

1 AN ACT concerning gaming.

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

4 Section 5. The Video Gaming Act is amended by changing
5 Sections 5, 20, 25, 30, 35, 45, 55, 58, and 60 as follows:

6 (230 ILCS 40/5)

7 Sec. 5. Definitions. As used in this Act:

8 "Board" means the Illinois Gaming Board.

9 "Credit" means one, 5, 10, or 25 cents either won or
10 purchased by a player.

11 "Distributor" means an individual, partnership,
12 corporation, or limited liability company licensed under this
13 Act to buy, sell, lease, or distribute video gaming terminals
14 or major components or parts of video gaming terminals to or
15 from terminal operators.

16 "Terminal operator" means an individual, partnership,
17 corporation, or limited liability company that is licensed
18 under this Act and that owns, services, and maintains video
19 gaming terminals for placement in licensed establishments,
20 licensed truck stop establishments, licensed social clubs,
21 licensed fraternal establishments, or licensed veterans
22 establishments.

23 "Licensed technician" means an individual who is licensed

1 under this Act to repair, service, and maintain video gaming
2 terminals.

3 "Licensed terminal handler" means a person, including but
4 not limited to an employee or independent contractor working
5 for a manufacturer, distributor, supplier, technician, or
6 terminal operator, who is licensed under this Act to possess or
7 control a video gaming terminal or to have access to the inner
8 workings of a video gaming terminal. A licensed terminal
9 handler does not include an individual, partnership,
10 corporation, or limited liability company defined as a
11 manufacturer, distributor, supplier, technician, or terminal
12 operator under this Act.

13 "Manufacturer" means an individual, partnership,
14 corporation, or limited liability company that is licensed
15 under this Act and that manufactures or assembles video gaming
16 terminals.

17 "Supplier" means an individual, partnership, corporation,
18 or limited liability company that is licensed under this Act to
19 supply major components or parts to video gaming terminals to
20 licensed terminal operators.

21 "Net terminal income" means money put into a video gaming
22 terminal minus credits paid out to players.

23 "Video gaming terminal" means any electronic video game
24 machine that, upon insertion of cash, is available to play or
25 simulate the play of a video game, including but not limited to
26 video poker, line up, and blackjack, as authorized by the Board

1 utilizing a video display and microprocessors in which the
2 player may receive free games or credits that can be redeemed
3 for cash. The term does not include a machine that directly
4 dispenses coins, cash, or tokens or is for amusement purposes
5 only.

6 "Licensed establishment" means any licensed retail
7 establishment where alcoholic liquor is drawn, poured, mixed,
8 or otherwise served for consumption on the premises and
9 includes any such establishment that has a contractual
10 relationship with an inter-track wagering location licensee
11 licensed under the Illinois Horse Racing Act of 1975, provided
12 any contractual relationship shall not include any transfer or
13 offer of revenue from the operation of video gaming under this
14 Act to any licensee licensed under the Illinois Horse Racing
15 Act of 1975. Provided, however, that the licensed establishment
16 that has such a contractual relationship with an inter-track
17 wagering location licensee may not, itself, be (i) an
18 inter-track wagering location licensee, (ii) the corporate
19 parent or subsidiary of any licensee licensed under the
20 Illinois Horse Racing Act of 1975, or (iii) the corporate
21 subsidiary of a corporation that is also the corporate parent
22 or subsidiary of any licensee licensed under the Illinois Horse
23 Racing Act of 1975. "Licensed establishment" does not include a
24 facility operated by an organization licensee, an inter-track
25 wagering licensee, or an inter-track wagering location
26 licensee licensed under the Illinois Horse Racing Act of 1975

1 or a riverboat licensed under the Riverboat Gambling Act,
2 except as provided in this paragraph.

3 "Licensed fraternal establishment" means the location
4 where a qualified fraternal organization that derives its
5 charter from a national fraternal organization regularly
6 meets.

7 "Licensed veterans establishment" means the location where
8 a qualified veterans organization that derives its charter from
9 a national veterans organization regularly meets.

10 "Licensed truck stop establishment" means a facility (i)
11 that is at least a 3-acre facility with a convenience store,
12 (ii) with separate diesel islands for fueling commercial motor
13 vehicles, (iii) that sells at retail more than 10,000 gallons
14 of diesel or biodiesel fuel per month, and (iv) with parking
15 spaces for commercial motor vehicles. "Commercial motor
16 vehicles" has the same meaning as defined in Section 18b-101 of
17 the Illinois Vehicle Code. The requirement of item (iii) of
18 this paragraph may be met by showing that estimated future
19 sales or past sales average at least 10,000 gallons per month.

20 "Licensed social club" means a nonprofit location,
21 operating in accordance with and under the tax-exempt status of
22 subdivision 501(c)(4), 501(c)(7), or 501(c)(8) of the Internal
23 Revenue Code, where alcoholic liquor is drawn, poured, mixed,
24 or otherwise served for consumption on the premises.

25 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09;
26 96-1410, eff. 7-30-10; 96-1479, eff. 8-23-10; 97-333, eff.

1 8-12-11.)

2 (230 ILCS 40/20)

3 Sec. 20. Direct dispensing of receipt tickets only. A video
4 gaming terminal may not directly dispense coins, cash, tokens,
5 or any other article of exchange or value except for receipt
6 tickets. Tickets shall be dispensed by pressing the ticket
7 dispensing button on the video gaming terminal at the end of
8 one's turn or play. The ticket shall indicate the total amount
9 of credits and the cash award, the time of day in a 24-hour
10 format showing hours and minutes, the date, the terminal serial
11 number, the sequential number of the ticket, and an encrypted
12 validation number from which the validity of the prize may be
13 determined. The player shall turn in this ticket to the
14 appropriate person at the licensed establishment, licensed
15 truck stop establishment, licensed social club, licensed
16 fraternal establishment, or licensed veterans establishment to
17 receive the cash award. The cost of the credit shall be one
18 cent, 5 cents, 10 cents, or 25 cents, and the maximum wager
19 played per hand shall not exceed \$2. No cash award for the
20 maximum wager on any individual hand shall exceed \$500.

21 (Source: P.A. 96-34, eff. 7-13-09; 96-1410, eff. 7-30-10.)

22 (230 ILCS 40/25)

23 Sec. 25. Restriction of licensees.

24 (a) Manufacturer. A person may not be licensed as a

1 manufacturer of a video gaming terminal in Illinois unless the
2 person has a valid manufacturer's license issued under this
3 Act. A manufacturer may only sell video gaming terminals for
4 use in Illinois to persons having a valid distributor's
5 license.

6 (b) Distributor. A person may not sell, distribute, or
7 lease or market a video gaming terminal in Illinois unless the
8 person has a valid distributor's license issued under this Act.
9 A distributor may only sell video gaming terminals for use in
10 Illinois to persons having a valid distributor's or terminal
11 operator's license.

12 (c) Terminal operator. A person may not own, maintain, or
13 place a video gaming terminal unless he has a valid terminal
14 operator's license issued under this Act. A terminal operator
15 may only place video gaming terminals for use in Illinois in
16 licensed establishments, licensed truck stop establishments,
17 licensed social clubs, licensed fraternal establishments, and
18 licensed veterans establishments. No terminal operator may
19 give anything of value, including, but not limited to, a loan
20 or financing arrangement, to a licensed establishment,
21 licensed truck stop establishment, licensed social club,
22 licensed fraternal establishment, or licensed veterans
23 establishment as any incentive or inducement to locate video
24 terminals in that establishment. Of the after-tax profits from
25 a video gaming terminal, 50% shall be paid to the terminal
26 operator and 50% shall be paid to the licensed establishment,

1 licensed truck stop establishment, licensed social club,
2 licensed fraternal establishment, or licensed veterans
3 establishment, notwithstanding any agreement to the contrary.
4 A video terminal operator that violates one or more
5 requirements of this subsection is guilty of a Class 4 felony
6 and is subject to termination of his or her license by the
7 Board.

8 (d) Licensed technician. A person may not service,
9 maintain, or repair a video gaming terminal in this State
10 unless he or she (1) has a valid technician's license issued
11 under this Act, (2) is a terminal operator, or (3) is employed
12 by a terminal operator, distributor, or manufacturer.

13 (d-5) Licensed terminal handler. No person, including, but
14 not limited to, an employee or independent contractor working
15 for a manufacturer, distributor, supplier, technician, or
16 terminal operator licensed pursuant to this Act, shall have
17 possession or control of a video gaming terminal, or access to
18 the inner workings of a video gaming terminal, unless that
19 person possesses a valid terminal handler's license issued
20 under this Act.

21 (e) Licensed establishment. No video gaming terminal may be
22 placed in any licensed establishment, licensed veterans
23 establishment, licensed truck stop establishment, licensed
24 social club, or licensed fraternal establishment unless the
25 owner or agent of the owner of the licensed establishment,
26 licensed veterans establishment, licensed truck stop

1 establishment, licensed social club, or licensed fraternal
2 establishment has entered into a written use agreement with the
3 terminal operator for placement of the terminals. A copy of the
4 use agreement shall be on file in the terminal operator's place
5 of business and available for inspection by individuals
6 authorized by the Board. A licensed establishment, licensed
7 truck stop establishment, licensed social club, licensed
8 veterans establishment, or licensed fraternal establishment
9 may operate up to 5 video gaming terminals on its premises at
10 any time.

11 (f) (Blank).

12 (g) Financial interest restrictions. As used in this Act,
13 "substantial interest" in a partnership, a corporation, an
14 organization, an association, a business, or a limited
15 liability company means:

16 (A) When, with respect to a sole proprietorship, an
17 individual or his or her spouse owns, operates, manages, or
18 conducts, directly or indirectly, the organization,
19 association, or business, or any part thereof; or

20 (B) When, with respect to a partnership, the individual
21 or his or her spouse shares in any of the profits, or
22 potential profits, of the partnership activities; or

23 (C) When, with respect to a corporation, an individual
24 or his or her spouse is an officer or director, or the
25 individual or his or her spouse is a holder, directly or
26 beneficially, of 5% or more of any class of stock of the

1 corporation; or

2 (D) When, with respect to an organization not covered
3 in (A), (B) or (C) above, an individual or his or her
4 spouse is an officer or manages the business affairs, or
5 the individual or his or her spouse is the owner of or
6 otherwise controls 10% or more of the assets of the
7 organization; or

8 (E) When an individual or his or her spouse furnishes
9 5% or more of the capital, whether in cash, goods, or
10 services, for the operation of any business, association,
11 or organization during any calendar year; or

12 (F) When, with respect to a limited liability company,
13 an individual or his or her spouse is a member, or the
14 individual or his or her spouse is a holder, directly or
15 beneficially, of 5% or more of the membership interest of
16 the limited liability company.

17 For purposes of this subsection (g), "individual" includes
18 all individuals or their spouses whose combined interest would
19 qualify as a substantial interest under this subsection (g) and
20 whose activities with respect to an organization, association,
21 or business are so closely aligned or coordinated as to
22 constitute the activities of a single entity.

23 (h) Location restriction. A licensed establishment,
24 licensed truck stop establishment, licensed social club,
25 licensed fraternal establishment, or licensed veterans
26 establishment that is (i) located within 1,000 feet of a

1 facility operated by an organization licensee or an inter-track
2 wagering licensee licensed under the Illinois Horse Racing Act
3 of 1975 or the home dock of a riverboat licensed under the
4 Riverboat Gambling Act or (ii) located within 100 feet of a
5 school or a place of worship under the Religious Corporation
6 Act, is ineligible to operate a video gaming terminal. The
7 location restrictions in this subsection (h) do not apply if a
8 facility operated by an organization licensee, an inter-track
9 wagering licensee, or an inter-track wagering location
10 licensee, a school, or a place of worship moves to or is
11 established within the restricted area after a licensed
12 establishment, licensed truck stop establishment, licensed
13 social club, licensed fraternal establishment, or licensed
14 veterans establishment becomes licensed under this Act. For the
15 purpose of this subsection, "school" means an elementary or
16 secondary public school, or an elementary or secondary private
17 school registered with or recognized by the State Board of
18 Education.

19 Notwithstanding the provisions of this subsection (h), the
20 Board may waive the requirement that a licensed establishment,
21 licensed truck stop establishment, licensed social club,
22 licensed fraternal establishment, or licensed veterans
23 establishment not be located within 1,000 feet from a facility
24 operated by an organization licensee, an inter-track wagering
25 licensee, or an inter-track wagering location licensee
26 licensed under the Illinois Horse Racing Act of 1975 or the

1 home dock of a riverboat licensed under the Riverboat Gambling
2 Act. The Board shall not grant such waiver if there is any
3 common ownership or control, shared business activity, or
4 contractual arrangement of any type between the establishment
5 and the organization licensee, inter-track wagering licensee,
6 inter-track wagering location licensee, or owners licensee of a
7 riverboat. The Board shall adopt rules to implement the
8 provisions of this paragraph.

9 (i) Undue economic concentration. In addition to
10 considering all other requirements under this Act, in deciding
11 whether to approve the operation of video gaming terminals by a
12 terminal operator in a location, the Board shall consider the
13 impact of any economic concentration of such operation of video
14 gaming terminals. The Board shall not allow a terminal operator
15 to operate video gaming terminals if the Board determines such
16 operation will result in undue economic concentration. For
17 purposes of this Section, "undue economic concentration" means
18 that a terminal operator would have such actual or potential
19 influence over video gaming terminals in Illinois as to:

20 (1) substantially impede or suppress competition among
21 terminal operators;

22 (2) adversely impact the economic stability of the
23 video gaming industry in Illinois; or

24 (3) negatively impact the purposes of the Video Gaming
25 Act.

26 The Board shall adopt rules concerning undue economic

1 concentration with respect to the operation of video gaming
2 terminals in Illinois. The rules shall include, but not be
3 limited to, (i) limitations on the number of video gaming
4 terminals operated by any terminal operator within a defined
5 geographic radius and (ii) guidelines on the discontinuation of
6 operation of any such video gaming terminals the Board
7 determines will cause undue economic concentration.

8 (j) The provisions of the Illinois Antitrust Act are fully
9 and equally applicable to the activities of any licensee under
10 this Act.

11 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,
12 eff. 7-13-09; 96-1000, eff. 7-2-10; 96-1410, eff. 7-30-10;
13 96-1479, eff. 8-23-10; 97-333, eff. 8-12-11.)

14 (230 ILCS 40/30)

15 Sec. 30. Multiple types of licenses prohibited. A video
16 gaming terminal manufacturer may not be licensed as a video
17 gaming terminal operator or own, manage, or control a licensed
18 establishment, licensed truck stop establishment, licensed
19 social club, licensed fraternal establishment, or licensed
20 veterans establishment, and shall be licensed to sell only to
21 persons having a valid distributor's license or, if the
22 manufacturer also holds a valid distributor's license, to sell,
23 distribute, lease, or market to persons having a valid terminal
24 operator's license. A video gaming terminal distributor may not
25 be licensed as a video gaming terminal operator or own, manage,

1 or control a licensed establishment, licensed truck stop
2 establishment, licensed social club, licensed fraternal
3 establishment, or licensed veterans establishment, and shall
4 only contract with a licensed terminal operator. A video gaming
5 terminal operator may not be licensed as a video gaming
6 terminal manufacturer or distributor or own, manage, or control
7 a licensed establishment, licensed truck stop establishment,
8 licensed social club, licensed fraternal establishment, or
9 licensed veterans establishment, and shall be licensed only to
10 contract with licensed distributors and licensed
11 establishments, licensed truck stop establishments, licensed
12 social clubs, licensed fraternal establishments, and licensed
13 veterans establishments. An owner or manager of a licensed
14 establishment, licensed truck stop establishment, licensed
15 social club, licensed fraternal establishment, or licensed
16 veterans establishment may not be licensed as a video gaming
17 terminal manufacturer, distributor, or operator, and shall
18 only contract with a licensed operator to place and service
19 this equipment.

20 (Source: P.A. 96-34, eff. 7-13-09; 96-1410, eff. 7-30-10.)

21 (230 ILCS 40/35)

22 Sec. 35. Display of license; confiscation; violation as
23 felony.

24 (a) Each video gaming terminal shall be licensed by the
25 Board before placement or operation on the premises of a

1 licensed establishment, licensed truck stop establishment,
2 licensed social club, licensed fraternal establishment, or
3 licensed veterans establishment. The license of each video
4 gaming terminal shall be maintained at the location where the
5 video gaming terminal is operated. Failure to do so is a petty
6 offense with a fine not to exceed \$100. Any licensed
7 establishment, licensed truck stop establishment, licensed
8 social club, licensed fraternal establishment, or licensed
9 veterans establishment used for the conduct of gambling games
10 in violation of this Act shall be considered a gambling place
11 in violation of Section 28-3 of the Criminal Code of 2012.
12 Every gambling device found in a licensed establishment,
13 licensed truck stop establishment, licensed social club,
14 licensed fraternal establishment, or licensed veterans
15 establishment operating gambling games in violation of this Act
16 shall be subject to seizure, confiscation, and destruction as
17 provided in Section 28-5 of the Criminal Code of 2012. Any
18 license issued under the Liquor Control Act of 1934 to any
19 owner or operator of a licensed establishment, licensed truck
20 stop establishment, licensed social club, licensed fraternal
21 establishment, or licensed veterans establishment that
22 operates or permits the operation of a video gaming terminal
23 within its establishment in violation of this Act shall be
24 immediately revoked. No person may own, operate, have in his or
25 her possession or custody or under his or her control, or
26 permit to be kept in any place under his or her possession or

1 control, any device that awards credits and contains a circuit,
2 meter, or switch capable of removing and recording the removal
3 of credits when the award of credits is dependent upon chance.
4 A violation of this Section is a Class 4 felony. All devices
5 that are owned, operated, or possessed in violation of this
6 Section are hereby declared to be public nuisances and shall be
7 subject to seizure, confiscation, and destruction as provided
8 in Section 28-5 of the Criminal Code of 2012. The provisions of
9 this Section do not apply to devices or electronic video game
10 terminals licensed pursuant to this Act. A video gaming
11 terminal operated for amusement only and bearing a valid
12 amusement tax sticker shall not be subject to this Section
13 until 30 days after the Board establishes that the central
14 communications system is functional.

15 (b) (1) The odds of winning each video game shall be posted
16 on or near each video gaming terminal. The manner in which the
17 odds are calculated and how they are posted shall be determined
18 by the Board by rule.

19 (2) No video gaming terminal licensed under this Act may be
20 played except during the legal hours of operation allowed for
21 the consumption of alcoholic beverages at the licensed
22 establishment, licensed social club, licensed fraternal
23 establishment, or licensed veterans establishment. A licensed
24 establishment, licensed social club, licensed fraternal
25 establishment, or licensed veterans establishment that
26 violates this subsection is subject to termination of its

1 license by the Board.

2 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09;
3 96-1410, eff. 7-30-10; 97-1150, eff. 1-25-13.)

4 (230 ILCS 40/45)

5 Sec. 45. Issuance of license.

6 (a) The burden is upon each applicant to demonstrate his
7 suitability for licensure. Each video gaming terminal
8 manufacturer, distributor, supplier, operator, handler,
9 licensed establishment, licensed truck stop establishment,
10 licensed social club, licensed fraternal establishment, and
11 licensed veterans establishment shall be licensed by the Board.
12 The Board may issue or deny a license under this Act to any
13 person pursuant to the same criteria set forth in Section 9 of
14 the Riverboat Gambling Act.

15 (a-5) The Board shall not grant a license to a person who
16 has facilitated, enabled, or participated in the use of
17 coin-operated devices for gambling purposes or who is under the
18 significant influence or control of such a person. For the
19 purposes of this Act, "facilitated, enabled, or participated in
20 the use of coin-operated amusement devices for gambling
21 purposes" means that the person has been convicted of any
22 violation of Article 28 of the Criminal Code of 1961 or the
23 Criminal Code of 2012. If there is pending legal action against
24 a person for any such violation, then the Board shall delay the
25 licensure of that person until the legal action is resolved.

1 (b) Each person seeking and possessing a license as a video
2 gaming terminal manufacturer, distributor, supplier, operator,
3 handler, licensed establishment, licensed truck stop
4 establishment, licensed social club, licensed fraternal
5 establishment, or licensed veterans establishment shall submit
6 to a background investigation conducted by the Board with the
7 assistance of the State Police or other law enforcement. The
8 background investigation shall include any or all of the
9 following as the Board deems appropriate or as provided by rule
10 for each category of licensure: (i) each beneficiary of a
11 trust, (ii) each partner of a partnership, (iii) each member of
12 a limited liability company, (iv) and each director and officer
13 of a publicly or non-publicly held corporation, (v) each
14 stockholder of a non-publicly held corporation, (vi) each
15 stockholder of 5% or more of a publicly held corporation, or
16 (vii) each stockholder and all stockholders of 5% or more in a
17 parent or subsidiary corporation ~~of a video gaming terminal~~
18 ~~manufacturer, distributor, supplier, operator, or licensed~~
19 ~~establishment, licensed truck stop establishment, licensed~~
20 ~~fraternal establishment, or licensed veterans establishment.~~

21 (c) Each person seeking and possessing a license as a video
22 gaming terminal manufacturer, distributor, supplier, operator,
23 handler, licensed establishment, licensed truck stop
24 establishment, licensed social club, licensed fraternal
25 establishment, or licensed veterans establishment shall
26 disclose the identity of every person, association, trust,

1 corporation, or limited liability company having a greater than
2 1% direct or indirect pecuniary interest in the video gaming
3 terminal operation for which the license is sought. If the
4 disclosed entity is a trust, the application shall disclose the
5 names and addresses of the beneficiaries; if a corporation, the
6 names and addresses of all stockholders and directors; if a
7 limited liability company, the names and addresses of all
8 members; or if a partnership, the names and addresses of all
9 partners, both general and limited.

10 (d) No person may be licensed as a video gaming terminal
11 manufacturer, distributor, supplier, operator, handler,
12 licensed establishment, licensed truck stop establishment,
13 licensed social club, licensed fraternal establishment, or
14 licensed veterans establishment if that person has been found
15 by the Board to:

16 (1) have a background, including a criminal record,
17 reputation, habits, social or business associations, or
18 prior activities that pose a threat to the public interests
19 of the State or to the security and integrity of video
20 gaming;

21 (2) create or enhance the dangers of unsuitable,
22 unfair, or illegal practices, methods, and activities in
23 the conduct of video gaming; or

24 (3) present questionable business practices and
25 financial arrangements incidental to the conduct of video
26 gaming activities.

1 (e) Any applicant for any license under this Act has the
 2 burden of proving his or her qualifications to the satisfaction
 3 of the Board. The Board may adopt rules to establish additional
 4 qualifications and requirements to preserve the integrity and
 5 security of video gaming in this State.

6 (f) A non-refundable application fee shall be paid at the
 7 time an application for a license is filed with the Board in
 8 the following amounts:

- 9 (1) Manufacturer \$5,000
- 10 (2) Distributor..... \$5,000
- 11 (3) Terminal operator..... \$5,000
- 12 (4) Supplier \$2,500
- 13 (5) Technician \$100
- 14 (6) Terminal Handler \$50

15 (g) The Board shall establish an annual fee for each
 16 license not to exceed the following:

- 17 (1) Manufacturer \$10,000
- 18 (2) Distributor..... \$10,000
- 19 (3) Terminal operator..... \$5,000
- 20 (4) Supplier \$2,000
- 21 (5) Technician \$100
- 22 (6) Licensed establishment, licensed truck stop
 23 establishment, licensed social club, licensed
 24 fraternal establishment, or licensed veterans
 25 establishment..... \$100
- 26 (7) Video gaming terminal..... \$100

1 (8) Terminal Handler \$50
 2 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,
 3 eff. 7-13-09; 96-1000, eff. 7-2-10; 96-1410, eff. 7-30-10;
 4 97-1150, eff. 1-25-13.)

5 (230 ILCS 40/55)

6 Sec. 55. Precondition for licensed location. In all cases
 7 of application for a licensed location, to operate a video
 8 gaming terminal, each licensed establishment, licensed social
 9 club, licensed fraternal establishment, or licensed veterans
 10 establishment shall possess a valid liquor license issued by
 11 the Illinois Liquor Control Commission in effect at the time of
 12 application and at all times thereafter during which a video
 13 gaming terminal is made available to the public for play at
 14 that location. Video gaming terminals in a licensed location
 15 shall be operated only during the same hours of operation
 16 generally permitted to holders of a license under the Liquor
 17 Control Act of 1934 within the unit of local government in
 18 which they are located. A licensed truck stop establishment
 19 that does not hold a liquor license may operate video gaming
 20 terminals on a continuous basis. A licensed fraternal
 21 establishment or licensed veterans establishment that does not
 22 hold a liquor license may operate video gaming terminals if (i)
 23 the establishment is located in a county with a population
 24 between 6,500 and 7,000, based on the 2000 U.S. Census, (ii)
 25 the county prohibits by ordinance the sale of alcohol, and

1 (iii) the establishment is in a portion of the county where the
2 sale of alcohol is prohibited. A licensed fraternal
3 establishment or licensed veterans establishment that does not
4 hold a liquor license may operate video gaming terminals if (i)
5 the establishment is located in a municipality within a county
6 with a population between 8,500 and 9,000 based on the 2000
7 U.S. Census and (ii) the municipality or county prohibits or
8 limits the sale of alcohol by ordinance in a way that prohibits
9 the establishment from selling alcohol.

10 (Source: P.A. 96-34, eff. 7-13-09; 96-1410, eff. 7-30-10;
11 97-594, eff. 8-26-11.)

12 (230 ILCS 40/58)

13 Sec. 58. Location of terminals. Video gaming terminals
14 must be located in an area restricted to persons over 21 years
15 of age the entrance to which is within the view of at least one
16 employee, who is over 21 years of age, of the establishment in
17 which they are located. The placement of video gaming terminals
18 in licensed establishments, licensed truck stop
19 establishments, licensed social clubs, licensed fraternal
20 establishments, and licensed veterans establishments shall be
21 subject to the rules promulgated by the Board pursuant to the
22 Illinois Administrative Procedure Act.

23 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09.)

24 (230 ILCS 40/60)

1 Sec. 60. Imposition and distribution of tax.

2 (a) A tax of 30% is imposed on net terminal income and
3 shall be collected by the Board.

4 (b) Of the tax collected under this Section, five-sixths
5 shall be deposited into the Capital Projects Fund and one-sixth
6 shall be deposited into the Local Government Video Gaming
7 Distributive Fund.

8 (c) Revenues generated from the play of video gaming
9 terminals shall be deposited by the terminal operator, who is
10 responsible for tax payments, in a specially created, separate
11 bank account maintained by the video gaming terminal operator
12 to allow for electronic fund transfers of moneys for tax
13 payment.

14 (d) Each licensed establishment, licensed truck stop
15 establishment, licensed social club, licensed fraternal
16 establishment, and licensed veterans establishment shall
17 maintain an adequate video gaming fund, with the amount to be
18 determined by the Board.

19 (e) The State's percentage of net terminal income shall be
20 reported and remitted to the Board within 15 days after the
21 15th day of each month and within 15 days after the end of each
22 month by the video terminal operator. A video terminal operator
23 who falsely reports or fails to report the amount due required
24 by this Section is guilty of a Class 4 felony and is subject to
25 termination of his or her license by the Board. Each video
26 terminal operator shall keep a record of net terminal income in

1 such form as the Board may require. All payments not remitted
2 when due shall be paid together with a penalty assessment on
3 the unpaid balance at a rate of 1.5% per month.

4 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09.)

5 Section 10. The Criminal Code of 2012 is amended by
6 changing Sections 28-1 and 28-1.1 as follows:

7 (720 ILCS 5/28-1) (from Ch. 38, par. 28-1)

8 Sec. 28-1. Gambling.

9 (a) A person commits gambling when he or she:

10 (1) knowingly plays a game of chance or skill for money
11 or other thing of value, unless excepted in subsection (b)
12 of this Section;

13 (2) knowingly makes a wager upon the result of any
14 game, contest, or any political nomination, appointment or
15 election;

16 (3) knowingly operates, keeps, owns, uses, purchases,
17 exhibits, rents, sells, bargains for the sale or lease of,
18 manufactures or distributes any gambling device;

19 (4) contracts to have or give himself or herself or
20 another the option to buy or sell, or contracts to buy or
21 sell, at a future time, any grain or other commodity
22 whatsoever, or any stock or security of any company, where
23 it is at the time of making such contract intended by both
24 parties thereto that the contract to buy or sell, or the

1 option, whenever exercised, or the contract resulting
2 therefrom, shall be settled, not by the receipt or delivery
3 of such property, but by the payment only of differences in
4 prices thereof; however, the issuance, purchase, sale,
5 exercise, endorsement or guarantee, by or through a person
6 registered with the Secretary of State pursuant to Section
7 8 of the Illinois Securities Law of 1953, or by or through
8 a person exempt from such registration under said Section
9 8, of a put, call, or other option to buy or sell
10 securities which have been registered with the Secretary of
11 State or which are exempt from such registration under
12 Section 3 of the Illinois Securities Law of 1953 is not
13 gambling within the meaning of this paragraph (4);

14 (5) knowingly owns or possesses any book, instrument or
15 apparatus by means of which bets or wagers have been, or
16 are, recorded or registered, or knowingly possesses any
17 money which he has received in the course of a bet or
18 wager;

19 (6) knowingly sells pools upon the result of any game
20 or contest of skill or chance, political nomination,
21 appointment or election;

22 (7) knowingly sets up or promotes any lottery or sells,
23 offers to sell or transfers any ticket or share for any
24 lottery;

25 (8) knowingly sets up or promotes any policy game or
26 sells, offers to sell or knowingly possesses or transfers

1 any policy ticket, slip, record, document or other similar
2 device;

3 (9) knowingly drafts, prints or publishes any lottery
4 ticket or share, or any policy ticket, slip, record,
5 document or similar device, except for such activity
6 related to lotteries, bingo games and raffles authorized by
7 and conducted in accordance with the laws of Illinois or
8 any other state or foreign government;

9 (10) knowingly advertises any lottery or policy game,
10 except for such activity related to lotteries, bingo games
11 and raffles authorized by and conducted in accordance with
12 the laws of Illinois or any other state;

13 (11) knowingly transmits information as to wagers,
14 betting odds, or changes in betting odds by telephone,
15 telegraph, radio, semaphore or similar means; or knowingly
16 installs or maintains equipment for the transmission or
17 receipt of such information; except that nothing in this
18 subdivision (11) prohibits transmission or receipt of such
19 information for use in news reporting of sporting events or
20 contests; or

21 (12) knowingly establishes, maintains, or operates an
22 Internet site that permits a person to play a game of
23 chance or skill for money or other thing of value by means
24 of the Internet or to make a wager upon the result of any
25 game, contest, political nomination, appointment, or
26 election by means of the Internet. This item (12) does not

1 apply to activities referenced in items (6) and (6.1) of
2 subsection (b) of this Section.

3 (b) Participants in any of the following activities shall
4 not be convicted of gambling:

5 (1) Agreements to compensate for loss caused by the
6 happening of chance including without limitation contracts
7 of indemnity or guaranty and life or health or accident
8 insurance.

9 (2) Offers of prizes, award or compensation to the
10 actual contestants in any bona fide contest for the
11 determination of skill, speed, strength or endurance or to
12 the owners of animals or vehicles entered in such contest.

13 (3) Pari-mutuel betting as authorized by the law of
14 this State.

15 (4) Manufacture of gambling devices, including the
16 acquisition of essential parts therefor and the assembly
17 thereof, for transportation in interstate or foreign
18 commerce to any place outside this State when such
19 transportation is not prohibited by any applicable Federal
20 law; or the manufacture, distribution, or possession of
21 video gaming terminals, as defined in the Video Gaming Act,
22 by manufacturers, distributors, and terminal operators
23 licensed to do so under the Video Gaming Act.

24 (5) The game commonly known as "bingo", when conducted
25 in accordance with the Bingo License and Tax Act.

26 (6) Lotteries when conducted by the State of Illinois

1 in accordance with the Illinois Lottery Law. This exemption
2 includes any activity conducted by the Department of
3 Revenue to sell lottery tickets pursuant to the provisions
4 of the Illinois Lottery Law and its rules.

5 (6.1) The purchase of lottery tickets through the
6 Internet for a lottery conducted by the State of Illinois
7 under the program established in Section 7.12 of the
8 Illinois Lottery Law.

9 (7) Possession of an antique slot machine that is
10 neither used nor intended to be used in the operation or
11 promotion of any unlawful gambling activity or enterprise.
12 For the purpose of this subparagraph (b)(7), an antique
13 slot machine is one manufactured 25 years ago or earlier.

14 (8) Raffles when conducted in accordance with the
15 Raffles Act.

16 (9) Charitable games when conducted in accordance with
17 the Charitable Games Act.

18 (10) Pull tabs and jar games when conducted under the
19 Illinois Pull Tabs and Jar Games Act.

20 (11) Gambling games conducted on riverboats when
21 authorized by the Riverboat Gambling Act.

22 (12) Video gaming terminal games at a licensed
23 establishment, licensed truck stop establishment, licensed
24 social club, licensed fraternal establishment, or licensed
25 veterans establishment when conducted in accordance with
26 the Video Gaming Act.

1 (13) Games of skill or chance where money or other
2 things of value can be won but no payment or purchase is
3 required to participate.

4 (c) Sentence.

5 Gambling is a Class A misdemeanor. A second or subsequent
6 conviction under subsections (a) (3) through (a) (12), is a Class
7 4 felony.

8 (d) Circumstantial evidence.

9 In prosecutions under this Section circumstantial evidence
10 shall have the same validity and weight as in any criminal
11 prosecution.

12 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09;
13 96-1203, eff. 7-22-10; 97-1108, eff. 1-1-13.)

14 (720 ILCS 5/28-1.1) (from Ch. 38, par. 28-1.1)

15 Sec. 28-1.1. Syndicated gambling.

16 (a) Declaration of Purpose. Recognizing the close
17 relationship between professional gambling and other organized
18 crime, it is declared to be the policy of the legislature to
19 restrain persons from engaging in the business of gambling for
20 profit in this State. This Section shall be liberally construed
21 and administered with a view to carrying out this policy.

22 (b) A person commits syndicated gambling when he or she
23 operates a "policy game" or engages in the business of
24 bookmaking.

25 (c) A person "operates a policy game" when he or she

1 knowingly uses any premises or property for the purpose of
2 receiving or knowingly does receive from what is commonly
3 called "policy":

4 (1) money from a person other than the bettor or player
5 whose bets or plays are represented by the money; or

6 (2) written "policy game" records, made or used over
7 any period of time, from a person other than the bettor or
8 player whose bets or plays are represented by the written
9 record.

10 (d) A person engages in bookmaking when he or she knowingly
11 receives or accepts more than five bets or wagers upon the
12 result of any trials or contests of skill, speed or power of
13 endurance or upon any lot, chance, casualty, unknown or
14 contingent event whatsoever, which bets or wagers shall be of
15 such size that the total of the amounts of money paid or
16 promised to be paid to the bookmaker on account thereof shall
17 exceed \$2,000. Bookmaking is the receiving or accepting of bets
18 or wagers regardless of the form or manner in which the
19 bookmaker records them.

20 (e) Participants in any of the following activities shall
21 not be convicted of syndicated gambling:

22 (1) Agreements to compensate for loss caused by the
23 happening of chance including without limitation contracts
24 of indemnity or guaranty and life or health or accident
25 insurance;

26 (2) Offers of prizes, award or compensation to the

1 actual contestants in any bona fide contest for the
2 determination of skill, speed, strength or endurance or to
3 the owners of animals or vehicles entered in the contest;

4 (3) Pari-mutuel betting as authorized by law of this
5 State;

6 (4) Manufacture of gambling devices, including the
7 acquisition of essential parts therefor and the assembly
8 thereof, for transportation in interstate or foreign
9 commerce to any place outside this State when the
10 transportation is not prohibited by any applicable Federal
11 law;

12 (5) Raffles when conducted in accordance with the
13 Raffles Act;

14 (6) Gambling games conducted on riverboats when
15 authorized by the Riverboat Gambling Act; and

16 (7) Video gaming terminal games at a licensed
17 establishment, licensed truck stop establishment, licensed
18 social club, licensed fraternal establishment, or licensed
19 veterans establishment when conducted in accordance with
20 the Video Gaming Act.

21 (f) Sentence. Syndicated gambling is a Class 3 felony.

22 (Source: P.A. 96-34, eff. 7-13-09; 97-1108, eff. 1-1-13.)

23 Section 99. Effective date. This Act takes effect upon
24 becoming law.