



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

SB3925

Introduced 5/31/2012, by Sen. Terry Link

SYNOPSIS AS INTRODUCED:

See Index

If and only if Senate Bill 1849 of the 97th General Assembly becomes law as amended by House Amendments No. 2 and 3: amends the Chicago Casino Development Authority Act with respect to removal of members from the Board of the Authority, powers of the Authority, casino management contracts, local regulation, and contracts with the Authority or casino operator license; amends the Election Code to prohibit political contributions from licensees or applicants under various gaming statutes and from casino managers; amends the State Finance Act to provide for a transfer of moneys to the Fund for the Advancement of Education from the State Gaming Fund; amends the Illinois Municipal Code to provide that any municipality in Lake County that utilizes the police, fire, ambulance, or other emergency services of another unit of local government in providing services to a riverboat or casino shall provide adequate compensation for such services; amends the Illinois Horse Racing Act of 1975 to require the Illinois Racing Board to submit a report to the General Assembly on or before December 31, 2013 that examines the feasibility of conducting electronic gaming at a race track located in Rock Island County; and amends the Illinois Gambling Act to make changes in provisions concerning the Illinois Gaming Board application for and issuance of owners licenses, electronic gaming, and distribution of admission and wagering taxes. Effective immediately or on the effective date of Senate Bill 1849 of the 97th General Assembly, whichever is later.

LRB097 21816 AMC 70438 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning gaming.

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

4 Section 5. If and only if Senate Bill 1849 of the 97th
5 General Assembly becomes law as amended by House Amendments No.
6 2 and 3, then the Chicago Casino Development Authority Act is
7 amended by changing Sections 1-20, 1-31, 1-45, 1-70, and 1-112
8 as follows:

9 (09700SB1849ham002, Sec. 1-20)

10 Sec. 1-20. Terms of appointments; resignation and removal.

11 (a) The Mayor shall appoint 2 members of the Board for an
12 initial term expiring July 1 of the year following approval by
13 the Gaming Board, 2 members for an initial term expiring July 1
14 three years following approval by the Gaming Board, and one
15 member for an initial term expiring July 1 five years following
16 approval by the Gaming Board.

17 (b) All successors shall hold office for a term of 5 years
18 from the first day of July of the year in which they are
19 appointed, except in the case of an appointment to fill a
20 vacancy. Each member, including the chairperson, shall hold
21 office until the expiration of his or her term and until his or
22 her successor is appointed and qualified. Nothing shall
23 preclude a member from serving consecutive terms. Any member

1 may resign from office, to take effect when a successor has
2 been appointed and qualified. A vacancy in office shall occur
3 in the case of a member's death or indictment, conviction, or
4 plea of guilty to a felony. A vacancy shall be filled for the
5 unexpired term by the Mayor with the approval of the Gaming
6 Board.

7 (c) Members of the Board shall serve at the pleasure of the
8 Mayor. The Mayor or the Gaming Board may remove any member of
9 the Board upon a finding of incompetence, neglect of duty, or
10 misfeasance or malfeasance in office or for a violation of this
11 Act. The Gaming Board may remove any member of the Board for
12 any violation of the Illinois Gambling Act or the rules and
13 regulations of the Gaming Board or other just cause.

14 (Source: 09700SB1849ham002.)

15 (09700SB1849ham002, Sec. 1-31)

16 Sec. 1-31. General rights and powers of the Authority. In
17 addition to the duties and powers set forth in this Act, the
18 Authority shall have the following rights and powers:

19 (1) Adopt and alter an official seal.

20 (2) Establish and change its fiscal year.

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

24 (4) Adopt, amend, and repeal bylaws, rules, and
25 regulations consistent with the furtherance of the powers

1 and duties provided for.

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

4 (6) Select locations in the City for a temporary and a
5 permanent casino, subject to final approval by the Gaming
6 Board, but in no event shall any location be in or at an
7 airport.

8 (7) Utilize the Illinois Gaming Board to conduct
9 ~~Conduct~~ background investigations of potential casino
10 operator licensees, including their ~~its~~ principals or
11 shareholders, all other persons subject to licensure under
12 the Illinois Gambling Act, any third parties hired to
13 develop the casino or its master plan, and Authority staff.

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

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

24 (10) Enter into, revoke, and modify contracts in
25 accordance with the rules and procedures of the Gaming
26 Board.

1 (11) Enter into a casino management contract subject to
2 the prior ~~final~~ approval of the Gaming Board.

3 (12) Develop, or cause to be developed by a third
4 party, a master plan for the design, planning, and
5 development of a casino, subject to approval of the Gaming
6 Board.

7 (13) Negotiate and enter into intergovernmental
8 agreements with the State and its agencies, the City, and
9 other units of local government, in furtherance of the
10 powers and duties of the Board.

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

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

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

25 (17) Receive and accept from any source, private or
26 public, contributions, gifts, or grants of money or

1 property to the Authority.

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

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

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

15 (Source: 09700SB1849ham002.)

16 (09700SB1849ham002, Sec. 1-45)

17 Sec. 1-45. Casino management contracts.

18 (a) Subject to the prior approval of the Gaming Board, the
19 ~~The~~ Board shall develop and administer a competitive sealed
20 bidding process for the selection of a potential casino
21 operator licensee to develop or operate a casino within the
22 City. The Board shall issue one or more requests for proposals.
23 The Board may establish minimum financial and investment
24 requirements to determine the eligibility of persons to respond
25 to the Board's requests for proposal, and may establish and

1 consider such other criteria as it deems appropriate. The Board
2 may impose a fee upon persons who respond to requests for
3 proposal, in order to reimburse the Board for its costs in
4 preparing and issuing the requests and reviewing the proposals.

5 (b) Within 5 days after the time limit for submitting bids
6 and proposals has passed, the Board shall make all bids and
7 proposals public, provided, however, the Board shall not be
8 required to disclose any information which would be exempt from
9 disclosure under Section 7 of the Freedom of Information Act.
10 Thereafter, the Board shall evaluate the responses to its
11 requests for proposal and the ability of all persons or
12 entities responding to its requests for proposal to meet the
13 requirements of this Act and to undertake and perform the
14 obligations set forth in its requests for proposal.

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

24 (d) After the Authority has been issued a casino license,
25 the Gaming Board has issued a casino operator license, and the
26 Gaming Board has approved the location of a temporary facility,

1 the Authority may conduct gaming operations at a temporary
2 facility for no longer than 24 months after gaming operations
3 begin. The Gaming Board may, after holding a public hearing,
4 grant an extension so long as a permanent facility is not
5 operational and the Authority is working in good faith to
6 complete the permanent facility. The Gaming Board may grant
7 additional extensions following a public hearing. Each
8 extension may be for a period of no longer than 6 months.

9 (e) Fifty percent of any initial consideration received by
10 the Authority that was paid as an inducement pursuant to a bid
11 for a casino management contract or an executed casino
12 management contract must be transmitted to the State and
13 deposited into the Gaming Facilities Fee Revenue Fund. The
14 initial consideration shall not include any amounts paid by an
15 entity on behalf of the Authority for any license or per
16 position fees imposed pursuant to the Illinois Gambling Act or
17 any other financial obligation of the Authority.

18 (Source: 09700SB1849ham002.)

19 (09700SB1849ham002, Sec. 1-70)

20 Sec. 1-70. Local regulation. The casino facilities and
21 operations therein shall be subject to all ordinances and
22 regulations of the City. The construction, development, and
23 operation of the casino shall comply with all ordinances,
24 regulations, rules, and controls of the City, including but not
25 limited to those relating to zoning and planned development,

1 building, fire prevention, and land use. However, the
2 regulation of gaming operations is subject to the Illinois
3 Gambling Act and the exclusive jurisdiction of the Gaming
4 Board. The Gaming Board shall be responsible for the
5 investigation and licensure of all licenses required by the
6 Illinois Gambling Act.

7 (Source: 09700SB1849ham002.)

8 (09700SB1849ham002, Sec. 1-112)

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

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

1 officers, directors, ownership, or individuals having a
2 beneficial interest of more than 1%.

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

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, responding, or
18 contracting entity in excess of 1%, (ii) executive employees of
19 the bidding, responding, or contracting entity, and (iii) the
20 spouse and minor children 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, responding, or contracting entity is the
25 sponsoring entity.

26 (d) The Gaming Board may direct the Authority or a casino

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

5 (e) All contracts pertaining to the actual operation of the
6 casino and related gaming activities shall be entered into by
7 the casino operator licensee and not the Authority.

8 (Source: 09700SB1849ham002.)

9 Section 10. If and only if Senate Bill 1849 of the 97th
10 General Assembly becomes law as amended by House Amendments No.
11 2 and 3, then the Election Code is amended by changing the
12 heading of Article 9 and by adding Sections 9-8.7 and 9-8.8 as
13 follows:

14 (10 ILCS 5/Art. 9 heading)

15 ARTICLE 9. DISCLOSURE, PROHIBITION, AND REGULATION
16 OF CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

17 (Source: P.A. 96-832, eff. 1-1-11.)

18 (10 ILCS 5/9-8.7 new)

19 Sec. 9-8.7. Prohibition of political contributions from
20 certain licensees and applicants.

21 (a) Any person or business entity that holds a license or
22 is an applicant for a license in the categories listed in this
23 subsection (a) under the Illinois Gambling Act, the Illinois

1 Horse Racing Act of 1975, the Video Gaming Act, the Illinois
2 Pull Tabs and Jar Games Act, the Charitable Games Act, the
3 Bingo License and Tax Act, the Raffles Act, or the Illinois
4 Lottery Law, and any affiliated entity or affiliated person of
5 such business entity or any association or organization
6 representing such entity, entities, or persons, are prohibited
7 from making any monetary or in-kind contributions to any
8 political committees or campaigns established to promote the
9 candidacy of any officeholders or any other declared candidate
10 for any office in Illinois. Prohibited persons or entities
11 shall include any affiliated entity or person who has been
12 designated as a Key Person under the Illinois Gambling Act and
13 associated rules or designated as a Person of Significant
14 Influence and Control under the Video Gaming Act and associated
15 rules or who is an officer, director or holder or controller of
16 5% or more legal or beneficial interest in such business entity
17 under the Illinois Horse Racing Act of 1975 and associated
18 rules. Prohibited person or entity includes those holding the
19 following licenses under the Illinois Gambling Act: owner;
20 manager; and supplier. Prohibited persons or entities shall
21 include those holding the following licenses under the Video
22 Gaming Act: manufacturer; distributor; supplier; terminal
23 operator; licensed establishment; licensed fraternal
24 establishment; licensed veterans establishment; licensed truck
25 stop establishment. Prohibited person or entity includes any
26 horsemen association representing the largest number of

1 owners, trainers, jockeys, or standardbred drivers who race
2 horses at an organization licensee's racing meeting under the
3 Illinois Horse Racing Act of 1975, and any horsemen association
4 representing thoroughbred, standardbred, or quarter horse
5 breeders and owners under the Illinois Horse Racing Act of
6 1975, and any affiliated entity or person who is an officer,
7 director, employee, or member of such organization.

8 (b) For licensees, this prohibition shall be effective for
9 a period of 2 years following the expiration, termination, or
10 revocation of a license. For applicants who do not receive a
11 license, this prohibition shall be in place from the time
12 applications are solicited until the application has been
13 denied or the license at issue have been awarded and any
14 related protests or legal actions have been completed. For
15 purposes of this Section, the definitions of "business entity",
16 "affiliated person", and "affiliated entity" set forth in
17 Section 50-37 of the Illinois Procurement Code shall apply.

18 (c) Any person or entity that makes a prohibited political
19 contribution is subject to a fine of up to \$200,000 per
20 violation and any other action deemed appropriate by the
21 applicable regulatory and licensing authority.

22 (10 ILCS 5/9-8.8 new)

23 Sec. 9-8.8. Prohibition of political contributions from
24 Chicago casino managers.

25 (a) Any casino management company or affiliated entity that

1 has a contract or a pending bid or proposal with the Chicago
2 Casino Development Authority or the Chicago Casino Operator or
3 Developer is prohibited from making any monetary or in-kind
4 contributions to any political committees or campaigns
5 established to promote the candidacy of any officeholder or any
6 other declared candidates for any office in Illinois. This
7 prohibition shall be effective for a period of 2 years
8 following the expiration or termination of the contracts. For
9 such companies that have pending bids or proposals, the
10 contribution ban shall begin on the date the invitation for
11 bids or request for proposals is issued.

12 (b) All contracts between the Chicago Casino Development
13 Authority or the Chicago Casino Operator or Developer and a
14 business entity that violates this Section shall be voidable.
15 If this provision is violated more than 3 times in a 36-month
16 period, then all such contracts shall be void. Furthermore,
17 that business entity will be prohibited from doing any business
18 with the Illinois Gaming Board, the Illinois Racing Board, the
19 Chicago Casino Development Authority, or the Chicago Casino
20 Operator or Developer for 3 years from the date of the last
21 violation. A notice of each violation and corresponding penalty
22 shall be published in the Illinois Register and the Procurement
23 Bulletin.

24 (c) Any person or entity that makes a prohibited political
25 contribution is subject to a fine of up to \$200,000 per
26 violation and any other action deemed appropriate by the

1 applicable regulatory and licensing authority.

2 Section 15. If and only if Senate Bill 1849 of the 97th
3 General Assembly becomes law as amended by House Amendments No.
4 2 and 3, then the State Finance Act is amended by changing
5 Section 6z-85 as follows:

6 (30 ILCS 105/6z-85)

7 Sec. 6z-85. The Fund for the Advancement of Education;
8 creation. The Fund for the Advancement of Education is hereby
9 created as a special fund in the State treasury. All moneys
10 deposited into the fund shall be appropriated to provide
11 financial assistance for education programs. Moneys
12 appropriated from the Fund shall supplement and not supplant
13 the current level of education funding.

14 In addition to any other transfers that may be provided for
15 by law, on the effective date of this amendatory Act of the
16 97th General Assembly, or as soon thereafter as practical, the
17 State Comptroller shall direct and the State Treasurer shall
18 transfer the sum of \$75,000,000 from the State Gaming Fund to
19 the Fund for the Advancement of Education for the purpose of
20 providing resources to the Monetary Award Program.

21 (Source: P.A. 96-1496, eff. 1-13-11.)

22 Section 20. If and only if Senate Bill 1849 of the 97th
23 General Assembly becomes law as amended by House Amendments No.

1 2 and 3, then the Illinois Municipal Code is amended by adding
2 Section 11-1-12 as follows:

3 (65 ILCS 5/11-1-12 new)

4 Sec. 11-1-12. Emergency services. Any municipality in Lake
5 County that utilizes the police, fire, ambulance, or other
6 emergency services of another unit of local government in
7 providing services to a riverboat or casino shall provide
8 adequate compensation for such services.

9 Section 25. If and only if Senate Bill 1849 of the 97th
10 General Assembly becomes law as amended by House Amendments No.
11 2 and 3, then the Illinois Horse Racing Act of 1975 is amended
12 by changing Section 56 as follows:

13 (230 ILCS 5/56)

14 Sec. 56. Electronic gaming.

15 (a) A person, firm, or corporation having operating control
16 of a race track may apply to the Gaming Board for an electronic
17 gaming license. An electronic gaming license shall authorize
18 its holder to conduct electronic gaming on the grounds of the
19 race track controlled by the licensee's race track. Only one
20 electronic gaming license may be awarded for any race track.
21 Each license shall specify the number of gaming positions that
22 its holder may operate.

23 An electronic gaming licensee may not permit persons under

1 21 years of age to be present in its electronic gaming
2 facility, but the licensee may accept wagers on live racing and
3 inter-track wagers at its electronic gaming facility.

4 (b) For purposes of this subsection, "adjusted gross
5 receipts" means an electronic gaming licensee's gross receipts
6 less winnings paid to wagerers and shall also include any
7 amounts that would otherwise be deducted pursuant to subsection
8 (a-9) of Section 13 of the Illinois Gambling Act. The adjusted
9 gross receipts by an electronic gaming licensee from electronic
10 gaming remaining after the payment of taxes under Section 13 of
11 the Illinois Gambling Act shall be distributed as follows:

12 (1) Amounts shall be paid to the purse account at the
13 track at which the organization licensee is conducting
14 racing equal to the following:

15 12.75% of annual adjusted gross receipts up to and
16 including \$75,000,000;

17 20% of annual adjusted gross receipts in excess of
18 \$75,000,000 but not exceeding \$100,000,000;

19 26.5% of annual adjusted gross receipts in excess
20 of \$100,000,000 but not exceeding \$125,000,000; and

21 20.5% of annual adjusted gross receipts in excess
22 of \$125,000,000.

23 (2) The remainder shall be retained by the electronic
24 gaming licensee.

25 (c) Electronic gaming receipts placed into the purse
26 account of an organization licensee racing thoroughbred horses

1 shall be used for purses, for health care services or worker's
2 compensation for racing industry workers, for equine research,
3 for programs to care for and transition injured and retired
4 thoroughbred horses that race at the race track, or for horse
5 ownership promotion, in accordance with the agreement of the
6 horsemen's association representing the largest number of
7 owners and trainers who race at that organization licensee's
8 race meetings.

9 Annually, from the purse account of an organization
10 licensee racing thoroughbred horses in the State, except for in
11 Madison County, an amount equal to 12% of the electronic gaming
12 receipts placed into the purse accounts shall be paid to the
13 Illinois Thoroughbred Breeders Fund and shall be used for owner
14 awards; a stallion program pursuant to paragraph (3) of
15 subsection (g) of Section 30 of this Act; and Illinois
16 conceived and foaled stakes races pursuant to paragraph (2) of
17 subsection (g) of Section 30 of this Act, as specifically
18 designated by the horsemen's association representing the
19 largest number of owners and trainers who race at the
20 organization licensee's race meetings.

21 Annually, from the purse account of an organization
22 licensee racing thoroughbred horses in Madison County, an
23 amount equal to 10% of the electronic gaming receipts placed
24 into the purse accounts shall be paid to the Illinois
25 Thoroughbred Breeders Fund and shall be used for owner awards;
26 a stallion program pursuant to paragraph (3) of subsection (g)

1 of Section 30 of this Act; and Illinois conceived and foaled
2 stakes races pursuant to paragraph (2) of subsection (g) of
3 Section 30 of this Act, as specifically designated by the
4 horsemen's association representing the largest number of
5 owners and trainers who race at the organization licensee's
6 race meetings.

7 Annually, from the purse account of an organization
8 licensee conducting thoroughbred races at a race track in
9 Madison County, an amount equal to 1% of the electronic gaming
10 receipts distributed to purses per subsection (b) of this
11 Section 56 shall be paid as follows: 0.33 1/3% to Southern
12 Illinois University Department of Animal Sciences for equine
13 research and education, an amount equal to 0.33 1/3% of the
14 electronic gaming receipts shall be used to operate laundry
15 facilities for backstretch workers at that race track, and an
16 amount equal to 0.33 1/3% of the electronic gaming receipts
17 shall be paid to programs to care for injured and unwanted
18 horses that race at that race track.

19 Annually, from the purse account of organization licensees
20 conducting thoroughbred races at race tracks in Cook County,
21 \$100,000 shall be paid for division and equal distribution to
22 the animal sciences department of each Illinois public
23 university system engaged in equine research and education on
24 or before the effective date of this amendatory Act of the 97th
25 General Assembly for equine research and education.

26 (d) Annually, from the purse account of an organization

1 licensee racing standardbred horses, an amount equal to 15% of
2 the electronic gaming receipts placed into that purse account
3 shall be paid to the Illinois Colt Stakes Purse Distribution
4 Fund. Moneys deposited into the Illinois Colt Stakes Purse
5 Distribution Fund shall be used for standardbred racing as
6 authorized in paragraphs 1, 2, 3, 8, 9, 10, and 11 of
7 subsection (g) of Section 31 of this Act and for bonus awards
8 as authorized under paragraph 6 of subsection (j) of Section 31
9 of this Act.

10 (e) As a requirement for continued eligibility to conduct
11 electronic gaming, each organization licensee must promote
12 live racing and horse ownership through marketing and
13 promotional efforts. To meet this requirement, all
14 organization licensees operating at each race track facility
15 must collectively expend the amount of the pari-mutuel tax
16 credit that was certified by the Illinois Racing Board in the
17 prior calendar year pursuant to Section 32.1 of this Act for
18 that race track facility, in addition to the amount that was
19 expended by each organizational licensee for such efforts in
20 calendar year 2009. Such incremental expenditures must be
21 directed to assure that all marketing expenditures, including
22 those for the organization licensee's electronic gaming
23 facility, advertise, market, and promote horse racing or horse
24 ownership. The amount spent by the organization licensee for
25 such marketing and promotional efforts in 2009 shall be
26 certified by the Board no later than 90 days after the

1 effective date of this Section.

2 The Board shall review any amounts expended pursuant to
3 this subsection (e) and shall also include an itemized
4 description of the amount that was expended by each
5 organization licensee pursuant to this subsection (e) in the
6 annual report that the Board is required to submit pursuant to
7 subsection (d) of Section 14 of the Illinois Horse Racing Act
8 of 1975.

9 (f) The Board shall submit a report to the General Assembly
10 on or before December 31, 2013 that examines the feasibility of
11 conducting electronic gaming at a race track located in Rock
12 Island County. At a minimum, this report shall analyze the
13 projected revenues that may be generated, the potential for
14 cannibalization of existing riverboats, casinos, or other
15 electronic gaming facilities, and the potential detriment to
16 the surrounding area and its population. The report shall
17 include the Board's findings together with appropriate
18 recommendations.

19 (Source: 09700SB1849ham002 and ham003.)

20 Section 30. If and only if Senate Bill 1849 of the 97th
21 General Assembly becomes law as amended by House Amendments No.
22 2 and 3, then the Illinois Gambling Act is amended by changing
23 Sections 5, 6, 7, 7.6, 12, and 13 as follows:

24 (230 ILCS 10/5) (from Ch. 120, par. 2405)

1 Sec. 5. Gaming Board.

2 (a) (1) There is hereby established the Illinois Gaming
3 Board, which shall have the powers and duties specified in this
4 Act, and all other powers necessary and proper to fully and
5 effectively execute this Act for the purpose of administering,
6 regulating, and enforcing the system of riverboat and casino
7 gambling and electronic gaming established by this Act. Its
8 jurisdiction shall extend under this Act to every person,
9 association, corporation, partnership and trust involved in
10 riverboat and casino gambling operations and electronic gaming
11 in the State of Illinois.

12 (2) The Board shall consist of 5 members to be appointed by
13 the Governor with the advice and consent of the Senate, one of
14 whom shall be designated by the Governor to be chairperson.
15 Each member shall have a reasonable knowledge of the practice,
16 procedure and principles of gambling operations. Each member
17 shall either be a resident of Illinois or shall certify that he
18 or she will become a resident of Illinois before taking office.

19 The Board must include the following:

20 (A) One member who has received, at a minimum, a
21 bachelor's degree from an accredited school and at least 10
22 years of verifiable training and experience in the fields
23 of investigation and law enforcement.

24 (B) One member who is a certified public accountant
25 with experience in auditing and with knowledge of complex
26 corporate structures and transactions.

1 (C) One member who has 5 years' experience as a
2 principal, senior officer, or director of a company or
3 business with either material responsibility for the daily
4 operations and management of the overall company or
5 business or material responsibility for the policy making
6 of the company or business.

7 (D) One member who is a lawyer licensed to practice law
8 in Illinois.

9 No more than 3 members of the Board may be from the same
10 political party. The Board should reflect the ethnic, cultural,
11 and geographic diversity of the State. No Board member shall,
12 within a period of one year immediately preceding nomination,
13 have been employed or received compensation or fees for
14 services from a person or entity, or its parent or affiliate,
15 that has engaged in business with the Board, a licensee, or a
16 licensee under the Illinois Horse Racing Act of 1975. Board
17 members must publicly disclose all prior affiliations with
18 gaming interests, including any compensation, fees, bonuses,
19 salaries, and other reimbursement received from a person or
20 entity, or its parent or affiliate, that has engaged in
21 business with the Board, a licensee, or a licensee under the
22 Illinois Horse Racing Act of 1975. This disclosure must be made
23 within 30 days after nomination but prior to confirmation by
24 the Senate and must be made available to the members of the
25 Senate.

26 (3) The terms of office of the Board members shall be 3

1 years, except that the terms of office of the initial Board
2 members appointed pursuant to this Act will commence from the
3 effective date of this Act and run as follows: one for a term
4 ending July 1, 1991, 2 for a term ending July 1, 1992, and 2 for
5 a term ending July 1, 1993. Upon the expiration of the
6 foregoing terms, the successors of such members shall serve a
7 term for 3 years and until their successors are appointed and
8 qualified for like terms. Vacancies in the Board shall be
9 filled for the unexpired term in like manner as original
10 appointments. Each member of the Board shall be eligible for
11 reappointment at the discretion of the Governor with the advice
12 and consent of the Senate.

13 (4) Each member of the Board shall receive \$300 for each
14 day the Board meets and for each day the member conducts any
15 hearing pursuant to this Act. Each member of the Board shall
16 also be reimbursed for all actual and necessary expenses and
17 disbursements incurred in the execution of official duties.

18 (5) No person shall be appointed a member of the Board or
19 continue to be a member of the Board who is, or whose spouse,
20 child or parent is, a member of the board of directors of, or a
21 person financially interested in, any gambling operation
22 subject to the jurisdiction of this Board, or any race track,
23 race meeting, racing association or the operations thereof
24 subject to the jurisdiction of the Illinois Racing Board. No
25 Board member shall hold any other public office. No person
26 shall be a member of the Board who is not of good moral

1 character or who has been convicted of, or is under indictment
2 for, a felony under the laws of Illinois or any other state, or
3 the United States.

4 (5.5) No member of the Board shall engage in any political
5 activity. For the purposes of this Section, "political" means
6 any activity in support of or in connection with any campaign
7 for federal, State, or local elective office or any political
8 organization, but does not include activities (i) relating to
9 the support or opposition of any executive, legislative, or
10 administrative action (as those terms are defined in Section 2
11 of the Lobbyist Registration Act), (ii) relating to collective
12 bargaining, or (iii) that are otherwise in furtherance of the
13 person's official State duties or governmental and public
14 service functions.

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

18 (7) Before entering upon the discharge of the duties of his
19 office, each member of the Board shall take an oath that he
20 will faithfully execute the duties of his office according to
21 the laws of the State and the rules and regulations adopted
22 therewith and shall give bond to the State of Illinois,
23 approved by the Governor, in the sum of \$25,000. Every such
24 bond, when duly executed and approved, shall be recorded in the
25 office of the Secretary of State. Whenever the Governor
26 determines that the bond of any member of the Board has become

1 or is likely to become invalid or insufficient, he shall
2 require such member forthwith to renew his bond, which is to be
3 approved by the Governor. Any member of the Board who fails to
4 take oath and give bond within 30 days from the date of his
5 appointment, or who fails to renew his bond within 30 days
6 after it is demanded by the Governor, shall be guilty of
7 neglect of duty and may be removed by the Governor. The cost of
8 any bond given by any member of the Board under this Section
9 shall be taken to be a part of the necessary expenses of the
10 Board.

11 (8) The Board shall employ such personnel as may be
12 necessary to carry out its functions and shall determine the
13 salaries of all personnel, except those personnel whose
14 salaries are determined under the terms of a collective
15 bargaining agreement. No person shall be employed to serve the
16 Board who is, or whose spouse, parent or child is, an official
17 of, or has a financial interest in or financial relation with,
18 any operator engaged in gambling operations within this State
19 or any organization engaged in conducting horse racing within
20 this State. For the one year immediately preceding employment,
21 an employee shall not have been employed or received
22 compensation or fees for services from a person or entity, or
23 its parent or affiliate, that has engaged in business with the
24 Board, a licensee, or a licensee under the Illinois Horse
25 Racing Act of 1975. Any employee violating these prohibitions
26 shall be subject to termination of employment. In addition, all

1 Board members and employees are subject to the restrictions set
2 forth in Section 5-45 of the State Officials and Employees
3 Ethics Act.

4 (9) An Administrator shall perform any and all duties that
5 the Board shall assign him. The salary of the Administrator
6 shall be determined by the Board and, in addition, he shall be
7 reimbursed for all actual and necessary expenses incurred by
8 him in discharge of his official duties. The Administrator
9 shall keep records of all proceedings of the Board and shall
10 preserve all records, books, documents and other papers
11 belonging to the Board or entrusted to its care. The
12 Administrator shall devote his full time to the duties of the
13 office and shall not hold any other office or employment. ~~In~~
14 ~~addition to other prescribed duties, the Administrator shall~~
15 ~~establish a system by which personnel assisting the Board~~
16 ~~regarding the issuance of owners licenses, whether it be~~
17 ~~relocation, re-issuance, or the initial issuance, shall be~~
18 ~~assigned specific duties in each instance, thereby preventing a~~
19 ~~conflict of interest in regards to the decision making process.~~
20 ~~A conflict of interest exists if a situation influences or~~
21 ~~creates the appearance that it may influence judgment or~~
22 ~~performance of duties or responsibilities.~~

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

26 (1) To decide promptly and in reasonable order all

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

13 (2) To conduct all hearings pertaining to civil
14 violations of this Act or rules and regulations promulgated
15 hereunder;

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

21 (4) To provide for the establishment and collection of
22 all license and registration fees and taxes imposed by this
23 Act and the rules and regulations issued pursuant hereto.
24 All such fees and taxes shall be deposited into the State
25 Gaming Fund;

26 (5) To provide for the levy and collection of penalties

1 and fines for the violation of provisions of this Act and
2 the rules and regulations promulgated hereunder. All such
3 fines and penalties shall be deposited into the Education
4 Assistance Fund, created by Public Act 86-0018, of the
5 State of Illinois;

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

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

23 (8) To hold at least one meeting each quarter of the
24 fiscal year. In addition, special meetings may be called by
25 the Chairman or any 2 Board members upon 72 hours written
26 notice to each member. All Board meetings shall be subject

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

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

24 (10) To file a written annual report with the Governor
25 on or before March 1 each year and such additional reports
26 as the Governor may request. The annual report shall

1 include a statement of receipts and disbursements by the
2 Board, actions taken by the Board, and any additional
3 information and recommendations which the Board may deem
4 valuable or which the Governor may request;

5 (11) (Blank);

6 (12) (Blank);

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

9 (13.5) To assume responsibility for the administration
10 and enforcement of operations at electronic gaming
11 facilities pursuant to this Act and the Illinois Horse
12 Racing Act of 1975; and

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

18 ~~Any action by the Board or staff of the Board, including,~~
19 ~~but not limited to, denying a renewal, approving procedures~~
20 ~~(including internal controls), levying a fine or penalty,~~
21 ~~promotions, or other activities affecting an applicant for~~
22 ~~licensure or a licensee, may at the discretion of the applicant~~
23 ~~or licensee be appealed to an administrative law judge in~~
24 ~~accordance with subsection (b) of Section 17.1.~~

25 Internal controls and changes submitted by licensees must
26 be reviewed and either approved or denied ~~with cause~~ within a

1 reasonable time ~~60 days~~ after receipt of a complete package and
2 all necessary information by the Illinois Gaming Board. In the
3 event an internal control submission or change does not meet
4 the standards set by the Board, staff of the Board must provide
5 technical assistance to the licensee to rectify such
6 deficiencies within a reasonable time ~~60 days~~ after the initial
7 submission and the revised submission must be reviewed and
8 approved or denied with cause within a reasonable time ~~60 days~~.
9 ~~For the purposes of this paragraph, "with cause" means that the~~
10 ~~approval of the submission would jeopardize the integrity of~~
11 ~~gaming. In the event the Board staff has not acted within the~~
12 ~~timeframe, the submission shall be deemed approved.~~

13 (c) The Board shall have jurisdiction over and shall
14 supervise all gambling operations governed by this Act and the
15 Chicago Casino Development Authority Act. The Board shall have
16 all powers necessary and proper to fully and effectively
17 execute the provisions of this Act, including, but not limited
18 to, the following:

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

23 (2) To have jurisdiction and supervision over all
24 gambling operations authorized under this Act and all
25 persons in places where gambling operations are conducted.

26 (3) To promulgate rules and regulations for the purpose

1 of administering the provisions of this Act and to
2 prescribe rules, regulations and conditions under which
3 all gambling operations subject to this Act shall be
4 conducted. Such rules and regulations are to provide for
5 the prevention of practices detrimental to the public
6 interest and for the best interests of gambling, including
7 rules and regulations regarding the inspection of
8 electronic gaming facilities, casinos, and riverboats and
9 the review of any permits or licenses necessary to operate
10 a riverboat, casino, or electronic gaming facilities under
11 any laws or regulations applicable to riverboats, casinos,
12 or electronic gaming facilities and to impose penalties for
13 violations thereof.

14 (4) To enter the office, riverboats, casinos,
15 electronic gaming facilities, and other facilities, or
16 other places of business of a licensee, where evidence of
17 the compliance or noncompliance with the provisions of this
18 Act is likely to be found.

19 (5) To investigate alleged violations of this Act or
20 the rules of the Board and to take appropriate disciplinary
21 action against a licensee or a holder of an occupational
22 license for a violation, or institute appropriate legal
23 action for enforcement, or both.

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

1 (7) To adopt appropriate standards for all electronic
2 gaming facilities, riverboats, casinos, and other
3 facilities authorized under this Act.

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

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

24 (10) To prescribe a form to be used by any licensee
25 involved in the ownership or management of gambling
26 operations as an application for employment for their

1 employees.

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

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

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

6 (14) (Blank).

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

18 (16) To hire employees to gather information, conduct
19 investigations and carry out any other tasks contemplated
20 under this Act.

21 (17) To establish minimum levels of insurance to be
22 maintained by licensees.

23 (18) To authorize a licensee to sell or serve alcoholic
24 liquors, wine or beer as defined in the Liquor Control Act
25 of 1934 on board a riverboat or in a casino and to have
26 exclusive authority to establish the hours for sale and

1 consumption of alcoholic liquor on board a riverboat or in
2 a casino, notwithstanding any provision of the Liquor
3 Control Act of 1934 or any local ordinance, and regardless
4 of whether the riverboat makes excursions. The
5 establishment of the hours for sale and consumption of
6 alcoholic liquor on board a riverboat or in a casino is an
7 exclusive power and function of the State. A home rule unit
8 may not establish the hours for sale and consumption of
9 alcoholic liquor on board a riverboat or in a casino. This
10 subdivision (18) is a denial and limitation of home rule
11 powers and functions under subsection (h) of Section 6 of
12 Article VII of the Illinois Constitution.

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

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

22 (20.5) To approve any contract entered into on its
23 behalf.

24 (20.6) To appoint investigators to conduct
25 investigations, searches, seizures, arrests, and other
26 duties imposed under this Act, as deemed necessary by the

1 Board. These investigators have and may exercise all of the
2 rights and powers of peace officers, provided that these
3 powers shall be limited to offenses or violations occurring
4 or committed on a riverboat or dock, as defined in
5 subsections (d) and (f) of Section 4, or as otherwise
6 provided by this Act or any other law.

7 (20.7) To contract with the Department of State Police
8 for the use of trained and qualified State police officers
9 and with the Department of Revenue for the use of trained
10 and qualified Department of Revenue investigators to
11 conduct investigations, searches, seizures, arrests, and
12 other duties imposed under this Act and to exercise all of
13 the rights and powers of peace officers, provided that the
14 powers of Department of Revenue investigators under this
15 subdivision (20.7) shall be limited to offenses or
16 violations occurring or committed on a riverboat or dock,
17 as defined in subsections (d) and (f) of Section 4, or as
18 otherwise provided by this Act or any other law. In the
19 event the Department of State Police or the Department of
20 Revenue is unable to fill contracted police or
21 investigative positions, the Board may appoint
22 investigators to fill those positions pursuant to
23 subdivision (20.6).

24 (21) To make rules concerning the conduct of electronic
25 gaming.

26 (22) To have the same jurisdiction and supervision over

1 casinos and electronic gaming facilities as the Board has
2 over riverboats, including, but not limited to, the power
3 to (i) investigate, review, and approve contracts as that
4 power is applied to riverboats, (ii) promulgate rules and
5 regulations for administering the provisions of this Act,
6 (iii) adopt standards for the licensing of all persons
7 involved with a casino or electronic gaming facility, (iv)
8 investigate alleged violations of this Act by any person
9 involved with a casino or electronic gaming facility, and
10 (v) require that records, including financial or other
11 statements of any casino or electronic gaming facility,
12 shall be kept in such manner as prescribed by the Board.

13 (23) To supervise and regulate the Chicago Casino
14 Development Authority in accordance with the Chicago
15 Casino Development Authority Act and the provisions of this
16 Act.

17 (24) To take any other action as may be reasonable or
18 appropriate to enforce this Act and rules and regulations
19 hereunder.

20 (d) The Board may seek and shall receive the cooperation of
21 the Department of State Police in conducting background
22 investigations of applicants and in fulfilling its
23 responsibilities under this Section. Costs incurred by the
24 Department of State Police as a result of such cooperation
25 shall be paid by the Board in conformance with the requirements
26 of Section 2605-400 of the Department of State Police Law (20

1 ILCS 2605/2605-400).

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

8 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09;
9 96-1000, eff. 7-2-10; 96-1392, eff. 1-1-11;
10 09700SB1849ham002.)

11 (230 ILCS 10/6) (from Ch. 120, par. 2406)

12 Sec. 6. Application for Owners License.

13 (a) A qualified person may apply to the Board for an owners
14 license to conduct a riverboat gambling operation as provided
15 in this Act. The application shall be made on forms provided by
16 the Board and shall contain such information as the Board
17 prescribes, including but not limited to the identity of the
18 riverboat on which such gambling operation is to be conducted,
19 if applicable, and the exact location where such riverboat or
20 casino will be located, a certification that the riverboat will
21 be registered under this Act at all times during which gambling
22 operations are conducted on board, detailed information
23 regarding the ownership and management of the applicant, and
24 detailed personal information regarding the applicant. Any
25 application for an owners license to be re-issued on or after

1 June 1, 2003 shall also include the applicant's license bid in
2 a form prescribed by the Board. Information provided on the
3 application shall be used as a basis for a thorough background
4 investigation which the Board shall conduct with respect to
5 each applicant. An incomplete application shall be cause for
6 denial of a license by the Board.

7 (a-5) In addition to any other information required under
8 this Section, each application for an owners license or license
9 for a casino management contract pursuant to the Authority must
10 include the following information:

11 (1) The history and success of the applicant and each
12 person and entity disclosed under subsection (c) of this
13 Section in developing tourism facilities ancillary to
14 gaming, if applicable.

15 (2) The likelihood that granting a license to the
16 applicant will lead to the creation of quality, living wage
17 jobs and permanent, full-time jobs for residents of the
18 State and residents of the unit of local government that is
19 designated as the home dock of the proposed facility where
20 gambling is to be conducted by the applicant.

21 (3) The projected number of jobs that would be created
22 if the license is granted and the projected number of new
23 employees at the proposed facility where gambling is to be
24 conducted by the applicant.

25 (4) The record of the applicant and its developer in
26 meeting commitments to local agencies, community-based

1 organizations, and employees at other locations where the
2 applicant or its developer has performed similar functions
3 as they would perform if the applicant were granted a
4 license.

5 (5) Identification of adverse effects that might be
6 caused by the proposed facility where gambling is to be
7 conducted by the applicant, including the costs of meeting
8 increased demand for public health care, child care, public
9 transportation, affordable housing, and social services,
10 and a plan to mitigate those adverse effects.

11 (6) The record of the applicant and its developer
12 regarding compliance with:

13 (A) federal, state, and local discrimination, wage
14 and hour, disability, and occupational and
15 environmental health and safety laws; and

16 (B) state and local labor relations and employment
17 laws.

18 (7) The applicant's record in dealing with its
19 employees and their representatives at other locations.

20 (8) A plan concerning the utilization of
21 minority-owned and female-owned businesses and concerning
22 the hiring of minorities and females.

23 (9) Evidence the applicant used its best efforts to
24 reach a goal of 25% ownership representation by minority
25 persons and 5% ownership representation by females.

26 (b) Applicants shall submit with their application all

1 documents, resolutions, and letters of support from the
2 governing body that represents the municipality or county
3 wherein the licensee will be located.

4 (c) Each applicant shall disclose the identity of every
5 person, association, trust or corporation having a greater than
6 1% direct or indirect pecuniary interest in the gambling
7 operation with respect to which the license is sought. If the
8 disclosed entity is a trust, the application shall disclose the
9 names and addresses of the beneficiaries; if a corporation, the
10 names and addresses of all stockholders and directors; if a
11 partnership, the names and addresses of all partners, both
12 general and limited.

13 (d) An application shall be filed and considered in
14 accordance with the rules of the Board. An application fee of
15 \$50,000 shall be paid at the time of filing to defray the costs
16 associated with the background investigation conducted by the
17 Board. If the costs of the investigation exceed \$50,000, the
18 applicant shall pay the additional amount to the Board. If the
19 costs of the investigation are less than \$50,000, the applicant
20 shall receive a refund of the remaining amount. All
21 information, records, interviews, reports, statements,
22 memoranda or other data supplied to or used by the Board in the
23 course of its review or investigation of an application for a
24 license or a renewal under this Act shall be privileged,
25 strictly confidential and shall be used only for the purpose of
26 evaluating an applicant for a license or a renewal. Such

1 information, records, interviews, reports, statements,
2 memoranda or other data shall not be admissible as evidence,
3 nor discoverable in any action of any kind in any court or
4 before any tribunal, board, agency or person, except for any
5 action deemed necessary by the Board.

6 (e) The Board shall charge each applicant a fee set by the
7 Department of State Police to defray the costs associated with
8 the search and classification of fingerprints obtained by the
9 Board with respect to the applicant's application. These fees
10 shall be paid into the State Police Services Fund.

11 (f) The licensed owner shall be the person primarily
12 responsible for the boat or casino itself. Only one gambling
13 operation may be authorized by the Board on any riverboat or in
14 any casino. The applicant must identify the riverboat or
15 premises it intends to use and certify that the riverboat or
16 premises: (1) has the authorized capacity required in this Act;
17 (2) is accessible to disabled persons; and (3) is fully
18 registered and licensed in accordance with any applicable laws.

19 (g) A person who knowingly makes a false statement on an
20 application is guilty of a Class A misdemeanor.

21 (Source: P.A. 96-1392, eff. 1-1-11; 09700SB1849ham002.)

22 (230 ILCS 10/7) (from Ch. 120, par. 2407)

23 Sec. 7. Owners Licenses.

24 (a) The Board shall issue owners licenses to persons, firms
25 or corporations which apply for such licenses upon payment to

1 the Board of the non-refundable license fee set by the Board,
2 upon payment of a \$25,000 license fee for the first year of
3 operation and a \$5,000 license fee for each succeeding year and
4 upon a determination by the Board that the applicant is
5 eligible for an owners license pursuant to this Act and the
6 rules of the Board. From the effective date of this amendatory
7 Act of the 95th General Assembly until (i) 3 years after the
8 effective date of this amendatory Act of the 95th General
9 Assembly, (ii) the date any organization licensee begins to
10 operate a slot machine or video game of chance under the
11 Illinois Horse Racing Act of 1975 or this Act, (iii) the date
12 that payments begin under subsection (c-5) of Section 13 of the
13 Act, (iv) the wagering tax imposed under Section 13 of this Act
14 is increased by law to reflect a tax rate that is at least as
15 stringent or more stringent than the tax rate contained in
16 subsection (a-3) of Section 13, or (v) when an owners licensee
17 holding a license issued pursuant to Section 7.1 of this Act
18 begins conducting gaming, whichever occurs first, as a
19 condition of licensure and as an alternative source of payment
20 for those funds payable under subsection (c-5) of Section 13 of
21 this Act, any owners licensee that holds or receives its owners
22 license on or after the effective date of this amendatory Act
23 of the 94th General Assembly, other than an owners licensee
24 operating a riverboat with adjusted gross receipts in calendar
25 year 2004 of less than \$200,000,000, must pay into the Horse
26 Racing Equity Trust Fund, in addition to any other payments

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

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

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

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

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

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

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

23 (7) (blank); or

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

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

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

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

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

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

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

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

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

1 recruit, train and upgrade minority persons, females, and
2 persons with a disability in all employment
3 classifications;

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

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

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

12 (8) the amount of the applicant's license bid;

13 (9) the extent to which the applicant or the proposed
14 host municipality plans to enter into revenue sharing
15 agreements with communities other than the host
16 municipality and the terms of those agreements; and

17 (10) the extent to which the ownership of an applicant
18 includes the most qualified number of minority persons,
19 females, and persons with a disability.

20 (c) Each owners license shall specify the place where the
21 casino shall operate or the riverboat shall operate and dock.

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

24 (e) In addition to any licenses authorized under subsection
25 (e-5) of this Section, the Board may issue up to 10 licenses
26 authorizing the holders of such licenses to own riverboats. In

1 the application for an owners license, the applicant shall
2 state the dock at which the riverboat is based and the water on
3 which the riverboat will be located. The Board shall issue 5
4 licenses to become effective not earlier than January 1, 1991.
5 Three of such licenses shall authorize riverboat gambling on
6 the Mississippi River, or, with approval by the municipality in
7 which the riverboat was docked on August 7, 2003 and with Board
8 approval, be authorized to relocate to a new location, in a
9 municipality that (1) borders on the Mississippi River or is
10 within 5 miles of the city limits of a municipality that
11 borders on the Mississippi River and (2), on August 7, 2003,
12 had a riverboat conducting riverboat gambling operations
13 pursuant to a license issued under this Act; one of which shall
14 authorize riverboat gambling from a home dock in the city of
15 East St. Louis. One other license shall authorize riverboat
16 gambling on the Illinois River in Tazewell County or, with
17 approval by a municipality in which such riverboat was docked
18 on January 1, 2010 and with Board approval, shall authorize the
19 riverboat to relocate to a new location that is no more than 10
20 miles away from its original location, in a municipality that
21 (1) borders on the Illinois River or is within 5 miles of the
22 city limits of a municipality that borders on the Illinois
23 River and (2) on January 1, 2010, had a riverboat conducting
24 riverboat gambling operations pursuant to a license issued
25 under this Act. The Board shall issue one additional license to
26 become effective not earlier than March 1, 1992, which shall

1 authorize riverboat gambling on the Des Plaines River in Will
2 County. The Board may issue 4 additional licenses to become
3 effective not earlier than March 1, 1992. In determining the
4 water upon which riverboats will operate, the Board shall
5 consider the economic benefit which riverboat gambling confers
6 on the State, and shall seek to assure that all regions of the
7 State share in the economic benefits of riverboat gambling.

8 In granting all licenses, the Board may give favorable
9 consideration to economically depressed areas of the State, to
10 applicants presenting plans which provide for significant
11 economic development over a large geographic area, and to
12 applicants who currently operate non-gambling riverboats in
13 Illinois. The Board shall review all applications for owners
14 licenses, and shall inform each applicant of the Board's
15 decision. The Board may grant an owners license to an applicant
16 that has not submitted the highest license bid, but if it does
17 not select the highest bidder, the Board shall issue a written
18 decision explaining why another applicant was selected and
19 identifying the factors set forth in this Section that favored
20 the winning bidder.

21 (e-5) In addition to licenses authorized under subsection
22 (e) of this Section, the Board may issue the following
23 licenses:

24 (1) One owners license authorizing the conduct of
25 casino gambling in the City of Chicago.

26 (2) One owners license authorizing the conduct of

1 riverboat gambling in the City of Danville.

2 (3) One owners license authorizing the conduct of
3 riverboat gambling located in the City of Park City.

4 (4) One owners license authorizing the conduct of
5 riverboat gambling in the City of Rockford.

6 (5) One owners license authorizing the conduct of
7 riverboat gambling in a municipality that is located in one
8 of the following townships of Cook County: Bloom, Bremen,
9 Calumet, Rich, Thornton, or Worth Township.

10 (e-6) The Board shall consider issuing a license pursuant
11 to subsection (e-5) only after the corporate authority of the
12 municipality in which the casino or riverboat shall be located
13 has certified to the Board the following:

14 (1) that the applicant was chosen through a competitive
15 selection process that was open to the public;

16 (2) ~~(1)~~ that the applicant has negotiated with the
17 corporate authority in good faith;

18 (3) ~~(2)~~ that the applicant and the corporate authority
19 have mutually agreed on the permanent location of the
20 casino or riverboat;

21 (4) ~~(3)~~ that the applicant and the corporate authority
22 have mutually agreed on the temporary location of the
23 casino or riverboat;

24 (5) ~~(4)~~ that the applicant and the corporate authority
25 have mutually agreed on the percentage of revenues that
26 will be shared with the municipality, if any; and

1 (6) ~~(5)~~ that the applicant and the corporate authority
2 have mutually agreed on any zoning, licensing, public
3 health, or other issues that are within the jurisdiction of
4 the municipality.

5 At least 7 days before the corporate authority of a
6 municipality submits a certification to the Board concerning
7 items (1) through (6) of this subsection, it shall hold a
8 public hearing to discuss items (1) through (6), as well as any
9 other details concerning the proposed riverboat or casino in
10 the municipality. The corporate authority must subsequently
11 memorialize the details concerning the proposed riverboat or
12 casino in a resolution that must be adopted by a majority of
13 the corporate authority before any certification is sent to the
14 Board. The Board shall not alter, amend, change, or otherwise
15 interfere with any agreement between the applicant and the
16 corporate authority of the municipality regarding the location
17 of any temporary or permanent facility.

18 (e-10) The licenses authorized under subsection (e-5) of
19 this Section shall be issued within a reasonable time ~~12 months~~
20 after the date the license application is submitted. ~~If the~~
21 ~~Board does not issue the licenses within that time period, then~~
22 ~~the Board shall give a written explanation to the applicant as~~
23 ~~to why it has not reached a determination. The Board shall~~
24 ~~issue the license within 6 months after giving the written~~
25 ~~explanation to the applicant.~~ The fee for the issuance or
26 renewal of a license issued pursuant to this subsection (e-10)

1 shall be \$100,000. Additionally, a licensee located outside of
2 Cook County shall pay a minimum initial fee of \$12,500 per
3 gaming position, and a licensee located in Cook County shall
4 pay a minimum initial fee of \$25,000 per gaming position. The
5 initial fees payable under this subsection (e-10) shall be
6 deposited into the Gaming Facilities Fee Revenue Fund.

7 (e-15) Each licensee of a license authorized under
8 subsection (e-5) of this Section shall make a reconciliation
9 payment 4 years after the date the licensee begins operating in
10 an amount equal to 75% of the adjusted gross receipts for the
11 most lucrative 12-month period of operations, minus an amount
12 equal to the initial \$12,500, \$25,000, or any higher initial
13 payment per gaming position, whichever was the initial amount
14 paid by the specific licensee. If this calculation results in a
15 negative amount, then the licensee is not entitled to any
16 reimbursement of fees previously paid. This reconciliation
17 payment may be made in installments over a period of no more
18 than 2 years, subject to Board approval. Any installment
19 payments shall include an annual market interest rate as
20 determined by the Board. All payments by licensees under this
21 subsection (e-15) shall be deposited into the Gaming Facilities
22 Fee Revenue Fund.

23 (e-20) In addition to any other revocation powers granted
24 to the Board under this Act, the Board may revoke the owners
25 license of a licensee which fails to begin conducting gambling
26 within 15 months of receipt of the Board's approval of the

1 application if the Board determines that license revocation is
2 in the best interests of the State.

3 (e-25) The provisions of this subsection (e-25) apply only
4 to an owners licensee of a license issued or re-issued pursuant
5 to Section 7.1 of this Act. The owners licensee shall pay (i) a
6 \$100,000 fee for the issuance or renewal of its license and
7 (ii) an initial fee of \$25,000 per gaming position in place of,
8 and not in addition to, the initial fee required under
9 subsection (h) of this Section. Additionally, the owners
10 licensee shall make a reconciliation payment on July 1, 2016 in
11 an amount equal to 75% of the average annual adjusted gross
12 receipts, minus an amount equal to the \$25,000 initial payment
13 per gaming position. If this calculation results in a negative
14 amount, then the owners licensee is not entitled to any
15 reimbursement of fees previously paid. This reconciliation
16 payment may be made in installments over a period of no more
17 than 2 years, subject to Board approval. Any installment
18 payments shall include an annual market interest rate as
19 determined by the Board. All payments by licensees under this
20 subsection (e-25) shall be deposited into the Gaming Facilities
21 Fee Revenue Fund. For any payments required under this Section
22 7, the owners licensee shall receive (i) a credit for any
23 amounts that the owners licensee has paid to the State or the
24 Board or their agents prior to November 1, 2010 for
25 consultants, licensing fees, up-front fees, or other items and
26 (ii) a credit for the payments that the unit of local

1 government has pledged to remit to the State, which shall be
2 equal to the present value of such payments as determined by
3 the Board in its decision dated January 14, 2009. An owners
4 licensee subject to this subsection (e-25) shall only pay the
5 initial fees required pursuant to this subsection and shall not
6 have to pay any initial fees or payments that were ordered by
7 the Board prior to November 1, 2010. However, any payments that
8 have been made by an owners licensee subject to this subsection
9 (e-25) to the State or to the Board or their agents shall
10 remain with the State and the owners licensee shall receive a
11 credit as specified in this subsection (e-25).

12 In the event the owners licensee has made payments on or
13 after November 1, 2010 but prior to the effective date of this
14 amendatory Act of the 97th General Assembly to the State or the
15 Board or their agents towards the amount it bid during the
16 selection process to receive its owners license, then such
17 payments shall be refunded to the owners licensee. The refund
18 shall be in the form of a credit, which shall offset taxes due
19 under Section 12 and Section 13 in the amount of such prior
20 payments to the State or the Board or their agents as such
21 taxes under Section 12 and Section 13 become due, and which
22 credit shall be in addition to any other credit granted in this
23 subsection (e-25) and elsewhere in the Illinois Gambling Act.
24 If any credit granted in this subsection (e-25) is not fully
25 utilized in any given year, then the remainder shall be carried
26 forward to subsequent years until such credit has been fully

1 utilized. Consistent with the provisions contained in this
2 subsection (e-25), the owners licensee shall be treated as
3 having paid the amount of taxes due under Sections 12 and 13
4 without reduction for the credit granted in this subsection
5 (e-25), and the amount of such credit shall be considered a
6 refund of the owners licensee bid amount as such credit is
7 utilized.

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

14 (g) Upon the termination, expiration, or revocation of each
15 of the first 10 licenses, which shall be issued for a 3 year
16 period, all licenses are renewable annually upon payment of the
17 fee and a determination by the Board that the licensee
18 continues to meet all of the requirements of this Act and the
19 Board's rules. However, for licenses renewed on or after May 1,
20 1998, including casino operator licenses, renewal shall be for
21 a period of 4 years, unless the Board sets a shorter period.
22 Notwithstanding any provision in this subsection (g) to the
23 contrary, any license that is awarded to the Chicago Casino
24 Development Authority shall not expire, but it shall be subject
25 to the provisions of this Act and the rules of the Board,
26 provided, however, that nothing in this Act or in the Chicago

1 Casino Development Authority Act shall limit the authority of
2 the Board granted to it by Section 5 of this Act to take any
3 action necessary to protect the credibility and integrity of
4 gambling operations in this State, including, but not limited
5 to, the authority to revoke any license, including that awarded
6 to the Chicago Casino Development Authority, and to suspend any
7 license, including that awarded to the Chicago Casino
8 Development Authority, for just cause and until such time as
9 the event or events that precipitated the Board's action have
10 been addressed to the satisfaction of the Board.

11 (h) An owners license, except for an owners license issued
12 under subsection (e-5) of this Section, shall entitle the
13 licensee to own up to 2 riverboats.

14 An owners licensee of a casino or riverboat that is located
15 in the City of Chicago pursuant to subsection (e-5) of this
16 Section shall limit the number of gaming positions to 4,000 for
17 such owners. All other owners licensees shall limit the number
18 of gaming positions to 1,600 for any such owners license,
19 except as further provided in subsection (h-10) of this
20 Section. The initial fee for each gaming position obtained on
21 or after the effective date of this amendatory Act of the 97th
22 General Assembly shall be a minimum of \$12,500 for licensees
23 not located in Cook County and a minimum of \$25,000 for
24 licensees located in Cook County, in addition to the
25 reconciliation payment, as set forth in subsections (e-15),
26 (e-25), or (h-5) of this Section.

1 A licensee may operate both of its riverboats concurrently,
2 provided that the total number of gaming positions on both
3 riverboats does not exceed the limit established pursuant to
4 this subsection and subsection (h-10) of this Section .
5 Riverboats licensed to operate on the Mississippi River and the
6 Illinois River south of Marshall County shall have an
7 authorized capacity of at least 500 persons. Any other
8 riverboat licensed under this Act shall have an authorized
9 capacity of at least 400 persons.

10 (h-5) An owners licensee who conducted gambling operations
11 prior to January 1, 2011 and purchases positions under
12 subsection (h) of this Section on or after the effective date
13 of this amendatory Act of the 97th General Assembly must pay an
14 initial fee of \$12,500 per gaming position if the licensee is
15 located outside Cook County and an initial fee of \$25,000 per
16 gaming position if the licensee is located in Cook County, as
17 stated in subsection (h) of this Section. These initial fees
18 shall be deposited into the Gaming Facilities Fee Revenue Fund.
19 Additionally, that owners licensee shall make a reconciliation
20 payment 4 years after any additional gaming positions
21 authorized by subsection (h) begin operating in an amount equal
22 to 75% of the owners licensee's average gross receipts for the
23 most lucrative 12-month period of operations minus an amount
24 equal to \$12,500 or \$25,000 that the owners licensee paid per
25 additional gaming position. For purposes of this subsection
26 (h-5), "average gross receipts" means (i) the increase in

1 adjusted gross receipts for the most lucrative 12-month period
2 of operations over the adjusted gross receipts for 2011,
3 multiplied by (ii) the percentage derived by dividing the
4 number of additional gaming positions that an owners licensee
5 had purchased pursuant to subsection (h) by the total number of
6 gaming positions operated by the owners licensee. If this
7 calculation results in a negative amount, then the owners
8 licensee is not entitled to any reimbursement of fees
9 previously paid. This reconciliation payment may be made in
10 installments over a period of no more than 2 years, subject to
11 Board approval. Any installment payments shall include an
12 annual market interest rate as determined by the Board. These
13 reconciliation payments shall be deposited into the Gaming
14 Facilities Fee Revenue Fund.

15 (h-10) All owners licensees in operation prior to the
16 effective date of this amendatory Act of the 97th General
17 Assembly shall have 90 days after such effective date to
18 reserve up to 1,600 gaming positions, including gaming
19 positions in operation prior to such effective date. Any
20 positions that are not reserved by a licensed owner within 90
21 days after such effective date shall be forfeited and retained
22 by the Board. The initial fee for each gaming position imposed
23 by subsection (h) of this Section shall be payable within 90
24 days after the Board publishes the number of gaming positions
25 reserved by each existing owners licensee and the total
26 unreserved gaming positions. Any positions that have been

1 reserved, but for which payment has not been received, shall be
2 forfeited and retained by the Board. Nothing in this paragraph
3 shall prevent an owners licensee from immediately having up to
4 1,600 gaming positions in operation on the effective date of
5 this amendatory Act of the 97th General Assembly upon receipt
6 of the required payment for the gaming positions.

7 Thereafter, the Board shall publish the number of gaming
8 positions reserved and unreserved by each owners licensee,
9 shall accept requests for additional gaming positions from any
10 owners licensee which initially reserved 1,600 gaming
11 positions, and shall allocate expeditiously the unreserved
12 gaming positions to such requesting owners licensees in a
13 manner to maximize revenue to the State. All positions obtained
14 pursuant to this process must be in operation within 18 months
15 after they were obtained or the owners licensee forfeits the
16 right to operate those positions, but is not entitled to a
17 refund of any fees paid. The Board may, after holding a public
18 hearing, grant extensions so long as a licensed owner is
19 working in good faith to make the positions operational. The
20 extension may be for a period of 6 months. If, after the period
21 of the extension, a licensed owner has not made the positions
22 operational, then another public hearing must be held by the
23 Board before it may grant another extension.

24 For owners licensees not in operation prior to the
25 effective date of this amendatory Act of the 97th General
26 Assembly, and authorized under subsections (e-5)(2) through

1 (e-5) (5) of this Section, the application for such new owners
2 licenses shall ask the applicants to stipulate in their
3 applications the number of gaming positions each applicant
4 would like to reserve, up to 1,600 gaming positions. Once the
5 last winning applicant for each of these owners licenses has
6 been selected by the Board, the Board shall publish the number
7 of gaming positions reserved and unreserved by each winning
8 applicant, shall accept requests for additional gaming
9 positions from any applicant which initially reserved 1,600
10 gaming positions, and shall allocate expeditiously the
11 unreserved gaming positions to such requesting applicants in a
12 manner to maximize revenue to the State.

13 In the event that not all of the unreserved gaming
14 positions described in the first and second paragraphs of this
15 subsection (h-10) were requested by owners licensees and
16 applicants, then until there are no longer unreserved gaming
17 positions, the Board periodically shall govern a process to
18 allocate the unreserved gaming positions in a manner to
19 maximize revenue to the State.

20 Unreserved gaming positions retained from and allocated to
21 owners licensees by the Board pursuant to this subsection
22 (h-10) shall not be allocated to electronic gaming licensees
23 pursuant to subsection (e) of Section 7.6 of this Act.

24 For the purpose of this subsection (h-10), the unreserved
25 gaming positions for each existing owners licensee shall be
26 1,600 less the greater of (i) 1,200; or (ii) the number of

1 reserved gaming positions by such owners licensee, and the
2 total unreserved gaming positions shall be the aggregate of the
3 unreserved gaming positions for all existing owners licensees.

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

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

25 (k) An owners licensee may conduct land-based gambling
26 operations upon approval by the Board.

1 (1) An owners licensee may, upon approval by the Board,
2 conduct gaming at a temporary facility pending the construction
3 of a permanent facility or the remodeling or relocation of an
4 existing facility to accommodate gaming participants for up to
5 24 months after the temporary facility begins to conduct
6 gaming. Upon request by an owners licensee and upon a showing
7 of good cause by the owners licensee, the Board shall extend
8 the period during which the licensee may conduct gaming at a
9 temporary facility by up to 12 months. The Board shall make
10 rules concerning the conduct of gaming from temporary
11 facilities.

12 (Source: P.A. 95-1008, eff. 12-15-08; 96-1392, eff. 1-1-11;
13 09700SB1849ham002 and ham003.)

14 (230 ILCS 10/7.6)

15 Sec. 7.6. Electronic gaming.

16 (a) The General Assembly finds that the horse racing and
17 riverboat gambling industries share many similarities and
18 collectively comprise the bulk of the State's gaming industry.
19 One feature common to both industries is that each is highly
20 regulated by the State of Illinois. The General Assembly
21 further finds, however, that despite their shared features each
22 industry is distinct from the other in that horse racing is and
23 continues to be intimately tied to Illinois' agricultural
24 economy and is, at its core, a spectator sport. This
25 distinction requires the General Assembly to utilize different

1 methods to regulate and promote the horse racing industry
2 throughout the State. The General Assembly finds that in order
3 to promote live horse racing as a spectator sport in Illinois
4 and the agricultural economy of this State, it is necessary to
5 allow electronic gaming at Illinois race tracks as an ancillary
6 use given the success of other states in increasing live racing
7 purse accounts and improving the quality of horses
8 participating in horse race meetings.

9 (b) The Illinois Gaming Board shall award one electronic
10 gaming license to each person, firm, or corporation having
11 operating control of a race track that applies under Section 56
12 of the Illinois Horse Racing Act of 1975, subject to the
13 application and eligibility requirements of this Section.
14 Within 60 days after the effective date of this amendatory Act
15 of the 97th General Assembly, a person, firm, or corporation
16 having operating control of a race track may submit an
17 application for an electronic gaming license. The application
18 shall specify the number of gaming positions the applicant
19 intends to use and the place where the electronic gaming
20 facility will operate.

21 The Board shall determine ~~within 120 days after receiving~~
22 ~~an application for an electronic gaming license,~~ whether to
23 grant an electronic gaming license to the applicant within a
24 reasonable time. ~~If the Board does not make a determination~~
25 ~~within that time period, then the Board shall give a written~~
26 ~~explanation to the applicant as to why it has not reached a~~

1 ~~determination and when it reasonably expects to make a~~
2 ~~determination.~~

3 The electronic gaming licensee shall purchase up to the
4 amount of electronic gaming positions authorized under this Act
5 within 120 days after receiving its electronic gaming license.
6 If an electronic gaming licensee is prepared to purchase the
7 electronic gaming positions, but is temporarily prohibited
8 from doing so by order of a court of competent jurisdiction or
9 the Board, then the 120-day period is tolled until a resolution
10 is reached.

11 An electronic gaming license shall authorize its holder to
12 conduct electronic gaming at its race track at the following
13 times:

14 (1) On days when it conducts live racing at the track
15 where its electronic gaming facility is located, from 8:00
16 a.m. until 3:00 a.m. on the following day.

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

20 Additionally, the Board may extend these days of operation
21 and hours upon request by an organization licensee as the Board
22 sees fit.

23 A license to conduct electronic gaming and any renewal of
24 an electronic gaming license shall authorize electronic gaming
25 for a period of 4 years. The fee for the issuance or renewal of
26 an electronic gaming license shall be \$100,000.

1 (c) To be eligible to conduct electronic gaming, a person,
2 firm, or corporation having operating control of a race track
3 must (i) obtain an electronic gaming license, (ii) hold an
4 organization license under the Illinois Horse Racing Act of
5 1975, (iii) hold an inter-track wagering license, (iv) pay an
6 initial fee of \$25,000 per gaming position from electronic
7 gaming licensees where electronic gaming is conducted in Cook
8 County and \$12,500 for electronic gaming licensees where
9 electronic gaming is located outside of Cook County before
10 beginning to conduct electronic gaming plus make the
11 reconciliation payment required under subsection (i), (v)
12 conduct at least 240 live races at each track per year or for a
13 licensee that is only authorized 350 gaming positions pursuant
14 to subsection (d) of Section 7.6 of this Act, 96 live races per
15 year until such time as the total number of gaming positions is
16 increased to 900, (vi) meet the requirements of subsection (a)
17 of Section 56 of the Illinois Horse Racing Act of 1975, (vii)
18 for organization licensees conducting standardbred race
19 meetings that had an open backstretch in 2009, keep backstretch
20 barns and dormitories open and operational year-round unless a
21 lesser schedule is mutually agreed to by the organization
22 licensee and the horsemen's association racing at that
23 organization licensee's race meeting, (viii) for organization
24 licensees conducting thoroughbred race meetings, the
25 organization licensee must maintain accident medical expense
26 liability insurance coverage of \$1,000,000 for jockeys, and

1 (ix) meet all other requirements of this Act that apply to
2 owners licensees. Only those persons, firms, or corporations
3 (or its successors or assigns) that had operating control of a
4 race track and held an inter-track wagering license authorized
5 by the Illinois Racing Board in 2009 are eligible.

6 An electronic gaming licensee may enter into a joint
7 venture with a licensed owner to own, manage, conduct, or
8 otherwise operate the electronic gaming licensee's electronic
9 gaming facilities, unless the electronic gaming licensee has a
10 parent company or other affiliated company that is, directly or
11 indirectly, wholly owned by a parent company that is also
12 licensed to conduct electronic gaming, casino gaming, or their
13 equivalent in another state.

14 All payments by licensees under this subsection (c) shall
15 be deposited into the Gaming Facilities Fee Revenue Fund.

16 (d) The Board may approve electronic gaming positions
17 statewide as provided in this Section. The authority to operate
18 electronic gaming positions under this Section shall be
19 allocated as follows: up to 1,200 gaming positions for any
20 electronic gaming licensee in Cook County whose electronic
21 gaming license originates with an organization licensee that
22 conducted live racing in calendar year 2010; up to 900 gaming
23 positions for any electronic gaming licensee outside of Cook
24 County whose electronic gaming license originates with an
25 organization licensee that conducted live racing in calendar
26 year 2010; and, beginning on January 1, 2015, up to 350 gaming

1 positions for any electronic gaming licensee whose electronic
2 gaming license originates with an organization licensee that
3 did not conduct live racing in calendar year 2010, which shall
4 increase to 900 gaming positions (i) if the electronic gaming
5 licensee conducted 96 live races in the previous calendar year
6 or (ii) beginning on January 1, 2017 ~~2015~~, whichever occurs
7 first, provided that the Board issues a report that recommends
8 conducting electronic gaming at a race track in Rock Island
9 County.

10 (e) Each applicant for an electronic gaming license shall
11 specify in its application for licensure the number of gaming
12 positions it will operate, up to the applicable limitation set
13 forth in subsection (d) of this Section. Any unreserved gaming
14 positions that are not specified shall be forfeited and
15 retained by the Board. For the purposes of this subsection (e),
16 an electronic gaming licensee that did not conduct live racing
17 in 2010 may reserve up to 900 positions and shall not be
18 penalized under this Section for not operating those positions
19 until it meets the requirements of subsection (d) of this
20 Section, but such licensee shall not request unreserved gaming
21 positions under this subsection (e) until its 900 positions are
22 all operational.

23 Thereafter, the Board shall offer any unreserved gaming
24 positions in equal amounts to electronic gaming licensees, or
25 applicants therefor, that have purchased all of the positions
26 that were offered. This process shall continue until all

1 unreserved gaming positions have been purchased. All positions
2 obtained pursuant to this process and all positions the
3 electronic gaming licensee specified it would operate in its
4 application must be in operation within 18 months after they
5 were obtained or the electronic gaming licensee forfeits the
6 right to operate those positions, but is not entitled to a
7 refund of any fees paid. The Board may, after holding a public
8 hearing, grant extensions so long as the electronic gaming
9 licensee is working in good faith to make the positions
10 operational. The extension may be for a period of 6 months. If,
11 after the period of the extension, the electronic gaming
12 licensee has not made the positions operational, then another
13 public hearing must be held by the Board before it may grant
14 another extension.

15 Unreserved gaming positions retained from and allocated to
16 electronic gaming licensees by the Board pursuant to this
17 subsection (e) shall not be allocated to owners licensees
18 pursuant to subsection (h-10) of Section 7 of this Act.

19 For the purpose of this subsection (e), the unreserved
20 gaming positions for each electronic gaming licensee shall be
21 the applicable limitation set forth in subsection (d) of this
22 Section, less the number of reserved gaming positions by such
23 electronic gaming licensee, and the total unreserved gaming
24 positions shall be the aggregate of the unreserved gaming
25 positions for all electronic gaming licensees.

26 (f) Subject to the approval of the Illinois Gaming Board,

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

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

1 Electronic gaming may take place in existing structures
2 where inter-track wagering is conducted at the race track or a
3 facility within 300 yards of the race track in accordance with
4 the provisions of this Act and the Illinois Horse Racing Act of
5 1975. Any electronic gaming conducted at a permanent facility
6 within 300 yards of the race track in accordance with this Act
7 and the Illinois Horse Racing Act of 1975 shall have an
8 all-weather egress connecting the electronic gaming facility
9 and the race track facility or, on days and hours of live
10 racing, a complimentary shuttle service between the permanent
11 electronic gaming facility and the race track facility and
12 shall not charge electronic gaming participants an additional
13 admission fee to the race track facility.

14 (h) The Illinois Gaming Board must adopt emergency rules in
15 accordance with Section 5-45 of the Illinois Administrative
16 Procedure Act as necessary to ensure compliance with the
17 provisions of this amendatory Act of the 97th General Assembly
18 concerning electronic gaming. The adoption of emergency rules
19 authorized by this subsection (h) shall be deemed to be
20 necessary for the public interest, safety, and welfare.

21 (i) Each electronic gaming licensee who obtains electronic
22 gaming positions must make a reconciliation payment 4 years
23 after the date the electronic gaming licensee begins operating
24 the positions in an amount equal to 75% of the difference
25 between its adjusted gross receipts from electronic gaming and
26 amounts paid to its purse accounts pursuant to item (1) of

1 subsection (b) of Section 56 of the Illinois House Racing Act
2 of 1975 for the 12-month period for which such difference was
3 the largest, minus an amount equal to the initial \$25,000 or
4 \$12,500 per electronic gaming position initial payment. If this
5 calculation results in a negative amount, then the electronic
6 gaming licensee is not entitled to any reimbursement of fees
7 previously paid. This reconciliation payment may be made in
8 installments over a period of no more than 2 years, subject to
9 Board approval. Any installment payments shall include an
10 annual market interest rate as determined by the Board.

11 All payments by licensees under this subsection (i) shall
12 be deposited into the Gaming Facilities Fee Revenue Fund.

13 (j) As soon as practical after a request is made by the
14 Illinois Gaming Board, to minimize duplicate submissions by the
15 applicant, the Illinois Racing Board must provide information
16 on an applicant for an electronic gaming license to the
17 Illinois Gaming Board.

18 (k) Subject to the approval of the Illinois Gaming Board,
19 an organization licensee that has received an electronic gaming
20 license under this Act and has operating control of a race
21 track facility located in Cook County may relocate its race
22 track facility as follows:

- 23 (1) the organization licensee may relocate within a
24 3-mile radius of its existing race track facility so long
25 as the organization licensee remains in Cook County and
26 submits its plan to construct a new structure to conduct

1 electronic gaming operations; and

2 (2) the organization licensee may not relocate within a
3 5-mile radius of a riverboat if the owners license was
4 issued prior to December 31, 2011.

5 The relocation must include the race track facility, including
6 the race track operations used to conduct live racing and the
7 electronic gaming facility in its entirety. For the purposes of
8 this subsection (k), "race track facility" means all operations
9 conducted on the race track property for which it was awarded a
10 license for pari-mutuel wagering and live racing in the year
11 2010, except for the real estate itself. The Illinois Gaming
12 Board shall make its decision after consulting with the
13 Illinois Racing Board, and any relocation application shall be
14 subject to all of the provisions of this Act and the Illinois
15 Horse Racing Act of 1975.

16 (Source: 09700SB1849ham002 and ham003.)

17 (230 ILCS 10/12) (from Ch. 120, par. 2412)

18 Sec. 12. Admission tax; fees.

19 (a) A tax is hereby imposed upon admissions to riverboat
20 and casino gambling facilities operated by licensed owners
21 authorized pursuant to this Act. Until July 1, 2002, the rate
22 is \$2 per person admitted. From July 1, 2002 until July 1,
23 2003, the rate is \$3 per person admitted. From July 1, 2003
24 until August 23, 2005 (the effective date of Public Act
25 94-673), for a licensee that admitted 1,000,000 persons or

1 fewer in the previous calendar year, the rate is \$3 per person
2 admitted; for a licensee that admitted more than 1,000,000 but
3 no more than 2,300,000 persons in the previous calendar year,
4 the rate is \$4 per person admitted; and for a licensee that
5 admitted more than 2,300,000 persons in the previous calendar
6 year, the rate is \$5 per person admitted. Beginning on August
7 23, 2005 (the effective date of Public Act 94-673), for a
8 licensee that admitted 1,000,000 persons or fewer in calendar
9 year 2004, the rate is \$2 per person admitted, and for all
10 other licensees, including licensees that were not conducting
11 gambling operations in 2004, the rate is \$3 per person
12 admitted. This admission tax is imposed upon the licensed owner
13 conducting gambling.

14 (1) The admission tax shall be paid for each admission,
15 except that a person who exits a riverboat gambling
16 facility and reenters that riverboat gambling facility
17 within the same gaming day shall be subject only to the
18 initial admission tax.

19 (2) (Blank).

20 (3) The riverboat licensee may issue tax-free passes to
21 actual and necessary officials and employees of the
22 licensee or other persons actually working on the
23 riverboat.

24 (4) The number and issuance of tax-free passes is
25 subject to the rules of the Board, and a list of all
26 persons to whom the tax-free passes are issued shall be

1 filed with the Board.

2 (a-5) A fee is hereby imposed upon admissions operated by
3 licensed managers on behalf of the State pursuant to Section
4 7.3 at the rates provided in this subsection (a-5). For a
5 licensee that admitted 1,000,000 persons or fewer in the
6 previous calendar year, the rate is \$3 per person admitted; for
7 a licensee that admitted more than 1,000,000 but no more than
8 2,300,000 persons in the previous calendar year, the rate is \$4
9 per person admitted; and for a licensee that admitted more than
10 2,300,000 persons in the previous calendar year, the rate is \$5
11 per person admitted.

12 (1) The admission fee shall be paid for each admission.

13 (2) (Blank).

14 (3) The licensed manager may issue fee-free passes to
15 actual and necessary officials and employees of the manager
16 or other persons actually working on the riverboat.

17 (4) The number and issuance of fee-free passes is
18 subject to the rules of the Board, and a list of all
19 persons to whom the fee-free passes are issued shall be
20 filed with the Board.

21 (b) From the tax imposed under subsection (a) and the fee
22 imposed under subsection (a-5), a municipality that is not
23 located in Lake County shall receive from the State \$1 for each
24 person embarking on a riverboat docked within the municipality
25 or entering a casino located within the municipality, and a
26 county shall receive \$1 for each person entering a casino or

1 embarking on a riverboat docked within the county but outside
2 the boundaries of any municipality. From the tax imposed under
3 subsection (a) and the fee imposed under subsection (a-5), a
4 municipality located in Lake County shall receive from the
5 State \$0.50 for each person embarking on a riverboat docked
6 within the municipality or entering a casino located within the
7 municipality and the City of Waukegan shall receive from the
8 State \$0.50 for each person embarking on a riverboat docked
9 within a municipality in Lake County or entering a casino
10 located within a municipality in Lake County. The
11 municipality's or county's share shall be collected by the
12 Board on behalf of the State and remitted quarterly by the
13 State, subject to appropriation, to the treasurer of the unit
14 of local government for deposit in the general fund.

15 (c) The licensed owner shall pay the entire admission tax
16 to the Board and the licensed manager or the casino operator
17 licensee shall pay the entire admission fee to the Board. Such
18 payments shall be made daily. Accompanying each payment shall
19 be a return on forms provided by the Board which shall include
20 other information regarding admissions as the Board may
21 require. Failure to submit either the payment or the return
22 within the specified time may result in suspension or
23 revocation of the owners or managers license.

24 (c-5) A tax is imposed on admissions to electronic gaming
25 facilities at the rate of \$3 per person admitted by an
26 electronic gaming licensee. The tax is imposed upon the

1 electronic gaming licensee.

2 (1) The admission tax shall be paid for each admission,
3 except that a person who exits an electronic gaming
4 facility and reenters that electronic gaming facility
5 within the same gaming day, as the term "gaming day" is
6 defined by the Board by rule, shall be subject only to the
7 initial admission tax. The Board shall establish, by rule,
8 a procedure to determine whether a person admitted to an
9 electronic gaming facility has paid the admission tax.

10 (2) An electronic gaming licensee may issue tax-free
11 passes to actual and necessary officials and employees of
12 the licensee and other persons associated with electronic
13 gaming operations.

14 (3) The number and issuance of tax-free passes is
15 subject to the rules of the Board, and a list of all
16 persons to whom the tax-free passes are issued shall be
17 filed with the Board.

18 (4) The electronic gaming licensee shall pay the entire
19 admission tax to the Board.

20 Such payments shall be made daily. Accompanying each
21 payment shall be a return on forms provided by the Board, which
22 shall include other information regarding admission as the
23 Board may require. Failure to submit either the payment or the
24 return within the specified time may result in suspension or
25 revocation of the electronic gaming license.

26 From the tax imposed under this subsection (c-5), a

1 municipality other than the Village of Stickney or the City of
2 Collinsville in which an electronic gaming facility is located,
3 or if the electronic gaming facility is not located within a
4 municipality, then the county in which the electronic gaming
5 facility is located, except as otherwise provided in this
6 Section, shall receive, subject to appropriation, \$1 for each
7 person who enters the electronic gaming facility. For each
8 admission to the electronic gaming facility in excess of
9 1,500,000 in a year, from the tax imposed under this subsection
10 (c-5), the county in which the electronic gaming facility is
11 located shall receive, subject to appropriation, \$0.30, which
12 shall be in addition to any other moneys paid to the county
13 under this Section.

14 From the tax imposed under this subsection (c-5) on an
15 electronic gaming facility located in the Village of Stickney,
16 \$1 for each person who enters the electronic gaming facility
17 shall be distributed as follows, subject to appropriation:
18 \$0.25 to the Village of Stickney, \$.50 to the Town of Cicero,
19 \$0.05 to the City of Berwyn, and \$0.20 to the Stickney Public
20 Health District.

21 From the tax imposed under this subsection (c-5) on an
22 electronic gaming facility located in the City of Collinsville,
23 \$1 for each person who enters the electronic gaming facility
24 shall be distributed as follows, subject to appropriation:
25 \$0.45 to the City of Alton, \$0.45 to the City of East St.
26 Louis, and \$0.10 to the City of Collinsville.

1 From the tax imposed under this subsection (c-5) on an
2 electronic gaming facility that is located in an unincorporated
3 area of Cook County and has been awarded standardbred racing
4 dates during 2011 by the Illinois Racing Board, \$1 for each
5 person who enters the electronic gaming facility shall be
6 divided equally and distributed, subject to appropriation, to
7 the Village of Melrose Park, the Village of Maywood, and Cook
8 County.

9 After payments required under this subsection (c-5) have
10 been made, all remaining amounts shall be deposited into the
11 Capital Projects Fund.

12 (d) The Board shall administer and collect the admission
13 tax imposed by this Section, to the extent practicable, in a
14 manner consistent with the provisions of Sections 4, 5, 5a, 5b,
15 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9 and 10 of the
16 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
17 Penalty and Interest Act.

18 (Source: P.A. 95-663, eff. 10-11-07; 96-1392, eff. 1-1-11;
19 09700SB1849ham002.)

20 (230 ILCS 10/13) (from Ch. 120, par. 2413)

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

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

25 (a-1) From January 1, 1998 until July 1, 2002, a privilege

1 tax is imposed on persons engaged in the business of conducting
2 riverboat gambling operations, based on the adjusted gross
3 receipts received by a licensed owner from gambling games
4 authorized under this Act at the following rates:

5 15% of annual adjusted gross receipts up to and
6 including \$25,000,000;

7 20% of annual adjusted gross receipts in excess of
8 \$25,000,000 but not exceeding \$50,000,000;

9 25% of annual adjusted gross receipts in excess of
10 \$50,000,000 but not exceeding \$75,000,000;

11 30% of annual adjusted gross receipts in excess of
12 \$75,000,000 but not exceeding \$100,000,000;

13 35% of annual adjusted gross receipts in excess of
14 \$100,000,000.

15 (a-2) From July 1, 2002 until July 1, 2003, a privilege tax
16 is imposed on persons engaged in the business of conducting
17 riverboat gambling operations, other than licensed managers
18 conducting riverboat gambling operations on behalf of the
19 State, based on the adjusted gross receipts received by a
20 licensed owner from gambling games authorized under this Act at
21 the following rates:

22 15% of annual adjusted gross receipts up to and
23 including \$25,000,000;

24 22.5% of annual adjusted gross receipts in excess of
25 \$25,000,000 but not exceeding \$50,000,000;

26 27.5% of annual adjusted gross receipts in excess of

1 \$50,000,000 but not exceeding \$75,000,000;
2 32.5% of annual adjusted gross receipts in excess of
3 \$75,000,000 but not exceeding \$100,000,000;
4 37.5% of annual adjusted gross receipts in excess of
5 \$100,000,000 but not exceeding \$150,000,000;
6 45% of annual adjusted gross receipts in excess of
7 \$150,000,000 but not exceeding \$200,000,000;
8 50% of annual adjusted gross receipts in excess of
9 \$200,000,000.

10 (a-3) Beginning July 1, 2003, a privilege tax is imposed on
11 persons engaged in the business of conducting riverboat
12 gambling operations, other than licensed managers conducting
13 riverboat gambling operations on behalf of the State, based on
14 the adjusted gross receipts received by a licensed owner from
15 gambling games authorized under this Act at the following
16 rates:

17 15% of annual adjusted gross receipts up to and
18 including \$25,000,000;
19 27.5% of annual adjusted gross receipts in excess of
20 \$25,000,000 but not exceeding \$37,500,000;
21 32.5% of annual adjusted gross receipts in excess of
22 \$37,500,000 but not exceeding \$50,000,000;
23 37.5% of annual adjusted gross receipts in excess of
24 \$50,000,000 but not exceeding \$75,000,000;
25 45% of annual adjusted gross receipts in excess of
26 \$75,000,000 but not exceeding \$100,000,000;

1 50% of annual adjusted gross receipts in excess of
2 \$100,000,000 but not exceeding \$250,000,000;

3 70% of annual adjusted gross receipts in excess of
4 \$250,000,000.

5 An amount equal to the amount of wagering taxes collected
6 under this subsection (a-3) that are in addition to the amount
7 of wagering taxes that would have been collected if the
8 wagering tax rates under subsection (a-2) were in effect shall
9 be paid into the Common School Fund.

10 The privilege tax imposed under this subsection (a-3) shall
11 no longer be imposed beginning on the earlier of (i) July 1,
12 2005; (ii) the first date after June 20, 2003 that riverboat
13 gambling operations are conducted pursuant to a dormant
14 license; or (iii) the first day that riverboat gambling
15 operations are conducted under the authority of an owners
16 license that is in addition to the 10 owners licenses initially
17 authorized under this Act. For the purposes of this subsection
18 (a-3), the term "dormant license" means an owners license that
19 is authorized by this Act under which no riverboat gambling
20 operations are being conducted on June 20, 2003.

21 (a-4) Beginning on the first day on which the tax imposed
22 under subsection (a-3) is no longer imposed and ending on
23 December 31, 2014 or when the Chicago casino begins operations,
24 whichever is earlier ~~upon the imposition of the privilege tax~~
25 ~~under subsection (a-5) of this Section,~~ a privilege tax is
26 imposed on persons engaged in the business of conducting

1 riverboat or casino gambling or electronic gaming operations,
2 other than licensed managers conducting riverboat gambling
3 operations on behalf of the State, based on the adjusted gross
4 receipts received by a licensed owner from gambling games
5 authorized under this Act at the following rates:

6 15% of annual adjusted gross receipts up to and
7 including \$25,000,000;

8 22.5% of annual adjusted gross receipts in excess of
9 \$25,000,000 but not exceeding \$50,000,000;

10 27.5% of annual adjusted gross receipts in excess of
11 \$50,000,000 but not exceeding \$75,000,000;

12 32.5% of annual adjusted gross receipts in excess of
13 \$75,000,000 but not exceeding \$100,000,000;

14 37.5% of annual adjusted gross receipts in excess of
15 \$100,000,000 but not exceeding \$150,000,000;

16 45% of annual adjusted gross receipts in excess of
17 \$150,000,000 but not exceeding \$200,000,000;

18 50% of annual adjusted gross receipts in excess of
19 \$200,000,000.

20 For the imposition of the privilege tax in this subsection
21 (a-4), 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-5) Beginning on January 1, 2015 or when the Chicago
25 casino begins operations, whichever is earlier ~~the date when at~~
26 ~~least 500 additional gaming positions authorized by this~~

1 ~~amendatory Act of the 97th General Assembly are being used to~~
2 ~~conduct gambling operations,~~ a privilege tax is imposed on
3 persons engaged in the business of conducting riverboat or
4 casino gambling or electronic gaming operations, other than
5 licensed managers conducting riverboat gambling operations on
6 behalf of the State, based on the adjusted gross receipts
7 received by such licensee from the gambling games authorized
8 under this Act. The privilege tax for all gambling games other
9 than table games, including, but not limited to, slot machines,
10 video game of chance gambling, and electronic gambling games
11 shall be at the following 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 \$75,000,000;

18 27.5% of annual adjusted gross receipts in excess of
19 \$75,000,000 but not exceeding \$100,000,000;

20 32.5% of annual adjusted gross receipts in excess of
21 \$100,000,000 but not exceeding \$150,000,000;

22 35% of annual adjusted gross receipts in excess of
23 \$150,000,000 but not exceeding \$200,000,000;

24 40% of annual adjusted gross receipts in excess of
25 \$200,000,000 but not exceeding \$300,000,000;

26 30% of annual adjusted gross receipts in excess of

1 \$300,000,000 but not exceeding \$350,000,000;
2 20% of annual adjusted gross receipts in excess of
3 \$350,000,000.

4 The privilege tax for table games shall be at the following
5 rates:

6 10% of annual adjusted gross receipts up to and
7 including \$25,000,000;

8 17.5% of annual adjusted gross receipts in excess of
9 \$25,000,000 but not exceeding \$50,000,000;

10 22.5% of annual adjusted gross receipts in excess of
11 \$50,000,000 but not exceeding \$70,000,000;

12 16% of annual adjusted gross receipts in excess of
13 \$70,000,000.

14 For the imposition of the privilege tax in this subsection
15 (a-5), amounts paid pursuant to item (1) of subsection (b) of
16 Section 56 of the Illinois Horse Racing Act of 1975 shall not
17 be included in the determination of adjusted gross receipts.

18 (a-6) From the effective date of this amendatory Act of the
19 97th General Assembly until June 30, 2015, an owners licensee
20 that conducted gambling operations prior to January 1, 2011
21 shall receive a dollar-for-dollar credit against the tax
22 imposed under this Section for any renovation or construction
23 costs paid by the owners licensee, but in no event shall the
24 credit exceed \$2,000,000.

25 Additionally, from the effective date of this amendatory
26 Act of the 97th General Assembly until December 31, 2014, an

1 owners licensee that (i) is located within 15 miles of the
2 Missouri border, and (ii) has at least 3 riverboats, casinos,
3 or their equivalent within a 45-mile radius, may be authorized
4 to relocate to a new location with the approval of both the
5 unit of local government designated as the home dock and the
6 Board, so long as the new location is within the same unit of
7 local government and no more than 3 miles away from its
8 original location. Such owners licensee shall receive a credit
9 against the tax imposed under this Section equal to 8% of the
10 total project costs, as approved by the Board, for any
11 renovation or construction costs paid by the owners licensee
12 for the construction of the new facility, provided that the new
13 facility is operational by July 1, 2014. In determining whether
14 or not to approve a relocation, the Board must consider the
15 extent to which the relocation will diminish the gaming
16 revenues received by other Illinois gaming facilities.

17 (a-7) From January 1, 2013 until December 31, 2022, if the
18 total obligation imposed pursuant to subsections (a-4) and
19 (a-5) will result in an owners licensee receiving less
20 after-tax adjusted gross receipts than it received in calendar
21 year 2012, then the total amount of privilege taxes that such
22 owners licensee is required to pay for that calendar year shall
23 be reduced to the extent necessary, not to exceed 5% of
24 adjusted gross receipts in that calendar year, so that the
25 after-tax adjusted gross receipts in that calendar year equals
26 the after-tax adjusted gross receipts in calendar year 2012. If

1 pursuant to this subsection (a-7), the total obligation imposed
2 pursuant to subsections (a-4) and (a-5) shall be reduced, then
3 the owners licensee shall not receive a refund from the State
4 at the end of the subject calendar year but instead shall be
5 able to apply that amount as a credit against any payments it
6 owes to the State in the following calendar year to satisfy its
7 total obligation under subsection (a-5).

8 For purposes of this subsection (a-7), "after-tax adjusted
9 gross receipts" means, for calendar year 2012, the adjusted
10 gross receipts less privilege taxes paid to the State and for
11 subsequent calendar years, the adjusted gross receipts less
12 privilege taxes paid to the State, then divided by the owners
13 licensee's average number of gaming positions operating in that
14 calendar year and then multiplied by the owners licensee's
15 average number of gaming positions operating in calendar year
16 2012. This subsection (a-7) does not apply to any owners
17 licensees authorized pursuant to subsection (e-5) of Section 7
18 of this Act.

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

22 (a-9) Beginning on January 1, 2012, the calculation of
23 gross receipts or adjusted gross receipts, for the purposes of
24 this Section, for a riverboat, casino, or electronic gaming
25 facility shall not include the dollar amount of non-cashable
26 vouchers, coupons, and electronic promotions redeemed by

1 wagers upon the riverboat, in the casino, or in the
2 electronic gaming facility up to and including an amount not to
3 exceed 30% of a riverboat casino or electronic gaming
4 facility's adjusted gross receipts.

5 The Illinois Gaming Board shall submit to the General
6 Assembly a comprehensive report no later than March 31, 2015
7 detailing, at a minimum, the effect of removing non-cashable
8 vouchers, coupons, and electronic promotions from this
9 calculation on net gaming revenues to the State in calendar
10 years 2012 through 2014, the increase or reduction in wagers
11 as a result of removing non-cashable vouchers, coupons, and
12 electronic promotions from this calculation, the effect of the
13 tax rates in subsection (a-5) on net gaming revenues to the
14 State, and proposed modifications to the calculation.

15 (a-10) The taxes imposed by this Section shall be paid by
16 the licensed owner or the electronic gaming licensee to the
17 Board not later than 5:00 o'clock p.m. of the day after the day
18 when the wagers were made.

19 (a-15) If the privilege tax imposed under subsection (a-3)
20 is no longer imposed pursuant to item (i) of the last paragraph
21 of subsection (a-3), then by June 15 of each year, each owners
22 licensee, other than an owners licensee that admitted 1,000,000
23 persons or fewer in calendar year 2004, must, in addition to
24 the payment of all amounts otherwise due under this Section,
25 pay to the Board a reconciliation payment in the amount, if
26 any, by which the licensed owner's base amount exceeds the

1 amount of net privilege tax paid by the licensed owner to the
2 Board in the then current State fiscal year. A licensed owner's
3 net privilege tax obligation due for the balance of the State
4 fiscal year shall be reduced up to the total of the amount paid
5 by the licensed owner in its June 15 reconciliation payment.
6 The obligation imposed by this subsection (a-15) is binding on
7 any person, firm, corporation, or other entity that acquires an
8 ownership interest in any such owners license. The obligation
9 imposed under this subsection (a-15) terminates on the earliest
10 of: (i) July 1, 2007, (ii) the first day after the effective
11 date of this amendatory Act of the 94th General Assembly that
12 riverboat gambling operations are conducted pursuant to a
13 dormant license, (iii) the first day that riverboat gambling
14 operations are conducted under the authority of an owners
15 license that is in addition to the 10 owners licenses initially
16 authorized under this Act, or (iv) the first day that a
17 licensee under the Illinois Horse Racing Act of 1975 conducts
18 gaming operations with slot machines or other electronic gaming
19 devices. The Board must reduce the obligation imposed under
20 this subsection (a-15) by an amount the Board deems reasonable
21 for any of the following reasons: (A) an act or acts of God,
22 (B) an act of bioterrorism or terrorism or a bioterrorism or
23 terrorism threat that was investigated by a law enforcement
24 agency, or (C) a condition beyond the control of the owners
25 licensee that does not result from any act or omission by the
26 owners licensee or any of its agents and that poses a hazardous

1 threat to the health and safety of patrons. If an owners
2 licensee pays an amount in excess of its liability under this
3 Section, the Board shall apply the overpayment to future
4 payments required under this Section.

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

6 "Act of God" means an incident caused by the operation of
7 an extraordinary force that cannot be foreseen, that cannot be
8 avoided by the exercise of due care, and for which no person
9 can be held liable.

10 "Base amount" means the following:

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

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

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

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

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

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

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

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

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

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

25 The changes made to this subsection (a-15) by Public Act
26 94-839 are intended to restate and clarify the intent of Public

1 Act 94-673 with respect to the amount of the payments required
2 to be made under this subsection by an owners licensee to the
3 Board.

4 (b) Until January 1, 1998, 25% of the tax revenue deposited
5 in the State Gaming Fund under this Section shall be paid,
6 subject to appropriation by the General Assembly, to the unit
7 of local government which is designated as the home dock of the
8 riverboat. Beginning January 1, 1998, from the tax revenue from
9 riverboat or casino gambling deposited in the State Gaming Fund
10 under this Section, an amount equal to 5% of adjusted gross
11 receipts generated by a riverboat or a casino shall be paid
12 monthly, subject to appropriation by the General Assembly, to
13 the unit of local government that is designated as the home
14 dock of the riverboat, so long as the unit of local government
15 is not located in Lake County. From the tax revenue from
16 riverboat or casino gambling that is conducted in Lake County
17 and deposited in the State Gaming Fund under this Section, an
18 amount equal to 5% of the adjusted gross receipts generated by
19 a riverboat or a casino shall be paid monthly, subject to
20 appropriation by the General Assembly, as follows: 25% to the
21 City of Park City, 50% to the City of Waukegan, and 25% to the
22 City of North Chicago. From the tax revenue deposited in the
23 State Gaming Fund pursuant to riverboat or casino gambling
24 operations conducted by a licensed manager on behalf of the
25 State, an amount equal to 5% of adjusted gross receipts
26 generated pursuant to those riverboat or casino gambling

1 operations shall be paid monthly, subject to appropriation by
2 the General Assembly, to the unit of local government that is
3 designated as the home dock of the riverboat upon which those
4 riverboat gambling operations are conducted or in which the
5 casino is located. Units of local government may refund any
6 portion of the payment that they receive pursuant to this
7 subsection (b) to the riverboat or casino.

8 (b-1) Beginning on the effective date of this amendatory
9 Act of the 97th General Assembly, from the tax revenue
10 deposited in the State Gaming Fund under this Section,
11 \$75,000,000 shall be deposited annually into the Fund for the
12 Advancement of Education for the purpose of providing resources
13 to the Monetary Award Program. Notwithstanding any other
14 provision of this Act to the contrary, the deposits under this
15 subparagraph (b-1) shall be made before any other deposits
16 referenced in subparagraphs (b) and (c) of this Section 13.

17 (b-2) Beginning on the effective date of this amendatory
18 Act of the 97th General Assembly, from the tax revenue
19 deposited in the State Gaming Fund under this Section, \$750,000
20 shall be paid annually, subject to appropriation, to Lake
21 County.

22 (b-4) Beginning on August 1, 2011 and ending on July 31,
23 2042, from the tax revenue deposited in the State Gaming Fund
24 under this Section, \$4,000,000 shall be paid annually, subject
25 to appropriation, to the host municipality of an owners
26 licensee of a license issued or re-issued pursuant to Section

1 7.1 of this Act before January 1, 2012. Payments received by
2 the host municipality pursuant to this subsection (b-4) may not
3 be shared with any other unit of local government.

4 (b-5) Beginning on the effective date of this amendatory
5 Act of the 97th General Assembly, from the tax revenue
6 deposited in the State Gaming Fund under this Section, an
7 amount equal to 3% of adjusted gross receipts generated by each
8 electronic gaming facility located outside Madison County
9 shall be paid monthly, subject to appropriation by the General
10 Assembly, to a municipality other than the Village of Stickney
11 in which each electronic gaming facility is located or, if the
12 electronic gaming facility is not located within a
13 municipality, to the county in which the electronic gaming
14 facility is located, except as otherwise provided in this
15 Section. From the tax revenue deposited in the State Gaming
16 Fund under this Section, an amount equal to 3% of adjusted
17 gross receipts generated by each electronic gaming facility
18 that is located in an unincorporated area of Cook County and
19 has been awarded standardbred racing dates during 2011 by the
20 Illinois Racing Board shall be divided equally and distributed,
21 subject to appropriation, to the Village of Melrose Park, the
22 Village of Maywood, and Cook County. From the tax revenue
23 deposited in the State Gaming Fund under this Section, an
24 amount equal to 3% of adjusted gross receipts generated by an
25 electronic gaming facility located in the Village of Stickney
26 shall be paid monthly, subject to appropriation by the General

1 Assembly, as follows: 25% to the Village of Stickney, 5% to the
2 City of Berwyn, 50% to the Town of Cicero, and 20% to the
3 Stickney Public Health District.

4 From the tax revenue deposited in the State Gaming Fund
5 under this Section, an amount equal to 3% of adjusted gross
6 receipts generated by an electronic gaming facility located in
7 the City of Collinsville shall be paid monthly, subject to
8 appropriation by the General Assembly, as follows: 45% to the
9 City of Alton, 45% to the City of East St. Louis, and 10% to the
10 City of Collinsville.

11 Beginning on the effective date of this amendatory Act of
12 the 97th General Assembly, from the tax revenue deposited in
13 the State Gaming Fund under this Section, an amount equal to
14 (i) 1% of adjusted gross receipts generated by an electronic
15 gaming facility located in Madison County shall be paid
16 monthly, subject to appropriation by the General Assembly, to
17 Madison County for the purposes of infrastructure
18 improvements, and (ii) 1% of adjusted gross receipts generated
19 by an electronic gaming facility located in Madison County
20 shall be paid monthly, subject to appropriation by the General
21 Assembly, to St. Clair County for the purposes of
22 infrastructure improvements.

23 Municipalities and counties may refund any portion of the
24 payment that they receive pursuant to this subsection (b-5) to
25 the electronic gaming facility.

26 (b-6) Beginning on the effective date of this amendatory

1 Act of the 97th General Assembly, from the tax revenue
2 deposited in the State Gaming Fund under this Section, an
3 amount equal to 2% of adjusted gross receipts generated by an
4 electronic gaming facility located outside Madison County
5 shall be paid monthly, subject to appropriation by the General
6 Assembly, to the county in which the electronic gaming facility
7 is located for the purposes of its criminal justice system or
8 health care system.

9 Counties may refund any portion of the payment that they
10 receive pursuant to this subsection (b-6) to the electronic
11 gaming facility.

12 (b-7) The State and County Fair Assistance Fund is created
13 as a special fund in the State treasury. The Fund shall be
14 administered by the Department of Agriculture. Beginning on the
15 effective date of this amendatory Act of the 97th General
16 Assembly, from the tax revenue deposited in the State Gaming
17 Fund under this Section, an amount equal to 2% of adjusted
18 gross receipts, not to exceed \$6,000,000, shall be paid into
19 the State and County Fair Assistance Fund annually. No moneys
20 shall be expended from the State and County Fair Assistance
21 Fund except as appropriated by the General Assembly. Deposits
22 made pursuant to this subsection (b-7) shall supplement, and
23 not supplant, other State funding for these purposes.

24 The Department of Agriculture shall award grants from
25 moneys appropriated from the State and County Fair Assistance
26 Fund for the development, expansion, or support of county fairs

1 that showcase Illinois agriculture products or byproducts. No
2 grant may exceed \$100,000, except for an annual grant of
3 \$1,000,000 that shall be made to the Illinois Standardbred
4 Breeders Fund and used for Illinois-bred harness racing purses
5 and the Illinois State Fair race track. Not more than one grant
6 under this Section may be made to any one county fair board.
7 Additionally, grants under this subsection (b-7) shall be
8 available to the Illinois State Fair and the DuQuoin State
9 Fair.

10 (b-8) Beginning on the effective date of this amendatory
11 Act of the 97th General Assembly, from the tax revenue
12 deposited in the State Gaming Fund under this Section, \$250,000
13 shall be deposited annually into the Illinois Racing Quarter
14 Horse Breeders Fund.

15 (b-10) Beginning on the effective date of this amendatory
16 Act of the 97th General Assembly, from the tax revenue
17 deposited in the State Gaming Fund under this Section, an
18 amount equal to 10% of the wagering taxes paid by the
19 riverboats and casino created pursuant to subsection (e-5) of
20 Section 7 shall be paid into the Depressed Communities Economic
21 Development Fund annually.

22 (b-11) Beginning on the effective date of this amendatory
23 Act of the 97th General Assembly, from the tax revenue
24 deposited in the State Gaming Fund under this Section, \$150,000
25 shall be paid annually to a county forest preserve district for
26 the maintenance of a botanic garden that was created by Section

1 43 of the Cook County Forest Preserve District Act.

2 (b-12) Beginning on the effective date of this amendatory
3 Act of the 97th General Assembly, from the tax revenue
4 deposited in the State Gaming Fund from electronic gaming under
5 this Section, (i) \$12,500,000 shall be deposited annually into
6 the Partners for Conservation Fund for grants to soil and water
7 conservation districts, (ii) \$1,500,000 shall be deposited
8 annually into the Illinois Forestry Fund for costs associated
9 with the CREP Forestry Assistance Program, (iii) \$3,000,000
10 shall be deposited annually into the Illinois Historic Sites
11 Fund for costs associated with the State's historic sites, (iv)
12 \$3,000,000 shall be deposited annually into the Parks and
13 Conservation Fund for costs associated with the State's state
14 parks, (v) \$5,000,000 shall be deposited annually into the
15 State Cooperative Service Trust Fund for grants to the State's
16 cooperative extensions, and (vi) \$6,000,000 shall be deposited
17 annually into the Future of Agriculture Fund. Deposits made
18 pursuant to this subsection (b-12) shall supplement, and not
19 supplant, other State funding for these purposes.

20 (b-15) Beginning on the effective date of this amendatory
21 Act of the 97th General Assembly and ending July 1, 2014, from
22 the tax revenue deposited in the State Gaming Fund under this
23 Section, \$2,000,000 shall be deposited annually into the
24 Foreclosure Prevention Program Fund.

25 (b-20) From January 1, 2013 until December 31, 2015, if the
26 total amount paid to the Education Assistance Fund annually

1 pursuant to this Act will result in the Education Assistance
2 Fund receiving less revenue from the State Gaming Fund than it
3 received in calendar year 2011, an amount equal to that
4 shortfall shall be transferred from the Capital Projects Fund
5 to the Education Assistance Fund, except that no such transfer
6 shall exceed the amount deposited into the Capital Projects
7 Fund pursuant to subsection (c-4) of this Section.

8 (c) Appropriations, as approved by the General Assembly,
9 may be made from the State Gaming Fund to the Board (i) for the
10 administration and enforcement of this Act and the Video Gaming
11 Act, (ii) for distribution to the Department of State Police
12 and to the Department of Revenue for the enforcement of this
13 Act, and (iii) to the Department of Human Services for the
14 administration of programs to treat problem gambling. From the
15 tax revenue deposited in the State Gaming Fund under this
16 Section, \$10,000,000 shall be paid annually to the Department
17 of Human Services for the administration of programs to treat
18 problem gambling. The Board's annual appropriations request
19 must separately state its funding needs for the regulation of
20 electronic gaming, riverboat gaming, casino gaming within the
21 City of Chicago, and video gaming. From the tax revenue
22 deposited in the Gaming Facilities Fee Revenue Fund, the first
23 \$50,000,000 shall be paid to the Board, subject to
24 appropriation, for the administration and enforcement of the
25 provisions of this amendatory Act of the 97th General Assembly.

26 (c-3) Appropriations, as approved by the General Assembly,

1 may be made from the tax revenue deposited into the State
2 Gaming Fund from electronic gaming pursuant to this Section for
3 the administration and enforcement of this Act.

4 (c-4) After payments required under subsection (b-5),
5 (b-6), (b-7), (b-8), (b-10), (b-11), (b-12), (c), and (c-3)
6 have been made from the tax revenue from electronic gaming
7 deposited into the State Gaming Fund under this Section, all
8 remaining amounts from electronic gaming shall be deposited
9 into the Capital Projects Fund.

10 (c-5) (Blank).

11 (c-10) (Blank).

12 (c-15) After the payments required under subsections (b),
13 (b-5), (b-6), (b-7), (b-8), (b-10u), (b-11), (b-12), and (c)
14 have been made, an amount equal to 2% of the adjusted gross
15 receipts of (1) an owners licensee that relocates pursuant to
16 Section 11.2, (2) an owners licensee conducting riverboat
17 gambling operations pursuant to an owners license that is
18 initially issued after June 25, 1999 and before December 31,
19 2011, or (3) the first riverboat gambling operations conducted
20 by a licensed manager on behalf of the State under Section 7.3,
21 whichever comes first, shall be paid, subject to appropriation
22 from the General Assembly, from the State Gaming Fund to each
23 home rule county with a population of over 3,000,000
24 inhabitants for the purpose of enhancing the county's criminal
25 justice system.

26 (c-20) Each year the General Assembly shall appropriate

1 from the General Revenue Fund to the Education Assistance Fund
2 an amount equal to the amount paid to each home rule county
3 with a population of over 3,000,000 inhabitants pursuant to
4 subsection (c-15) in the prior calendar year.

5 (c-25) After the payments required under subsections (b),
6 (b-5), (b-6), (b-7), (b-8), (b-10), (b-11), (b-12), (c), and
7 (c-15) have been made, an amount equal to 2% of the adjusted
8 gross receipts of (1) an owners licensee that relocates
9 pursuant to Section 11.2, (2) an owners licensee conducting
10 riverboat gambling operations pursuant to an owners license
11 that is initially issued after June 25, 1999 and before
12 December 31, 2011, 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 to Chicago State University.

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

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

25 (f) To the extent practicable, the Board shall administer
26 and collect the wagering taxes imposed by this Section in a

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

5 (Source: P.A. 95-331, eff. 8-21-07; 95-1008, eff. 12-15-08;
6 96-37, eff. 7-13-09; 96-1392, eff. 1-1-11; 09700SB1849ham002
7 and ham003.)

8 Section 99. Effective date. This Act takes effect upon
9 becoming law or on the effective date of Senate Bill 1849 of
10 the 97th General Assembly, whichever is later.

1	INDEX	
2	Statutes amended in order of appearance	
3	09700SB1849ham002, Sec.	
4	1-20	
5	09700SB1849ham002, Sec.	
6	1-31	
7	09700SB1849ham002, Sec.	
8	1-45	
9	09700SB1849ham002, Sec.	
10	1-70	
11	09700SB1849ham002, Sec.	
12	1-112	
13	10 ILCS 5/Art. 9 heading	
14	10 ILCS 5/9-8.7 new	
15	10 ILCS 5/9-8.8 new	
16	30 ILCS 105/6z-85	
17	65 ILCS 5/11-1-12 new	
18	230 ILCS 5/56	
19	230 ILCS 10/5	from Ch. 120, par. 2405
20	230 ILCS 10/6	from Ch. 120, par. 2406
21	230 ILCS 10/7	from Ch. 120, par. 2407
22	230 ILCS 10/7.6	
23	230 ILCS 10/12	from Ch. 120, par. 2412
24	230 ILCS 10/13	from Ch. 120, par. 2413