



Sen. James F. Clayborne, Jr.

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LRB098 02797 AMC 45716 a

1 AMENDMENT TO HOUSE BILL 996

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 996 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Charitable Games Act is amended by changing  
5 Sections 3, 4, 5, 8, and 9 as follows:

6 (230 ILCS 30/3) (from Ch. 120, par. 1123)

7 Sec. 3. The Department of Revenue shall, upon application  
8 therefor on forms prescribed by the Department, and upon the  
9 payment of a nonrefundable ~~annual~~ fee of \$400 due upon  
10 application and each renewal ~~\$200~~, and upon a determination by  
11 the Department that the applicant meets all of the  
12 qualifications specified in this Act, issue a charitable games  
13 license for the conducting of charitable games to any of the  
14 following:

15 (i) Any local fraternal mutual benefit organization  
16 chartered at least 40 years before it applies for a license

1 under this Act.

2 (ii) Any qualified organization organized in Illinois  
3 which operates without profit to its members, which has  
4 been in existence in Illinois continuously for a period of  
5 5 years immediately before making application for a license  
6 and which has had during that 5 year period a bona fide  
7 membership engaged in carrying out its objects. However,  
8 the 5 year requirement shall be reduced to 2 years, as  
9 applied to a local organization which is affiliated with  
10 and chartered by a national organization which meets the 5  
11 year requirement. The period of existence specified above  
12 shall not apply to a qualified organization, organized for  
13 charitable purpose, created by a fraternal organization  
14 that meets the existence requirements if the charitable  
15 organization has the same officers and directors as the  
16 fraternal organization. Only one charitable organization  
17 created by a branch lodge or chapter of a fraternal  
18 organization may be licensed under this provision.

19 The application shall be signed by a person listed on the  
20 application as an owner, officer, or other person in charge of  
21 the necessary day-to-day operations of the applicant  
22 organization, who shall attest under penalties of perjury that  
23 the information contained in the application is true, correct,  
24 and complete.

25 Each license shall be in effect for 2 years ~~one year~~ from  
26 its date of issuance unless extended, suspended, or revoked by

1 Department action before that date. Any extension shall not  
2 exceed one year. The Department may by rule authorize the  
3 filing by electronic means of any application, license, permit,  
4 return, or registration required under this Act. A licensee may  
5 hold only one license. Each license must be applied for at  
6 least 30 days prior to the night or nights the licensee wishes  
7 to conduct such games. The Department may issue a license to a  
8 licensee that applies less than 30 days prior to the night or  
9 nights the licensee wishes to conduct the games if all other  
10 requirements of this Act are met and the Department has  
11 sufficient time and resources to issue the license in a timely  
12 manner. The Department may provide by rule for an extension of  
13 any charitable games license issued under this Act. If a  
14 licensee wishes to conduct games at a location other than the  
15 locations originally specified in the license, the licensee  
16 shall notify the Department of the proposed alternate location  
17 at least 30 days before the night on which the licensee wishes  
18 to conduct games at the alternate location. The Department may  
19 accept an applicant's change in location with less than 30  
20 days' notice if all other requirements of this Act are met and  
21 the Department has sufficient time and resources to process the  
22 change in a timely manner.

23 All taxes and fees imposed by this Act, unless otherwise  
24 specified, shall be paid into the Illinois Gaming Law  
25 Enforcement Fund of the State Treasury.

26 (Source: P.A. 95-228, eff. 8-16-07.)

1 (230 ILCS 30/4) (from Ch. 120, par. 1124)

2 Sec. 4. Licensing Restrictions. Licensing for the  
3 conducting of charitable games is subject to the following  
4 restrictions:

5 (1) The license application, when submitted to the  
6 Department of Revenue, must contain a sworn statement  
7 attesting to the not-for-profit character of the  
8 prospective licensee organization, signed by a person  
9 listed on the application as an owner, officer, or other  
10 person in charge of the necessary day-to-day operations.  
11 The application shall contain the name of the person in  
12 charge of and primarily responsible for the conduct of the  
13 charitable games. The person so designated shall be present  
14 on the premises continuously during charitable games.

15 (2) The license application shall be prepared by the  
16 prospective licensee organization or its duly authorized  
17 representative in accordance with the rules of the  
18 Department of Revenue.

19 (2.1) The organization shall maintain among its books  
20 and records a list of the names, addresses, social security  
21 numbers, and dates of birth of all persons who will  
22 participate in the management or operation of the games,  
23 along with a sworn statement made under penalties of  
24 perjury, signed by a person listed on the application as an  
25 owner, officer, or other person in charge of the necessary

1 day-to-day operations, that the persons listed as  
2 participating in the management or operation of the games  
3 are bona fide members, volunteers as defined in Section 2,  
4 or employees of the applicant, that these persons have not  
5 participated in the management or operation of more than 12  
6 ~~4~~ charitable games events conducted by any licensee in the  
7 calendar year, and that these persons will receive no  
8 remuneration or compensation, directly or indirectly from  
9 any source, for participating in the management or  
10 operation of the games. Any amendments to this listing must  
11 contain an identical sworn statement.

12 (2.2) (Blank).

13 (3) Each license shall state the date, hours and at  
14 what locations the licensee is permitted to conduct  
15 charitable games.

16 (4) Each licensee shall file a copy of the license with  
17 each police department or, if in unincorporated areas, each  
18 sheriff's office whose jurisdiction includes the premises  
19 on which the charitable games are authorized under the  
20 license.

21 (5) The licensee shall prominently display the license  
22 in the area where the licensee is to conduct charitable  
23 games. The licensee shall likewise display, in the form and  
24 manner prescribed by the Department, the provisions of  
25 Section 9 of this Act.

26 (6) (Blank).

1           (7) (Blank). ~~Each licensee shall obtain and maintain a~~  
2 ~~bond for the benefit of participants in games conducted by~~  
3 ~~the licensee to insure payment to the winners of such~~  
4 ~~games. Such bond discretionary by the Department and shall~~  
5 ~~be in an amount established by rule by the Department of~~  
6 ~~Revenue. In a county with fewer than 60,000 inhabitants,~~  
7 ~~the Department may waive the bond requirement upon a~~  
8 ~~showing by a licensee that it has sufficient funds on~~  
9 ~~deposit to insure payment to the winners of such games.~~

10           (8) A license is not assignable or transferable.

11           (9) Unless the premises for conducting charitable  
12 games are provided by a municipality, the Department shall  
13 not issue a license permitting a person, firm or  
14 corporation to sponsor a charitable games night if the  
15 premises for the conduct of the charitable games has been  
16 previously used for 12 & charitable games nights during the  
17 previous 12 months.

18           (10) Auxiliary organizations of a licensee shall not be  
19 eligible for a license to conduct charitable games, except  
20 for auxiliary organizations of veterans organizations as  
21 authorized in Section 2.

22           (11) Charitable games must be conducted in accordance  
23 with local building and fire code requirements.

24           (12) The licensee shall consent to allowing the  
25 Department's employees to be present on the premises  
26 wherein the charitable games are conducted and to inspect

1 or test equipment, devices and supplies used in the conduct  
2 of the game.

3 Nothing in this Section shall be construed to prohibit a  
4 licensee that conducts charitable games on its own premises  
5 from also obtaining a providers' license in accordance with  
6 Section 5.1. The maximum number of charitable games events that  
7 may be held in any one premises is limited to one ~~8~~ charitable  
8 games event ~~events~~ per month ~~calendar year~~.

9 (Source: P.A. 94-986, eff. 6-30-06; 95-228, eff. 8-16-07.)

10 (230 ILCS 30/5) (from Ch. 120, par. 1125)

11 Sec. 5. Providers' License. The Department shall issue a  
12 providers' license permitting a person, firm or corporation to  
13 provide premises for the conduct of charitable games. No  
14 person, firm or corporation may rent or otherwise provide  
15 premises without having first obtained a license. Applications  
16 for providers' licenses shall be made in writing in accordance  
17 with Department rules. The Department shall license providers  
18 of charitable games at a nonrefundable annual fee of \$50, or  
19 nonrefundable triennial license fee of \$150. Each providers'  
20 license is valid for one year from the date of issuance, or 3  
21 years from date of issuance for a triennial license, unless  
22 extended, suspended, or revoked by Department action before  
23 that date. Any extension of a providers' license shall not  
24 exceed one year. A provider may receive reasonable compensation  
25 for the provision of the premises. Reasonable expenses shall

1 include only those expenses defined as reasonable by rules  
2 adopted by the Department. A provider, other than a  
3 municipality, may not provide the same premises for conducting  
4 more than 12 ~~8~~ charitable games nights per year. A provider  
5 shall not have any interest in any suppliers' business, either  
6 direct or indirect. A municipality may provide the same  
7 premises for conducting 48 ~~16~~ charitable games nights during a  
8 12-month period. No employee, officer, or owner of a provider  
9 may participate in the management or operation of a charitable  
10 games event, even if the employee, officer, or owner is also a  
11 member, volunteer, or employee of the charitable games  
12 licensee. A provider may not promote or solicit a charitable  
13 games event on behalf of a charitable games licensee or  
14 qualified organization. Any qualified organization licensed to  
15 conduct a charitable game need not obtain a providers' license  
16 if such games are to be conducted on the organization's  
17 premises.

18 (Source: P.A. 94-986, eff. 6-30-06; 95-228, eff. 8-16-07.)

19 (230 ILCS 30/8) (from Ch. 120, par. 1128)

20 Sec. 8. The conducting of charitable games is subject to  
21 the following restrictions:

22 (1) The entire net proceeds from charitable games must  
23 be exclusively devoted to the lawful purposes of the  
24 organization permitted to conduct that game.

25 (2) No person except a bona fide member or employee of



1 the sponsoring organization, or a volunteer recruited by  
2 the sponsoring organization, may participate in the  
3 management or operation of the game. A person participates  
4 in the management or operation of a charitable game when he  
5 or she sells admission tickets at the event; sells,  
6 redeems, or in any way assists in the selling or redeeming  
7 of chips, scrip, or play money; participates in the  
8 conducting of any of the games played during the event, or  
9 supervises, directs or instructs anyone conducting a game;  
10 or at any time during the hours of the charitable games  
11 event counts, handles, or supervises anyone counting or  
12 handling any of the proceeds or chips, scrip, or play money  
13 at the event. A person who is present to ensure that the  
14 games are being conducted in conformance with the rules  
15 established by the licensed organization or is present to  
16 insure that the equipment is working properly is considered  
17 to be participating in the management or operation of a  
18 game. Setting up, cleaning up, selling food and drink, or  
19 providing security for persons or property at the event  
20 does not constitute participation in the management or  
21 operation of the game.

22 Only bona fide members, volunteers as defined in  
23 Section 2 of this Act, and employees of the sponsoring  
24 organization may participate in the management or  
25 operation of the games. Participation in the management or  
26 operation of the games is limited to no more than 12 4

1 charitable games events, either of the sponsoring  
2 organization or any other licensed organization, during a  
3 calendar year.

4 (3) No person may receive any remuneration or  
5 compensation either directly or indirectly from any source  
6 for participating in the management or operation of the  
7 game.

8 (4) No single bet at any house-banked game may exceed  
9 \$20 ~~\$10~~.

10 (5) A bank shall be established on the premises to  
11 convert currency into chips, scrip, or other form of play  
12 money which shall then be used to play at games of chance  
13 which the participant chooses. Chips, scrip, or play money  
14 must be permanently monogrammed with the supplier license  
15 number or logo or charitable games license number of a ~~the~~  
16 licensed organization or of the supplier. Each participant  
17 must be issued a receipt indicating the amount of chips,  
18 scrip, or play money purchased.

19 (6) At the conclusion of the event or when the  
20 participant leaves, he or she may cash in his or her chips,  
21 scrip, or play money in exchange for currency not to exceed  
22 \$500 in cash winnings ~~\$250~~ or unlimited noncash prizes.  
23 Each participant shall sign for any receipt of prizes. The  
24 licensee shall provide the Department of Revenue with a  
25 listing of all prizes awarded, including the retail value  
26 of all prizes awarded.

1           (7) Each licensee shall be permitted to conduct  
2 charitable games on not more than 4 days each year. Nothing  
3 in this Section shall be construed to prohibit a licensee  
4 that conducts charitable games on its own premises from  
5 also obtaining a providers' license in accordance with  
6 Section 7 of this Act.

7           (8) Unless the provider of the premises is a  
8 municipality, the provider of the premises may not rent or  
9 otherwise provide the premises for the conducting of more  
10 than one & charitable games night ~~nights~~ per month ~~year~~.

11           (9) A charitable games event is considered to be a  
12 one-day event and charitable games may not be played  
13 between the hours of 2:00 a.m. and noon.

14           (10) No person under the age of 18 years may play or  
15 participate in the conducting of charitable games. Any  
16 person under the age of 18 years may be within the area  
17 where charitable games are being played only when  
18 accompanied by his parent or guardian.

19           (11) No one other than the sponsoring organization of  
20 charitable games must have a proprietary interest in the  
21 game promoted.

22           (12) Raffles or other forms of gambling prohibited by  
23 law shall not be conducted on the premises where charitable  
24 games are being conducted.

25           (13) Such games are not expressly prohibited by county  
26 ordinance for charitable games conducted in the

1 unincorporated areas of the county or municipal ordinance  
2 for charitable games conducted in the municipality and the  
3 ordinance is filed with the Department of Revenue. The  
4 Department shall provide each county or municipality with a  
5 list of organizations licensed or subsequently authorized  
6 by the Department to conduct charitable games in their  
7 jurisdiction.

8 (14) The sale of tangible personal property at  
9 charitable games is subject to all State and local taxes  
10 and obligations.

11 (15) Each licensee may offer or conduct only the games  
12 listed below, which must be conducted in accordance with  
13 rules posted by the organization. The organization  
14 sponsoring charitable games shall promulgate rules, and  
15 make printed copies available to participants, for the  
16 following games: (a) roulette; (b) blackjack; (c) poker;  
17 (d) pull tabs; (e) craps; (f) bang; (g) beat the dealer;  
18 (h) big six; (i) gin rummy; (j) five card stud poker; (k)  
19 chuck-a-luck; (l) keno; (m) hold-em poker; and (n)  
20 merchandise wheel. A licensee need not offer or conduct  
21 every game permitted by law. The conducting of games not  
22 listed above is prohibited by this Act.

23 (16) No slot machines or coin-in-the-slot-operated  
24 devices that allow a participant to play games of chance  
25 shall be permitted to be used at the location and during  
26 the time at which the charitable games are being conducted.

1       However, establishments that have video gaming terminals  
2       licensed under the Video Gaming Act may operate them along  
3       with charitable games under rules adopted by the  
4       Department.

5           (17) No cards, dice, wheels, or other equipment may be  
6       modified or altered so as to give the licensee a greater  
7       advantage in winning, other than as provided under the  
8       normal rules of play of a particular game.

9           (18) No credit shall be extended to any of the  
10       participants.

11           (19) (Blank).

12           (20) A supplier may have only one representative  
13       present at the charitable games event, for the exclusive  
14       purpose of ensuring that its equipment is not damaged.

15           (21) No employee, owner, or officer of a consultant  
16       service hired by a licensed organization to perform  
17       services at the event including, but not limited to,  
18       security for persons or property at the event or services  
19       before the event including, but not limited to, training  
20       for volunteers or advertising may participate in the  
21       management or operation of the games.

22           (22) (Blank).

23       (Source: P.A. 94-986, eff. 6-30-06; 95-228, eff. 8-16-07.)

24           (230 ILCS 30/9) (from Ch. 120, par. 1129)

25       Sec. 9. There shall be paid to the Department of Revenue,

1 5% ~~3%~~ of the net ~~gross~~ proceeds of charitable games conducted  
2 under the provisions of this Act. Such payments shall be made  
3 within 30 days after the completion of the games. Accompanying  
4 each payment shall be a return, on forms prescribed by the  
5 Department of Revenue. Failure to submit either the payment or  
6 the return within the specified time may result in suspension  
7 or revocation of the license. Tax returns filed pursuant to  
8 this Act shall not be confidential and shall be available for  
9 public inspection.

10 The provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,  
11 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, 10, 11 and 12 of the Retailers'  
12 Occupation Tax Act, and Section 3-7 of the Uniform Penalty and  
13 Interest Act, which are not inconsistent with this Act shall  
14 apply, as far as practicable, to the subject matter of this Act  
15 to the same extent as if such provisions were included in this  
16 Act. For the purposes of this Act, references in such  
17 incorporated Sections of the Retailers' Occupation Tax Act to  
18 retailers, sellers or persons engaged in the business of  
19 selling tangible personal property means persons engaged in  
20 conducting charitable games, and references in such  
21 incorporated Sections of the Retailers' Occupation Tax Act to  
22 sales of tangible personal property mean the conducting of  
23 charitable games and the making of charges for playing such  
24 games.

25 All payments made to the Department of Revenue under this  
26 Section shall be deposited into the Illinois Gaming Law

- 1 Enforcement Fund of the State Treasury.
- 2 (Source: P.A. 95-228, eff. 8-16-07.)".