senate.

7 (4) Each member of the Board shall receive \$300 for each
8 day the Board meets and for each day the member conducts any
9 hearing pursuant to this Act. Each member of the Board shall
10 also be reimbursed for all actual and necessary expenses and
11 disbursements incurred in the execution of official duties.

12 (5) No person shall be appointed a member of the Board or
13 continue to be a member of the Board who is, or whose spouse,
14 child or parent is, a member of the board of directors of, or a
15 person financially interested in, any gambling operation
16 subject to the jurisdiction of this Board, or any race track,
17 race meeting, racing association or the operations thereof
18 subject to the jurisdiction of the Illinois Racing Board. No
19 Board member shall hold any other public office. No person
20 shall be a member of the Board who is not of good moral
21 character or who has been convicted of, or is under indictment
22 for, a felony under the laws of Illinois or any other state, or
23 the United States.

24 (5.5) No member of the Board shall engage in any political
25 activity. For the purposes of this Section, "political" means
26 any activity in support of or in connection with any campaign

1 for federal, State, or local elective office or any political
2 organization, but does not include activities (i) relating to
3 the support or opposition of any executive, legislative, or
4 administrative action (as those terms are defined in Section 2
5 of the Lobbyist Registration Act), (ii) relating to collective
6 bargaining, or (iii) that are otherwise in furtherance of the
7 person's official State duties or governmental and public
8 service functions.

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

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

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

5 (8) The Board shall employ such personnel as may be
6 necessary to carry out its functions and shall determine the
7 salaries of all personnel, except those personnel whose
8 salaries are determined under the terms of a collective
9 bargaining agreement. No person shall be employed to serve the
10 Board who is, or whose spouse, parent or child is, an official
11 of, or has a financial interest in or financial relation with,
12 any operator engaged in gambling operations within this State
13 or any organization engaged in conducting horse racing within
14 this State. Any employee violating these prohibitions shall be
15 subject to termination of employment.

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

26 (b) The Board shall have general responsibility for the

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

3 (1) To decide promptly and in reasonable order all
4 license applications. Any party aggrieved by an action of
5 the Board denying, suspending, revoking, restricting or
6 refusing to renew a license may request a hearing before
7 the Board. A request for a hearing must be made to the
8 Board in writing within 5 days after service of notice of
9 the action of the Board. Notice of the action of the Board
10 shall be served either by personal delivery or by certified
11 mail, postage prepaid, to the aggrieved party. Notice
12 served by certified mail shall be deemed complete on the
13 business day following the date of such mailing. The Board
14 shall conduct all requested hearings promptly and in
15 reasonable order;

16 (2) To conduct all hearings pertaining to civil
17 violations of this Act or rules and regulations promulgated
18 hereunder;

19 (3) To promulgate such rules and regulations as in its
20 judgment may be necessary to protect or enhance the
21 credibility and integrity of gambling operations
22 authorized by this Act and the regulatory process
23 hereunder;

24 (4) To provide for the establishment and collection of
25 all license and registration fees and taxes imposed by this
26 Act and the rules and regulations issued pursuant hereto.

1 All such fees and taxes shall be deposited into the State
2 Gaming Fund;

3 (5) To provide for the levy and collection of penalties
4 and fines for the violation of provisions of this Act and
5 the rules and regulations promulgated hereunder. All such
6 fines and penalties shall be deposited into the Education
7 Assistance Fund, created by Public Act 86-0018, of the
8 State of Illinois;

9 (6) To be present through its inspectors and agents any
10 time gambling operations are conducted on any riverboat or
11 at any electronic gaming facility for the purpose of
12 certifying the revenue thereof, receiving complaints from
13 the public, and conducting such other investigations into
14 the conduct of the gambling games and the maintenance of
15 the equipment as from time to time the Board may deem
16 necessary and proper;

17 (7) To review and rule upon any complaint by a licensee
18 regarding any investigative procedures of the State which
19 are unnecessarily disruptive of gambling operations. The
20 need to inspect and investigate shall be presumed at all
21 times. The disruption of a licensee's operations shall be
22 proved by clear and convincing evidence, and establish
23 that: (A) the procedures had no reasonable law enforcement
24 purposes, and (B) the procedures were so disruptive as to
25 unreasonably inhibit gambling operations;

26 (8) To hold at least one meeting each quarter of the

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

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

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

8 (11) (Blank);

9 (12) (Blank);

10 (13) To assume responsibility for administration and
11 enforcement of the Video Gaming Act; and

12 (14) To adopt, by rule, a code of conduct governing
13 Board members and employees that ensure, to the maximum
14 extent possible, that persons subject to this Code avoid
15 situations, relationships, or associations that may
16 represent or lead to a conflict of interest.

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

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

26 (2) To have jurisdiction and supervision over all

1 ~~riverboat~~ gambling operations authorized under this Act in
2 ~~this State~~ and all persons in places ~~on riverboats~~ where
3 gambling operations are conducted.

4 (3) To promulgate rules and regulations for the purpose
5 of administering the provisions of this Act and to
6 prescribe rules, regulations and conditions under which
7 all ~~riverboat~~ gambling operations subject to this Act in
8 ~~the State~~ shall be conducted. Such rules and regulations
9 are to provide for the prevention of practices detrimental
10 to the public interest and for the best interests of
11 ~~riverboat~~ gambling, including rules and regulations
12 regarding the inspection of electronic gaming facilities
13 and ~~such~~ riverboats and the review of any permits or
14 licenses necessary to operate a riverboat or electronic
15 gaming facility under any laws or regulations applicable to
16 riverboats and electronic gaming facilities, and to impose
17 penalties for violations thereof.

18 (4) To enter the office, riverboats, electronic gaming
19 facilities, and other facilities, or other places of
20 business of a licensee, where evidence of the compliance or
21 noncompliance with the provisions of this Act is likely to
22 be found.

23 (5) To investigate alleged violations of this Act or
24 the rules of the Board and to take appropriate disciplinary
25 action against a licensee or a holder of an occupational
26 license for a violation, or institute appropriate legal

1 action for enforcement, or both.

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

5 (7) To adopt appropriate standards for all electronic
6 gaming facilities, riverboats, and other facilities
7 authorized under this Act.

8 (8) To require that the records, including financial or
9 other statements of any licensee under this Act, shall be
10 kept in such manner as prescribed by the Board and that any
11 such licensee involved in the ownership or management of
12 gambling operations submit to the Board an annual balance
13 sheet and profit and loss statement, list of the
14 stockholders or other persons having a 1% or greater
15 beneficial interest in the gambling activities of each
16 licensee, and any other information the Board deems
17 necessary in order to effectively administer this Act and
18 all rules, regulations, orders and final decisions
19 promulgated under this Act.

20 (9) To conduct hearings, issue subpoenas for the
21 attendance of witnesses and subpoenas duces tecum for the
22 production of books, records and other pertinent documents
23 in accordance with the Illinois Administrative Procedure
24 Act, and to administer oaths and affirmations to the
25 witnesses, when, in the judgment of the Board, it is
26 necessary to administer or enforce this Act or the Board

1 rules.

2 (10) To prescribe a form to be used by any licensee
3 involved in the ownership or management of gambling
4 operations as an application for employment for their
5 employees.

6 (11) To revoke or suspend licenses, as the Board may
7 see fit and in compliance with applicable laws of the State
8 regarding administrative procedures, and to review
9 applications for the renewal of licenses. The Board may
10 suspend an owners license or an electronic gaming license,
11 without notice or hearing, upon a determination that the
12 safety or health of patrons or employees is jeopardized by
13 continuing a gambling operation conducted under that
14 license ~~a riverboat's operation~~. The suspension may remain
15 in effect until the Board determines that the cause for
16 suspension has been abated. The Board may revoke the owners
17 license or the electronic gaming license upon a
18 determination that the licensee ~~owner~~ has not made
19 satisfactory progress toward abating the hazard.

20 (12) To eject or exclude or authorize the ejection or
21 exclusion of, any person from ~~riverboat~~ gambling
22 facilities where that ~~such~~ person is in violation of this
23 Act, rules and regulations thereunder, or final orders of
24 the Board, or where such person's conduct or reputation is
25 such that his or her presence within the ~~riverboat~~ gambling
26 facilities may, in the opinion of the Board, call into

1 question the honesty and integrity of the gambling
2 operations or interfere with the orderly conduct thereof;
3 provided that the propriety of such ejection or exclusion
4 is subject to subsequent hearing by the Board.

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

10 (14) (Blank).

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

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

26 (17) To establish minimum levels of insurance to be

1 maintained by licensees.

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

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

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

26 (20.5) To approve any contract entered into on its

1 behalf.

2 (20.6) To appoint investigators to conduct
3 investigations, searches, seizures, arrests, and other
4 duties imposed under this Act, as deemed necessary by the
5 Board. These investigators have and may exercise all of the
6 rights and powers of peace officers, provided that these
7 powers shall be limited to offenses or violations occurring
8 or committed on a riverboat or dock, as defined in
9 subsections (d) and (f) of Section 4, or as otherwise
10 provided by this Act or any other law.

11 (20.7) To contract with the Department of State Police
12 for the use of trained and qualified State police officers
13 and with the Department of Revenue for the use of trained
14 and qualified Department of Revenue investigators to
15 conduct investigations, searches, seizures, arrests, and
16 other duties imposed under this Act and to exercise all of
17 the rights and powers of peace officers, provided that the
18 powers of Department of Revenue investigators under this
19 subdivision (20.7) shall be limited to offenses or
20 violations occurring or committed on a riverboat or dock,
21 as defined in subsections (d) and (f) of Section 4, or as
22 otherwise provided by this Act or any other law. In the
23 event the Department of State Police or the Department of
24 Revenue is unable to fill contracted police or
25 investigative positions, the Board may appoint
26 investigators to fill those positions pursuant to

1 subdivision (20.6).

2 (21) To make rules concerning the conduct of electronic
3 gaming.

4 (22) ~~(21)~~ To take any other action as may be reasonable
5 or appropriate to enforce this Act and rules and
6 regulations hereunder.

7 (d) The Board may seek and shall receive the cooperation of
8 the Department of State Police in conducting background
9 investigations of applicants and in fulfilling its
10 responsibilities under this Section. Costs incurred by the
11 Department of State Police as a result of such cooperation
12 shall be paid by the Board in conformance with the requirements
13 of Section 2605-400 of the Department of State Police Law (20
14 ILCS 2605/2605-400).

15 (e) The Board must authorize to each investigator and to
16 any other employee of the Board exercising the powers of a
17 peace officer a distinct badge that, on its face, (i) clearly
18 states that the badge is authorized by the Board and (ii)
19 contains a unique identifying number. No other badge shall be
20 authorized by the Board.

21 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09;
22 96-1000, eff. 7-2-10; 96-1392, eff. 1-1-11.)

23 (230 ILCS 10/7) (from Ch. 120, par. 2407)

24 Sec. 7. Owners Licenses.

25 (a) The Board shall issue owners licenses to persons, firms

1 or corporations which apply for such licenses upon payment to
2 the Board of the non-refundable license fee set by the Board,
3 upon payment of a \$25,000 license fee for the first year of
4 operation and a \$5,000 license fee for each succeeding year and
5 upon a determination by the Board that the applicant is
6 eligible for an owners license pursuant to this Act and the
7 rules of the Board. From the effective date of this amendatory
8 Act of the 95th General Assembly until (i) 3 years after the
9 effective date of this amendatory Act of the 95th General
10 Assembly, (ii) the date any organization licensee begins to
11 operate a slot machine or video game of chance under the
12 Illinois Horse Racing Act of 1975 or this Act, (iii) the date
13 that payments begin under subsection (c-5) of Section 13 of the
14 Act, or (iv) the wagering tax imposed under Section 13 of this
15 Act is increased by law to reflect a tax rate that is at least
16 as stringent or more stringent than the tax rate contained in
17 subsection (a-3) of Section 13, whichever occurs first, as a
18 condition of licensure and as an alternative source of payment
19 for those funds payable under subsection (c-5) of Section 13 of
20 the Riverboat Gambling Act, any owners licensee that holds or
21 receives its owners license on or after the effective date of
22 this amendatory Act of the 94th General Assembly, other than an
23 owners licensee operating a riverboat with adjusted gross
24 receipts in calendar year 2004 of less than \$200,000,000, must
25 pay into the Horse Racing Equity Trust Fund, in addition to any
26 other payments required under this Act, an amount equal to 3%

1 of the adjusted gross receipts received by the owners licensee.
2 The payments required under this Section shall be made by the
3 owners licensee to the State Treasurer no later than 3:00
4 o'clock p.m. of the day after the day when the adjusted gross
5 receipts were received by the owners licensee. A person, firm
6 or corporation is ineligible to receive an owners license if:

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

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

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

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

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

18 (6) the firm or corporation employs a person defined in
19 (1), (2), (3) or (4) who participates in the management or
20 operation of gambling operations authorized under this
21 Act;

22 (7) (blank); or

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

26 The Board is expressly prohibited from making changes to

1 the requirement that licensees make payment into the Horse
2 Racing Equity Trust Fund without the express authority of the
3 Illinois General Assembly and making any other rule to
4 implement or interpret this amendatory Act of the 95th General
5 Assembly. For the purposes of this paragraph, "rules" is given
6 the meaning given to that term in Section 1-70 of the Illinois
7 Administrative Procedure Act.

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

10 (1) the character, reputation, experience and
11 financial integrity of the applicants and of any other or
12 separate person that either:

13 (A) controls, directly or indirectly, such
14 applicant, or

15 (B) is controlled, directly or indirectly, by such
16 applicant or by a person which controls, directly or
17 indirectly, such applicant;

18 (2) the facilities or proposed facilities for the
19 conduct of riverboat gambling;

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

22 (4) the extent to which the ownership of the applicant
23 reflects the diversity of the State by including minority
24 persons, females, and persons with a disability and the
25 good faith affirmative action plan of each applicant to
26 recruit, train and upgrade minority persons, females, and

1 persons with a disability in all employment
2 classifications;

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

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

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

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

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

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

16 (e) The Board may issue up to 10 licenses authorizing the
17 holders of such licenses to own riverboats. In the application
18 for an owners license, the applicant shall state the dock at
19 which the riverboat is based and the water on which the
20 riverboat will be located. The Board shall issue 5 licenses to
21 become effective not earlier than January 1, 1991. Three of
22 such licenses shall authorize riverboat gambling on the
23 Mississippi River, or, with approval by the municipality in
24 which the riverboat was docked on August 7, 2003 and with Board
25 approval, be authorized to relocate to a new location, in a
26 municipality that (1) borders on the Mississippi River or is

1 within 5 miles of the city limits of a municipality that
2 borders on the Mississippi River and (2), on August 7, 2003,
3 had a riverboat conducting riverboat gambling operations
4 pursuant to a license issued under this Act; one of which shall
5 authorize riverboat gambling from a home dock in the city of
6 East St. Louis. One other license shall authorize riverboat
7 gambling on the Illinois River south of Marshall County. The
8 Board shall issue one additional license to become effective
9 not earlier than March 1, 1992, which shall authorize riverboat
10 gambling on the Des Plaines River in Will County. The Board may
11 issue 4 additional licenses to become effective not earlier
12 than March 1, 1992. In determining the water upon which
13 riverboats will operate, the Board shall consider the economic
14 benefit which riverboat gambling confers on the State, and
15 shall seek to assure that all regions of the State share in the
16 economic benefits of riverboat gambling.

17 In granting all licenses, the Board may give favorable
18 consideration to economically depressed areas of the State, to
19 applicants presenting plans which provide for significant
20 economic development over a large geographic area, and to
21 applicants who currently operate non-gambling riverboats in
22 Illinois. The Board shall review all applications for owners
23 licenses, and shall inform each applicant of the Board's
24 decision. The Board may grant an owners license to an applicant
25 that has not submitted the highest license bid, but if it does
26 not select the highest bidder, the Board shall issue a written

1 decision explaining why another applicant was selected and
2 identifying the factors set forth in this Section that favored
3 the winning bidder.

4 In addition to any other revocation powers granted to the
5 Board under this Act, the Board may revoke the owners license
6 of a licensee which fails to begin conducting gambling within
7 15 months of receipt of the Board's approval of the application
8 if the Board determines that license revocation is in the best
9 interests of the State.

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

16 (g) Upon the termination, expiration, or revocation of each
17 of the first 10 licenses, which shall be issued for a 3 year
18 period, all licenses are renewable annually upon payment of the
19 fee and a determination by the Board that the licensee
20 continues to meet all of the requirements of this Act and the
21 Board's rules. However, for licenses renewed on or after May 1,
22 1998, renewal shall be for a period of 4 years, unless the
23 Board sets a shorter period.

24 (h) An owners license shall entitle the licensee to own up
25 to 2 riverboats. A licensee shall limit the number of gambling
26 participants to 1,200 for any such owners license prior to

1 January 1, 2013. On or after January 1, 2013, a licensee may
2 purchase additional gaming positions as authorized by the
3 Board. An initial fee for each gaming position obtained on or
4 after January 1, 2013 shall be \$12,500 for licensees not
5 located in Cook County and \$25,000 for licensees located in
6 Cook County. Additionally, the owners licensee shall make a
7 reconciliation payment 4 years after any additional gaming
8 positions authorized by subsection (h) begin operating in an
9 amount equal to 75% of the owners licensee's average gross
10 receipts for the most lucrative 12-month period of operations
11 minus an amount equal to \$12,500 or \$25,000 that the owners
12 licensee paid per additional gaming position. For purposes of
13 this subsection, "average gross receipts" means (i) the average
14 adjusted gross receipts for the most lucrative 12-month period
15 of operations for each gaming position, minus (ii) the average
16 adjusted gross receipts for each gaming position in 2012 or the
17 first year of operations for the owners licensee, whichever is
18 later, multiplied (iii) by the number of additional gaming
19 positions that an owners licensee is purchasing pursuant to
20 subsection (h). If this calculation results in a negative
21 amount, then the owners licensee is not entitled to any
22 reimbursement of fees previously paid. This reconciliation
23 payment may be made in installments over a period of no more
24 than 5 years, subject to Board approval. A licensee may operate
25 both of its riverboats concurrently, provided that the total
26 number of gambling participants on both riverboats does not

1 ~~exceed 1,200. Riverboats licensed to operate on the Mississippi~~
2 ~~River and the Illinois River south of Marshall County shall~~
3 ~~have an authorized capacity of at least 500 persons. Any other~~
4 ~~riverboat licensed under this Act shall have an authorized~~
5 ~~capacity of at least 400 persons.~~

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

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

1 (Source: P.A. 95-1008, eff. 12-15-08; 96-1392, eff. 1-1-11.)

2 (230 ILCS 10/7.6 new)

3 Sec. 7.6. Electronic gaming.

4 (a) The General Assembly finds that the horse racing and
5 riverboat gambling industries share many similarities and
6 collectively comprise the bulk of the State's gaming industry.
7 One feature common to both industries is that each is highly
8 regulated by the State of Illinois. The General Assembly
9 further finds, however, that despite their shared features each
10 industry is distinct from the other in that horse racing is and
11 continues to be intimately tied to Illinois' agricultural
12 economy and is, at its core, a spectator sport. This
13 distinction requires the General Assembly to utilize different
14 methods to regulate and promote the horse racing industry
15 throughout the State. The General Assembly finds that in order
16 to promote live horse racing as a spectator sport in Illinois
17 and the agricultural economy of this State, it is necessary to
18 allow electronic gaming at Illinois race tracks as an ancillary
19 use given the success of other states in increasing live racing
20 purse accounts and improving the quality of horses
21 participating in horse race meetings.

22 (b) The Illinois Gaming Board shall award one electronic
23 gaming license to each person, firm, or corporation having
24 operating control of a race track that applies under Section 56
25 of the Illinois Horse Racing Act of 1975, subject to the

1 application and eligibility requirements of this Section.
2 Within 60 days after the effective date of this amendatory Act
3 of the 96th General Assembly, a person, firm, or corporation
4 having operating control of a race track may submit an
5 application for an electronic gaming license. The application
6 shall specify the number of gaming positions the applicant
7 intends to use.

8 The Board shall determine within 120 days after receiving
9 an application for an electronic gaming license, whether to
10 grant an electronic gaming license to the applicant. If the
11 Board does not make a determination within 120 days, the Board
12 shall give a written explanation to the applicant as to why it
13 has not reached a determination and when it reasonably expects
14 to make a determination.

15 The electronic gaming licensee shall purchase the amount of
16 electronic gaming positions specified in its gaming
17 application within 120 days after receiving its electronic
18 gaming license. If an electronic gaming licensee is prepared to
19 purchase the electronic gaming positions, but is temporarily
20 prohibited from doing so by order of a court of competent
21 jurisdiction or the Board, then the 120-day period is tolled
22 until a resolution is reached.

23 An electronic gaming license shall authorize its holder to
24 conduct electronic gaming at its race track at the following
25 times:

26 (1) On days when it conducts live racing at the track

1 where its electronic gaming facility is located, from 8:00
2 a.m. until 3:00 a.m. on the following day.

3 (2) On days when it is scheduled to conduct simulcast
4 wagering on races run in the United States, from 8:00 a.m.
5 until 3:00 a.m. on the following day.

6 A license to conduct electronic gaming and any renewal of
7 an electronic gaming license shall authorize electronic gaming
8 for a period of 4 years. The fee for the issuance or renewal of
9 an electronic gaming license shall be \$100,000.

10 (c) To be eligible to conduct electronic gaming, a person,
11 firm, or corporation having operating control of a race track
12 must (i) obtain an electronic gaming license, (ii) hold an
13 organization license under the Illinois Horse Racing Act of
14 1975, (iii) hold an inter-track wagering license, (iv) pay an
15 initial fee of \$25,000 per gaming position from electronic
16 gaming licensees where electronic gaming is conducted in Cook
17 County and \$12,500 for electronic gaming licensees where
18 electronic gaming is located outside of Cook County before
19 beginning to conduct electronic gaming plus make the
20 reconciliation payment required under subsection (h), (v)
21 conduct at least 240 live races per year, (vi) meet the
22 requirements of subsection (a) of Section 56 of the Illinois
23 Horse Racing Act of 1975, (vii) for organization licensees
24 conducting standardbred race meetings that had an open
25 backstretch in 2009, keep backstretch barns and dormitories
26 open and operational year-round unless a lesser schedule is

1 mutually agreed to by the organization licensee and the
2 horsemen's association racing at that organization licensee's
3 race meeting, (viii) for organization licensees conducting
4 thoroughbred race meetings, the organization licensee must
5 maintain accident medical expense liability insurance coverage
6 of \$1,000,000 for jockeys, and (ix) meet all other requirements
7 of this Act that apply to owners licensees. Only those persons,
8 firms, or corporations (or its successors or assigns) that had
9 operating control of a race track and held an inter-track
10 wagering license authorized by the Illinois Racing Board in
11 2009 are eligible.

12 All payments by licensees under this subsection (c) shall
13 be deposited into the State Gaming Fund.

14 (d) The Board may approve electronic gaming positions
15 statewide as provided in this Section.

16 (e) All positions obtained pursuant to this process must be
17 in operation within 18 months after they were obtained or the
18 organization licensee forfeits the right to operate all of the
19 positions, but is not entitled to a refund of any fees paid.
20 The Board may, after holding a public hearing, grant extensions
21 so long as an organization licensee is working in good faith to
22 begin conducting electronic gaming. The extension may be for a
23 period of 6 months. If, after the period of the extension, a
24 licensee has not begun to conduct electronic gaming, another
25 public hearing must be held by the Board before it may grant
26 another extension.

1 (f) Subject to the approval of the Illinois Gaming Board,
2 an electronic gaming licensee may make modification or
3 additions to any existing buildings and structures to comply
4 with the requirements of this Act. The Illinois Gaming Board
5 shall make its decision after consulting with the Illinois
6 Racing Board. In no case, however, shall the Illinois Gaming
7 Board approve any modification or addition that alters the
8 grounds of the organizational licensee such that the act of
9 live racing is an ancillary activity to electronic gaming.
10 Electronic gaming may take place in existing structures where
11 inter-track wagering is conducted at the race track or a
12 facility within 300 yards of the race track in accordance with
13 the provisions of this Act and the Illinois Horse Racing Act of
14 1975.

15 (g) An electronic gaming licensee may conduct electronic
16 gaming at a temporary facility pending the construction of a
17 permanent facility or the remodeling of an existing facility to
18 accommodate electronic gaming participants for up to 12 months
19 after receiving an electronic gaming license. Upon request by
20 an electronic gaming licensee and upon a showing of good cause
21 by the electronic gaming licensee, the Board shall extend the
22 period during which the licensee may conduct electronic gaming
23 at a temporary facility by up to 12 months. The Board shall
24 make rules concerning the conduct of electronic gaming from
25 temporary facilities.

26 Electronic gaming may take place in existing structures

1 where inter-track wagering is conducted at the race track or a
2 facility within 300 yards of the race track in accordance with
3 the provisions of this Act and the Illinois Horse Racing Act of
4 1975. Any electronic gaming conducted at a permanent facility
5 within 300 yards of the race track in accordance with this Act
6 and the Illinois Horse Racing Act of 1975 shall have an
7 all-weather egress connecting the electronic gaming facility
8 and the race track facility.

9 (h) The Illinois Gaming Board must adopt emergency rules in
10 accordance with Section 5-45 of the Illinois Administrative
11 Procedure Act as necessary to ensure compliance with the
12 provisions of this amendatory Act of the 96th General Assembly
13 concerning electronic gaming. The adoption of emergency rules
14 authorized by this subsection (h) shall be deemed to be
15 necessary for the public interest, safety, and welfare.

16 (i) Each electronic gaming licensee who obtains electronic
17 gaming positions must make a reconciliation payment 4 years
18 after the date the electronic gaming licensee begins operating
19 the positions in an amount equal to 75% of the amount for which
20 privilege tax was paid under subsection (a-5) of Section 13 of
21 this Act from electronic gaming for the most lucrative 12-month
22 period of operations, minus an amount equal to the initial
23 \$25,000 or \$12,500 per electronic gaming position initial
24 payment. If this calculation results in a negative amount, then
25 the electronic gaming licensee is not entitled to any
26 reimbursement of fees previously paid. This reconciliation

1 payment may be made in installments over a period of no more
2 than 5 years, subject to Board approval. Any installment
3 payments shall include an annual market interest rate as
4 determined by the Board.

5 All payments by licensees under this subsection (i) shall
6 be deposited into the State Gaming Fund.

7 (j) As soon as practical after a request is made by the
8 Illinois Gaming Board, to minimize duplicate submissions by the
9 applicant, the Illinois Racing Board must provide information
10 on an applicant for an electronic gaming license to the
11 Illinois Gaming Board.

12 (230 ILCS 10/7.7 new)

13 Sec. 7.7. Home rule. The regulation and licensing of
14 electronic gaming and electronic gaming licensees are
15 exclusive powers and functions of the State. A home rule unit
16 may not regulate or license electronic gaming or electronic
17 gaming licensees. This Section is a denial and limitation of
18 home rule powers and functions under subsection (h) of Section
19 6 of Article VII of the Illinois Constitution.

20 (230 ILCS 10/8) (from Ch. 120, par. 2408)

21 Sec. 8. Suppliers licenses.

22 (a) The Board may issue a suppliers license to such
23 persons, firms or corporations which apply therefor upon the
24 payment of a non-refundable application fee set by the Board,

1 upon a determination by the Board that the applicant is
2 eligible for a suppliers license and upon payment of a \$5,000
3 annual license fee.

4 (b) The holder of a suppliers license is authorized to sell
5 or lease, and to contract to sell or lease, gambling equipment
6 and supplies to any licensee involved in the ownership or
7 management of gambling operations.

8 (c) Gambling supplies and equipment may not be distributed
9 unless supplies and equipment conform to standards adopted by
10 rules of the Board.

11 (d) A person, firm or corporation is ineligible to receive
12 a suppliers license if:

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

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

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

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

21 (5) the firm or corporation is one in which a person
22 defined in (1), (2), (3) or (4), is an officer, director or
23 managerial employee;

24 (6) the firm or corporation employs a person who
25 participates in the management or operation of riverboat
26 gambling authorized under this Act;

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

5 (e) Any person that supplies any equipment, devices, or
6 supplies to a licensed riverboat gambling operation or
7 electronic gaming operation must first obtain a suppliers
8 license. A supplier shall furnish to the Board a list of all
9 equipment, devices and supplies offered for sale or lease in
10 connection with gambling games authorized under this Act. A
11 supplier shall keep books and records for the furnishing of
12 equipment, devices and supplies to gambling operations
13 separate and distinct from any other business that the supplier
14 might operate. A supplier shall file a quarterly return with
15 the Board listing all sales and leases. A supplier shall
16 permanently affix its name to all its equipment, devices, and
17 supplies for gambling operations. Any supplier's equipment,
18 devices or supplies which are used by any person in an
19 unauthorized gambling operation shall be forfeited to the
20 State. A holder of an owners license or an electronic gaming
21 license ~~A licensed owner~~ may own its own equipment, devices and
22 supplies. Each holder of an owners license or an electronic
23 gaming license under the Act shall file an annual report
24 listing its inventories of gambling equipment, devices and
25 supplies.

26 (f) Any person who knowingly makes a false statement on an

1 application is guilty of a Class A misdemeanor.

2 (g) Any gambling equipment, devices and supplies provided
3 by any licensed supplier may either be repaired on the
4 riverboat or at the electronic gaming facility or removed from
5 the riverboat or electronic gaming facility to a ~~an on-shore~~
6 facility owned by the holder of an owners license or electronic
7 gaming license for repair.

8 (Source: P.A. 86-1029; 87-826.)

9 (230 ILCS 10/9) (from Ch. 120, par. 2409)

10 Sec. 9. Occupational licenses.

11 (a) The Board may issue an occupational license to an
12 applicant upon the payment of a non-refundable fee set by the
13 Board, upon a determination by the Board that the applicant is
14 eligible for an occupational license and upon payment of an
15 annual license fee in an amount to be established. To be
16 eligible for an occupational license, an applicant must:

17 (1) be at least 21 years of age if the applicant will
18 perform any function involved in gaming by patrons. Any
19 applicant seeking an occupational license for a non-gaming
20 function shall be at least 18 years of age;

21 (2) not have been convicted of a felony offense, a
22 violation of Article 28 of the Criminal Code of 1961, or a
23 similar statute of any other jurisdiction;

24 (2.5) not have been convicted of a crime, other than a
25 crime described in item (2) of this subsection (a),

1 involving dishonesty or moral turpitude, except that the
2 Board may, in its discretion, issue an occupational license
3 to a person who has been convicted of a crime described in
4 this item (2.5) more than 10 years prior to his or her
5 application and has not subsequently been convicted of any
6 other crime;

7 (3) have demonstrated a level of skill or knowledge
8 which the Board determines to be necessary in order to
9 operate gambling aboard a riverboat or at an electronic
10 gaming facility; and

11 (4) have met standards for the holding of an
12 occupational license as adopted by rules of the Board. Such
13 rules shall provide that any person or entity seeking an
14 occupational license to manage gambling operations
15 hereunder shall be subject to background inquiries and
16 further requirements similar to those required of
17 applicants for an owners license. Furthermore, such rules
18 shall provide that each such entity shall be permitted to
19 manage gambling operations for only one licensed owner.

20 (b) Each application for an occupational license shall be
21 on forms prescribed by the Board and shall contain all
22 information required by the Board. The applicant shall set
23 forth in the application: whether he has been issued prior
24 gambling related licenses; whether he has been licensed in any
25 other state under any other name, and, if so, such name and his
26 age; and whether or not a permit or license issued to him in

1 any other state has been suspended, restricted or revoked, and,
2 if so, for what period of time.

3 (c) Each applicant shall submit with his application, on
4 forms provided by the Board, 2 sets of his fingerprints. The
5 Board shall charge each applicant a fee set by the Department
6 of State Police to defray the costs associated with the search
7 and classification of fingerprints obtained by the Board with
8 respect to the applicant's application. These fees shall be
9 paid into the State Police Services Fund.

10 (d) The Board may in its discretion refuse an occupational
11 license to any person: (1) who is unqualified to perform the
12 duties required of such applicant; (2) who fails to disclose or
13 states falsely any information called for in the application;
14 (3) who has been found guilty of a violation of this Act or
15 whose prior gambling related license or application therefor
16 has been suspended, restricted, revoked or denied for just
17 cause in any other state; or (4) for any other just cause.

18 (e) The Board may suspend, revoke or restrict any
19 occupational licensee: (1) for violation of any provision of
20 this Act; (2) for violation of any of the rules and regulations
21 of the Board; (3) for any cause which, if known to the Board,
22 would have disqualified the applicant from receiving such
23 license; or (4) for default in the payment of any obligation or
24 debt due to the State of Illinois; or (5) for any other just
25 cause.

26 (f) A person who knowingly makes a false statement on an

1 application is guilty of a Class A misdemeanor.

2 (g) Any license issued pursuant to this Section shall be
3 valid for a period of one year from the date of issuance.

4 (h) Nothing in this Act shall be interpreted to prohibit a
5 licensed owner or electronic gaming licensee from entering into
6 an agreement with a public community college or a school
7 approved under the Private Business and Vocational Schools Act
8 for the training of any occupational licensee. Any training
9 offered by such a school shall be in accordance with a written
10 agreement between the licensed owner or electronic gaming
11 licensee and the school.

12 (i) Any training provided for occupational licensees may be
13 conducted either at the site of the gambling facility ~~on the~~
14 ~~riverboat~~ or at a school with which a licensed owner or
15 electronic gaming licensee has entered into an agreement
16 pursuant to subsection (h).

17 (Source: P.A. 96-1392, eff. 1-1-11.)

18 (230 ILCS 10/11) (from Ch. 120, par. 2411)

19 Sec. 11. Conduct of gambling. Gambling may be conducted by
20 licensed owners or licensed managers on behalf of the State
21 aboard riverboats. Gambling may be conducted by electronic
22 gaming licensees at electronic gaming facilities. Gambling
23 authorized under this Section shall be, subject to the
24 following standards:

25 (1) A licensee may conduct riverboat gambling

1 authorized under this Act regardless of whether it conducts
2 excursion cruises. A licensee may permit the continuous
3 ingress and egress of patrons ~~passengers~~ on a riverboat not
4 used for excursion cruises for the purpose of gambling.
5 Excursion cruises shall not exceed 4 hours for a round
6 trip. However, the Board may grant express approval for an
7 extended cruise on a case-by-case basis.

8 (2) (Blank).

9 (3) Minimum and maximum wagers on games shall be set by
10 the licensee.

11 (4) Agents of the Board and the Department of State
12 Police may board and inspect any riverboat or enter and
13 inspect any portion of an electronic gaming facility at any
14 time for the purpose of determining whether this Act is
15 being complied with. Every riverboat, if under way and
16 being hailed by a law enforcement officer or agent of the
17 Board, must stop immediately and lay to.

18 (5) Employees of the Board shall have the right to be
19 present on the riverboat or on adjacent facilities under
20 the control of the licensee and at the electronic gaming
21 facility under the control of the electronic gaming
22 licensee.

23 (6) Gambling equipment and supplies customarily used
24 in conducting riverboat gambling or electronic gaming must
25 be purchased or leased only from suppliers licensed for
26 such purpose under this Act. The Board may approve the

1 transfer, sale, or lease of gambling equipment and supplies
2 by a licensed owner from or to an affiliate of the licensed
3 owner as long as the gambling equipment and supplies were
4 initially acquired from a supplier licensed in Illinois.

5 (7) Persons licensed under this Act shall permit no
6 form of wagering on gambling games except as permitted by
7 this Act.

8 (8) Wagers may be received only from a person present
9 on a licensed riverboat or at an electronic gaming
10 facility. No person present on a licensed riverboat or at
11 an electronic gaming facility shall place or attempt to
12 place a wager on behalf of another person who is not
13 present on the riverboat or at the electronic gaming
14 facility.

15 (9) Wagering, including electronic gaming, shall not
16 be conducted with money or other negotiable currency.

17 (10) A person under age 21 shall not be permitted on an
18 area of a riverboat where gambling is being conducted or at
19 an electronic gaming facility where gambling is being
20 conducted, except for a person at least 18 years of age who
21 is an employee of the riverboat gambling operation or
22 electronic gaming operation. No employee under age 21 shall
23 perform any function involved in gambling by the patrons.
24 No person under age 21 shall be permitted to make a wager
25 under this Act, and any winnings that are a result of a
26 wager by a person under age 21, whether or not paid by a

1 licensee, shall be treated as winnings for the privilege
2 tax purposes, confiscated, and forfeited to the State and
3 deposited into the Education Assistance Fund.

4 (11) Gambling excursion cruises are permitted only
5 when the waterway for which the riverboat is licensed is
6 navigable, as determined by the Board in consultation with
7 the U.S. Army Corps of Engineers. This paragraph (11) does
8 not limit the ability of a licensee to conduct gambling
9 authorized under this Act when gambling excursion cruises
10 are not permitted.

11 (12) All tokens, chips or electronic cards used to make
12 wagers must be purchased (i) from a licensed owner or
13 manager either aboard a riverboat or at an onshore facility
14 which has been approved by the Board and which is located
15 where the riverboat docks or (ii) from an electronic gaming
16 licensee at the electronic gaming facility. The tokens,
17 chips or electronic cards may be purchased by means of an
18 agreement under which the owner or manager extends credit
19 to the patron. Such tokens, chips or electronic cards may
20 be used while aboard the riverboat or at the electronic
21 gaming facility only for the purpose of making wagers on
22 gambling games.

23 (13) Notwithstanding any other Section of this Act, in
24 addition to the other licenses authorized under this Act,
25 the Board may issue special event licenses allowing persons
26 who are not otherwise licensed to conduct riverboat

1 gambling to conduct such gambling on a specified date or
2 series of dates. Riverboat gambling under such a license
3 may take place on a riverboat not normally used for
4 riverboat gambling. The Board shall establish standards,
5 fees and fines for, and limitations upon, such licenses,
6 which may differ from the standards, fees, fines and
7 limitations otherwise applicable under this Act. All such
8 fees shall be deposited into the State Gaming Fund. All
9 such fines shall be deposited into the Education Assistance
10 Fund, created by Public Act 86-0018, of the State of
11 Illinois.

12 (14) In addition to the above, gambling must be
13 conducted in accordance with all rules adopted by the
14 Board.

15 (Source: P.A. 96-1392, eff. 1-1-11.)

16 (230 ILCS 10/11.1) (from Ch. 120, par. 2411.1)

17 Sec. 11.1. Collection of amounts owing under credit
18 agreements. Notwithstanding any applicable statutory provision
19 to the contrary, a licensed owner, ~~or~~ manager, or electronic
20 gaming licensee who extends credit to a riverboat gambling
21 patron or an electronic gaming patron pursuant to Section 11
22 (a) (12) of this Act is expressly authorized to institute a
23 cause of action to collect any amounts due and owing under the
24 extension of credit, as well as the owner's or manager's costs,
25 expenses and reasonable attorney's fees incurred in

1 collection.

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

3 (230 ILCS 10/12) (from Ch. 120, par. 2412)

4 Sec. 12. Admission tax; fees.

5 (a) A tax is hereby imposed upon admissions to riverboats
6 operated by licensed owners authorized pursuant to this Act.
7 Until July 1, 2002, the rate is \$2 per person admitted. From
8 July 1, 2002 until July 1, 2003, the rate is \$3 per person
9 admitted. From July 1, 2003 until August 23, 2005 (the
10 effective date of Public Act 94-673), for a licensee that
11 admitted 1,000,000 persons or fewer in the previous calendar
12 year, the rate is \$3 per person admitted; for a licensee that
13 admitted more than 1,000,000 but no more than 2,300,000 persons
14 in the previous calendar year, the rate is \$4 per person
15 admitted; and for a licensee that admitted more than 2,300,000
16 persons in the previous calendar year, the rate is \$5 per
17 person admitted. Beginning on August 23, 2005 (the effective
18 date of Public Act 94-673), for a licensee that admitted
19 1,000,000 persons or fewer in calendar year 2004, the rate is
20 \$2 per person admitted, and for all other licensees, including
21 licensees that were not conducting gambling operations in 2004,
22 the rate is \$3 per person admitted. This admission tax is
23 imposed upon the licensed owner conducting gambling.

24 (1) The admission tax shall be paid for each admission,
25 except that a person who exits a riverboat gambling

1 facility and reenters that riverboat gambling facility
2 within the same gaming day shall be subject only to the
3 initial admission tax.

4 (2) (Blank).

5 (3) The riverboat licensee may issue tax-free passes to
6 actual and necessary officials and employees of the
7 licensee or other persons actually working on the
8 riverboat.

9 (4) The number and issuance of tax-free passes is
10 subject to the rules of the Board, and a list of all
11 persons to whom the tax-free passes are issued shall be
12 filed with the Board.

13 (a-5) A fee is hereby imposed upon admissions operated by
14 licensed managers on behalf of the State pursuant to Section
15 7.3 at the rates provided in this subsection (a-5). For a
16 licensee that admitted 1,000,000 persons or fewer in the
17 previous calendar year, the rate is \$3 per person admitted; for
18 a licensee that admitted more than 1,000,000 but no more than
19 2,300,000 persons in the previous calendar year, the rate is \$4
20 per person admitted; and for a licensee that admitted more than
21 2,300,000 persons in the previous calendar year, the rate is \$5
22 per person admitted.

23 (1) The admission fee shall be paid for each admission.

24 (2) (Blank).

25 (3) The licensed manager may issue fee-free passes to
26 actual and necessary officials and employees of the manager

1 or other persons actually working on the riverboat.

2 (4) The number and issuance of fee-free passes is
3 subject to the rules of the Board, and a list of all
4 persons to whom the fee-free passes are issued shall be
5 filed with the Board.

6 (b) From the tax imposed under subsection (a) and the fee
7 imposed under subsection (a-5), a municipality shall receive
8 from the State \$1 for each person embarking on a riverboat
9 docked within the municipality, and a county shall receive \$1
10 for each person embarking on a riverboat docked within the
11 county but outside the boundaries of any municipality. The
12 municipality's or county's share shall be collected by the
13 Board on behalf of the State and remitted quarterly by the
14 State, subject to appropriation, to the treasurer of the unit
15 of local government for deposit in the general fund.

16 (c) The licensed owner shall pay the entire admission tax
17 to the Board and the licensed manager shall pay the entire
18 admission fee to the Board. Such payments shall be made daily.
19 Accompanying each payment shall be a return on forms provided
20 by the Board which shall include other information regarding
21 admissions as the Board may require. Failure to submit either
22 the payment or the return within the specified time may result
23 in suspension or revocation of the owners or managers license.

24 (c-5) A tax is imposed on admissions to electronic gaming
25 facilities at the rate of \$3 per person admitted by an
26 electronic gaming licensee. The tax is imposed upon the

1 electronic gaming licensee.

2 (1) The admission tax shall be paid for each admission,
3 except that a person who exits an electronic gaming
4 facility and reenters that electronic gaming facility
5 within the same gaming day, as the term "gaming day" is
6 defined by the Board by rule, shall be subject only to the
7 initial admission tax. The Board shall establish, by rule,
8 a procedure to determine whether a person admitted to an
9 electronic gaming facility has paid the admission tax.

10 (2) An electronic gaming licensee may issue tax-free
11 passes to actual and necessary officials and employees of
12 the licensee and other persons associated with electronic
13 gaming operations.

14 (3) The number and issuance of tax-free passes is
15 subject to the rules of the Board, and a list of all
16 persons to whom the tax-free passes are issued shall be
17 filed with the Board.

18 (4) The electronic gaming licensee shall pay the entire
19 admission tax to the Board.

20 Such payments shall be made daily. Accompanying each
21 payment shall be a return on forms provided by the Board, which
22 shall include other information regarding admission as the
23 Board may require. Failure to submit either the payment or the
24 return within the specified time may result in suspension or
25 revocation of the electronic gaming license.

26 From the tax imposed under this subsection (c-5), the

1 municipality in which an electronic gaming facility is located
2 or, if the electronic gaming facility is not located within a
3 municipality, the county in which the electronic gaming
4 facility is located shall receive, subject to appropriation, \$1
5 for each person who enters the electronic gaming facility. For
6 each admission to the electronic gaming facility in excess of
7 1,500,000 in a year, from the tax imposed under this subsection
8 (c-5), the county in which the electronic gaming facility is
9 located shall receive, subject to appropriation, \$0.30, which
10 shall be in addition to any other moneys paid to the county
11 under this Section.

12 After payments made under this subsection (c-5), all
13 remaining amounts shall be deposited into the State Gaming
14 Fund.

15 (d) The Board shall administer and collect the admission
16 tax imposed by this Section, to the extent practicable, in a
17 manner consistent with the provisions of Sections 4, 5, 5a, 5b,
18 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9 and 10 of the
19 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
20 Penalty and Interest Act.

21 (Source: P.A. 95-663, eff. 10-11-07; 96-1392, eff. 1-1-11.)

22 (230 ILCS 10/13) (from Ch. 120, par. 2413)

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

24 (a) Until January 1, 1998, a tax is imposed on the adjusted
25 gross receipts received from gambling games authorized under

1 this Act at the rate of 20%.

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

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

9 20% of annual adjusted gross receipts in excess of
10 \$25,000,000 but not exceeding \$50,000,000;

11 25% of annual adjusted gross receipts in excess of
12 \$50,000,000 but not exceeding \$75,000,000;

13 30% of annual adjusted gross receipts in excess of
14 \$75,000,000 but not exceeding \$100,000,000;

15 35% of annual adjusted gross receipts in excess of
16 \$100,000,000.

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

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

26 22.5% of annual adjusted gross receipts in excess of

1 \$25,000,000 but not exceeding \$50,000,000;
2 27.5% of annual adjusted gross receipts in excess of
3 \$50,000,000 but not exceeding \$75,000,000;
4 32.5% of annual adjusted gross receipts in excess of
5 \$75,000,000 but not exceeding \$100,000,000;
6 37.5% of annual adjusted gross receipts in excess of
7 \$100,000,000 but not exceeding \$150,000,000;
8 45% of annual adjusted gross receipts in excess of
9 \$150,000,000 but not exceeding \$200,000,000;
10 50% of annual adjusted gross receipts in excess of
11 \$200,000,000.

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

19 15% of annual adjusted gross receipts up to and
20 including \$25,000,000;
21 27.5% of annual adjusted gross receipts in excess of
22 \$25,000,000 but not exceeding \$37,500,000;
23 32.5% of annual adjusted gross receipts in excess of
24 \$37,500,000 but not exceeding \$50,000,000;
25 37.5% of annual adjusted gross receipts in excess of
26 \$50,000,000 but not exceeding \$75,000,000;

1 45% of annual adjusted gross receipts in excess of
2 \$75,000,000 but not exceeding \$100,000,000;

3 50% of annual adjusted gross receipts in excess of
4 \$100,000,000 but not exceeding \$250,000,000;

5 70% of annual adjusted gross receipts in excess of
6 \$250,000,000.

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

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

23 (a-4) Beginning on the first day on which the tax imposed
24 under subsection (a-3) is no longer imposed and ending on the
25 first day on which the first electronic gaming licensee begins
26 conducting electronic gaming, a privilege tax is imposed on

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

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

9 22.5% of annual ~~adjusted~~ gross gaming receipts in
10 excess of \$25,000,000 but not exceeding \$50,000,000;

11 27.5% of annual ~~adjusted~~ gross gaming receipts in
12 excess of \$50,000,000 but not exceeding \$75,000,000;

13 32.5% of annual ~~adjusted~~ gross gaming receipts in
14 excess of \$75,000,000 but not exceeding \$100,000,000;

15 37.5% of annual ~~adjusted~~ gross gaming receipts in
16 excess of \$100,000,000 but not exceeding \$150,000,000;

17 45% of annual ~~adjusted~~ gross gaming receipts in excess
18 of \$150,000,000 but not exceeding \$200,000,000;

19 50% of annual ~~adjusted~~ gross gaming receipts in excess
20 of \$200,000,000.

21 (a-5) Beginning on the first day on which the first
22 electronic gaming license begins conducting electronic gaming,
23 a privilege tax is imposed on persons engaged in the business
24 of conducting riverboat gambling operations, other than
25 licensed managers conducting riverboat gambling operations on
26 behalf of the State, based on the gross gaming receipts

1 received by a licensed owner from slot machine gambling, video
2 game of chance gambling, and gambling with electronic gambling
3 games authorized under this Act at the following rates:

4 15% of annual gross gaming receipts up to and including
5 \$25,000,000;

6 20% of annual gross gaming receipts in excess of
7 \$25,000,000 but not exceeding \$75,000,000;

8 30% of annual gross gaming receipts in excess of
9 \$75,000,000 but not exceeding \$200,000,000;

10 40% of annual gross gaming receipts in excess of
11 \$200,000,000 but not exceeding \$300,000,000;

12 50% of annual gross gaming receipts in excess of
13 \$300,000,000.

14 (a-6) Beginning on the first day on which the first
15 electronic gaming licensee begins conducting electronic
16 gaming, a privilege tax is imposed on persons engaged in the
17 business of conducting riverboat gambling operations, other
18 than licensed managers conducting riverboat gambling
19 operations on behalf of the State, based on the gross gaming
20 receipts received by a licensed owner from gambling games that
21 are not taxed under subsection (a-5), including, but not
22 limited to, baccarat, twenty-one, poker, craps, roulette
23 wheel, klondike table, punchboard, faro layout, keno layout,
24 numbers ticket, push card, jar ticket, and pull tab at a rate
25 of 14% of gross gaming receipts.

26 (a-7) Beginning on the effective date of this amendatory

1 Act of the 96th General Assembly, a privilege tax is imposed on
2 persons conducting electronic gaming, based on the gross gaming
3 receipts received by an electronic gaming licensee from
4 electronic gaming authorized under this Act at the following
5 rates:

6 15% of annual gross gaming receipts up to and including
7 \$25,000,000;

8 20% of annual gross gaming receipts in excess of
9 \$25,000,000 but not exceeding \$75,000,000;

10 30% of annual gross gaming receipts in excess of
11 \$75,000,000 but not exceeding \$200,000,000;

12 40% of annual gross gaming receipts in excess of
13 \$200,000,000 but not exceeding \$300,000,000;

14 50% of annual gross gaming receipts in excess of
15 \$300,000,000.

16 For the imposition of the privilege tax in this subsection
17 (a-7), amounts paid pursuant to subsection (b-1) of Section 56
18 of the Illinois Horse Racing Act of 1975 shall not be included
19 in the determination of gross gaming receipts.

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

23 (a-10) The taxes imposed by this Section shall be paid by
24 the licensed owner or the electronic gaming licensee to the
25 Board not later than 5:00 o'clock p.m. of the day after the day
26 when the wagers were made.

1 (a-15) If the privilege tax imposed under subsection (a-3)
2 is no longer imposed pursuant to item (i) of the last paragraph
3 of subsection (a-3), then by June 15 of each year, each owners
4 licensee, other than an owners licensee that admitted 1,000,000
5 persons or fewer in calendar year 2004, must, in addition to
6 the payment of all amounts otherwise due under this Section,
7 pay to the Board a reconciliation payment in the amount, if
8 any, by which the licensed owner's base amount exceeds the
9 amount of net privilege tax paid by the licensed owner to the
10 Board in the then current State fiscal year. A licensed owner's
11 net privilege tax obligation due for the balance of the State
12 fiscal year shall be reduced up to the total of the amount paid
13 by the licensed owner in its June 15 reconciliation payment.
14 The obligation imposed by this subsection (a-15) is binding on
15 any person, firm, corporation, or other entity that acquires an
16 ownership interest in any such owners license. The obligation
17 imposed under this subsection (a-15) terminates on the earliest
18 of: (i) July 1, 2007, (ii) the first day after the effective
19 date of this amendatory Act of the 94th General Assembly that
20 riverboat gambling operations are conducted pursuant to a
21 dormant license, (iii) the first day that riverboat gambling
22 operations are conducted under the authority of an owners
23 license that is in addition to the 10 owners licenses initially
24 authorized under this Act, or (iv) the first day that a
25 licensee under the Illinois Horse Racing Act of 1975 conducts
26 gaming operations with slot machines or other electronic gaming

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

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

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

18 "Base amount" means the following:

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

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

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

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

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

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

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

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

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

3 "Net privilege tax" means all privilege taxes paid by a
4 licensed owner to the Board under this Section, less all
5 payments made from the State Gaming Fund pursuant to subsection
6 (b) of this Section.

7 The changes made to this subsection (a-15) by Public Act
8 94-839 are intended to restate and clarify the intent of Public
9 Act 94-673 with respect to the amount of the payments required
10 to be made under this subsection by an owners licensee to the
11 Board.

12 (b) Until January 1, 1998, 25% of the tax revenue deposited
13 in the State Gaming Fund under this Section shall be paid,
14 subject to appropriation by the General Assembly, to the unit
15 of local government which is designated as the home dock of the
16 riverboat. Beginning January 1, 1998, from the tax revenue
17 deposited in the State Gaming Fund under this Section, an
18 amount equal to 5% of ~~adjusted~~ gross gaming receipts generated
19 by a riverboat shall be paid monthly, subject to appropriation
20 by the General Assembly, to the unit of local government that
21 is designated as the home dock of the riverboat. From the tax
22 revenue deposited in the State Gaming Fund pursuant to
23 riverboat gambling operations conducted by a licensed manager
24 on behalf of the State, an amount equal to 5% of ~~adjusted~~ gross
25 gaming receipts generated pursuant to those riverboat gambling
26 operations shall be paid monthly, subject to appropriation by

1 the General Assembly, to the unit of local government that is
2 designated as the home dock of the riverboat upon which those
3 riverboat gambling operations are conducted.

4 (b-5) Beginning on the effective date of this amendatory
5 Act of the 96th General Assembly, from the tax revenue
6 deposited in the State Gaming Fund under this Section, an
7 amount equal to (i) 3% of gross gaming receipts generated by an
8 electronic gaming facility located outside Madison County
9 shall be paid monthly, subject to appropriation by the General
10 Assembly, to the municipality in which an electronic gaming
11 facility is located and (ii) 2% of gross gaming receipts
12 generated by an electronic gaming facility located outside
13 Madison County shall be paid monthly, subject to appropriation
14 by the General Assembly, to the county in which the electronic
15 gaming facility is located for the purposes of its criminal
16 justice system or health care system. In the case of an
17 electronic gaming facility that is not located in a
18 municipality, the amounts distributed under this subsection
19 (b) shall be distributed wholly to the county.

20 Beginning on the effective date of this amendatory Act of
21 the 96th General Assembly, from the tax revenue deposited in
22 the State Gaming Fund under this Section, an amount equal to
23 (i) 3% of gross gaming receipts generated by an electronic
24 gaming facility located in Madison County shall be paid
25 monthly, subject to appropriation by the General Assembly, to
26 the unit of local government in which the electronic gaming

1 facility is located, (ii) 1% of gross gaming receipts generated
2 by an electronic gaming facility located in Madison County
3 shall be paid monthly, subject to appropriation by the General
4 Assembly, to Madison County for the purposes of infrastructure
5 improvements, and (iii) 1.5% of net adjusted gross receipts
6 generated by an electronic gaming facility located in Madison
7 County shall be paid monthly, subject to appropriation by the
8 General Assembly, to St. Clair County for the purposes of its
9 criminal justice or health care systems.

10 (c) Appropriations, as approved by the General Assembly,
11 may be made from the State Gaming Fund to the Board (i) for the
12 administration and enforcement of this Act and the Video Gaming
13 Act, (ii) for distribution to the Department of State Police
14 and to the Department of Revenue for the enforcement of this
15 Act, and (iii) to the Department of Human Services for the
16 administration of programs to treat problem gambling.

17 (c-5) (Blank). ~~Before May 26, 2006 (the effective date of~~
18 ~~Public Act 94-804) and beginning on the effective date of this~~
19 ~~amendatory Act of the 95th General Assembly, unless any~~
20 ~~organization licensee under the Illinois Horse Racing Act of~~
21 ~~1975 begins to operate a slot machine or video game of chance~~
22 ~~under the Illinois Horse Racing Act of 1975 or this Act, after~~
23 ~~the payments required under subsections (b) and (c) have been~~
24 ~~made, an amount equal to 15% of the adjusted gross receipts of~~
25 ~~(1) an owners licensee that relocates pursuant to Section 11.2,~~
26 ~~(2) an owners licensee conducting riverboat gambling~~

1 ~~operations pursuant to an owners license that is initially~~
2 ~~issued after June 25, 1999, or (3) the first riverboat gambling~~
3 ~~operations conducted by a licensed manager on behalf of the~~
4 ~~State under Section 7.3, whichever comes first, shall be paid~~
5 ~~from the State Gaming Fund into the Horse Racing Equity Fund.~~

6 (c-10) (Blank). ~~Each year the General Assembly shall~~
7 ~~appropriate from the General Revenue Fund to the Education~~
8 ~~Assistance Fund an amount equal to the amount paid into the~~
9 ~~Horse Racing Equity Fund pursuant to subsection (c-5) in the~~
10 ~~prior calendar year.~~

11 (c-15) After the payments required under subsections (b),
12 (b-5), (b-10), (b-20), (b-30), and (c), ~~and (c-5)~~ have been
13 made, an amount equal to 2% of the ~~adjusted~~ gross gaming
14 receipts of (1) an owners licensee that relocates pursuant to
15 Section 11.2, (2) an owners licensee conducting riverboat
16 gambling operations pursuant to an owners license that is
17 initially issued after June 25, 1999, or (3) the first
18 riverboat gambling operations conducted by a licensed manager
19 on behalf of the State under Section 7.3, whichever comes
20 first, shall be paid, subject to appropriation from the General
21 Assembly, from the State Gaming Fund to each home rule county
22 with a population of over 3,000,000 inhabitants for the purpose
23 of enhancing the county's criminal justice system.

24 (c-20) Each year the General Assembly shall appropriate
25 from the General Revenue Fund to the Education Assistance Fund
26 an amount equal to the amount paid to each home rule county

1 with a population of over 3,000,000 inhabitants pursuant to
2 subsection (c-15) in the prior calendar year.

3 (c-25) After the payments required under subsections (b),
4 (b-5), (b-10), (b-20), (b-30), (c), ~~(e-5)~~ and (c-15) have been
5 made, an amount equal to 2% of the ~~adjusted~~ gross gaming
6 receipts of (1) an owners licensee that relocates pursuant to
7 Section 11.2, (2) an owners licensee conducting riverboat
8 gambling operations pursuant to an owners license that is
9 initially issued after June 25, 1999, or (3) the first
10 riverboat gambling operations conducted by a licensed manager
11 on behalf of the State under Section 7.3, whichever comes
12 first, shall be paid from the State Gaming Fund to Chicago
13 State University.

14 (d) From time to time, the Board shall transfer the
15 remainder of the funds generated by this Act into the Education
16 Assistance Fund, created by Public Act 86-0018, of the State of
17 Illinois.

18 (e) Nothing in this Act shall prohibit the unit of local
19 government designated as the home dock of the riverboat from
20 entering into agreements with other units of local government
21 in this State or in other states to share its portion of the
22 tax revenue.

23 (f) To the extent practicable, the Board shall administer
24 and collect the wagering taxes imposed by this Section in a
25 manner consistent with the provisions of Sections 4, 5, 5a, 5b,
26 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, and 10 of the

1 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
2 Penalty and Interest Act.

3 (Source: P.A. 95-331, eff. 8-21-07; 95-1008, eff. 12-15-08;
4 96-37, eff. 7-13-09; 96-1392, eff. 1-1-11.)

5 (230 ILCS 10/14) (from Ch. 120, par. 2414)

6 Sec. 14. Licensees - Records - Reports - Supervision.

7 (a) Licensed owners and electronic gaming licensees ~~A~~
8 ~~licensed owner~~ shall keep ~~his~~ books and records so as to
9 clearly show the following:

10 (1) The amount received daily from admission fees.

11 (2) The total amount of whole gaming ~~gross~~ receipts.

12 (3) The total amount of the ~~adjusted~~ gross gaming receipts.

13 (b) Licensed owners and electronic gaming licensees ~~The~~
14 ~~licensed owner~~ shall furnish to the Board reports and
15 information as the Board may require with respect to its
16 activities on forms designed and supplied for such purpose by
17 the Board.

18 (c) The books and records kept by a licensed owner as
19 provided by this Section are public records and the
20 examination, publication, and dissemination of the books and
21 records are governed by the provisions of The Freedom of
22 Information Act.

23 (Source: P.A. 86-1029.)

24 (230 ILCS 10/18) (from Ch. 120, par. 2418)

1 Sec. 18. Prohibited Activities - Penalty.

2 (a) A person is guilty of a Class A misdemeanor for doing
3 any of the following:

4 (1) Conducting gambling where wagering is used or to be
5 used without a license issued by the Board.

6 (2) Conducting gambling where wagering is permitted
7 other than in the manner specified by Section 11.

8 (b) A person is guilty of a Class B misdemeanor for doing
9 any of the following:

10 (1) permitting a person under 21 years to make a wager;
11 or

12 (2) violating paragraph (12) of subsection (a) of
13 Section 11 of this Act.

14 (c) A person wagering or accepting a wager at any location
15 outside the riverboat or electronic gaming facility in
16 violation of paragraph ~~is subject to the penalties in~~
17 ~~paragraphs~~ (1) or (2) of subsection (a) of Section 28-1 of the
18 Criminal Code of 1961 is subject to the penalties provided in
19 that Section.

20 (d) A person commits a Class 4 felony and, in addition,
21 shall be barred for life from gambling operations ~~riverboats~~
22 under the jurisdiction of the Board, if the person does any of
23 the following:

24 (1) Offers, promises, or gives anything of value or
25 benefit to a person who is connected with a riverboat owner
26 or electronic gaming licensee including, but not limited

1 to, an officer or employee of a licensed owner or
2 electronic gaming licensee or holder of an occupational
3 license pursuant to an agreement or arrangement or with the
4 intent that the promise or thing of value or benefit will
5 influence the actions of the person to whom the offer,
6 promise, or gift was made in order to affect or attempt to
7 affect the outcome of a gambling game, or to influence
8 official action of a member of the Board.

9 (2) Solicits or knowingly accepts or receives a promise
10 of anything of value or benefit while the person is
11 connected with a riverboat or electronic gaming facility,
12 including, but not limited to, an officer or employee of a
13 licensed owner or electronic gaming licensee, or the holder
14 of an occupational license, pursuant to an understanding or
15 arrangement or with the intent that the promise or thing of
16 value or benefit will influence the actions of the person
17 to affect or attempt to affect the outcome of a gambling
18 game, or to influence official action of a member of the
19 Board.

20 (3) Uses or possesses with the intent to use a device
21 to assist:

22 (i) In projecting the outcome of the game.

23 (ii) In keeping track of the cards played.

24 (iii) In analyzing the probability of the
25 occurrence of an event relating to the gambling game.

26 (iv) In analyzing the strategy for playing or

1 betting to be used in the game except as permitted by
2 the Board.

3 (4) Cheats at a gambling game.

4 (5) Manufactures, sells, or distributes any cards,
5 chips, dice, game or device which is intended to be used to
6 violate any provision of this Act.

7 (6) Alters or misrepresents the outcome of a gambling
8 game on which wagers have been made after the outcome is
9 made sure but before it is revealed to the players.

10 (7) Places a bet after acquiring knowledge, not
11 available to all players, of the outcome of the gambling
12 game which is subject of the bet or to aid a person in
13 acquiring the knowledge for the purpose of placing a bet
14 contingent on that outcome.

15 (8) Claims, collects, or takes, or attempts to claim,
16 collect, or take, money or anything of value in or from the
17 gambling games, with intent to defraud, without having made
18 a wager contingent on winning a gambling game, or claims,
19 collects, or takes an amount of money or thing of value of
20 greater value than the amount won.

21 (9) Uses counterfeit chips or tokens in a gambling
22 game.

23 (10) Possesses any key or device designed for the
24 purpose of opening, entering, or affecting the operation of
25 a gambling game, drop box, or an electronic or mechanical
26 device connected with the gambling game or for removing

1 coins, tokens, chips or other contents of a gambling game.
2 This paragraph (10) does not apply to a gambling licensee
3 or employee of a gambling licensee acting in furtherance of
4 the employee's employment.

5 (e) The possession of more than one of the devices
6 described in subsection (d), paragraphs (3), (5), or (10)
7 permits a rebuttable presumption that the possessor intended to
8 use the devices for cheating.

9 (f) A person under the age of 21 who, except as authorized
10 under paragraph (10) of Section 11, enters upon a riverboat
11 commits a petty offense and is subject to a fine of not less
12 than \$100 or more than \$250 for a first offense and of not less
13 than \$200 or more than \$500 for a second or subsequent offense.

14 An action to prosecute any crime occurring on a riverboat
15 shall be tried in the county of the dock at which the riverboat
16 is based.

17 (Source: P.A. 96-1392, eff. 1-1-11.)

18 (230 ILCS 10/19) (from Ch. 120, par. 2419)

19 Sec. 19. Forfeiture of property. (a) Except as provided in
20 subsection (b), any riverboat or electronic gaming facility
21 used for the conduct of gambling games in violation of this Act
22 shall be considered a gambling place in violation of Section
23 28-3 of the Criminal Code of 1961, as now or hereafter amended.
24 Every gambling device found on a riverboat or at an electronic
25 gaming facility operating gambling games in violation of this

1 Act and every slot machine and video game of chance found at an
2 electronic gaming facility operating gambling games in
3 violation of this Act shall be subject to seizure, confiscation
4 and destruction as provided in Section 28-5 of the Criminal
5 Code of 1961, as now or hereafter amended.

6 (b) It is not a violation of this Act for a riverboat or
7 other watercraft which is licensed for gaming by a contiguous
8 state to dock on the shores of this State if the municipality
9 having jurisdiction of the shores, or the county in the case of
10 unincorporated areas, has granted permission for docking and no
11 gaming is conducted on the riverboat or other watercraft while
12 it is docked on the shores of this State. No gambling device
13 shall be subject to seizure, confiscation or destruction if the
14 gambling device is located on a riverboat or other watercraft
15 which is licensed for gaming by a contiguous state and which is
16 docked on the shores of this State if the municipality having
17 jurisdiction of the shores, or the county in the case of
18 unincorporated areas, has granted permission for docking and no
19 gaming is conducted on the riverboat or other watercraft while
20 it is docked on the shores of this State.

21 (Source: P.A. 86-1029.)

22 (230 ILCS 10/20) (from Ch. 120, par. 2420)

23 Sec. 20. Prohibited activities - civil penalties. Any
24 person who conducts a gambling operation without first
25 obtaining a license to do so, or who continues to conduct such

1 games after revocation of his license, or any licensee who
2 conducts or allows to be conducted any unauthorized gambling
3 games on a riverboat or at an electronic gaming facility where
4 it is authorized to conduct its ~~riverboat~~ gambling operation,
5 in addition to other penalties provided, shall be subject to a
6 civil penalty equal to the amount of whole gaming ~~gross~~
7 receipts derived from wagering on the gambling games, whether
8 unauthorized or authorized, conducted on that day as well as
9 confiscation and forfeiture of all gambling game equipment used
10 in the conduct of unauthorized gambling games.

11 (Source: P.A. 86-1029.)

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

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

1 (Source: P.A. 93-28, eff. 6-20-03; 94-804, eff. 5-26-06.)

2 Section 15. The Criminal Code of 1961 is amended by
3 changing Section 28-5 and 28-7 as follows:

4 (720 ILCS 5/28-5) (from Ch. 38, par. 28-5)

5 Sec. 28-5. Seizure of gambling devices and gambling funds.

6 (a) Every device designed for gambling which is incapable
7 of lawful use or every device used unlawfully for gambling
8 shall be considered a "gambling device", and shall be subject
9 to seizure, confiscation and destruction by the Department of
10 State Police or by any municipal, or other local authority,
11 within whose jurisdiction the same may be found. As used in
12 this Section, a "gambling device" includes any slot machine,
13 and includes any machine or device constructed for the
14 reception of money or other thing of value and so constructed
15 as to return, or to cause someone to return, on chance to the
16 player thereof money, property or a right to receive money or
17 property. With the exception of any device designed for
18 gambling which is incapable of lawful use, no gambling device
19 shall be forfeited or destroyed unless an individual with a
20 property interest in said device knows of the unlawful use of
21 the device.

22 (b) Every gambling device shall be seized and forfeited to
23 the county wherein such seizure occurs. Any money or other
24 thing of value integrally related to acts of gambling shall be

1 seized and forfeited to the county wherein such seizure occurs.

2 (c) If, within 60 days after any seizure pursuant to
3 subparagraph (b) of this Section, a person having any property
4 interest in the seized property is charged with an offense, the
5 court which renders judgment upon such charge shall, within 30
6 days after such judgment, conduct a forfeiture hearing to
7 determine whether such property was a gambling device at the
8 time of seizure. Such hearing shall be commenced by a written
9 petition by the State, including material allegations of fact,
10 the name and address of every person determined by the State to
11 have any property interest in the seized property, a
12 representation that written notice of the date, time and place
13 of such hearing has been mailed to every such person by
14 certified mail at least 10 days before such date, and a request
15 for forfeiture. Every such person may appear as a party and
16 present evidence at such hearing. The quantum of proof required
17 shall be a preponderance of the evidence, and the burden of
18 proof shall be on the State. If the court determines that the
19 seized property was a gambling device at the time of seizure,
20 an order of forfeiture and disposition of the seized property
21 shall be entered: a gambling device shall be received by the
22 State's Attorney, who shall effect its destruction, except that
23 valuable parts thereof may be liquidated and the resultant
24 money shall be deposited in the general fund of the county
25 wherein such seizure occurred; money and other things of value
26 shall be received by the State's Attorney and, upon

1 liquidation, shall be deposited in the general fund of the
2 county wherein such seizure occurred. However, in the event
3 that a defendant raises the defense that the seized slot
4 machine is an antique slot machine described in subparagraph
5 (b) (7) of Section 28-1 of this Code and therefore he is exempt
6 from the charge of a gambling activity participant, the seized
7 antique slot machine shall not be destroyed or otherwise
8 altered until a final determination is made by the Court as to
9 whether it is such an antique slot machine. Upon a final
10 determination by the Court of this question in favor of the
11 defendant, such slot machine shall be immediately returned to
12 the defendant. Such order of forfeiture and disposition shall,
13 for the purposes of appeal, be a final order and judgment in a
14 civil proceeding.

15 (d) If a seizure pursuant to subparagraph (b) of this
16 Section is not followed by a charge pursuant to subparagraph
17 (c) of this Section, or if the prosecution of such charge is
18 permanently terminated or indefinitely discontinued without
19 any judgment of conviction or acquittal (1) the State's
20 Attorney shall commence an in rem proceeding for the forfeiture
21 and destruction of a gambling device, or for the forfeiture and
22 deposit in the general fund of the county of any seized money
23 or other things of value, or both, in the circuit court and (2)
24 any person having any property interest in such seized gambling
25 device, money or other thing of value may commence separate
26 civil proceedings in the manner provided by law.

1 (e) Any gambling device displayed for sale to a riverboat
2 gambling operation or used to train occupational licensees of a
3 riverboat gambling operation as authorized under the Riverboat
4 Gambling Act is exempt from seizure under this Section.

5 (f) Any gambling equipment, devices and supplies provided
6 by a licensed supplier in accordance with the Riverboat
7 Gambling Act which are removed from a ~~the~~ riverboat or
8 electronic gaming facility for repair are exempt from seizure
9 under this Section.

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

11 (720 ILCS 5/28-7) (from Ch. 38, par. 28-7)

12 Sec. 28-7. Gambling contracts void.

13 (a) All promises, notes, bills, bonds, covenants,
14 contracts, agreements, judgments, mortgages, or other
15 securities or conveyances made, given, granted, drawn, or
16 entered into, or executed by any person whatsoever, where the
17 whole or any part of the consideration thereof is for any money
18 or thing of value, won or obtained in violation of any Section
19 of this Article are null and void.

20 (b) Any obligation void under this Section may be set aside
21 and vacated by any court of competent jurisdiction, upon a
22 complaint filed for that purpose, by the person so granting,
23 giving, entering into, or executing the same, or by his
24 executors or administrators, or by any creditor, heir, legatee,
25 purchaser or other person interested therein; or if a judgment,

1 the same may be set aside on motion of any person stated above,
2 on due notice thereof given.

3 (c) No assignment of any obligation void under this Section
4 may in any manner affect the defense of the person giving,
5 granting, drawing, entering into or executing such obligation,
6 or the remedies of any person interested therein.

7 (d) This Section shall not prevent a licensed owner of a
8 riverboat gambling operation or an electronic gaming licensee
9 under the Riverboat Gambling Act and the Illinois Horse Racing
10 Act of 1975 from instituting a cause of action to collect any
11 amount due and owing under an extension of credit to a
12 ~~riverboat~~ gambling patron as authorized under Section 11.1 of
13 the Riverboat Gambling Act.

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

15 (30 ILCS 105/5.490 rep.)

16 Section 25. The State Finance Act is amended by repealing
17 Section 5.490.

18 (230 ILCS 5/54 rep.)

19 Section 30. The Illinois Horse Racing Act of 1975 is
20 amended by repealing Section 54.

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

23 Section 99. Effective date. This Act takes effect upon

1 becoming law.

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