

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 Section 45 as follows:

6 (230 ILCS 40/45)

7 Sec. 45. Issuance of license.

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

17 (a-5) The Board shall not grant a license to a person who
18 has facilitated, enabled, or participated in the use of
19 coin-operated devices for gambling purposes or who is under the
20 significant influence or control of such a person. For the
21 purposes of this Act, "facilitated, enabled, or participated in
22 the use of coin-operated amusement devices for gambling
23 purposes" means that the person has been convicted of any

1 violation of Article 28 of the Criminal Code of 1961 or the
2 Criminal Code of 2012. If there is pending legal action against
3 a person for any such violation, then the Board shall delay the
4 licensure of that person until the legal action is resolved.

5 (b) Each person seeking and possessing a license as a video
6 gaming terminal manufacturer, distributor, supplier, operator,
7 handler, licensed establishment, licensed truck stop
8 establishment, licensed fraternal establishment, or licensed
9 veterans establishment shall submit to a background
10 investigation conducted by the Board with the assistance of the
11 State Police or other law enforcement. To the extent that the
12 corporate structure of the applicant allows, the background
13 investigation shall include any or all of the following as the
14 Board deems appropriate or as provided by rule for each
15 category of licensure: (i) each beneficiary of a trust, (ii)
16 each partner of a partnership, (iii) each member of a limited
17 liability company, (iv) each director and officer of a publicly
18 or non-publicly held corporation, (v) each stockholder of a
19 non-publicly held corporation, (vi) each stockholder of 5% or
20 more of a publicly held corporation, or (vii) each stockholder
21 of 5% or more in a parent or subsidiary corporation. In the
22 course of conducting background investigations authorized
23 under this Section, the Board has the discretion to determine
24 whether to conduct a background investigation of a person or
25 entity who holds an indirect interest in the person seeking
26 licensure who: (1) holds such interest for investment purposes

1 only; (2) does not exercise any control over the activities of
2 the person seeking and possessing a license; and (3) is a
3 limited partner in a partnership whose general partner is
4 controlled, directly or indirectly, by an investment adviser
5 registered under the federal Investment Advisers Act of 1940.

6 (c) Each person seeking and possessing a license as a video
7 gaming terminal manufacturer, distributor, supplier, operator,
8 handler, licensed establishment, licensed truck stop
9 establishment, licensed fraternal establishment, or licensed
10 veterans establishment shall disclose the identity of every
11 person, association, trust, corporation, or limited liability
12 company having a greater than 1% direct or indirect pecuniary
13 interest in the video gaming terminal operation for which the
14 license is sought. If the disclosed entity is a trust, the
15 application shall disclose the names and addresses of the
16 beneficiaries; if a corporation, the names and addresses of all
17 stockholders and directors; if a limited liability company, the
18 names and addresses of all members; or if a partnership, the
19 names and addresses of all partners, both general and limited.
20 The Board has discretion to determine whether to apply the
21 disclosure requirement of this subsection (c) as it relates to
22 the beneficiaries, stock holders, directors, members, or
23 partners of an entity who holds an indirect interest in a
24 person seeking licensure if the entity: (1) holds an interest
25 for investment purposes only; (2) does not exercise any control
26 over the activities of the person seeking and possessing a

1 license; and (3) is a limited partner in a partnership whose
2 general partner is controlled by an investment adviser
3 registered under the federal Investment Advisers Act of 1940.

4 (d) No person may be licensed as a video gaming terminal
5 manufacturer, distributor, supplier, operator, handler,
6 licensed establishment, licensed truck stop establishment,
7 licensed fraternal establishment, or licensed veterans
8 establishment if that person has been found by the Board to:

9 (1) have a background, including a criminal record,
10 reputation, habits, social or business associations, or
11 prior activities that pose a threat to the public interests
12 of the State or to the security and integrity of video
13 gaming;

14 (2) create or enhance the dangers of unsuitable,
15 unfair, or illegal practices, methods, and activities in
16 the conduct of video gaming; or

17 (3) present questionable business practices and
18 financial arrangements incidental to the conduct of video
19 gaming activities.

20 (e) Any applicant for any license under this Act has the
21 burden of proving his or her qualifications to the satisfaction
22 of the Board. The Board may adopt rules to establish additional
23 qualifications and requirements to preserve the integrity and
24 security of video gaming in this State.

25 (f) A non-refundable application fee shall be paid at the
26 time an application for a license is filed with the Board in

1 the following amounts:

- 2 (1) Manufacturer \$5,000
- 3 (2) Distributor..... \$5,000
- 4 (3) Terminal operator..... \$5,000
- 5 (4) Supplier \$2,500
- 6 (5) Technician \$100
- 7 (6) Terminal Handler \$50

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

- 10 (1) Manufacturer \$10,000
- 11 (2) Distributor..... \$10,000
- 12 (3) Terminal operator..... \$5,000
- 13 (4) Supplier \$2,000
- 14 (5) Technician \$100
- 15 (6) Licensed establishment, licensed truck stop
16 establishment, licensed fraternal establishment,
17 or licensed veterans establishment \$100
- 18 (7) Video gaming terminal..... \$100
- 19 (8) Terminal Handler \$50

20 (h) A terminal operator and a licensed establishment,
21 licensed truck stop establishment, licensed fraternal
22 establishment, or licensed veterans establishment shall
23 equally split the fees specified in item (7) of subsection (g).

24 (Source: P.A. 97-1150, eff. 1-25-13; 98-31, eff. 6-24-13;
25 98-587, eff. 8-27-13; revised 9-19-13.)

26 Section 99. Effective date. This Act takes effect upon

1 becoming law.