



Rep. Lou Lang

Adopted in House Comm. on May 25, 2011

09700SB0744ham001

LRB097 04465 ASK 56143 a

1 AMENDMENT TO SENATE BILL 744

2 AMENDMENT NO. _____. Amend Senate Bill 744 by replacing
3 everything after the enacting clause with the following:

4 "ARTICLE 1.

5 Section 1-1. Short title. This Article may be cited as the
6 Chicago Casino Development Authority Act. References in this
7 Article to "this Act" mean this Article.

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

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

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

13 "Casino" means one temporary land-based or water-based
14 facility, one permanent land-based or water-based facility,
15 and airport gaming locations pursuant to Section 1-67 of this

1 Act at each of which lawful gambling is authorized and licensed
2 as provided in the Illinois Gambling Act.

3 "City" means the City of Chicago.

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

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

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

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

15 "Mayor" means the Mayor of the City.

16 Section 1-12. Creation of the Authority. There is hereby
17 created a political subdivision, unit of local government with
18 only the powers authorized by law, body politic, and municipal
19 corporation, by the name and style of the Chicago Casino
20 Development Authority.

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

1 buildings, and facilities for that purpose. The Authority shall
2 contract with a casino operator licensee to manage and operate
3 the casino and in no event shall the Authority or City manage
4 or operate the casino. The Authority may contract with other
5 third parties in order to fulfill its purpose. The Authority is
6 responsible for the payment of any fees required of a casino
7 operator under subsection (a) of Section 7.8 of the Illinois
8 Gambling Act if the casino operator licensee is late in paying
9 any such fees. The Authority is granted all rights and powers
10 necessary to perform such duties.

11 Section 1-15. Board.

12 (a) The governing and administrative powers of the
13 Authority shall be vested in a body known as the Chicago Casino
14 Development Board. The Board shall consist of 5 members
15 appointed by the Mayor. All appointees shall be subject to
16 background investigation and approval by the Gaming Board. One
17 of these members shall be designated by the Mayor to serve as
18 chairperson. All of the members appointed by the Mayor shall be
19 residents of the City.

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

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

3 (a) The Mayor shall appoint 2 members of the Board for an
4 initial term expiring July 1 of the year following approval by
5 the Gaming Board, 2 members for an initial term expiring July 1
6 three years following approval by the Gaming Board, and one
7 member for an initial term expiring July 1 five years following
8 approval by the Gaming Board.

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

22 (c) Members of the Board shall serve at the pleasure of the
23 Mayor. The Mayor or the Gaming Board may remove any member of
24 the Board upon a finding of incompetence, neglect of duty, or
25 misfeasance or malfeasance in office or for a violation of this

1 Act. The Gaming Board may remove any member of the Board for
2 any violation of the Illinois Gambling Act or the rules and
3 regulations of the Gaming Board.

4 Section 1-25. Organization of Board; meetings. After
5 appointment by the Mayor and approval of the Gaming Board, the
6 Board shall organize for the transaction of business. The Board
7 shall prescribe the time and place for meetings, the manner in
8 which special meetings may be called, and the notice that must
9 be given to members. All actions and meetings of the Board
10 shall be subject to the provisions of the Open Meetings Act.
11 Three members of the Board shall constitute a quorum. All
12 substantive action of the Board shall be by resolution with an
13 affirmative vote of a majority of the members.

14 Section 1-30. Executive director; officers.

15 (a) The Board shall appoint an executive director, subject
16 to completion of a background investigation and approval by the
17 Gaming Board, who shall be the chief executive officer of the
18 Authority. The Board shall fix the compensation of the
19 executive director. Subject to the general control of the
20 Board, the executive director shall be responsible for the
21 management of the business, properties, and employees of the
22 Authority. The executive director shall direct the enforcement
23 of all resolutions, rules, and regulations of the Board, and
24 shall perform such other duties as may be prescribed from time

1 to time by the Board. All employees and independent
2 contractors, consultants, engineers, architects, accountants,
3 attorneys, financial experts, construction experts and
4 personnel, superintendents, managers, and other personnel
5 appointed or employed pursuant to this Act shall report to the
6 executive director. In addition to any other duties set forth
7 in this Act, the executive director shall do all of the
8 following:

9 (1) Direct and supervise the administrative affairs
10 and activities of the Authority in accordance with its
11 rules, regulations, and policies.

12 (2) Attend meetings of the Board.

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

14 (4) Approve all accounts for salaries, per diem
15 payments, and allowable expenses of the Board and its
16 employees and consultants.

17 (5) Report and make recommendations to the Board
18 concerning the terms and conditions of any casino
19 management contract.

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

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

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

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

4 (1) Adopt and alter an official seal.

5 (2) Establish and change its fiscal year.

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

9 (4) Adopt, amend, and repeal bylaws, rules, and
10 regulations consistent with the furtherance of the powers
11 and duties provided for.

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

14 (6) Select locations in the City for a temporary and a
15 permanent casino, subject to final approval by the Gaming
16 Board.

17 (7) Conduct background investigations of potential
18 casino operator licensees, including its principals or
19 shareholders, and Authority staff.

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

1 compensation.

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

5 (10) Enter into, revoke, and modify contracts in
6 accordance with the rules of the Gaming Board.

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

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

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

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

19 (15) Borrow money from any source, public or private,
20 for any corporate purpose, including, without limitation,
21 working capital for its operations, reserve funds, or
22 payment of interest, and to mortgage, pledge, or otherwise
23 encumber the property or funds of the Authority and to
24 contract with or engage the services of any person in
25 connection with any financing, including financial
26 institutions, issuers of letters of credit, or insurers and

1 enter into reimbursement agreements with this person or
2 entity which may be secured as if money were borrowed from
3 the person or entity.

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

5 (17) Receive and accept from any source, private or
6 public, contributions, gifts, or grants of money or
7 property to the Authority.

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

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

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

21 Section 1-32. Ethical conduct.

22 (a) Board members and employees of the Authority must carry
23 out their duties and responsibilities in such a manner as to
24 promote and preserve public trust and confidence in the
25 integrity and conduct of gaming.

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

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

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

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

25 (f) Board members and employees of the Authority may not
26 have a financial interest, directly or indirectly, in his or

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

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

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

1 person or entity, or its parent or affiliate.

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

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

24 (k) A spouse, child, or parent of a Board member or
25 employee of the Authority may not, while the person is a Board
26 member or employee of the spouse or within a period of 2 years

1 immediately after termination of employment, knowingly accept
2 employment or receive compensation or fees for services from a
3 person or entity, or its parent or affiliate, that has engaged
4 in business with the Authority that resulted in contracts with
5 an aggregate value of at least \$25,000 or if that Board member
6 or employee has made a decision that directly applied to the
7 person or entity, or its parent or affiliate.

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

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

26 Public disclosure of the written summary provided to the

1 Board and the Gaming Board shall be subject to the exemptions
2 provided under Section 7 of the Freedom of Information Act.

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

6 Section 1-45. Casino management contracts.

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

18 (b) Within 5 days after the time limit for submitting bids
19 and proposals has passed, the Board shall make all bids and
20 proposals public, provided, however, the Board shall not be
21 required to disclose any information which would be exempt from
22 disclosure under Section 7 of the Freedom of Information Act.
23 Thereafter, the Board shall evaluate the responses to its
24 requests for proposal and the ability of all persons or
25 entities responding to its requests for proposal to meet the

1 requirements of this Act and to undertake and perform the
2 obligations set forth in its requests for proposal.

3 (c) After reviewing proposals and subject to Gaming Board
4 approval, the Board shall enter into a casino management
5 contract authorizing the development, construction, or
6 operation of a casino. Validity of the casino management
7 contract is contingent upon the issuance of a casino operator
8 license to the successful bidder. If the Gaming Board approves
9 the contract and grants a casino operator license, the Board
10 shall transmit a copy of the executed casino management
11 contract to the Gaming Board.

12 (d) After the Authority has been issued a casino license,
13 the Gaming Board has issued a casino operator license, and the
14 Gaming Board has approved the location of a temporary facility,
15 the Authority may conduct gaming operations at a temporary
16 facility for no longer than 24 months after gaming operations
17 begin. The Gaming Board may, after holding a public hearing,
18 grant an extension so long as a permanent facility is not
19 operational and the Authority is working in good faith to
20 complete the permanent facility. The Gaming Board may grant
21 additional extensions following a public hearing. Each
22 extension may be for a period of no longer than 6 months.

23 (e) Fifty percent of the total amount received by the
24 Authority pursuant to a bid for a casino management contract or
25 an executed casino management contract must be transmitted to
26 the State and deposited into the Gaming Facilities Fee Revenue

1 Fund.

2 Section 1-50. Transfer of funds. The revenues received by
3 the Authority (other than amounts required to be paid pursuant
4 to the Illinois Gambling Act and amounts required to pay the
5 operating expenses of the Authority, to pay amounts due the
6 casino operator licensee pursuant to a casino management
7 contract, to repay any borrowing of the Authority made pursuant
8 to Section 1-31, to pay debt service on any bonds issued under
9 Section 1-75, and to pay any expenses in connection with the
10 issuance of such bonds pursuant to Section 1-75 or derivative
11 products pursuant to Section 1-85) shall be transferred to the
12 City by the Authority.

13 Section 1-60. Auditor General.

14 (a) Prior to the issuance of bonds under this Act, the
15 Authority shall submit to the Auditor General a certification
16 that:

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

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

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

22 (4) after payment of costs of issuance and necessary
23 deposits to funds and accounts established with respect to
24 debt service on the bonds, the net bond proceeds (exclusive

1 of any proceeds to be used to refund outstanding bonds)
2 will be used only for the purposes set forth in this Act.

3 The Authority also shall submit to the Auditor General its
4 projections on revenues to be generated and pledged to
5 repayment of the bonds as scheduled and such other information
6 as the Auditor General may reasonably request.

7 The Auditor General shall examine the certifications and
8 information submitted and submit a report to the Authority and
9 the Gaming Board indicating whether the required
10 certifications, projections, and other information have been
11 submitted by the Authority and that the assumptions underlying
12 the projections are not unreasonable in the aggregate. The
13 Auditor General shall submit the report no later than 60 days
14 after receiving the information required to be submitted by the
15 Authority.

16 The Authority shall not issue bonds until it receives the
17 report from the Auditor General indicating the requirements of
18 this Section have been met. The Auditor General's report shall
19 not be in the nature of a post-audit or examination and shall
20 not lead to the issuance of an opinion, as that term is defined
21 in generally accepted government auditing standards. The
22 Auditor General shall submit a bill to the Authority for costs
23 associated with the examinations and report required under this
24 Section. The Authority shall reimburse in a timely manner.

25 (b) The Authority shall enter into an intergovernmental
26 agreement with the Auditor General authorizing the Auditor

1 General to, every 2 years, (i) review the financial audit of
2 the Authority performed by the Authority's certified public
3 accountants, (ii) perform a management audit of the Authority,
4 and (iii) perform a management audit of the casino operator
5 licensee. The Auditor General shall provide the Authority and
6 the General Assembly with the audits and shall post a copy on
7 his or her website. The Auditor General shall submit a bill to
8 the Authority for costs associated with the review and the
9 audit required under this Section, which costs shall not exceed
10 \$100,000, and the Authority shall reimburse the Auditor General
11 for such costs in a timely manner.

12 Section 1-62. Advisory committee. An Advisory Committee is
13 established to monitor, review, and report on (1) the
14 Authority's utilization of minority-owned business enterprises
15 and female-owned business enterprises, (2) employment of
16 females, and (3) employment of minorities with regard to the
17 development and construction of the casino as authorized under
18 Section 7 of the Illinois Gambling Act. The Authority shall
19 work with the Advisory Committee in accumulating necessary
20 information for the Committee to submit reports, as necessary,
21 to the General Assembly and to the City.

22 The Committee shall consist of 11 members as provided in
23 this Section. Four members shall be selected by the Governor; 3
24 members shall be selected by the Mayor of the City of Chicago;
25 one member shall be selected by the President of the Senate;

1 one member shall be selected by the Speaker of the House of
2 Representatives; one member shall be selected by the Minority
3 Leader of the Senate; and one member shall be selected by the
4 Minority Leader of the House of Representatives. The Advisory
5 Committee shall meet periodically and shall report the
6 information to the Mayor of the City and to the General
7 Assembly by December 31st of every year.

8 The Advisory Committee shall be dissolved on the date that
9 casino gambling operations are first conducted at a permanent
10 facility under the license authorized under Section 7 of the
11 Illinois Gambling Act. For the purposes of this Section, the
12 terms "female" and "minority person" have the meanings provided
13 in Section 2 of the Business Enterprise for Minorities,
14 Females, and Persons with Disabilities Act.

15 Section 1-65. Acquisition of property; eminent domain
16 proceedings. For the lawful purposes of this Act, the City may
17 acquire by eminent domain or by condemnation proceedings in the
18 manner provided by the Eminent Domain Act, real or personal
19 property or interests in real or personal property located in
20 the City, and the City may convey to the Authority property so
21 acquired. The acquisition of property under this Section is
22 declared to be for a public use.

23 Section 1-67. Limitations on gaming at Chicago airports.
24 The Authority may conduct gaming operations in an airport under

1 the administration or control of the Chicago Department of
2 Aviation. Gaming operations may be conducted pursuant to this
3 Section so long as (i) gaming operations are conducted in a
4 secured area that is beyond the Transportation Security
5 Administration security checkpoints and only available to
6 airline passengers and not the general public, (ii) gaming
7 operations are limited to slot machines, as defined in Section
8 4 of the Illinois Gambling Act, and (iii) the combined number
9 of gaming positions operating in the City at the airports and
10 at the temporary and permanent casino facility does not exceed
11 the maximum number of gaming positions authorized pursuant to
12 subsection (h) of Section 7 of the Illinois Gambling Act.
13 Gaming operations at an airport are subject to all applicable
14 laws and rules that apply to any other gaming facility under
15 this Act or the Illinois Gambling Act.

16 Section 1-70. Local regulation. The casino facilities and
17 operations therein shall be subject to all ordinances and
18 regulations of the City. The construction, development, and
19 operation of the casino shall comply with all ordinances,
20 regulations, rules, and controls of the City, including but not
21 limited to those relating to zoning and planned development,
22 building, fire prevention, and land use. However, the
23 regulation of gaming operations is subject to the exclusive
24 jurisdiction of the Gaming Board.

1 Section 1-75. Borrowing.

2 (a) The Authority may borrow money and issue bonds as
3 provided in this Section. Bonds of the Authority may be issued
4 to provide funds for land acquisition, site assembly and
5 preparation, and the design and construction of the casino, as
6 defined in the Illinois Gambling Act, all ancillary and related
7 facilities comprising the casino complex, and all on-site and
8 off-site infrastructure improvements required in connection
9 with the development of the casino; to refund (at the time or
10 in advance of any maturity or redemption) or redeem any bonds
11 of the Authority; to provide or increase a debt service reserve
12 fund or other reserves with respect to any or all of its bonds;
13 or to pay the legal, financial, administrative, bond insurance,
14 credit enhancement, and other legal expenses of the
15 authorization, issuance, or delivery of bonds. In this Act, the
16 term "bonds" also includes notes of any kind, interim
17 certificates, refunding bonds, or any other evidence of
18 obligation for borrowed money issued under this Section. Bonds
19 may be issued in one or more series and may be payable and
20 secured either on a parity with or separately from other bonds.

21 (b) The bonds of the Authority shall be payable from one or
22 more of the following sources: (i) the property or revenues of
23 the Authority; (ii) revenues derived from the casino; (iii)
24 revenues derived from any casino operator licensee; (iv) fees,
25 bid proceeds, charges, lease payments, payments required
26 pursuant to any casino management contract or other revenues

1 payable to the Authority, or any receipts of the Authority; (v)
2 payments by financial institutions, insurance companies, or
3 others pursuant to letters or lines of credit, policies of
4 insurance, or purchase agreements; (vi) investment earnings
5 from funds or accounts maintained pursuant to a bond resolution
6 or trust indenture; (vii) proceeds of refunding bonds; (viii)
7 any other revenues derived from or payments by the City; and
8 (ix) any payments by any casino operator licensee or others
9 pursuant to any guaranty agreement.

10 (c) Bonds shall be authorized by a resolution of the
11 Authority and may be secured by a trust indenture by and
12 between the Authority and a corporate trustee or trustees,
13 which may be any trust company or bank having the powers of a
14 trust company within or without the State. Bonds shall meet the
15 following requirements:

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

18 (2) Bonds issued pursuant to this Section may be
19 payable on such dates and times as may be provided for by
20 the resolution or indenture authorizing the issuance of
21 such bonds; provided, however, that such bonds shall mature
22 no later than 30 years from the date of issuance.

23 (3) At least 25%, based on total principal amount, of
24 all bonds issued pursuant to this Section shall be sold
25 pursuant to notice of sale and public bid. No more than
26 75%, based on total principal amount, of all bonds issued

1 pursuant to this Section shall be sold by negotiated sale.

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

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

10 (6) Bonds shall be subject to the terms of purchase,
11 payment, redemption, refunding, or refinancing that the
12 resolution or trust indenture provides.

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

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

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

21 (d) The Authority shall adopt a procurement program with
22 respect to contracts relating to underwriters, bond counsel,
23 financial advisors, and accountants. The program shall include
24 goals for the payment of not less than 30% of the total dollar
25 value of the fees from these contracts to minority-owned
26 businesses and female-owned businesses as defined in the

1 Business Enterprise for Minorities, Females, and Persons with
2 Disabilities Act. The Authority shall conduct outreach to
3 minority-owned businesses and female-owned businesses.
4 Outreach shall include, but is not limited to, advertisements
5 in periodicals and newspapers, mailings, and other appropriate
6 media. The Authority shall submit to the General Assembly a
7 comprehensive report that shall include, at a minimum, the
8 details of the procurement plan, outreach efforts, and the
9 results of the efforts to achieve goals for the payment of
10 fees.

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

16 (1) Pledging, assigning, or directing the use,
17 investment, or disposition of revenues of the Authority or
18 proceeds or benefits of any contract, including without
19 limitation any rights in any casino management contract.

20 (2) The setting aside of loan funding deposits, debt
21 service reserves, replacement or operating reserves, cost
22 of issuance accounts and sinking funds, and the regulation,
23 investment, and disposition thereof.

24 (3) Limitations on the purposes to which or the
25 investments in which the proceeds of sale of any issue of
26 bonds or the Authority's revenues and receipts may be

1 applied or made.

2 (4) Limitations on the issue of additional bonds, the
3 terms upon which additional bonds may be issued and
4 secured, the terms upon which additional bonds may rank on
5 a parity with, or be subordinate or superior to, other
6 bonds.

7 (5) The refunding, advance refunding, or refinancing
8 of outstanding bonds.

9 (6) The procedure, if any, by which the terms of any
10 contract with bondholders may be altered or amended and the
11 amount of bonds and holders of which must consent thereto
12 and the manner in which consent shall be given.

13 (7) Defining the acts or omissions that shall
14 constitute a default in the duties of the Authority to
15 holders of bonds and providing the rights or remedies of
16 such holders in the event of a default, which may include
17 provisions restricting individual rights of action by
18 bondholders.

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

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

25 (g) The Authority may issue and secure bonds in accordance
26 with the provisions of the Local Government Credit Enhancement

1 Act.

2 (h) A pledge by the Authority of revenues and receipts as
3 security for an issue of bonds or for the performance of its
4 obligations under any casino management contract shall be valid
5 and binding from the time when the pledge is made. The revenues
6 and receipts pledged shall immediately be subject to the lien
7 of the pledge without any physical delivery or further act, and
8 the lien of any pledge shall be valid and binding against any
9 person having any claim of any kind in tort, contract, or
10 otherwise against the Authority, irrespective of whether the
11 person has notice. No resolution, trust indenture, management
12 agreement or financing statement, continuation statement, or
13 other instrument adopted or entered into by the Authority need
14 be filed or recorded in any public record other than the
15 records of the Authority in order to perfect the lien against
16 third persons, regardless of any contrary provision of law.

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

23 (j) The bonds of the Authority shall not be indebtedness of
24 the State. The bonds of the Authority are not general
25 obligations of the State and are not secured by a pledge of the
26 full faith and credit of the State and the holders of bonds of

1 the Authority may not require, except as provided in this Act,
2 the application of State revenues or funds to the payment of
3 bonds of the Authority.

4 (k) The State of Illinois pledges and agrees with the
5 owners of the bonds that it will not limit or alter the rights
6 and powers vested in the Authority by this Act so as to impair
7 the terms of any contract made by the Authority with the owners
8 or in any way impair the rights and remedies of the owners
9 until the bonds, together with interest on them, and all costs
10 and expenses in connection with any action or proceedings by or
11 on behalf of the owners, are fully met and discharged. The
12 Authority is authorized to include this pledge and agreement in
13 any contract with the owners of bonds issued under this
14 Section.

15 (l) No person holding an elective office in this State,
16 holding a seat in the General Assembly, or serving as a board
17 member, trustee, officer, or employee of the Authority,
18 including the spouse of that person, may receive a legal,
19 banking, consulting, or other fee related to the issuance of
20 bonds. This prohibition shall also apply to a company or firm
21 that employs a person holding an elective office in this State,
22 holding a seat in the General Assembly, or serving as a board
23 member, trustee, officer, or employee of the Authority,
24 including the spouse of that person, if the person or his or
25 her spouse has greater than 7.5% ownership of the company or
26 firm.

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

15 Section 1-90. Legality for investment. The State of
16 Illinois, all governmental entities, all public officers,
17 banks, bankers, trust companies, savings banks and
18 institutions, building and loan associations, savings and loan
19 associations, investment companies, and other persons carrying
20 on a banking business, insurance companies, insurance
21 associations, and other persons carrying on an insurance
22 business, and all executors, administrators, guardians,
23 trustees, and other fiduciaries may legally invest any sinking
24 funds, moneys, or other funds belonging to them or within their

1 control in any bonds issued under this Act. However, nothing in
2 this Section shall be construed as relieving any person, firm,
3 or corporation from any duty of exercising reasonable care in
4 selecting securities for purchase or investment.

5 Section 1-105. Budgets and reporting.

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

15 (b) The Board shall annually cause the finances of the
16 Authority to be audited by a firm of certified public
17 accountants selected by the Board in accordance with the rules
18 of the Gaming Board and post the firm's audits of the Authority
19 on the Authority's Internet website.

20 (c) The Board shall, for each fiscal year, prepare an
21 annual report setting forth information concerning its
22 activities in the fiscal year and the status of the development
23 of the casino. The annual report shall include the audited
24 financial statements of the Authority for the fiscal year, the
25 budget for the succeeding fiscal year, and the current capital

1 plan as of the date of the report. Copies of the annual report
2 shall be made available to persons who request them and shall
3 be submitted not later than 120 days after the end of the
4 Authority's fiscal year or, if the audit of the Authority's
5 financial statements is not completed within 120 days after the
6 end of the Authority's fiscal year, as soon as practical after
7 completion of the audit, to the Governor, the Mayor, the
8 General Assembly, and the Commission on Government Forecasting
9 and Accountability.

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

11 (a) All funds deposited by the Authority in any bank or
12 savings and loan association shall be placed in the name of the
13 Authority and shall be withdrawn or paid out only by check or
14 draft upon the bank or savings and loan association, signed by
15 2 officers or employees designated by the Board.
16 Notwithstanding any other provision of this Section, the Board
17 may designate any of its members or any officer or employee of
18 the Authority to authorize the wire transfer of funds deposited
19 by the secretary-treasurer of funds in a bank or savings and
20 loan association for the payment of payroll and employee
21 benefits-related expenses.

22 No bank or savings and loan association shall receive
23 public funds as permitted by this Section unless it has
24 complied with the requirements established pursuant to Section
25 6 of the Public Funds Investment Act.

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

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

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

1 beneficial interest of more than 1%.

2 (b) A bidder, respondent, offeror, or contractor for
3 contracts with an annual value of \$10,000 or more or for a
4 period to exceed one year shall disclose all political
5 contributions of the bidder, respondent, offeror, or
6 contractor and any affiliated person or entity. Disclosure
7 shall include at least the names and addresses of the
8 contributors and the dollar amounts of any contributions to any
9 political committee made within the previous 2 years. The
10 disclosure must be submitted to the Gaming Board with a copy of
11 the contract.

12 (c) As used in this Section:

13 "Contribution" means contribution as defined in Section
14 9-1.4 of the Election Code.

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

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

25 (d) The Gaming Board may direct the Authority or a casino
26 operator licensee to void a contract if a violation of this

1 Section occurs. The Authority may direct a casino operator
2 licensee to void a contract if a violation of this Section
3 occurs.

4 Section 1-115. Purchasing.

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

10 (1) when repair parts, accessories, equipment, or
11 services are required for equipment or services previously
12 furnished or contracted for;

13 (2) professional services;

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

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

21 (5) casino management contracts, which shall be
22 awarded as set forth in Section 1-45 of this Act;

23 (6) contracts where there is only one economically
24 feasible source; and

25 (7) when a purchase is needed on an immediate,

1 emergency basis because there exists a threat to public
2 health or public safety, or when immediate expenditure is
3 necessary for repairs to Authority property in order to
4 protect against further loss of or damage to Authority
5 property, to prevent or minimize serious disruption in
6 Authority services or to ensure the integrity of Authority
7 records.

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

12 (c) In determining the responsibility of any proposer, the
13 Authority may take into account the proposer's (or an
14 individual having a beneficial interest, directly or
15 indirectly, of more than 1% in such proposing entity) past
16 record of dealings with the Authority, the proposer's
17 experience, adequacy of equipment, and ability to complete
18 performance within the time set, and other factors besides
19 financial responsibility. No such contract shall be awarded to
20 any proposer other than the lowest proposer (in case of
21 purchase or expenditure) unless authorized or approved by a
22 vote of at least 2 members of the Board and such action is
23 accompanied by a written statement setting forth the reasons
24 for not awarding the contract to the highest or lowest
25 proposer, as the case may be. The statement shall be kept on
26 file in the principal office of the Authority and open to

1 public inspection.

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

11 (e) Advertisements for proposals and re-proposals shall be
12 published at least once in a daily newspaper of general
13 circulation published in the City at least 10 calendar days
14 before the time for receiving proposals and in an online
15 bulletin published on the Authority's website. Such
16 advertisements shall state the time and place for receiving and
17 opening of proposals and, by reference to plans and
18 specifications on file at the time of the first publication or
19 in the advertisement itself, shall describe the character of
20 the proposed contract in sufficient detail to fully advise
21 prospective proposers of their obligations and to ensure free
22 and open competitive selection.

23 (f) All proposals in response to advertisements shall be
24 sealed and shall be publicly opened by the Authority. All
25 proposers shall be entitled to be present in person or by
26 representatives. Cash or a certified or satisfactory cashier's

1 check, as a deposit of good faith, in a reasonable amount to be
2 fixed by the Authority before advertising for proposals, shall
3 be required with the proposal. A bond for faithful performance
4 of the contract with surety or sureties satisfactory to the
5 Authority and adequate insurance may be required in reasonable
6 amounts to be fixed by the Authority before advertising for
7 proposals.

8 (g) The contract shall be awarded as promptly as possible
9 after the opening of proposals. The proposal of the successful
10 proposer, as well as the bids of the unsuccessful proposers,
11 shall be placed on file and be open to public inspection
12 subject to the exemptions from disclosure provided under
13 Section 7 of the Freedom of Information Act. All proposals
14 shall be void if any disclosure of the terms of any proposals
15 in response to an advertisement is made or permitted to be made
16 by the Authority before the time fixed for opening proposals.

17 (h) Notice of each and every contract that is offered,
18 including renegotiated contracts and change orders, shall be
19 published in an online bulletin. The online bulletin must
20 include at least the date first offered, the date submission of
21 offers is due, the location that offers are to be submitted to,
22 a brief purchase description, the method of source selection,
23 information of how to obtain a comprehensive purchase
24 description and any disclosure and contract forms, and
25 encouragement to prospective vendors to hire qualified
26 veterans, as defined by Section 45-67 of the Illinois

1 Procurement Code, and Illinois residents discharged from any
2 Illinois adult correctional center subject to Gaming Board
3 licensing and eligibility rules. Notice of each and every
4 contract that is let or awarded, including renegotiated
5 contracts and change orders, shall be published in the online
6 bulletin and must include at least all of the information
7 specified in this subsection (h), as well as the name of the
8 successful responsible proposer or offeror, the contract
9 price, and the number of unsuccessful responsive proposers and
10 any other disclosure specified in this Section. This notice
11 must be posted in the online electronic bulletin prior to
12 execution of the contract.

13 Section 1-130. Affirmative action and equal opportunity
14 obligations of Authority.

15 (a) The Authority is subject to the requirements of Article
16 IV of Chapter 2-92 (Sections 2-92-650 through 2-92-720
17 inclusive) of the Chicago Municipal Code, as now or hereafter
18 amended, renumbered, or succeeded, concerning a Minority-Owned
19 and Women-Owned Business Enterprise Procurement Program for
20 construction contracts, and Section 2-92-420 et seq. of the
21 Chicago Municipal Code, as now or hereafter amended,
22 renumbered, or succeeded, concerning a Minority-Owned and
23 Women-Owned Business Enterprise Procurement Program to
24 determine the status of a firm as a Minority Business
25 Enterprise for city procurement purposes.

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

13 Section 1-140. Home rule. The regulation and licensing of
14 casinos and casino gaming, casino gaming facilities, and casino
15 operator licensees under this Act are exclusive powers and
16 functions of the State. A home rule unit may not regulate or
17 license casinos, casino gaming, casino gaming facilities, or
18 casino operator licensees under this Act, except as provided
19 under this Act. This Section is a denial and limitation of home
20 rule powers and functions under subsection (h) of Section 6 of
21 Article VII of the Illinois Constitution.

22 ARTICLE 10.

23 Section 10-1. Short title. This Article may be cited as the

1 Illinois State Fairgrounds Racetrack Authority Act. References
2 in this Article to "this Act" mean this Article.

3 Section 10-5. Definitions. As used in this Act:

4 "Authority" means the Illinois State Fairgrounds Racetrack
5 Authority created by this Act.

6 "Racing contractor" means any person or entity selected by
7 the Authority and approved by the Illinois Racing Board to
8 manage and operate the race meets and racing facility within
9 the Illinois State Fairgrounds pursuant to a contract.

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

12 Section 10-10. Creation of the Authority. There is hereby
13 created a political subdivision, unit of local government with
14 only the powers authorized by law, body politic, and municipal
15 corporation, by the name and style of the Illinois State
16 Fairgrounds Racetrack Authority.

17 Section 10-15. Duties of the Authority. It shall be the
18 duty of the Authority to promote, operate, and maintain horse
19 racing operations through a racing contractor in the Illinois
20 State Fairgrounds as provided in this Act. The Authority shall
21 equip and maintain the fairgrounds and its buildings and
22 facilities for that purpose. The Authority has the right to
23 contract with a racing contractor and other third parties in

1 order to fulfill its purpose. The Authority is granted all
2 rights and powers necessary to perform such duties.

3 Section 10-20. Board.

4 (a) The governing and administrative powers of the
5 Authority is vested in a body consisting of 11 members: 3 of
6 whom shall be appointed by the Chairman of the Sangamon County
7 Board with the advice and consent of the Sangamon County Board,
8 one of whom is appointed for an initial term of one year, one
9 of whom is appointed for an initial term of 2 years, and one of
10 whom is appointed for an initial term of 3 years; 2 of whom
11 shall be appointed by the Mayor of the City of Springfield with
12 the advice and consent of the city council, one of whom is
13 appointed for an initial term of one year and one of whom is
14 appointed for an initial term of 2 years; 3 of whom shall be
15 appointed by the Director of the Department of Agriculture, one
16 of whom is appointed for an initial term of one year, one of
17 whom is appointed for an initial term of 2 years, and one of
18 whom is appointed for an initial term of 3 years; 2 of whom
19 shall be appointed by the Illinois Standardbred Breeders Fund
20 Advisory Board, one of whom is appointed for an initial term of
21 one year and one of whom is appointed or an initial term of 2
22 years; and one of whom shall be appointed by the horsemen's
23 association representing the largest number of standardbred
24 owners, breeders, and trainers, who is appointed for an initial
25 term of one year. All appointees shall be subject to approval

1 by the Illinois Racing Board. The Chairman of the Authority
2 shall be elected annually by the Board.

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

14 (c) The appointing officer or the Illinois Racing Board may
15 remove any member of the Board upon a finding of incompetence,
16 neglect of duty, or misfeasance or malfeasance in office or for
17 a violation of this Act. The Illinois Racing Board may remove
18 any member of the Board for any violation of the Illinois Horse
19 Racing Act of 1975 or the rules and regulations of the Illinois
20 Racing Board.

21 (d) Board members shall receive \$300 for each day it meets
22 and shall be entitled to reimbursement of reasonable expenses
23 incurred in the performance of their official duties. A Board
24 member who serves in the office of secretary-treasurer may also
25 receive compensation for services provided as that officer.

26 (e) The Board shall prescribe the time and place for

1 meetings, the manner in which special meetings may be called,
2 and the notice that must be given to members. All actions and
3 meetings of the Board shall be subject to the provisions of the
4 Open Meetings Act. Six members of the Board shall constitute a
5 quorum. All substantive action of the Board shall be by
6 resolution with an affirmative vote of a majority of the
7 members.

8 Section 10-25. Executive director; officers.

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

1 following:

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

5 (2) Attend meetings of the Board.

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

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

10 (5) Report and make recommendations to the Board
11 concerning the terms and conditions of any contract with a
12 horse racing contractor.

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

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

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

20 Section 10-30. General rights and powers of the Authority.
21 In addition to the duties and powers set forth in this Act, the
22 Authority shall have the following rights and powers:

23 (1) Transition the conduct of horse racing at the
24 Illinois State Fairgrounds from an annual race meeting that
25 is contained within the duration of the Illinois State Fair

1 to an annual standardbred race meeting that lasts from 3 to
2 9 months, depending on funding and market conditions.

3 (2) Adopt and alter an official seal.

4 (3) Establish and change its fiscal year.

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

8 (5) Adopt, amend, and repeal by-laws, rules, and
9 regulations consistent with the furtherance of the powers
10 and duties provided for.

11 (6) Maintain its principal office and such other
12 offices as the Board may designate.

13 (7) Conduct background investigations of potential
14 racing contractors, including its principals or
15 shareholders, and Authority staff.

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

23 (9) Operate and maintain grounds, buildings, and
24 facilities to carry out its corporate purposes and duties.

25 (10) Enter into, revoke, and modify contracts.

26 (11) Enter into a contract with a racing contractor.

1 (12) Develop, or cause to be developed by a third
2 party, a master plan for development of horse racing at the
3 Illinois State Fairgrounds.

4 (13) Negotiate and enter into intergovernmental
5 agreements with the State and its agencies and units of
6 local government in furtherance of the powers and duties of
7 the Board, including with the Department of Agriculture for
8 the use of facilities in compliance with the State Fair
9 Act.

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

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

23 (16) Receive and accept from any source, private or
24 public, contributions, gifts, or grants of money or
25 property to the Authority.

26 (17) Provide for the insurance of any property,

1 operations, officers, members, agents, or employees of the
2 Authority against any risk or hazard, to self-insure or
3 participate in joint self-insurance pools or entities to
4 insure against such risk or hazard, and to provide for the
5 indemnification of its officers, members, employees,
6 contractors, or agents against any and all risks.

7 (18) Exercise all the corporate powers granted
8 Illinois corporations under the Business Corporation Act
9 of 1983, except to the extent that powers are inconsistent
10 with those of a body politic and corporate of the State.

11 (19) Do all things necessary or convenient to carry out
12 the powers granted by this Act.

13 Section 10-32. Ethical conduct.

14 (a) Board members and employees of the Authority must carry
15 out their duties and responsibilities in such a manner as to
16 promote and preserve public trust and confidence in the
17 integrity and conduct of gaming.

18 (b) Except as may be required in the conduct of official
19 duties, Board members and employees of the Authority shall not
20 engage in gambling on any riverboat, in any casino, or in an
21 electronic gaming facility licensed by the Illinois Gaming
22 Board or engage in legalized gambling in any establishment
23 identified by Board action that, in the judgment of the Board,
24 could represent a potential for a conflict of interest.

25 (c) A Board member or employee of the Authority shall not

1 use or attempt to use his or her official position to secure or
2 attempt to secure any privilege, advantage, favor, or influence
3 for himself or herself or others.

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

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

17 (f) Board members and employees of the Authority may not
18 have a financial interest, directly or indirectly, in his or
19 her own name or in the name of any other person, partnership,
20 association, trust, corporation, or other entity in any
21 contract or subcontract for the performance of any work for the
22 Authority. This prohibition shall extend to the holding or
23 acquisition of an interest in any entity identified by Board
24 action or Gaming Board action that, in the judgment of either
25 entity, could represent the potential for or the appearance of
26 a financial interest. The holding or acquisition of an interest

1 in such entities through an indirect means, such as through a
2 mutual fund, shall not be prohibited, except that the Gaming
3 Board may identify specific investments or funds that, in its
4 judgment, are so influenced by gaming holdings as to represent
5 the potential for or the appearance of a conflict of interest.

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

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

20 (i) A spouse, child, or parent of a Board member or
21 employee of the Authority may not have a financial interest,
22 directly or indirectly, in his or her own name or in the name
23 of any other person, partnership, association, trust,
24 corporation, or other entity in any contract or subcontract for
25 the performance of any work for the Authority. This prohibition
26 shall extend to the holding or acquisition of an interest in

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

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

16 (k) A spouse, child, or parent of a Board member or
17 employee of the Authority may not, while the person is a Board
18 member or employee of the spouse or within a period of 2 years
19 immediately after termination of employment, knowingly accept
20 employment or receive compensation or fees for services from a
21 person or entity, or its parent or affiliate, that has engaged
22 in business with the Authority that resulted in contracts with
23 an aggregate value of at least \$25,000 or if that Board member
24 or employee has made a decision that directly applied to the
25 person or entity, or its parent or affiliate.

26 (l) No Board member or employee of the Authority may

1 attempt, in any way, to influence any person or corporation
2 doing business with the Authority or any officer, agent, or
3 employee thereof to hire or contract with any person or
4 corporation for any compensated work.

5 (m) Any communication between an elected official of the
6 City of Springfield or Sangamon County and a potential racing
7 contractor, or an officer, director, or employee thereof,
8 concerning any manner relating in any way to gaming or the
9 Authority shall be disclosed to the Board and the Gaming Board.
10 Such disclosure shall be in writing by the official within 30
11 days after the communication and shall be filed with the Board.
12 Disclosure must consist of the date of the communication, the
13 identity and job title of the person with whom the
14 communication was made, a brief summary of the communication,
15 the action requested or recommended, all responses made, the
16 identity and job title of the person making the response, and
17 any other pertinent information.

18 Public disclosure of the written summary provided to the
19 Board and the Gaming Board shall be subject to the exemptions
20 provided under Section 7 of the Freedom of Information Act.

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

24 Section 10-35. Contracts with racing contractors.

25 (a) The Board shall develop and administer a competitive

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

12 (b) The Board may enter into contracts for the development
13 of horse racing at the Illinois State Fairgrounds, provided
14 that no such contract shall encumber the Department of
15 Agriculture.

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

23 (d) After reviewing proposals and subject to approval by
24 the Illinois Racing Board, the Board shall enter into a
25 contract. If the Illinois Racing Board approves the contract,
26 the Board shall transmit a copy of the executed contract to the

1 Illinois Racing Board.

2 Section 10-37. Applicability of the Illinois Horse Racing
3 Act of 1975. The Authority and its racing contractor are
4 subject to the Illinois Horse Racing Act of 1975 and all of the
5 rules of the Illinois Racing Board.

6 Section 10-40. Transfer of funds. The revenues received by
7 the Authority (other than amounts required to be paid pursuant
8 to the Illinois Horse Racing Act of 1975 and amounts required
9 to pay the operating expenses of the Authority, to pay amounts
10 due the racing contractor pursuant to a contract, and to repay
11 any borrowing of the Authority made pursuant to Section 30)
12 shall be distributed as follows: 50% shall be paid to the
13 Department of Agriculture for deposit into the State
14 Fairgrounds Infrastructure Improvement Fund and 50% shall be
15 paid into the Future of Agriculture Fund.

16 Section 10-45. Jurisdiction over property. The Authority
17 shall have concurrent jurisdiction with the Department of
18 Agriculture over all of the real estate of the Illinois State
19 Fairgrounds that is used for horse racing, including those
20 facilities commonly known as "one-mile track" and adjacent
21 backstretch infrastructure; however, when it is necessary to
22 have controlling jurisdiction over the operation of the
23 property to obey a mandate of the Illinois Racing Board, the

1 Authority shall have controlling jurisdiction, except that no
2 such compliance by the Authority to any mandate imposed by the
3 Racing Board shall impose any budgetary expense upon the
4 Department of Agriculture. No substantial changes may be made
5 to the infrastructure of the Illinois State Fairgrounds unless
6 the Director of Agriculture grants affirmative approval for the
7 changes.

8 Section 10-50. Budgets and reporting.

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

18 (b) The Board shall annually cause the finances of the
19 Authority to be audited by a firm of certified public
20 accountants and post the firm's audits of the Authority on the
21 Authority's Internet website. The Auditor General has the
22 authority and is required to conduct a financial and management
23 audit of the Authority every 2 years. The Auditor General's
24 audits must be posted on his or her Internet website. The
25 Auditor General shall submit a bill to the Authority for costs

1 associated with the audits required under this Section. The
2 Authority shall reimburse in a timely manner.

3 (c) The Board shall, for each fiscal year, prepare an
4 annual report setting forth information concerning its
5 activities in the fiscal year. The annual report shall include
6 the audited financial statements of the Authority for the
7 fiscal year, the budget for the succeeding fiscal year, and the
8 current capital plan as of the date of the report. Copies of
9 the annual report shall be made available to persons who
10 request them and shall be submitted not later than 120 days
11 after the end of the Authority's fiscal year to the Governor,
12 the Mayor, the General Assembly, and the Commission on
13 Government Forecasting and Accountability.

14 Section 10-55. Deposit and withdrawal of funds.

15 (a) All funds deposited by the Authority in any bank or
16 savings and loan association shall be placed in the name of the
17 Authority and shall be withdrawn or paid out only by check or
18 draft upon the bank or savings and loan association, signed by
19 2 officers or employees designated by the Board.
20 Notwithstanding any other provision of this Section, the Board
21 may designate any of its members or any officer or employee of
22 the Authority to authorize the wire transfer of funds deposited
23 by the secretary-treasurer of funds in a bank or savings and
24 loan association for the payment of payroll and employee
25 benefits-related expenses.

1 No bank or savings and loan association shall receive
2 public funds as permitted by this Section unless it has
3 complied with the requirements established pursuant to Section
4 6 of the Public Funds Investment Act.

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

12 Section 10-60. Contracts with the Authority; disclosure
13 requirements.

14 (a) A bidder, offeror, or contractor must disclose the
15 names of all officers and directors. A bidder, offeror, or
16 contractor for contracts with the Authority shall disclose the
17 identity of every owner, beneficiary, or person with beneficial
18 interest of more than 1%, or shareholder entitled to receive
19 more than 1% of the total distributable income of any
20 corporation, having any interest in the contract in the bidder,
21 offeror, or contractor. The disclosure shall be in writing and
22 attested to by an owner, trustee, corporate official, or agent.
23 If stock in a corporation is publicly traded and there is no
24 readily known individual having greater than a 1% interest,
25 then a statement to that effect attested to by an officer or

1 agent of the corporation or shall fulfill the disclosure
2 statement requirement of this Section. A bidder, offeror, or
3 contractor shall notify the Authority of any changes in
4 officers, directors, ownership, or individuals having a
5 beneficial interest of more than 1%.

6 (b) A bidder, offeror, or contractor for contracts with an
7 annual value of \$10,000 or for a period to exceed one year
8 shall disclose all political contributions of the bidder,
9 offeror, or contractor and any affiliated person or entity.
10 Disclosure shall include at least the names and addresses of
11 the contributors and the dollar amounts of any contributions to
12 any political committee made within the previous 2 years.

13 (c) As used in this Section:

14 "Contribution" means contribution as defined in Section
15 9-1.4 of the Election Code.

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

21 "Affiliated entity" means (i) any parent or subsidiary of
22 the bidding or contracting entity, (ii) any member of the same
23 unitary business group, or (iii) any political committee for
24 which the bidding or contracting entity is the sponsoring
25 entity.

26 (d) The Illinois Racing Board may direct the Authority to

1 void a contract if a violation of this Section occurs.

2 Section 10-65. Purchasing.

3 (a) All construction contracts and contracts for supplies,
4 materials, equipment, and services, when the cost thereof to
5 the Authority exceeds \$25,000, shall be let to the lowest
6 responsible bidder, after advertising for bids, except for the
7 following:

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

11 (2) Professional services;

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

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

19 (5) Contracts with a racing contractor, which shall be
20 awarded as set forth in Section 35 of this Act.

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

24 (c) In determining the responsibility of any bidder, the
25 Authority may take into account the bidder's (or an individual

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

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

23 (e) Advertisements for bids and re-bids shall be published
24 at least once in a daily newspaper of general circulation
25 published in the City of Springfield at least 10 calendar days
26 before the time for receiving bids, and such advertisements

1 shall also be posted on readily accessible bulletin boards in
2 the principal office of the Authority. Such advertisements
3 shall state the time and place for receiving and opening of
4 bids and, by reference to plans and specifications on file at
5 the time of the first publication or in the advertisement
6 itself, shall describe the character of the proposed contract
7 in sufficient detail to fully advise prospective bidders of
8 their obligations and to ensure free and open competitive
9 bidding.

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

21 (g) The contract shall be awarded as promptly as possible
22 after the opening of bids. The bid of the successful bidder, as
23 well as the bids of the unsuccessful bidders, shall be placed
24 on file and be open to public inspection. All bids shall be
25 void if any disclosure of the terms of any bid in response to
26 an advertisement is made or permitted to be made by the

1 Authority before the time fixed for opening bids.

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

23 ARTICLE 90.

24 Section 90-1. Findings. The General Assembly makes all of

1 the following findings:

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

8 (2) That these shortfalls could postpone much-needed
9 road construction, school construction, and other
10 infrastructure improvements.

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

14 (4) That a significant infusion of new revenue is
15 necessary to ensure that those projects, which are
16 fundamental to the State's economic recovery, proceed as
17 planned.

18 (5) That the decline of the Illinois horse racing and
19 breeding program, a \$2.5 billion industry, would be
20 reversed if this amendatory Act of the 97th General
21 Assembly would be enacted.

22 (6) That the Illinois horse racing industry is on the
23 verge of extinction due to fierce competition from fully
24 developed horse racing and gaming operations in other
25 states.

26 (7) That Illinois lawmakers agreed in 1999 to earmark

1 15% of the forthcoming 10th casino's revenue for horse
2 racing; the State's horse racing industry has never seen a
3 penny of that revenue because the 10th casino has yet to
4 open.

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

13 (9) That Illinois agriculture and other businesses
14 that support and supply the horse racing industry, already
15 a sector that employs over 37,000 Illinoisans, also stand
16 to substantially benefit and would be much more likely to
17 create additional jobs should Illinois horse racing once
18 again become competitive with other states.

19 (10) That by keeping these projects on track, the State
20 can be sure that significant job and economic growth will
21 in fact result from the previously enacted legislation.

22 (11) That gaming machines at Illinois horse racing
23 tracks would create an estimated 1,200 to 1,500 permanent
24 jobs, and an estimated capital investment of up to \$200
25 million to \$400 million at these race tracks would prompt
26 additional trade organization jobs necessary to construct

1 new facilities or remodel race tracks to operate electronic
2 gaming.

3 Section 90-3. The State Officials and Employees Ethics Act
4 is amended by changing Section 5-45 as follows:

5 (5 ILCS 430/5-45)

6 Sec. 5-45. Procurement; revolving door prohibition.

7 (a) No former officer, member, or State employee, or spouse
8 or immediate family member living with such person, shall,
9 within a period of one year immediately after termination of
10 State employment, knowingly accept employment or receive
11 compensation or fees for services from a person or entity if
12 the officer, member, or State employee, during the year
13 immediately preceding termination of State employment,
14 participated personally and substantially in the award of State
15 contracts, or the issuance of State contract change orders,
16 with a cumulative value of \$25,000 or more to the person or
17 entity, or its parent or subsidiary.

18 (b) No former officer of the executive branch or State
19 employee of the executive branch with regulatory or licensing
20 authority, or spouse or immediate family member living with
21 such person, shall, within a period of one year immediately
22 after termination of State employment, knowingly accept
23 employment or receive compensation or fees for services from a
24 person or entity if the officer or State employee, during the

1 year immediately preceding termination of State employment,
2 participated personally and substantially in making a
3 regulatory or licensing decision that directly applied to the
4 person or entity, or its parent or subsidiary.

5 (c) Within 6 months after the effective date of this
6 amendatory Act of the 96th General Assembly, each executive
7 branch constitutional officer and legislative leader, the
8 Auditor General, and the Joint Committee on Legislative Support
9 Services shall adopt a policy delineating which State positions
10 under his or her jurisdiction and control, by the nature of
11 their duties, may have the authority to participate personally
12 and substantially in the award of State contracts or in
13 regulatory or licensing decisions. The Governor shall adopt
14 such a policy for all State employees of the executive branch
15 not under the jurisdiction and control of any other executive
16 branch constitutional officer.

17 The policies required under subsection (c) of this Section
18 shall be filed with the appropriate ethics commission
19 established under this Act or, for the Auditor General, with
20 the Office of the Auditor General.

21 (d) Each Inspector General shall have the authority to
22 determine that additional State positions under his or her
23 jurisdiction, not otherwise subject to the policies required by
24 subsection (c) of this Section, are nonetheless subject to the
25 notification requirement of subsection (f) below due to their
26 involvement in the award of State contracts or in regulatory or

1 licensing decisions.

2 (e) The Joint Committee on Legislative Support Services,
3 the Auditor General, and each of the executive branch
4 constitutional officers and legislative leaders subject to
5 subsection (c) of this Section shall provide written
6 notification to all employees in positions subject to the
7 policies required by subsection (c) or a determination made
8 under subsection (d): (1) upon hiring, promotion, or transfer
9 into the relevant position; and (2) at the time the employee's
10 duties are changed in such a way as to qualify that employee.
11 An employee receiving notification must certify in writing that
12 the person was advised of the prohibition and the requirement
13 to notify the appropriate Inspector General in subsection (f).

14 (f) Any State employee in a position subject to the
15 policies required by subsection (c) or to a determination under
16 subsection (d), but who does not fall within the prohibition of
17 subsection (h) below, who is offered non-State employment
18 during State employment or within a period of one year
19 immediately after termination of State employment shall, prior
20 to accepting such non-State employment, notify the appropriate
21 Inspector General. Within 10 calendar days after receiving
22 notification from an employee in a position subject to the
23 policies required by subsection (c), such Inspector General
24 shall make a determination as to whether the State employee is
25 restricted from accepting such employment by subsection (a) or
26 (b). In making a determination, in addition to any other

1 relevant information, an Inspector General shall assess the
2 effect of the prospective employment or relationship upon
3 decisions referred to in subsections (a) and (b), based on the
4 totality of the participation by the former officer, member, or
5 State employee in those decisions. A determination by an
6 Inspector General must be in writing, signed and dated by the
7 Inspector General, and delivered to the subject of the
8 determination within 10 calendar days or the person is deemed
9 eligible for the employment opportunity. For purposes of this
10 subsection, "appropriate Inspector General" means (i) for
11 members and employees of the legislative branch, the
12 Legislative Inspector General; (ii) for the Auditor General and
13 employees of the Office of the Auditor General, the Inspector
14 General provided for in Section 30-5 of this Act; and (iii) for
15 executive branch officers and employees, the Inspector General
16 having jurisdiction over the officer or employee. Notice of any
17 determination of an Inspector General and of any such appeal
18 shall be given to the ultimate jurisdictional authority, the
19 Attorney General, and the Executive Ethics Commission.

20 (g) An Inspector General's determination regarding
21 restrictions under subsection (a) or (b) may be appealed to the
22 appropriate Ethics Commission by the person subject to the
23 decision or the Attorney General no later than the 10th
24 calendar day after the date of the determination.

25 On appeal, the Ethics Commission or Auditor General shall
26 seek, accept, and consider written public comments regarding a

1 determination. In deciding whether to uphold an Inspector
2 General's determination, the appropriate Ethics Commission or
3 Auditor General shall assess, in addition to any other relevant
4 information, the effect of the prospective employment or
5 relationship upon the decisions referred to in subsections (a)
6 and (b), based on the totality of the participation by the
7 former officer, member, or State employee in those decisions.
8 The Ethics Commission shall decide whether to uphold an
9 Inspector General's determination within 10 calendar days or
10 the person is deemed eligible for the employment opportunity.

11 (h) The following officers, members, or State employees
12 shall not, within a period of one year immediately after
13 termination of office or State employment, knowingly accept
14 employment or receive compensation or fees for services from a
15 person or entity if the person or entity or its parent or
16 subsidiary, during the year immediately preceding termination
17 of State employment, was a party to a State contract or
18 contracts with a cumulative value of \$25,000 or more involving
19 the officer, member, or State employee's State agency, or was
20 the subject of a regulatory or licensing decision involving the
21 officer, member, or State employee's State agency, regardless
22 of whether he or she participated personally and substantially
23 in the award of the State contract or contracts or the making
24 of the regulatory or licensing decision in question:

25 (1) members or officers;

26 (2) members of a commission or board created by the

1 Illinois Constitution;

2 (3) persons whose appointment to office is subject to
3 the advice and consent of the Senate;

4 (4) the head of a department, commission, board,
5 division, bureau, authority, or other administrative unit
6 within the government of this State;

7 (5) chief procurement officers, State purchasing
8 officers, and their designees whose duties are directly
9 related to State procurement; ~~and~~

10 (6) chiefs of staff, deputy chiefs of staff, associate
11 chiefs of staff, assistant chiefs of staff, and deputy
12 governors; ~~and~~

13 (7) employees of the Illinois Racing Board; and

14 (8) employees of the Illinois Gaming board.

15 (Source: P.A. 96-555, eff. 8-18-09.)

16 Section 90-4. The State Fair Act is amended by changing
17 Sections 10 and 12 as follows:

18 (20 ILCS 210/10) (from Ch. 127, par. 1710)

19 Sec. 10. The Department may enter into contracts with other
20 government agencies to assist them in the operation of each
21 State Fair and the State Fairgrounds as well as the
22 requirements set forth in Section 9 of this Act.

23 The Department may cooperate with any other local, State or
24 federal agency in the furtherance of the intent of this Act.

1 The Department may receive and use any donation either from
2 the private or public sectors which is for betterment of each
3 State Fair and the State Fairgrounds.

4 All revenues from the operation and use of any facilities
5 of the Illinois State Fair at Springfield and the Springfield
6 State Fairgrounds, other than revenues from horse racing
7 conducted at the Springfield State Fairgrounds by the Illinois
8 State Fairgrounds Racetrack Authority, shall be deposited in
9 the Illinois State Fair Fund. All revenues from the operation
10 and use of any facilities of the DuQuoin State Fair and the
11 DuQuoin State Fairgrounds shall be deposited into the
12 Agricultural Premium Fund. All funds in the Illinois State Fair
13 Fund shall be used by the Department of Agriculture in
14 accordance with appropriation by the General Assembly for
15 operation of the Illinois State Fair.

16 (Source: P.A. 88-5.)

17 (20 ILCS 210/12) (from Ch. 127, par. 1712)

18 Sec. 12. The Department shall have the power to promulgate
19 rules and regulations, pursuant to the Illinois Administrative
20 Procedure Act, governing the holding of each State Fair, the
21 operation of the State Fairgrounds, ~~the conditions under which~~
22 ~~racing shall be permitted on the State Fairgrounds,~~ the policy
23 for policing the grounds, and such other reasonable rules and
24 regulations as are necessary to carry out the intent of the
25 Act. However, the Department shall not be required to

1 promulgate rules and regulations pursuant to the Illinois
2 Administrative Procedure Act concerning those operations
3 stated in subsections (b) and (c) of Section 6 of this Act.
4 Instead, the requirements set forth in subsections (b) and (c)
5 of Section 6 must be followed.

6 (Source: P.A. 93-1055, eff. 11-23-04.)

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

9 (20 ILCS 301/5-20)

10 Sec. 5-20. Compulsive gambling program.

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

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

21 (2) Promotion of public awareness regarding the
22 recognition and prevention of problem and compulsive
23 gambling.

24 (3) Facilitation, through in-service training and

1 other means, of the availability of effective assistance
2 programs for problem and compulsive gamblers.

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

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

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

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

21 Section 90-7. The Department of Commerce and Economic
22 Opportunity Law of the Civil Administrative Code of Illinois is
23 amended by adding Section 605-530 as follows:

24 (20 ILCS 605/605-530 new)

1 Sec. 605-530. The Depressed Communities Economic
2 Development Board.

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

7 (1) One member appointed by the President of the Senate
8 to serve an initial term of 2 years.

9 (2) One member appointed by the Minority Leader of the
10 Senate to serve an initial term of one year.

11 (3) One member appointed by the Speaker of the House of
12 Representatives to serve an initial term of 2 years.

13 (4) One member appointed by the Minority Leader of the
14 House of Representatives to serve an initial term of one
15 year.

16 (5) Four members appointed by the Governor, 2 of whom
17 are appointed to serve an initial term of one year and 2 of
18 whom are appointed to serve an initial term of 2 years with
19 one being designated as chair of the Board at the time of
20 appointment.

21 After the initial terms, each member shall be appointed to
22 serve a term of 2 years and until his or her successor has been
23 appointed and assumes office. If a vacancy occurs in the Board
24 membership, then the vacancy shall be filled in the same manner
25 as the initial appointment. No member of the Board shall, at
26 the time of his or her appointment or within 2 years before the

1 appointment, hold elected office or be appointed to a State
2 board, commission, or agency. All Board members are subject to
3 the State Officials and Employees Ethics Act.

4 (b) Board members shall serve without compensation, but may
5 be reimbursed for their reasonable travel expenses from funds
6 available for that purpose. The Department of Commerce and
7 Economic Opportunity shall provide staff and administrative
8 support services to the Board.

9 (c) The Board must make recommendations, which must be
10 approved by a majority of the Board, to the Department of
11 Commerce and Economic Opportunity concerning the award of
12 grants from amounts appropriated to the Department from the
13 Depressed Communities Economic Development Fund, a special
14 fund created in the State treasury. The Department must make
15 grants to public or private entities submitting proposals to
16 the Board to revitalize an Illinois depressed community. Grants
17 may be used by these entities only for those purposes
18 conditioned with the grant. For the purposes of this subsection
19 (c), plans for revitalizing an Illinois depressed community
20 include plans intended to curb high levels of poverty,
21 unemployment, job and population loss, and general distress. An
22 Illinois depressed community is an area where the poverty rate,
23 as determined by using the most recent data released by the
24 United States Census Bureau, is at least 3% greater than the
25 State poverty rate as determined by using the most recent data
26 released by the United States Census Bureau.

1 Section 90-10. The Department of Revenue Law of the Civil
2 Administrative Code of Illinois is amended by changing Section
3 2505-305 as follows:

4 (20 ILCS 2505/2505-305) (was 20 ILCS 2505/39b15.1)
5 Sec. 2505-305. Investigators.

6 (a) The Department has the power to appoint investigators
7 to conduct all investigations, searches, seizures, arrests,
8 and other duties imposed under the provisions of any law
9 administered by the Department. Except as provided in
10 subsection (c), these investigators have and may exercise all
11 the powers of peace officers solely for the purpose of
12 enforcing taxing measures administered by the Department.

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

20 (c) The Department may enter into agreements with the
21 Illinois Gaming Board providing that investigators appointed
22 under this Section shall exercise the peace officer powers set
23 forth in paragraph (20.6) of subsection (c) of Section 5 of the
24 Illinois Riverboat ~~Riverboat~~ Gambling Act.

1 (Source: P.A. 96-37, eff. 7-13-09.)

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

4 (30 ILCS 5/3-1) (from Ch. 15, par. 303-1)

5 Sec. 3-1. Jurisdiction of Auditor General. The Auditor
6 General has jurisdiction over all State agencies to make post
7 audits and investigations authorized by or under this Act or
8 the Constitution.

9 The Auditor General has jurisdiction over local government
10 agencies and private agencies only:

11 (a) to make such post audits authorized by or under
12 this Act as are necessary and incidental to a post audit of
13 a State agency or of a program administered by a State
14 agency involving public funds of the State, but this
15 jurisdiction does not include any authority to review local
16 governmental agencies in the obligation, receipt,
17 expenditure or use of public funds of the State that are
18 granted without limitation or condition imposed by law,
19 other than the general limitation that such funds be used
20 for public purposes;

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

23 (c) to make audits of the records of local government
24 agencies to verify actual costs of state-mandated programs

1 when directed to do so by the Legislative Audit Commission
2 at the request of the State Board of Appeals under the
3 State Mandates Act.

4 In addition to the foregoing, the Auditor General may
5 conduct an audit of the Metropolitan Pier and Exposition
6 Authority, the Regional Transportation Authority, the Suburban
7 Bus Division, the Commuter Rail Division and the Chicago
8 Transit Authority and any other subsidized carrier when
9 authorized by the Legislative Audit Commission. Such audit may
10 be a financial, management or program audit, or any combination
11 thereof.

12 The audit shall determine whether they are operating in
13 accordance with all applicable laws and regulations. Subject to
14 the limitations of this Act, the Legislative Audit Commission
15 may by resolution specify additional determinations to be
16 included in the scope of the audit.

17 In addition to the foregoing, the Auditor General must also
18 conduct a financial audit of the Illinois Sports Facilities
19 Authority's expenditures of public funds in connection with the
20 reconstruction, renovation, remodeling, extension, or
21 improvement of all or substantially all of any existing
22 "facility", as that term is defined in the Illinois Sports
23 Facilities Authority Act.

24 The Auditor General may also conduct an audit, when
25 authorized by the Legislative Audit Commission, of any hospital
26 which receives 10% or more of its gross revenues from payments

1 from the State of Illinois, Department of Healthcare and Family
2 Services (formerly Department of Public Aid), Medical
3 Assistance Program.

4 The Auditor General is authorized to conduct financial and
5 compliance audits of the Illinois Distance Learning Foundation
6 and the Illinois Conservation Foundation.

7 As soon as practical after the effective date of this
8 amendatory Act of 1995, the Auditor General shall conduct a
9 compliance and management audit of the City of Chicago and any
10 other entity with regard to the operation of Chicago O'Hare
11 International Airport, Chicago Midway Airport and Merrill C.
12 Meigs Field. The audit shall include, but not be limited to, an
13 examination of revenues, expenses, and transfers of funds;
14 purchasing and contracting policies and practices; staffing
15 levels; and hiring practices and procedures. When completed,
16 the audit required by this paragraph shall be distributed in
17 accordance with Section 3-14.

18 The Auditor General shall conduct a financial and
19 compliance and program audit of distributions from the
20 Municipal Economic Development Fund during the immediately
21 preceding calendar year pursuant to Section 8-403.1 of the
22 Public Utilities Act at no cost to the city, village, or
23 incorporated town that received the distributions.

24 The Auditor General must conduct an audit of the Health
25 Facilities and Services Review Board pursuant to Section 19.5
26 of the Illinois Health Facilities Planning Act.

1 The Auditor General must conduct an audit of the Chicago
2 Casino Development Authority pursuant to Section 1-60 of the
3 Chicago Casino Development Authority Act.

4 The Auditor General of the State of Illinois shall annually
5 conduct or cause to be conducted a financial and compliance
6 audit of the books and records of any county water commission
7 organized pursuant to the Water Commission Act of 1985 and
8 shall file a copy of the report of that audit with the Governor
9 and the Legislative Audit Commission. The filed audit shall be
10 open to the public for inspection. The cost of the audit shall
11 be charged to the county water commission in accordance with
12 Section 6z-27 of the State Finance Act. The county water
13 commission shall make available to the Auditor General its
14 books and records and any other documentation, whether in the
15 possession of its trustees or other parties, necessary to
16 conduct the audit required. These audit requirements apply only
17 through July 1, 2007.

18 The Auditor General must conduct audits of the Rend Lake
19 Conservancy District as provided in Section 25.5 of the River
20 Conservancy Districts Act.

21 The Auditor General must conduct financial audits of the
22 Southeastern Illinois Economic Development Authority as
23 provided in Section 70 of the Southeastern Illinois Economic
24 Development Authority Act.

25 The Auditor General shall conduct a compliance audit in
26 accordance with subsections (d) and (f) of Section 30 of the

1 Innovation Development and Economy Act.

2 (Source: P.A. 95-331, eff. 8-21-07; 96-31, eff. 6-30-09;
3 96-939, eff. 6-24-10.)

4 Section 90-15. The State Finance Act is amended by adding
5 Sections 5.786, 5.787, 5.788, 5.789, 5.790, 6z-79, 6z-87, 6z-88
6 and by changing Sections 6z-32 and 6z-77 as follows:

7 (30 ILCS 105/5.786 new)

8 Sec. 5.786. The State and County Fair Assistance Fund.

9 (30 ILCS 105/5.787 new)

10 Sec. 5.787. The Depressed Communities Economic Development
11 Fund.

12 (30 ILCS 105/5.788 new)

13 Sec. 5.788. The Gaming Facilities Fee Revenue Fund.

14 (30 ILCS 105/5.789 new)

15 Sec. 5.789. The Future of Agriculture Fund.

16 (30 ILCS 105/5.790 new)

17 Sec. 5.790. The State Fairgrounds Infrastructure
18 Improvement Fund.

19 (30 ILCS 105/6z-32)

1 Sec. 6z-32. Partners for Planning and Conservation.

2 (a) The Partners for Conservation Fund (formerly known as
3 the Conservation 2000 Fund) and the Partners for Conservation
4 Projects Fund (formerly known as the Conservation 2000 Projects
5 Fund) are created as special funds in the State Treasury. These
6 funds shall be used to establish a comprehensive program to
7 protect Illinois' natural resources through cooperative
8 partnerships between State government and public and private
9 landowners. Moneys in these Funds may be used, subject to
10 appropriation, by the Department of Natural Resources,
11 Environmental Protection Agency, and the Department of
12 Agriculture for purposes relating to natural resource
13 protection, planning, recreation, tourism, and compatible
14 agricultural and economic development activities. Without
15 limiting these general purposes, moneys in these Funds may be
16 used, subject to appropriation, for the following specific
17 purposes:

18 (1) To foster sustainable agriculture practices and
19 control soil erosion and sedimentation, including grants
20 to Soil and Water Conservation Districts for conservation
21 practice cost-share grants and for personnel, educational,
22 and administrative expenses.

23 (2) To establish and protect a system of ecosystems in
24 public and private ownership through conservation
25 easements, incentives to public and private landowners,
26 natural resource restoration and preservation, water

1 quality protection and improvement, land use and watershed
2 planning, technical assistance and grants, and land
3 acquisition provided these mechanisms are all voluntary on
4 the part of the landowner and do not involve the use of
5 eminent domain.

6 (3) To develop a systematic and long-term program to
7 effectively measure and monitor natural resources and
8 ecological conditions through investments in technology
9 and involvement of scientific experts.

10 (4) To initiate strategies to enhance, use, and
11 maintain Illinois' inland lakes through education,
12 technical assistance, research, and financial incentives.

13 (5) To partner with private landowners and with units
14 of State, federal, and local government and with
15 not-for-profit organizations in order to integrate State
16 and federal programs with Illinois' natural resource
17 protection and restoration efforts and to meet
18 requirements to obtain federal and other funds for
19 conservation or protection of natural resources.

20 (b) The State Comptroller and State Treasurer shall
21 automatically transfer on the last day of each month, beginning
22 on September 30, 1995 and ending on June 30, 2021, from the
23 General Revenue Fund to the Partners for Conservation Fund, an
24 amount equal to 1/10 of the amount set forth below in fiscal
25 year 1996 and an amount equal to 1/12 of the amount set forth
26 below in each of the other specified fiscal years:

| | | |
|----|-------------------------|--------------|
| 1 | Fiscal Year | Amount |
| 2 | 1996 | \$ 3,500,000 |
| 3 | 1997 | \$ 9,000,000 |
| 4 | 1998 | \$10,000,000 |
| 5 | 1999 | \$11,000,000 |
| 6 | 2000 | \$12,500,000 |
| 7 | 2001 through 2004 | \$14,000,000 |
| 8 | 2005 | \$7,000,000 |
| 9 | 2006 | \$11,000,000 |
| 10 | 2007 | \$0 |
| 11 | 2008 through 2021 | \$14,000,000 |

12 (c) Notwithstanding any other provision of law to the
13 contrary and in addition to any other transfers that may be
14 provided for by law, on the last day of each month beginning on
15 July 31, 2006 and ending on June 30, 2007, or as soon
16 thereafter as may be practical, the State Comptroller shall
17 direct and the State Treasurer shall transfer \$1,000,000 from
18 the Open Space Lands Acquisition and Development Fund to the
19 Conservation 2000 Fund.

20 (d) There shall be deposited into the Partners for
21 Conservation Projects Fund such bond proceeds and other moneys
22 as may, from time to time, be provided by law.

23 (e) Revenues deposited into the Fund pursuant to subsection
24 (b-12) of Section 13 of the Illinois Gambling Act shall be used
25 solely for grants to soil and water conservation districts.
26 Such revenues shall supplement, and not supplant, other State

1 funding for soil and water conservation districts.

2 (Source: P.A. 94-91, eff. 7-1-05; 94-839, eff. 6-6-06; 95-139,
3 eff. 1-1-08.)

4 (30 ILCS 105/6z-77)

5 Sec. 6z-77. The Capital Projects Fund.

6 (a) The Capital Projects Fund is created as a special fund
7 in the State Treasury. The State Comptroller and State
8 Treasurer shall transfer from the Capital Projects Fund to the
9 General Revenue Fund \$61,294,550 on October 1, 2009,
10 \$122,589,100 on January 1, 2010, and \$61,294,550 on April 1,
11 2010. Beginning on July 1, 2010, and on July 1 and January 1 of
12 each year thereafter, the State Comptroller and State Treasurer
13 shall transfer the sum of \$122,589,100 from the Capital
14 Projects Fund to the General Revenue Fund.

15 (b) Subject to appropriation, the Capital Projects Fund may
16 be used only for capital projects and the payment of debt
17 service on bonds issued for capital projects. All interest
18 earned on moneys in the Fund shall be deposited into the Fund.
19 The Fund shall not be subject to administrative charges or
20 chargebacks, such as but not limited to those authorized under
21 Section 8h.

22 (c) Annually, the Governor's Office of Management and
23 Budget shall determine if revenues deposited into the Fund in
24 the fiscal year are expected to exceed the amount needed in the
25 fiscal year for capital projects and the payment of debt

1 service on bonds issued for capital projects. If any such
2 excess amount exists, then on April 1 or as soon thereafter as
3 practical, the Governor's Office of Management and Budget shall
4 certify such amount, accompanied by a description of the
5 process by which the amount was calculated, to the State
6 Comptroller and the State Treasurer. Within 15 days after the
7 receipt of the certification required by this subsection (c),
8 the State Comptroller and the State Treasurer shall transfer
9 that amount from the Capital Projects Fund to the Education
10 Assistance Fund, except that the amount transferred to the
11 Education Assistance Fund pursuant to this subsection (c) shall
12 not exceed the estimated amount of revenues that will be
13 deposited into the Fund pursuant to Sections 12 and 13 of the
14 Illinois Gambling Act in the fiscal year.

15 (Source: P.A. 96-34, eff. 7-13-09.)

16 (30 ILCS 105/6z-79 new)

17 Sec. 6z-79. The Gaming Facilities Fee Revenue Fund.

18 (a) The Gaming Facilities Fee Revenue Fund is created as a
19 special fund in the State treasury.

20 (b) The revenues in the Fund shall be used, subject to
21 appropriation, by the Comptroller solely for the purpose of
22 payment of vouchers that are outstanding for more than 60 days.
23 Whenever practical, the Comptroller must prioritize voucher
24 payments for expenses related to medical assistance under the
25 Illinois Public Aid Code, the Children's Health Insurance

1 Program Act, the Covering ALL KIDS Health Insurance Act, and
2 the Senior Citizens and Disabled Persons Property Tax Relief
3 and Pharmaceutical Assistance Act.

4 (c) The Fund shall consist of fee revenues received
5 pursuant to subsection (e) of Section 1-45 of the Chicago
6 Casino Development Authority Act and pursuant to subsections
7 (e-15), (e-20), and (e-30) of Section 7 and subsections (b) and
8 (c) of Section 7.6 of the Illinois Gambling Act. All interest
9 earned on moneys in the Fund shall be deposited into the Fund.

10 (d) The Fund shall not be subject to administrative charges
11 or chargebacks, including, but not limited to, those authorized
12 under subsection (h) of Section 8 of this Act.

13 (30 ILCS 105/6z-87 new)

14 Sec. 6z-87. The Future of Agriculture Fund. There is
15 created the Future of Agriculture Fund, a special fund in the
16 State treasury. Moneys in the Fund may be used by the
17 Department of Agriculture, subject to appropriation, solely
18 for grants to (1) county fairs, as defined by Section 2 of the
19 Agricultural Fair Act, (2) the Illinois Association FFA, and
20 (3) University of Illinois Extension 4-H programs. The Future
21 of Agriculture Fund is not subject to administrative
22 chargebacks, including, but not limited to, those authorized
23 under Section 8h of the State Finance Act.

24 (30 ILCS 105/6z-88 new)

1 Sec. 6z-88. The State Fairgrounds Infrastructure
2 Improvement Fund. There is created the State Fairgrounds
3 Infrastructure Improvement Fund, a special fund in the State
4 treasury. Moneys in the Fund may be used by the Department of
5 Agriculture, subject to appropriation, solely for
6 infrastructure improvements to the Illinois State Fairgrounds
7 in Sangamon County. The State Fairgrounds Infrastructure
8 Improvement Fund is not subject to administrative chargebacks,
9 including, but not limited to, those authorized under Section
10 8h of the State Finance Act.

11 Section 90-20. The Illinois Income Tax Act is amended by
12 changing Section 201 as follows:

13 (35 ILCS 5/201) (from Ch. 120, par. 2-201)

14 Sec. 201. Tax Imposed.

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

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

1 (1) In the case of an individual, trust or estate, for
2 taxable years ending prior to July 1, 1989, an amount equal
3 to 2 1/2% of the taxpayer's net income for the taxable
4 year.

5 (2) In the case of an individual, trust or estate, for
6 taxable years beginning prior to July 1, 1989 and ending
7 after June 30, 1989, an amount equal to the sum of (i) 2
8 1/2% of the taxpayer's net income for the period prior to
9 July 1, 1989, as calculated under Section 202.3, and (ii)
10 3% of the taxpayer's net income for the period after June
11 30, 1989, as calculated under Section 202.3.

12 (3) In the case of an individual, trust or estate, for
13 taxable years beginning after June 30, 1989, and ending
14 prior to January 1, 2011, an amount equal to 3% of the
15 taxpayer's net income for the taxable year.

16 (4) In the case of an individual, trust, or estate, for
17 taxable years beginning prior to January 1, 2011, and
18 ending after December 31, 2010, an amount equal to the sum
19 of (i) 3% of the taxpayer's net income for the period prior
20 to January 1, 2011, as calculated under Section 202.5, and
21 (ii) 5% of the taxpayer's net income for the period after
22 December 31, 2010, as calculated under Section 202.5.

23 (5) In the case of an individual, trust, or estate, for
24 taxable years beginning on or after January 1, 2011, and
25 ending prior to January 1, 2015, an amount equal to 5% of
26 the taxpayer's net income for the taxable year.

1 (5.1) In the case of an individual, trust, or estate,
2 for taxable years beginning prior to January 1, 2015, and
3 ending after December 31, 2014, an amount equal to the sum
4 of (i) 5% of the taxpayer's net income for the period prior
5 to January 1, 2015, as calculated under Section 202.5, and
6 (ii) 3.75% of the taxpayer's net income for the period
7 after December 31, 2014, as calculated under Section 202.5.

8 (5.2) In the case of an individual, trust, or estate,
9 for taxable years beginning on or after January 1, 2015,
10 and ending prior to January 1, 2025, an amount equal to
11 3.75% of the taxpayer's net income for the taxable year.

12 (5.3) In the case of an individual, trust, or estate,
13 for taxable years beginning prior to January 1, 2025, and
14 ending after December 31, 2024, an amount equal to the sum
15 of (i) 3.75% of the taxpayer's net income for the period
16 prior to January 1, 2025, as calculated under Section
17 202.5, and (ii) 3.25% of the taxpayer's net income for the
18 period after December 31, 2024, as calculated under Section
19 202.5.

20 (5.4) In the case of an individual, trust, or estate,
21 for taxable years beginning on or after January 1, 2025, an
22 amount equal to 3.25% of the taxpayer's net income for the
23 taxable year.

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

1 (7) In the case of a corporation, for taxable years
2 beginning prior to July 1, 1989 and ending after June 30,
3 1989, an amount equal to the sum of (i) 4% of the
4 taxpayer's net income for the period prior to July 1, 1989,
5 as calculated under Section 202.3, and (ii) 4.8% of the
6 taxpayer's net income for the period after June 30, 1989,
7 as calculated under Section 202.3.

8 (8) In the case of a corporation, for taxable years
9 beginning after June 30, 1989, and ending prior to January
10 1, 2011, an amount equal to 4.8% of the taxpayer's net
11 income for the taxable year.

12 (9) In the case of a corporation, for taxable years
13 beginning prior to January 1, 2011, and ending after
14 December 31, 2010, an amount equal to the sum of (i) 4.8%
15 of the taxpayer's net income for the period prior to
16 January 1, 2011, as calculated under Section 202.5, and
17 (ii) 7% of the taxpayer's net income for the period after
18 December 31, 2010, as calculated under Section 202.5.

19 (10) In the case of a corporation, for taxable years
20 beginning on or after January 1, 2011, and ending prior to
21 January 1, 2015, an amount equal to 7% of the taxpayer's
22 net income for the taxable year.

23 (11) In the case of a corporation, for taxable years
24 beginning prior to January 1, 2015, and ending after
25 December 31, 2014, an amount equal to the sum of (i) 7% of
26 the taxpayer's net income for the period prior to January

1 1, 2015, as calculated under Section 202.5, and (ii) 5.25%
2 of the taxpayer's net income for the period after December
3 31, 2014, as calculated under Section 202.5.

4 (12) In the case of a corporation, for taxable years
5 beginning on or after January 1, 2015, and ending prior to
6 January 1, 2025, an amount equal to 5.25% of the taxpayer's
7 net income for the taxable year.

8 (13) In the case of a corporation, for taxable years
9 beginning prior to January 1, 2025, and ending after
10 December 31, 2024, an amount equal to the sum of (i) 5.25%
11 of the taxpayer's net income for the period prior to
12 January 1, 2025, as calculated under Section 202.5, and
13 (ii) 4.8% of the taxpayer's net income for the period after
14 December 31, 2024, as calculated under Section 202.5.

15 (14) In the case of a corporation, for taxable years
16 beginning on or after January 1, 2025, an amount equal to
17 4.8% of the taxpayer's net income for the taxable year.

18 The rates under this subsection (b) are subject to the
19 provisions of Section 201.5.

20 (b-5) Surcharge; sale or exchange of assets, properties,
21 and intangibles of electronic gaming licensees. For each of
22 taxable years 2011 through 2019, a surcharge is imposed on all
23 taxpayers on income arising from the sale or exchange of
24 capital assets, depreciable business property, real property
25 used in the trade or business, and Section 197 intangibles (i)
26 of an organization licensee under the Illinois Horse Racing Act

1 of 1975 and (ii) of an electronic gaming licensee under the
2 Illinois Gambling Act. The amount of the surcharge is equal to
3 the amount of federal income tax liability for the taxable year
4 attributable to those sales and exchanges. The surcharge
5 imposed shall not apply if:

6 (1) the electronic gaming license, organization
7 license, or race track property is transferred as a result
8 of any of the following:

9 (A) bankruptcy, a receivership, or a debt
10 adjustment initiated by or against the initial
11 licensee or the substantial owners of the initial
12 licensee;

13 (B) cancellation, revocation, or termination of
14 any such license by the Illinois Gaming Board or the
15 Illinois Racing Board;

16 (C) a determination by the Illinois Gaming Board
17 that transfer of the license is in the best interests
18 of Illinois gaming;

19 (D) the death of an owner of the equity interest in
20 a licensee;

21 (E) the acquisition of a controlling interest in
22 the stock or substantially all of the assets of a
23 publicly traded company;

24 (F) a transfer by a parent company to a wholly
25 owned subsidiary; or

26 (G) the transfer or sale to or by one person to

1 another person where both persons were initial owners
2 of the license when the license was issued; or
3 (2) the controlling interest in the electronic gaming
4 license, organization license, or race track property is
5 transferred in a transaction to lineal descendants in which
6 no gain or loss is recognized or as a result of a
7 transaction in accordance with Section 351 of the Internal
8 Revenue Code in which no gain or loss is recognized.

9 The transfer of an electronic gaming license, organization
10 license, or race track property by a person other than the
11 initial licensee to receive the electronic gaming license is
12 not subject to a surcharge. The Department shall adopt rules
13 necessary to implement and administer this subsection.

14 (c) Personal Property Tax Replacement Income Tax.
15 Beginning on July 1, 1979 and thereafter, in addition to such
16 income tax, there is also hereby imposed the Personal Property
17 Tax Replacement Income Tax measured by net income on every
18 corporation (including Subchapter S corporations), partnership
19 and trust, for each taxable year ending after June 30, 1979.
20 Such taxes are imposed on the privilege of earning or receiving
21 income in or as a resident of this State. The Personal Property
22 Tax Replacement Income Tax shall be in addition to the income
23 tax imposed by subsections (a) and (b) of this Section and in
24 addition to all other occupation or privilege taxes imposed by
25 this State or by any municipal corporation or political
26 subdivision thereof.

1 (d) Additional Personal Property Tax Replacement Income
2 Tax Rates. The personal property tax replacement income tax
3 imposed by this subsection and subsection (c) of this Section
4 in the case of a corporation, other than a Subchapter S
5 corporation and except as adjusted by subsection (d-1), shall
6 be an additional amount equal to 2.85% of such taxpayer's net
7 income for the taxable year, except that beginning on January
8 1, 1981, and thereafter, the rate of 2.85% specified in this
9 subsection shall be reduced to 2.5%, and in the case of a
10 partnership, trust or a Subchapter S corporation shall be an
11 additional amount equal to 1.5% of such taxpayer's net income
12 for the taxable year.

13 (d-1) Rate reduction for certain foreign insurers. In the
14 case of a foreign insurer, as defined by Section 35A-5 of the
15 Illinois Insurance Code, whose state or country of domicile
16 imposes on insurers domiciled in Illinois a retaliatory tax
17 (excluding any insurer whose premiums from reinsurance assumed
18 are 50% or more of its total insurance premiums as determined
19 under paragraph (2) of subsection (b) of Section 304, except
20 that for purposes of this determination premiums from
21 reinsurance do not include premiums from inter-affiliate
22 reinsurance arrangements), beginning with taxable years ending
23 on or after December 31, 1999, the sum of the rates of tax
24 imposed by subsections (b) and (d) shall be reduced (but not
25 increased) to the rate at which the total amount of tax imposed
26 under this Act, net of all credits allowed under this Act,

1 shall equal (i) the total amount of tax that would be imposed
2 on the foreign insurer's net income allocable to Illinois for
3 the taxable year by such foreign insurer's state or country of
4 domicile if that net income were subject to all income taxes
5 and taxes measured by net income imposed by such foreign
6 insurer's state or country of domicile, net of all credits
7 allowed or (ii) a rate of zero if no such tax is imposed on such
8 income by the foreign insurer's state of domicile. For the
9 purposes of this subsection (d-1), an inter-affiliate includes
10 a mutual insurer under common management.

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

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

17 (B) the privilege tax imposed by Section 409 of the
18 Illinois Insurance Code, the fire insurance company
19 tax imposed by Section 12 of the Fire Investigation
20 Act, and the fire department taxes imposed under
21 Section 11-10-1 of the Illinois Municipal Code,
22 equals 1.25% for taxable years ending prior to December 31,
23 2003, or 1.75% for taxable years ending on or after
24 December 31, 2003, of the net taxable premiums written for
25 the taxable year, as described by subsection (1) of Section
26 409 of the Illinois Insurance Code. This paragraph will in

1 no event increase the rates imposed under subsections (b)
2 and (d).

3 (2) Any reduction in the rates of tax imposed by this
4 subsection shall be applied first against the rates imposed
5 by subsection (b) and only after the tax imposed by
6 subsection (a) net of all credits allowed under this
7 Section other than the credit allowed under subsection (i)
8 has been reduced to zero, against the rates imposed by
9 subsection (d).

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

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

15 (1) A taxpayer shall be allowed a credit equal to .5%
16 of the basis of qualified property placed in service during
17 the taxable year, provided such property is placed in
18 service on or after July 1, 1984. There shall be allowed an
19 additional credit equal to .5% of the basis of qualified
20 property placed in service during the taxable year,
21 provided such property is placed in service on or after
22 July 1, 1986, and the taxpayer's base employment within
23 Illinois has increased by 1% or more over the preceding
24 year as determined by the taxpayer's employment records
25 filed with the Illinois Department of Employment Security.
26 Taxpayers who are new to Illinois shall be deemed to have

1 met the 1% growth in base employment for the first year in
2 which they file employment records with the Illinois
3 Department of Employment Security. The provisions added to
4 this Section by Public Act 85-1200 (and restored by Public
5 Act 87-895) shall be construed as declaratory of existing
6 law and not as a new enactment. If, in any year, the
7 increase in base employment within Illinois over the
8 preceding year is less than 1%, the additional credit shall
9 be limited to that percentage times a fraction, the
10 numerator of which is .5% and the denominator of which is
11 1%, but shall not exceed .5%. The investment credit shall
12 not be allowed to the extent that it would reduce a
13 taxpayer's liability in any tax year below zero, nor may
14 any credit for qualified property be allowed for any year
15 other than the year in which the property was placed in
16 service in Illinois. For tax years ending on or after
17 December 31, 1987, and on or before December 31, 1988, the
18 credit shall be allowed for the tax year in which the
19 property is placed in service, or, if the amount of the
20 credit exceeds the tax liability for that year, whether it
21 exceeds the original liability or the liability as later
22 amended, such excess may be carried forward and applied to
23 the tax liability of the 5 taxable years following the
24 excess credit years if the taxpayer (i) makes investments
25 which cause the creation of a minimum of 2,000 full-time
26 equivalent jobs in Illinois, (ii) is located in an

1 enterprise zone established pursuant to the Illinois
2 Enterprise Zone Act and (iii) is certified by the
3 Department of Commerce and Community Affairs (now
4 Department of Commerce and Economic Opportunity) as
5 complying with the requirements specified in clause (i) and
6 (ii) by July 1, 1986. The Department of Commerce and
7 Community Affairs (now Department of Commerce and Economic
8 Opportunity) shall notify the Department of Revenue of all
9 such certifications immediately. For tax years ending
10 after December 31, 1988, the credit shall be allowed for
11 the tax year in which the property is placed in service,
12 or, if the amount of the credit exceeds the tax liability
13 for that year, whether it exceeds the original liability or
14 the liability as later amended, such excess may be carried
15 forward and applied to the tax liability of the 5 taxable
16 years following the excess credit years. The credit shall
17 be applied to the earliest year for which there is a
18 liability. If there is credit from more than one tax year
19 that is available to offset a liability, earlier credit
20 shall be applied first.

21 (2) The term "qualified property" means property
22 which:

23 (A) is tangible, whether new or used, including
24 buildings and structural components of buildings and
25 signs that are real property, but not including land or
26 improvements to real property that are not a structural

1 component of a building such as landscaping, sewer
2 lines, local access roads, fencing, parking lots, and
3 other appurtenances;

4 (B) is depreciable pursuant to Section 167 of the
5 Internal Revenue Code, except that "3-year property"
6 as defined in Section 168(c)(2)(A) of that Code is not
7 eligible for the credit provided by this subsection
8 (e);

9 (C) is acquired by purchase as defined in Section
10 179(d) of the Internal Revenue Code;

11 (D) is used in Illinois by a taxpayer who is
12 primarily engaged in manufacturing, or in mining coal
13 or fluorite, or in retailing, or was placed in service
14 on or after July 1, 2006 in a River Edge Redevelopment
15 Zone established pursuant to the River Edge
16 Redevelopment Zone Act; and

17 (E) has not previously been used in Illinois in
18 such a manner and by such a person as would qualify for
19 the credit provided by this subsection (e) or
20 subsection (f).

21 (3) For purposes of this subsection (e),
22 "manufacturing" means the material staging and production
23 of tangible personal property by procedures commonly
24 regarded as manufacturing, processing, fabrication, or
25 assembling which changes some existing material into new
26 shapes, new qualities, or new combinations. For purposes of

1 this subsection (e) the term "mining" shall have the same
2 meaning as the term "mining" in Section 613(c) of the
3 Internal Revenue Code. For purposes of this subsection (e),
4 the term "retailing" means the sale of tangible personal
5 property for use or consumption and not for resale, or
6 services rendered in conjunction with the sale of tangible
7 personal property for use or consumption and not for
8 resale. For purposes of this subsection (e), "tangible
9 personal property" has the same meaning as when that term
10 is used in the Retailers' Occupation Tax Act, and, for
11 taxable years ending after December 31, 2008, does not
12 include the generation, transmission, or distribution of
13 electricity.

14 (4) The basis of qualified property shall be the basis
15 used to compute the depreciation deduction for federal
16 income tax purposes.

17 (5) If the basis of the property for federal income tax
18 depreciation purposes is increased after it has been placed
19 in service in Illinois by the taxpayer, the amount of such
20 increase shall be deemed property placed in service on the
21 date of such increase in basis.

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

24 (7) If during any taxable year, any property ceases to
25 be qualified property in the hands of the taxpayer within
26 48 months after being placed in service, or the situs of

1 any qualified property is moved outside Illinois within 48
2 months after being placed in service, the Personal Property
3 Tax Replacement Income Tax for such taxable year shall be
4 increased. Such increase shall be determined by (i)
5 recomputing the investment credit which would have been
6 allowed for the year in which credit for such property was
7 originally allowed by eliminating such property from such
8 computation and, (ii) subtracting such recomputed credit
9 from the amount of credit previously allowed. For the
10 purposes of this paragraph (7), a reduction of the basis of
11 qualified property resulting from a redetermination of the
12 purchase price shall be deemed a disposition of qualified
13 property to the extent of such reduction.

14 (8) Unless the investment credit is extended by law,
15 the basis of qualified property shall not include costs
16 incurred after December 31, 2013, except for costs incurred
17 pursuant to a binding contract entered into on or before
18 December 31, 2013.

19 (9) Each taxable year ending before December 31, 2000,
20 a partnership may elect to pass through to its partners the
21 credits to which the partnership is entitled under this
22 subsection (e) for the taxable year. A partner may use the
23 credit allocated to him or her under this paragraph only
24 against the tax imposed in subsections (c) and (d) of this
25 Section. If the partnership makes that election, those
26 credits shall be allocated among the partners in the

1 partnership in accordance with the rules set forth in
2 Section 704(b) of the Internal Revenue Code, and the rules
3 promulgated under that Section, and the allocated amount of
4 the credits shall be allowed to the partners for that
5 taxable year. The partnership shall make this election on
6 its Personal Property Tax Replacement Income Tax return for
7 that taxable year. The election to pass through the credits
8 shall be irrevocable.

9 For taxable years ending on or after December 31, 2000,
10 a partner that qualifies its partnership for a subtraction
11 under subparagraph (I) of paragraph (2) of subsection (d)
12 of Section 203 or a shareholder that qualifies a Subchapter
13 S corporation for a subtraction under subparagraph (S) of
14 paragraph (2) of subsection (b) of Section 203 shall be
15 allowed a credit under this subsection (e) equal to its
16 share of the credit earned under this subsection (e) during
17 the taxable year by the partnership or Subchapter S
18 corporation, determined in accordance with the
19 determination of income and distributive share of income
20 under Sections 702 and 704 and Subchapter S of the Internal
21 Revenue Code. This paragraph is exempt from the provisions
22 of Section 250.

23 (f) Investment credit; Enterprise Zone; River Edge
24 Redevelopment Zone.

25 (1) A taxpayer shall be allowed a credit against the
26 tax imposed by subsections (a) and (b) of this Section for

1 investment in qualified property which is placed in service
2 in an Enterprise Zone created pursuant to the Illinois
3 Enterprise Zone Act or, for property placed in service on
4 or after July 1, 2006, a River Edge Redevelopment Zone
5 established pursuant to the River Edge Redevelopment Zone
6 Act. For partners, shareholders of Subchapter S
7 corporations, and owners of limited liability companies,
8 if the liability company is treated as a partnership for
9 purposes of federal and State income taxation, there shall
10 be allowed a credit under this subsection (f) to be
11 determined in accordance with the determination of income
12 and distributive share of income under Sections 702 and 704
13 and Subchapter S of the Internal Revenue Code. The credit
14 shall be .5% of the basis for such property. The credit
15 shall be available only in the taxable year in which the
16 property is placed in service in the Enterprise Zone or
17 River Edge Redevelopment Zone and shall not be allowed to
18 the extent that it would reduce a taxpayer's liability for
19 the tax imposed by subsections (a) and (b) of this Section
20 to below zero. For tax years ending on or after December
21 31, 1985, the credit shall be allowed for the tax year in
22 which the property is placed in service, or, if the amount
23 of the credit exceeds the tax liability for that year,
24 whether it exceeds the original liability or the liability
25 as later amended, such excess may be carried forward and
26 applied to the tax liability of the 5 taxable years

1 following the excess credit year. The credit shall be
2 applied to the earliest year for which there is a
3 liability. If there is credit from more than one tax year
4 that is available to offset a liability, the credit
5 accruing first in time shall be applied first.

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 (f);

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

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

18 (E) has not been previously used in Illinois in
19 such a manner and by such a person as would qualify for
20 the credit provided by this subsection (f) or
21 subsection (e).

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

25 (4) If the basis of the property for federal income tax
26 depreciation purposes is increased after it has been placed

1 in service in the Enterprise Zone or River Edge
2 Redevelopment Zone 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 (5) The term "placed in service" shall have the same
6 meaning as under Section 46 of the Internal Revenue Code.

7 (6) 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 the Enterprise Zone
11 or River Edge Redevelopment Zone within 48 months after
12 being placed in service, the tax imposed under subsections
13 (a) and (b) of this Section for such taxable year shall be
14 increased. Such increase shall be determined by (i)
15 recomputing the investment credit which would have been
16 allowed for the year in which credit for such property was
17 originally allowed by eliminating such property from such
18 computation, and (ii) subtracting such recomputed credit
19 from the amount of credit previously allowed. For the
20 purposes of this paragraph (6), a reduction of the basis of
21 qualified property resulting from a redetermination of the
22 purchase price shall be deemed a disposition of qualified
23 property to the extent of such reduction.

24 (7) There shall be allowed an additional credit equal
25 to 0.5% of the basis of qualified property placed in
26 service during the taxable year in a River Edge

1 Redevelopment Zone, provided such property is placed in
2 service on or after July 1, 2006, and the taxpayer's base
3 employment within Illinois has increased by 1% or more over
4 the preceding year as determined by the taxpayer's
5 employment records filed with the Illinois Department of
6 Employment Security. Taxpayers who are new to Illinois
7 shall be deemed to have met the 1% growth in base
8 employment for the first year in which they file employment
9 records with the Illinois Department of Employment
10 Security. If, in any year, the increase in base employment
11 within Illinois over the preceding year is less than 1%,
12 the additional credit shall be limited to that percentage
13 times a fraction, the numerator of which is 0.5% and the
14 denominator of which is 1%, but shall not exceed 0.5%.

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

17 (1) A taxpayer conducting a trade or business in an
18 enterprise zone or a High Impact Business designated by the
19 Department of Commerce and Economic Opportunity or for
20 taxable years ending on or after December 31, 2006, in a
21 River Edge Redevelopment Zone conducting a trade or
22 business in a federally designated Foreign Trade Zone or
23 Sub-Zone shall be allowed a credit against the tax imposed
24 by subsections (a) and (b) of this Section in the amount of
25 \$500 per eligible employee hired to work in the zone during
26 the taxable year.

1 (2) To qualify for the credit:

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

6 (B) the taxpayer's total employment within the
7 enterprise zone, River Edge Redevelopment Zone, or
8 federally designated Foreign Trade Zone or Sub-Zone
9 must increase by 5 or more full-time employees beyond
10 the total employed in that zone at the end of the
11 previous tax year for which a jobs tax credit under
12 this Section was taken, or beyond the total employed by
13 the taxpayer as of December 31, 1985, whichever is
14 later; and

15 (C) the eligible employees must be employed 180
16 consecutive days in order to be deemed hired for
17 purposes of this subsection.

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

19 (A) Certified by the Department of Commerce and
20 Economic Opportunity as "eligible for services"
21 pursuant to regulations promulgated in accordance with
22 Title II of the Job Training Partnership Act, Training
23 Services for the Disadvantaged or Title III of the Job
24 Training Partnership Act, Employment and Training
25 Assistance for Dislocated Workers Program.

26 (B) Hired after the enterprise zone, River Edge

1 Redevelopment Zone, or federally designated Foreign
2 Trade Zone or Sub-Zone was designated or the trade or
3 business was located in that zone, whichever is later.

4 (C) Employed in the enterprise zone, River Edge
5 Redevelopment Zone, or Foreign Trade Zone or Sub-Zone.
6 An employee is employed in an enterprise zone or
7 federally designated Foreign Trade Zone or Sub-Zone if
8 his services are rendered there or it is the base of
9 operations for the services performed.

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

12 (4) For tax years ending on or after December 31, 1985
13 and prior to December 31, 1988, the credit shall be allowed
14 for the tax year in which the eligible employees are hired.
15 For tax years ending on or after December 31, 1988, the
16 credit shall be allowed for the tax year immediately
17 following the tax year in which the eligible employees are
18 hired. If the amount of the credit exceeds the tax
19 liability for that year, whether it exceeds the original
20 liability or the liability as later amended, such excess
21 may be carried forward and applied to the tax liability of
22 the 5 taxable years following the excess credit year. The
23 credit shall be applied to the earliest year for which
24 there is a liability. If there is credit from more than one
25 tax year that is available to offset a liability, earlier
26 credit shall be applied first.

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

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

6 (h) Investment credit; High Impact Business.

7 (1) Subject to subsections (b) and (b-5) of Section 5.5
8 of the Illinois Enterprise Zone Act, a taxpayer shall be
9 allowed a credit against the tax imposed by subsections (a)
10 and (b) of this Section for investment in qualified
11 property which is placed in service by a Department of
12 Commerce and Economic Opportunity designated High Impact
13 Business. The credit shall be .5% of the basis for such
14 property. The credit shall not be available (i) until the
15 minimum investments in qualified property set forth in
16 subdivision (a)(3)(A) of Section 5.5 of the Illinois
17 Enterprise Zone Act have been satisfied or (ii) until the
18 time authorized in subsection (b-5) of the Illinois
19 Enterprise Zone Act for entities designated as High Impact
20 Businesses under subdivisions (a)(3)(B), (a)(3)(C), and
21 (a)(3)(D) of Section 5.5 of the Illinois Enterprise Zone
22 Act, and shall not be allowed to the extent that it would
23 reduce a taxpayer's liability for the tax imposed by
24 subsections (a) and (b) of this Section to below zero. The
25 credit applicable to such investments shall be taken in the
26 taxable year in which such investments have been completed.

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

20 Changes made in this subdivision (h) (1) by Public Act
21 88-670 restore changes made by Public Act 85-1182 and
22 reflect existing law.

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

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

26 (B) is depreciable pursuant to Section 167 of the

1 Internal Revenue Code, except that "3-year property"
2 as defined in Section 168(c)(2)(A) of that Code is not
3 eligible for the credit provided by this subsection
4 (h);

5 (C) is acquired by purchase as defined in Section
6 179(d) of the Internal Revenue Code; and

7 (D) is not eligible for the Enterprise Zone
8 Investment Credit provided by subsection (f) of this
9 Section.

10 (3) The basis of qualified property shall be the basis
11 used to compute the depreciation deduction for federal
12 income tax purposes.

13 (4) If the basis of the property for federal income tax
14 depreciation purposes is increased after it has been placed
15 in service in a federally designated Foreign Trade Zone or
16 Sub-Zone located in Illinois by the taxpayer, the amount of
17 such increase shall be deemed property placed in service on
18 the date of such increase in basis.

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

21 (6) If during any taxable year ending on or before
22 December 31, 1996, any property ceases to be qualified
23 property in the hands of the taxpayer within 48 months
24 after being placed in service, or the situs of any
25 qualified property is moved outside Illinois within 48
26 months after being placed in service, the tax imposed under

1 subsections (a) and (b) of this Section for such taxable
2 year shall be increased. Such increase shall be determined
3 by (i) recomputing the investment credit which would have
4 been allowed for the year in which credit for such property
5 was originally allowed by eliminating such property from
6 such computation, and (ii) subtracting such recomputed
7 credit from the amount of credit previously allowed. For
8 the purposes of this paragraph (6), a reduction of the
9 basis of qualified property resulting from a
10 redetermination of the purchase price shall be deemed a
11 disposition of qualified property to the extent of such
12 reduction.

13 (7) Beginning with tax years ending after December 31,
14 1996, if a taxpayer qualifies for the credit under this
15 subsection (h) and thereby is granted a tax abatement and
16 the taxpayer relocates its entire facility in violation of
17 the explicit terms and length of the contract under Section
18 18-183 of the Property Tax Code, the tax imposed under
19 subsections (a) and (b) of this Section shall be increased
20 for the taxable year in which the taxpayer relocated its
21 facility by an amount equal to the amount of credit
22 received by the taxpayer under this subsection (h).

23 (i) Credit for Personal Property Tax Replacement Income
24 Tax. For tax years ending prior to December 31, 2003, a credit
25 shall be allowed against the tax imposed by subsections (a) and
26 (b) of this Section for the tax imposed by subsections (c) and

1 (d) of this Section. This credit shall be computed by
2 multiplying the tax imposed by subsections (c) and (d) of this
3 Section by a fraction, the numerator of which is base income
4 allocable to Illinois and the denominator of which is Illinois
5 base income, and further multiplying the product by the tax
6 rate imposed by subsections (a) and (b) of this Section.

7 Any credit earned on or after December 31, 1986 under this
8 subsection which is unused in the year the credit is computed
9 because it exceeds the tax liability imposed by subsections (a)
10 and (b) for that year (whether it exceeds the original
11 liability or the liability as later amended) may be carried
12 forward and applied to the tax liability imposed by subsections
13 (a) and (b) of the 5 taxable years following the excess credit
14 year, provided that no credit may be carried forward to any
15 year ending on or after December 31, 2003. This credit shall be
16 applied first to the earliest year for which there is a
17 liability. If there is a credit under this subsection from more
18 than one tax year that is available to offset a liability the
19 earliest credit arising under this subsection shall be applied
20 first.

21 If, during any taxable year ending on or after December 31,
22 1986, the tax imposed by subsections (c) and (d) of this
23 Section for which a taxpayer has claimed a credit under this
24 subsection (i) is reduced, the amount of credit for such tax
25 shall also be reduced. Such reduction shall be determined by
26 recomputing the credit to take into account the reduced tax

1 imposed by subsections (c) and (d). If any portion of the
2 reduced amount of credit has been carried to a different
3 taxable year, an amended return shall be filed for such taxable
4 year to reduce the amount of credit claimed.

5 (j) Training expense credit. Beginning with tax years
6 ending on or after December 31, 1986 and prior to December 31,
7 2003, a taxpayer shall be allowed a credit against the tax
8 imposed by subsections (a) and (b) under this Section for all
9 amounts paid or accrued, on behalf of all persons employed by
10 the taxpayer in Illinois or Illinois residents employed outside
11 of Illinois by a taxpayer, for educational or vocational
12 training in semi-technical or technical fields or semi-skilled
13 or skilled fields, which were deducted from gross income in the
14 computation of taxable income. The credit against the tax
15 imposed by subsections (a) and (b) shall be 1.6% of such
16 training expenses. For partners, shareholders of subchapter S
17 corporations, and owners of limited liability companies, if the
18 liability company is treated as a partnership for purposes of
19 federal and State income taxation, there shall be allowed a
20 credit under this subsection (j) to be determined in accordance
21 with the determination of income and distributive share of
22 income under Sections 702 and 704 and subchapter S of the
23 Internal Revenue Code.

24 Any credit allowed under this subsection which is unused in
25 the year the credit is earned may be carried forward to each of
26 the 5 taxable years following the year for which the credit is

1 first computed until it is used. This credit shall be applied
2 first to the earliest year for which there is a liability. If
3 there is a credit under this subsection from more than one tax
4 year that is available to offset a liability the earliest
5 credit arising under this subsection shall be applied first. No
6 carryforward credit may be claimed in any tax year ending on or
7 after December 31, 2003.

8 (k) Research and development credit.

9 For tax years ending after July 1, 1990 and prior to
10 December 31, 2003, and beginning again for tax years ending on
11 or after December 31, 2004, and ending prior to January 1,
12 2011, a taxpayer shall be allowed a credit against the tax
13 imposed by subsections (a) and (b) of this Section for
14 increasing research activities in this State. The credit
15 allowed against the tax imposed by subsections (a) and (b)
16 shall be equal to 6 1/2% of the qualifying expenditures for
17 increasing research activities in this State. For partners,
18 shareholders of subchapter S corporations, and owners of
19 limited liability companies, if the liability company is
20 treated as a partnership for purposes of federal and State
21 income taxation, there shall be allowed a credit under this
22 subsection to be determined in accordance with the
23 determination of income and distributive share of income under
24 Sections 702 and 704 and subchapter S of the Internal Revenue
25 Code.

26 For purposes of this subsection, "qualifying expenditures"

1 means the qualifying expenditures as defined for the federal
2 credit for increasing research activities which would be
3 allowable under Section 41 of the Internal Revenue Code and
4 which are conducted in this State, "qualifying expenditures for
5 increasing research activities in this State" means the excess
6 of qualifying expenditures for the taxable year in which
7 incurred over qualifying expenditures for the base period,
8 "qualifying expenditures for the base period" means the average
9 of the qualifying expenditures for each year in the base
10 period, and "base period" means the 3 taxable years immediately
11 preceding the taxable year for which the determination is being
12 made.

13 Any credit in excess of the tax liability for the taxable
14 year may be carried forward. A taxpayer may elect to have the
15 unused credit shown on its final completed return carried over
16 as a credit against the tax liability for the following 5
17 taxable years or until it has been fully used, whichever occurs
18 first; provided that no credit earned in a tax year ending
19 prior to December 31, 2003 may be carried forward to any year
20 ending on or after December 31, 2003, and no credit may be
21 carried forward to any taxable year ending on or after January
22 1, 2011.

23 If an unused credit is carried forward to a given year from
24 2 or more earlier years, that credit arising in the earliest
25 year will be applied first against the tax liability for the
26 given year. If a tax liability for the given year still

1 remains, the credit from the next earliest year will then be
2 applied, and so on, until all credits have been used or no tax
3 liability for the given year remains. Any remaining unused
4 credit or credits then will be carried forward to the next
5 following year in which a tax liability is incurred, except
6 that no credit can be carried forward to a year which is more
7 than 5 years after the year in which the expense for which the
8 credit is given was incurred.

9 No inference shall be drawn from this amendatory Act of the
10 91st General Assembly in construing this Section for taxable
11 years beginning before January 1, 1999.

12 (1) Environmental Remediation Tax Credit.

13 (i) For tax years ending after December 31, 1997 and on
14 or before December 31, 2001, a taxpayer shall be allowed a
15 credit against the tax imposed by subsections (a) and (b)
16 of this Section for certain amounts paid for unreimbursed
17 eligible remediation costs, as specified in this
18 subsection. For purposes of this Section, "unreimbursed
19 eligible remediation costs" means costs approved by the
20 Illinois Environmental Protection Agency ("Agency") under
21 Section 58.14 of the Environmental Protection Act that were
22 paid in performing environmental remediation at a site for
23 which a No Further Remediation Letter was issued by the
24 Agency and recorded under Section 58.10 of the
25 Environmental Protection Act. The credit must be claimed
26 for the taxable year in which Agency approval of the

1 eligible remediation costs is granted. The credit is not
2 available to any taxpayer if the taxpayer or any related
3 party caused or contributed to, in any material respect, a
4 release of regulated substances on, in, or under the site
5 that was identified and addressed by the remedial action
6 pursuant to the Site Remediation Program of the
7 Environmental Protection Act. After the Pollution Control
8 Board rules are adopted pursuant to the Illinois
9 Administrative Procedure Act for the administration and
10 enforcement of Section 58.9 of the Environmental
11 Protection Act, determinations as to credit availability
12 for purposes of this Section shall be made consistent with
13 those rules. For purposes of this Section, "taxpayer"
14 includes a person whose tax attributes the taxpayer has
15 succeeded to under Section 381 of the Internal Revenue Code
16 and "related party" includes the persons disallowed a
17 deduction for losses by paragraphs (b), (c), and (f)(1) of
18 Section 267 of the Internal Revenue Code by virtue of being
19 a related taxpayer, as well as any of its partners. The
20 credit allowed against the tax imposed by subsections (a)
21 and (b) shall be equal to 25% of the unreimbursed eligible
22 remediation costs in excess of \$100,000 per site, except
23 that the \$100,000 threshold shall not apply to any site
24 contained in an enterprise zone as determined by the
25 Department of Commerce and Community Affairs (now
26 Department of Commerce and Economic Opportunity). The

1 total credit allowed shall not exceed \$40,000 per year with
2 a maximum total of \$150,000 per site. For partners and
3 shareholders of subchapter S corporations, there shall be
4 allowed a credit under this subsection to be determined in
5 accordance with the determination of income and
6 distributive share of income under Sections 702 and 704 and
7 subchapter S of the Internal Revenue Code.

8 (ii) A credit allowed under this subsection that is
9 unused in the year the credit is earned may be carried
10 forward to each of the 5 taxable years following the year
11 for which the credit is first earned until it is used. The
12 term "unused credit" does not include any amounts of
13 unreimbursed eligible remediation costs in excess of the
14 maximum credit per site authorized under paragraph (i).
15 This credit shall be applied first to the earliest year for
16 which there is a liability. If there is a credit under this
17 subsection from more than one tax year that is available to
18 offset a liability, the earliest credit arising under this
19 subsection shall be applied first. A credit allowed under
20 this subsection may be sold to a buyer as part of a sale of
21 all or part of the remediation site for which the credit
22 was granted. The purchaser of a remediation site and the
23 tax credit shall succeed to the unused credit and remaining
24 carry-forward period of the seller. To perfect the
25 transfer, the assignor shall record the transfer in the
26 chain of title for the site and provide written notice to

1 the Director of the Illinois Department of Revenue of the
2 assignor's intent to sell the remediation site and the
3 amount of the tax credit to be transferred as a portion of
4 the sale. In no event may a credit be transferred to any
5 taxpayer if the taxpayer or a related party would not be
6 eligible under the provisions of subsection (i).

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

10 (m) Education expense credit. Beginning with tax years
11 ending after December 31, 1999, a taxpayer who is the custodian
12 of one or more qualifying pupils shall be allowed a credit
13 against the tax imposed by subsections (a) and (b) of this
14 Section for qualified education expenses incurred on behalf of
15 the qualifying pupils. The credit shall be equal to 25% of
16 qualified education expenses, but in no event may the total
17 credit under this subsection claimed by a family that is the
18 custodian of qualifying pupils exceed \$500. In no event shall a
19 credit under this subsection reduce the taxpayer's liability
20 under this Act to less than zero. This subsection is exempt
21 from the provisions of Section 250 of this Act.

22 For purposes of this subsection:

23 "Qualifying pupils" means individuals who (i) are
24 residents of the State of Illinois, (ii) are under the age of
25 21 at the close of the school year for which a credit is
26 sought, and (iii) during the school year for which a credit is

1 sought were full-time pupils enrolled in a kindergarten through
2 twelfth grade education program at any school, as defined in
3 this subsection.

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

8 "School" means any public or nonpublic elementary or
9 secondary school in Illinois that is in compliance with Title
10 VI of the Civil Rights Act of 1964 and attendance at which
11 satisfies the requirements of Section 26-1 of the School Code,
12 except that nothing shall be construed to require a child to
13 attend any particular public or nonpublic school to qualify for
14 the credit under this Section.

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

18 (n) River Edge Redevelopment Zone site remediation tax
19 credit.

20 (i) For tax years ending on or after December 31, 2006,
21 a taxpayer shall be allowed a credit against the tax
22 imposed by subsections (a) and (b) of this Section for
23 certain amounts paid for unreimbursed eligible remediation
24 costs, as specified in this subsection. For purposes of
25 this Section, "unreimbursed eligible remediation costs"
26 means costs approved by the Illinois Environmental

1 Protection Agency ("Agency") under Section 58.14a of the
2 Environmental Protection Act that were paid in performing
3 environmental remediation at a site within a River Edge
4 Redevelopment Zone for which a No Further Remediation
5 Letter was issued by the Agency and recorded under Section
6 58.10 of the Environmental Protection Act. The credit must
7 be claimed for the taxable year in which Agency approval of
8 the eligible remediation costs is granted. The credit is
9 not available to any taxpayer if the taxpayer or any
10 related party caused or contributed to, in any material
11 respect, a release of regulated substances on, in, or under
12 the site that was identified and addressed by the remedial
13 action pursuant to the Site Remediation Program of the
14 Environmental Protection Act. Determinations as to credit
15 availability for purposes of this Section shall be made
16 consistent with rules adopted by the Pollution Control
17 Board pursuant to the Illinois Administrative Procedure
18 Act for the administration and enforcement of Section 58.9
19 of the Environmental Protection Act. For purposes of this
20 Section, "taxpayer" includes a person whose tax attributes
21 the taxpayer has succeeded to under Section 381 of the
22 Internal Revenue Code and "related party" includes the
23 persons disallowed a deduction for losses by paragraphs
24 (b), (c), and (f) (1) of Section 267 of the Internal Revenue
25 Code by virtue of being a related taxpayer, as well as any
26 of its partners. The credit allowed against the tax imposed

1 by subsections (a) and (b) shall be equal to 25% of the
2 unreimbursed eligible remediation costs in excess of
3 \$100,000 per site.

4 (ii) A credit allowed under this subsection that is
5 unused in the year the credit is earned may be carried
6 forward to each of the 5 taxable years following the year
7 for which the credit is first earned until it is used. This
8 credit shall be applied first to the earliest year for
9 which there is a liability. If there is a credit under this
10 subsection from more than one tax year that is available to
11 offset a liability, the earliest credit arising under this
12 subsection shall be applied first. A credit allowed under
13 this subsection may be sold to a buyer as part of a sale of
14 all or part of the remediation site for which the credit
15 was granted. The purchaser of a remediation site and the
16 tax credit shall succeed to the unused credit and remaining
17 carry-forward period of the seller. To perfect the
18 transfer, the assignor shall record the transfer in the
19 chain of title for the site and provide written notice to
20 the Director of the Illinois Department of Revenue of the
21 assignor's intent to sell the remediation site and the
22 amount of the tax credit to be transferred as a portion of
23 the sale. In no event may a credit be transferred to any
24 taxpayer if the taxpayer or a related party would not be
25 eligible under the provisions of subsection (i).

26 (iii) For purposes of this Section, the term "site"

1 shall have the same meaning as under Section 58.2 of the
2 Environmental Protection Act.

3 (Source: P.A. 96-115, eff. 7-31-09; 96-116, eff. 7-31-09;
4 96-937, eff. 6-23-10; 96-1000, eff. 7-2-10; 96-1496, eff.
5 1-13-11; 97-2, eff. 5-6-11.)

6 Section 90-23. The Property Tax Code is amended by adding
7 Section 15-144 as follows:

8 (35 ILCS 200/15-144 new)

9 Sec. 15-144. Chicago Casino Development Authority. All
10 property owned by the Chicago Casino Development Authority is
11 exempt. Any property owned by the Chicago Casino Development
12 Authority and leased to an entity that is not exempt shall
13 remain exempt so long as it is used for a public purpose.

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

16 (70 ILCS 1825/5.1) (from Ch. 19, par. 255.1)

17 Sec. 5.1. Riverboat and casino gambling. Notwithstanding
18 any other provision of this Act, the District may not regulate
19 the operation, conduct, or navigation of any riverboat gambling
20 casino licensed under the Illinois Riverboat Gambling Act, and
21 the District may not license, tax, or otherwise levy any
22 assessment of any kind on any riverboat gambling casino

1 licensed under the Illinois ~~Riverboat~~ Gambling Act. The General
2 Assembly declares that the powers to regulate the operation,
3 conduct, and navigation of riverboat gambling casinos and to
4 license, tax, and levy assessments upon riverboat gambling
5 casinos are exclusive powers of the State of Illinois and the
6 Illinois Gaming Board as provided in the Illinois ~~Riverboat~~
7 Gambling Act.

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

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

11 (205 ILCS 670/12.5)

12 Sec. 12.5. Limited purpose branch.

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

19 (b) The licensee must submit an application for a limited
20 purpose branch to the Director on forms prescribed by the
21 Director with an application fee of \$300. The approval for the
22 limited purpose branch must be renewed concurrently with the
23 renewal of the licensee's license along with a renewal fee of
24 \$300 for the limited purpose branch.

1 (c) The books, accounts, records, and files of the limited
2 purpose branch's transactions shall be maintained at the
3 licensee's licensed location. The licensee shall notify the
4 Director of the licensed location at which the books, accounts,
5 records, and files shall be maintained.

6 (d) The licensee shall prominently display at the limited
7 purpose branch the address and telephone number of the
8 licensee's licensed location.

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

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

13 (g) A limited purpose branch may not be located within
14 1,000 feet of a facility operated by an inter-track wagering
15 licensee or an organization licensee subject to the Illinois
16 Horse Racing Act of 1975, on a riverboat or in a casino subject
17 to the Illinois Riverboat Gambling Act, or within 1,000 feet of
18 the location at which the riverboat docks or within 1,000 feet
19 of a casino.

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

21 Section 90-35. The Illinois Horse Racing Act of 1975 is
22 amended by changing Sections 1.2, 3.11, 3.12, 6, 9, 15, 15.1,
23 18, 19, 20, 24, 26, 27, 28, 28.1, 30, 30.5, 31, 31.1, 32.1, 36,
24 and 40 and by adding Sections 3.31, 3.32, 3.33, 3.35, 3.36,
25 29.2, 34.3, and 56 as follows:

1 (230 ILCS 5/1.2)

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

8 (a) support and enhance Illinois' horse racing industry,
9 which is a significant component within the agribusiness
10 industry;

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

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

17 (d) promote the further growth of tourism;

18 (e) encourage the breeding of thoroughbred and
19 standardbred horses in this State; and

20 (f) ensure that public confidence and trust in the
21 credibility and integrity of racing operations and the
22 regulatory process is maintained.

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

24 (230 ILCS 5/3.11) (from Ch. 8, par. 37-3.11)

1 Sec. 3.11. "Organization Licensee" means any person
2 receiving an organization license from the Board to conduct a
3 race meeting or meetings. With respect only to electronic
4 gaming, "organization licensee" includes the authorization for
5 an electronic gaming license under subsection (a) of Section 56
6 of this Act.

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

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

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

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

18 (230 ILCS 5/3.31 new)

19 Sec. 3.31. Adjusted gross receipts. "Adjusted gross
20 receipts" means the gross receipts less winnings paid to
21 wagerers.

22 (230 ILCS 5/3.32 new)

23 Sec. 3.32. Gross receipts. "Gross receipts" means the total

1 amount of money exchanged for the purchase of chips, tokens, or
2 electronic cards by riverboat or casino patrons or electronic
3 gaming patrons.

4 (230 ILCS 5/3.33 new)

5 Sec. 3.33. Electronic gaming. "Electronic gaming" means
6 slot machine gambling, video game of chance gambling, or
7 gambling with electronic gambling games as defined in the
8 Illinois Gambling Act or defined by the Illinois Gaming Board
9 that is conducted at a race track pursuant to an electronic
10 gaming license.

11 (230 ILCS 5/3.35 new)

12 Sec. 3.35. Electronic gaming license. "Electronic gaming
13 license" means a license issued by the Illinois Gaming Board
14 under Section 7.6 of the Illinois Gambling Act authorizing
15 electronic gaming at an electronic gaming facility.

16 (230 ILCS 5/3.36 new)

17 Sec. 3.36. Electronic gaming facility. "Electronic gaming
18 facility" means that portion of an organization licensee's race
19 track facility at which electronic gaming is conducted.

20 (230 ILCS 5/6) (from Ch. 8, par. 37-6)

21 Sec. 6. Restrictions on Board members.

22 (a) No person shall be appointed a member of the Board or

1 continue to be a member of the Board if the person or any
2 member of their immediate family is a member of the Board of
3 Directors, employee, or financially interested in any of the
4 following: (i) any licensee or other person who has applied for
5 racing dates to the Board, or the operations thereof including,
6 but not limited to, concessions, data processing, track
7 maintenance, track security, and pari-mutuel operations,
8 located, scheduled or doing business within the State of
9 Illinois, (ii) any race horse competing at a meeting under the
10 Board's jurisdiction, or (iii) any licensee under the Illinois
11 Gambling Act. No person shall be appointed a member of the
12 Board or continue to be a member of the Board who is (or any
13 member of whose family is) a member of the Board of Directors
14 of, or who is a person financially interested in, any licensee
15 or other person who has applied for racing dates to the Board,
16 or the operations thereof including, but not limited to,
17 concessions, data processing, track maintenance, track
18 security and pari mutuel operations, located, scheduled or
19 doing business within the State of Illinois, or in any race
20 horse competing at a meeting under the Board's jurisdiction. No
21 Board member shall hold any other public office for which he
22 shall receive compensation other than necessary travel or other
23 incidental expenses.

24 (b) No person shall be a member of the Board who is not of
25 good moral character or who has been convicted of, or is under
26 indictment for, a felony under the laws of Illinois or any

1 other state, or the United States.

2 (c) No member of the Board or employee shall engage in any
3 political activity. For the purposes of this Section,
4 "political" means any activity in support of or in connection
5 with any campaign for State or local elective office or any
6 political organization, but does not include activities (i)
7 relating to the support or opposition of any executive,
8 legislative, or administrative action (as those terms are
9 defined in Section 2 of the Lobbyist Registration Act), (ii)
10 relating to collective bargaining, or (iii) that are otherwise
11 in furtherance of the person's official State duties or
12 governmental and public service functions.

13 (d) Board members and employees may not engage in
14 communications or any activity that may cause or have the
15 appearance of causing a conflict of interest. A conflict of
16 interest exists if a situation influences or creates the
17 appearance that it may influence judgment or performance of
18 regulatory duties and responsibilities. This prohibition shall
19 extend to any act identified by Board action that, in the
20 judgment of the Board, could represent the potential for or the
21 appearance of a conflict of interest.

22 (e) Board members and employees may not accept any gift,
23 gratuity, service, compensation, travel, lodging, or thing of
24 value, with the exception of unsolicited items of an incidental
25 nature, from any person, corporation, or entity doing business
26 with the Board.

1 (f) A Board member or employee shall not use or attempt to
2 use his or her official position to secure, or attempt to
3 secure, any privilege, advantage, favor, or influence for
4 himself or herself or others. No Board member or employee,
5 within a period of one year immediately preceding nomination by
6 the Governor or employment, shall have been employed or
7 received compensation or fees for services from a person or
8 entity, or its parent or affiliate, that has engaged in
9 business with the Board, a licensee or a licensee under the
10 Illinois Gambling Act. In addition, all Board members and
11 employees are subject to the restrictions set forth in Section
12 5-45 of the State Officials and Employees Ethics Act.

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

14 (230 ILCS 5/9) (from Ch. 8, par. 37-9)

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

18 (a) The Board is vested with jurisdiction and supervision
19 over all race meetings in this State, over all licensees doing
20 business in this State, over all occupation licensees, and over
21 all persons on the facilities of any licensee. Such
22 jurisdiction shall include the power to issue licenses to the
23 Illinois Department of Agriculture authorizing the pari-mutuel
24 system of wagering on harness and Quarter Horse races held ~~(1)~~
25 ~~at the Illinois State Fair in Sangamon County, and (2) at the~~

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

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

22 Upon application, the Board shall issue a license to the
23 Illinois State Fairgrounds Racetrack Authority authorizing the
24 pari-mutuel system of wagering on live harness and Quarter
25 Horse races, inter-track wagering, simulcast wagering, and
26 advanced deposit wagering (if otherwise authorized by law)

1 through a racing contractor, as that term is defined in the
2 Illinois State Fairgrounds Racetrack Authority Act, for up to 9
3 months of each year at the Illinois State Fairgrounds in
4 Sangamon County. Revenues received by the Board from this
5 license shall be deposited into the Horse Racing Fund.

6 The Illinois State Fairgrounds Racetrack Authority shall
7 enjoy all of the rights of a "host track" as defined by Section
8 3.075 of this Act.

9 The Illinois State Fairgrounds Racetrack Authority shall
10 have the right to operate or affiliate with up to 6 inter-track
11 wagering locations at any location within 90 miles of the
12 Illinois State Fairgrounds, subject to all of the general
13 restrictions set forth in subsection (h) of Section 26 of this
14 Act.

15 Notwithstanding any provision of law to the contrary, it
16 shall be lawful for any licensee to operate pari-mutuel
17 wagering or contract with the Department of Agriculture to
18 operate pari-mutuel wagering at the DuQuoin State Fairgrounds
19 or for the Department to enter into contracts with a licensee,
20 employ its owners, employees or agents and employ such other
21 occupation licensees as the Department deems necessary in
22 connection with race meetings and wagerings.

23 (b) The Board is vested with the full power to promulgate
24 reasonable rules and regulations for the purpose of
25 administering the provisions of this Act and to prescribe
26 reasonable rules, regulations and conditions under which all

1 horse race meetings or wagering in the State shall be
2 conducted. Such reasonable rules and regulations are to provide
3 for the prevention of practices detrimental to the public
4 interest and to promote the best interests of horse racing and
5 to impose penalties for violations thereof.

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

11 (d) The Board, and any person or persons to whom it
12 delegates this power, is vested with the authority to
13 investigate alleged violations of the provisions of this Act,
14 its reasonable rules and regulations, orders and final
15 decisions; the Board shall take appropriate disciplinary
16 action against any licensee or occupation licensee for
17 violation thereof or institute appropriate legal action for the
18 enforcement thereof.

19 (e) The Board, and any person or persons to whom it
20 delegates this power, may eject or exclude from any race
21 meeting or the facilities of any licensee, or any part thereof,
22 any occupation licensee or any other individual whose conduct
23 or reputation is such that his presence on those facilities
24 may, in the opinion of the Board, call into question the
25 honesty and integrity of horse racing or wagering or interfere
26 with the orderly conduct of horse racing or wagering; provided,

1 however, that no person shall be excluded or ejected from the
2 facilities of any licensee solely on the grounds of race,
3 color, creed, national origin, ancestry, or sex. The power to
4 eject or exclude an occupation licensee or other individual may
5 be exercised for just cause by the licensee or the Board,
6 subject to subsequent hearing by the Board as to the propriety
7 of said exclusion.

8 (f) The Board is vested with the power to acquire,
9 establish, maintain and operate (or provide by contract to
10 maintain and operate) testing laboratories and related
11 facilities, for the purpose of conducting saliva, blood, urine
12 and other tests on the horses run or to be run in any horse race
13 meeting, including races run at county fairs, and to purchase
14 all equipment and supplies deemed necessary or desirable in
15 connection with any such testing laboratories and related
16 facilities and all such tests.

17 (g) The Board may require that the records, including
18 financial or other statements of any licensee or any person
19 affiliated with the licensee who is involved directly or
20 indirectly in the activities of any licensee as regulated under
21 this Act to the extent that those financial or other statements
22 relate to such activities be kept in such manner as prescribed
23 by the Board, and that Board employees shall have access to
24 those records during reasonable business hours. Within 120 days
25 of the end of its fiscal year, each licensee shall transmit to
26 the Board an audit of the financial transactions and condition

1 of the licensee's total operations. All audits shall be
2 conducted by certified public accountants. Each certified
3 public accountant must be registered in the State of Illinois
4 under the Illinois Public Accounting Act. The compensation for
5 each certified public accountant shall be paid directly by the
6 licensee to the certified public accountant. A licensee shall
7 also submit any other financial or related information the
8 Board deems necessary to effectively administer this Act and
9 all rules, regulations, and final decisions promulgated under
10 this Act.

11 (h) The Board shall name and appoint in the manner provided
12 by the rules and regulations of the Board: an Executive
13 Director; a State director of mutuels; State veterinarians and
14 representatives to take saliva, blood, urine and other tests on
15 horses; licensing personnel; revenue inspectors; and State
16 seasonal employees (excluding admission ticket sellers and
17 mutuel clerks). All of those named and appointed as provided in
18 this subsection shall serve during the pleasure of the Board;
19 their compensation shall be determined by the Board and be paid
20 in the same manner as other employees of the Board under this
21 Act.

22 (i) The Board shall require that there shall be 3 stewards
23 at each horse race meeting, at least 2 of whom shall be named
24 and appointed by the Board. Stewards appointed or approved by
25 the Board, while performing duties required by this Act or by
26 the Board, shall be entitled to the same rights and immunities

1 as granted to Board members and Board employees in Section 10
2 of this Act.

3 (j) The Board may discharge any Board employee who fails or
4 refuses for any reason to comply with the rules and regulations
5 of the Board, or who, in the opinion of the Board, is guilty of
6 fraud, dishonesty or who is proven to be incompetent. The Board
7 shall have no right or power to determine who shall be
8 officers, directors or employees of any licensee, or their
9 salaries except the Board may, by rule, require that all or any
10 officials or employees in charge of or whose duties relate to
11 the actual running of races be approved by the Board.

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

16 (l) The Board is vested with the power to impose civil
17 penalties of up to \$5,000 against an individual and up to
18 \$10,000 against a licensee for each violation of any provision
19 of this Act, any rules adopted by the Board, any order of the
20 Board or any other action which, in the Board's discretion, is
21 a detriment or impediment to horse racing or wagering. All such
22 civil penalties shall be deposited into the Horse Racing Fund.

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

26 (n) The Board shall have the power to issue a license to

1 any county fair, or its agent, authorizing the conduct of the
2 pari-mutuel system of wagering. The Board is vested with the
3 full power to promulgate reasonable rules, regulations and
4 conditions under which all horse race meetings licensed
5 pursuant to this subsection shall be held and conducted,
6 including rules, regulations and conditions for the conduct of
7 the pari-mutuel system of wagering. The rules, regulations and
8 conditions shall provide for the prevention of practices
9 detrimental to the public interest and for the best interests
10 of horse racing, and shall prescribe penalties for violations
11 thereof. Any authority granted the Board under this Act shall
12 extend to its jurisdiction and supervision over county fairs,
13 or their agents, licensed pursuant to this subsection. However,
14 the Board may waive any provision of this Act or its rules or
15 regulations which would otherwise apply to such county fairs or
16 their agents.

17 (o) Whenever the Board is authorized or required by law to
18 consider some aspect of criminal history record information for
19 the purpose of carrying out its statutory powers and
20 responsibilities, then, upon request and payment of fees in
21 conformance with the requirements of Section 2605-400 of the
22 Department of State Police Law (20 ILCS 2605/2605-400), the
23 Department of State Police is authorized to furnish, pursuant
24 to positive identification, such information contained in
25 State files as is necessary to fulfill the request.

26 (p) To insure the convenience, comfort, and wagering

1 accessibility of race track patrons, to provide for the
2 maximization of State revenue, and to generate increases in
3 purse allotments to the horsemen, the Board shall require any
4 licensee to staff the pari-mutuel department with adequate
5 personnel.

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

7 (230 ILCS 5/15) (from Ch. 8, par. 37-15)

8 Sec. 15. (a) The Board shall, in its discretion, issue
9 occupation licenses to horse owners, trainers, harness
10 drivers, jockeys, agents, apprentices, grooms, stable foremen,
11 exercise persons, veterinarians, valets, blacksmiths,
12 concessionaires and others designated by the Board whose work,
13 in whole or in part, is conducted upon facilities within the
14 State. Such occupation licenses will be obtained prior to the
15 persons engaging in their vocation upon such facilities. The
16 Board shall not license pari-mutuel clerks, parking
17 attendants, security guards and employees of concessionaires.
18 No occupation license shall be required of any person who works
19 at facilities within this State as a pari-mutuel clerk, parking
20 attendant, security guard or as an employee of a
21 concessionaire. Concessionaires of the Illinois State Fair and
22 DuQuoin State Fair and employees of the Illinois Department of
23 Agriculture shall not be required to obtain an occupation
24 license by the Board.

25 (b) Each application for an occupation license shall be on

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

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

18 (1) who has been convicted of a crime;

19 (2) who is unqualified to perform the duties required
20 of such applicant;

21 (3) who fails to disclose or states falsely any
22 information called for in the application;

23 (4) who has been found guilty of a violation of this
24 Act or of the rules and regulations of the Board; or

25 (5) whose license or permit has been suspended, revoked
26 or denied for just cause in any other state.

1 (d) The Board may suspend or revoke any occupation license:

2 (1) for violation of any of the provisions of this Act;

3 or

4 (2) for violation of any of the rules or regulations of
5 the Board; or

6 (3) for any cause which, if known to the Board, would
7 have justified the Board in refusing to issue such
8 occupation license; or

9 (4) for any other just cause.

10 (e) Each applicant shall submit his or her fingerprints
11 to the Department of State Police in the form and manner
12 prescribed by the Department of State Police. These
13 fingerprints shall be checked against the fingerprint records
14 now and hereafter filed in the Department of State Police and
15 Federal Bureau of Investigation criminal history records
16 databases. The Department of State Police shall charge a fee
17 for conducting the criminal history records check, which shall
18 be deposited in the State Police Services Fund and shall not
19 exceed the actual cost of the records check. The Department of
20 State Police shall furnish, pursuant to positive
21 identification, records of conviction to the Board. Each
22 applicant for licensure shall submit with his occupation
23 license application, on forms provided by the Board, 2 sets of
24 his fingerprints. All such applicants shall appear in person at
25 the location designated by the Board for the purpose of
26 submitting such sets of fingerprints; however, with the prior

1 approval of a State steward, an applicant may have such sets of
2 fingerprints taken by an official law enforcement agency and
3 submitted to the Board.

4 (f) The Board may, in its discretion, issue an occupation
5 license without submission of fingerprints ~~if an applicant has~~
6 ~~been duly licensed in another recognized racing jurisdiction~~
7 ~~after submitting fingerprints that were subjected to a Federal~~
8 ~~Bureau of Investigation criminal history background check in~~
9 ~~that jurisdiction.~~

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

11 (230 ILCS 5/15.1) (from Ch. 8, par. 37-15.1)

12 Sec. 15.1. Upon collection of the fee accompanying the
13 application for an occupation license, the Board shall be
14 authorized to make daily temporary deposits of the fees, for a
15 period not to exceed 7 days, with the horsemen's bookkeeper at
16 a race meeting. The horsemen's bookkeeper shall issue a check,
17 payable to the order of the Illinois Racing Board, for monies
18 deposited under this Section within 24 hours of receipt of the
19 monies. Provided however, upon the issuance of the check by the
20 horsemen's bookkeeper the check shall be deposited into the
21 Horse Racing Fund ~~in the State Treasury in accordance with the~~
22 ~~provisions of the "State Officers and Employees Money~~
23 ~~Disposition Act", approved June 9, 1911, as amended.~~

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

1 (230 ILCS 5/18) (from Ch. 8, par. 37-18)

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

10 (b) In addition to the filing fee of \$1000 and the fees
11 provided in subsection (j) of Section 20, each organization
12 licensee shall pay a license fee of \$100 for each racing
13 program on which its daily pari-mutuel handle is \$400,000 or
14 more but less than \$700,000, and a license fee of \$200 for each
15 racing program on which its daily pari-mutuel handle is
16 \$700,000 or more. The additional fees required to be paid under
17 this Section by this amendatory Act of 1982 shall be remitted
18 by the organization licensee to the Illinois Racing Board with
19 each day's graduated privilege tax or pari-mutuel tax and
20 breakage as provided under Section 27.

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

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

25 (230 ILCS 5/19) (from Ch. 8, par. 37-19)

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

3 (1) except as provided in subsection (c) of Section 21
4 of this Act, to any person at any place within 35 miles of
5 any other place licensed by the Board to hold a race
6 meeting on the same date during the same hours, the mileage
7 measurement used in this subsection (a) shall be certified
8 to the Board by the Bureau of Systems and Services in the
9 Illinois Department of Transportation as the most commonly
10 used public way of vehicular travel;

11 (2) to any person in default in the payment of any
12 obligation or debt due the State under this Act, provided
13 no applicant shall be deemed in default in the payment of
14 any obligation or debt due to the State under this Act as
15 long as there is pending a hearing of any kind relevant to
16 such matter;

17 (3) to any person who has been convicted of the
18 violation of any law of the United States or any State law
19 which provided as all or part of its penalty imprisonment
20 in any penal institution; to any person against whom there
21 is pending a Federal or State criminal charge; to any
22 person who is or has been connected with or engaged in the
23 operation of any illegal business; to any person who does
24 not enjoy a general reputation in his community of being an
25 honest, upright, law-abiding person; provided that none of
26 the matters set forth in this subparagraph (3) shall make

1 any person ineligible to be granted an organization license
2 if the Board determines, based on circumstances of any such
3 case, that the granting of a license would not be
4 detrimental to the interests of horse racing and of the
5 public;

6 (4) to any person who does not at the time of
7 application for the organization license own or have a
8 contract or lease for the possession of a finished race
9 track suitable for the type of racing intended to be held
10 by the applicant and for the accommodation of the public.

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

15 (c) If any person is ineligible to receive an organization
16 license because of any of the matters set forth in subsection
17 (a) (2) or subsection (a) (3) of this Section, any other or
18 separate person that either (i) controls, directly or
19 indirectly, such ineligible person or (ii) is controlled,
20 directly or indirectly, by such ineligible person or by a
21 person which controls, directly or indirectly, such ineligible
22 person shall also be ineligible.

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

24 (230 ILCS 5/20) (from Ch. 8, par. 37-20)

25 Sec. 20. (a) Any person desiring to conduct a horse race

1 meeting may apply to the Board for an organization license. The
2 application shall be made on a form prescribed and furnished by
3 the Board. The application shall specify:

4 (1) the dates on which it intends to conduct the horse
5 race meeting, which dates shall be provided under Section
6 21;

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

9 (3) the location where it proposes to conduct the
10 meeting; and

11 (4) any other information the Board may reasonably
12 require.

13 (b) A separate application for an organization license
14 shall be filed for each horse race meeting which such person
15 proposes to hold. Any such application, if made by an
16 individual, or by any individual as trustee, shall be signed
17 and verified under oath by such individual. If made by
18 individuals or a partnership, it shall be signed and verified
19 under oath by at least 2 of such individuals or members of such
20 partnership as the case may be. If made by an association,
21 corporation, corporate trustee or any other entity, it shall be
22 signed by the president and attested by the secretary or
23 assistant secretary under the seal of such association, trust
24 or corporation if it has a seal, and shall also be verified
25 under oath by one of the signing officers.

26 (c) The application shall specify the name of the persons,

1 association, trust, or corporation making such application and
2 the post office address of the applicant; if the applicant is a
3 trustee, the names and addresses of the beneficiaries; if a
4 corporation, the names and post office addresses of all
5 officers, stockholders and directors; or if such stockholders
6 hold stock as a nominee or fiduciary, the names and post office
7 addresses of these persons, partnerships, corporations, or
8 trusts who are the beneficial owners thereof or who are
9 beneficially interested therein; and if a partnership, the
10 names and post office addresses of all partners, general or
11 limited; if the applicant is a corporation, the name of the
12 state of its incorporation shall be specified.

13 (d) The applicant shall execute and file with the Board a
14 good faith affirmative action plan to recruit, train, and
15 upgrade minorities in all classifications within the
16 association.

17 (e) With such application there shall be delivered to the
18 Board a certified check or bank draft payable to the order of
19 the Board for an amount equal to \$1,000. All applications for
20 the issuance of an organization license shall be filed with the
21 Board before August 1 of the year prior to the year for which
22 application is made and shall be acted upon by the Board at a
23 meeting to be held on such date as shall be fixed by the Board
24 during the last 15 days of September of such prior year. At
25 such meeting, the Board shall announce the award of the racing
26 meets, live racing schedule, and designation of host track to

1 the applicants and its approval or disapproval of each
2 application. No announcement shall be considered binding until
3 a formal order is executed by the Board, which shall be
4 executed no later than October 15 of that prior year. Absent
5 the agreement of the affected organization licensees, the Board
6 shall not grant overlapping race meetings to 2 or more tracks
7 that are within 100 miles of each other to conduct the
8 thoroughbred racing.

9 (e-1) In awarding standardbred racing dates for calendar
10 year 2012 and thereafter, the Board shall award at least 310
11 racing days, and each organization licensees shall average at
12 least 12 races for each racing day awarded. The Board shall
13 have the discretion to allocate those racing days among
14 organization licensees requesting standardbred race dates.
15 Once awarded by the Board, organization licensees awarded
16 standardbred dates shall run at least 3,500 races in total
17 during that calendar year.

18 (e-2) In awarding racing dates for calendar year 2012 and
19 thereafter, the Board shall award racing dates and the
20 organization licensees shall run at least 2,500 thoroughbred
21 races at Cook County race tracks and 700 thoroughbred races at
22 a race track in Madison County each year. In awarding racing
23 dates under this subsection (e-2), the Board shall have the
24 discretion to allocate those racing dates among organization
25 licensees.

26 (e-3) The Board shall ensure that each organization

1 licensee shall individually run a sufficient number of races
2 per year to qualify for an electronic gaming license under
3 Section 7.6 of the Illinois Gambling Act.

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

17 (e-5) In reviewing an application for the purpose of
18 granting an organization license consistent with the best
19 interests of the public and the sport of horse racing, the
20 Board shall consider:

21 (1) the character, reputation, experience, and
22 financial integrity of the applicant and of any other
23 separate person that either:

24 (i) controls the applicant, directly or
25 indirectly, or

26 (ii) is controlled, directly or indirectly, by

1 that applicant or by a person who controls, directly or
2 indirectly, that applicant;

3 (2) the applicant's facilities or proposed facilities
4 for conducting horse racing;

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

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

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

13 (6) the applicant's proposed and prior year's
14 promotional and marketing activities and expenditures of
15 the applicant associated with those activities;

16 (7) an agreement, if any, among organization licensees
17 as provided in subsection (b) of Section 21 of this Act;
18 and

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

22 In granting organization licenses and allocating dates for
23 horse race meetings, the Board shall have discretion to
24 determine an overall schedule, including required simulcasts
25 of Illinois races by host tracks that will, in its judgment, be
26 conducive to the best interests of the public and the sport of

1 horse racing.

2 (e-10) The Illinois Administrative Procedure Act shall
3 apply to administrative procedures of the Board under this Act
4 for the granting of an organization license, except that (1)
5 notwithstanding the provisions of subsection (b) of Section
6 10-40 of the Illinois Administrative Procedure Act regarding
7 cross-examination, the Board may prescribe rules limiting the
8 right of an applicant or participant in any proceeding to award
9 an organization license to conduct cross-examination of
10 witnesses at that proceeding where that cross-examination
11 would unduly obstruct the timely award of an organization
12 license under subsection (e) of Section 20 of this Act; (2) the
13 provisions of Section 10-45 of the Illinois Administrative
14 Procedure Act regarding proposals for decision are excluded
15 under this Act; (3) notwithstanding the provisions of
16 subsection (a) of Section 10-60 of the Illinois Administrative
17 Procedure Act regarding ex parte communications, the Board may
18 prescribe rules allowing ex parte communications with
19 applicants or participants in a proceeding to award an
20 organization license where conducting those communications
21 would be in the best interest of racing, provided all those
22 communications are made part of the record of that proceeding
23 pursuant to subsection (c) of Section 10-60 of the Illinois
24 Administrative Procedure Act; (4) the provisions of Section 14a
25 of this Act and the rules of the Board promulgated under that
26 Section shall apply instead of the provisions of Article 10 of

1 the Illinois Administrative Procedure Act regarding
2 administrative law judges; and (5) the provisions of subsection
3 (d) of Section 10-65 of the Illinois Administrative Procedure
4 Act that prevent summary suspension of a license pending
5 revocation or other action shall not apply.

6 (f) The Board may allot racing dates to an organization
7 licensee for more than one calendar year but for no more than 3
8 successive calendar years in advance, provided that the Board
9 shall review such allotment for more than one calendar year
10 prior to each year for which such allotment has been made. The
11 granting of an organization license to a person constitutes a
12 privilege to conduct a horse race meeting under the provisions
13 of this Act, and no person granted an organization license
14 shall be deemed to have a vested interest, property right, or
15 future expectation to receive an organization license in any
16 subsequent year as a result of the granting of an organization
17 license. Organization licenses shall be subject to revocation
18 if the organization licensee has violated any provision of this
19 Act or the rules and regulations promulgated under this Act or
20 has been convicted of a crime or has failed to disclose or has
21 stated falsely any information called for in the application
22 for an organization license. Any organization license
23 revocation proceeding shall be in accordance with Section 16
24 regarding suspension and revocation of occupation licenses.

25 (f-5) If, (i) an applicant does not file an acceptance of
26 the racing dates awarded by the Board as required under part

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

19 (g) (Blank).

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

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

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

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

5 (3) file with the Board the bonds required in Sections
6 21 and 25 at least 20 days prior to the first day of each
7 race meeting.

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

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

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

15 (230 ILCS 5/24) (from Ch. 8, par. 37-24)

16 Sec. 24. (a) No license shall be issued to or held by an
17 organization licensee unless all of its officers, directors,
18 and holders of ownership interests of at least 5% are first
19 approved by the Board. The Board shall not give approval of an
20 organization license application to any person who has been
21 convicted of or is under an indictment for a crime of moral
22 turpitude or has violated any provision of the racing law of
23 this State or any rules of the Board.

24 (b) An organization licensee must notify the Board within
25 10 days of any change in the holders of a direct or indirect

1 interest in the ownership of the organization licensee. The
2 Board may, after hearing, revoke the organization license of
3 any person who registers on its books or knowingly permits a
4 direct or indirect interest in the ownership of that person
5 without notifying the Board of the name of the holder in
6 interest within this period.

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

12 (d) No person which has been granted an organization
13 license to hold a race meeting shall give to any public
14 official or member of his family, directly or indirectly, for
15 or without consideration, any interest in the person. The Board
16 shall, after hearing, revoke the organization license granted
17 to a person which has violated this subsection.

18 (e) (Blank).

19 (f) No organization licensee or concessionaire or officer,
20 director or holder or controller of 5% or more legal or
21 beneficial interest in any organization licensee or concession
22 shall make any sort of gift or contribution that is prohibited
23 under Article 10 of the State Officials and Employees Ethics
24 Act of any kind or pay or give any money or other thing of value
25 to any person who is a public official, or a candidate or
26 nominee for public office if that payment or gift is prohibited

1 under Article 10 of the State Officials and Employees Ethics
2 Act.

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

4 (230 ILCS 5/26) (from Ch. 8, par. 37-26)

5 Sec. 26. Wagering.

6 (a) Any licensee may conduct and supervise the pari-mutuel
7 system of wagering, as defined in Section 3.12 of this Act, on
8 horse races conducted by an Illinois organization licensee or
9 conducted at a racetrack located in another state or country
10 ~~and televised in Illinois~~ in accordance with subsection (g) of
11 Section 26 of this Act. Subject to the prior consent of the
12 Board, licensees may supplement any pari-mutuel pool in order
13 to guarantee a minimum distribution. Such pari-mutuel method of
14 wagering shall not, under any circumstances if conducted under
15 the provisions of this Act, be held or construed to be
16 unlawful, other statutes of this State to the contrary
17 notwithstanding. Subject to rules for advance wagering
18 promulgated by the Board, any licensee may accept wagers in
19 advance of the day of the race wagered upon occurs.

20 (b) Except for those gaming activities for which a license
21 is obtained and authorized under the Illinois Lottery Act, the
22 Charitable Games Act, the Raffles Act, or the Illinois Gambling
23 Act, no ~~no~~ other method of betting, pool making, wagering or
24 gambling shall be used or permitted by the licensee. Each
25 licensee may retain, subject to the payment of all applicable

1 taxes and purses, an amount not to exceed 17% of all money
2 wagered under subsection (a) of this Section, except as may
3 otherwise be permitted under this Act.

4 (b-5) An individual may place a wager under the pari-mutuel
5 system from any licensed location authorized under this Act
6 provided that wager is electronically recorded in the manner
7 described in Section 3.12 of this Act. Any wager made
8 electronically by an individual while physically on the
9 premises of a licensee shall be deemed to have been made at the
10 premises of that licensee.

11 (c) Until January 1, 2000, the sum held by any licensee for
12 payment of outstanding pari-mutuel tickets, if unclaimed prior
13 to December 31 of the next year, shall be retained by the
14 licensee for payment of such tickets until that date. Within 10
15 days thereafter, the balance of such sum remaining unclaimed,
16 less any uncashed supplements contributed by such licensee for
17 the purpose of guaranteeing minimum distributions of any
18 pari-mutuel pool, shall be paid to the Illinois Veterans'
19 Rehabilitation Fund of the State treasury, except as provided
20 in subsection (g) of Section 27 of this Act.

21 (c-5) Beginning January 1, 2000, the sum held by any
22 licensee for payment of outstanding pari-mutuel tickets, if
23 unclaimed prior to December 31 of the next year, shall be
24 retained by the licensee for payment of such tickets until that
25 date. Within 10 days thereafter, the balance of such sum
26 remaining unclaimed, less any uncashed supplements contributed

1 by such licensee for the purpose of guaranteeing minimum
2 distributions of any pari-mutuel pool, shall be evenly
3 distributed to the purse account of the organization licensee
4 and the organization licensee.

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

10 (e) No licensee shall knowingly permit any minor, other
11 than an employee of such licensee or an owner, trainer, jockey,
12 driver, or employee thereof, to be admitted during a racing
13 program unless accompanied by a parent or guardian, or any
14 minor to be a patron of the pari-mutuel system of wagering
15 conducted or supervised by it. The admission of any
16 unaccompanied minor, other than an employee of the licensee or
17 an owner, trainer, jockey, driver, or employee thereof at a
18 race track is a Class C misdemeanor.

19 (f) Notwithstanding the other provisions of this Act, an
20 organization licensee may contract with an entity in another
21 state or country to permit any legal wagering entity in another
22 state or country to accept wagers solely within such other
23 state or country on races conducted by the organization
24 licensee in this State. Beginning January 1, 2000, these wagers
25 shall not be subject to State taxation. Until January 1, 2000,
26 when the out-of-State entity conducts a pari-mutuel pool

1 separate from the organization licensee, a privilege tax equal
2 to 7 1/2% of all monies received by the organization licensee
3 from entities in other states or countries pursuant to such
4 contracts is imposed on the organization licensee, and such
5 privilege tax shall be remitted to the Department of Revenue
6 within 48 hours of receipt of the moneys from the simulcast.
7 When the out-of-State entity conducts a combined pari-mutuel
8 pool with the organization licensee, the tax shall be 10% of
9 all monies received by the organization licensee with 25% of
10 the receipts from this 10% tax to be distributed to the county
11 in which the race was conducted.

12 An organization licensee may permit one or more of its
13 races to be utilized for pari-mutuel wagering at one or more
14 locations in other states and may transmit audio and visual
15 signals of races the organization licensee conducts to one or
16 more locations outside the State or country and may also permit
17 pari-mutuel pools in other states or countries to be combined
18 with its gross or net wagering pools or with wagering pools
19 established by other states.

20 (g) A host track may accept interstate simulcast wagers on
21 horse races conducted in other states or countries and shall
22 control the number of signals and types of breeds of racing in
23 its simulcast program, subject to the disapproval of the Board.
24 The Board may prohibit a simulcast program only if it finds
25 that the simulcast program is clearly adverse to the integrity
26 of racing. The host track simulcast program shall include the

1 signal of live racing of all organization licensees. All
2 non-host licensees and advance deposit wagering licensees
3 shall carry the signal of and accept wagers on live racing of
4 all organization licensees. Advance deposit wagering licensees
5 shall not be permitted to accept out-of-state wagers on any
6 Illinois signal provided pursuant to this Section without the
7 approval and consent of the organization licensee providing the
8 signal. Non-host licensees may carry the host track simulcast
9 program and shall accept wagers on all races included as part
10 of the simulcast program upon which wagering is permitted. All
11 organization licensees shall provide their live signal to all
12 advance deposit wagering licensees for a simulcast commission
13 fee not to exceed 6% of the advance deposit wagering licensee's
14 Illinois handle on the organization licensee's signal without
15 prior approval by the Board. The Board may adopt rules under
16 which it may permit simulcast commission fees in excess of 6%.
17 The Board shall adopt rules limiting the interstate commission
18 fees charged to an advance deposit wagering licensee. The Board
19 shall adopt rules regarding advance deposit wagering on
20 interstate simulcast races that shall reflect, among other
21 things, the General Assembly's desire to maximize revenues to
22 the State, horsemen purses, and organizational licensees.
23 However, organization licensees providing live signals
24 pursuant to the requirements of this subsection (g) may
25 petition the Board to withhold their live signals from an
26 advance deposit wagering licensee if the organization licensee

1 discovers and the Board finds reputable or credible information
2 that the advance deposit wagering licensee is under
3 investigation by another state or federal governmental agency,
4 the advance deposit wagering licensee's license has been
5 suspended in another state, or the advance deposit wagering
6 licensee's license is in revocation proceedings in another
7 state. The organization licensee's provision of their live
8 signal to an advance deposit wagering licensee under this
9 subsection (g) pertains to wagers placed from within Illinois.
10 Advance deposit wagering licensees may place advance deposit
11 wagering terminals at wagering facilities as a convenience to
12 customers. The advance deposit wagering licensee shall not
13 charge or collect any fee from purses for the placement of the
14 advance deposit wagering terminals. The costs and expenses of
15 the host track and non-host licensees associated with
16 interstate simulcast wagering, other than the interstate
17 commission fee, shall be borne by the host track and all
18 non-host licensees incurring these costs. The interstate
19 commission fee shall not exceed 5% of Illinois handle on the
20 interstate simulcast race or races without prior approval of
21 the Board. The Board shall promulgate rules under which it may
22 permit interstate commission fees in excess of 5%. The
23 interstate commission fee and other fees charged by the sending
24 racetrack, including, but not limited to, satellite decoder
25 fees, shall be uniformly applied to the host track and all
26 non-host licensees.

1 Notwithstanding any other provision of this Act, for a
2 period of 3 years after the effective date of this amendatory
3 Act of the 96th General Assembly, an organization licensee may
4 maintain a system whereby advance deposit wagering may take
5 place or an organization licensee, with the consent of the
6 horsemen association representing the largest number of
7 owners, trainers, jockeys, or standardbred drivers who race
8 horses at that organization licensee's racing meeting, may
9 contract with another person to carry out a system of advance
10 deposit wagering. Such consent may not be unreasonably
11 withheld. All advance deposit wagers placed from within
12 Illinois must be placed through a Board-approved advance
13 deposit wagering licensee; no other entity may accept an
14 advance deposit wager from a person within Illinois. All
15 advance deposit wagering is subject to any rules adopted by the
16 Board. The Board may adopt rules necessary to regulate advance
17 deposit wagering through the use of emergency rulemaking in
18 accordance with Section 5-45 of the Illinois Administrative
19 Procedure Act. The General Assembly finds that the adoption of
20 rules to regulate advance deposit wagering is deemed an
21 emergency and necessary for the public interest, safety, and
22 welfare. An advance deposit wagering licensee may retain all
23 moneys as agreed to by contract with an organization licensee.
24 Any moneys retained by the organization licensee from advance
25 deposit wagering, not including moneys retained by the advance
26 deposit wagering licensee, shall be paid 50% to the

1 organization licensee's purse account and 50% to the
2 organization licensee. If more than one breed races at the same
3 race track facility, then the 50% of the moneys to be paid to
4 an organization licensee's purse account shall be allocated
5 among all organization licensees' purse accounts operating at
6 that race track facility proportionately based on the actual
7 number of host days that the Board grants to that breed at that
8 race track facility in the current calendar year. To the extent
9 any fees from advance deposit wagering conducted in Illinois
10 for wagers in Illinois or other states have been placed in
11 escrow or otherwise withheld from wagers pending a
12 determination of the legality of advance deposit wagering, no
13 action shall be brought to declare such wagers or the
14 disbursement of any fees previously escrowed illegal.

15 (1) Between the hours of 6:30 a.m. and 6:30 p.m. an
16 intertrack wagering licensee other than the host track may
17 supplement the host track simulcast program with
18 additional simulcast races or race programs, provided that
19 between January 1 and the third Friday in February of any
20 year, inclusive, if no live thoroughbred racing is
21 occurring in Illinois during this period, only
22 thoroughbred races may be used for supplemental interstate
23 simulcast purposes. The Board shall withhold approval for a
24 supplemental interstate simulcast only if it finds that the
25 simulcast is clearly adverse to the integrity of racing. A
26 supplemental interstate simulcast may be transmitted from

1 an intertrack wagering licensee to its affiliated non-host
2 licensees. The interstate commission fee for a
3 supplemental interstate simulcast shall be paid by the
4 non-host licensee and its affiliated non-host licensees
5 receiving the simulcast.

6 (2) Between the hours of 6:30 p.m. and 6:30 a.m. an
7 intertrack wagering licensee other than the host track may
8 receive supplemental interstate simulcasts only with the
9 consent of the host track, except when the Board finds that
10 the simulcast is clearly adverse to the integrity of
11 racing. Consent granted under this paragraph (2) to any
12 intertrack wagering licensee shall be deemed consent to all
13 non-host licensees. The interstate commission fee for the
14 supplemental interstate simulcast shall be paid by all
15 participating non-host licensees.

16 (3) Each licensee conducting interstate simulcast
17 wagering may retain, subject to the payment of all
18 applicable taxes and the purses, an amount not to exceed
19 17% of all money wagered. If any licensee conducts the
20 pari-mutuel system wagering on races conducted at
21 racetracks in another state or country, each such race or
22 race program shall be considered a separate racing day for
23 the purpose of determining the daily handle and computing
24 the privilege tax of that daily handle as provided in
25 subsection (a) of Section 27. Until January 1, 2000, from
26 the sums permitted to be retained pursuant to this

1 subsection, each intertrack wagering location licensee
2 shall pay 1% of the pari-mutuel handle wagered on simulcast
3 wagering to the Horse Racing Tax Allocation Fund, subject
4 to the provisions of subparagraph (B) of paragraph (11) of
5 subsection (h) of Section 26 of this Act.

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

17 (5) After the payment of the interstate commission fee
18 (except for the interstate commission fee on a supplemental
19 interstate simulcast, which shall be paid by the host track
20 and by each non-host licensee through the host-track) and
21 all applicable State and local taxes, except as provided in
22 subsection (g) of Section 27 of this Act, the remainder of
23 moneys retained from simulcast wagering pursuant to this
24 subsection (g), and Section 26.2 shall be divided as
25 follows:

26 (A) For interstate simulcast wagers made at a host

1 track, 50% to the host track and 50% to purses at the
2 host track.

3 (B) For wagers placed on interstate simulcast
4 races, supplemental simulcasts as defined in
5 subparagraphs (1) and (2), and separately pooled races
6 conducted outside of the State of Illinois made at a
7 non-host licensee, 25% to the host track, 25% to the
8 non-host licensee, and 50% to the purses at the host
9 track.

10 (6) Notwithstanding any provision in this Act to the
11 contrary, non-host licensees who derive their licenses
12 from a track located in a county with a population in
13 excess of 230,000 and that borders the Mississippi River
14 may receive supplemental interstate simulcast races at all
15 times subject to Board approval, which shall be withheld
16 only upon a finding that a supplemental interstate
17 simulcast is clearly adverse to the integrity of racing.

18 (7) Notwithstanding any provision of this Act to the
19 contrary, after payment of all applicable State and local
20 taxes and interstate commission fees, non-host licensees
21 who derive their licenses from a track located in a county
22 with a population in excess of 230,000 and that borders the
23 Mississippi River shall retain 50% of the retention from
24 interstate simulcast wagers and shall pay 50% to purses at
25 the track from which the non-host licensee derives its
26 license as follows:

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

6 (B) Between January 1 and the third Friday in
7 February, inclusive, if no live thoroughbred racing is
8 occurring in Illinois during this period, and the
9 interstate simulcast is a thoroughbred race, the purse
10 share to its interstate simulcast purse pool to be
11 distributed under paragraph (10) of this subsection
12 (g);

13 (C) Between January 1 and the third Friday in
14 February, inclusive, if live thoroughbred racing is
15 occurring in Illinois, between 6:30 a.m. and 6:30 p.m.
16 the purse share from wagers made during this time
17 period to its thoroughbred purse account and between
18 6:30 p.m. and 6:30 a.m. the purse share from wagers
19 made during this time period to its standardbred purse
20 accounts;

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

25 (E) Between the third Saturday in February and
26 December 31, when the interstate simulcast occurs

1 between the hours of 6:30 p.m. and 6:30 a.m., the purse
2 share to its standardbred purse account.

3 (7.1) Notwithstanding any other provision of this Act
4 to the contrary, if no standardbred racing is conducted at
5 a racetrack located in Madison County during any calendar
6 year beginning on or after January 1, 2002, all moneys
7 derived by that racetrack from simulcast wagering and
8 inter-track wagering that (1) are to be used for purses and
9 (2) are generated between the hours of 6:30 p.m. and 6:30
10 a.m. during that calendar year shall be paid as follows:

11 (A) If the licensee that conducts horse racing at
12 that racetrack requests from the Board at least as many
13 racing dates as were conducted in calendar year 2000,
14 80% shall be paid to its thoroughbred purse account;
15 and

16 (B) Twenty percent shall be deposited into the
17 Illinois Colt Stakes Purse Distribution Fund and shall
18 be paid to purses for standardbred races for Illinois
19 conceived and foaled horses conducted at any county
20 fairgrounds. The moneys deposited into the Fund
21 pursuant to this subparagraph (B) shall be deposited
22 within 2 weeks after the day they were generated, shall
23 be in addition to and not in lieu of any other moneys
24 paid to standardbred purses under this Act, and shall
25 not be commingled with other moneys paid into that
26 Fund. The moneys deposited pursuant to this

1 subparagraph (B) shall be allocated as provided by the
2 Department of Agriculture, with the advice and
3 assistance of the Illinois Standardbred Breeders Fund
4 Advisory Board.

5 (7.2) Notwithstanding any other provision of this Act
6 to the contrary, if no thoroughbred racing is conducted at
7 a racetrack located in Madison County during any calendar
8 year beginning on or after January 1, 2002, all moneys
9 derived by that racetrack from simulcast wagering and
10 inter-track wagering that (1) are to be used for purses and
11 (2) are generated between the hours of 6:30 a.m. and 6:30
12 p.m. during that calendar year shall be deposited as
13 follows:

14 (A) If the licensee that conducts horse racing at
15 that racetrack requests from the Board at least as many
16 racing dates as were conducted in calendar year 2000,
17 80% shall be deposited into its standardbred purse
18 account; and

19 (B) Twenty percent shall be deposited into the
20 Illinois Colt Stakes Purse Distribution Fund. Moneys
21 deposited into the Illinois Colt Stakes Purse
22 Distribution Fund pursuant to this subparagraph (B)
23 shall be paid to Illinois conceived and foaled
24 thoroughbred breeders' programs and to thoroughbred
25 purses for races conducted at any county fairgrounds
26 for Illinois conceived and foaled horses at the

1 discretion of the Department of Agriculture, with the
2 advice and assistance of the Illinois Thoroughbred
3 Breeders Fund Advisory Board. The moneys deposited
4 into the Illinois Colt Stakes Purse Distribution Fund
5 pursuant to this subparagraph (B) shall be deposited
6 within 2 weeks after the day they were generated, shall
7 be in addition to and not in lieu of any other moneys
8 paid to thoroughbred purses under this Act, and shall
9 not be commingled with other moneys deposited into that
10 Fund.

11 (7.3) If no live standardbred racing is conducted at a
12 racetrack located in Madison County in calendar year 2000
13 or 2001, an organization licensee who is licensed to
14 conduct horse racing at that racetrack shall, before
15 January 1, 2002, pay all moneys derived from simulcast
16 wagering and inter-track wagering in calendar years 2000
17 and 2001 and paid into the licensee's standardbred purse
18 account as follows:

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

21 (B) Twenty percent to the Illinois Colt Stakes
22 Purse Distribution Fund.

23 Failure to make the payment to the Illinois Colt Stakes
24 Purse Distribution Fund before January 1, 2002 shall result
25 in the immediate revocation of the licensee's organization
26 license, inter-track wagering license, and inter-track

1 wagering location license.

2 Moneys paid into the Illinois Colt Stakes Purse
3 Distribution Fund pursuant to this paragraph (7.3) shall be
4 paid to purses for standardbred races for Illinois
5 conceived and foaled horses conducted at any county
6 fairgrounds. Moneys paid into the Illinois Colt Stakes
7 Purse Distribution Fund pursuant to this paragraph (7.3)
8 shall be used as determined by the Department of
9 Agriculture, with the advice and assistance of the Illinois
10 Standardbred Breeders Fund Advisory Board, shall be in
11 addition to and not in lieu of any other moneys paid to
12 standardbred purses under this Act, and shall not be
13 commingled with any other moneys paid into that Fund.

14 (7.4) If live standardbred racing is conducted at a
15 racetrack located in Madison County at any time in calendar
16 year 2001 before the payment required under paragraph (7.3)
17 has been made, the organization licensee who is licensed to
18 conduct racing at that racetrack shall pay all moneys
19 derived by that racetrack from simulcast wagering and
20 inter-track wagering during calendar years 2000 and 2001
21 that (1) are to be used for purses and (2) are generated
22 between the hours of 6:30 p.m. and 6:30 a.m. during 2000 or
23 2001 to the standardbred purse account at that racetrack to
24 be used for standardbred purses.

25 (8) Notwithstanding any provision in this Act to the
26 contrary, an organization licensee from a track located in

1 a county with a population in excess of 230,000 and that
2 borders the Mississippi River and its affiliated non-host
3 licensees shall not be entitled to share in any retention
4 generated on racing, inter-track wagering, or simulcast
5 wagering at any other Illinois wagering facility.

6 (8.1) Notwithstanding any provisions in this Act to the
7 contrary, if 2 organization licensees are conducting
8 standardbred race meetings concurrently between the hours
9 of 6:30 p.m. and 6:30 a.m., after payment of all applicable
10 State and local taxes and interstate commission fees, the
11 remainder of the amount retained from simulcast wagering
12 otherwise attributable to the host track and to host track
13 purses shall be split daily between the 2 organization
14 licensees and the purses at the tracks of the 2
15 organization licensees, respectively, based on each
16 organization licensee's share of the total live handle for
17 that day, provided that this provision shall not apply to
18 any non-host licensee that derives its license from a track
19 located in a county with a population in excess of 230,000
20 and that borders the Mississippi River.

21 (9) (Blank).

22 (10) (Blank).

23 (11) (Blank).

24 (12) The Board shall have authority to compel all host
25 tracks to receive the simulcast of any or all races
26 conducted at the Springfield or DuQuoin State fairgrounds

1 and include all such races as part of their simulcast
2 programs.

3 (13) Notwithstanding any other provision of this Act,
4 in the event that the total Illinois pari-mutuel handle on
5 Illinois horse races at all wagering facilities in any
6 calendar year is less than 75% of the total Illinois
7 pari-mutuel handle on Illinois horse races at all such
8 wagering facilities for calendar year 1994, then each
9 wagering facility that has an annual total Illinois
10 pari-mutuel handle on Illinois horse races that is less
11 than 75% of the total Illinois pari-mutuel handle on
12 Illinois horse races at such wagering facility for calendar
13 year 1994, shall be permitted to receive, from any amount
14 otherwise payable to the purse account at the race track
15 with which the wagering facility is affiliated in the
16 succeeding calendar year, an amount equal to 2% of the
17 differential in total Illinois pari-mutuel handle on
18 Illinois horse races at the wagering facility between that
19 calendar year in question and 1994 provided, however, that
20 a wagering facility shall not be entitled to any such
21 payment until the Board certifies in writing to the
22 wagering facility the amount to which the wagering facility
23 is entitled and a schedule for payment of the amount to the
24 wagering facility, based on: (i) the racing dates awarded
25 to the race track affiliated with the wagering facility
26 during the succeeding year; (ii) the sums available or

1 anticipated to be available in the purse account of the
2 race track affiliated with the wagering facility for purses
3 during the succeeding year; and (iii) the need to ensure
4 reasonable purse levels during the payment period. The
5 Board's certification shall be provided no later than
6 January 31 of the succeeding year. In the event a wagering
7 facility entitled to a payment under this paragraph (13) is
8 affiliated with a race track that maintains purse accounts
9 for both standardbred and thoroughbred racing, the amount
10 to be paid to the wagering facility shall be divided
11 between each purse account pro rata, based on the amount of
12 Illinois handle on Illinois standardbred and thoroughbred
13 racing respectively at the wagering facility during the
14 previous calendar year. Annually, the General Assembly
15 shall appropriate sufficient funds from the General
16 Revenue Fund to the Department of Agriculture for payment
17 into the thoroughbred and standardbred horse racing purse
18 accounts at Illinois pari-mutuel tracks. The amount paid to
19 each purse account shall be the amount certified by the
20 Illinois Racing Board in January to be transferred from
21 each account to each eligible racing facility in accordance
22 with the provisions of this Section. Beginning in the
23 calendar year in which an organization licensee that is
24 eligible to receive payment under this paragraph (13)
25 begins to receive funds from electronic gaming, the amount
26 of the payment due to all wagering facilities licensed

1 under that organization licensee under this paragraph (13)
2 shall be the amount certified by the Board in January of
3 that year. An organization licensee and its related
4 wagering facilities shall no longer be able to receive
5 payments under this paragraph (13) beginning in the year
6 subsequent to the first year in which the organization
7 licensee begins to receive funds from electronic gaming.

8 (h) The Board may approve and license the conduct of
9 inter-track wagering and simulcast wagering by inter-track
10 wagering licensees and inter-track wagering location licensees
11 subject to the following terms and conditions:

12 (1) Any person licensed to conduct a race meeting (i)
13 at a track where 60 or more days of racing were conducted
14 during the immediately preceding calendar year or where
15 over the 5 immediately preceding calendar years an average
16 of 30 or more days of racing were conducted annually may be
17 issued an inter-track wagering license; (ii) at a track
18 located in a county that is bounded by the Mississippi
19 River, which has a population of less than 150,000
20 according to the 1990 decennial census, and an average of
21 at least 60 days of racing per year between 1985 and 1993
22 may be issued an inter-track wagering license; or (iii) at
23 a track located in Madison County that conducted at least
24 100 days of live racing during the immediately preceding
25 calendar year may be issued an inter-track wagering
26 license, unless a lesser schedule of live racing is the

1 result of (A) weather, unsafe track conditions, or other
2 acts of God; (B) an agreement between the organization
3 licensee and the associations representing the largest
4 number of owners, trainers, jockeys, or standardbred
5 drivers who race horses at that organization licensee's
6 racing meeting; or (C) a finding by the Board of
7 extraordinary circumstances and that it was in the best
8 interest of the public and the sport to conduct fewer than
9 100 days of live racing. Any such person having operating
10 control of the racing facility may also receive up to 6
11 inter-track wagering location licenses. In no event shall
12 more than 6 inter-track wagering locations be established
13 for each eligible race track, except that an eligible race
14 track located in a county that has a population of more
15 than 230,000 and that is bounded by the Mississippi River
16 may establish up to 7 inter-track wagering locations. An
17 application for said license shall be filed with the Board
18 prior to such dates as may be fixed by the Board. With an
19 application for an inter-track wagering location license
20 there shall be delivered to the Board a certified check or
21 bank draft payable to the order of the Board for an amount
22 equal to \$500. The application shall be on forms prescribed
23 and furnished by the Board. The application shall comply
24 with all other rules, regulations and conditions imposed by
25 the Board in connection therewith.

26 (2) The Board shall examine the applications with

1 respect to their conformity with this Act and the rules and
2 regulations imposed by the Board. If found to be in
3 compliance with the Act and rules and regulations of the
4 Board, the Board may then issue a license to conduct
5 inter-track wagering and simulcast wagering to such
6 applicant. All such applications shall be acted upon by the
7 Board at a meeting to be held on such date as may be fixed
8 by the Board.

9 (3) In granting licenses to conduct inter-track
10 wagering and simulcast wagering, the Board shall give due
11 consideration to the best interests of the public, of horse
12 racing, and of maximizing revenue to the State.

13 (4) Prior to the issuance of a license to conduct
14 inter-track wagering and simulcast wagering, the applicant
15 shall file with the Board a bond payable to the State of
16 Illinois in the sum of \$50,000, executed by the applicant
17 and a surety company or companies authorized to do business
18 in this State, and conditioned upon (i) the payment by the
19 licensee of all taxes due under Section 27 or 27.1 and any
20 other monies due and payable under this Act, and (ii)
21 distribution by the licensee, upon presentation of the
22 winning ticket or tickets, of all sums payable to the
23 patrons of pari-mutuel pools.

24 (5) Each license to conduct inter-track wagering and
25 simulcast wagering shall specify the person to whom it is
26 issued, the dates on which such wagering is permitted, and

1 the track or location where the wagering is to be
2 conducted.

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

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

11 (8) Inter-track wagering or simulcast wagering shall
12 not be conducted at any track less than 4 ~~5~~ miles from a
13 track at which a racing meeting is in progress.

14 (8.1) Inter-track wagering location licensees who
15 derive their licenses from a particular organization
16 licensee shall conduct inter-track wagering and simulcast
17 wagering only at locations which are either within 90 miles
18 of that race track where the particular organization
19 licensee is licensed to conduct racing, or within 135 miles
20 of that race track where the particular organization
21 licensee is licensed to conduct racing in the case of race
22 tracks in counties of less than 400,000 that were operating
23 on or before June 1, 1986. However, inter-track wagering
24 and simulcast wagering shall not be conducted by those
25 licensees at any location within 5 miles of any race track
26 at which a horse race meeting has been licensed in the

1 current year, unless the person having operating control of
2 such race track has given its written consent to such
3 inter-track wagering location licensees, which consent
4 must be filed with the Board at or prior to the time
5 application is made.

6 (8.2) Inter-track wagering or simulcast wagering shall
7 not be conducted by an inter-track wagering location
8 licensee at any location within 500 feet of an existing
9 church, an ~~or~~ existing elementary or secondary public
10 school, or an existing elementary or secondary private
11 school registered with or recognized by the State Board of
12 Education school, nor within 500 feet of the residences of
13 more than 50 registered voters without receiving written
14 permission from a majority of the registered voters at such
15 residences. Such written permission statements shall be
16 filed with the Board. The distance of 500 feet shall be
17 measured to the nearest part of any building used for
18 worship services, education programs, residential
19 purposes, or conducting inter-track wagering by an
20 inter-track wagering location licensee, and not to
21 property boundaries. However, inter-track wagering or
22 simulcast wagering may be conducted at a site within 500
23 feet of a church, school or residences of 50 or more
24 registered voters if such church, school or residences have
25 been erected or established, or such voters have been
26 registered, after the Board issues the original

1 inter-track wagering location license at the site in
2 question. Inter-track wagering location licensees may
3 conduct inter-track wagering and simulcast wagering only
4 in areas that are zoned for commercial or manufacturing
5 purposes or in areas for which a special use has been
6 approved by the local zoning authority. However, no license
7 to conduct inter-track wagering and simulcast wagering
8 shall be granted by the Board with respect to any
9 inter-track wagering location within the jurisdiction of
10 any local zoning authority which has, by ordinance or by
11 resolution, prohibited the establishment of an inter-track
12 wagering location within its jurisdiction. However,
13 inter-track wagering and simulcast wagering may be
14 conducted at a site if such ordinance or resolution is
15 enacted after the Board licenses the original inter-track
16 wagering location licensee for the site in question.

17 (9) (Blank).

18 (10) An inter-track wagering licensee or an
19 inter-track wagering location licensee may retain, subject
20 to the payment of the privilege taxes and the purses, an
21 amount not to exceed 17% of all money wagered. Each program
22 of racing conducted by each inter-track wagering licensee
23 or inter-track wagering location licensee shall be
24 considered a separate racing day for the purpose of
25 determining the daily handle and computing the privilege
26 tax or pari-mutuel tax on such daily handle as provided in

1 Section 27.

2 (10.1) Except as provided in subsection (g) of Section
3 27 of this Act, inter-track wagering location licensees
4 shall pay 1% of the pari-mutuel handle at each location to
5 the municipality in which such location is situated and 1%
6 of the pari-mutuel handle at each location to the county in
7 which such location is situated. In the event that an
8 inter-track wagering location licensee is situated in an
9 unincorporated area of a county, such licensee shall pay 2%
10 of the pari-mutuel handle from such location to such
11 county.

12 (10.2) Notwithstanding any other provision of this
13 Act, with respect to intertrack wagering at a race track
14 located in a county that has a population of more than
15 230,000 and that is bounded by the Mississippi River ("the
16 first race track"), or at a facility operated by an
17 inter-track wagering licensee or inter-track wagering
18 location licensee that derives its license from the
19 organization licensee that operates the first race track,
20 on races conducted at the first race track or on races
21 conducted at another Illinois race track and
22 simultaneously televised to the first race track or to a
23 facility operated by an inter-track wagering licensee or
24 inter-track wagering location licensee that derives its
25 license from the organization licensee that operates the
26 first race track, those moneys shall be allocated as

1 follows:

2 (A) That portion of all moneys wagered on
3 standardbred racing that is required under this Act to
4 be paid to purses shall be paid to purses for
5 standardbred races.

6 (B) That portion of all moneys wagered on
7 thoroughbred racing that is required under this Act to
8 be paid to purses shall be paid to purses for
9 thoroughbred races.

10 (11) (A) After payment of the privilege or pari-mutuel
11 tax, any other applicable taxes, and the costs and expenses
12 in connection with the gathering, transmission, and
13 dissemination of all data necessary to the conduct of
14 inter-track wagering, the remainder of the monies retained
15 under either Section 26 or Section 26.2 of this Act by the
16 inter-track wagering licensee on inter-track wagering
17 shall be allocated with 50% to be split between the 2
18 participating licensees and 50% to purses, except that an
19 intertrack wagering licensee that derives its license from
20 a track located in a county with a population in excess of
21 230,000 and that borders the Mississippi River shall not
22 divide any remaining retention with the Illinois
23 organization licensee that provides the race or races, and
24 an intertrack wagering licensee that accepts wagers on
25 races conducted by an organization licensee that conducts a
26 race meet in a county with a population in excess of

1 230,000 and that borders the Mississippi River shall not
2 divide any remaining retention with that organization
3 licensee.

4 (B) From the sums permitted to be retained pursuant to
5 this Act each inter-track wagering location licensee shall
6 pay (i) the privilege or pari-mutuel tax to the State; (ii)
7 4.75% of the pari-mutuel handle on intertrack wagering at
8 such location on races as purses, except that an intertrack
9 wagering location licensee that derives its license from a
10 track located in a county with a population in excess of
11 230,000 and that borders the Mississippi River shall retain
12 all purse moneys for its own purse account consistent with
13 distribution set forth in this subsection (h), and
14 intertrack wagering location licensees that accept wagers
15 on races conducted by an organization licensee located in a
16 county with a population in excess of 230,000 and that
17 borders the Mississippi River shall distribute all purse
18 moneys to purses at the operating host track; (iii) until
19 January 1, 2000, except as provided in subsection (g) of
20 Section 27 of this Act, 1% of the pari-mutuel handle
21 wagered on inter-track wagering and simulcast wagering at
22 each inter-track wagering location licensee facility to
23 the Horse Racing Tax Allocation Fund, provided that, to the
24 extent the total amount collected and distributed to the
25 Horse Racing Tax Allocation Fund under this subsection (h)
26 during any calendar year exceeds the amount collected and

1 distributed to the Horse Racing Tax Allocation Fund during
2 calendar year 1994, that excess amount shall be
3 redistributed (I) to all inter-track wagering location
4 licensees, based on each licensee's pro-rata share of the
5 total handle from inter-track wagering and simulcast
6 wagering for all inter-track wagering location licensees
7 during the calendar year in which this provision is
8 applicable; then (II) the amounts redistributed to each
9 inter-track wagering location licensee as described in
10 subpart (I) shall be further redistributed as provided in
11 subparagraph (B) of paragraph (5) of subsection (g) of this
12 Section 26 provided first, that the shares of those
13 amounts, which are to be redistributed to the host track or
14 to purses at the host track under subparagraph (B) of
15 paragraph (5) of subsection (g) of this Section 26 shall be
16 redistributed based on each host track's pro rata share of
17 the total inter-track wagering and simulcast wagering
18 handle at all host tracks during the calendar year in
19 question, and second, that any amounts redistributed as
20 described in part (I) to an inter-track wagering location
21 licensee that accepts wagers on races conducted by an
22 organization licensee that conducts a race meet in a county
23 with a population in excess of 230,000 and that borders the
24 Mississippi River shall be further redistributed as
25 provided in subparagraphs (D) and (E) of paragraph (7) of
26 subsection (g) of this Section 26, with the portion of that

1 further redistribution allocated to purses at that
2 organization licensee to be divided between standardbred
3 purses and thoroughbred purses based on the amounts
4 otherwise allocated to purses at that organization
5 licensee during the calendar year in question; and (iv) 8%
6 of the pari-mutuel handle on inter-track wagering wagered
7 at such location to satisfy all costs and expenses of
8 conducting its wagering. The remainder of the monies
9 retained by the inter-track wagering location licensee
10 shall be allocated 40% to the location licensee and 60% to
11 the organization licensee which provides the Illinois
12 races to the location, except that an intertrack wagering
13 location licensee that derives its license from a track
14 located in a county with a population in excess of 230,000
15 and that borders the Mississippi River shall not divide any
16 remaining retention with the organization licensee that
17 provides the race or races and an intertrack wagering
18 location licensee that accepts wagers on races conducted by
19 an organization licensee that conducts a race meet in a
20 county with a population in excess of 230,000 and that
21 borders the Mississippi River shall not divide any
22 remaining retention with the organization licensee.
23 Notwithstanding the provisions of clauses (ii) and (iv) of
24 this paragraph, in the case of the additional inter-track
25 wagering location licenses authorized under paragraph (1)
26 of this subsection (h) by this amendatory Act of 1991,

1 those licensees shall pay the following amounts as purses:
2 during the first 12 months the licensee is in operation,
3 5.25% of the pari-mutuel handle wagered at the location on
4 races; during the second 12 months, 5.25%; during the third
5 12 months, 5.75%; during the fourth 12 months, 6.25%; and
6 during the fifth 12 months and thereafter, 6.75%. The
7 following amounts shall be retained by the licensee to
8 satisfy all costs and expenses of conducting its wagering:
9 during the first 12 months the licensee is in operation,
10 8.25% of the pari-mutuel handle wagered at the location;
11 during the second 12 months, 8.25%; during the third 12
12 months, 7.75%; during the fourth 12 months, 7.25%; and
13 during the fifth 12 months and thereafter, 6.75%. For
14 additional intertrack wagering location licensees
15 authorized under this amendatory Act of 1995, purses for
16 the first 12 months the licensee is in operation shall be
17 5.75% of the pari-mutuel wagered at the location, purses
18 for the second 12 months the licensee is in operation shall
19 be 6.25%, and purses thereafter shall be 6.75%. For
20 additional intertrack location licensees authorized under
21 this amendatory Act of 1995, the licensee shall be allowed
22 to retain to satisfy all costs and expenses: 7.75% of the
23 pari-mutuel handle wagered at the location during its first
24 12 months of operation, 7.25% during its second 12 months
25 of operation, and 6.75% thereafter.

26 (C) There is hereby created the Horse Racing Tax

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

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

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

26 Four-sevenths to park districts or municipalities

1 that do not have a park district of 500,000 population
2 or less for museum purposes (if an inter-track wagering
3 location licensee is located in such a park district)
4 or to conservation districts for museum purposes (if an
5 inter-track wagering location licensee is located in a
6 municipality that is not included within any park
7 district but is included within a conservation
8 district and is the county seat of a county that (i) is
9 contiguous to the state of Indiana and (ii) has a 1990
10 population of 88,257 according to the United States
11 Bureau of the Census, except that if the conservation
12 district does not maintain a museum, the monies shall
13 be allocated equally between the county and the
14 municipality in which the inter-track wagering
15 location licensee is located for general purposes) or
16 to a municipal recreation board for park purposes (if
17 an inter-track wagering location licensee is located
18 in a municipality that is not included within any park
19 district and park maintenance is the function of the
20 municipal recreation board and the municipality has a
21 1990 population of 9,302 according to the United States
22 Bureau of the Census); provided that the monies are
23 distributed to each park district or conservation
24 district or municipality that does not have a park
25 district in an amount equal to four-sevenths of the
26 amount collected by each inter-track wagering location

1 licensee within the park district or conservation
2 district or municipality for the Fund. Monies that were
3 paid into the Horse Racing Tax Allocation Fund before
4 the effective date of this amendatory Act of 1991 by an
5 inter-track wagering location licensee located in a
6 municipality that is not included within any park
7 district but is included within a conservation
8 district as provided in this paragraph shall, as soon
9 as practicable after the effective date of this
10 amendatory Act of 1991, be allocated and paid to that
11 conservation district as provided in this paragraph.
12 Any park district or municipality not maintaining a
13 museum may deposit the monies in the corporate fund of
14 the park district or municipality where the
15 inter-track wagering location is located, to be used
16 for general purposes; and

17 One-seventh to the Agricultural Premium Fund to be
18 used for distribution to agricultural home economics
19 extension councils in accordance with "An Act in
20 relation to additional support and finances for the
21 Agricultural and Home Economic Extension Councils in
22 the several counties of this State and making an
23 appropriation therefor", approved July 24, 1967.

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

1 Two-sevenths to the Department of Agriculture.
2 Fifty percent of this two-sevenths shall be used to
3 promote the Illinois horse racing and breeding
4 industry, and shall be distributed by the Department of
5 Agriculture upon the advice of a 9-member committee
6 appointed by the Governor consisting of the following
7 members: the Director of Agriculture, who shall serve
8 as chairman; 2 representatives of organization
9 licensees conducting thoroughbred race meetings in
10 this State, recommended by those licensees; 2
11 representatives of organization licensees conducting
12 standardbred race meetings in this State, recommended
13 by those licensees; a representative of the Illinois
14 Thoroughbred Breeders and Owners Foundation,
15 recommended by that Foundation; a representative of
16 the Illinois Standardbred Owners and Breeders
17 Association, recommended by that Association; a
18 representative of the Horsemen's Benevolent and
19 Protective Association or any successor organization
20 thereto established in Illinois comprised of the
21 largest number of owners and trainers, recommended by
22 that Association or that successor organization; and a
23 representative of the Illinois Harness Horsemen's
24 Association, recommended by that Association.
25 Committee members shall serve for terms of 2 years,
26 commencing January 1 of each even-numbered year. If a

1 representative of any of the above-named entities has
2 not been recommended by January 1 of any even-numbered
3 year, the Governor shall appoint a committee member to
4 fill that position. Committee members shall receive no
5 compensation for their services as members but shall be
6 reimbursed for all actual and necessary expenses and
7 disbursements incurred in the performance of their
8 official duties. The remaining 50% of this
9 two-sevenths shall be distributed to county fairs for
10 premiums and rehabilitation as set forth in the
11 Agricultural Fair Act;

12 Four-sevenths to museums and aquariums located in
13 park districts of over 500,000 population; provided
14 that the monies are distributed in accordance with the
15 previous year's distribution of the maintenance tax
16 for such museums and aquariums as provided in Section 2
17 of the Park District Aquarium and Museum Act; and

18 One-seventh to the Agricultural Premium Fund to be
19 used for distribution to agricultural home economics
20 extension councils in accordance with "An Act in
21 relation to additional support and finances for the
22 Agricultural and Home Economic Extension Councils in
23 the several counties of this State and making an
24 appropriation therefor", approved July 24, 1967. This
25 subparagraph (C) shall be inoperative and of no force
26 and effect on and after January 1, 2000.

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

5 (i) If the inter-track wagering licensee,
6 except an intertrack wagering licensee that
7 derives its license from an organization licensee
8 located in a county with a population in excess of
9 230,000 and bounded by the Mississippi River, is
10 not conducting its own race meeting during the same
11 dates, then the entire purse allocation shall be to
12 purses at the track where the races wagered on are
13 being conducted.

14 (ii) 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 also conducting its own race meeting during the
20 same dates, then the purse allocation shall be as
21 follows: 50% to purses at the track where the races
22 wagered on are being conducted; 50% to purses at
23 the track where the inter-track wagering licensee
24 is accepting such wagers.

25 (iii) If the inter-track wagering is being
26 conducted by an inter-track wagering location

1 licensee, except an intertrack wagering location
2 licensee that derives its license from an
3 organization licensee located in a county with a
4 population in excess of 230,000 and bounded by the
5 Mississippi River, the entire purse allocation for
6 Illinois races shall be to purses at the track
7 where the race meeting being wagered on is being
8 held.

9 (12) The Board shall have all powers necessary and
10 proper to fully supervise and control the conduct of
11 inter-track wagering and simulcast wagering by inter-track
12 wagering licensees and inter-track wagering location
13 licensees, including, but not limited to the following:

14 (A) The Board is vested with power to promulgate
15 reasonable rules and regulations for the purpose of
16 administering the conduct of this wagering and to
17 prescribe reasonable rules, regulations and conditions
18 under which such wagering shall be held and conducted.
19 Such rules and regulations are to provide for the
20 prevention of practices detrimental to the public
21 interest and for the best interests of said wagering
22 and to impose penalties for violations thereof.

23 (B) The Board, and any person or persons to whom it
24 delegates this power, is vested with the power to enter
25 the facilities of any licensee to determine whether
26 there has been compliance with the provisions of this

1 Act and the rules and regulations relating to the
2 conduct of such wagering.

3 (C) The Board, and any person or persons to whom it
4 delegates this power, may eject or exclude from any
5 licensee's facilities, any person whose conduct or
6 reputation is such that his presence on such premises
7 may, in the opinion of the Board, call into the
8 question the honesty and integrity of, or interfere
9 with the orderly conduct of such wagering; provided,
10 however, that no person shall be excluded or ejected
11 from such premises solely on the grounds of race,
12 color, creed, national origin, ancestry, or sex.

13 (D) (Blank).

14 (E) The Board is vested with the power to appoint
15 delegates to execute any of the powers granted to it
16 under this Section for the purpose of administering
17 this wagering and any rules and regulations
18 promulgated in accordance with this Act.

19 (F) The Board shall name and appoint a State
20 director of this wagering who shall be a representative
21 of the Board and whose duty it shall be to supervise
22 the conduct of inter-track wagering as may be provided
23 for by the rules and regulations of the Board; such
24 rules and regulation shall specify the method of
25 appointment and the Director's powers, authority and
26 duties.

1 (G) The Board is vested with the power to impose
2 civil penalties of up to \$5,000 against individuals and
3 up to \$10,000 against licensees for each violation of
4 any provision of this Act relating to the conduct of
5 this wagering, any rules adopted by the Board, any
6 order of the Board or any other action which in the
7 Board's discretion, is a detriment or impediment to
8 such wagering.

9 (13) The Department of Agriculture may enter into
10 agreements with licensees authorizing such licensees to
11 conduct inter-track wagering on races to be held at the
12 licensed race meetings conducted by the Department of
13 Agriculture. Such agreement shall specify the races of the
14 Department of Agriculture's licensed race meeting upon
15 which the licensees will conduct wagering. In the event
16 that a licensee conducts inter-track pari-mutuel wagering
17 on races from the Illinois State Fair or DuQuoin State Fair
18 which are in addition to the licensee's previously approved
19 racing program, those races shall be considered a separate
20 racing day for the purpose of determining the daily handle
21 and computing the privilege or pari-mutuel tax on that
22 daily handle as provided in Sections 27 and 27.1. Such
23 agreements shall be approved by the Board before such
24 wagering may be conducted. In determining whether to grant
25 approval, the Board shall give due consideration to the
26 best interests of the public and of horse racing. The

1 provisions of paragraphs (1), (8), (8.1), and (8.2) of
2 subsection (h) of this Section which are not specified in
3 this paragraph (13) shall not apply to licensed race
4 meetings conducted by the Department of Agriculture at the
5 Illinois State Fair in Sangamon County or the DuQuoin State
6 Fair in Perry County, or to any wagering conducted on those
7 race meetings.

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

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

13 (230 ILCS 5/27) (from Ch. 8, par. 37-27)

14 Sec. 27. (a) In addition to the organization license fee
15 provided by this Act, until January 1, 2000, a graduated
16 privilege tax is hereby imposed for conducting the pari-mutuel
17 system of wagering permitted under this Act. Until January 1,
18 2000, except as provided in subsection (g) of Section 27 of
19 this Act, all of the breakage of each racing day held by any
20 licensee in the State shall be paid to the State. Until January
21 1, 2000, such daily graduated privilege tax shall be paid by
22 the licensee from the amount permitted to be retained under
23 this Act. Until January 1, 2000, each day's graduated privilege
24 tax, breakage, and Horse Racing Tax Allocation funds shall be
25 remitted to the Department of Revenue within 48 hours after the

1 close of the racing day upon which it is assessed or within
2 such other time as the Board prescribes. The privilege tax
3 hereby imposed, until January 1, 2000, shall be a flat tax at
4 the rate of 2% of the daily pari-mutuel handle except as
5 provided in Section 27.1.

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

17 This subsection (a) shall be inoperative and of no force
18 and effect on and after January 1, 2000.

19 (a-5) Beginning on January 1, 2000, a flat pari-mutuel tax
20 at the rate of 1.5% of the daily pari-mutuel handle is imposed
21 at all pari-mutuel wagering facilities and on advance deposit
22 wagering from a location other than a wagering facility, except
23 as otherwise provided for in this subsection (a-5). In addition
24 to the pari-mutuel tax imposed on advance deposit wagering
25 pursuant to this subsection (a-5), an additional pari-mutuel
26 tax at the rate of 0.25% shall be imposed on advance deposit

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

1 Revenue within 48 hours after the close of the racing day upon
2 which it is assessed or within such other time as the Board
3 prescribes.

4 (a-10) Beginning on the date when an organization licensee
5 begins conducting electronic gaming pursuant to an electronic
6 gaming license, the following pari-mutuel tax is imposed upon
7 an organization licensee on Illinois races at the licensee's
8 race track:

9 1.5% of the pari-mutuel handle at or below the average
10 daily pari-mutuel handle for 2011.

11 2% of the pari-mutuel handle above the average daily
12 pari-mutuel handle for 2011 up to 125% of the average daily
13 pari-mutuel handle for 2011.

14 2.5% of the pari-mutuel handle 125% or more above the
15 average daily pari-mutuel handle for 2011 up to 150% of the
16 average daily pari-mutuel handle for 2011.

17 3% of the pari-mutuel handle 150% or more above the
18 average daily pari-mutuel handle for 2011 up to 175% of the
19 average daily pari-mutuel handle for 2011.

20 3.5% of the pari-mutuel handle 175% or more above the
21 average daily pari-mutuel handle for 2011.

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

26 (b) On or before December 31, 1999, in the event that any

1 organization licensee conducts 2 separate programs of races on
2 any day, each such program shall be considered a separate
3 racing day for purposes of determining the daily handle and
4 computing the privilege tax on such daily handle as provided in
5 subsection (a) of this Section.

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

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

26 (e) No other license fee, privilege tax, excise tax, or

1 racing fee, except as provided in this Act, shall be assessed
2 or collected from any such licensee by the State.

3 (f) No other license fee, privilege tax, excise tax or
4 racing fee shall be assessed or collected from any such
5 licensee by units of local government except as provided in
6 paragraph 10.1 of subsection (h) and subsection (f) of Section
7 26 of this Act. However, any municipality that has a Board
8 licensed horse race meeting at a race track wholly within its
9 corporate boundaries or a township that has a Board licensed
10 horse race meeting at a race track wholly within the
11 unincorporated area of the township may charge a local
12 amusement tax not to exceed 10¢ per admission to such horse
13 race meeting by the enactment of an ordinance. However, any
14 municipality or county that has a Board licensed inter-track
15 wagering location facility wholly within its corporate
16 boundaries may each impose an admission fee not to exceed \$1.00
17 per admission to such inter-track wagering location facility,
18 so that a total of not more than \$2.00 per admission may be
19 imposed. Except as provided in subparagraph (g) of Section 27
20 of this Act, the inter-track wagering location licensee shall
21 collect any and all such fees and within 48 hours remit the
22 fees to the Board, which shall, pursuant to rule, cause the
23 fees to be distributed to the county or municipality.

24 (g) Notwithstanding any provision in this Act to the
25 contrary, if in any calendar year the total taxes and fees from
26 wagering on live racing and from inter-track wagering required

1 to be collected from licensees and distributed under this Act
2 to all State and local governmental authorities exceeds the
3 amount of such taxes and fees distributed to each State and
4 local governmental authority to which each State and local
5 governmental authority was entitled under this Act for calendar
6 year 1994, then the first \$11 million of that excess amount
7 shall be allocated at the earliest possible date for
8 distribution as purse money for the succeeding calendar year.
9 Upon reaching the 1994 level, and until the excess amount of
10 taxes and fees exceeds \$11 million, the Board shall direct all
11 licensees to cease paying the subject taxes and fees and the
12 Board shall direct all licensees to allocate any such excess
13 amount for purses as follows:

14 (i) the excess amount shall be initially divided
15 between thoroughbred and standardbred purses based on the
16 thoroughbred's and standardbred's respective percentages
17 of total Illinois live wagering in calendar year 1994;

18 (ii) each thoroughbred and standardbred organization
19 licensee issued an organization licensee in that
20 succeeding allocation year shall be allocated an amount
21 equal to the product of its percentage of total Illinois
22 live thoroughbred or standardbred wagering in calendar
23 year 1994 (the total to be determined based on the sum of
24 1994 on-track wagering for all organization licensees
25 issued organization licenses in both the allocation year
26 and the preceding year) multiplied by the total amount

1 allocated for standardbred or thoroughbred purses,
2 provided that the first \$1,500,000 of the amount allocated
3 to standardbred purses under item (i) shall be allocated to
4 the Department of Agriculture to be expended with the
5 assistance and advice of the Illinois Standardbred
6 Breeders Funds Advisory Board for the purposes listed in
7 subsection (g) of Section 31 of this Act, before the amount
8 allocated to standardbred purses under item (i) is
9 allocated to standardbred organization licensees in the
10 succeeding allocation year.

11 To the extent the excess amount of taxes and fees to be
12 collected and distributed to State and local governmental
13 authorities exceeds \$11 million, that excess amount shall be
14 collected and distributed to State and local authorities as
15 provided for under this Act.

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

17 (230 ILCS 5/28) (from Ch. 8, par. 37-28)

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

21 (a) Thirty per cent of the total of all monies received by
22 the State as privilege taxes shall be paid into the
23 Metropolitan Exposition Auditorium and Office Building Fund in
24 the State Treasury.

25 (b) In addition, 4.5% of the total of all monies received

1 by the State as privilege taxes shall be paid into the State
2 treasury into a special Fund to be known as the Metropolitan
3 Exposition, Auditorium, and Office Building Fund.

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

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

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

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

23 (g) Until January 1, 2000, that part representing 1/2 of
24 the total breakage in Thoroughbred, Harness, Appaloosa,
25 Arabian, and Quarter Horse racing in the State shall be paid
26 into the Illinois Race Track Improvement Fund as established in

1 Section 32.

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

5 (i) The salaries of the Board members, secretary, stewards,
6 directors of mutuels, veterinarians, representatives,
7 accountants, clerks, stenographers, inspectors and other
8 employees of the Board, and all expenses of the Board incident
9 to the administration of this Act, including, but not limited
10 to, all expenses and salaries incident to the taking of saliva
11 and urine samples in accordance with the rules and regulations
12 of the Board shall be paid out of the Agricultural Premium
13 Fund.

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

15 (1) for the expenses of operating the Illinois State
16 Fair and the DuQuoin State Fair, including the payment of
17 prize money or premiums;

18 (2) for the distribution to county fairs, vocational
19 agriculture section fairs, agricultural societies, and
20 agricultural extension clubs in accordance with the
21 Agricultural Fair Act, as amended;

22 (3) for payment of prize monies and premiums awarded
23 and for expenses incurred in connection with the
24 International Livestock Exposition and the Mid-Continent
25 Livestock Exposition held in Illinois, which premiums, and
26 awards must be approved, and paid by the Illinois

1 Department of Agriculture;

2 (4) for personal service of county agricultural
3 advisors and county home advisors;

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

10 (6) for research on equine disease, including a
11 development center therefor;

12 (7) for training scholarships for study on equine
13 diseases to students at the University of Illinois College
14 of Veterinary Medicine;

15 (8) for the rehabilitation, repair and maintenance of
16 the Illinois and DuQuoin State Fair Grounds and the
17 structures and facilities thereon and the construction of
18 permanent improvements on such Fair Grounds, including
19 such structures, facilities and property located on such
20 State Fair Grounds which are under the custody and control
21 of the Department of Agriculture;

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

25 (10) for the expenses of the Department of Commerce and
26 Economic Opportunity under Sections 605-620, 605-625, and

1 605-630 of the Department of Commerce and Economic
2 Opportunity Law (20 ILCS 605/605-620, 605/605-625, and
3 605/605-630);

4 (11) for remodeling, expanding, and reconstructing
5 facilities destroyed by fire of any Fair and Exposition
6 Authority in counties with a population of 1,000,000 or
7 more inhabitants;

8 (12) for the purpose of assisting in the care and
9 general rehabilitation of disabled veterans of any war and
10 their surviving spouses and orphans;

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

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

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

17 (16) for the State Comptroller for grants and operating
18 expenses authorized by the Illinois Global Partnership
19 Act.

20 (k) To the extent that monies paid by the Board to the
21 Agricultural Premium Fund are in the opinion of the Governor in
22 excess of the amount necessary for the purposes herein stated,
23 the Governor shall notify the Comptroller and the State
24 Treasurer of such fact, who, upon receipt of such notification,
25 shall transfer such excess monies from the Agricultural Premium
26 Fund to the General Revenue Fund.

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

2 (230 ILCS 5/28.1)

3 Sec. 28.1. Payments.

4 (a) Beginning on January 1, 2000, moneys collected by the
5 Department of Revenue and the Racing Board pursuant to Section
6 26 or Section 27 of this Act shall be deposited into the Horse
7 Racing Fund, which is hereby created as a special fund in the
8 State Treasury.

9 (b) Appropriations, as approved by the General Assembly,
10 may be made from the Horse Racing Fund to the Board to pay the
11 salaries of the Board members, secretary, stewards, directors
12 of mutuels, veterinarians, representatives, accountants,
13 clerks, stenographers, inspectors and other employees of the
14 Board, and all expenses of the Board incident to the
15 administration of this Act, including, but not limited to, all
16 expenses and salaries incident to the taking of saliva and
17 urine samples in accordance with the rules and regulations of
18 the Board.

19 (c) Beginning on January 1, 2000, the Board shall transfer
20 the remainder of the funds generated pursuant to Sections 26
21 and 27 from the Horse Racing Fund into the General Revenue
22 Fund.

23 In the event that in any fiscal year, the amount of total
24 funds in the Horse Racing Fund is insufficient to meet the
25 annual operating expenses of the Board, as appropriated by the

1 General Assembly for that fiscal year, the Board shall invoice
2 the organization licensees for the amount of the deficit. The
3 amount of the invoice shall be allocated in a proportionate
4 amount of pari-mutuel wagering handled by the organization
5 licensee in the year preceding assessment and divided by the
6 total pari-mutuel wagering handled by all Illinois
7 organization licensees. The payments shall be made 50% from the
8 organization licensee's account and 50% from the organization
9 licensee's purse account.

10 (d) Beginning January 1, 2000, payments to all programs in
11 existence on the effective date of this amendatory Act of 1999
12 that are identified in Sections 26(c), 26(f), 26(h)(11)(C), and
13 28, subsections (a), (b), (c), (d), (e), (f), (g), and (h) of
14 Section 30, and subsections (a), (b), (c), (d), (e), (f), (g),
15 and (h) of Section 31 shall be made from the General Revenue
16 Fund at the funding levels determined by amounts paid under
17 this Act in calendar year 1998. Beginning on the effective date
18 of this amendatory Act of the 93rd General Assembly, payments
19 to the Peoria Park District shall be made from the General
20 Revenue Fund at the funding level determined by amounts paid to
21 that park district for museum purposes under this Act in
22 calendar year 1994.

23 If an inter-track wagering location licensee's facility
24 changes its location, then the payments associated with that
25 facility under this subsection (d) for museum purposes shall be
26 paid to the park district in the area where the facility

1 relocates, and the payments shall be used for museum purposes.
2 If the facility does not relocate to a park district, then the
3 payments shall be paid to the taxing district that is
4 responsible for park or museum expenditures.

5 (e) Beginning July 1, 2006, the payment authorized under
6 subsection (d) to museums and aquariums located in park
7 districts of over 500,000 population shall be paid to museums,
8 aquariums, and zoos in amounts determined by Museums in the
9 Park, an association of museums, aquariums, and zoos located on
10 Chicago Park District property.

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

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

17 (230 ILCS 5/29.2 new)

18 Sec. 29.2. Labor peace agreements. A person, firm, or
19 corporation having operating control of a race track that
20 employed 10 or more persons during the calendar year before it
21 files its application for an electronic gaming license to (i)
22 provide or prepare food or beverages or (ii) perform custodial
23 or maintenance work, must provide the following information to
24 the Illinois Racing Board either before it files, or along
25 with, its application for an electronic gaming license: written

1 proof that the person, firm, or corporation has entered into a
2 labor peace agreement with each labor organization that is
3 actively engaged in representing or attempting to represent
4 food and beverage, hospitality, custodial, and maintenance
5 workers in this State. A "labor peace agreement" is an
6 agreement in which the labor organization waives the rights of
7 itself and its members to strike, picket, or otherwise boycott
8 the operation for at least 3 years. The provisions of this
9 Section apply to all race tracks that employed 10 or more
10 persons during the calendar year before it files its
11 application for an electronic gaming license to (i) provide or
12 prepare food or beverages or (ii) perform custodial or
13 maintenance work.

14 (230 ILCS 5/30) (from Ch. 8, par. 37-30)

15 Sec. 30. (a) The General Assembly declares that it is the
16 policy of this State to encourage the breeding of thoroughbred
17 horses in this State and the ownership of such horses by
18 residents of this State in order to provide for: sufficient
19 numbers of high quality thoroughbred horses to participate in
20 thoroughbred racing meetings in this State, and to establish
21 and preserve the agricultural and commercial benefits of such
22 breeding and racing industries to the State of Illinois. It is
23 the intent of the General Assembly to further this policy by
24 the provisions of this Act.

25 (b) Each organization licensee conducting a thoroughbred

1 racing meeting pursuant to this Act shall provide at least two
2 races each day limited to Illinois conceived and foaled horses
3 or Illinois foaled horses or both. A minimum of 6 races shall
4 be conducted each week limited to Illinois conceived and foaled
5 or Illinois foaled horses or both. No horses shall be permitted
6 to start in such races unless duly registered under the rules
7 of the Department of Agriculture.

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

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

18 Beginning on the effective date of this amendatory Act of
19 the 97th General Assembly, the Illinois Thoroughbred Breeders
20 Fund shall become a non-appropriated trust fund held separate
21 and apart from State moneys. Expenditures from this fund shall
22 no longer be subject to appropriation.

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

1 Notwithstanding any provision of law to the contrary,
2 amounts deposited into the Illinois Thoroughbred Breeders Fund
3 from revenues generated by electronic gaming after the
4 effective date of this amendatory Act of the 97th General
5 Assembly shall be in addition to tax and fee amounts paid under
6 this Section for calendar year 2011 and thereafter.

7 (e) The Illinois Thoroughbred Breeders Fund shall be
8 administered by the Department of Agriculture with the advice
9 and assistance of the Advisory Board created in subsection (f)
10 of this Section.

11 (f) The Illinois Thoroughbred Breeders Fund Advisory Board
12 shall consist of the Director of the Department of Agriculture,
13 who shall serve as Chairman; a member of the Illinois Racing
14 Board, designated by it; 2 representatives of the organization
15 licensees conducting thoroughbred racing meetings, recommended
16 by them; 2 representatives of the Illinois Thoroughbred
17 Breeders and Owners Foundation, recommended by it; one
18 representative ~~and 2 representatives~~ of the Horsemen's
19 Benevolent Protective Association; and one representative from
20 the Illinois Thoroughbred Horsemen's Association ~~or any~~
21 ~~successor organization established in Illinois comprised of~~
22 ~~the largest number of owners and trainers, recommended by it,~~
23 ~~with one representative of the Horsemen's Benevolent and~~
24 ~~Protective Association to come from its Illinois Division, and~~
25 ~~one from its Chicago Division.~~ Advisory Board members shall
26 serve for 2 years commencing January 1 of each odd numbered

1 year. If representatives of the organization licensees
2 conducting thoroughbred racing meetings, the Illinois
3 Thoroughbred Breeders and Owners Foundation, ~~and~~ the
4 Horsemen's Benevolent Protection Association, and the Illinois
5 Thoroughbred Horsemen's Association have not been recommended
6 by January 1, of each odd numbered year, the Director of the
7 Department of Agriculture shall make an appointment for the
8 organization failing to so recommend a member of the Advisory
9 Board. Advisory Board members shall receive no compensation for
10 their services as members but shall be reimbursed for all
11 actual and necessary expenses and disbursements incurred in the
12 execution of their official duties.

13 (g) ~~No monies shall be expended from the Illinois~~
14 ~~Thoroughbred Breeders Fund except as appropriated by the~~
15 ~~General Assembly.~~ Monies expended ~~appropriated~~ from the
16 Illinois Thoroughbred Breeders Fund shall be expended by the
17 Department of Agriculture, with the advice and assistance of
18 the Illinois Thoroughbred Breeders Fund Advisory Board, for the
19 following purposes only:

20 (1) To provide purse supplements to owners of horses
21 participating in races limited to Illinois conceived and
22 foaled and Illinois foaled horses. Any such purse
23 supplements shall not be included in and shall be paid in
24 addition to any purses, stakes, or breeders' awards offered
25 by each organization licensee as determined by agreement
26 between such organization licensee and an organization

1 representing the horsemen. No monies from the Illinois
2 Thoroughbred Breeders Fund shall be used to provide purse
3 supplements for claiming races in which the minimum
4 claiming price is less than \$7,500.

5 (2) To provide stakes and awards to be paid to the
6 owners of the winning horses in certain races limited to
7 Illinois conceived and foaled and Illinois foaled horses
8 designated as stakes races.

9 (2.5) To provide an award to the owner or owners of an
10 Illinois conceived and foaled or Illinois foaled horse that
11 wins a maiden special weight, an allowance, overnight
12 handicap race, or claiming race with claiming price of
13 \$10,000 or more providing the race is not restricted to
14 Illinois conceived and foaled or Illinois foaled horses.
15 Awards shall also be provided to the owner or owners of
16 Illinois conceived and foaled and Illinois foaled horses
17 that place second or third in those races. To the extent
18 that additional moneys are required to pay the minimum
19 additional awards of 40% of the purse the horse earns for
20 placing first, second or third in those races for Illinois
21 foaled horses and of 60% of the purse the horse earns for
22 placing first, second or third in those races for Illinois
23 conceived and foaled horses, those moneys shall be provided
24 from the purse account at the track where earned.

25 (3) To provide stallion awards to the owner or owners
26 of any stallion that is duly registered with the Illinois

1 Thoroughbred Breeders Fund Program ~~prior to the effective~~
2 ~~date of this amendatory Act of 1995~~ whose duly registered
3 Illinois conceived and foaled offspring wins a race
4 conducted at an Illinois thoroughbred racing meeting other
5 than a claiming race, provided that the stallion stood
6 service within Illinois at the time the offspring was
7 conceived and that the stallion did not stand for service
8 outside of Illinois at any time during the year in which
9 the offspring was conceived. ~~Such award shall not be paid~~
10 ~~to the owner or owners of an Illinois stallion that served~~
11 ~~outside this State at any time during the calendar year in~~
12 ~~which such race was conducted.~~

13 (4) To provide \$75,000 annually for purses to be
14 distributed to county fairs that provide for the running of
15 races during each county fair exclusively for the
16 thoroughbreds conceived and foaled in Illinois. The
17 conditions of the races shall be developed by the county
18 fair association and reviewed by the Department with the
19 advice and assistance of the Illinois Thoroughbred
20 Breeders Fund Advisory Board. There shall be no wagering of
21 any kind on the running of Illinois conceived and foaled
22 races at county fairs.

23 (4.1) To provide purse money for an Illinois stallion
24 stakes program.

25 (5) No less than 90% ~~80%~~ of all monies appropriated
26 from the Illinois Thoroughbred Breeders Fund shall be

1 expended for the purposes in (1), (2), (2.5), (3), (4),
2 (4.1), and (5) as shown above.

3 (6) To provide for educational programs regarding the
4 thoroughbred breeding industry.

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

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

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

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

14 (h) The Illinois Thoroughbred Breeders Fund is not subject
15 to administrative charges or chargebacks, including, but not
16 limited to, those authorized under Section 8h of the State
17 Finance Act. ~~Whenever the Governor finds that the amount in the~~
18 ~~Illinois Thoroughbred Breeders Fund is more than the total of~~
19 ~~the outstanding appropriations from such fund, the Governor~~
20 ~~shall notify the State Comptroller and the State Treasurer of~~
21 ~~such fact. The Comptroller and the State Treasurer, upon~~
22 ~~receipt of such notification, shall transfer such excess amount~~
23 ~~from the Illinois Thoroughbred Breeders Fund to the General~~
24 ~~Revenue Fund.~~

25 (i) A sum equal to 13% ~~12-1/2%~~ of the first prize money of
26 every purse won by an Illinois foaled or an Illinois conceived

1 and foaled horse in races not limited to Illinois foaled horses
2 or Illinois conceived and foaled horses, or both, shall be paid
3 by the organization licensee conducting the horse race meeting.
4 Such sum shall be paid 50% from the organization licensee's
5 account and 50% from the purse account of the licensee ~~share of~~
6 ~~the money wagered~~ as follows: 11 1/2% to the breeder of the
7 winning horse and 1 1/2% ~~1%~~ to the organization representing
8 thoroughbred breeders and owners whose representative serves
9 on the Illinois Thoroughbred Breeders Fund Advisory Board for
10 verifying the amounts of breeders' awards earned, assuring
11 their distribution in accordance with this Act, and servicing
12 and promoting the Illinois thoroughbred horse racing industry.
13 The organization representing thoroughbred breeders and owners
14 shall cause all expenditures of monies received under this
15 subsection (i) to be audited at least annually by a registered
16 public accountant. The organization shall file copies of each
17 annual audit with the Racing Board, the Clerk of the House of
18 Representatives and the Secretary of the Senate, and shall make
19 copies of each annual audit available to the public upon
20 request and upon payment of the reasonable cost of photocopying
21 the requested number of copies. Such payments shall not reduce
22 any award to the owner of the horse or reduce the taxes payable
23 under this Act. Upon completion of its racing meet, each
24 organization licensee shall deliver to the organization
25 representing thoroughbred breeders and owners whose
26 representative serves on the Illinois Thoroughbred Breeders

1 Fund Advisory Board a listing of all the Illinois foaled and
2 the Illinois conceived and foaled horses which won breeders'
3 awards and the amount of such breeders' awards under this
4 subsection to verify accuracy of payments and assure proper
5 distribution of breeders' awards in accordance with the
6 provisions of this Act. Such payments shall be delivered by the
7 organization licensee within 30 days of the end of each race
8 meeting.

9 (j) A sum equal to 13% ~~12 1/2%~~ of the first prize money won
10 in each race limited to Illinois foaled horses or Illinois
11 conceived and foaled horses, or both, shall be paid in the
12 following manner by the organization licensee conducting the
13 horse race meeting, 50% from the organization licensee's
14 account and 50% from the purse account of the licensee ~~share of~~
15 ~~the money wagered~~: 11 1/2% to the breeders of the horses in
16 each such race which are the official first, second, third and
17 fourth finishers and 1 1/2% ~~1%~~ to the organization representing
18 thoroughbred breeders and owners whose representative serves
19 on the Illinois Thoroughbred Breeders Fund Advisory Board for
20 verifying the amounts of breeders' awards earned, assuring
21 their proper distribution in accordance with this Act, and
22 servicing and promoting the Illinois thoroughbred horse racing
23 industry. The organization representing thoroughbred breeders
24 and owners shall cause all expenditures of monies received
25 under this subsection (j) to be audited at least annually by a
26 registered public accountant. The organization shall file

1 copies of each annual audit with the Racing Board, the Clerk of
2 the House of Representatives and the Secretary of the Senate,
3 and shall make copies of each annual audit available to the
4 public upon request and upon payment of the reasonable cost of
5 photocopying the requested number of copies.

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

8 (1) 60% of such sum shall be paid to the breeder of the
9 horse which finishes in the official first position;

10 (2) 20% of such sum shall be paid to the breeder of the
11 horse which finishes in the official second position;

12 (3) 15% of such sum shall be paid to the breeder of the
13 horse which finishes in the official third position; and

14 (4) 5% of such sum shall be paid to the breeder of the
15 horse which finishes in the official fourth position.

16 Such payments shall not reduce any award to the owners of a
17 horse or reduce the taxes payable under this Act. Upon
18 completion of its racing meet, each organization licensee shall
19 deliver to the organization representing thoroughbred breeders
20 and owners whose representative serves on the Illinois
21 Thoroughbred Breeders Fund Advisory Board a listing of all the
22 Illinois foaled and the Illinois conceived and foaled horses
23 which won breeders' awards and the amount of such breeders'
24 awards in accordance with the provisions of this Act. Such
25 payments shall be delivered by the organization licensee within
26 30 days of the end of each race meeting.

1 (k) The term "breeder", as used herein, means the owner of
2 the mare at the time the foal is dropped. An "Illinois foaled
3 horse" is a foal dropped by a mare which enters this State on
4 or before December 1, in the year in which the horse is bred,
5 provided the mare remains continuously in this State until its
6 foal is born. An "Illinois foaled horse" also means a foal born
7 of a mare in the same year as the mare enters this State on or
8 before March 1, and remains in this State at least 30 days
9 after foaling, is bred back during the season of the foaling to
10 an Illinois Registered Stallion (unless a veterinarian
11 certifies that the mare should not be bred for health reasons),
12 and is not bred to a stallion standing in any other state
13 during the season of foaling. An "Illinois foaled horse" also
14 means a foal born in Illinois of a mare purchased at public
15 auction subsequent to the mare entering this State on or before
16 March 1 ~~prior to February 1~~ of the foaling year providing the
17 mare is owned solely by one or more Illinois residents or an
18 Illinois entity that is entirely owned by one or more Illinois
19 residents.

20 (1) The Department of Agriculture shall, by rule, with the
21 advice and assistance of the Illinois Thoroughbred Breeders
22 Fund Advisory Board:

23 (1) Qualify stallions for Illinois breeding; such
24 stallions to stand for service within the State of Illinois
25 at the time of a foal's conception. Such stallion must not
26 stand for service at any place outside the State of

1 Illinois during the calendar year in which the foal is
2 conceived. The Department of Agriculture may assess and
3 collect an application fee of up to \$500 ~~fees~~ for the
4 registration of Illinois-eligible stallions. All fees
5 collected are to be held in trust accounts for the purposes
6 set forth in this Act and in accordance with Section 205-15
7 of the Department of Agriculture Law ~~paid into the Illinois~~
8 ~~Thoroughbred Breeders Fund.~~

9 (2) Provide for the registration of Illinois conceived
10 and foaled horses and Illinois foaled horses. No such horse
11 shall compete in the races limited to Illinois conceived
12 and foaled horses or Illinois foaled horses or both unless
13 registered with the Department of Agriculture. The
14 Department of Agriculture may prescribe such forms as are
15 necessary to determine the eligibility of such horses. The
16 Department of Agriculture may assess and collect
17 application fees for the registration of Illinois-eligible
18 foals. All fees collected are to be held in trust accounts
19 for the purposes set forth in this Act and in accordance
20 with Section 205-15 of the Department of Agriculture Law
21 ~~paid into the Illinois Thoroughbred Breeders Fund.~~ No
22 person shall knowingly prepare or cause preparation of an
23 application for registration of such foals containing
24 false information.

25 (m) The Department of Agriculture, with the advice and
26 assistance of the Illinois Thoroughbred Breeders Fund Advisory

1 Board, shall provide that certain races limited to Illinois
2 conceived and foaled and Illinois foaled horses be stakes races
3 and determine the total amount of stakes and awards to be paid
4 to the owners of the winning horses in such races.

5 In determining the stakes races and the amount of awards
6 for such races, the Department of Agriculture shall consider
7 factors, including but not limited to, the amount of money
8 appropriated for the Illinois Thoroughbred Breeders Fund
9 program, organization licensees' contributions, availability
10 of stakes caliber horses as demonstrated by past performances,
11 whether the race can be coordinated into the proposed racing
12 dates within organization licensees' racing dates, opportunity
13 for colts and fillies and various age groups to race, public
14 wagering on such races, and the previous racing schedule.

15 (n) The Board and the organizational licensee shall notify
16 the Department of the conditions and minimum purses for races
17 limited to Illinois conceived and foaled and Illinois foaled
18 horses conducted for each organizational licensee conducting a
19 thoroughbred racing meeting. The Department of Agriculture
20 with the advice and assistance of the Illinois Thoroughbred
21 Breeders Fund Advisory Board may allocate monies for purse
22 supplements for such races. In determining whether to allocate
23 money and the amount, the Department of Agriculture shall
24 consider factors, including but not limited to, the amount of
25 money appropriated for the Illinois Thoroughbred Breeders Fund
26 program, the number of races that may occur, and the

1 organizational licensee's purse structure.

2 (o) In order to improve the breeding quality of
3 thoroughbred horses in the State, the General Assembly
4 recognizes that existing provisions of this Section to
5 encourage such quality breeding need to be revised and
6 strengthened. As such, a Thoroughbred Breeder's Program Task
7 Force is to be appointed by the Governor by September 1, 1999
8 to make recommendations to the General Assembly by no later
9 than March 1, 2000. This task force is to be composed of 2
10 representatives from the Illinois Thoroughbred Breeders and
11 Owners Foundation, 2 from the Illinois Thoroughbred Horsemen's
12 Association, 3 from Illinois race tracks operating
13 thoroughbred race meets for an average of at least 30 days in
14 the past 3 years, the Director of Agriculture, the Executive
15 Director of the Racing Board, who shall serve as Chairman.
16 (Source: P.A. 91-40, eff. 6-25-99.)

17 (230 ILCS 5/30.5)

18 Sec. 30.5. Illinois Quarter Horse Breeders Fund.

19 (a) The General Assembly declares that it is the policy of
20 this State to encourage the breeding of racing quarter horses
21 in this State and the ownership of such horses by residents of
22 this State in order to provide for sufficient numbers of high
23 quality racing quarter horses in this State and to establish
24 and preserve the agricultural and commercial benefits of such
25 breeding and racing industries to the State of Illinois. It is

1 the intent of the General Assembly to further this policy by
2 the provisions of this Act.

3 (b) There is hereby created a non-appropriated trust
4 ~~special fund in the State Treasury~~ to be known as the Illinois
5 Racing Quarter Horse Breeders Fund, which is held separate and
6 apart from State moneys. Except as provided in subsection (g)
7 of Section 27 of this Act, 8.5% of all the moneys received by
8 the State as pari-mutuel taxes on quarter horse racing shall be
9 paid into the Illinois Racing Quarter Horse Breeders Fund. The
10 Illinois Racing Quarter Horse Breeders Fund shall not be
11 subject to administrative charges or chargebacks, including,
12 but not limited to, those authorized under Section 8h of the
13 State Finance Act.

14 (c) The Illinois Racing Quarter Horse Breeders Fund shall
15 be administered by the Department of Agriculture with the
16 advice and assistance of the Advisory Board created in
17 subsection (d) of this Section.

18 (d) The Illinois Racing Quarter Horse Breeders Fund
19 Advisory Board shall consist of the Director of the Department
20 of Agriculture, who shall serve as Chairman; a member of the
21 Illinois Racing Board, designated by it; one representative of
22 the organization licensees conducting pari-mutuel quarter
23 horse racing meetings, recommended by them; 2 representatives
24 of the Illinois Running Quarter Horse Association, recommended
25 by it; and the Superintendent of Fairs and Promotions from the
26 Department of Agriculture. Advisory Board members shall serve

1 for 2 years commencing January 1 of each odd numbered year. If
2 representatives have not been recommended by January 1 of each
3 odd numbered year, the Director of the Department of
4 Agriculture may make an appointment for the organization
5 failing to so recommend a member of the Advisory Board.
6 Advisory Board members shall receive no compensation for their
7 services as members but may be reimbursed for all actual and
8 necessary expenses and disbursements incurred in the execution
9 of their official duties.

10 (e) Moneys in ~~No moneys shall be expended from the Illinois~~
11 ~~Racing Quarter Horse Breeders Fund except as appropriated by~~
12 ~~the General Assembly. Moneys appropriated from the Illinois~~
13 Racing Quarter Horse Breeders Fund shall be expended by the
14 Department of Agriculture, with the advice and assistance of
15 the Illinois Racing Quarter Horse Breeders Fund Advisory Board,
16 for the following purposes only:

17 (1) To provide stakes and awards to be paid to the
18 owners of the winning horses in certain races. This
19 provision is limited to Illinois conceived and foaled
20 horses.

21 (2) To provide an award to the owner or owners of an
22 Illinois conceived and foaled horse that wins a race when
23 pari-mutuel wagering is conducted; providing the race is
24 not restricted to Illinois conceived and foaled horses.

25 (3) To provide purse money for an Illinois stallion
26 stakes program.

1 (4) To provide for purses to be distributed for the
2 running of races during the Illinois State Fair and the
3 DuQuoin State Fair exclusively for quarter horses
4 conceived and foaled in Illinois.

5 (5) To provide for purses to be distributed for the
6 running of races at Illinois county fairs exclusively for
7 quarter horses conceived and foaled in Illinois.

8 (6) To provide for purses to be distributed for running
9 races exclusively for quarter horses conceived and foaled
10 in Illinois at locations in Illinois determined by the
11 Department of Agriculture with advice and consent of the
12 Racing Quarter Horse Breeders Fund Advisory Board.

13 (7) No less than 90% of all moneys appropriated from
14 the Illinois Racing Quarter Horse Breeders Fund shall be
15 expended for the purposes in items (1), (2), (3), (4), and
16 (5) of this subsection (e).

17 (8) To provide for research programs concerning the
18 health, development, and care of racing quarter horses.

19 (9) To provide for dissemination of public information
20 designed to promote the breeding of racing quarter horses
21 in Illinois.

22 (10) To provide for expenses incurred in the
23 administration of the Illinois Racing Quarter Horse
24 Breeders Fund.

25 (f) The Department of Agriculture shall, by rule, with the
26 advice and assistance of the Illinois Racing Quarter Horse

1 Breeders Fund Advisory Board:

2 (1) Qualify stallions for Illinois breeding; such
3 stallions to stand for service within the State of
4 Illinois, at the time of a foal's conception. Such stallion
5 must not stand for service at any place outside the State
6 of Illinois during the calendar year in which the foal is
7 conceived. The Department of Agriculture may assess and
8 collect application fees for the registration of
9 Illinois-eligible stallions. All fees collected are to be
10 paid into the Illinois Racing Quarter Horse Breeders Fund.

11 (2) Provide for the registration of Illinois conceived
12 and foaled horses. No such horse shall compete in the races
13 limited to Illinois conceived and foaled horses unless it
14 is registered with the Department of Agriculture. The
15 Department of Agriculture may prescribe such forms as are
16 necessary to determine the eligibility of such horses. The
17 Department of Agriculture may assess and collect
18 application fees for the registration of Illinois-eligible
19 foals. All fees collected are to be paid into the Illinois
20 Racing Quarter Horse Breeders Fund. No person shall
21 knowingly prepare or cause preparation of an application
22 for registration of such foals that contains false
23 information.

24 (g) The Department of Agriculture, with the advice and
25 assistance of the Illinois Racing Quarter Horse Breeders Fund
26 Advisory Board, shall provide that certain races limited to

1 Illinois conceived and foaled be stakes races and determine the
2 total amount of stakes and awards to be paid to the owners of
3 the winning horses in such races.

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

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

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

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

23 (b-5) Organization licensees, not including the Illinois
24 State Fair or the DuQuoin State Fair, shall provide stake races
25 and early closer races for Illinois conceived and foaled horses

1 so that purses distributed for such races shall be no less than
2 17% of total purses distributed for harness racing in that
3 calendar year in addition to any stakes payments and starting
4 fees contributed by horse owners.

5 (b-10) Each organization licensee conducting a harness
6 racing meeting pursuant to this Act shall provide an owner
7 award to be paid from the purse account equal to 25% of the
8 amount earned by Illinois conceived and foaled horses in races
9 that are not restricted to Illinois conceived and foaled
10 horses. The owner awards shall not be paid on races below the
11 \$10,000 claiming class.

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

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

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

26 (e) The Illinois Standardbred Breeders Fund shall be

1 administered by the Department of Agriculture with the
2 assistance and advice of the Advisory Board created in
3 subsection (f) of this Section.

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

1 their services as members but shall be reimbursed for all
2 actual and necessary expenses and disbursements incurred in the
3 execution of their official duties.

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

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

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

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

19 4. No less than 75% of all monies in the Illinois
20 Standardbred Breeders Fund shall be expended for purses in
21 1, 2 and 3 as shown above.

22 5. In the discretion of the Department of Agriculture
23 to provide awards to harness breeders of Illinois conceived
24 and foaled horses which win races conducted by organization
25 licensees conducting harness racing meetings. A breeder is
26 the owner of a mare at the time of conception. No more than

1 10% of all monies appropriated from the Illinois
2 Standardbred Breeders Fund shall be expended for such
3 harness breeders awards. No more than 25% of the amount
4 expended for harness breeders awards shall be expended for
5 expenses incurred in the administration of such harness
6 breeders awards.

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

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

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

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

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

21 11. To pay up to \$100,000 annually for division and
22 equal distribution to the animal sciences department of
23 each Illinois public university system engaged in equine
24 research and education on or before the effective date of
25 this amendatory Act of the 97th General Assembly for equine
26 research and education.

1 (h) (Blank) ~~Whenever the Governor finds that the amount in~~
2 ~~the Illinois Standardbred Breeders Fund is more than the total~~
3 ~~of the outstanding appropriations from such fund, the Governor~~
4 ~~shall notify the State Comptroller and the State Treasurer of~~
5 ~~such fact. The Comptroller and the State Treasurer, upon~~
6 ~~receipt of such notification, shall transfer such excess amount~~
7 ~~from the Illinois Standardbred Breeders Fund to the General~~
8 ~~Revenue Fund.~~

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

19 (j) The Department of Agriculture shall, by rule, with the
20 assistance and advice of the Illinois Standardbred Breeders
21 Fund Advisory Board:

22 1. Qualify stallions for Illinois Standardbred
23 Breeders Fund breeding; ~~such stallion shall be owned by a~~
24 ~~resident of the State of Illinois or by an Illinois~~
25 ~~corporation all of whose shareholders, directors, officers~~
26 ~~and incorporators are residents of the State of Illinois.~~

1 Such stallion shall stand for service at and within the
2 State of Illinois at the time of a foal's conception, and
3 such stallion must not stand for service at any place, ~~nor~~
4 ~~may semen from such stallion be transported,~~ outside the
5 State of Illinois during that calendar year in which the
6 foal is conceived ~~and that the owner of the stallion was~~
7 ~~for the 12 months prior, a resident of Illinois.~~ Foals
8 conceived outside the State of Illinois from shipped semen
9 from a stallion qualified for breeders' awards under this
10 Section are not eligible to participate in the Illinois
11 conceived and foaled program. ~~The articles of agreement of~~
12 ~~any partnership, joint venture, limited partnership,~~
13 ~~syndicate, association or corporation and any bylaws and~~
14 ~~stock certificates must contain a restriction that~~
15 ~~provides that the ownership or transfer of interest by any~~
16 ~~one of the persons a party to the agreement can only be~~
17 ~~made to a person who qualifies as an Illinois resident.~~

18 2. Provide for the registration of Illinois conceived
19 and foaled horses and no such horse shall compete in the
20 races limited to Illinois conceived and foaled horses
21 unless registered with the Department of Agriculture. The
22 Department of Agriculture may prescribe such forms as may
23 be necessary to determine the eligibility of such horses.
24 No person shall knowingly prepare or cause preparation of
25 an application for registration of such foals containing
26 false information. A mare (dam) must be in the state at

1 least 30 days prior to foaling or remain in the State at
2 least 30 days at the time of foaling. Beginning with the
3 1996 breeding season and for foals of 1997 and thereafter,
4 a foal conceived in the State of Illinois by transported
5 fresh semen may be eligible for Illinois conceived and
6 foaled registration provided all breeding and foaling
7 requirements are met. The stallion must be qualified for
8 Illinois Standardbred Breeders Fund breeding at the time of
9 conception and the mare must be inseminated within the
10 State of Illinois. The foal must be dropped in Illinois and
11 properly registered with the Department of Agriculture in
12 accordance with this Act.

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

20 4. Provide for the payment of nominating, sustaining
21 and starting fees for races promoting the sport of harness
22 racing and for the races to be conducted at the State Fair
23 as provided in subsection (j) 3 of this Section provided
24 that the nominating, sustaining and starting payment
25 required from an entrant shall not exceed 2% of the purse
26 of such race. All nominating, sustaining and starting

1 payments shall be held for the benefit of entrants and
2 shall be paid out as part of the respective purses for such
3 races. Nominating, sustaining and starting fees shall be
4 held in trust accounts for the purposes as set forth in
5 this Act and in accordance with Section 205-15 of the
6 Department of Agriculture Law (20 ILCS 205/205-15).

7 5. Provide for the registration with the Department of
8 Agriculture of Colt Associations or county fairs desiring
9 to sponsor races at county fairs.

10 6. Provide for the promotion of producing standardbred
11 racehorses by providing a bonus award program for owners of
12 2-year-old horses that win multiple major stakes races that
13 are limited to Illinois conceived and foaled horses.

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

1 negotiated.

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

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

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

24 (230 ILCS 5/31.1) (from Ch. 8, par. 37-31.1)

25 Sec. 31.1. (a) Organization licensees collectively shall

1 contribute annually to charity the sum of \$1,000,000 ~~\$750,000~~
2 to non-profit organizations that provide medical and family,
3 counseling, and similar services to persons who reside or work
4 on the backstretch of Illinois racetracks. These contributions
5 shall be collected as follows: (i) no later than July 1st of
6 each year the Board shall assess each organization licensee,
7 except those tracks which are not within 100 miles of each
8 other which tracks shall pay \$40,000 ~~\$30,000~~ annually apiece
9 into the Board charity fund, that amount which equals \$920,000
10 ~~\$690,000~~ multiplied by the amount of pari-mutuel wagering
11 handled by the organization licensee in the year preceding
12 assessment and divided by the total pari-mutuel wagering
13 handled by all Illinois organization licensees, except those
14 tracks which are not within 100 miles of each other, in the
15 year preceding assessment; (ii) notice of the assessed
16 contribution shall be mailed to each organization licensee;
17 (iii) within thirty days of its receipt of such notice, each
18 organization licensee shall remit the assessed contribution to
19 the Board. If an organization licensee wilfully fails to so
20 remit the contribution, the Board may revoke its license to
21 conduct horse racing.

22 (b) No later than October 1st of each year, any qualified
23 charitable organization seeking an allotment of contributed
24 funds shall submit to the Board an application for those funds,
25 using the Board's approved form. No later than December 31st of
26 each year, the Board shall distribute all such amounts

1 collected that year to such charitable organization
2 applicants.

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

4 (230 ILCS 5/32.1)

5 Sec. 32.1. Pari-mutuel tax credit; statewide racetrack
6 real estate equalization.

7 (a) In order to encourage new investment in Illinois
8 racetrack facilities and mitigate differing real estate tax
9 burdens among all racetracks, the licensees affiliated or
10 associated with each racetrack that has been awarded live
11 racing dates in the current year shall receive an immediate
12 pari-mutuel tax credit in an amount equal to the greater of (i)
13 50% of the amount of the real estate taxes paid in the prior
14 year attributable to that racetrack, or (ii) the amount by
15 which the real estate taxes paid in the prior year attributable
16 to that racetrack exceeds 60% of the average real estate taxes
17 paid in the prior year for all racetracks awarded live horse
18 racing meets in the current year.

19 Each year, regardless of whether the organization licensee
20 conducted live racing in the year of certification, the Board
21 shall certify in writing, prior to December 31, the real estate
22 taxes paid in that year for each racetrack and the amount of
23 the pari-mutuel tax credit that each organization licensee,
24 intertrack wagering licensee, and intertrack wagering location
25 licensee that derives its license from such racetrack is

1 entitled in the succeeding calendar year. The real estate taxes
2 considered under this Section for any racetrack shall be those
3 taxes on the real estate parcels and related facilities used to
4 conduct a horse race meeting and inter-track wagering at such
5 racetrack under this Act. In no event shall the amount of the
6 tax credit under this Section exceed the amount of pari-mutuel
7 taxes otherwise calculated under this Act. The amount of the
8 tax credit under this Section shall be retained by each
9 licensee and shall not be subject to any reallocation or
10 further distribution under this Act. The Board may promulgate
11 emergency rules to implement this Section.

12 (b) Beginning on January 1 following the calendar year
13 during which an organization licensee begins conducting
14 electronic gaming operations pursuant to Section 56 of this
15 Act, the maximum credit amount an organization licensee shall
16 be eligible to receive pursuant to this Section shall be equal
17 to 50% of the credit awarded to the organization licensee in
18 calendar year 2010.

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

20 (230 ILCS 5/34.3 new)

21 Sec. 34.3. Drug testing. The Illinois Racing Board and the
22 Department of Agriculture shall jointly establish a program for
23 the purpose of conducting drug testing of horses at county
24 fairs and shall adopt any rules necessary for enforcement of
25 the program. The rules shall include appropriate penalties for

1 violations.

2 (230 ILCS 5/36) (from Ch. 8, par. 37-36)

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

19 (b) The term "hypnotic" as used in this Section includes
20 all barbituric acid preparations and derivatives.

21 (c) The term "narcotic" as used in this Section includes
22 opium and all its alkaloids, salts, preparations and
23 derivatives, cocaine and all its salts, preparations and
24 derivatives and substitutes.

25 (d) The provisions of this Section 36 and the treatment

1 authorized herein apply to horses entered in and competing in
2 race meetings as defined in Section 3.47 of this Act and to
3 horses entered in and competing at any county fair.

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

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

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

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

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

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

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

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

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

2 (A) if a list or report is submitted no more than
3 30 days late, \$50;

4 (B) if a list or report is submitted no more than
5 60 days late \$150; or

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

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

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

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

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

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

21 (4) late filing of application for foal eligibility
22 certificate:

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

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

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

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

6 (5) failure to report the intent to remove a foal from
7 Illinois prior to inspection, identification and
8 certification by a Department of Agriculture investigator,
9 \$50; and

10 (6) if a list or report of mares bred is incomplete,
11 \$50 per mare not included on the list or report.

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

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

21 (230 ILCS 5/56 new)

22 Sec. 56. Electronic gaming.

23 (a) A person, firm, or corporation having operating control
24 of a race track, including the Illinois State Fairgrounds
25 Racetrack Authority, may apply to the Gaming Board for an

1 electronic gaming license. An electronic gaming license shall
2 authorize its holder to conduct electronic gaming on the
3 grounds of the race track controlled by the licensee's race
4 track. Only one electronic gaming license may be awarded for
5 any race track. Each license shall specify the number of gaming
6 positions that its holder may operate.

7 An electronic gaming licensee may not permit persons under
8 21 years of age to be present in its electronic gaming
9 facility, but the licensee may accept wagers on live racing and
10 inter-track wagers at its electronic gaming facility.

11 (b) The adjusted gross receipts by an electronic gaming
12 licensee from electronic gaming remaining after the payment of
13 taxes under Section 13 of the Illinois Gambling Act shall be
14 distributed as follows:

15 (1) Amounts shall be paid to the purse account at the
16 track at which the organization licensee is conducting
17 racing equal to the following:

18 12.75% of annual adjusted gross receipts up to and
19 including \$75,000,000;

20 20% of annual adjusted gross receipts in excess of
21 \$75,000,000 but not exceeding \$100,000,000;

22 26.5% of annual adjusted gross receipts in excess
23 of \$100,000,000 but not exceeding \$125,000,000; and

24 20.5% of annual adjusted gross receipts in excess
25 of \$125,000,000.

26 (2) The remainder shall be retained by the electronic

1 gaming licensee.

2 (c) Electronic gaming receipts placed into the purse
3 account of an organization licensee racing thoroughbred horses
4 shall be used for purses, for health care services or worker's
5 compensation for racing industry workers, for equine research,
6 for programs to care for and transition injured and retired
7 thoroughbred horses that race at the race track, or for horse
8 ownership promotion, in accordance with the agreement of the
9 horsemen's association representing the largest number of
10 owners or trainers who race at that organization licensee's
11 race meetings.

12 Annually, from the purse account of an organization
13 licensee racing thoroughbred horses in the State, except for in
14 Madison County, an amount equal to 12% of the electronic gaming
15 receipts placed into the purse accounts shall be paid to the
16 Illinois Thoroughbred Breeders Fund and shall be used for owner
17 awards; a stallion program pursuant to paragraph (3) of
18 subsection (g) of Section 30 of this Act; and Illinois
19 conceived and foaled stakes races pursuant to paragraph (2) of
20 subsection (g) of Section 30 of this Act, as specifically
21 designated by the horsemen's association representing the
22 largest number of owners or trainers who race at the
23 organization licensee's race meetings.

24 Annually, from the purse account of an organization
25 licensee racing thoroughbred horses in Madison County, an
26 amount equal to 10% of the electronic gaming receipts placed

1 into the purse accounts shall be paid to the Illinois
2 Thoroughbred Breeders Fund and shall be used for owner awards;
3 a stallion program pursuant to paragraph (3) of subsection (g)
4 of Section 30 of this Act; and Illinois conceived and foaled
5 stakes races pursuant to paragraph (2) of subsection (g) of
6 Section 30 of this Act, as specifically designated by the
7 horsemen's association representing the largest number of
8 owners or trainers who race at the organization licensee's race
9 meetings.

10 Annually, from the purse account of an organization
11 licensee conducting thoroughbred races at a race track in
12 Madison County, an amount equal to 1% of the electronic gaming
13 receipts distributed to purses per subsection (b) of this
14 Section 56 shall be paid as follows: 0.33 1/3% to Southern
15 Illinois University Department of Animal Sciences for equine
16 research and education, an amount equal to 0.33 1/3% of the
17 electronic gaming receipts shall be used to operate laundry
18 facilities for backstretch workers at that race track, and an
19 amount equal to 0.33 1/3% of the electronic gaming receipts
20 shall be paid to programs to care for injured and unwanted
21 horses that race at that race track.

22 Annually, from the purse account of organization licensees
23 conducting thoroughbred races at race tracks in Cook County,
24 \$100,000 shall be paid for division and equal distribution to
25 the animal sciences department of each Illinois public
26 university system engaged in equine research and education on

1 or before the effective date of this amendatory Act of the 97th
2 General Assembly for equine research and education.

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

13 (e) As a requirement for continued eligibility to conduct
14 electronic gaming, each organization licensee must promote
15 live racing and horse ownership through marketing and
16 promotional efforts. To meet this requirement, all
17 organization licensees operating at each race track facility
18 must collectively expend the amount of the pari-mutuel tax
19 credit that was certified by the Illinois Racing Board in the
20 prior calendar year pursuant to Section 32.1 of this Act for
21 that race track facility, in addition to the amount that was
22 expended by each organizational licensee for such efforts in
23 calendar year 2009. Such incremental expenditures must be
24 directed to assure that all marketing expenditures, including
25 those for the organization licensee's electronic gaming
26 facility, advertise, market, and promote horse racing or horse

1 ownership. The amount spent by the organization licensee for
2 such marketing and promotional efforts in 2009 shall be
3 certified by the Board no later than 90 days after the
4 effective date of this Section.

5 The Board shall review any amounts expended pursuant to
6 this subsection (e) and shall also include an itemized
7 description of the amount that was expended by each
8 organization licensee pursuant to this subsection (e) in the
9 annual report that the Board is required to submit pursuant to
10 subsection (d) of Section 14 of the Illinois Horse Racing Act
11 of 1975.

12 Section 90-40. The Riverboat Gambling Act is amended by
13 changing Sections 1, 2, 3, 4, 5, 5.1, 6, 7, 7.3, 8, 9, 11, 11.1,
14 12, 13, 14, 18, 19, 20, and 23 and by adding Sections 5.3, 7.6,
15 7.7, 7.8, 7.9, 7.10, 7.11, and 7.12 as follows:

16 (230 ILCS 10/1) (from Ch. 120, par. 2401)

17 Sec. 1. Short title. This Act shall be known and may be
18 cited as the Illinois ~~Riverboat~~ Gambling Act.

19 (Source: P.A. 86-1029.)

20 (230 ILCS 10/2) (from Ch. 120, par. 2402)

21 Sec. 2. Legislative Intent.

22 (a) This Act is intended to benefit the people of the State
23 of Illinois by assisting economic development and promoting

1 Illinois tourism and by increasing the amount of revenues
2 available to the State to assist and support education.

3 (b) While authorization of riverboat and casino gambling
4 will enhance investment, development and tourism in Illinois,
5 it is recognized that it will do so successfully only if public
6 confidence and trust in the credibility and integrity of the
7 gambling operations and the regulatory process is maintained.
8 Therefore, regulatory provisions of this Act are designed to
9 strictly regulate the facilities, persons, associations and
10 practices related to gambling operations pursuant to the police
11 powers of the State, including comprehensive law enforcement
12 supervision.

13 (c) The Illinois Gaming Board established under this Act
14 should, as soon as possible, inform each applicant for an
15 owners license of the Board's intent to grant or deny a
16 license.

17 (Source: P.A. 93-28, eff. 6-20-03.)

18 (230 ILCS 10/3) (from Ch. 120, par. 2403)

19 Sec. 3. ~~Riverboat~~ Gambling Authorized.

20 (a) Riverboat and casino gambling operations and
21 electronic gaming operations ~~and the system of wagering~~
22 ~~incorporated therein~~, as defined in this Act, are hereby
23 authorized to the extent that they are carried out in
24 accordance with the provisions of this Act.

25 (b) This Act does not apply to the pari-mutuel system of

1 wagering used or intended to be used in connection with the
2 horse-race meetings as authorized under the Illinois Horse
3 Racing Act of 1975, lottery games authorized under the Illinois
4 Lottery Law, bingo authorized under the Bingo License and Tax
5 Act, charitable games authorized under the Charitable Games Act
6 or pull tabs and jar games conducted under the Illinois Pull
7 Tabs and Jar Games Act. This Act applies to electronic gaming
8 authorized under the Illinois Horse Racing Act of 1975 to the
9 extent provided in that Act and in this Act.

10 (c) Riverboat gambling conducted pursuant to this Act may
11 be authorized upon any water within the State of Illinois or
12 any water other than Lake Michigan which constitutes a boundary
13 of the State of Illinois. Notwithstanding any provision in this
14 subsection (c) to the contrary, a licensee that receives its
15 license pursuant to subsection (e-5) of Section 7 may conduct
16 riverboat gambling on Lake Michigan from a home dock located on
17 Lake Michigan subject to any limitations contained in Section
18 7. Notwithstanding any provision in this subsection (c) to the
19 contrary, a licensee may conduct gambling at its home dock
20 facility as provided in Sections 7 and 11. A licensee may
21 conduct riverboat gambling authorized under this Act
22 regardless of whether it conducts excursion cruises. A licensee
23 may permit the continuous ingress and egress of passengers for
24 the purpose of gambling.

25 (d) Gambling that is conducted in accordance with this Act
26 using slot machines and video games of chance and other

1 electronic gambling games as defined in both the Illinois
2 Gambling Act and the Illinois Horse Racing Act of 1975 is
3 authorized.

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

5 (230 ILCS 10/4) (from Ch. 120, par. 2404)

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

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

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

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

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

23 "Slot machine" means any mechanical, electrical, or other
24 device, contrivance, or machine that is authorized by the Board
25 as a wagering device under this Act which, upon insertion of a

1 coin, currency, token, or similar object therein, or upon
2 payment of any consideration whatsoever, is available to play
3 or operate, the play or operation of which may deliver or
4 entitle the person playing or operating the machine to receive
5 cash, premiums, merchandise, tokens, or anything of value
6 whatsoever, whether the payoff is made automatically from the
7 machine or in any other manner whatsoever. A slot machine:

8 (1) May utilize spinning reels or video displays or
9 both.

10 (2) May or may not dispense coins, tickets, or tokens
11 to winning patrons.

12 (3) May use an electronic credit system for receiving
13 wagers and making payouts.

14 (4) May simulate a table game.

15 "Slot machine" does not include table games authorized by
16 the Board as a wagering device under this Act.

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

20 ~~(f)~~ "Dock" means the location where a riverboat moors for
21 the purpose of embarking passengers for and disembarking
22 passengers from the riverboat.

23 ~~(g)~~ "Gross receipts" means the total amount of money
24 exchanged for the purchase of chips, tokens, or electronic
25 cards by riverboat patrons.

26 ~~(h)~~ "Adjusted gross receipts" means the gross receipts less

1 winnings paid to wagerers.

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

5 ~~(j)~~ (Blank).

6 ~~(k)~~ "Gambling operation" means the conduct of ~~authorized~~
7 gambling games authorized under this Act upon a riverboat or in
8 a casino or authorized under this Act and the Illinois Horse
9 Racing Act of 1975 at an electronic gaming facility.

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

13 "Table game" means a live gaming apparatus upon which
14 gaming is conducted or that determines an outcome that is the
15 object of a wager, including, but not limited to, baccarat,
16 twenty-one, blackjack, poker, craps, roulette wheel, klondike
17 table, punchboard, faro layout, keno layout, numbers ticket,
18 push card, jar ticket, pull tab, or other similar games that
19 are authorized by the Board as a wagering device under this
20 Act. "Table game" does not include slot machines or video games
21 of chance.

22 ~~(m)~~ The terms "minority person", "female", and "person with
23 a disability" shall have the same meaning as defined in Section
24 2 of the Business Enterprise for Minorities, Females, and
25 Persons with Disabilities Act.

26 "Authority" means the Chicago Casino Development

1 Authority.

2 "Casino" means a facility at which lawful gambling is
3 authorized as provided in this Act.

4 "Owners license" means a license to conduct riverboat or
5 casino gambling operations, but does not include an electronic
6 gaming license.

7 "Licensed owner" means a person who holds an owners
8 license.

9 "Electronic gaming" means slot machine gambling, video
10 game of chance gambling, or gambling with electronic gambling
11 games as defined in the Illinois Gambling Act or defined by the
12 Board that is conducted at a race track pursuant to an
13 electronic gaming license.

14 "Electronic gaming facility" means the area where the Board
15 has authorized electronic gaming at a race track of an
16 organization licensee under the Illinois Horse Racing Act of
17 1975 that holds an electronic gaming license.

18 "Electronic gaming license" means a license issued by the
19 Board under Section 7.6 of this Act authorizing electronic
20 gaming at an electronic gaming facility.

21 "Electronic gaming licensee" means an entity that holds an
22 electronic gaming license.

23 "Organization licensee" means an entity authorized by the
24 Illinois Racing Board to conduct pari-mutuel wagering in
25 accordance with the Illinois Horse Racing Act of 1975,
26 including the Illinois State Fairgrounds Racetrack Authority.

1 With respect only to electronic gaming, "organization
2 licensee" includes the authorization for electronic gaming
3 created under subsection (a) of Section 56 of the Illinois
4 Horse Racing Act of 1975, including the Illinois State
5 Fairground Racetrack Authority.

6 "Casino operator license" means the license held by the
7 person or entity selected by the Authority to manage and
8 operate a riverboat or casino within the geographic area of the
9 authorized municipality pursuant to this Act and the Chicago
10 Casino Development Authority Act.

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

12 (230 ILCS 10/5) (from Ch. 120, par. 2405)

13 Sec. 5. Gaming Board.

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

24 (2) The Board shall consist of 5 members to be appointed by
25 the Governor with the advice and consent of the Senate, one of

1 whom shall be designated by the Governor to be chairperson
2 ~~chairman~~. Each member shall have a reasonable knowledge of the
3 practice, procedure and principles of gambling operations.
4 Each member shall either be a resident of Illinois or shall
5 certify that he or she will become a resident of Illinois
6 before taking office.

7 The Board must include the following:

8 (A) One member who has received, at a minimum, a
9 bachelor's degree from an accredited school and at least 10
10 years of verifiable training and experience in the fields
11 of investigation and law enforcement.

12 (B) One member who is a certified public accountant
13 with experience in auditing and with knowledge of complex
14 corporate structures and transactions.

15 (C) One member who has 5 years' experience as a
16 principal, senior officer, or director of a company or
17 business with either material responsibility for the daily
18 operations and management of the overall company or
19 business or material responsibility for the policy making
20 of the company or business.

21 (D) One member who is a lawyer licensed to practice law
22 in Illinois.

23 No more than 3 members of the Board may be from the same
24 political party. The Board should reflect the ethnic, cultural,
25 and geographic diversity of the State. No Board member shall,
26 within a period of one year immediately preceding nomination,

1 have been employed or received compensation or fees for
2 services from a person or entity, or its parent or affiliate,
3 that has engaged in business with the Board, a licensee, or a
4 licensee under the Illinois Horse Racing Act of 1975. Board
5 members must publicly disclose all prior affiliations with
6 gaming interests, including any compensation, fees, bonuses,
7 salaries, and other reimbursement received from a person or
8 entity, or its parent or affiliate, that has engaged in
9 business with the Board, a licensee, or a licensee under the
10 Illinois Horse Racing Act of 1975. This disclosure must be made
11 within 30 days after nomination but prior to confirmation by
12 the Senate and must be made available to the members of the
13 Senate. ~~At least one member shall be experienced in law~~
14 ~~enforcement and criminal investigation, at least one member~~
15 ~~shall be a certified public accountant experienced in~~
16 ~~accounting and auditing, and at least one member shall be a~~
17 ~~lawyer licensed to practice law in Illinois.~~

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

1 filled for the unexpired term in like manner as original
2 appointments. Each member of the Board shall be eligible for
3 reappointment at the discretion of the Governor with the advice
4 and consent of the Senate.

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

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

22 (5.5) No member of the Board shall engage in any political
23 activity. For the purposes of this Section, "political" means
24 any activity in support of or in connection with any campaign
25 for federal, State, or local elective office or any political
26 organization, but does not include activities (i) relating to

1 the support or opposition of any executive, legislative, or
2 administrative action (as those terms are defined in Section 2
3 of the Lobbyist Registration Act), (ii) relating to collective
4 bargaining, or (iii) that are otherwise in furtherance of the
5 person's official State duties or governmental and public
6 service functions.

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

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

1 shall be taken to be a part of the necessary expenses of the
2 Board.

3 (8) The Board shall employ such personnel as may be
4 necessary to carry out its functions and shall determine the
5 salaries of all personnel, except those personnel whose
6 salaries are determined under the terms of a collective
7 bargaining agreement. No person shall be employed to serve the
8 Board who is, or whose spouse, parent or child is, an official
9 of, or has a financial interest in or financial relation with,
10 any operator engaged in gambling operations within this State
11 or any organization engaged in conducting horse racing within
12 this State. For the one year immediately preceding employment,
13 an employee shall not have been employed or received
14 compensation or fees for services from a person or entity, or
15 its parent or affiliate, that has engaged in business with the
16 Board, a licensee, or a licensee under the Illinois Horse
17 Racing Act of 1975. Any employee violating these prohibitions
18 shall be subject to termination of employment. In addition, all
19 Board members and employees are subject to the restrictions set
20 forth in Section 5-45 of the State Officials and Employees
21 Ethics Act.

22 (9) An Administrator shall be appointed by the Governor
23 with the advice and consent of the Senate. An Administrator
24 shall perform any and all duties that the Board shall assign
25 him. The salary of the Administrator shall be determined by the
26 Board and, in addition, he shall be reimbursed for all actual

1 and necessary expenses incurred by him in discharge of his
2 official duties. The Administrator shall keep records of all
3 proceedings of the Board and shall preserve all records, books,
4 documents and other papers belonging to the Board or entrusted
5 to its care. The Administrator shall devote his full time to
6 the duties of the office and shall not hold any other office or
7 employment. In addition to other prescribed duties, the
8 Administrator shall establish a system by which personnel
9 assisting the Board regarding the issuance of owner's licenses,
10 whether it be relocation, re-issuance, or the initial issuance,
11 shall be assigned specific duties in each instance, thereby
12 preventing a conflict of interest in regards to the
13 decision-making process. A conflict of interest exists if a
14 situation influences or creates the appearance that it may
15 influence judgment or performance of duties or
16 responsibilities.

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

20 (1) To decide promptly and in reasonable order all
21 license applications. Any party aggrieved by an action of
22 the Board denying, suspending, revoking, restricting or
23 refusing to renew a license may request a hearing before
24 the Board. A request for a hearing must be made to the
25 Board in writing within 5 days after service of notice of
26 the action of the Board. Notice of the action of the Board

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

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

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

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

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

26 (6) To be present through its inspectors and agents any

1 time gambling operations are conducted on any riverboat, in
2 any casino, or at any electronic gaming facility for the
3 purpose of certifying the revenue thereof, receiving
4 complaints from the public, and conducting such other
5 investigations into the conduct of the gambling games and
6 the maintenance of the equipment as from time to time the
7 Board may deem necessary and proper;

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

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

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

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

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

25 (11) (Blank);

26 (12) (Blank);

1 (13) To assume responsibility for administration and
2 enforcement of the Video Gaming Act; ~~and~~

3 (13.5) To assume responsibility for the administration
4 and enforcement of operations at electronic gaming
5 facilities pursuant to this Act and the Illinois Horse
6 Racing Act of 1975; and

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

12 Any action by the Board or staff of the Board, including,
13 but not limited to, denying a renewal, approving procedures
14 (including internal controls), levying a fine or penalty,
15 promotions, or other activities by an applicant for licensure
16 or a licensee, may at the discretion of the applicant or
17 licensee be appealed to an administrative law judge in
18 accordance with subsection (b) of Section 17.1.

19 Internal controls and changes submitted by licensees must
20 be reviewed and either approved or denied with cause within 60
21 days after receipt by the Illinois Gaming Board. In the event
22 an internal control submission or change does not meet the
23 standards set by the Board, staff of the Board must provide
24 technical assistance to the licensee to rectify such
25 deficiencies within 60 days after the initial submission and
26 the revised submission must be reviewed and approved or denied

1 with cause within 60 days. For the purposes of this paragraph,
2 "with cause" means that the approval of the submission would
3 jeopardize the integrity of gaming. In the event the Board
4 staff has not acted within the timeframe, the submission shall
5 be deemed approved.

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

11 (1) To investigate applicants and determine the
12 eligibility of applicants for licenses and to select among
13 competing applicants the applicants which best serve the
14 interests of the citizens of Illinois.

15 (2) To have jurisdiction and supervision over all
16 ~~riverboat~~ gambling operations authorized under this Act ~~in~~
17 ~~this State~~ and all persons in places ~~on riverboats~~ where
18 gambling operations are conducted.

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

1 regarding the inspection of electronic gaming facilities,
2 casinos, and ~~such~~ riverboats and the review of any permits
3 or licenses necessary to operate a riverboat, casino, or
4 electronic gaming facilities under any laws or regulations
5 applicable to riverboats, casinos, or electronic gaming
6 facilities and to impose penalties for violations thereof.

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

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

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

20 (7) To adopt appropriate standards for all electronic
21 gaming facilities, riverboats, casinos, and other
22 facilities authorized under this Act.

23 (8) To require that the records, including financial or
24 other statements of any licensee under this Act, shall be
25 kept in such manner as prescribed by the Board and that any
26 such licensee involved in the ownership or management of

1 gambling operations submit to the Board an annual balance
2 sheet and profit and loss statement, list of the
3 stockholders or other persons having a 1% or greater
4 beneficial interest in the gambling activities of each
5 licensee, and any other information the Board deems
6 necessary in order to effectively administer this Act and
7 all rules, regulations, orders and final decisions
8 promulgated under this Act.

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

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

21 (11) To revoke or suspend licenses, as the Board may
22 see fit and in compliance with applicable laws of the State
23 regarding administrative procedures, and to review
24 applications for the renewal of licenses. The Board may
25 suspend an owners license, electronic gaming license, or
26 casino operator license, without notice or hearing upon a

1 determination that the safety or health of patrons or
2 employees is jeopardized by continuing a gambling
3 operation conducted under that license ~~riverboat's~~
4 ~~operation~~. The suspension may remain in effect until the
5 Board determines that the cause for suspension has been
6 abated. The Board may revoke the owners license, electronic
7 gaming license, or casino operator license upon a
8 determination that the licensee ~~owner~~ has not made
9 satisfactory progress toward abating the hazard.

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

21 (13) To require all licensees of gambling operations to
22 utilize a cashless wagering system whereby all players'
23 money is converted to tokens, electronic cards, or chips
24 which shall be used only for wagering in the gambling
25 establishment.

26 (14) (Blank).

1 (15) To suspend, revoke or restrict licenses, to
2 require the removal of a licensee or an employee of a
3 licensee for a violation of this Act or a Board rule or for
4 engaging in a fraudulent practice, and to impose civil
5 penalties of up to \$5,000 against individuals and up to
6 \$10,000 or an amount equal to the daily gross receipts,
7 whichever is larger, against licensees for each violation
8 of any provision of the Act, any rules adopted by the
9 Board, any order of the Board or any other action which, in
10 the Board's discretion, is a detriment or impediment to
11 ~~riverboat~~ gambling operations.

12 (16) To hire employees to gather information, conduct
13 investigations and carry out any other tasks contemplated
14 under this Act.

15 (17) To establish minimum levels of insurance to be
16 maintained by licensees.

17 (18) To authorize a licensee to sell or serve alcoholic
18 liquors, wine or beer as defined in the Liquor Control Act
19 of 1934 on board a riverboat or in a casino and to have
20 exclusive authority to establish the hours for sale and
21 consumption of alcoholic liquor on board a riverboat or in
22 a casino, notwithstanding any provision of the Liquor
23 Control Act of 1934 or any local ordinance, and regardless
24 of whether the riverboat makes excursions. The
25 establishment of the hours for sale and consumption of
26 alcoholic liquor on board a riverboat or in a casino is an

1 exclusive power and function of the State. A home rule unit
2 may not establish the hours for sale and consumption of
3 alcoholic liquor on board a riverboat or in a casino. This
4 subdivision (18) ~~amendatory Act of 1991~~ is a denial and
5 limitation of home rule powers and functions under
6 subsection (h) of Section 6 of Article VII of the Illinois
7 Constitution.

8 (19) After consultation with the U.S. Army Corps of
9 Engineers, to establish binding emergency orders upon the
10 concurrence of a majority of the members of the Board
11 regarding the navigability of water, relative to
12 excursions, in the event of extreme weather conditions,
13 acts of God or other extreme circumstances.

14 (20) To delegate the execution of any of its powers
15 under this Act for the purpose of administering and
16 enforcing this Act and its rules and regulations hereunder.

17 (20.5) To approve any contract entered into on its
18 behalf.

19 (20.6) To appoint investigators to conduct
20 investigations, searches, seizures, arrests, and other
21 duties imposed under this Act, as deemed necessary by the
22 Board. These investigators have and may exercise all of the
23 rights and powers of peace officers, provided that these
24 powers shall be limited to offenses or violations occurring
25 or committed on a riverboat or dock, as defined in
26 subsections (d) and (f) of Section 4, or as otherwise

1 provided by this Act or any other law.

2 (20.7) To contract with the Department of State Police
3 for the use of trained and qualified State police officers
4 and with the Department of Revenue for the use of trained
5 and qualified Department of Revenue investigators to
6 conduct investigations, searches, seizures, arrests, and
7 other duties imposed under this Act and to exercise all of
8 the rights and powers of peace officers, provided that the
9 powers of Department of Revenue investigators under this
10 subdivision (20.7) shall be limited to offenses or
11 violations occurring or committed on a riverboat or dock,
12 as defined in subsections (d) and (f) of Section 4, or as
13 otherwise provided by this Act or any other law. In the
14 event the Department of State Police or the Department of
15 Revenue is unable to fill contracted police or
16 investigative positions, the Board may appoint
17 investigators to fill those positions pursuant to
18 subdivision (20.6).

19 (21) To make rules concerning the conduct of electronic
20 gaming.

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

24 (d) The Board may seek and shall receive the cooperation of
25 the Department of State Police in conducting background
26 investigations of applicants and in fulfilling its

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

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

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

14 (230 ILCS 10/5.1) (from Ch. 120, par. 2405.1)

15 Sec. 5.1. Disclosure of records.

16 (a) Notwithstanding any applicable statutory provision to
17 the contrary, the Board shall, on written request from any
18 person, provide information furnished by an applicant or
19 licensee concerning the applicant or licensee, his products,
20 services or gambling enterprises and his business holdings, as
21 follows:

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

24 (2) An identification of any applicant or licensee
25 including, if an applicant or licensee is not an

1 individual, the state of incorporation or registration,
2 the corporate officers, and the identity of all
3 shareholders or participants. If an applicant or licensee
4 has a pending registration statement filed with the
5 Securities and Exchange Commission, only the names of those
6 persons or entities holding interest of 5% or more must be
7 provided.

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

21 (4) Whether an applicant or licensee has been indicted,
22 convicted, pleaded guilty or nolo contendere, or forfeited
23 bail concerning any criminal offense under the laws of any
24 jurisdiction, either felony or misdemeanor (except for
25 traffic violations), including the date, the name and
26 location of the court, arresting agency and prosecuting

1 agency, the case number, the offense, the disposition and
2 the location and length of incarceration.

3 (5) Whether an applicant or licensee has had any
4 license or certificate issued by a licensing authority in
5 Illinois or any other jurisdiction denied, restricted,
6 suspended, revoked or not renewed and a statement
7 describing the facts and circumstances concerning the
8 denial, restriction, suspension, revocation or
9 non-renewal, including the licensing authority, the date
10 each such action was taken, and the reason for each such
11 action.

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

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

25 (8) A statement listing the names and titles of all
26 public officials or officers of any unit of government, and

1 relatives of said public officials or officers who,
2 directly or indirectly, own any financial interest in, have
3 any beneficial interest in, are the creditors of or hold
4 any debt instrument issued by, or hold or have any interest
5 in any contractual or service relationship with, an
6 applicant or licensee.

7 (9) Whether an applicant or licensee has made, directly
8 or indirectly, any political contribution, or any loans,
9 donations or other payments, to any candidate or office
10 holder, within 5 years from the date of filing the
11 application, including the amount and the method of
12 payment.

13 (10) The name and business telephone number of the
14 counsel representing an applicant or licensee in matters
15 before the Board.

16 (11) A description of any proposed or approved
17 riverboat or casino gaming or electronic gaming operation,
18 including the type of boat, home dock or casino or
19 electronic gaming location, expected economic benefit to
20 the community, anticipated or actual number of employees,
21 any statement from an applicant or licensee regarding
22 compliance with federal and State affirmative action
23 guidelines, projected or actual admissions and projected
24 or actual adjusted gross gaming receipts.

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

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

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

7 (2) Whenever the Board finds an applicant for an
8 owner's license unsuitable for licensing, a copy of the
9 written letter outlining the reasons for the denial.

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

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

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

16 (2) The statutes, rules, regulations or
17 intergovernmental agreements of any jurisdiction.

18 (d) The Board may assess fees for the copying of
19 information in accordance with Section 6 of the Freedom of
20 Information Act.

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

22 (230 ILCS 10/5.3 new)

23 Sec. 5.3. Ethical conduct.

24 (a) Officials of the corporate authority of a host
25 community must carry out their duties and responsibilities in

1 such a manner as to promote and preserve public trust and
2 confidence in the integrity and conduct of gaming.

3 (b) Officials of the corporate authority of a host
4 community shall not use or attempt to use his or her official
5 position to secure or attempt to secure any privilege,
6 advantage, favor, or influence for himself or herself or
7 others.

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

24 (d) Officials of the corporate authority of a host
25 community may not accept any gift, gratuity, service,
26 compensation, travel, lodging, or thing of value, with the

1 exception of unsolicited items of an incidental nature, from
2 any person, corporation, or entity doing business with the
3 riverboat or casino that is located in the host community.

4 (e) Officials of the corporate authority of a host
5 community shall not, during the period that the person is an
6 official of the corporate authority or for a period of 2 years
7 immediately after leaving such office, knowingly accept
8 employment or receive compensation or fees for services from a
9 person or entity, or its parent or affiliate, that has engaged
10 in business with the riverboat or casino that is located in the
11 host community that resulted in contracts with an aggregate
12 value of at least \$25,000 or if that official has made a
13 decision that directly applied to the person or entity, or its
14 parent or affiliate.

15 (f) A spouse, child, or parent of an official of the
16 corporate authority of a host community may not have a
17 financial interest, directly or indirectly, in his or her own
18 name or in the name of any other person, partnership,
19 association, trust, corporation, or other entity in any
20 contract or subcontract for the performance of any work for
21 riverboat or casino in the host community. This prohibition
22 shall extend to the holding or acquisition of an interest in
23 any entity identified by Board action that, in the judgment of
24 the Board, could represent the potential for or the appearance
25 of a conflict of interest. The holding or acquisition of an
26 interest in such entities through an indirect means, such as

1 through a mutual fund, shall not be prohibited, expect that the
2 Board may identify specific investments or funds that, in its
3 judgment, are so influenced by gaming holdings as to represent
4 the potential for or the appearance of a conflict of interest.

5 (g) A spouse, child, or parent of an official of the
6 corporate authority of a host community may not accept any
7 gift, gratuity, service, compensation, travel, lodging, or
8 thing of value, with the exception of unsolicited items of an
9 incidental nature, from any person, corporation, or entity
10 doing business with the riverboat or casino that is located in
11 the host community.

12 (h) A spouse, child, or parent of an official of the
13 corporate authority of a host community may not, during the
14 period that the person is an official of the corporate
15 authority or for a period of 2 years immediately after leaving
16 such office, knowingly accept employment or receive
17 compensation or fees for services from a person or entity, or
18 its parent or affiliate, that has engaged in business with the
19 riverboat or casino that is located in the host community that
20 resulted in contracts with an aggregate value of at least
21 \$25,000 or if that official has made a decision that directly
22 applied to the person or entity, or its parent or affiliate.

23 (i) Officials of the corporate authority of a host
24 community shall not attempt, in any way, to influence any
25 person or corporation doing business with the riverboat or
26 casino that is located in the host community or any officer,

1 agent, or employee thereof to hire or contract with any person
2 or corporation for any compensated work.

3 (j) Any communication between an official of the corporate
4 authority of a host community and any applicant for or an
5 owners license in the host community, or an officer, director,
6 or employee of a riverboat or casino in the host community,
7 concerning any manner relating in any way to gaming shall be
8 disclosed to the Board. Such disclosure shall be in writing by
9 the official within 30 days after the communication and shall
10 be filed with the Board. Disclosure must consist of the date of
11 the communication, the identity and job title of the person
12 with whom the communication was made, a brief summary of the
13 communication, the action requested or recommended, all
14 responses made, the identity and job title of the person making
15 the response, and any other pertinent information. Public
16 disclosure of the written summary provided to the Board and the
17 Gaming Board shall be subject to the exemptions provided under
18 the Freedom of Information Act.

19 (k) Any official who violates any provision of this Section
20 is guilty of a Class 4 felony.

21 (l) For purposes of this Section, "host community" or "host
22 municipality" means a unit of local government that contains a
23 riverboat or casino within its borders.

24 (230 ILCS 10/6) (from Ch. 120, par. 2406)

25 Sec. 6. Application for Owners License.

1 (a) A qualified person may apply to the Board for an owners
2 license to conduct a riverboat gambling operation as provided
3 in this Act. The application shall be made on forms provided by
4 the Board and shall contain such information as the Board
5 prescribes, including but not limited to the identity of the
6 riverboat on which such gambling operation is to be conducted,
7 if applicable, and the exact location where such riverboat or
8 casino will be located ~~docked~~, a certification that the
9 riverboat will be registered under this Act at all times during
10 which gambling operations are conducted on board, detailed
11 information regarding the ownership and management of the
12 applicant, and detailed personal information regarding the
13 applicant. Any application for an owners license to be
14 re-issued on or after June 1, 2003 shall also include the
15 applicant's license bid in a form prescribed by the Board.
16 Information provided on the application shall be used as a
17 basis for a thorough background investigation which the Board
18 shall conduct with respect to each applicant. An incomplete
19 application shall be cause for denial of a license by the
20 Board.

21 (a-5) In addition to any other information required under
22 this Section, each application for an owners license must
23 include the following information:

24 (1) The history and success of the applicant and each
25 person and entity disclosed under subsection (c) of this
26 Section in developing tourism facilities ancillary to

1 gaming, if applicable.

2 (2) The likelihood that granting a license to the
3 applicant will lead to the creation of quality, living wage
4 jobs and permanent, full-time jobs for residents of the
5 State and residents of the unit of local government that is
6 designated as the home dock of the proposed facility where
7 gambling is to be conducted by the applicant.

8 (3) The projected number of jobs that would be created
9 if the license is granted and the projected number of new
10 employees at the proposed facility where gambling is to be
11 conducted by the applicant.

12 (4) The record of the applicant and its developer in
13 meeting commitments to local agencies, community-based
14 organizations, and employees at other locations where the
15 applicant or its developer has performed similar functions
16 as they would perform if the applicant were granted a
17 license.

18 (5) Identification of adverse effects that might be
19 caused by the proposed facility where gambling is to be
20 conducted by the applicant, including the costs of meeting
21 increased demand for public health care, child care, public
22 transportation, affordable housing, and social services,
23 and a plan to mitigate those adverse effects.

24 (6) The record of the applicant and its developer
25 regarding compliance with:

26 (A) federal, state, and local discrimination, wage

1 and hour, disability, and occupational and
2 environmental health and safety laws; and

3 (B) state and local labor relations and employment
4 laws.

5 (7) The applicant's record in dealing with its
6 employees and their representatives at other locations.

7 (8) A plan concerning the utilization of minority
8 person-owned and female-owned businesses and concerning
9 the hiring of minorities and females.

10 (9) Evidence the applicant used its best efforts to
11 reach a goal of 25% ownership representation by minority
12 persons and 5% ownership representation by females.

13 (b) Applicants shall submit with their application all
14 documents, resolutions, and letters of support from the
15 governing body that represents the municipality or county
16 wherein the licensee will be located ~~dock~~.

17 (c) Each applicant shall disclose the identity of every
18 person, association, trust or corporation having a greater than
19 1% direct or indirect pecuniary interest in the ~~riverboat~~
20 gambling operation with respect to which the license is sought.
21 If the disclosed entity is a trust, the application shall
22 disclose the names and addresses of the beneficiaries; if a
23 corporation, the names and addresses of all stockholders and
24 directors; if a partnership, the names and addresses of all
25 partners, both general and limited.

26 (d) An application shall be filed and considered in

1 accordance with the rules of the Board. An application fee of
2 \$50,000 shall be paid at the time of filing to defray the costs
3 associated with the background investigation conducted by the
4 Board. If the costs of the investigation exceed \$50,000, the
5 applicant shall pay the additional amount to the Board. If the
6 costs of the investigation are less than \$50,000, the applicant
7 shall receive a refund of the remaining amount. All
8 information, records, interviews, reports, statements,
9 memoranda or other data supplied to or used by the Board in the
10 course of its review or investigation of an application for a
11 license or a renewal under this Act shall be privileged,
12 strictly confidential and shall be used only for the purpose of
13 evaluating an applicant for a license or a renewal. Such
14 information, records, interviews, reports, statements,
15 memoranda or other data shall not be admissible as evidence,
16 nor discoverable in any action of any kind in any court or
17 before any tribunal, board, agency or person, except for any
18 action deemed necessary by the Board.

19 (e) The Board shall charge each applicant a fee set by the
20 Department of State Police to defray the costs associated with
21 the search and classification of fingerprints obtained by the
22 Board with respect to the applicant's application. These fees
23 shall be paid into the State Police Services Fund.

24 (f) The licensed owner shall be the person primarily
25 responsible for the boat or casino itself. Only one ~~riverboat~~
26 gambling operation may be authorized by the Board on any

1 riverboat or in any casino. The applicant must identify the
2 ~~each~~ riverboat or premises it intends to use and certify that
3 the riverboat or premises: (1) has the authorized capacity
4 required in this Act; (2) is accessible to disabled persons;
5 and (3) is fully registered and licensed in accordance with any
6 applicable laws.

7 (g) A person who knowingly makes a false statement on an
8 application is guilty of a Class A misdemeanor.

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

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

11 Sec. 7. Owners Licenses.

12 (a) The Board shall issue owners licenses to persons, firms
13 or corporations which apply for such licenses upon payment to
14 the Board of the non-refundable license fee set by the Board,
15 upon payment of a \$25,000 license fee for the first year of
16 operation and a \$5,000 license fee for each succeeding year and
17 upon a determination by the Board that the applicant is
18 eligible for an owners license pursuant to this Act and the
19 rules of the Board. A single person, firm, corporation, or
20 licensed owner shall be permitted to hold at least 5 owners
21 licenses, casino operator licenses, or electronic gaming
22 licenses, or any combination thereof. From the effective date
23 of this amendatory Act of the 95th General Assembly until (i) 3
24 years after the effective date of this amendatory Act of the
25 95th General Assembly, (ii) the date any organization licensee

1 begins to operate a slot machine or video game of chance under
2 the Illinois Horse Racing Act of 1975 or this Act, (iii) the
3 date that payments begin under subsection (c-5) of Section 13
4 of the Act, ~~or~~ (iv) the wagering tax imposed under Section 13
5 of this Act is increased by law to reflect a tax rate that is at
6 least as stringent or more stringent than the tax rate
7 contained in subsection (a-3) of Section 13, or (v) when an
8 owners licensee holding a license issued pursuant to Section
9 7.1 of this Act begins conducting gaming, whichever occurs
10 first, as a condition of licensure and as an alternative source
11 of payment for those funds payable under subsection (c-5) of
12 Section 13 of this ~~the Riverboat Gambling~~ Act, any owners
13 licensee that holds or receives its owners license on or after
14 the effective date of this amendatory Act of the 94th General
15 Assembly, other than an owners licensee operating a riverboat
16 with adjusted gross receipts in calendar year 2004 of less than
17 \$200,000,000, must pay into the Horse Racing Equity Trust Fund,
18 in addition to any other payments required under this Act, an
19 amount equal to 3% of the adjusted gross receipts received by
20 the owners licensee. The payments required under this Section
21 shall be made by the owners licensee to the State Treasurer no
22 later than 3:00 o'clock p.m. of the day after the day when the
23 adjusted gross receipts were received by the owners licensee. A
24 person, firm or corporation is ineligible to receive an owners
25 license if:

26 (1) the person has been convicted of a felony under the

1 laws of this State, any other state, or the United States;

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

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

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

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

11 (6) the firm or corporation employs a person defined in
12 (1), (2), (3) or (4) who participates in the management or
13 operation of gambling operations authorized under this
14 Act;

15 (7) (blank); or

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

19 The Board is expressly prohibited from making changes to
20 the requirement that licensees make payment into the Horse
21 Racing Equity Trust Fund without the express authority of the
22 Illinois General Assembly and making any other rule to
23 implement or interpret this amendatory Act of the 95th General
24 Assembly. For the purposes of this paragraph, "rules" is given
25 the meaning given to that term in Section 1-70 of the Illinois
26 Administrative Procedure Act.

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

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

6 (A) controls, directly or indirectly, such
7 applicant, or

8 (B) is controlled, directly or indirectly, by such
9 applicant or by a person which controls, directly or
10 indirectly, such applicant;

11 (2) the facilities or proposed facilities for the
12 conduct of ~~riverboat~~ gambling;

13 (3) the highest prospective total revenue to be derived
14 by the State from the conduct of ~~riverboat~~ gambling;

15 (4) the extent to which the ownership of the applicant
16 reflects the diversity of the State by including minority
17 persons, females, and persons with a disability and the
18 good faith affirmative action plan of each applicant to
19 recruit, train and upgrade minority persons, females, and
20 persons with a disability in all employment
21 classifications;

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

24 (6) whether the applicant has adequate capitalization
25 to provide and maintain, for the duration of a license, a
26 riverboat or casino;

1 (7) the extent to which the applicant exceeds or meets
2 other standards for the issuance of an owners license which
3 the Board may adopt by rule; ~~and~~

4 (8) the ~~The~~ amount of the applicant's license bid;~~:-~~

5 (9) the extent to which the applicant plans to enter
6 into revenue sharing agreements with communities other
7 than the host municipality and the terms of those
8 agreements; and

9 (10) the extent to which the ownership of an applicant
10 includes the most qualified number of minority persons,
11 females, and persons with a disability.

12 (c) Each owners license shall specify the place where the
13 casino ~~riverboats~~ shall operate or the riverboat shall operate
14 and dock.

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

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

1 7, 2003 and with Board approval, be authorized to relocate to a
2 new location, in a municipality that (1) borders on the
3 Mississippi River or is within 5 miles of the city limits of a
4 municipality that borders on the Mississippi River and (2), on
5 August 7, 2003, had a riverboat conducting riverboat gambling
6 operations pursuant to a license issued under this Act; one of
7 which shall authorize riverboat gambling from a home dock in
8 the city of East St. Louis. One other license shall authorize
9 riverboat gambling on the Illinois River in Tazewell County or,
10 with approval by a municipality in which such riverboat was
11 docked on January 1, 2010 and with Board approval, shall
12 authorize the riverboat to relocate to a new location that is
13 no more than 10 miles away from its original location, in a
14 municipality that (1) borders on the Illinois River or is
15 within 5 miles of the city limits of a municipality that
16 borders on the Illinois River and (2) on January 1, 2010, had a
17 riverboat conducting riverboat gambling operations pursuant to
18 a license issued under this Act ~~south of Marshall County~~. The
19 Board shall issue one additional license to become effective
20 not earlier than March 1, 1992, which shall authorize riverboat
21 gambling on the Des Plaines River in Will County. The Board may
22 issue 4 additional licenses to become effective not earlier
23 than March 1, 1992. In determining the water upon which
24 riverboats will operate, the Board shall consider the economic
25 benefit which riverboat gambling confers on the State, and
26 shall seek to assure that all regions of the State share in the

1 economic benefits of riverboat gambling.

2 In granting all licenses, the Board may give favorable
3 consideration to economically depressed areas of the State, to
4 applicants presenting plans which provide for significant
5 economic development over a large geographic area, and to
6 applicants who currently operate non-gambling riverboats in
7 Illinois. The Board shall review all applications for owners
8 licenses, and shall inform each applicant of the Board's
9 decision. The Board may grant an owners license to an applicant
10 that has not submitted the highest license bid, but if it does
11 not select the highest bidder, the Board shall issue a written
12 decision explaining why another applicant was selected and
13 identifying the factors set forth in this Section that favored
14 the winning bidder.

15 (e-5) In addition to licenses authorized under subsection
16 (e) of this Section, the Board may issue the following
17 licenses:

18 (1) One owners license authorizing the conduct of
19 riverboat or casino gambling in the City of Chicago.

20 (2) One owners license authorizing the conduct of
21 riverboat or casino gambling in the City of Danville.

22 (3) One owners license authorizing the conduct of
23 riverboat or casino gambling located in the City of Park
24 City.

25 (4) One owners license authorizing the conduct of
26 riverboat or casino gambling in the City of Rockford.

1 (5) One owners license authorizing the conduct of
2 riverboat or casino gambling in a municipality that is
3 located in one of the following townships of Cook County:
4 Bloom, Bremen, Calumet, Rich, Thornton, or Worth Township.

5 (e-6) The Board shall consider issuing a license pursuant
6 to subsection (e-5) only after the corporate authority of the
7 municipality in which the casino or riverboat shall be located
8 has certified to the Board the following:

9 (1) that the applicant has negotiated with the
10 corporate authority in good faith;

11 (2) that the applicant and the corporate authority have
12 mutually agreed on the permanent location of the casino or
13 riverboat;

14 (3) that the applicant and the corporate authority have
15 mutually agreed on the temporary location of the casino or
16 riverboat;

17 (4) that the applicant and the corporate authority have
18 mutually agreed on the temporary location of the casino or
19 riverboat;

20 (5) that the applicant and the corporate authority have
21 mutually agreed on the percentage of revenues that will be
22 shared with the municipality, if any; and

23 (6) that the applicant and the corporate authority have
24 mutually agreed on any zoning, licensing, public health, or
25 other issues that are within the jurisdiction of the
26 municipality.

1 At least 7 days before the corporate authority of a
2 municipality submits a certification to the Board concerning
3 items (1) through (6) of this subsection, it shall hold a
4 public hearing to discuss items (1) through (6), as well as any
5 other details concerning the proposed riverboat or casino in
6 the municipality. The corporate authority must subsequently
7 memorialize the details concerning the proposed riverboat or
8 casino in a resolution that must be adopted by a majority of
9 the corporate authority before any certification is sent to the
10 Board. The Board shall not alter, amend, change, or otherwise
11 interfere with any agreement between the applicant and the
12 corporate authority of the municipality regarding the location
13 of any temporary or permanent facility.

14 (e-10) The licenses authorized under subsection (e-5) of
15 this Section shall be issued within 12 months after the
16 effective date of this amendatory Act of the 97th General
17 Assembly. The fee for the issuance or renewal of a license
18 issued pursuant to this subsection (e-10) shall be \$100,000.
19 Additionally, a licensee located outside of Cook County shall
20 pay an initial fee of \$12,500 per gaming position, and a
21 licensee located in Cook County shall pay \$25,000 per gaming
22 position. The initial fees payable under this subsection (e-10)
23 shall be deposited into the Gaming Facilities Fee Revenue Fund.

24 (e-15) Each licensee of a license authorized under
25 subsection (e-5) of this Section shall make a reconciliation
26 payment 4 years after the date the licensee begins operating in

1 an amount equal to 75% of the adjusted gross receipts for the
2 most lucrative 12-month period of operations, minus an amount
3 equal to the initial \$12,500 or \$25,000 initial payment per
4 gaming position, whichever was the initial amount paid by the
5 specific licensee. If this calculation results in a negative
6 amount, then the licensee is not entitled to any reimbursement
7 of fees previously paid. This reconciliation payment may be
8 made in installments over a period of no more than 5 years,
9 subject to Board approval. Any installment payments shall
10 include an annual market interest rate as determined by the
11 Board. All payments by licensees under this subsection (e-15)
12 shall be deposited into the Gaming Facilities Fee Revenue Fund.

13 (e-20) In addition to any other revocation powers granted
14 to the Board under this Act, the Board may revoke the owners
15 license of a licensee which fails to begin conducting gambling
16 within 15 months of receipt of the Board's approval of the
17 application if the Board determines that license revocation is
18 in the best interests of the State.

19 (e-25) The provisions of this subsection (e-25) apply only
20 to an owners licensee of a license issued or re-issued pursuant
21 to Section 7.1 of this Act and if the owners licensee was found
22 preliminarily suitable or suitable by the Board prior to the
23 effective date of this amendatory Act of the 97th General
24 Assembly. The owners licensee shall pay (i) a \$100,000 fee for
25 the issuance or renewal of its license and (ii) an initial fee
26 of \$25,000 per gaming position in place of, and not in addition

1 to, the initial fee required under subsection (h) of this
2 Section. Additionally, the owners licensee shall make a
3 reconciliation payment on July 1, 2016 in an amount equal to
4 75% of the average annual adjusted gross receipts, minus an
5 amount equal to the \$25,000 initial payment per gaming
6 position. If this calculation results in a negative amount,
7 then the owners licensee is not entitled to any reimbursement
8 of fees previously paid. This reconciliation payment may be
9 made in installments over a period of no more than 5 years,
10 subject to Board approval. Any installment payments shall
11 include an annual market interest rate as determined by the
12 Board. All payments by licensees under this subsection (e-25)
13 shall be deposited into the Gaming Facilities Fee Revenue Fund.
14 For any payments required under this Section 7, the owners
15 licensee shall receive (i) a credit for any amounts that the
16 owners licensee has paid to the State or the Board or their
17 agents prior to November 1, 2010 for consultants, licensing
18 fees, up-front fees, or other items and (ii) a credit for the
19 payments that the unit of local government has pledged to remit
20 to the State, which shall be equal to the present value of such
21 payments as determined by the Board in its decision dated
22 January 14, 2009. An owners licensee subject to this subsection
23 (e-25) shall only pay the initial fees required pursuant to
24 this subsection and shall not have to pay any initial fees or
25 payments that were ordered by the Board prior to November 1,
26 2010. However, any payments that have been made by an owners

1 licensee subject to this subsection (e-25) to the State or to
2 the Board or their agents shall remain with the State and the
3 owners licensee shall receive a credit as specified in this
4 subsection (e-25).

5 In the event the owners licensee has made payments on or
6 after November 1, 2010 but prior to the effective date of this
7 amendatory Act of the 97th General Assembly to the State or the
8 Board or their agents towards the amount it bid during the
9 selection process to receive its owners license, then such
10 payments shall be refunded to the owners licensee. The refund
11 shall be in the form of a credit, which shall offset taxes due
12 under Section 12 and Section 13 in the amount of such prior
13 payments to the State or the Board or their agents as such
14 taxes under Section 12 and Section 13 become due, and which
15 credit shall be in addition to any other credit granted in this
16 subsection (e-25) and elsewhere in the Illinois Gambling Act.
17 If any credit granted in this subsection (e-25) is not fully
18 utilized in any given year, then the remainder shall be carried
19 forward to subsequent years until such credit has been fully
20 utilized.

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

1 (g) Upon the termination, expiration, or revocation of each
2 of the first 10 licenses, which shall be issued for a 3 year
3 period, all licenses are renewable annually upon payment of the
4 fee and a determination by the Board that the licensee
5 continues to meet all of the requirements of this Act and the
6 Board's rules. However, for licenses renewed on or after May 1,
7 1998, renewal shall be for a period of 4 years, unless the
8 Board sets a shorter period. Notwithstanding any provision in
9 this subsection (g) to the contrary, any license that is
10 awarded to the Chicago Casino Development Authority shall not
11 expire, but it shall be subject to the provisions of this Act
12 and the rules of the Board.

13 (h) An owners license, except for an owners license issued
14 under subsection (e-5) of this Section, shall entitle the
15 licensee to own up to 2 riverboats.

16 An owners licensee of a casino or riverboat that is located
17 in the City of Chicago pursuant to subsection (e-5) of this
18 Section shall limit the number of gaming positions to 4,000 for
19 such owners. All other licensees ~~A licensee~~ shall limit the
20 number of gaming positions ~~gambling participants~~ to 1,600 ~~1,200~~
21 for any such owners license prior to January 1, 2013 and 2,000
22 gaming positions on or after January 1, 2013. The initial fee
23 for each gaming position obtained on or after the effective
24 date of this amendatory Act of the 97th General Assembly shall
25 be \$12,500 for licensees not located in Cook County and \$25,000
26 for licensees located in Cook County, in addition to the

1 reconciliation payment, as set forth in subsections (e-20),
2 (e-30), or (h-5) of this Section.

3 A licensee may operate both of its riverboats concurrently,
4 provided that the total number of gaming positions ~~gambling~~
5 ~~participants~~ on both riverboats does not exceed 1,600 prior to
6 January 1, 2013 and 2,000 on or after January 1, 2013 ~~1,200~~.

7 Riverboats licensed to operate on the Mississippi River and the
8 Illinois River south of Marshall County shall have an
9 authorized capacity of at least 500 persons. Any other
10 riverboat licensed under this Act shall have an authorized
11 capacity of at least 400 persons.

12 (h-5) An owners licensee who purchases positions under
13 subsection (h) of this Section on or after the effective date
14 of this amendatory Act of the 97th General Assembly must pay an
15 initial fee of \$12,500 per gaming position if the licensee is
16 located outside Cook County and an initial fee of \$25,000 per
17 gaming position if the licensee is located in Cook County, as
18 stated in subsection (h) of this Section. These initial fees
19 shall be deposited into the Gaming Facilities Fee Revenue Fund.
20 Additionally, the owners licensee shall make a reconciliation
21 payment 4 years after any additional gaming positions
22 authorized by subsection (h) begin operating in an amount equal
23 to 75% of the owners licensee's average gross receipts for the
24 most lucrative 12-month period of operations minus an amount
25 equal to \$12,500 or \$25,000 that the owners licensee paid per
26 additional gaming position. For purposes of this subsection,

1 "average gross receipts" means (i) the increase in adjusted
2 gross receipts for the most lucrative 12-month period of
3 operations over the adjusted gross receipts for 2011,
4 multiplied by (ii) the percentage derived by dividing the
5 number of additional gaming positions that an owners licensee
6 had purchased pursuant to subsection (h) by the total number of
7 gaming positions operated by the owners licensee. If this
8 calculation results in a negative amount, then the owners
9 licensee is not entitled to any reimbursement of fees
10 previously paid. This reconciliation payment may be made in
11 installments over a period of no more than 5 years, subject to
12 Board approval. Any installment payments shall include an
13 annual market interest rate as determined by the Board. These
14 reconciliation payments shall be deposited into the Gaming
15 Facilities Fee Revenue Fund.

16 (h-10) Any positions that are not purchased by a licensed
17 owner as of January 1, 2016 shall be forfeited and retained by
18 the Board and shall be offered in equal amounts to licensed
19 owners who have purchased all of the positions that were
20 offered. This process shall continue until all positions have
21 been purchased. All positions obtained pursuant to this process
22 must be in operation within 18 months after they were obtained
23 or the licensed owner forfeits the right to operate all of the
24 positions, but is not entitled to a refund of any fees paid.

25 The Board may, after holding a public hearing, grant
26 extensions so long as a licensed owner is working in good faith

1 to make the positions operational. The extension may be for a
2 period of 6 months. If, after the period of the extension, a
3 licensed owner has not made the positions operational, then
4 another public hearing must be held by the Board before it may
5 grant another extension.

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 or a casino,
9 including a liquor license, a license to prepare and serve food
10 for human consumption, and other necessary licenses. All use,
11 occupation and excise taxes which apply to the sale of food and
12 beverages in this State and all taxes imposed on the sale or
13 use of tangible personal property apply to such sales aboard
14 the riverboat or in the casino.

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 (k) An owners licensee may conduct land-based gambling
2 operations upon approval by the Board.

3 (l) An owners licensee may conduct gaming at a temporary
4 facility pending the construction of a permanent facility or
5 the remodeling or relocation of an existing facility to
6 accommodate gaming participants for up to 24 months after the
7 temporary facility begins to conduct gaming. Upon request by an
8 owners licensee and upon a showing of good cause by the owners
9 licensee, the Board shall extend the period during which the
10 licensee may conduct gaming at a temporary facility by up to 12
11 months. The Board shall make rules concerning the conduct of
12 gaming from temporary facilities.

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

14 (230 ILCS 10/7.3)

15 Sec. 7.3. State conduct of gambling operations.

16 (a) If, after reviewing each application for a re-issued
17 license, the Board determines that the highest prospective
18 total revenue to the State would be derived from State conduct
19 of the gambling operation in lieu of re-issuing the license,
20 the Board shall inform each applicant of its decision. The
21 Board shall thereafter have the authority, without obtaining an
22 owners license, to conduct riverboat gambling operations as
23 previously authorized by the terminated, expired, revoked, or
24 nonrenewed license through a licensed manager selected
25 pursuant to an open and competitive bidding process as set

1 forth in Section 7.5 and as provided in Section 7.4.

2 (b) The Board may locate any riverboat on which a gambling
3 operation is conducted by the State in any home dock location
4 authorized by Section 3(c) upon receipt of approval from a
5 majority vote of the governing body of the municipality or
6 county, as the case may be, in which the riverboat will dock.

7 (c) The Board shall have jurisdiction over and shall
8 supervise all gambling operations conducted by the State
9 provided for in this Act and shall have all powers necessary
10 and proper to fully and effectively execute the provisions of
11 this Act relating to gambling operations conducted by the
12 State.

13 (d) The maximum number of owners licenses authorized under
14 Section 7 ~~7(e)~~ shall be reduced by one for each instance in
15 which the Board authorizes the State to conduct a riverboat
16 gambling operation under subsection (a) in lieu of re-issuing a
17 license to an applicant under Section 7.1.

18 (Source: P.A. 93-28, eff. 6-20-03.)

19 (230 ILCS 10/7.6 new)

20 Sec. 7.6. Electronic gaming.

21 (a) The General Assembly finds that the horse racing and
22 riverboat gambling industries share many similarities and
23 collectively comprise the bulk of the State's gaming industry.
24 One feature common to both industries is that each is highly
25 regulated by the State of Illinois. The General Assembly

1 further finds, however, that despite their shared features each
2 industry is distinct from the other in that horse racing is and
3 continues to be intimately tied to Illinois' agricultural
4 economy and is, at its core, a spectator sport. This
5 distinction requires the General Assembly to utilize different
6 methods to regulate and promote the horse racing industry
7 throughout the State. The General Assembly finds that in order
8 to promote live horse racing as a spectator sport in Illinois
9 and the agricultural economy of this State, it is necessary to
10 allow electronic gaming at Illinois race tracks as an ancillary
11 use given the success of other states in increasing live racing
12 purse accounts and improving the quality of horses
13 participating in horse race meetings.

14 (b) The Illinois Gaming Board shall award one electronic
15 gaming license to each person, firm, or corporation having
16 operating control of a race track that applies under Section 56
17 of the Illinois Horse Racing Act of 1975, subject to the
18 application and eligibility requirements of this Section.
19 Within 60 days after the effective date of this amendatory Act
20 of the 97th General Assembly, a person, firm, or corporation
21 having operating control of a race track may submit an
22 application for an electronic gaming license, except that the
23 Illinois State Fairgrounds Racetrack Authority may submit an
24 application for an electronic gaming license at any time after
25 the effective date of this amendatory Act of the 97th General
26 Assembly. The application shall specify the number of gaming

1 positions the applicant intends to use and the place where the
2 electronic gaming facility will operate.

3 The Board shall determine within 120 days after receiving
4 an application for an electronic gaming license, whether to
5 grant an electronic gaming license to the applicant. If the
6 Board does not make a determination within that time period,
7 then the Board shall give a written explanation to the
8 applicant as to why it has not reached a determination and when
9 it reasonably expects to make a determination.

10 The electronic gaming licensee shall purchase up to the
11 amount of electronic gaming positions authorized under this Act
12 within 120 days after receiving its electronic gaming license.
13 If an electronic gaming licensee is prepared to purchase the
14 electronic gaming positions, but is temporarily prohibited
15 from doing so by order of a court of competent jurisdiction or
16 the Board, then the 120-day period is tolled until a resolution
17 is reached.

18 An electronic gaming license shall authorize its holder to
19 conduct electronic gaming at its race track at the following
20 times:

21 (1) On days when it conducts live racing at the track
22 where its electronic gaming facility is located, from 8:00
23 a.m. until 3:00 a.m. on the following day.

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

1 Additionally, the Board may extend these days of operation
2 and hours upon request by an organization licensee as the Board
3 sees fit.

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

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

1 licensee's race meeting, (viii) for organization licensees
2 conducting thoroughbred race meetings, the organization
3 licensee must maintain accident medical expense liability
4 insurance coverage of \$1,000,000 for jockeys, and (ix) meet all
5 other requirements of this Act that apply to owners licensees.
6 Only those persons, firms, or corporations (or its successors
7 or assigns) that had operating control of a race track and held
8 an inter-track wagering license authorized by the Illinois
9 Racing Board in 2009 are eligible, except that this provision
10 shall not apply to the Illinois State Fairgrounds Racetrack
11 Authority.

12 An electronic gaming license may enter into a joint venture
13 with a licensed owner to own, manage, conduct, or otherwise
14 operate the electronic gaming licensee's electronic gaming
15 facilities, unless the electronic gaming licensee has a parent
16 company or other affiliated company that is, directly or
17 indirectly, wholly owned by a parent company that is also
18 licensed to conduct electronic gaming, casino gaming, or their
19 equivalent in another state.

20 All payments by licensees under this subsection (c) shall
21 be deposited into the Gaming Facilities Fee Revenue Fund.

22 (d) The Board may approve electronic gaming positions
23 statewide as provided in this Section. The authority to operate
24 electronic gaming positions under this Section shall be
25 allocated as follows: up to 1,200 gaming positions for any
26 electronic gaming licensee in Cook County and up to 900 gaming

1 positions for any electronic gaming licensee outside of Cook
2 County.

3 (e) Any positions that are not obtained by an organization
4 licensee, other than the Illinois State Fairgrounds Racetrack
5 Authority, shall be retained by the Gaming Board and shall be
6 offered in equal amounts to organization licensees who have
7 purchased all of the positions that were offered. This process
8 shall continue until all positions have been purchased. All
9 positions obtained pursuant to this process must be in
10 operation within 18 months after they were obtained or the
11 organization licensee forfeits the right to operate all of the
12 positions, but is not entitled to a refund of any fees paid.
13 The Board may, after holding a public hearing, grant extensions
14 so long as an organization licensee is working in good faith to
15 begin conducting electronic gaming. The extension may be for a
16 period of 6 months. If, after the period of the extension, a
17 licensee has not begun to conduct electronic gaming, another
18 public hearing must be held by the Board before it may grant
19 another extension.

20 (f) Subject to the approval of the Illinois Gaming Board,
21 an electronic gaming licensee may make modification or
22 additions to any existing buildings and structures to comply
23 with the requirements of this Act. The Illinois Gaming Board
24 shall make its decision after consulting with the Illinois
25 Racing Board. In no case, however, shall the Illinois Gaming
26 Board approve any modification or addition that alters the

1 grounds of the organizational licensee such that the act of
2 live racing is an ancillary activity to electronic gaming.
3 Electronic gaming may take place in existing structures where
4 inter-track wagering is conducted at the race track or a
5 facility within 300 yards of the race track in accordance with
6 the provisions of this Act and the Illinois Horse Racing Act of
7 1975.

8 (g) An electronic gaming licensee may conduct electronic
9 gaming at a temporary facility pending the construction of a
10 permanent facility or the remodeling or relocation of an
11 existing facility to accommodate electronic gaming
12 participants for up to 24 months after the temporary facility
13 begins to conduct electronic gaming. Upon request by an
14 electronic gaming licensee and upon a showing of good cause by
15 the electronic gaming licensee, the Board shall extend the
16 period during which the licensee may conduct electronic gaming
17 at a temporary facility by up to 12 months. The Board shall
18 make rules concerning the conduct of electronic gaming from
19 temporary facilities.

20 Electronic gaming may take place in existing structures
21 where inter-track wagering is conducted at the race track or a
22 facility within 300 yards of the race track in accordance with
23 the provisions of this Act and the Illinois Horse Racing Act of
24 1975. Any electronic gaming conducted at a permanent facility
25 within 300 yards of the race track in accordance with this Act
26 and the Illinois Horse Racing Act of 1975 shall have an

1 all-weather egress connecting the electronic gaming facility
2 and the race track facility or, on days and hours of live
3 racing, a complimentary shuttle service between the permanent
4 electronic gaming facility and the race track facility and
5 shall not charge electronic gaming participants an additional
6 admission fee to the race track facility.

7 (h) The Illinois Gaming Board must adopt emergency rules in
8 accordance with Section 5-45 of the Illinois Administrative
9 Procedure Act as necessary to ensure compliance with the
10 provisions of this amendatory Act of the 97th General Assembly
11 concerning electronic gaming. The adoption of emergency rules
12 authorized by this subsection (h) shall be deemed to be
13 necessary for the public interest, safety, and welfare.

14 (i) Each electronic gaming licensee who obtains electronic
15 gaming positions must make a reconciliation payment 4 years
16 after the date the electronic gaming licensee begins operating
17 the positions in an amount equal to 75% of the difference
18 between its adjusted gross receipts from electronic gaming and
19 amounts paid to its purse accounts pursuant to item (1) of
20 subsection (b) of Section 56 of the Illinois House Racing Act
21 of 1975 for the 12-month period for which such difference was
22 the largest, minus an amount equal to the initial \$25,000 or
23 \$12,500 per electronic gaming position initial payment. If this
24 calculation results in a negative amount, then the electronic
25 gaming licensee is not entitled to any reimbursement of fees
26 previously paid. This reconciliation payment may be made in

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

4 All payments by licensees under this subsection (i) shall
5 be deposited into the Gaming Facilities Fee Revenue Fund.

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

11 (k) Subject to the approval of the Illinois Gaming Board,
12 an organization licensee that has received an electronic gaming
13 license under this Act and has operating control of a race
14 track facility located in Cook County may relocate its race
15 track facility as follows:

16 (1) the organization licensee may relocate within a
17 3-mile radius of its existing race track facility so long
18 as the organization licensee remains in Cook County and
19 submits its plan to construct a new structure to conduct
20 electronic gaming operations; and

21 (2) the organization licensee may not relocate within a
22 5-mile radius of a riverboat if the owners license was
23 issued prior to December 31, 2011.

24 The relocation must include the race track facility, including
25 the race track operations used to conduct live racing and the
26 electronic gaming facility in its entirety. For the purposes of

1 this subsection (k), "race track facility" means all operations
2 conducted on the race track property for which it was awarded a
3 license for pari-mutuel wagering and live racing in the year
4 2010, except for the real estate itself. The Illinois Gaming
5 Board shall make its decision after consulting with the
6 Illinois Racing Board, and any relocation application shall be
7 subject to all of the provisions of this Act and the Illinois
8 Horse Racing Act of 1975.

9 (230 ILCS 10/7.7 new)

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

17 (230 ILCS 10/7.8 new)

18 Sec. 7.8. Casino operator license.

19 (a) A qualified person may apply to the Board for a casino
20 operator license to operate and manage any gambling operation
21 conducted by the Authority. The application shall be made on
22 forms provided by the Board and shall contain such information
23 as the Board prescribes, including but not limited to
24 information required in Sections 6(a), (b), and (c) and

1 information relating to the applicant's proposed price to
2 manage the Authority's gambling operations and to provide the
3 casino, gambling equipment, and supplies necessary to conduct
4 Authority gambling operations.

5 (b) A person, firm, or corporation is ineligible to receive
6 a casino operator license if:

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

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

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

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

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

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

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

26 (c) In determining whether to grant a casino operator

1 license, the Board shall consider:

2 (1) the character, reputation, experience and
3 financial integrity of the applicants and of any other or
4 separate person that either:

5 (A) controls, directly or indirectly, such
6 applicant, or

7 (B) is controlled, directly or indirectly, by such
8 applicant or by a person which controls, directly or
9 indirectly, such applicant;

10 (2) the facilities or proposed facilities for the
11 conduct of gambling;

12 (3) the preference of the municipality in which the
13 licensee will operate;

14 (4) the extent to which the ownership of the applicant
15 reflects the diversity of the State by including minority
16 persons and females and the good faith affirmative action
17 plan of each applicant to recruit, train, and upgrade
18 minority persons and females in all employment
19 classifications;

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

22 (6) whether the applicant has adequate capitalization
23 to provide and maintain, for the duration of a license, a
24 casino; and

25 (7) the extent to which the applicant exceeds or meets
26 other standards for the issuance of a managers license that

1 the Board may adopt by rule.

2 (d) Each applicant shall submit with his or her
3 application, on forms prescribed by the Board, 2 sets of his or
4 her fingerprints.

5 (e) The Board shall charge each applicant a fee, set by the
6 Board, to defray the costs associated with the background
7 investigation conducted by the Board.

8 (f) A person who knowingly makes a false statement on an
9 application is guilty of a Class A misdemeanor.

10 (g) The casino operator license shall be issued only upon
11 proof that it has entered into a labor peace agreement with
12 each labor organization that is actively engaged in
13 representing and attempting to represent casino and
14 hospitality industry workers in this State. The labor peace
15 agreement must be a valid and enforceable agreement under 29
16 U.S.C. 185 that protects the city's and State's revenues from
17 the operation of the casino facility by prohibiting the labor
18 organization and its members from engaging in any picketing,
19 work stoppages, boycotts, or any other economic interference
20 with the casino facility for at least the first 5 years of the
21 casino license and must cover all operations at the casino
22 facility that are conducted by lessees or tenants or under
23 management agreements.

24 (h) The casino operator license shall be for a term to be
25 determined by the Authority, shall be renewable at the Board's
26 option, and shall contain such terms and provisions as the

1 Board deems necessary to protect or enhance the credibility and
2 integrity of State gambling operations, achieve the highest
3 prospective total revenue to the State, and otherwise serve the
4 interests of the citizens of Illinois. The Board may revoke the
5 license:

6 (1) for violation of any provision of this Act;

7 (2) for violation of any rules of the Board;

8 (3) for any cause which, if known to the Board, would
9 have disqualified the applicant from receiving the
10 license; or

11 (4) for any other just cause.

12 (230 ILCS 10/7.9 new)

13 Sec. 7.9. Diversity program.

14 (a) Each owners licensee, electronic gaming licensee,
15 casino operator licensee, and suppliers licensee shall
16 establish and maintain a diversity program to ensure
17 non-discrimination in the award and administration of
18 contracts. The programs shall establish goals of awarding not
19 less than 20% of the annual dollar value of all contracts,
20 purchase orders, or other agreements to minority owned
21 businesses and 5% of the annual dollar value of all contracts
22 to female owned businesses.

23 (b) Each owners licensee, electronic gaming licensee,
24 casino operator licensee, and suppliers licensee shall
25 establish and maintain a diversity program designed to promote

1 equal opportunity for employment. The program shall establish
2 hiring goals as the Board and each licensee determines
3 appropriate. The Board shall monitor the progress of the gaming
4 licensee's progress with respect to the program's goals.

5 (c) No later than May 31 of each year each licensee shall
6 report to the Board the number of respective employees and the
7 number of their respective employees who have designated
8 themselves as members of a minority group and gender. In
9 addition, all licensees shall submit a report with respect to
10 the minority owned and female owned businesses program created
11 in this Section to the Board.

12 (230 ILCS 10/7.10 new)

13 Sec. 7.10. Annual report on diversity.

14 (a) Each licensee that receives a license under Sections 7,
15 7.1, and 7.6 shall execute and file a report with the Board no
16 later than December 31 of each year that shall contain, but not
17 be limited to, the following information:

18 (i) a good faith affirmative action plan to recruit,
19 train, and upgrade minority persons, females, and persons
20 with a disability in all employment classifications;

21 (ii) the total dollar amount of contracts that were
22 awarded to businesses owned by minority persons, females,
23 and persons with a disability;

24 (iii) the total number of businesses owned by minority
25 persons, females, and persons with a disability that were

1 utilized by the licensee;

2 (iv) the utilization of businesses owned by minority
3 persons, females, and persons with disabilities during the
4 preceding year; and

5 (v) the outreach efforts used by the licensee to
6 attract investors and businesses consisting of minority
7 persons, females, and persons with a disability.

8 (b) The Board shall forward a copy of each licensee's
9 annual reports to the General Assembly no later than February 1
10 of each year.

11 (230 ILCS 10/7.11 new)

12 Sec. 7.11. Issuance of new owners licenses.

13 (a) Owners licenses newly authorized pursuant to this
14 amendatory Act of the 97th General Assembly may be issued by
15 the Board to a qualified applicant pursuant to an open and
16 competitive bidding process, as set forth in Section 7.5, and
17 subject to the maximum number of authorized licenses set forth
18 in subsection (e-10) of Section 7 of this Act.

19 (b) To be a qualified applicant, a person, firm, or
20 corporation may not be ineligible to receive an owners license
21 under subsection (a) of Section 7 of this Act and must submit
22 an application for an owners license that complies with Section
23 6 of this Act.

24 (c) In determining whether to grant an owners license to an
25 applicant, the Board shall consider all of the factors set

1 forth in subsections (b) and (e-10) of Section 7 of this Act,
2 as well as the amount of the applicant's license bid. The Board
3 may grant the owners license to an applicant that has not
4 submitted the highest license bid, but if it does not select
5 the highest bidder, the Board shall issue a written decision
6 explaining why another applicant was selected and identifying
7 the factors set forth in subsections (b) and (e-10) of Section
8 7 of this Act that favored the winning bidder.

9 (230 ILCS 10/7.12 new)

10 Sec. 7.12. Environmental standards. All casinos,
11 riverboats, and electronic gaming facilities shall consist of
12 buildings that are certified as meeting the U.S. Green Building
13 Council's Leadership in Energy and Environmental Design
14 standards. The provisions of this Section apply to a holder of
15 an owners license, casino operator license, or electronic
16 gaming license that (i) begins operations on or after January
17 1, 2012 or (ii) relocates its facilities on or after the
18 effective date of this amendatory Act of the 97th General
19 Assembly.

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 casino
7 or 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, in the casino, or at the electronic gaming facility
5 or removed from the riverboat, casino, or electronic gaming
6 facility to a ~~an on shore~~ facility owned by the holder of an
7 owners license or electronic 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, in a casino, or at an
10 electronic 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 is⁷ subject to the following
24 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, enter and
13 inspect any portion of a casino, or enter and inspect any
14 portion of an electronic gaming facility at any time for
15 the purpose of determining whether this Act is being
16 complied with. Every riverboat, if under way and being
17 hailed by a law enforcement officer or agent of the Board,
18 must stop immediately and lay to.

19 (5) Employees of the Board shall have the right to be
20 present on the riverboat or in the casino or on adjacent
21 facilities under the control of the licensee and at the
22 electronic gaming facility under the control of the
23 electronic gaming licensee.

24 (6) Gambling equipment and supplies customarily used
25 in conducting riverboat or casino gambling or electronic
26 gaming must be purchased or leased only from suppliers

1 licensed for such purpose under this Act. The Board may
2 approve the transfer, sale, or lease of gambling equipment
3 and supplies by a licensed owner from or to an affiliate of
4 the licensed owner as long as the gambling equipment and
5 supplies were initially acquired from a supplier licensed
6 in Illinois.

7 (7) Persons licensed under this Act shall permit no
8 form of wagering on gambling games except as permitted by
9 this Act.

10 (8) Wagers may be received only from a person present
11 on a licensed riverboat, in a casino, or at an electronic
12 gaming facility. No person present on a licensed riverboat,
13 in a casino, or at an electronic gaming facility shall
14 place or attempt to place a wager on behalf of another
15 person who is not present on the riverboat, in a casino, or
16 at the electronic gaming facility.

17 (9) Wagering, including electronic gaming, shall not
18 be conducted with money or other negotiable currency.

19 (10) A person under age 21 shall not be permitted on an
20 area of a riverboat or casino where gambling is being
21 conducted or at an electronic gaming facility where
22 gambling is being conducted, except for a person at least
23 18 years of age who is an employee of the riverboat or
24 casino gambling operation or electronic gaming operation.
25 No employee under age 21 shall perform any function
26 involved in gambling by the patrons. No person under age 21

1 shall be permitted to make a wager under this Act, and any
2 winnings that are a result of a wager by a person under age
3 21, whether or not paid by a licensee, shall be treated as
4 winnings for the privilege tax purposes, confiscated, and
5 forfeited to the State and deposited into the Education
6 Assistance Fund.

7 (11) Gambling excursion cruises are permitted only
8 when the waterway for which the riverboat is licensed is
9 navigable, as determined by the Board in consultation with
10 the U.S. Army Corps of Engineers. This paragraph (11) does
11 not limit the ability of a licensee to conduct gambling
12 authorized under this Act when gambling excursion cruises
13 are not permitted.

14 (12) All tokens, chips or electronic cards used to make
15 wagers must be purchased (i) from a licensed owner or
16 manager, in the case of a riverboat, either aboard a
17 riverboat or at an onshore facility which has been approved
18 by the Board and which is located where the riverboat
19 docks, (ii) in the case of a casino, from a licensed owner
20 at the casino, or (iii) from an electronic gaming licensee
21 at the electronic gaming facility. The tokens, chips or
22 electronic cards may be purchased by means of an agreement
23 under which the owner or manager extends credit to the
24 patron. Such tokens, chips or electronic cards may be used
25 while aboard the riverboat, in the casino, or at the
26 electronic gaming facility only for the purpose of making

1 wagers on gambling games.

2 (13) Notwithstanding any other Section of this Act, in
3 addition to the other licenses authorized under this Act,
4 the Board may issue special event licenses allowing persons
5 who are not otherwise licensed to conduct riverboat
6 gambling to conduct such gambling on a specified date or
7 series of dates. Riverboat gambling under such a license
8 may take place on a riverboat not normally used for
9 riverboat gambling. The Board shall establish standards,
10 fees and fines for, and limitations upon, such licenses,
11 which may differ from the standards, fees, fines and
12 limitations otherwise applicable under this Act. All such
13 fees shall be deposited into the State Gaming Fund. All
14 such fines shall be deposited into the Education Assistance
15 Fund, created by Public Act 86-0018, of the State of
16 Illinois.

17 (14) In addition to the above, gambling must be
18 conducted in accordance with all rules adopted by the
19 Board.

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

21 (230 ILCS 10/11.1) (from Ch. 120, par. 2411.1)

22 Sec. 11.1. Collection of amounts owing under credit
23 agreements. Notwithstanding any applicable statutory provision
24 to the contrary, a licensed owner, ~~or~~ manager, or electronic
25 gaming licensee who extends credit to a ~~riverboat~~ gambling

1 patron or an electronic gaming patron pursuant to Section 11
2 (a) (12) of this Act is expressly authorized to institute a
3 cause of action to collect any amounts due and owing under the
4 extension of credit, as well as the owner's or manager's costs,
5 expenses and reasonable attorney's fees incurred in
6 collection.

7 (Source: P.A. 93-28, eff. 6-20-03.)

8 (230 ILCS 10/12) (from Ch. 120, par. 2412)

9 Sec. 12. Admission tax; fees.

10 (a) A tax is hereby imposed upon admissions to riverboat
11 and casino gambling facilities ~~riverboats~~ operated by licensed
12 owners authorized pursuant to this Act. Until July 1, 2002, the
13 rate is \$2 per person admitted. From July 1, 2002 until July 1,
14 2003, the rate is \$3 per person admitted. From July 1, 2003
15 until August 23, 2005 (the effective date of Public Act
16 94-673), for a licensee that admitted 1,000,000 persons or
17 fewer in the previous calendar year, the rate is \$3 per person
18 admitted; for a licensee that admitted more than 1,000,000 but
19 no more than 2,300,000 persons in the previous calendar year,
20 the rate is \$4 per person admitted; and for a licensee that
21 admitted more than 2,300,000 persons in the previous calendar
22 year, the rate is \$5 per person admitted. Beginning on August
23 23, 2005 (the effective date of Public Act 94-673), for a
24 licensee that admitted 1,000,000 persons or fewer in calendar
25 year 2004, the rate is \$2 per person admitted, and for all

1 other licensees, including licensees that were not conducting
2 gambling operations in 2004, the rate is \$3 per person
3 admitted. This admission tax is imposed upon the licensed owner
4 conducting gambling.

5 (1) The admission tax shall be paid for each admission,
6 except that a person who exits a riverboat gambling
7 facility and reenters that riverboat gambling facility
8 within the same gaming day shall be subject only to the
9 initial admission tax.

10 (2) (Blank).

11 (3) The riverboat licensee may issue tax-free passes to
12 actual and necessary officials and employees of the
13 licensee or other persons actually working on the
14 riverboat.

15 (4) The number and issuance of tax-free passes is
16 subject to the rules of the Board, and a list of all
17 persons to whom the tax-free passes are issued shall be
18 filed with the Board.

19 (a-5) A fee is hereby imposed upon admissions operated by
20 licensed managers on behalf of the State pursuant to Section
21 7.3 at the rates provided in this subsection (a-5). For a
22 licensee that admitted 1,000,000 persons or fewer in the
23 previous calendar year, the rate is \$3 per person admitted; for
24 a licensee that admitted more than 1,000,000 but no more than
25 2,300,000 persons in the previous calendar year, the rate is \$4
26 per person admitted; and for a licensee that admitted more than

1 2,300,000 persons in the previous calendar year, the rate is \$5
2 per person admitted.

3 (1) The admission fee shall be paid for each admission.

4 (2) (Blank).

5 (3) The licensed manager may issue fee-free passes to
6 actual and necessary officials and employees of the manager
7 or other persons actually working on the riverboat.

8 (4) The number and issuance of fee-free passes is
9 subject to the rules of the Board, and a list of all
10 persons to whom the fee-free passes are issued shall be
11 filed with the Board.

12 (b) From the tax imposed under subsection (a) and the fee
13 imposed under subsection (a-5), a municipality shall receive
14 from the State \$1 for each person embarking on a riverboat
15 docked within the municipality or entering a casino located
16 within the municipality, and a county shall receive \$1 for each
17 person entering a casino or embarking on a riverboat docked
18 within the county but outside the boundaries of any
19 municipality. The municipality's or county's share shall be
20 collected by the Board on behalf of the State and remitted
21 quarterly by the State, subject to appropriation, to the
22 treasurer of the unit of local government for deposit in the
23 general fund.

24 (c) The licensed owner shall pay the entire admission tax
25 to the Board and the licensed manager or the casino operator
26 licensee shall pay the entire admission fee to the Board. Such

1 payments shall be made daily. Accompanying each payment shall
2 be a return on forms provided by the Board which shall include
3 other information regarding admissions as the Board may
4 require. Failure to submit either the payment or the return
5 within the specified time may result in suspension or
6 revocation of the owners or managers license.

7 (c-5) A tax is imposed on admissions to electronic gaming
8 facilities at the rate of \$3 per person admitted by an
9 electronic gaming licensee. The tax is imposed upon the
10 electronic gaming licensee.

11 (1) The admission tax shall be paid for each admission,
12 except that a person who exits an electronic gaming
13 facility and reenters that electronic gaming facility
14 within the same gaming day, as the term "gaming day" is
15 defined by the Board by rule, shall be subject only to the
16 initial admission tax. The Board shall establish, by rule,
17 a procedure to determine whether a person admitted to an
18 electronic gaming facility has paid the admission tax.

19 (2) An electronic gaming licensee may issue tax-free
20 passes to actual and necessary officials and employees of
21 the licensee and other persons associated with electronic
22 gaming operations.

23 (3) The number and issuance of tax-free passes is
24 subject to the rules of the Board, and a list of all
25 persons to whom the tax-free passes are issued shall be
26 filed with the Board.

1 (4) The electronic gaming licensee shall pay the entire
2 admission tax to the Board.

3 Such payments shall be made daily. Accompanying each
4 payment shall be a return on forms provided by the Board, which
5 shall include other information regarding admission as the
6 Board may require. Failure to submit either the payment or the
7 return within the specified time may result in suspension or
8 revocation of the electronic gaming license.

9 From the tax imposed under this subsection (c-5), a
10 municipality other than the Village of Stickney or the City of
11 Collinsville in which an electronic gaming facility is located,
12 or if the electronic gaming facility is not located within a
13 municipality, then the county in which the electronic gaming
14 facility is located, except as otherwise provided in this
15 Section, shall receive, subject to appropriation, \$1 for each
16 person who enters the electronic gaming facility. For each
17 admission to the electronic gaming facility in excess of
18 1,500,000 in a year, from the tax imposed under this subsection
19 (c-5), the county in which the electronic gaming facility is
20 located shall receive, subject to appropriation, \$0.30, which
21 shall be in addition to any other moneys paid to the county
22 under this Section.

23 From the tax imposed under this subsection (c-5) on an
24 electronic gaming facility located in the Village of Stickney,
25 \$1 for each person who enters the electronic gaming facility
26 shall be distributed as follows, subject to appropriation:

1 \$0.25 to the Village of Stickney, \$.50 to the Town of Cicero,
2 \$0.05 to the City of Berwyn, and \$0.20 to the Stickney Public
3 Health District.

4 From the tax imposed under this subsection (c-5) on an
5 electronic gaming facility located in the City of Collinsville,
6 \$1 for each person who enters the electronic gaming facility
7 shall be distributed as follows, subject to appropriation:
8 \$0.45 to the City of Alton, \$0.45 to the City of East St.
9 Louis, and \$0.10 to the City of Collinsville.

10 From the tax imposed under this subsection (c-5) on an
11 electronic gaming facility that is located in an unincorporated
12 area of Cook County and has been awarded standardbred racing
13 dates during 2011 by the Illinois Racing Board, \$1 for each
14 person who enters the electronic gaming facility shall be
15 divided equally and distributed, subject to appropriation, to
16 the Village of Melrose Park, the Village of Maywood, and Cook
17 County.

18 After payments required under this subsection (c-5) have
19 been made, all remaining amounts shall be deposited into the
20 Capital Projects Fund.

21 (d) The Board shall administer and collect the admission
22 tax imposed by this Section, to the extent practicable, in a
23 manner consistent with the provisions of Sections 4, 5, 5a, 5b,
24 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9 and 10 of the
25 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
26 Penalty and Interest Act.

1 (Source: P.A. 95-663, eff. 10-11-07; 96-1392, eff. 1-1-11.)

2 (230 ILCS 10/13) (from Ch. 120, par. 2413)

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

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

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

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

14 20% of annual adjusted gross receipts in excess of
15 \$25,000,000 but not exceeding \$50,000,000;

16 25% of annual adjusted gross receipts in excess of
17 \$50,000,000 but not exceeding \$75,000,000;

18 30% of annual adjusted gross receipts in excess of
19 \$75,000,000 but not exceeding \$100,000,000;

20 35% of annual adjusted gross receipts in excess of
21 \$100,000,000.

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

1 State, based on the adjusted gross receipts received by a
2 licensed owner from gambling games authorized under this Act at
3 the following rates:

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

6 22.5% of annual adjusted gross receipts in excess of
7 \$25,000,000 but not exceeding \$50,000,000;

8 27.5% of annual adjusted gross receipts in excess of
9 \$50,000,000 but not exceeding \$75,000,000;

10 32.5% of annual adjusted gross receipts in excess of
11 \$75,000,000 but not exceeding \$100,000,000;

12 37.5% of annual adjusted gross receipts in excess of
13 \$100,000,000 but not exceeding \$150,000,000;

14 45% of annual adjusted gross receipts in excess of
15 \$150,000,000 but not exceeding \$200,000,000;

16 50% of annual adjusted gross receipts in excess of
17 \$200,000,000.

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

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

1 27.5% of annual adjusted gross receipts in excess of
2 \$25,000,000 but not exceeding \$37,500,000;

3 32.5% of annual adjusted gross receipts in excess of
4 \$37,500,000 but not exceeding \$50,000,000;

5 37.5% of annual adjusted gross receipts in excess of
6 \$50,000,000 but not exceeding \$75,000,000;

7 45% of annual adjusted gross receipts in excess of
8 \$75,000,000 but not exceeding \$100,000,000;

9 50% of annual adjusted gross receipts in excess of
10 \$100,000,000 but not exceeding \$250,000,000;

11 70% of annual adjusted gross receipts in excess of
12 \$250,000,000.

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

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

1 is authorized by this Act under which no riverboat gambling
2 operations are being conducted on June 20, 2003.

3 (a-4) Beginning on the first day on which the tax imposed
4 under subsection (a-3) is no longer imposed and ending on
5 December 31, 2011, a privilege tax is imposed on persons
6 engaged in the business of conducting riverboat or casino
7 gambling or electronic gaming operations, other than licensed
8 managers conducting riverboat gambling operations on behalf of
9 the State, based on the adjusted gross receipts received by a
10 licensed owner from gambling games authorized under this Act at
11 the following rates:

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

14 22.5% of annual adjusted gross receipts in excess of
15 \$25,000,000 but not exceeding \$50,000,000;

16 27.5% of annual adjusted gross receipts in excess of
17 \$50,000,000 but not exceeding \$75,000,000;

18 32.5% of annual adjusted gross receipts in excess of
19 \$75,000,000 but not exceeding \$100,000,000;

20 37.5% of annual adjusted gross receipts in excess of
21 \$100,000,000 but not exceeding \$150,000,000;

22 45% of annual adjusted gross receipts in excess of
23 \$150,000,000 but not exceeding \$200,000,000;

24 50% of annual adjusted gross receipts in excess of
25 \$200,000,000.

26 (a-5) Beginning on January 1, 2012 and ending on June 30,

1 2013, a privilege tax is imposed on persons engaged in the
2 business of conducting riverboat gambling or electronic gaming
3 operations, other than licensed managers conducting riverboat
4 gambling operations on behalf of the State, based on the
5 adjusted gross receipts received by such licensee from the
6 gambling games authorized under this Act. The privilege tax for
7 all gambling games other than table games, including, but not
8 limited to, slot machines, video game of chance gambling, and
9 electronic gambling games shall be at the following rates:

10 12% of annual adjusted gross receipts up to and
11 including \$25,000,000;

12 19.5% of annual adjusted gross receipts in excess of
13 \$25,000,000 but not exceeding \$50,000,000;

14 24.5% of annual adjusted gross receipts in excess of
15 \$50,000,000 but not exceeding \$75,000,000;

16 29.5% of annual adjusted gross receipts in excess of
17 \$75,000,000 but not exceeding \$100,000,000;

18 34.5% of annual adjusted gross receipts in excess of
19 \$100,000,000 but not exceeding \$150,000,000;

20 39% of annual adjusted gross receipts in excess of
21 \$150,000,000 but not exceeding \$200,000,000;

22 44% of annual adjusted gross receipts in excess of
23 \$200,000,000.

24 The privilege tax for table games shall be at the following
25 rates:

26 12% of annual adjusted gross receipts up to and

1 including \$25,000,000;

2 19.5% of annual adjusted gross receipts in excess of
3 \$25,000,000 but not exceeding \$50,000,000;

4 24.5% of annual adjusted gross receipts in excess of
5 \$50,000,000 but not exceeding \$70,000,000;

6 16% of annual adjusted gross receipts in excess of
7 \$70,000,000.

8 For the imposition of the privilege tax in this subsection
9 (a-5), amounts paid pursuant to item (1) of subsection (b) of
10 Section 56 of the Illinois Horse Racing Act of 1975 shall not
11 be included in the determination of adjusted gross receipts.

12 (a-6) Beginning on July 1, 2013, a privilege tax is imposed
13 on persons engaged in the business of conducting riverboat
14 gambling or electronic gaming operations, other than licensed
15 managers conducting riverboat gambling operations on behalf of
16 the State, based on the adjusted gross receipts received by a
17 licensed owner from the gambling games authorized under this
18 Act. The privilege tax for all gambling games other than table
19 games, including, but not limited to, slot machines, video game
20 of chance gambling, and electronic gambling games shall be at
21 the following rates:

22 10% of annual adjusted gross receipts up to and
23 including \$25,000,000;

24 17.5% of annual adjusted gross receipts in excess of
25 \$25,000,000 but not exceeding \$50,000,000;

26 22.5% of annual adjusted gross receipts in excess of

1 \$50,000,000 but not exceeding \$75,000,000;

2 27.5% of annual adjusted gross receipts in excess of
3 \$75,000,000 but not exceeding \$100,000,000;

4 32.5% of annual adjusted gross receipts in excess of
5 \$100,000,000 but not exceeding \$150,000,000;

6 35% of annual adjusted gross receipts in excess of
7 \$150,000,000 but not exceeding \$200,000,000;

8 40% of annual adjusted gross receipts in excess of
9 \$200,000,000.

10 The privilege tax for table games shall be at the following
11 rates:

12 10% of annual adjusted gross receipts up to and
13 including \$25,000,000;

14 17.5% of annual adjusted gross receipts in excess of
15 \$25,000,000 but not exceeding \$50,000,000;

16 22.5% of annual adjusted gross receipts in excess of
17 \$50,000,000 but not exceeding \$70,000,000;

18 16% of annual adjusted gross receipts in excess of
19 \$70,000,000.

20 For the imposition of the privilege tax in this subsection
21 (a-6), amounts paid pursuant to item (1) of subsection (b) of
22 Section 56 of the Illinois Horse Racing Act of 1975 shall not
23 be included in the determination of adjusted gross receipts.

24 (a-6.1) Beginning on January 1, 2012 and ending on June 30,
25 2013, a privilege tax is imposed on persons engaged in the
26 business of conducting casino gambling, based on the adjusted

1 gross receipts received by such licensee from the gambling
2 games authorized under this Act. The privilege tax for all
3 gambling games other than table games, including, but not
4 limited to, slot machines, video game of chance gambling, and
5 electronic gambling games shall be at the following rates:

6 12% of annual adjusted gross receipts up to and
7 including \$50,000,000;

8 19.5% of annual adjusted gross receipts in excess of
9 \$50,000,000 but not exceeding \$100,000,000;

10 24.5% of annual adjusted gross receipts in excess of
11 \$100,000,000 but not exceeding \$150,000,000;

12 29.5% of annual adjusted gross receipts in excess of
13 \$150,000,000 but not exceeding \$200,000,000;

14 34.5% of annual adjusted gross receipts in excess of
15 \$200,000,000 but not exceeding \$300,000,000;

16 39% of annual adjusted gross receipts in excess of
17 \$300,000,000 but not exceeding \$400,000,000;

18 44% of annual adjusted gross receipts in excess of
19 \$400,000,000.

20 The privilege tax for table games shall be at the following
21 rates:

22 12% of annual adjusted gross receipts up to and
23 including \$50,000,000;

24 19.5% of annual adjusted gross receipts in excess of
25 \$50,000,000 but not exceeding \$100,000,000;

26 24.5% of annual adjusted gross receipts in excess of

1 \$100,000,000 but not exceeding \$140,000,000;

2 16% of annual adjusted gross receipts in excess of
3 \$140,000,000.

4 (a-6.2) Beginning on July 1, 2013, a privilege tax is
5 imposed on persons engaged in the business of conducting casino
6 gambling, based on the adjusted gross receipts received by a
7 licensed owner from the gambling games authorized under this
8 Act. The privilege tax for all gambling games other than table
9 games, including, but not limited to, slot machines, video game
10 of chance gambling, and electronic gambling games shall be at
11 the following rates:

12 10% of annual adjusted gross receipts up to and
13 including \$50,000,000;

14 17.5% of annual adjusted gross receipts in excess of
15 \$50,000,000 but not exceeding \$100,000,000;

16 22.5% of annual adjusted gross receipts in excess of
17 \$100,000,000 but not exceeding \$150,000,000;

18 27.5% of annual adjusted gross receipts in excess of
19 \$150,000,000 but not exceeding \$200,000,000;

20 32.5% of annual adjusted gross receipts in excess of
21 \$200,000,000 but not exceeding \$300,000,000;

22 35% of annual adjusted gross receipts in excess of
23 \$300,000,000 but not exceeding \$400,000,000;

24 40% of annual adjusted gross receipts in excess of
25 \$400,000,000.

26 The privilege tax for table games shall be at the following

1 rates:

2 10% of annual adjusted gross receipts up to and
3 including \$50,000,000;

4 17.5% of annual adjusted gross receipts in excess of
5 \$50,000,000 but not exceeding \$100,000,000;

6 22.5% of annual adjusted gross receipts in excess of
7 \$100,000,000 but not exceeding \$140,000,000;

8 16% of annual adjusted gross receipts in excess of
9 \$140,000,000.

10 (a-6.3) From the effective date of this amendatory Act of
11 the 97th General Assembly until June 30, 2015, an owners
12 licensee that conducted gambling operations prior to January 1,
13 2011 shall receive a dollar-for-dollar credit against the tax
14 imposed under this Section for any renovation or construction
15 costs paid by the owners licensee, but in no event shall the
16 credit exceed \$2,000,000.

17 Additionally, from the effective date of this amendatory
18 Act of the 97th General Assembly until December 31, 2014, an
19 owners licensee that (i) is located within 15 miles of the
20 Missouri border, and (ii) has at least 3 riverboats, casinos,
21 or their equivalent within a 45-mile radius, may be authorized
22 to relocate to a new location with the approval of both the
23 unit of local government designated as the home dock and the
24 Board, so long as the new location is within the same unit of
25 local government and no more than 3 miles away from its
26 original location. Such owners licensee shall receive a credit

1 against the tax imposed under this Section equal to 8% of the
2 total project costs, as approved by the Board, for any
3 renovation or construction costs paid by the owners licensee
4 for the construction of the new facility, provided that the new
5 facility is operational by July 1, 2014. In determining whether
6 or not to approve a relocation, the Board must consider the
7 extent to which the relocation will diminish the gaming
8 revenues received by other Illinois gaming facilities.

9 (a-7) From January 1, 2013 until December 31, 2022, if the
10 total obligation imposed pursuant to either subsection (a-5) or
11 (a-6) will result in an owners licensee receiving less
12 after-tax adjusted gross receipts than it received in calendar
13 year 2012, then the total amount of privilege taxes that such
14 owners licensee is required to pay for that calendar year shall
15 be reduced to the extent necessary, not to exceed 5% of
16 adjusted gross receipts in that calendar year, so that the
17 after-tax adjusted gross receipts in that calendar year equals
18 the after-tax adjusted gross receipts in calendar year 2012. If
19 pursuant to this subsection (a-7), the total obligation imposed
20 pursuant to either subsection (a-5) or (a-6) shall be reduced,
21 then the owners licensee shall not receive a refund from the
22 State at the end of the subject calendar year but instead shall
23 be able to apply that amount as a credit against any payments
24 it owes to the State in the following calendar year to satisfy
25 its total obligation under either subsection (a-5) or (a-6).

26 For purposes of this subsection (a-7), "after-tax adjusted

1 gross receipts" means, for calendar year 2012, the adjusted
2 gross receipts less privilege taxes paid to the State and, for
3 subsequent calendar years, the adjusted gross receipts less
4 privilege taxes paid to the State, then divided by the owners
5 licensee's average number of gaming positions operating in that
6 calendar year and then multiplied by the owners licensee's
7 average number of gaming positions operating in calendar year
8 2012. This subsection (a-7) does not apply to owners licensees
9 authorized pursuant to subsection (e-5) of Section 7 of this
10 Act.

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

14 (a-9) From January 1, 2012 until December 31, 2014, the
15 calculation of "gross receipts" or "adjusted gross receipts"
16 for a riverboat or casino shall not include the total dollar
17 amount of non-cashable vouchers, coupons, and electronic
18 promotions redeemed by wagerers upon the riverboat or in the
19 casino.

20 The Illinois Gaming Board shall submit to the General
21 Assembly a comprehensive report no later than March 31, 2015
22 detailing, at a minimum, the effect of this calculation on net
23 gaming revenues to the State in calendar years 2012 through
24 2014, the increase or reduction in wagerers as a result of this
25 calculation, recommendations on whether to extend this
26 calculation in the future, the effect of the tax rates in

1 subsection (a-6) on net gaming revenues to the State, and
2 proposed modifications to the calculation.

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

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

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

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

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

24 "Base amount" means the following:

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

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

1 For the Empress riverboat in Joliet, \$86,000,000.
2 For a riverboat in Metropolis, \$45,000,000.
3 For the Harrah's riverboat in Joliet, \$114,000,000.
4 For a riverboat in Aurora, \$86,000,000.
5 For a riverboat in East St. Louis, \$48,500,000.
6 For a riverboat in Elgin, \$198,000,000.

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

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

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

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

1 the unit of local government that is designated as the home
2 dock of the riverboat. From the tax revenue deposited in the
3 State Gaming Fund pursuant to riverboat or casino gambling
4 operations conducted by a licensed manager on behalf of the
5 State, an amount equal to 5% of adjusted gross receipts
6 generated pursuant to those riverboat or casino gambling
7 operations shall be paid monthly, subject to appropriation by
8 the General Assembly, to the unit of local government that is
9 designated as the home dock of the riverboat upon which those
10 riverboat gambling operations are conducted or in which the
11 casino is located. Units of local government may refund any
12 portion of the payment that they receive pursuant to this
13 subsection (b) to the riverboat or casino.

14 (b-4) Beginning on August 1, 2011 and ending on July 31,
15 2042, from the tax revenue deposited in the State Gaming Fund
16 under this Section, \$4,000,000 shall be paid annually, subject
17 to appropriation, to the host municipality of an owners
18 licensee of a license issued or re-issued pursuant to Section
19 7.1 of this Act before January 1, 2012.

20 (b-5) Beginning on the effective date of this amendatory
21 Act of the 97th General Assembly, from the tax revenue
22 deposited in the State Gaming Fund under this Section, an
23 amount equal to 3% of adjusted gross receipts generated by each
24 electronic gaming facility located outside Madison County
25 shall be paid monthly, subject to appropriation by the General
26 Assembly, to a municipality other than the Village of Stickney

1 in which each electronic gaming facility is located or, if the
2 electronic gaming facility is not located within a
3 municipality, to the county in which the electronic gaming
4 facility is located, except as otherwise provided in this
5 Section. From the tax revenue deposited in the State Gaming
6 Fund under this Section, an amount equal to 3% of adjusted
7 gross receipts generated by each electronic gaming facility
8 that is located in an unincorporated area of Cook County and
9 has been awarded standardbred racing dates during 2011 by the
10 Illinois Racing Board shall be divided equally and distributed,
11 subject to appropriation, to the Village of Melrose Park, the
12 Village of Maywood, and Cook County. From the tax revenue
13 deposited in the State Gaming Fund under this Section, an
14 amount equal to 3% of adjusted gross receipts generated by an
15 electronic gaming facility located in the Village of Stickney
16 shall be paid monthly, subject to appropriation by the General
17 Assembly, as follows: 25% to the Village of Stickney, 5% to the
18 City of Berwyn, 50% to the Town of Cicero, and 20% to the
19 Stickney Public Health District.

20 From the tax revenue deposited in the State Gaming Fund
21 under this Section, an amount equal to 3% of adjusted gross
22 receipts generated by an electronic gaming facility located in
23 the City of Collinsville shall be paid monthly, subject to
24 appropriation by the General Assembly, as follows: 45% to the
25 City of Alton, 45% to the City of East St. Louis, and 10% to the
26 City of Collinsville.

1 Beginning on the effective date of this amendatory Act of
2 the 97th General Assembly, from the tax revenue deposited in
3 the State Gaming Fund under this Section, an amount equal to
4 (i) 1% of adjusted gross receipts generated by an electronic
5 gaming facility located in Madison County shall be paid
6 monthly, subject to appropriation by the General Assembly, to
7 Madison County for the purposes of infrastructure
8 improvements, and (ii) 1% of adjusted gross receipts generated
9 by an electronic gaming facility located in Madison County
10 shall be paid monthly, subject to appropriation by the General
11 Assembly, to St. Clair County for the purposes of
12 infrastructure improvements.

13 Municipalities and counties may refund any portion of the
14 payment that they receive pursuant to this subsection (b-5) to
15 the electronic gaming facility.

16 (b-6) Beginning on the effective date of this amendatory
17 Act of the 97th General Assembly, from the tax revenue
18 deposited in the State Gaming Fund under this Section, an
19 amount equal to 2% of adjusted gross receipts generated by an
20 electronic gaming facility located outside Madison County
21 shall be paid monthly, subject to appropriation by the General
22 Assembly, to the county in which the electronic gaming facility
23 is located for the purposes of its criminal justice system or
24 health care system.

25 Counties may refund any portion of the payment that they
26 receive pursuant to this subsection (b-6) to the electronic

1 gaming facility.

2 (b-7) The State and County Fair Assistance Fund is created
3 as a special fund in the State treasury. The Fund shall be
4 administered by the Department of Agriculture. Beginning on the
5 effective date of this amendatory Act of the 97th General
6 Assembly, from the tax revenue deposited in the State Gaming
7 Fund under this Section, an amount equal to 2% of adjusted
8 gross receipts, not to exceed \$5,000,000, shall be paid into
9 the State and County Fair Assistance Fund annually. No moneys
10 shall be expended from the State and County Fair Assistance
11 Fund except as appropriated by the General Assembly.

12 The Department of Agriculture shall award grants from
13 moneys appropriated from the State and County Fair Assistance
14 Fund for the development, expansion, or support of county fairs
15 that showcase Illinois agriculture products or byproducts. No
16 grant may exceed \$20,000. Not more than one grant under this
17 Section may be made to any one county fair board. Additionally,
18 grants under this subsection (b-7) shall be available to the
19 Illinois State Fair and the DuQuoin State Fair.

20 (b-8) Beginning on the effective date of this amendatory
21 Act of the 97th General Assembly, from the tax revenue
22 deposited in the State Gaming Fund under this Section, \$250,000
23 shall be deposited annually into the Illinois Racing Quarter
24 Horse Breeders Fund.

25 (b-10) Beginning on the effective date of this amendatory
26 Act of the 97th General Assembly, from the tax revenue

1 deposited in the State Gaming Fund under this Section, an
2 amount equal to 10% of the wagering taxes paid by the
3 riverboats and casino created pursuant to subsection (e-5) of
4 Section 7 shall be paid into the Depressed Communities Economic
5 Development Fund annually.

6 (b-11) Beginning on the effective date of this amendatory
7 act of the 97th General Assembly, from the tax revenue
8 deposited in the State Gaming Fund under this Section, \$150,000
9 shall be paid annually to a county forest preserve district for
10 the maintenance of a botanic garden that was created by Section
11 43 of the Cook County Forest Preserve District Act.

12 (b-12) Beginning on the effective date of this amendatory
13 act of the 97th General Assembly, from the tax revenue
14 deposited in the State Gaming Fund from electronic gaming under
15 this Section, (i) \$10,000,000 shall be deposited annually into
16 the Partners for Conservation Fund for grants to soil and water
17 conservation districts, (ii) \$1,000,000 shall be deposited
18 annually into the Illinois Forestry Fund for costs associated
19 with the CREP Forestry Assistance Program, (iii) \$2,500,000
20 shall be deposited annually into the Illinois Historic Sites
21 Fund for costs associated with the State's historic sites, (iv)
22 \$2,500,000 shall be deposited annually into the Parks and
23 Conservation Fund for costs associated with the State's state
24 parks, and (v) \$4,000,000 shall be deposited annually into the
25 State Cooperative Service Trust Fund for grants to the State's
26 cooperative extensions. Deposits made pursuant to this

1 subsection (b-12) shall supplement, and not supplant, other
2 State funding for these purposes.

3 (c) Appropriations, as approved by the General Assembly,
4 may be made from the State Gaming Fund to the Board (i) for the
5 administration and enforcement of this Act and the Video Gaming
6 Act, (ii) for distribution to the Department of State Police
7 and to the Department of Revenue for the enforcement of this
8 Act, and (iii) to the Department of Human Services for the
9 administration of programs to treat problem gambling. From the
10 tax revenue deposited in the State Gaming Fund under this
11 Section, \$10,000,000 shall be paid annually to the Department
12 of Human Services for the administration of programs to treat
13 problem gambling. The Board's annual appropriations request
14 must separately state its funding needs for the regulation of
15 electronic gaming, riverboat gaming, casino gaming within the
16 City of Chicago, and video gaming.

17 (c-3) Appropriations, as approved by the General Assembly,
18 may be made from the tax revenue deposited into the State
19 Gaming Fund from electronic gaming pursuant to this Section for
20 the administration and enforcement of this Act.

21 (c-4) After payments required under subsection (b-5),
22 (b-6), (b-7), (b-8), (b-10), (b-11), (b-12), (c), and (c-3)
23 have been made from the tax revenue from electronic gaming
24 deposited into the State Gaming Fund under this Section, all
25 remaining amounts from electronic gaming shall be deposited
26 into the Capital Projects Fund.

1 (c-5) (Blank). ~~Before May 26, 2006 (the effective date of~~
2 ~~Public Act 94-804) and beginning on the effective date of this~~
3 ~~amendatory Act of the 95th General Assembly, unless any~~
4 ~~organization licensee under the Illinois Horse Racing Act of~~
5 ~~1975 begins to operate a slot machine or video game of chance~~
6 ~~under the Illinois Horse Racing Act of 1975 or this Act, after~~
7 ~~the payments required under subsections (b) and (c) have been~~
8 ~~made, an amount equal to 15% of the adjusted gross receipts of~~
9 ~~(1) an owners licensee that relocates pursuant to Section 11.2,~~
10 ~~(2) an owners licensee conducting riverboat gambling~~
11 ~~operations pursuant to an owners license that is initially~~
12 ~~issued after June 25, 1999, or (3) the first riverboat gambling~~
13 ~~operations conducted by a licensed manager on behalf of the~~
14 ~~State under Section 7.3, whichever comes first, shall be paid~~
15 ~~from the State Gaming Fund into the Horse Racing Equity Fund.~~

16 (c-10) (Blank). ~~Each year the General Assembly shall~~
17 ~~appropriate from the General Revenue Fund to the Education~~
18 ~~Assistance Fund an amount equal to the amount paid into the~~
19 ~~Horse Racing Equity Fund pursuant to subsection (c-5) in the~~
20 ~~prior calendar year.~~

21 (c-15) After the payments required under subsections (b),
22 (b-5), (b-6), (b-7), (b-8), (b-10), (b-11), (b-12), and (c), and
23 ~~(c-5)~~ have been made, an amount equal to 2% of the adjusted
24 gross receipts of (1) an owners licensee that relocates
25 pursuant to Section 11.2, (2) an owners licensee conducting
26 riverboat gambling operations pursuant to an owners license

1 that is initially issued after June 25, 1999 and before
2 December 31, 2011, 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 subject to appropriation from the General Assembly, from the
6 State Gaming Fund to each home rule county with a population of
7 over 3,000,000 inhabitants for the purpose of enhancing the
8 county's criminal justice system.

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

14 (c-25) After the payments required under subsections (b),
15 (b-5), (b-6), (b-7), (b-8), (b-10), (b-11), (b-12), (c), ~~(c-5)~~
16 and (c-15) have been made, an amount equal to 2% of the
17 adjusted gross receipts of (1) an owners licensee that
18 relocates pursuant to Section 11.2, (2) an owners licensee
19 conducting riverboat gambling operations pursuant to an owners
20 license that is initially issued after June 25, 1999 and before
21 December 31, 2011, or (3) the first riverboat gambling
22 operations conducted by a licensed manager on behalf of the
23 State under Section 7.3, whichever comes first, shall be paid
24 from the State Gaming Fund to Chicago State University.

25 (d) From time to time, the Board shall transfer the
26 remainder of the funds generated by this Act into the Education

1 Assistance Fund, created by Public Act 86-0018, of the State of
2 Illinois.

3 (e) Nothing in this Act shall prohibit the unit of local
4 government designated as the home dock of the riverboat from
5 entering into agreements with other units of local government
6 in this State or in other states to share its portion of the
7 tax revenue.

8 (f) To the extent practicable, the Board shall administer
9 and collect the wagering taxes imposed by this Section in a
10 manner consistent with the provisions of Sections 4, 5, 5a, 5b,
11 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, and 10 of the
12 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
13 Penalty and Interest Act.

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

16 (230 ILCS 10/14) (from Ch. 120, par. 2414)

17 Sec. 14. Licensees - Records - Reports - Supervision.

18 (a) Licensed owners and electronic gaming licensees ~~A~~
19 ~~licensed owner~~ shall keep ~~his~~ books and records so as to
20 clearly show the following:

21 (1) The amount received daily from admission fees.

22 (2) The total amount of gross receipts.

23 (3) The total amount of the adjusted gross receipts.

24 (b) Licensed owners and electronic gaming licensees ~~The~~
25 ~~licensed owner~~ shall furnish to the Board reports and

1 information as the Board may require with respect to its
2 activities on forms designed and supplied for such purpose by
3 the Board.

4 (c) The books and records kept by a licensed owner as
5 provided by this Section are public records and the
6 examination, publication, and dissemination of the books and
7 records are governed by the provisions of The Freedom of
8 Information Act.

9 (Source: P.A. 86-1029.)

10 (230 ILCS 10/18) (from Ch. 120, par. 2418)

11 Sec. 18. Prohibited Activities - Penalty.

12 (a) A person is guilty of a Class A misdemeanor for doing
13 any of the following:

14 (1) Conducting gambling where wagering is used or to be
15 used without a license issued by the Board.

16 (2) Conducting gambling where wagering is permitted
17 other than in the manner specified by Section 11.

18 (b) A person is guilty of a Class B misdemeanor for doing
19 any of the following:

20 (1) permitting a person under 21 years to make a wager;

21 or

22 (2) violating paragraph (12) of subsection (a) of
23 Section 11 of this Act.

24 (c) A person wagering or accepting a wager at any location
25 outside the riverboat, casino, or electronic gaming facility in

1 ~~violation of paragraph is subject to the penalties in~~
2 ~~paragraphs~~ (1) or (2) of subsection (a) of Section 28-1 of the
3 Criminal Code of 1961 is subject to the penalties provided in
4 that Section.

5 (d) A person commits a Class 4 felony and, in addition,
6 shall be barred for life from gambling operations ~~riverboats~~
7 under the jurisdiction of the Board, if the person does any of
8 the following:

9 (1) Offers, promises, or gives anything of value or
10 benefit to a person who is connected with a riverboat or
11 casino owner or electronic gaming licensee including, but
12 not limited to, an officer or employee of a licensed owner
13 or electronic gaming licensee or holder of an occupational
14 license pursuant to an agreement or arrangement or with the
15 intent that the promise or thing of value or benefit will
16 influence the actions of the person to whom the offer,
17 promise, or gift was made in order to affect or attempt to
18 affect the outcome of a gambling game, or to influence
19 official action of a member of the Board.

20 (2) Solicits or knowingly accepts or receives a promise
21 of anything of value or benefit while the person is
22 connected with a riverboat, casino, or electronic gaming
23 facility, including, but not limited to, an officer or
24 employee of a licensed owner or electronic gaming licensee,
25 or the holder of an occupational license, pursuant to an
26 understanding or arrangement or with the intent that the

1 promise or thing of value or benefit will influence the
2 actions of the person to affect or attempt to affect the
3 outcome of a gambling game, or to influence official action
4 of a member of the Board.

5 (3) Uses or possesses with the intent to use a device
6 to assist:

7 (i) In projecting the outcome of the game.

8 (ii) In keeping track of the cards played.

9 (iii) In analyzing the probability of the
10 occurrence of an event relating to the gambling game.

11 (iv) In analyzing the strategy for playing or
12 betting to be used in the game except as permitted by
13 the Board.

14 (4) Cheats at a gambling game.

15 (5) Manufactures, sells, or distributes any cards,
16 chips, dice, game or device which is intended to be used to
17 violate any provision of this Act.

18 (6) Alters or misrepresents the outcome of a gambling
19 game on which wagers have been made after the outcome is
20 made sure but before it is revealed to the players.

21 (7) Places a bet after acquiring knowledge, not
22 available to all players, of the outcome of the gambling
23 game which is subject of the bet or to aid a person in
24 acquiring the knowledge for the purpose of placing a bet
25 contingent on that outcome.

26 (8) Claims, collects, or takes, or attempts to claim,

1 collect, or take, money or anything of value in or from the
2 gambling games, with intent to defraud, without having made
3 a wager contingent on winning a gambling game, or claims,
4 collects, or takes an amount of money or thing of value of
5 greater value than the amount won.

6 (9) Uses counterfeit chips or tokens in a gambling
7 game.

8 (10) Possesses any key or device designed for the
9 purpose of opening, entering, or affecting the operation of
10 a gambling game, drop box, or an electronic or mechanical
11 device connected with the gambling game or for removing
12 coins, tokens, chips or other contents of a gambling game.
13 This paragraph (10) does not apply to a gambling licensee
14 or employee of a gambling licensee acting in furtherance of
15 the employee's employment.

16 (e) The possession of more than one of the devices
17 described in subsection (d), paragraphs (3), (5), or (10)
18 permits a rebuttable presumption that the possessor intended to
19 use the devices for cheating.

20 (f) A person under the age of 21 who, except as authorized
21 under paragraph (10) of Section 11, enters upon a riverboat or
22 in a casino or electronic gaming facility commits a petty
23 offense and is subject to a fine of not less than \$100 or more
24 than \$250 for a first offense and of not less than \$200 or more
25 than \$500 for a second or subsequent offense.

26 An action to prosecute any crime occurring on a riverboat

1 shall be tried in the county of the dock at which the riverboat
2 is based.

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

4 (230 ILCS 10/19) (from Ch. 120, par. 2419)

5 Sec. 19. Forfeiture of property. (a) Except as provided in
6 subsection (b), any riverboat, casino, or electronic gaming
7 facility used for the conduct of gambling games in violation of
8 this Act shall be considered a gambling place in violation of
9 Section 28-3 of the Criminal Code of 1961, as now or hereafter
10 amended. Every gambling device found on a riverboat, in a
11 casino, or at an electronic gaming facility operating gambling
12 games in violation of this Act and every slot machine and video
13 game of chance found at an electronic gaming facility operating
14 gambling games in violation of this Act shall be subject to
15 seizure, confiscation and destruction as provided in Section
16 28-5 of the Criminal Code of 1961, as now or hereafter amended.

17 (b) It is not a violation of this Act for a riverboat or
18 other watercraft which is licensed for gaming by a contiguous
19 state to dock on the shores of this State if the municipality
20 having jurisdiction of the shores, or the county in the case of
21 unincorporated areas, has granted permission for docking and no
22 gaming is conducted on the riverboat or other watercraft while
23 it is docked on the shores of this State. No gambling device
24 shall be subject to seizure, confiscation or destruction if the
25 gambling device is located on a riverboat or other watercraft

1 which is licensed for gaming by a contiguous state and which is
2 docked on the shores of this State if the municipality having
3 jurisdiction of the shores, or the county in the case of
4 unincorporated areas, has granted permission for docking and no
5 gaming is conducted on the riverboat or other watercraft while
6 it is docked on the shores of this State.

7 (Source: P.A. 86-1029.)

8 (230 ILCS 10/20) (from Ch. 120, par. 2420)

9 Sec. 20. Prohibited activities - civil penalties. Any
10 person who conducts a gambling operation without first
11 obtaining a license to do so, or who continues to conduct such
12 games after revocation of his license, or any licensee who
13 conducts or allows to be conducted any unauthorized gambling
14 games on a riverboat, in a casino, or at an electronic gaming
15 facility where it is authorized to conduct its ~~riverboat~~
16 gambling operation, in addition to other penalties provided,
17 shall be subject to a civil penalty equal to the amount of
18 gross receipts derived from wagering on the gambling games,
19 whether unauthorized or authorized, conducted on that day as
20 well as confiscation and forfeiture of all gambling game
21 equipment used in the conduct of unauthorized gambling games.

22 (Source: P.A. 86-1029.)

23 (230 ILCS 10/23) (from Ch. 120, par. 2423)

24 Sec. 23. The State Gaming Fund. On or after the effective

1 date of this Act, except as provided for payments into the
2 Horse Racing Equity Trust Fund under subsection (a) of Section
3 7, all of the fees and taxes collected pursuant to this Act
4 shall be deposited into the State Gaming Fund, a special fund
5 in the State Treasury, which is hereby created. The adjusted
6 gross receipts of any riverboat gambling operations conducted
7 by a licensed manager on behalf of the State remaining after
8 the payment of the fees and expenses of the licensed manager
9 shall be deposited into the State Gaming Fund. Fines and
10 penalties collected pursuant to this Act shall be deposited
11 into the Education Assistance Fund, created by Public Act
12 86-0018, of the State of Illinois.

13 (Source: P.A. 93-28, eff. 6-20-03; 94-804, eff. 5-26-06.)

14 Section 90-43. The Video Gaming Act is amended by adding
15 Section 47 and by adding Section 81 as follows:

16 (230 ILCS 40/47 new)

17 Sec. 47. Provisional licensure as a licensed
18 establishment, licensed truck stop establishment, licensed
19 fraternal establishment, or licensed veterans establishment.

20 (a) Within 60 days after the effective date of this
21 amendatory Act of the 97th General Assembly, the Board shall
22 make applications for licensure as a licensed establishment,
23 licensed truck stop establishment, licensed fraternal
24 establishment, or licensed veterans establishment available to

1 applicants.

2 (b) The Board shall issue a provisional license to an
3 applicant for licensure as a licensed establishment, licensed
4 truck stop establishment, licensed fraternal establishment, or
5 licensed veterans establishment if the applicant has not been
6 previously issued a license under Section 45 of this Act and
7 satisfies, as determined by the Board, all of the following
8 criteria:

9 (1) the applicant has never been convicted of a felony;

10 (2) the applicant is current on all State and federal
11 taxes;

12 (3) the applicant has submitted a completed
13 application for licensure as a licensed establishment,
14 licensed truck stop establishment, licensed fraternal
15 establishment, or licensed veterans establishment, which
16 may be submitted concurrently with the applicant's request
17 for a provisional license;

18 (4) the applicant has (A) held a valid liquor license
19 under the Liquor Control Act of 1934 since at least July
20 13, 2009 and has never had its liquor license revoked, (B)
21 provides proof of a valid charitable games license under
22 the Charitable Games Act, or (C) provides proof of a valid
23 license as an agent under the Illinois Lottery Law;

24 (5) the applicant has never been convicted of any
25 violation of Article 28 of the Criminal Code of 1961 or
26 similar laws in other jurisdictions; and

1 (6) the applicant furnishes the results of a State and
2 federal background check performed by the Illinois State
3 Police.

4 (c) The Board shall issue a provisional license to an
5 applicant for licensure as a licensed establishment, licensed
6 truck stop establishment, licensed fraternal establishment, or
7 licensed veterans establishment within 60 days after such
8 application has been received by the Board, provided that the
9 Board has determined that the criteria contained in subsection
10 (b) of this Section has been satisfied. If the Board has
11 determined that the criteria contained in subsection (b) of
12 this Section has not been satisfied, then the Board shall give
13 a written explanation to the applicant as to why it has
14 determined the criteria has not been satisfied.

15 (d) A provisional license shall be valid until one of the
16 following occurs:

17 (1) the Board either approves or denies the applicant's
18 application for licensure;

19 (2) the provisional license is terminated for a
20 violation of this Act; or

21 (3) one calendar year has passed since the provisional
22 license was issued.

23 If the Board has not yet acted upon the application for
24 licensure as a licensed establishment, licensed truck stop
25 establishment, licensed fraternal establishment, or licensed
26 veterans establishment within 60 days after the expiration of a

1 provisional license, then the applicant may apply for a renewal
2 of the provisional license.

3 (e) Each applicant must attest by way of affidavit under
4 penalty of perjury that the applicant is not otherwise
5 prohibited from licensure according to the requirements of this
6 Section or any other provision of this Act.

7 (f) All requests for provisional licensure must include a
8 payment of a \$100 fee, which is in addition to the applicable
9 fee required for an application for licensure as a licensed
10 establishment, licensed truck stop establishment, licensed
11 fraternal establishment, or licensed veterans establishment.
12 If the Board has not acted upon a request for provisional
13 licensure within 60 days after receipt of the request, then the
14 request shall be deemed approved and the Board must issue the
15 applicant a provisional license as a licensed establishment,
16 licensed truck stop establishment, licensed fraternal
17 establishment, or licensed veterans establishment.

18 (230 ILCS 40/81 new)

19 Sec. 81. Emergency rules. Within 120 days after the
20 effective date of this amendatory Act of the 97th General
21 Assembly, the Board shall adopt emergency rules to administer
22 this Act in accordance with Section 5-45 of the Illinois
23 Administrative Procedure Act. For the purposes of the Illinois
24 Administrative Procedure Act, the General Assembly finds that
25 the adoption of rules to implement this Act is deemed an

1 emergency and necessary to the public interest, safety, and
2 welfare.

3 Section 90-45. The Liquor Control Act of 1934 is amended by
4 changing Sections 5-1 and 6-30 as follows:

5 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

6 Sec. 5-1. Licenses issued by the Illinois Liquor Control
7 Commission shall be of the following classes:

8 (a) Manufacturer's license - Class 1. Distiller, Class 2.
9 Rectifier, Class 3. Brewer, Class 4. First Class Wine
10 Manufacturer, Class 5. Second Class Wine Manufacturer, Class 6.
11 First Class Winemaker, Class 7. Second Class Winemaker, Class
12 8. Limited Wine Manufacturer, Class 9. Craft Distiller,

13 (b) Distributor's license,

14 (c) Importing Distributor's license,

15 (d) Retailer's license,

16 (e) Special Event Retailer's license (not-for-profit),

17 (f) Railroad license,

18 (g) Boat license,

19 (h) Non-Beverage User's license,

20 (i) Wine-maker's premises license,

21 (j) Airplane license,

22 (k) Foreign importer's license,

23 (l) Broker's license,

24 (m) Non-resident dealer's license,

- 1 (n) Brew Pub license,
- 2 (o) Auction liquor license,
- 3 (p) Caterer retailer license,
- 4 (q) Special use permit license,
- 5 (r) Winery shipper's license.

6 No person, firm, partnership, corporation, or other legal
7 business entity that is engaged in the manufacturing of wine
8 may concurrently obtain and hold a wine-maker's license and a
9 wine manufacturer's license.

10 (a) A manufacturer's license shall allow the manufacture,
11 importation in bulk, storage, distribution and sale of
12 alcoholic liquor to persons without the State, as may be
13 permitted by law and to licensees in this State as follows:

14 Class 1. A Distiller may make sales and deliveries of
15 alcoholic liquor to distillers, rectifiers, importing
16 distributors, distributors and non-beverage users and to no
17 other licensees.

18 Class 2. A Rectifier, who is not a distiller, as defined
19 herein, may make sales and deliveries of alcoholic liquor to
20 rectifiers, importing distributors, distributors, retailers
21 and non-beverage users and to no other licensees.

22 Class 3. A Brewer may make sales and deliveries of beer to
23 importing distributors, distributors, and to non-licensees,
24 and to retailers provided the brewer obtains an importing
25 distributor's license or distributor's license in accordance
26 with the provisions of this Act.

1 Class 4. A first class wine-manufacturer may make sales and
2 deliveries of up to 50,000 gallons of wine to manufacturers,
3 importing distributors and distributors, and to no other
4 licensees.

5 Class 5. A second class Wine manufacturer may make sales
6 and deliveries of more than 50,000 gallons of wine to
7 manufacturers, importing distributors and distributors and to
8 no other licensees.

9 Class 6. A first-class wine-maker's license shall allow the
10 manufacture of up to 50,000 gallons of wine per year, and the
11 storage and sale of such wine to distributors in the State and
12 to persons without the State, as may be permitted by law. A
13 person who, prior to the effective date of this amendatory Act
14 of the 95th General Assembly, is a holder of a first-class
15 wine-maker's license and annually produces more than 25,000
16 gallons of its own wine and who distributes its wine to
17 licensed retailers shall cease this practice on or before July
18 1, 2008 in compliance with this amendatory Act of the 95th
19 General Assembly.

20 Class 7. A second-class wine-maker's license shall allow
21 the manufacture of between 50,000 and 150,000 gallons of wine
22 per year, and the storage and sale of such wine to distributors
23 in this State and to persons without the State, as may be
24 permitted by law. A person who, prior to the effective date of
25 this amendatory Act of the 95th General Assembly, is a holder
26 of a second-class wine-maker's license and annually produces

1 more than 25,000 gallons of its own wine and who distributes
2 its wine to licensed retailers shall cease this practice on or
3 before July 1, 2008 in compliance with this amendatory Act of
4 the 95th General Assembly.

5 Class 8. A limited wine-manufacturer may make sales and
6 deliveries not to exceed 40,000 gallons of wine per year to
7 distributors, and to non-licensees in accordance with the
8 provisions of this Act.

9 Class 9. A craft distiller license shall allow the
10 manufacture of up to 5,000 gallons of spirits by distillation
11 per year and the storage of such spirits. If a craft distiller
12 licensee is not affiliated with any other manufacturer, then
13 the craft distiller licensee may sell such spirits to
14 distributors in this State and non-licensees to the extent
15 permitted by any exemption approved by the Commission pursuant
16 to Section 6-4 of this Act.

17 Any craft distiller licensed under this Act who on the
18 effective date of this amendatory Act of the 96th General
19 Assembly was licensed as a distiller and manufactured no more
20 spirits than permitted by this Section shall not be required to
21 pay the initial licensing fee.

22 (a-1) A manufacturer which is licensed in this State to
23 make sales or deliveries of alcoholic liquor and which enlists
24 agents, representatives, or individuals acting on its behalf
25 who contact licensed retailers on a regular and continual basis
26 in this State must register those agents, representatives, or

1 persons acting on its behalf with the State Commission.

2 Registration of agents, representatives, or persons acting
3 on behalf of a manufacturer is fulfilled by submitting a form
4 to the Commission. The form shall be developed by the
5 Commission and shall include the name and address of the
6 applicant, the name and address of the manufacturer he or she
7 represents, the territory or areas assigned to sell to or
8 discuss pricing terms of alcoholic liquor, and any other
9 questions deemed appropriate and necessary. All statements in
10 the forms required to be made by law or by rule shall be deemed
11 material, and any person who knowingly misstates any material
12 fact under oath in an application is guilty of a Class B
13 misdemeanor. Fraud, misrepresentation, false statements,
14 misleading statements, evasions, or suppression of material
15 facts in the securing of a registration are grounds for
16 suspension or revocation of the registration.

17 (b) A distributor's license shall allow the wholesale
18 purchase and storage of alcoholic liquors and sale of alcoholic
19 liquors to licensees in this State and to persons without the
20 State, as may be permitted by law.

21 (c) An importing distributor's license may be issued to and
22 held by those only who are duly licensed distributors, upon the
23 filing of an application by a duly licensed distributor, with
24 the Commission and the Commission shall, without the payment of
25 any fee, immediately issue such importing distributor's
26 license to the applicant, which shall allow the importation of

1 alcoholic liquor by the licensee into this State from any point
2 in the United States outside this State, and the purchase of
3 alcoholic liquor in barrels, casks or other bulk containers and
4 the bottling of such alcoholic liquors before resale thereof,
5 but all bottles or containers so filled shall be sealed,
6 labeled, stamped and otherwise made to comply with all
7 provisions, rules and regulations governing manufacturers in
8 the preparation and bottling of alcoholic liquors. The
9 importing distributor's license shall permit such licensee to
10 purchase alcoholic liquor from Illinois licensed non-resident
11 dealers and foreign importers only.

12 (d) A retailer's license shall allow the licensee to sell
13 and offer for sale at retail, only in the premises specified in
14 the license, alcoholic liquor for use or consumption, but not
15 for resale in any form. Nothing in this amendatory Act of the
16 95th General Assembly shall deny, limit, remove, or restrict
17 the ability of a holder of a retailer's license to transfer,
18 deliver, or ship alcoholic liquor to the purchaser for use or
19 consumption subject to any applicable local law or ordinance.
20 Any retail license issued to a manufacturer shall only permit
21 the manufacturer to sell beer at retail on the premises
22 actually occupied by the manufacturer. For the purpose of
23 further describing the type of business conducted at a retail
24 licensed premises, a retailer's licensee may be designated by
25 the State Commission as (i) an on premise consumption retailer,
26 (ii) an off premise sale retailer, or (iii) a combined on

1 premise consumption and off premise sale retailer.

2 Notwithstanding any other provision of this subsection
3 (d), a retail licensee may sell alcoholic liquors to a special
4 event retailer licensee for resale to the extent permitted
5 under subsection (e).

6 (e) A special event retailer's license (not-for-profit)
7 shall permit the licensee to purchase alcoholic liquors from an
8 Illinois licensed distributor (unless the licensee purchases
9 less than \$500 of alcoholic liquors for the special event, in
10 which case the licensee may purchase the alcoholic liquors from
11 a licensed retailer) and shall allow the licensee to sell and
12 offer for sale, at retail, alcoholic liquors for use or
13 consumption, but not for resale in any form and only at the
14 location and on the specific dates designated for the special
15 event in the license. An applicant for a special event retailer
16 license must (i) furnish with the application: (A) a resale
17 number issued under Section 2c of the Retailers' Occupation Tax
18 Act or evidence that the applicant is registered under Section
19 2a of the Retailers' Occupation Tax Act, (B) a current, valid
20 exemption identification number issued under Section 1g of the
21 Retailers' Occupation Tax Act, and a certification to the
22 Commission that the purchase of alcoholic liquors will be a
23 tax-exempt purchase, or (C) a statement that the applicant is
24 not registered under Section 2a of the Retailers' Occupation
25 Tax Act, does not hold a resale number under Section 2c of the
26 Retailers' Occupation Tax Act, and does not hold an exemption

1 number under Section 1g of the Retailers' Occupation Tax Act,
2 in which event the Commission shall set forth on the special
3 event retailer's license a statement to that effect; (ii)
4 submit with the application proof satisfactory to the State
5 Commission that the applicant will provide dram shop liability
6 insurance in the maximum limits; and (iii) show proof
7 satisfactory to the State Commission that the applicant has
8 obtained local authority approval.

9 (f) A railroad license shall permit the licensee to import
10 alcoholic liquors into this State from any point in the United
11 States outside this State and to store such alcoholic liquors
12 in this State; to make wholesale purchases of alcoholic liquors
13 directly from manufacturers, foreign importers, distributors
14 and importing distributors from within or outside this State;
15 and to store such alcoholic liquors in this State; provided
16 that the above powers may be exercised only in connection with
17 the importation, purchase or storage of alcoholic liquors to be
18 sold or dispensed on a club, buffet, lounge or dining car
19 operated on an electric, gas or steam railway in this State;
20 and provided further, that railroad licensees exercising the
21 above powers shall be subject to all provisions of Article VIII
22 of this Act as applied to importing distributors. A railroad
23 license shall also permit the licensee to sell or dispense
24 alcoholic liquors on any club, buffet, lounge or dining car
25 operated on an electric, gas or steam railway regularly
26 operated by a common carrier in this State, but shall not

1 permit the sale for resale of any alcoholic liquors to any
2 licensee within this State. A license shall be obtained for
3 each car in which such sales are made.

4 (g) A boat license shall allow the sale of alcoholic liquor
5 in individual drinks, on any passenger boat regularly operated
6 as a common carrier on navigable waters in this State or on any
7 riverboat operated under the Illinois ~~Riverboat~~ Gambling Act,
8 which boat or riverboat maintains a public dining room or
9 restaurant thereon.

10 (h) A non-beverage user's license shall allow the licensee
11 to purchase alcoholic liquor from a licensed manufacturer or
12 importing distributor, without the imposition of any tax upon
13 the business of such licensed manufacturer or importing
14 distributor as to such alcoholic liquor to be used by such
15 licensee solely for the non-beverage purposes set forth in
16 subsection (a) of Section 8-1 of this Act, and such licenses
17 shall be divided and classified and shall permit the purchase,
18 possession and use of limited and stated quantities of
19 alcoholic liquor as follows:

- 20 Class 1, not to exceed 500 gallons
- 21 Class 2, not to exceed 1,000 gallons
- 22 Class 3, not to exceed 5,000 gallons
- 23 Class 4, not to exceed 10,000 gallons
- 24 Class 5, not to exceed 50,000 gallons

25 (i) A wine-maker's premises license shall allow a licensee
26 that concurrently holds a first-class wine-maker's license to

1 sell and offer for sale at retail in the premises specified in
2 such license not more than 50,000 gallons of the first-class
3 wine-maker's wine that is made at the first-class wine-maker's
4 licensed premises per year for use or consumption, but not for
5 resale in any form. A wine-maker's premises license shall allow
6 a licensee who concurrently holds a second-class wine-maker's
7 license to sell and offer for sale at retail in the premises
8 specified in such license up to 100,000 gallons of the
9 second-class wine-maker's wine that is made at the second-class
10 wine-maker's licensed premises per year for use or consumption
11 but not for resale in any form. A wine-maker's premises license
12 shall allow a licensee that concurrently holds a first-class
13 wine-maker's license or a second-class wine-maker's license to
14 sell and offer for sale at retail at the premises specified in
15 the wine-maker's premises license, for use or consumption but
16 not for resale in any form, any beer, wine, and spirits
17 purchased from a licensed distributor. Upon approval from the
18 State Commission, a wine-maker's premises license shall allow
19 the licensee to sell and offer for sale at (i) the wine-maker's
20 licensed premises and (ii) at up to 2 additional locations for
21 use and consumption and not for resale. Each location shall
22 require additional licensing per location as specified in
23 Section 5-3 of this Act. A wine-maker's premises licensee shall
24 secure liquor liability insurance coverage in an amount at
25 least equal to the maximum liability amounts set forth in
26 subsection (a) of Section 6-21 of this Act.

1 (j) An airplane license shall permit the licensee to import
2 alcoholic liquors into this State from any point in the United
3 States outside this State and to store such alcoholic liquors
4 in this State; to make wholesale purchases of alcoholic liquors
5 directly from manufacturers, foreign importers, distributors
6 and importing distributors from within or outside this State;
7 and to store such alcoholic liquors in this State; provided
8 that the above powers may be exercised only in connection with
9 the importation, purchase or storage of alcoholic liquors to be
10 sold or dispensed on an airplane; and provided further, that
11 airplane licensees exercising the above powers shall be subject
12 to all provisions of Article VIII of this Act as applied to
13 importing distributors. An airplane licensee shall also permit
14 the sale or dispensing of alcoholic liquors on any passenger
15 airplane regularly operated by a common carrier in this State,
16 but shall not permit the sale for resale of any alcoholic
17 liquors to any licensee within this State. A single airplane
18 license shall be required of an airline company if liquor
19 service is provided on board aircraft in this State. The annual
20 fee for such license shall be as determined in Section 5-3.

21 (k) A foreign importer's license shall permit such licensee
22 to purchase alcoholic liquor from Illinois licensed
23 non-resident dealers only, and to import alcoholic liquor other
24 than in bulk from any point outside the United States and to
25 sell such alcoholic liquor to Illinois licensed importing
26 distributors and to no one else in Illinois; provided that (i)

1 the foreign importer registers with the State Commission every
2 brand of alcoholic liquor that it proposes to sell to Illinois
3 licensees during the license period, (ii) the foreign importer
4 complies with all of the provisions of Section 6-9 of this Act
5 with respect to registration of such Illinois licensees as may
6 be granted the right to sell such brands at wholesale, and
7 (iii) the foreign importer complies with the provisions of
8 Sections 6-5 and 6-6 of this Act to the same extent that these
9 provisions apply to manufacturers.

10 (1) (i) A broker's license shall be required of all persons
11 who solicit orders for, offer to sell or offer to supply
12 alcoholic liquor to retailers in the State of Illinois, or who
13 offer to retailers to ship or cause to be shipped or to make
14 contact with distillers, rectifiers, brewers or manufacturers
15 or any other party within or without the State of Illinois in
16 order that alcoholic liquors be shipped to a distributor,
17 importing distributor or foreign importer, whether such
18 solicitation or offer is consummated within or without the
19 State of Illinois.

20 No holder of a retailer's license issued by the Illinois
21 Liquor Control Commission shall purchase or receive any
22 alcoholic liquor, the order for which was solicited or offered
23 for sale to such retailer by a broker unless the broker is the
24 holder of a valid broker's license.

25 The broker shall, upon the acceptance by a retailer of the
26 broker's solicitation of an order or offer to sell or supply or

1 deliver or have delivered alcoholic liquors, promptly forward
2 to the Illinois Liquor Control Commission a notification of
3 said transaction in such form as the Commission may by
4 regulations prescribe.

5 (ii) A broker's license shall be required of a person
6 within this State, other than a retail licensee, who, for a fee
7 or commission, promotes, solicits, or accepts orders for
8 alcoholic liquor, for use or consumption and not for resale, to
9 be shipped from this State and delivered to residents outside
10 of this State by an express company, common carrier, or
11 contract carrier. This Section does not apply to any person who
12 promotes, solicits, or accepts orders for wine as specifically
13 authorized in Section 6-29 of this Act.

14 A broker's license under this subsection (1) shall not
15 entitle the holder to buy or sell any alcoholic liquors for his
16 own account or to take or deliver title to such alcoholic
17 liquors.

18 This subsection (1) shall not apply to distributors,
19 employees of distributors, or employees of a manufacturer who
20 has registered the trademark, brand or name of the alcoholic
21 liquor pursuant to Section 6-9 of this Act, and who regularly
22 sells such alcoholic liquor in the State of Illinois only to
23 its registrants thereunder.

24 Any agent, representative, or person subject to
25 registration pursuant to subsection (a-1) of this Section shall
26 not be eligible to receive a broker's license.

1 (m) A non-resident dealer's license shall permit such
2 licensee to ship into and warehouse alcoholic liquor into this
3 State from any point outside of this State, and to sell such
4 alcoholic liquor to Illinois licensed foreign importers and
5 importing distributors and to no one else in this State;
6 provided that (i) said non-resident dealer shall register with
7 the Illinois Liquor Control Commission each and every brand of
8 alcoholic liquor which it proposes to sell to Illinois
9 licensees during the license period, (ii) it shall comply with
10 all of the provisions of Section 6-9 hereof with respect to
11 registration of such Illinois licensees as may be granted the
12 right to sell such brands at wholesale, and (iii) the
13 non-resident dealer shall comply with the provisions of
14 Sections 6-5 and 6-6 of this Act to the same extent that these
15 provisions apply to manufacturers.

16 (n) A brew pub license shall allow the licensee to
17 manufacture beer only on the premises specified in the license,
18 to make sales of the beer manufactured on the premises to
19 importing distributors, distributors, and to non-licensees for
20 use and consumption, to store the beer upon the premises, and
21 to sell and offer for sale at retail from the licensed
22 premises, provided that a brew pub licensee shall not sell for
23 off-premises consumption more than 50,000 gallons per year.

24 (o) A caterer retailer license shall allow the holder to
25 serve alcoholic liquors as an incidental part of a food service
26 that serves prepared meals which excludes the serving of snacks

1 as the primary meal, either on or off-site whether licensed or
2 unlicensed.

3 (p) An auction liquor license shall allow the licensee to
4 sell and offer for sale at auction wine and spirits for use or
5 consumption, or for resale by an Illinois liquor licensee in
6 accordance with provisions of this Act. An auction liquor
7 license will be issued to a person and it will permit the
8 auction liquor licensee to hold the auction anywhere in the
9 State. An auction liquor license must be obtained for each
10 auction at least 14 days in advance of the auction date.

11 (q) A special use permit license shall allow an Illinois
12 licensed retailer to transfer a portion of its alcoholic liquor
13 inventory from its retail licensed premises to the premises
14 specified in the license hereby created, and to sell or offer
15 for sale at retail, only in the premises specified in the
16 license hereby created, the transferred alcoholic liquor for
17 use or consumption, but not for resale in any form. A special
18 use permit license may be granted for the following time
19 periods: one day or less; 2 or more days to a maximum of 15 days
20 per location in any 12 month period. An applicant for the
21 special use permit license must also submit with the
22 application proof satisfactory to the State Commission that the
23 applicant will provide dram shop liability insurance to the
24 maximum limits and have local authority approval.

25 (r) A winery shipper's license shall allow a person with a
26 first-class or second-class wine manufacturer's license, a

1 first-class or second-class wine-maker's license, or a limited
2 wine manufacturer's license or who is licensed to make wine
3 under the laws of another state to ship wine made by that
4 licensee directly to a resident of this State who is 21 years
5 of age or older for that resident's personal use and not for
6 resale. Prior to receiving a winery shipper's license, an
7 applicant for the license must provide the Commission with a
8 true copy of its current license in any state in which it is
9 licensed as a manufacturer of wine. An applicant for a winery
10 shipper's license must also complete an application form that
11 provides any other information the Commission deems necessary.
12 The application form shall include an acknowledgement
13 consenting to the jurisdiction of the Commission, the Illinois
14 Department of Revenue, and the courts of this State concerning
15 the enforcement of this Act and any related laws, rules, and
16 regulations, including authorizing the Department of Revenue
17 and the Commission to conduct audits for the purpose of
18 ensuring compliance with this amendatory Act.

19 A winery shipper licensee must pay to the Department of
20 Revenue the State liquor gallonage tax under Section 8-1 for
21 all wine that is sold by the licensee and shipped to a person
22 in this State. For the purposes of Section 8-1, a winery
23 shipper licensee shall be taxed in the same manner as a
24 manufacturer of wine. A licensee who is not otherwise required
25 to register under the Retailers' Occupation Tax Act must
26 register under the Use Tax Act to collect and remit use tax to

1 the Department of Revenue for all gallons of wine that are sold
2 by the licensee and shipped to persons in this State. If a
3 licensee fails to remit the tax imposed under this Act in
4 accordance with the provisions of Article VIII of this Act, the
5 winery shipper's license shall be revoked in accordance with
6 the provisions of Article VII of this Act. If a licensee fails
7 to properly register and remit tax under the Use Tax Act or the
8 Retailers' Occupation Tax Act for all wine that is sold by the
9 winery shipper and shipped to persons in this State, the winery
10 shipper's license shall be revoked in accordance with the
11 provisions of Article VII of this Act.

12 A winery shipper licensee must collect, maintain, and
13 submit to the Commission on a semi-annual basis the total
14 number of cases per resident of wine shipped to residents of
15 this State. A winery shipper licensed under this subsection (r)
16 must comply with the requirements of Section 6-29 of this
17 amendatory Act.

18 (Source: P.A. 95-331, eff. 8-21-07; 95-634, eff. 6-1-08;
19 95-769, eff. 7-29-08; 96-1367, eff. 7-28-10.)

20 (235 ILCS 5/6-30) (from Ch. 43, par. 144f)

21 Sec. 6-30. Notwithstanding any other provision of this Act,
22 the Illinois Gaming Board shall have exclusive authority to
23 establish the hours for sale and consumption of alcoholic
24 liquor on board a riverboat during riverboat gambling
25 excursions and in a casino conducted in accordance with the

1 Illinois ~~Riverboat~~ Gambling Act.

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

3 Section 90-50. The Criminal Code of 1961 is amended by
4 changing Sections 28-1, 28-1.1, 28-3, 28-5, and 28-7 as
5 follows:

6 (720 ILCS 5/28-1) (from Ch. 38, par. 28-1)

7 Sec. 28-1. Gambling.

8 (a) A person commits gambling when he:

9 (1) Plays a game of chance or skill for money or other
10 thing of value, unless excepted in subsection (b) of this
11 Section; or

12 (2) Makes a wager upon the result of any game, contest,
13 or any political nomination, appointment or election; or

14 (3) Operates, keeps, owns, uses, purchases, exhibits,
15 rents, sells, bargains for the sale or lease of,
16 manufactures or distributes any gambling device; or

17 (4) Contracts to have or give himself or another the
18 option to buy or sell, or contracts to buy or sell, at a
19 future time, any grain or other commodity whatsoever, or
20 any stock or security of any company, where it is at the
21 time of making such contract intended by both parties
22 thereto that the contract to buy or sell, or the option,
23 whenever exercised, or the contract resulting therefrom,
24 shall be settled, not by the receipt or delivery of such

1 property, but by the payment only of differences in prices
2 thereof; however, the issuance, purchase, sale, exercise,
3 endorsement or guarantee, by or through a person registered
4 with the Secretary of State pursuant to Section 8 of the
5 Illinois Securities Law of 1953, or by or through a person
6 exempt from such registration under said Section 8, of a
7 put, call, or other option to buy or sell securities which
8 have been registered with the Secretary of State or which
9 are exempt from such registration under Section 3 of the
10 Illinois Securities Law of 1953 is not gambling within the
11 meaning of this paragraph (4); or

12 (5) Knowingly owns or possesses any book, instrument or
13 apparatus by means of which bets or wagers have been, or
14 are, recorded or registered, or knowingly possesses any
15 money which he has received in the course of a bet or
16 wager; or

17 (6) Sells pools upon the result of any game or contest
18 of skill or chance, political nomination, appointment or
19 election; or

20 (7) Sets up or promotes any lottery or sells, offers to
21 sell or transfers any ticket or share for any lottery; or

22 (8) Sets up or promotes any policy game or sells,
23 offers to sell or knowingly possesses or transfers any
24 policy ticket, slip, record, document or other similar
25 device; or

26 (9) Knowingly drafts, prints or publishes any lottery

1 ticket or share, or any policy ticket, slip, record,
2 document or similar device, except for such activity
3 related to lotteries, bingo games and raffles authorized by
4 and conducted in accordance with the laws of Illinois or
5 any other state or foreign government; or

6 (10) Knowingly advertises any lottery or policy game,
7 except for such activity related to lotteries, bingo games
8 and raffles authorized by and conducted in accordance with
9 the laws of Illinois or any other state; or

10 (11) Knowingly transmits information as to wagers,
11 betting odds, or changes in betting odds by telephone,
12 telegraph, radio, semaphore or similar means; or knowingly
13 installs or maintains equipment for the transmission or
14 receipt of such information; except that nothing in this
15 subdivision (11) prohibits transmission or receipt of such
16 information for use in news reporting of sporting events or
17 contests; or

18 (12) Knowingly establishes, maintains, or operates an
19 Internet site that permits a person to play a game of
20 chance or skill for money or other thing of value by means
21 of the Internet or to make a wager upon the result of any
22 game, contest, political nomination, appointment, or
23 election by means of the Internet. This item (12) does not
24 apply to activities referenced in items (6) and (6.1) of
25 subsection (b) of this Section.

26 (b) Participants in any of the following activities shall

1 not be convicted of gambling therefor:

2 (1) Agreements to compensate for loss caused by the
3 happening of chance including without limitation contracts
4 of indemnity or guaranty and life or health or accident
5 insurance.

6 (2) Offers of prizes, award or compensation to the
7 actual contestants in any bona fide contest for the
8 determination of skill, speed, strength or endurance or to
9 the owners of animals or vehicles entered in such contest.

10 (3) Pari-mutuel betting as authorized by the law of
11 this State.

12 (4) Manufacture of gambling devices, including the
13 acquisition of essential parts therefor and the assembly
14 thereof, for transportation in interstate or foreign
15 commerce to any place outside this State when such
16 transportation is not prohibited by any applicable Federal
17 law; or the manufacture, distribution, or possession of
18 video gaming terminals, as defined in the Video Gaming Act,
19 by manufacturers, distributors, and terminal operators
20 licensed to do so under the Video Gaming Act.

21 (5) The game commonly known as "bingo", when conducted
22 in accordance with the Bingo License and Tax Act.

23 (6) Lotteries when conducted by the State of Illinois
24 in accordance with the Illinois Lottery Law. This exemption
25 includes any activity conducted by the Department of
26 Revenue to sell lottery tickets pursuant to the provisions

1 of the Illinois Lottery Law and its rules.

2 (6.1) The purchase of lottery tickets through the
3 Internet for a lottery conducted by the State of Illinois
4 under the program established in Section 7.12 of the
5 Illinois Lottery Law.

6 (7) Possession of an antique slot machine that is
7 neither used nor intended to be used in the operation or
8 promotion of any unlawful gambling activity or enterprise.
9 For the purpose of this subparagraph (b) (7), an antique
10 slot machine is one manufactured 25 years ago or earlier.

11 (8) Raffles when conducted in accordance with the
12 Raffles Act.

13 (9) Charitable games when conducted in accordance with
14 the Charitable Games Act.

15 (10) Pull tabs and jar games when conducted under the
16 Illinois Pull Tabs and Jar Games Act.

17 (11) Gambling games ~~conducted on riverboats~~ when
18 authorized by the Illinois ~~Riverboat~~ Gambling Act.

19 (12) Video gaming terminal games at a licensed
20 establishment, licensed truck stop establishment, licensed
21 fraternal establishment, or licensed veterans
22 establishment when conducted in accordance with the Video
23 Gaming Act.

24 (13) Games of skill or chance where money or other
25 things of value can be won but no payment or purchase is
26 required to participate.

1 (c) Sentence.

2 Gambling under subsection (a) (1) or (a) (2) of this Section
3 is a Class A misdemeanor. Gambling under any of subsections
4 (a) (3) through (a) (11) of this Section is a Class A
5 misdemeanor. A second or subsequent conviction under any of
6 subsections (a) (3) through (a) (11), is a Class 4 felony.
7 Gambling under subsection (a) (12) of this Section is a Class A
8 misdemeanor. A second or subsequent conviction under
9 subsection (a) (12) is a Class 4 felony.

10 (d) Circumstantial evidence.

11 In prosecutions under subsection (a) (1) through (a) (12) of
12 this Section circumstantial evidence shall have the same
13 validity and weight as in any criminal prosecution.

14 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09;
15 96-1203, eff. 7-22-10.)

16 (720 ILCS 5/28-1.1) (from Ch. 38, par. 28-1.1)

17 Sec. 28-1.1. Syndicated gambling.

18 (a) Declaration of Purpose. Recognizing the close
19 relationship between professional gambling and other organized
20 crime, it is declared to be the policy of the legislature to
21 restrain persons from engaging in the business of gambling for
22 profit in this State. This Section shall be liberally construed
23 and administered with a view to carrying out this policy.

24 (b) A person commits syndicated gambling when he operates a
25 "policy game" or engages in the business of bookmaking.

1 (c) A person "operates a policy game" when he knowingly
2 uses any premises or property for the purpose of receiving or
3 knowingly does receive from what is commonly called "policy":

4 (1) money from a person other than the better or player
5 whose bets or plays are represented by such money; or

6 (2) written "policy game" records, made or used over
7 any period of time, from a person other than the better or
8 player whose bets or plays are represented by such written
9 record.

10 (d) A person engages in bookmaking when he receives or
11 accepts more than five bets or wagers upon the result of any
12 trials or contests of skill, speed or power of endurance or
13 upon any lot, chance, casualty, unknown or contingent event
14 whatsoever, which bets or wagers shall be of such size that the
15 total of the amounts of money paid or promised to be paid to
16 such bookmaker on account thereof shall exceed \$2,000.
17 Bookmaking is the receiving or accepting of such bets or wagers
18 regardless of the form or manner in which the bookmaker records
19 them.

20 (e) Participants in any of the following activities shall
21 not be convicted of syndicated gambling:

22 (1) Agreements to compensate for loss caused by the
23 happening of chance including without limitation contracts
24 of indemnity or guaranty and life or health or accident
25 insurance; and

26 (2) Offers of prizes, award or compensation to the

1 actual contestants in any bona fide contest for the
2 determination of skill, speed, strength or endurance or to
3 the owners of animals or vehicles entered in such contest;
4 and

5 (3) Pari-mutuel betting as authorized by law of this
6 State; and

7 (4) Manufacture of gambling devices, including the
8 acquisition of essential parts therefor and the assembly
9 thereof, for transportation in interstate or foreign
10 commerce to any place outside this State when such
11 transportation is not prohibited by any applicable Federal
12 law; and

13 (5) Raffles when conducted in accordance with the
14 Raffles Act; and

15 (6) Gambling games conducted on riverboats, in
16 casinos, or at electronic gaming facilities when
17 authorized by the Illinois Riverboat Gambling Act; and

18 (7) Video gaming terminal games at a licensed
19 establishment, licensed truck stop establishment, licensed
20 fraternal establishment, or licensed veterans
21 establishment when conducted in accordance with the Video
22 Gaming Act.

23 (f) Sentence. Syndicated gambling is a Class 3 felony.

24 (Source: P.A. 96-34, eff. 7-13-09.)

25 (720 ILCS 5/28-3) (from Ch. 38, par. 28-3)

1 Sec. 28-3. Keeping a Gambling Place. A "gambling place" is
2 any real estate, vehicle, boat or any other property whatsoever
3 used for the purposes of gambling other than gambling conducted
4 in the manner authorized by the Illinois ~~Riverboat~~ Gambling Act
5 or the Video Gaming Act. Any person who knowingly permits any
6 premises or property owned or occupied by him or under his
7 control to be used as a gambling place commits a Class A
8 misdemeanor. Each subsequent offense is a Class 4 felony. When
9 any premises is determined by the circuit court to be a
10 gambling place:

11 (a) Such premises is a public nuisance and may be proceeded
12 against as such, and

13 (b) All licenses, permits or certificates issued by the
14 State of Illinois or any subdivision or public agency thereof
15 authorizing the serving of food or liquor on such premises
16 shall be void; and no license, permit or certificate so
17 cancelled shall be reissued for such premises for a period of
18 60 days thereafter; nor shall any person convicted of keeping a
19 gambling place be reissued such license for one year from his
20 conviction and, after a second conviction of keeping a gambling
21 place, any such person shall not be reissued such license, and

22 (c) Such premises of any person who knowingly permits
23 thereon a violation of any Section of this Article shall be
24 held liable for, and may be sold to pay any unsatisfied
25 judgment that may be recovered and any unsatisfied fine that
26 may be levied under any Section of this Article.

1 (Source: P.A. 96-34, eff. 7-13-09.)

2 (720 ILCS 5/28-5) (from Ch. 38, par. 28-5)

3 Sec. 28-5. Seizure of gambling devices and gambling funds.

4 (a) Every device designed for gambling which is incapable
5 of lawful use or every device used unlawfully for gambling
6 shall be considered a "gambling device", and shall be subject
7 to seizure, confiscation and destruction by the Department of
8 State Police or by any municipal, or other local authority,
9 within whose jurisdiction the same may be found. As used in
10 this Section, a "gambling device" includes any slot machine,
11 and includes any machine or device constructed for the
12 reception of money or other thing of value and so constructed
13 as to return, or to cause someone to return, on chance to the
14 player thereof money, property or a right to receive money or
15 property. With the exception of any device designed for
16 gambling which is incapable of lawful use, no gambling device
17 shall be forfeited or destroyed unless an individual with a
18 property interest in said device knows of the unlawful use of
19 the device.

20 (b) Every gambling device shall be seized and forfeited to
21 the county wherein such seizure occurs. Any money or other
22 thing of value integrally related to acts of gambling shall be
23 seized and forfeited to the county wherein such seizure occurs.

24 (c) If, within 60 days after any seizure pursuant to
25 subparagraph (b) of this Section, a person having any property

1 interest in the seized property is charged with an offense, the
2 court which renders judgment upon such charge shall, within 30
3 days after such judgment, conduct a forfeiture hearing to
4 determine whether such property was a gambling device at the
5 time of seizure. Such hearing shall be commenced by a written
6 petition by the State, including material allegations of fact,
7 the name and address of every person determined by the State to
8 have any property interest in the seized property, a
9 representation that written notice of the date, time and place
10 of such hearing has been mailed to every such person by
11 certified mail at least 10 days before such date, and a request
12 for forfeiture. Every such person may appear as a party and
13 present evidence at such hearing. The quantum of proof required
14 shall be a preponderance of the evidence, and the burden of
15 proof shall be on the State. If the court determines that the
16 seized property was a gambling device at the time of seizure,
17 an order of forfeiture and disposition of the seized property
18 shall be entered: a gambling device shall be received by the
19 State's Attorney, who shall effect its destruction, except that
20 valuable parts thereof may be liquidated and the resultant
21 money shall be deposited in the general fund of the county
22 wherein such seizure occurred; money and other things of value
23 shall be received by the State's Attorney and, upon
24 liquidation, shall be deposited in the general fund of the
25 county wherein such seizure occurred. However, in the event
26 that a defendant raises the defense that the seized slot

1 machine is an antique slot machine described in subparagraph
2 (b) (7) of Section 28-1 of this Code and therefore he is exempt
3 from the charge of a gambling activity participant, the seized
4 antique slot machine shall not be destroyed or otherwise
5 altered until a final determination is made by the Court as to
6 whether it is such an antique slot machine. Upon a final
7 determination by the Court of this question in favor of the
8 defendant, such slot machine shall be immediately returned to
9 the defendant. Such order of forfeiture and disposition shall,
10 for the purposes of appeal, be a final order and judgment in a
11 civil proceeding.

12 (d) If a seizure pursuant to subparagraph (b) of this
13 Section is not followed by a charge pursuant to subparagraph
14 (c) of this Section, or if the prosecution of such charge is
15 permanently terminated or indefinitely discontinued without
16 any judgment of conviction or acquittal (1) the State's
17 Attorney shall commence an in rem proceeding for the forfeiture
18 and destruction of a gambling device, or for the forfeiture and
19 deposit in the general fund of the county of any seized money
20 or other things of value, or both, in the circuit court and (2)
21 any person having any property interest in such seized gambling
22 device, money or other thing of value may commence separate
23 civil proceedings in the manner provided by law.

24 (e) Any gambling device displayed for sale to a riverboat
25 gambling operation, casino gambling operation, or electronic
26 gaming facility or used to train occupational licensees of a

1 riverboat gambling operation, casino gambling operation, or
2 electronic gaming facility as authorized under the Illinois
3 ~~Riverboat~~ Gambling Act is exempt from seizure under this
4 Section.

5 (f) Any gambling equipment, devices and supplies provided
6 by a licensed supplier in accordance with the Illinois
7 ~~Riverboat~~ Gambling Act which are removed from a the riverboat,
8 casino, or electronic gaming facility for repair are exempt
9 from seizure 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, casino gambling operation, or an
9 electronic gaming licensee under the Illinois Gambling Act and
10 the Illinois Horse Racing Act of 1975 from instituting a cause
11 of action to collect any amount due and owing under an
12 extension of credit to a ~~riverboat~~ gambling patron as
13 authorized under Section 11.1 of the Illinois Riverboat
14 Gambling Act.

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

16 Section 90-55. The Eminent Domain Act is amended by
17 changing Section 15-5-46 as follows:

18 (735 ILCS 30/15-5-46)

19 Sec. 15-5-46. Eminent domain powers in new Acts. The
20 following provisions of law may include express grants of the
21 power to acquire property by condemnation or eminent domain:

22 Chicago Casino Development Authority Act; City of Chicago; for
23 the purposes of the Act.

1 Ottawa Port District Act; Ottawa Port District; for general
2 purposes.

3 (Source: P.A. 96-1522, eff. 2-14-11.)

4 Section 90-60. The Payday Loan Reform Act is amended by
5 changing Section 3-5 as follows:

6 (815 ILCS 122/3-5)

7 (Text of Section after amendment by P.A. 96-936)

8 Sec. 3-5. Licensure.

9 (a) A license to make a payday loan shall state the
10 address, including city and state, at which the business is to
11 be conducted and shall state fully the name of the licensee.
12 The license shall be conspicuously posted in the place of
13 business of the licensee and shall not be transferable or
14 assignable.

15 (b) An application for a license shall be in writing and in
16 a form prescribed by the Secretary. The Secretary may not issue
17 a payday loan license unless and until the following findings
18 are made:

19 (1) that the financial responsibility, experience,
20 character, and general fitness of the applicant are such as
21 to command the confidence of the public and to warrant the
22 belief that the business will be operated lawfully and
23 fairly and within the provisions and purposes of this Act;
24 and

1 (2) that the applicant has submitted such other
2 information as the Secretary may deem necessary.

3 (c) A license shall be issued for no longer than one year,
4 and no renewal of a license may be provided if a licensee has
5 substantially violated this Act and has not cured the violation
6 to the satisfaction of the Department.

7 (d) A licensee shall appoint, in writing, the Secretary as
8 attorney-in-fact upon whom all lawful process against the
9 licensee may be served with the same legal force and validity
10 as if served on the licensee. A copy of the written
11 appointment, duly certified, shall be filed in the office of
12 the Secretary, and a copy thereof certified by the Secretary
13 shall be sufficient evidence to subject a licensee to
14 jurisdiction in a court of law. This appointment shall remain
15 in effect while any liability remains outstanding in this State
16 against the licensee. When summons is served upon the Secretary
17 as attorney-in-fact for a licensee, the Secretary shall
18 immediately notify the licensee by registered mail, enclosing
19 the summons and specifying the hour and day of service.

20 (e) A licensee must pay an annual fee of \$1,000. In
21 addition to the license fee, the reasonable expense of any
22 examination or hearing by the Secretary under any provisions of
23 this Act shall be borne by the licensee. If a licensee fails to
24 renew its license by December 31, its license shall
25 automatically expire; however, the Secretary, in his or her
26 discretion, may reinstate an expired license upon:

1 (1) payment of the annual fee within 30 days of the
2 date of expiration; and

3 (2) proof of good cause for failure to renew.

4 (f) Not more than one place of business shall be maintained
5 under the same license, but the Secretary may issue more than
6 one license to the same licensee upon compliance with all the
7 provisions of this Act governing issuance of a single license.
8 The location, except those locations already in existence as of
9 June 1, 2005, may not be within one mile of a horse race track
10 subject to the Illinois Horse Racing Act of 1975, within one
11 mile of a facility at which gambling is conducted under the
12 Illinois ~~Riverboat~~ Gambling Act, within one mile of the
13 location at which a riverboat subject to the Illinois ~~Riverboat~~
14 Gambling Act docks, or within one mile of any State of Illinois
15 or United States military base or naval installation.

16 (g) No licensee shall conduct the business of making loans
17 under this Act within any office, suite, room, or place of
18 business in which (1) any loans are offered or made under the
19 Consumer Installment Loan Act other than title secured loans as
20 defined in subsection (a) of Section 15 of the Consumer
21 Installment Loan Act and governed by Title 38, Section 110.330
22 of the Illinois Administrative Code or (2) any other business
23 is solicited or engaged in unless the other business is
24 licensed by the Department or, in the opinion of the Secretary,
25 the other business would not be contrary to the best interests
26 of consumers and is authorized by the Secretary in writing.

1 (g-5) Notwithstanding subsection (g) of this Section, a
2 licensee may obtain a license under the Consumer Installment
3 Loan Act (CILA) for the exclusive purpose and use of making
4 title secured loans, as defined in subsection (a) of Section 15
5 of CILA and governed by Title 38, Section 110.300 of the
6 Illinois Administrative Code. A licensee may continue to
7 service Consumer Installment Loan Act loans that were
8 outstanding as of the effective date of this amendatory Act of
9 the 96th General Assembly.

10 (h) The Secretary shall maintain a list of licensees that
11 shall be available to interested consumers and lenders and the
12 public. The Secretary shall maintain a toll-free number whereby
13 consumers may obtain information about licensees. The
14 Secretary shall also establish a complaint process under which
15 an aggrieved consumer may file a complaint against a licensee
16 or non-licensee who violates any provision of this Act.

17 (Source: P.A. 96-936, eff. 3-21-11.)

18 Section 90-65. The Travel Promotion Consumer Protection
19 Act is amended by changing Section 2 as follows:

20 (815 ILCS 420/2) (from Ch. 121 1/2, par. 1852)

21 Sec. 2. Definitions.

22 (a) "Travel promoter" means a person, including a tour
23 operator, who sells, provides, furnishes, contracts for,
24 arranges or advertises that he or she will arrange wholesale or

1 retail transportation by air, land, sea or navigable stream,
2 either separately or in conjunction with other services.
3 "Travel promoter" does not include (1) an air carrier; (2) a
4 sea carrier; (3) an officially appointed agent of an air
5 carrier who is a member in good standing of the Airline
6 Reporting Corporation; (4) a travel promoter who has in force
7 \$1,000,000 or more of liability insurance coverage for
8 professional errors and omissions and a surety bond or
9 equivalent surety in the amount of \$100,000 or more for the
10 benefit of consumers in the event of a bankruptcy on the part
11 of the travel promoter; or (5) a riverboat subject to
12 regulation under the Illinois Riverboat Gambling Act.

13 (b) "Advertise" means to make any representation in the
14 solicitation of passengers and includes communication with
15 other members of the same partnership, corporation, joint
16 venture, association, organization, group or other entity.

17 (c) "Passenger" means a person on whose behalf money or
18 other consideration has been given or is to be given to
19 another, including another member of the same partnership,
20 corporation, joint venture, association, organization, group
21 or other entity, for travel.

22 (d) "Ticket or voucher" means a writing or combination of
23 writings which is itself good and sufficient to obtain
24 transportation and other services for which the passenger has
25 contracted.

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

1 (30 ILCS 105/5.490 rep.)

2 Section 90-70. The State Finance Act is amended by
3 repealing Section 5.490.

4 (230 ILCS 5/54 rep.)

5 Section 90-75. The Illinois Horse Racing Act of 1975 is
6 amended by repealing Section 54.

7 ARTICLE 99.

8 Section 99-97. Severability. The provisions of this Act are
9 severable under Section 1.31 of the Statute on Statutes.

10 Section 999. Effective date. This Act takes effect upon
11 becoming law.".