



## 97TH GENERAL ASSEMBLY

### State of Illinois

### 2011 and 2012

#### HB0251

Introduced 01/25/11, by Rep. Rosemary Mulligan

#### SYNOPSIS AS INTRODUCED:

20 ILCS 301/5-20  
230 ILCS 10/13  
230 ILCS 10/13.1

from Ch. 120, par. 2413

Amends the Alcoholism and Other Drug Abuse and Dependency Act. Includes a study to identify the recidivism rates among adults and juveniles in the compulsive gambling program established by the Department of Human Services and requires the Department to file a report with the General Assembly detailing the results of the study on or before January 1, 2012 and every 2 years thereafter. Amends the Riverboat Gambling Act. Provides that an amount equal to 0.5% of the adjusted gross receipts of all owners licensees under the Act or one-twelfth of \$10,000,000, whichever is less, shall be paid monthly, subject to appropriation by the General Assembly, from the State Gaming Fund to the Department of Human Services for the purposes of funding the compulsive gambling program established under the Alcoholism and Other Drug Abuse and Dependency Act. In provisions requiring that each licensed owner post signs with a statement regarding obtaining assistance with gambling problems, provides that the signs be posted near each automated teller machine. Effective immediately.

LRB097 03027 ASK 43058 b

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

6 (20 ILCS 301/5-20)

7 Sec. 5-20. Compulsive gambling program.

8 (a) Subject to appropriation, the Department shall  
9 establish a program for public education, research, and  
10 training regarding problem and compulsive gambling and the  
11 treatment and prevention of problem and compulsive gambling.  
12 Subject to specific appropriation for these stated purposes,  
13 the program must include all of the following:

14 (1) Establishment and maintenance of a toll-free "800"  
15 telephone number to provide crisis counseling and referral  
16 services to families experiencing difficulty as a result of  
17 problem or compulsive gambling.

18 (2) Promotion of public awareness regarding the  
19 recognition and prevention of problem and compulsive  
20 gambling.

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

1           (4) ~~Studies Conducting studies~~ to identify adults and  
2 juveniles in this State who are, or who are at risk of  
3 becoming, problem or compulsive gamblers.

4           (5) A study to identify the recidivism rates among  
5 adults and juveniles in the program and the Department  
6 shall file a report with the General Assembly detailing the  
7 results of the study on or before January 1, 2012 and every  
8 2 years thereafter.

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

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

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

24           Section 10. The Riverboat Gambling Act is amended by  
25 changing Sections 13 and 13.1 as follows:

1 (230 ILCS 10/13) (from Ch. 120, par. 2413)

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

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

6 (a-1) From January 1, 1998 until July 1, 2002, a privilege  
7 tax is imposed on persons engaged in the business of conducting  
8 riverboat gambling operations, based on the adjusted gross  
9 receipts received by a licensed owner from gambling games  
10 authorized under this Act at the following rates:

11 15% of annual adjusted gross receipts up to and  
12 including \$25,000,000;

13 20% of annual adjusted gross receipts in excess of  
14 \$25,000,000 but not exceeding \$50,000,000;

15 25% of annual adjusted gross receipts in excess of  
16 \$50,000,000 but not exceeding \$75,000,000;

17 30% of annual adjusted gross receipts in excess of  
18 \$75,000,000 but not exceeding \$100,000,000;

19 35% of annual adjusted gross receipts in excess of  
20 \$100,000,000.

21 (a-2) From July 1, 2002 until July 1, 2003, a privilege tax  
22 is imposed on persons engaged in the business of conducting  
23 riverboat gambling operations, other than licensed managers  
24 conducting riverboat gambling operations on behalf of the  
25 State, based on the adjusted gross receipts received by a

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

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

5 22.5% of annual adjusted gross receipts in excess of  
6 \$25,000,000 but not exceeding \$50,000,000;

7 27.5% of annual adjusted gross receipts in excess of  
8 \$50,000,000 but not exceeding \$75,000,000;

9 32.5% of annual adjusted gross receipts in excess of  
10 \$75,000,000 but not exceeding \$100,000,000;

11 37.5% of annual adjusted gross receipts in excess of  
12 \$100,000,000 but not exceeding \$150,000,000;

13 45% of annual adjusted gross receipts in excess of  
14 \$150,000,000 but not exceeding \$200,000,000;

15 50% of annual adjusted gross receipts in excess of  
16 \$200,000,000.

17 (a-3) Beginning July 1, 2003, a privilege tax is imposed on  
18 persons engaged in the business of conducting riverboat  
19 gambling operations, other than licensed managers conducting  
20 riverboat gambling operations on behalf of the State, based on  
21 the adjusted gross receipts received by a licensed owner from  
22 gambling games authorized under this Act at the following  
23 rates:

24 15% of annual adjusted gross receipts up to and  
25 including \$25,000,000;

26 27.5% of annual adjusted gross receipts in excess of

1           \$25,000,000 but not exceeding \$37,500,000;  
2           32.5% of annual adjusted gross receipts in excess of  
3           \$37,500,000 but not exceeding \$50,000,000;  
4           37.5% of annual adjusted gross receipts in excess of  
5           \$50,000,000 but not exceeding \$75,000,000;  
6           45% of annual adjusted gross receipts in excess of  
7           \$75,000,000 but not exceeding \$100,000,000;  
8           50% of annual adjusted gross receipts in excess of  
9           \$100,000,000 but not exceeding \$250,000,000;  
10          70% of annual adjusted gross receipts in excess of  
11          \$250,000,000.

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

17          The privilege tax imposed under this subsection (a-3) shall  
18          no longer be imposed beginning on the earlier of (i) July 1,  
19          2005; (ii) the first date after June 20, 2003 that riverboat  
20          gambling operations are conducted pursuant to a dormant  
21          license; or (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. For the purposes of this subsection  
25          (a-3), the term "dormant license" means an owners license that  
26          is authorized by this Act under which no riverboat gambling

1 operations are being conducted on June 20, 2003.

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

10 15% of annual adjusted gross receipts up to and  
11 including \$25,000,000;

12 22.5% of annual adjusted gross receipts in excess of  
13 \$25,000,000 but not exceeding \$50,000,000;

14 27.5% of annual adjusted gross receipts in excess of  
15 \$50,000,000 but not exceeding \$75,000,000;

16 32.5% of annual adjusted gross receipts in excess of  
17 \$75,000,000 but not exceeding \$100,000,000;

18 37.5% of annual adjusted gross receipts in excess of  
19 \$100,000,000 but not exceeding \$150,000,000;

20 45% of annual adjusted gross receipts in excess of  
21 \$150,000,000 but not exceeding \$200,000,000;

22 50% of annual adjusted gross receipts in excess of  
23 \$200,000,000.

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

1           (a-10) The taxes imposed by this Section shall be paid by  
2 the licensed owner to the Board not later than 5:00 o'clock  
3 p.m. of the day after the day when the wagers were made.

4           (a-15) If the privilege tax imposed under subsection (a-3)  
5 is no longer imposed pursuant to item (i) of the last paragraph  
6 of subsection (a-3), then by June 15 of each year, each owners  
7 licensee, other than an owners licensee that admitted 1,000,000  
8 persons or fewer in calendar year 2004, must, in addition to  
9 the payment of all amounts otherwise due under this Section,  
10 pay to the Board a reconciliation payment in the amount, if  
11 any, by which the licensed owner's base amount exceeds the  
12 amount of net privilege tax paid by the licensed owner to the  
13 Board in the then current State fiscal year. A licensed owner's  
14 net privilege tax obligation due for the balance of the State  
15 fiscal year shall be reduced up to the total of the amount paid  
16 by the licensed owner in its June 15 reconciliation payment.  
17 The obligation imposed by this subsection (a-15) is binding on  
18 any person, firm, corporation, or other entity that acquires an  
19 ownership interest in any such owners license. The obligation  
20 imposed under this subsection (a-15) terminates on the earliest  
21 of: (i) July 1, 2007, (ii) the first day after the effective  
22 date of this amendatory Act of the 94th General Assembly that  
23 riverboat gambling operations are conducted pursuant to a  
24 dormant license, (iii) the first day that riverboat gambling  
25 operations are conducted under the authority of an owners  
26 license that is in addition to the 10 owners licenses initially



1 authorized under this Act, or (iv) the first day that a  
2 licensee under the Illinois Horse Racing Act of 1975 conducts  
3 gaming operations with slot machines or other electronic gaming  
4 devices. The Board must reduce the obligation imposed under  
5 this subsection (a-15) by an amount the Board deems reasonable  
6 for any of the following reasons: (A) an act or acts of God,  
7 (B) an act of bioterrorism or terrorism or a bioterrorism or  
8 terrorism threat that was investigated by a law enforcement  
9 agency, or (C) a condition beyond the control of the owners  
10 licensee that does not result from any act or omission by the  
11 owners licensee or any of its agents and that poses a hazardous  
12 threat to the health and safety of patrons. If an owners  
13 licensee pays an amount in excess of its liability under this  
14 Section, the Board shall apply the overpayment to future  
15 payments required under this Section.

16 For purposes of this subsection (a-15):

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

21 "Base amount" means the following:

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

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

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

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

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

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

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

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

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

6 "Net privilege tax" means all privilege taxes paid by a  
7 licensed owner to the Board under this Section, less all  
8 payments made from the State Gaming Fund pursuant to subsection  
9 (b) of this Section.

10 The changes made to this subsection (a-15) by Public Act  
11 94-839 are intended to restate and clarify the intent of Public  
12 Act 94-673 with respect to the amount of the payments required  
13 to be made under this subsection by an owners licensee to the  
14 Board.

15 (b) Until January 1, 1998, 25% of the tax revenue deposited  
16 in the State Gaming Fund under this Section shall be paid,  
17 subject to appropriation by the General Assembly, to the unit  
18 of local government which is designated as the home dock of the  
19 riverboat. Beginning January 1, 1998, from the tax revenue  
20 deposited in the State Gaming Fund under this Section, an  
21 amount equal to 5% of adjusted gross receipts generated by a  
22 riverboat shall be paid monthly, subject to appropriation by  
23 the General Assembly, to the unit of local government that is  
24 designated as the home dock of the riverboat. From the tax  
25 revenue deposited in the State Gaming Fund pursuant to  
26 riverboat gambling operations conducted by a licensed manager

1 on behalf of the State, an amount equal to 5% of adjusted gross  
2 receipts generated pursuant to those riverboat gambling  
3 operations shall be paid monthly, subject to appropriation by  
4 the General Assembly, to the unit of local government that is  
5 designated as the home dock of the riverboat upon which those  
6 riverboat gambling operations are conducted.

7 (c) Appropriations, as approved by the General Assembly,  
8 may be made from the State Gaming Fund to the Board (i) for the  
9 administration and enforcement of this Act and the Video Gaming  
10 Act, (ii) for distribution to the Department of State Police  
11 and to the Department of Revenue for the enforcement of this  
12 Act, and (iii) to the Department of Human Services for the  
13 administration of programs to treat problem gambling.

14 (c-5) Before May 26, 2006 (the effective date of Public Act  
15 94-804) and beginning on the effective date of this amendatory  
16 Act of the 95th General Assembly, unless any organization  
17 licensee under the Illinois Horse Racing Act of 1975 begins to  
18 operate a slot machine or video game of chance under the  
19 Illinois Horse Racing Act of 1975 or this Act, after the  
20 payments required under subsections (b) and (c) have been made,  
21 an amount equal to 15% of the adjusted gross receipts of (1) an  
22 owners licensee that relocates pursuant to Section 11.2, (2) an  
23 owners licensee conducting riverboat gambling operations  
24 pursuant to an owners license that is initially issued after  
25 June 25, 1999, or (3) the first riverboat gambling operations  
26 conducted by a licensed manager on behalf of the State under

1 Section 7.3, whichever comes first, shall be paid from the  
2 State Gaming Fund into the Horse Racing Equity Fund.

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

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

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

24 (c-25) After the payments required under subsections (b),  
25 (c), (c-5) and (c-15) have been made, an amount equal to 2% of  
26 the adjusted gross receipts of (1) an owners licensee that

1 relocates pursuant to Section 11.2, (2) an owners licensee  
2 conducting riverboat gambling operations pursuant to an owners  
3 license that is initially issued after June 25, 1999, or (3)  
4 the first riverboat gambling operations conducted by a licensed  
5 manager on behalf of the State under Section 7.3, whichever  
6 comes first, shall be paid from the State Gaming Fund to  
7 Chicago State University.

8 (c-30) After the payments required under subsections (b),  
9 (c), (c-5), (c-15), and (c-25) have been made, an amount equal  
10 to 0.5% of the adjusted gross receipts of all owners licensees  
11 under this Act or one-twelfth of \$10,000,000, whichever is  
12 less, shall be paid monthly, subject to appropriation by the  
13 General Assembly, from the State Gaming Fund to the Department  
14 of Human Services for the purposes of funding the compulsive  
15 gambling program established under Section 5-20 of the  
16 Alcoholism and Other Drug Abuse and Dependency Act.

17 (d) From time to time, the Board shall transfer the  
18 remainder of the funds generated by this Act into the Education  
19 Assistance Fund, created by Public Act 86-0018, of the State of  
20 Illinois.

21 (e) Nothing in this Act shall prohibit the unit of local  
22 government designated as the home dock of the riverboat from  
23 entering into agreements with other units of local government  
24 in this State or in other states to share its portion of the  
25 tax revenue.

26 (f) To the extent practicable, the Board shall administer

1 and collect the wagering taxes imposed by this Section in a  
2 manner consistent with the provisions of Sections 4, 5, 5a, 5b,  
3 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, and 10 of the  
4 Retailers' Occupation Tax Act and Section 3-7 of the Uniform  
5 Penalty and Interest Act.

6 (Source: P.A. 95-331, eff. 8-21-07; 95-1008, eff. 12-15-08;  
7 96-37, eff. 7-13-09; 96-1392, eff. 1-1-11.)

8 (230 ILCS 10/13.1)

9 Sec. 13.1. Compulsive gambling.

10 (a) Each licensed owner shall post signs with a statement  
11 regarding obtaining assistance with gambling problems, the  
12 text of which shall be determined by rule by the Department of  
13 Human Services, at the following locations in each facility at  
14 which gambling is conducted by the licensed owner:

15 (i) Each entrance and exit.

16 (ii) Near each credit location, including each  
17 automated teller machine.

18 The signs shall be provided by the Department of Human  
19 Services.

20 (b) Each licensed owner shall print a statement regarding  
21 obtaining assistance with gambling problems, the text of which  
22 shall be determined by rule by the Department of Human  
23 Services, on all paper stock that the licensed owner provides  
24 to the general public.

25 (Source: P.A. 89-374, eff. 1-1-96; 89-507, eff. 7-1-97.)

1           Section 99. Effective date. This Act takes effect upon  
2           becoming law.