



Sen. Terry Link

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09900SB0305sam001

LRB099 03219 AMC 52148 a

1 AMENDMENT TO SENATE BILL 305

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 305 by replacing  
3 everything after the enacting clause with the following:

4 "ARTICLE 1.

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

8 Section 1-2. Legislative intent.

9 (a) This Act is intended to benefit the people of the City  
10 of Chicago and the State of Illinois by assisting economic  
11 development and promoting tourism and by increasing the amount  
12 of revenues available to the City and the State to assist and  
13 support the City's pension obligation in accordance with Public  
14 Act 99-506.

15 (b) While authorization of casino gambling in Chicago will

1 enhance investment, development, and tourism in Illinois, it is  
2 recognized that it will do so successfully only if public  
3 confidence and trust in the credibility and integrity of the  
4 gambling operations and the regulatory process is maintained.  
5 Therefore, the provisions of this Act are designed to allow the  
6 Illinois Gaming Board to strictly regulate the facilities,  
7 persons, associations, and practices related to gambling  
8 operations pursuant to the police powers of the State,  
9 including comprehensive law enforcement supervision.  
10 Consistent with the Gaming Board's authority, the Gaming Board  
11 alone shall regulate any Chicago casino, just as it now  
12 regulates every other casino in Illinois.

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

14 "Authority" means the Chicago Casino Development Authority  
15 created by this Act.

16 "Casino" means one temporary land-based or water-based  
17 facility and one permanent land-based or water-based facility  
18 at which lawful gambling is authorized and licensed as provided  
19 in the Illinois Gambling Act.

20 "Casino Board" means the board appointed pursuant to this  
21 Act to govern and control the Authority.

22 "Casino management contract" means a legally binding  
23 agreement between the Authority and a casino operator licensee  
24 to operate or manage a casino.

25 "Casino operator licensee" means any person or entity

1 selected by the Authority and approved and licensed by the  
2 Gaming Board to manage and operate a casino within the City of  
3 Chicago pursuant to a casino management contract.

4 "City" means the City of Chicago.

5 "Entity" means a corporation, joint venture, partnership,  
6 limited liability company, trust, or unincorporated  
7 association.

8 "Executive director" means the person appointed by the  
9 Casino Board to oversee the daily operations of the Authority.

10 "Gaming Board" means the Illinois Gaming Board created by  
11 the Illinois Gambling Act.

12 "Mayor" means the Mayor of the City.

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

18 Section 1-13. Duties of the Authority. It shall be the duty  
19 of the Authority, as an owners licensee under the Illinois  
20 Gambling Act, to promote and maintain a casino in the City. The  
21 Authority shall own, acquire, construct, lease, equip, and  
22 maintain grounds, buildings, and facilities for that purpose.  
23 However, the Authority shall contract with a casino operator  
24 licensee to manage and operate the casino and in no event shall

1 the Authority or City manage or operate the casino. The  
2 Authority may contract pursuant to the procedures set forth in  
3 Section 1-115 with other third parties in order to fulfill its  
4 purpose. The Authority is responsible for the payment of any  
5 fees required of a casino operator under subsection (a) of  
6 Section 7.9 of the Illinois Gambling Act if the casino operator  
7 licensee is late in paying any such fees. The Authority is  
8 granted all rights and powers necessary to perform such duties.  
9 Subject to the provisions of this Act, the Authority and casino  
10 operator licensee are subject to the Illinois Gambling Act and  
11 all of the rules of the Gaming Board, which shall be applied to  
12 the Authority and the casino operator licensee in a manner  
13 consistent with that of other owners licensees under the  
14 Illinois Gambling Act. Nothing in this Act shall confer  
15 regulatory authority on the Chicago Casino Development  
16 Authority. The Illinois Gaming Board shall have exclusive  
17 regulatory authority over all gambling operations governed by  
18 this Act.

19 Section 1-15. Casino Board.

20 (a) The governing and administrative powers of the  
21 Authority shall be vested in a body known as the Chicago Casino  
22 Development Board. The Casino Board shall consist of 5 members  
23 appointed by the Mayor. One of these members shall be  
24 designated by the Mayor to serve as chairperson. All of the  
25 members appointed by the Mayor shall be residents of the City.

1           Each Casino Board appointee shall be subject to a  
2 preliminary background investigation completed by the Gaming  
3 Board within 30 days after the appointee's submission of his or  
4 her application to the Gaming Board. If the Gaming Board  
5 determines that there is a substantial likelihood that it will  
6 not find the appointee to be suitable to serve on the Casino  
7 Board (applying the same standards for suitability to the  
8 appointee as the Gaming Board would apply to an owners licensee  
9 key person under the Gaming Board's adopted rules), then the  
10 Gaming Board shall provide a written notice of such  
11 determination to the appointee and the Corporation Counsel of  
12 the City. The Mayor may then appoint a new candidate. If no  
13 such notice is delivered with respect to a particular  
14 appointee, then commencing on the 31st day following the date  
15 of the appointee's submission of his or her application to the  
16 Gaming Board, the appointee shall be deemed an acting member of  
17 the Casino Board and shall participate as a Casino Board  
18 member.

19           Each appointee shall be subject to a full background  
20 investigation and final approval by the Gaming Board prior to  
21 the opening of the casino. The Gaming Board shall complete its  
22 full background investigation of the Casino Board appointee  
23 within 3 months after the date of the appointee's submission of  
24 his or her application to the Gaming Board. If the Gaming Board  
25 does not complete its background investigation within the  
26 3-month period, then the Gaming Board shall give a written

1 explanation to the appointee, as well as the Mayor, the  
2 Governor, the President of the Senate, and the Speaker of the  
3 House of Representatives, as to why it has not reached a final  
4 determination and set forth a reasonable time when such  
5 determination shall be made.

6 (b) Casino Board members shall receive \$300 for each day  
7 the Authority meets and shall be entitled to reimbursement of  
8 reasonable expenses incurred in the performance of their  
9 official duties. A Casino Board member who serves in the office  
10 of secretary-treasurer may also receive compensation for  
11 services provided as that officer.

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

14 (a) The Mayor shall appoint 2 members of the Casino Board  
15 for an initial term expiring July 1 of the year following final  
16 approval by the Gaming Board, 2 members for an initial term  
17 expiring July 1 three years following final approval by the  
18 Gaming Board, and one member for an initial term expiring July  
19 1 five years following final approval by the Gaming Board.

20 (b) All successors shall be appointed by the Mayor to hold  
21 office for a term of 5 years from the first day of July of the  
22 year in which they are appointed, except in the case of an  
23 appointment to fill a vacancy. Each member, including the  
24 chairperson, shall hold office until the expiration of his or  
25 her term and until his or her successor is appointed and

1 qualified. Nothing shall preclude a member from serving  
2 consecutive terms. Any member may resign from office, to take  
3 effect when a successor has been appointed and qualified. A  
4 vacancy in office shall occur in the case of a member's death  
5 or indictment, conviction, or plea of guilty to a felony. A  
6 vacancy shall be filled for the unexpired term by the Mayor  
7 subject to the approval of the Gaming Board as provided in this  
8 Section.

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

16 (d) No member of the Casino Board shall engage in any  
17 political activity. For the purpose of this Section, "political  
18 activity" means any activity in support of or in connection  
19 with any campaign for federal, State, or local elective office  
20 or any political organization, but does not include activities  
21 (i) relating to the support or opposition of any executive,  
22 legislative, or administrative action, as those terms are  
23 defined in Section 2 of the Lobbyist Registration Act, (ii)  
24 relating to collective bargaining, or (iii) that are otherwise  
25 in furtherance of the person's official duties or governmental  
26 and public service functions.

1           Section 1-25. Organization of Casino Board; meetings.  
2           After appointment by the Mayor, the Casino Board shall organize  
3           for the transaction of business, provided that the Casino Board  
4           shall not take any formal action until after the Gaming Board  
5           has completed its preliminary background investigation of at  
6           least a quorum of the Casino Board as provided in subsection  
7           (a) of Section 1-15. The Casino Board shall prescribe the time  
8           and place for meetings, the manner in which special meetings  
9           may be called, and the notice that must be given to members.  
10          All actions and meetings of the Casino Board shall be subject  
11          to the provisions of the Open Meetings Act. Three members of  
12          the Casino Board shall constitute a quorum. All substantive  
13          action of the Casino Board shall be by resolution with an  
14          affirmative vote of a majority of the members.

15           Section 1-30. Executive director; officers.

16           (a) The Casino Board shall appoint an executive director,  
17          who shall be the chief executive officer of the Authority.

18           The executive director shall be subject to a preliminary  
19          background investigation to be completed by the Gaming Board  
20          within 30 days after the executive director's submission of his  
21          or her application to the Gaming Board. If the Gaming Board  
22          determines that there is a substantial likelihood that it will  
23          not find the executive director to be suitable to serve in that  
24          position (applying the same standards for suitability as the



1 Gaming Board would apply to an owners licensee key person under  
2 the Gaming Board's adopted rules), then the Gaming Board shall  
3 provide a written notice of such determination to the appointee  
4 and the Corporation Counsel of the City. The Casino Board may  
5 then appoint a new executive director. If no such notice is  
6 delivered, then commencing on the 31st day following the date  
7 of the executive director's submission of his or her  
8 application to the Gaming Board, the executive director shall  
9 commence all duties as the acting executive director of the  
10 Authority.

11 The executive director shall be subject to a full  
12 background investigation and final approval by the Gaming Board  
13 prior to the opening of the casino. The Gaming Board shall  
14 complete its full background investigation of the executive  
15 director within 3 months after the date of the executive  
16 director's submission of his or her application to the Gaming  
17 Board. If the Gaming Board does not complete its background  
18 investigation within the 3-month period, then the Gaming Board  
19 shall give a written explanation to the appointee, as well as  
20 the Mayor, the Governor, the President of the Senate, and the  
21 Speaker of the House of Representatives, as to why it has not  
22 reached a final determination and set forth a reasonable time  
23 when such determination shall be made.

24 (b) The Casino Board shall fix the compensation of the  
25 executive director. Subject to the general control of the  
26 Casino Board, the executive director shall be responsible for

1 the management of the business, properties, and employees of  
2 the Authority. The executive director shall direct the  
3 enforcement of all resolutions, rules, and regulations of the  
4 Casino Board, and shall perform such other duties as may be  
5 prescribed from time to time by the Casino Board. All employees  
6 and independent contractors, consultants, engineers,  
7 architects, accountants, attorneys, financial experts,  
8 construction experts and personnel, superintendents, managers,  
9 and other personnel appointed or employed pursuant to this Act  
10 shall report to the executive director. In addition to any  
11 other duties set forth in this Act, the executive director  
12 shall do or shall delegate to an employee or agent of the  
13 Authority to do all of the following:

14 (1) Direct and supervise the administrative affairs  
15 and activities of the Authority in accordance with its  
16 rules, regulations, and policies.

17 (2) Attend meetings of the Casino Board.

18 (3) Keep minutes of all proceedings of the Casino  
19 Board.

20 (4) Approve all accounts for salaries, per diem  
21 payments, and allowable expenses of the Casino Board and  
22 its employees and consultants.

23 (5) Report and make recommendations to the Casino Board  
24 concerning the terms and conditions of any casino  
25 management contract.

26 (6) Perform any other duty that the Casino Board

1 requires for carrying out the provisions of this Act.

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

4 (c) The Casino Board may select a secretary-treasurer and  
5 other officers to hold office at the pleasure of the Casino  
6 Board. The Casino Board shall fix the duties of such officers.

7 Section 1-31. General rights and powers of the Authority.

8 (a) In addition to the duties and powers set forth in this  
9 Act, the Authority shall have the following rights and powers:

10 (1) Adopt and alter an official seal.

11 (2) Establish and change its fiscal year.

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

15 (4) Adopt, amend, and repeal bylaws, rules, and  
16 regulations consistent with the furtherance of the powers  
17 and duties provided for.

18 (5) Maintain its principal office within the City and  
19 such other offices as the Casino Board may designate.

20 (6) Select locations in the City for a temporary and a  
21 permanent casino.

22 (7) Subject to the bidding procedures of Section 1-115  
23 of this Act, retain or employ, either as regular employees  
24 or independent contractors, consultants, engineers,  
25 architects, accountants, attorneys, financial experts,

1 construction experts and personnel, superintendents,  
2 managers and other professional personnel, and such other  
3 personnel as may be necessary in the judgment of the Casino  
4 Board, and fix their compensation; however, employees of  
5 the Authority shall be hired pursuant to and in accordance  
6 with the rules and policies the Authority may adopt.

7 (8) Pursuant to Section 1-115 of this Act, own,  
8 acquire, construct, equip, lease, operate, manage, and  
9 maintain grounds, buildings, and facilities to carry out  
10 its corporate purposes and duties.

11 (9) Pursuant to Section 1-115, and subject to the  
12 oversight, review, and approval of the Gaming Board, enter  
13 into, revoke, and modify contracts in accordance with the  
14 rules of the Gaming Board as consistently applied to all  
15 owners licensees under the Illinois Gambling Act, provided  
16 that the Authority may enter into contracts for the design,  
17 construction, and outfitting of a temporary casino prior to  
18 the Gaming Board's final approval of the Authority's  
19 executive director and the members of the Casino Board and  
20 prior to the Gaming Board's issuance of the Authority's  
21 owners license. Provided further that the entities  
22 selected by the Authority for the design, construction, and  
23 outfitting of the temporary casino shall be subject to a  
24 preliminary background investigation to be completed by  
25 the Gaming Board within 30 days after the Gaming Board is  
26 provided the identities of the entities. If the Gaming

1 Board determines that there is a substantial likelihood  
2 that the entities are not suitable or acceptable to perform  
3 their respective functions, then the Gaming Board shall  
4 immediately provide notice of that determination to the  
5 Authority. If no such notice is delivered, then, commencing  
6 on the 31st day following the date on which the information  
7 identifying such entities is provided to the Gaming Board,  
8 such entities shall be permitted to commence the services  
9 contemplated for the design, construction, and outfitting  
10 of the temporary casino. In no event, however, shall the  
11 Authority open a casino until after the Gaming Board has  
12 finally approved the Authority's executive director and  
13 the members of the Casino Board and the Gaming Board has  
14 issued the Authority's owners license and the casino  
15 operator's casino operator license.

16 (10) Enter into a casino management contract subject to  
17 the provisions of Section 1-45 of this Act.

18 (11) Negotiate and enter into intergovernmental  
19 agreements with the State and its agencies, the City, and  
20 other units of local government, in furtherance of the  
21 powers and duties of the Casino Board.

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

24 (13) Borrow money from any source, public or private,  
25 for any corporate purpose, including, without limitation,  
26 working capital for its operations, reserve funds, or

1 payment of interest, and to mortgage, pledge, or otherwise  
2 encumber the property or funds of the Authority and to  
3 contract with or engage the services of any person in  
4 connection with any financing, including financial  
5 institutions, issuers of letters of credit, or insurers and  
6 enter into reimbursement agreements with this person or  
7 entity which may be secured as if money were borrowed from  
8 the person or entity.

9 (14) Issue bonds as provided for under this Act.

10 (15) Receive and accept from any source, private or  
11 public, contributions, gifts, or grants of money or  
12 property to the Authority.

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

20 (17) Exercise all the corporate powers granted  
21 Illinois corporations under the Business Corporation Act  
22 of 1983, except to the extent that powers are inconsistent  
23 with those of a body politic and municipal corporation.

24 (18) Do all things necessary or convenient to carry out  
25 the powers granted by this Act.

26 (b) The Casino Board shall comply with all applicable legal

1 requirements imposed on other owners licensees to conduct all  
2 background investigations required under the Illinois Gambling  
3 Act and the rules of the Gaming Board. This requirement shall  
4 also extend to senior legal, financial, and administrative  
5 staff of the Authority.

6 Section 1-32. Ethical conduct.

7 (a) Casino Board members and employees of the Authority  
8 must carry out their duties and responsibilities in such a  
9 manner as to promote and preserve public trust and confidence  
10 in the integrity and conduct of gaming.

11 (b) Except as may be required in the conduct of official  
12 duties, Casino Board members and employees of the Authority  
13 shall not engage in gambling on any riverboat, in any casino,  
14 or in an electronic gaming facility licensed by the Illinois  
15 Gaming Board or engage in legalized gambling in any  
16 establishment identified by Gaming Board action that, in the  
17 judgment of the Gaming Board, could represent a potential for a  
18 conflict of interest.

19 (c) A Casino Board member or employee of the Authority  
20 shall not use or attempt to use his or her official position to  
21 secure or attempt to secure any privilege, advantage, favor, or  
22 influence for himself or herself or others.

23 (d) Casino Board members and employees of the Authority  
24 shall not hold or pursue employment, office, position,  
25 business, or occupation that may conflict with his or her

1 official duties. Employees may engage in other gainful  
2 employment so long as that employment does not interfere or  
3 conflict with their duties. Such employment must be disclosed  
4 to the executive director and approved by the Casino Board.

5 (e) Casino Board members, employees of the Authority, and  
6 elected officials and employees of the City may not engage in  
7 employment, communications, or any activity identified by the  
8 Casino Board or Gaming Board that, in the judgment of either  
9 entity, could represent the potential for or the appearance of  
10 a conflict of interest.

11 (f) Casino Board members, employees of the Authority, and  
12 elected officials and employees of the City may not have a  
13 financial interest, directly or indirectly, in his or her own  
14 name or in the name of any other person, partnership,  
15 association, trust, corporation, or other entity in any  
16 contract or subcontract for the performance of any work for the  
17 Authority. This prohibition shall extend to the holding or  
18 acquisition of an interest in any entity identified by the  
19 Casino Board or the Gaming Board that, in the judgment of  
20 either entity, could represent the potential for or the  
21 appearance of a financial interest. The holding or acquisition  
22 of an interest in such entities through an indirect means, such  
23 as through a mutual fund, shall not be prohibited, except that  
24 the Gaming Board may identify specific investments or funds  
25 that, in its judgment, are so influenced by gaming holdings as  
26 to represent the potential for or the appearance of a conflict



1 of interest.

2 (g) Casino Board members, employees of the Authority, and  
3 elected officials and employees of the City may not accept any  
4 gift, gratuity, service, compensation, travel, lodging, or  
5 thing of value, with the exception of unsolicited items of an  
6 incidental nature, from any person, corporation, or entity  
7 doing business with the Authority.

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

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

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

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

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

1 entity, or its parent or affiliate.

2 (l) No Casino Board member, employee of the Authority, or  
3 elected official or employee of the City may attempt, in any  
4 way, to influence any person or entity doing business with the  
5 Authority or any officer, agent, or employee thereof to hire or  
6 contract with any person or entity for any compensated work.

7 (m) No Casino Board member, employee of the Authority, or  
8 elected official or employee of the City shall use or attempt  
9 to use his or her official position to secure, or attempt to  
10 secure, any privilege, advantage, favor, or influence for  
11 himself or herself or others. No Casino Board member, employee  
12 of the Authority, or elected official or employee of the City  
13 shall, within one year immediately preceding appointment by the  
14 Mayor or employment, have been employed or received  
15 compensation or fees for services from a person or entity, or  
16 its parent or affiliate, that has engaged in business with the  
17 Casino Board, a licensee under this Act, or a licensee under  
18 the Illinois Gambling Act.

19 (n) Any communication between an elected official of the  
20 City and any applicant for or party to a casino management  
21 contract with the Authority, or an officer, director, or  
22 employee thereof, concerning any matter relating in any way to  
23 gaming or the Authority shall be disclosed to the Casino Board  
24 and the Gaming Board. Such disclosure shall be in writing by  
25 the official within 30 days after the communication and shall  
26 be filed with the Casino Board and the Gaming Board. Disclosure

1 must consist of the date of the communication, the identity and  
2 job title of the person with whom the communication was made, a  
3 brief summary of the communication, the action requested or  
4 recommended, all responses made, the identity and job title of  
5 the person making the response, and any other pertinent  
6 information. In addition, if the communication is written or  
7 digital, then the entire communication shall be disclosed.

8 Public disclosure of the written summary provided to the  
9 Casino Board and the Gaming Board shall be subject to the  
10 exemptions provided under Section 7 of the Freedom of  
11 Information Act.

12 This subsection (n) shall not apply to communications  
13 regarding traffic, law enforcement, security, environmental  
14 issues, City services, transportation, or other routine  
15 matters concerning the ordinary operations of the casino.

16 (o) For purposes of this Section:

17 "Ordinary operations" means operations relating to the  
18 casino facility other than the conduct of gambling activities.

19 "Routine matters" includes the application for, issuance,  
20 renewal, and other processes associated with City permits and  
21 licenses.

22 "Employee of the City" means only those employees of the  
23 City who provide services to the Authority or otherwise  
24 influence the decisions of the Authority or the Casino Board.

25 (p) Any Casino Board member or employee of the Authority  
26 who violates any provision of this Section is guilty of a Class

1 4 felony.

2 Section 1-45. Casino management contracts.

3 (a) In accordance with all applicable procurement laws and  
4 rules, the Casino Board shall develop and administer a  
5 competitive sealed bidding process for the selection of a  
6 potential casino operator licensee to develop or operate a  
7 casino within the City. The Casino Board shall issue one or  
8 more requests for proposals. The Casino Board may establish  
9 minimum financial and investment requirements to determine the  
10 eligibility of persons to respond to the Casino Board's  
11 requests for proposals, and may establish and consider such  
12 other criteria as it deems appropriate. The Casino Board may  
13 impose a reasonable fee upon persons who respond to requests  
14 for proposals, in order to reimburse the Casino Board for its  
15 costs in preparing and issuing the requests and reviewing the  
16 proposals. At least 30 days prior to the commencement of the  
17 competitive bidding process, the Gaming Board shall be given an  
18 opportunity to review the competitive bidding process  
19 established by the Casino Board. During the competitive bidding  
20 process, the Casino Board shall keep the Gaming Board apprised  
21 of the process and the responses received in connection with  
22 the Casino Board's requests for proposals.

23 (b) Within 5 business days after the time limit for  
24 submitting bids and proposals has passed, the Casino Board  
25 shall make all bids and proposals public, provided, however,

1 the Casino Board shall not be required to disclose any  
2 information which would be exempt from disclosure under Section  
3 7 of the Freedom of Information Act. Thereafter, the Casino  
4 Board shall evaluate the responses to its requests for  
5 proposals and the ability of all persons or entities responding  
6 to its requests for proposals to meet the requirements of this  
7 Act and any relevant provisions of the Illinois Gambling Act  
8 and to undertake and perform the obligations set forth in its  
9 requests for proposals.

10 (c) After reviewing proposals and selecting a successful  
11 bidder, the Casino Board shall enter into a casino management  
12 contract with the successful bidder authorizing the operation  
13 of a casino. The casino operator shall be subject to a  
14 background investigation and approval by the Gaming Board. The  
15 Gaming Board shall complete its background investigation and  
16 approval of the casino operator within 6 months after the date  
17 that the proposed casino operator submits its application to  
18 the Gaming Board. If the Gaming Board does not complete its  
19 background investigation and approval within the 6-month  
20 period, then the Gaming Board shall give a written explanation  
21 to the proposed casino operator and the chief legal officer of  
22 the Authority as to why it has not reached a final  
23 determination and when it reasonably expects to make a final  
24 determination. Validity of the casino management contract is  
25 contingent upon the issuance of a casino operator license to  
26 the successful bidder. If the Gaming Board grants a casino

1 operator license, the Casino Board shall transmit a copy of the  
2 executed casino management contract to the Gaming Board.

3 (d) After (1) the Authority has been issued an owners  
4 license, (2) the Gaming Board has issued a casino operator  
5 license, and (3) the Gaming Board has approved the members of  
6 the Casino Board, the Authority may conduct gaming operations  
7 at a temporary facility, subject to the adopted rules of the  
8 Gaming Board, for no longer than 24 months after gaming  
9 operations begin. The Gaming Board may, after holding a public  
10 hearing, grant an extension so long as a permanent facility is  
11 not operational and the Authority is working in good faith to  
12 complete the permanent facility. The Gaming Board may grant  
13 additional extensions following further public hearings. Each  
14 extension may be for a period of no longer than 6 months.

15 (e) Fifty percent of any initial consideration received by  
16 the Authority that was paid as an inducement pursuant to a bid  
17 for a casino management contract or an executed casino  
18 management contract must be transmitted to the State and  
19 deposited into the Gaming Facilities Fee Revenue Fund. The  
20 initial consideration shall not include (1) any amounts paid to  
21 the Authority as reimbursement for its costs in preparing or  
22 issuing the requests for proposals and reviewing the proposals  
23 or (2) any amounts loaned to the Authority or paid by an entity  
24 on behalf of the Authority for the design, construction,  
25 outfitting, or equipping of the casino, pre-opening expenses,  
26 bank roll or similar expenses required to open and operate the

1 casino, or any license or per position fees imposed pursuant to  
2 the Illinois Gambling Act or any other financial obligation of  
3 the Authority.

4 Section 1-47. Freedom of Information Act. The Authority  
5 shall be a public body as defined in the Freedom of Information  
6 Act and shall be subject to the provisions of the Freedom of  
7 Information Act.

8 Section 1-50. Transfer of funds. The revenues received by  
9 the Authority (other than amounts required to be paid pursuant  
10 to the Illinois Gambling Act and amounts required to pay the  
11 operating expenses of the Authority, to pay amounts due the  
12 casino operator licensee pursuant to a casino management  
13 contract, to repay any borrowing of the Authority made pursuant  
14 to Section 1-31, to pay debt service on any bonds issued under  
15 Section 1-75, and to pay any expenses in connection with the  
16 issuance of such bonds pursuant to Section 1-75 or derivative  
17 products pursuant to Section 1-85) shall be transferred to the  
18 City by the Authority. Moneys transferred to the City pursuant  
19 to this Section shall be expended or obligated by the City for  
20 pension payments in accordance with Public Act 99-506.

21 Section 1-60. Auditor General.

22 (a) Prior to the issuance of bonds under this Act, the  
23 Authority shall submit to the Auditor General a certification



1 that:

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

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

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

7 (4) after payment of costs of issuance and necessary  
8 deposits to funds and accounts established with respect to  
9 debt service on the bonds, the net bond proceeds (exclusive  
10 of any proceeds to be used to refund outstanding bonds)  
11 will be used only for the purposes set forth in this Act.

12 The Authority also shall submit to the Auditor General its  
13 projections on revenues to be generated and pledged to  
14 repayment of the bonds as scheduled and such other information  
15 as the Auditor General may reasonably request.

16 The Auditor General shall examine the certifications and  
17 information submitted and submit a report to the Authority and  
18 the Gaming Board indicating whether the required  
19 certifications, projections, and other information have been  
20 submitted by the Authority and whether the assumptions  
21 underlying the projections are not unreasonable in the  
22 aggregate. The Auditor General shall submit the report no later  
23 than 60 days after receiving the information required to be  
24 submitted by the Authority.

25 The Auditor General shall submit a bill to the Authority  
26 for costs associated with the examinations and report required

1 under this Section. The Authority shall reimburse in a timely  
2 manner.

3 (b) The Authority shall enter into an intergovernmental  
4 agreement with the Auditor General authorizing the Auditor  
5 General to, every 2 years, (i) review the financial audit of  
6 the Authority performed by the Authority's certified public  
7 accountants, (ii) perform a management audit of the Authority,  
8 and (iii) perform a management audit of the casino operator  
9 licensee. The Auditor General shall provide the Authority and  
10 the General Assembly with the audits and shall post on his or  
11 her Internet website such portions of the audit or other  
12 financial information as generally would be made publicly  
13 available for other owners licensees under the Illinois  
14 Gambling Act. The Auditor General shall submit a bill to the  
15 Authority for costs associated with the review and the audit  
16 required under this Section, which costs shall not exceed  
17 \$100,000, and the Authority shall reimburse the Auditor General  
18 for such costs in a timely manner.

19 Section 1-62. Advisory committee. An Advisory Committee is  
20 established to monitor, review, and report on (1) the  
21 Authority's utilization of minority-owned business enterprises  
22 and female-owned business enterprises, (2) employment of  
23 females, and (3) employment of minorities with regard to the  
24 development and construction of the casino as authorized under  
25 Section 7 of the Illinois Gambling Act. The Authority shall

1 work with the Advisory Committee in accumulating necessary  
2 information for the Committee to submit reports, as necessary,  
3 to the General Assembly and to the City.

4 The Committee shall consist of 9 members as provided in  
5 this Section. Five members shall be selected by the Governor  
6 and 4 members shall be selected by the Mayor. The Governor and  
7 Mayor shall each appoint at least one current member of the  
8 General Assembly. The Advisory Committee shall meet  
9 periodically and shall report the information to the Mayor of  
10 the City and to the General Assembly by December 31st of every  
11 year.

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

19 Section 1-65. Acquisition of property; eminent domain  
20 proceedings. For the lawful purposes of this Act, the City may  
21 acquire, by eminent domain or by condemnation proceedings in  
22 the manner provided by the Eminent Domain Act, real or personal  
23 property or interests in real or personal property located in  
24 the City, and the City may convey to the Authority property so  
25 acquired. The acquisition of property under this Section is

1 declared to be for a public use.

2 Section 1-70. Local regulation. In addition to this Act,  
3 the Illinois Gambling Act, and all of the rules of the Gaming  
4 Board, the casino facilities and operations therein shall be  
5 subject to all ordinances and regulations of the City. The  
6 construction, development, and operation of the casino shall  
7 comply with all ordinances, regulations, rules, and controls of  
8 the City, including, but not limited to, those relating to  
9 zoning and planned development, building, fire prevention, and  
10 land use. However, the regulation of gaming operations is  
11 subject to the exclusive jurisdiction of the Gaming Board. The  
12 Gaming Board shall be responsible for the investigation for and  
13 issuance of all licenses required by this Act and the Illinois  
14 Gambling Act.

15 Section 1-75. Borrowing.

16 (a) The Authority may borrow money and issue bonds as  
17 provided in this Section. Bonds of the Authority may be issued  
18 to provide funds for land acquisition, site assembly and  
19 preparation, and the design and construction of the casino, as  
20 defined in the Illinois Gambling Act, all ancillary and related  
21 facilities comprising the casino complex, and all on-site and  
22 off-site infrastructure improvements required in connection  
23 with the development of the casino; to refund (at the time or  
24 in advance of any maturity or redemption) or redeem any bonds

1 of the Authority; to provide or increase a debt service reserve  
2 fund or other reserves with respect to any or all of its bonds;  
3 or to pay the legal, financial, administrative, bond insurance,  
4 credit enhancement, and other legal expenses of the  
5 authorization, issuance, or delivery of bonds. In this Act, the  
6 term "bonds" also includes notes of any kind, interim  
7 certificates, refunding bonds, or any other evidence of  
8 obligation for borrowed money issued under this Section. Bonds  
9 may be issued in one or more series and may be payable and  
10 secured either on a parity with or separately from other bonds.

11 (b) The bonds of the Authority shall be payable from one or  
12 more of the following sources: (i) the property or revenues of  
13 the Authority; (ii) revenues derived from the casino; (iii)  
14 revenues derived from any casino operator licensee; (iv) fees,  
15 bid proceeds, charges, lease payments, payments required  
16 pursuant to any casino management contract or other revenues  
17 payable to the Authority, or any receipts of the Authority; (v)  
18 payments by financial institutions, insurance companies, or  
19 others pursuant to letters or lines of credit, policies of  
20 insurance, or purchase agreements; (vi) investment earnings  
21 from funds or accounts maintained pursuant to a bond resolution  
22 or trust indenture; (vii) proceeds of refunding bonds; (viii)  
23 any other revenues derived from or payments by the City; and  
24 (ix) any payments by any casino operator licensee or others  
25 pursuant to any guaranty agreement.

26 (c) Bonds shall be authorized by a resolution of the

1 Authority and may be secured by a trust indenture by and  
2 between the Authority and a corporate trustee or trustees,  
3 which may be any trust company or bank having the powers of a  
4 trust company within or without the State. Bonds shall meet the  
5 following requirements:

6 (1) Bonds may bear interest payable at any time or  
7 times and at any rate or rates, notwithstanding any other  
8 provision of law to the contrary, and may be subject to  
9 such other terms and conditions as may be provided by the  
10 resolution or indenture authorizing the issuance of such  
11 bonds.

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

17 (3) Bonds issued pursuant to this Section may be sold  
18 pursuant to notice of sale and public bid or by negotiated  
19 sale.

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

26 (5) Bonds shall be payable in lawful money of the

1 United States at a designated place.

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

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

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

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

13 (d) The Authority shall adopt a procurement program with  
14 respect to contracts relating to underwriters, bond counsel,  
15 financial advisors, and accountants. The program shall include  
16 goals for the payment of not less than 30% of the total dollar  
17 value of the fees from these contracts to minority-owned  
18 businesses and female-owned businesses as defined in the  
19 Business Enterprise for Minorities, Females, and Persons with  
20 Disabilities Act. The Authority shall conduct outreach to  
21 minority-owned businesses and female-owned businesses.  
22 Outreach shall include, but is not limited to, advertisements  
23 in periodicals and newspapers, mailings, and other appropriate  
24 media. The Authority shall submit to the General Assembly a  
25 comprehensive report that shall include, at a minimum, the  
26 details of the procurement plan, outreach efforts, and the

1 results of the efforts to achieve goals for the payment of  
2 fees.

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

8 (1) Pledging, assigning, or directing the use,  
9 investment, or disposition of revenues of the Authority or  
10 proceeds or benefits of any contract, including without  
11 limitation any rights in any casino management contract.

12 (2) The setting aside of loan funding deposits, debt  
13 service reserves, replacement or operating reserves, cost  
14 of issuance accounts and sinking funds, and the regulation,  
15 investment, and disposition thereof.

16 (3) Limitations on the purposes to which or the  
17 investments in which the proceeds of sale of any issue of  
18 bonds or the Authority's revenues and receipts may be  
19 applied or made.

20 (4) Limitations on the issue of additional bonds, the  
21 terms upon which additional bonds may be issued and  
22 secured, the terms upon which additional bonds may rank on  
23 a parity with, or be subordinate or superior to, other  
24 bonds.

25 (5) The refunding, advance refunding, or refinancing  
26 of outstanding bonds.



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

5           (7) Defining the acts or omissions that shall  
6 constitute a default in the duties of the Authority to  
7 holders of bonds and providing the rights or remedies of  
8 such holders in the event of a default, which may include  
9 provisions restricting individual rights of action by  
10 bondholders.

11           (8) Providing for guarantees, pledges of property,  
12 letters of credit, or other security, or insurance for the  
13 benefit of bondholders.

14           (f) No member of the Casino Board, nor any person executing  
15 the bonds, shall be liable personally on the bonds or subject  
16 to any personal liability by reason of the issuance of the  
17 bonds.

18           (g) The Authority may issue and secure bonds in accordance  
19 with the provisions of the Local Government Credit Enhancement  
20 Act.

21           (h) A pledge by the Authority of revenues and receipts as  
22 security for an issue of bonds or for the performance of its  
23 obligations under any casino management contract shall be valid  
24 and binding from the time when the pledge is made. The revenues  
25 and receipts pledged shall immediately be subject to the lien  
26 of the pledge without any physical delivery or further act, and

1 the lien of any pledge shall be valid and binding against any  
2 person having any claim of any kind in tort, contract, or  
3 otherwise against the Authority, irrespective of whether the  
4 person has notice. No resolution, trust indenture, management  
5 agreement or financing statement, continuation statement, or  
6 other instrument adopted or entered into by the Authority need  
7 be filed or recorded in any public record other than the  
8 records of the Authority in order to perfect the lien against  
9 third persons, regardless of any contrary provision of law.

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

16 (j) The bonds of the Authority shall not be indebtedness of  
17 the State. The bonds of the Authority are not general  
18 obligations of the State and are not secured by a pledge of the  
19 full faith and credit of the State and the holders of bonds of  
20 the Authority may not require the application of State revenues  
21 or funds to the payment of bonds of the Authority. The  
22 foregoing non-recourse language must be printed in bold-face  
23 type on the face of the bonds and in the preliminary and final  
24 official statements on the bonds.

25 (k) The State of Illinois pledges and agrees with the  
26 owners of the bonds that it will not limit or alter the rights

1 and powers vested in the Authority by this Act so as to impair  
2 the terms of any contract made by the Authority with the owners  
3 or in any way impair the rights and remedies of the owners  
4 until the bonds, together with interest on them, and all costs  
5 and expenses in connection with any action or proceedings by or  
6 on behalf of the owners, are fully met and discharged. The  
7 Authority is authorized to include this pledge and agreement in  
8 any contract with the owners of bonds issued under this  
9 Section.

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

22 Section 1-85. Derivative products. With respect to all or  
23 part of any issue of its bonds, the Authority may enter into  
24 agreements or contracts with any necessary or appropriate  
25 person, which will have the benefit of providing to the

1 Authority an interest rate basis, cash flow basis, or other  
2 basis different from that provided in the bonds for the payment  
3 of interest. Such agreements or contracts may include, without  
4 limitation, agreements or contracts commonly known as  
5 "interest rate swap agreements", "forward payment conversion  
6 agreements", "futures", "options", "puts", or "calls" and  
7 agreements or contracts providing for payments based on levels  
8 of or changes in interest rates, agreements or contracts to  
9 exchange cash flows or a series of payments, or to hedge  
10 payment, rate spread, or similar exposure. Any such agreement  
11 or contract shall be solely an obligation or indebtedness of  
12 the Authority and shall not be an obligation or indebtedness of  
13 the State, nor shall any party thereto have any recourse  
14 against the State in connection with the agreement or contract.

15 Section 1-90. Legality for investment. The State of  
16 Illinois, all governmental entities, all public officers,  
17 banks, bankers, trust companies, savings banks and  
18 institutions, building and loan associations, savings and loan  
19 associations, investment companies, and other persons carrying  
20 on a banking business, insurance companies, insurance  
21 associations, and other persons carrying on an insurance  
22 business, and all executors, administrators, guardians,  
23 trustees, and other fiduciaries may legally invest any sinking  
24 funds, moneys, or other funds belonging to them or within their  
25 control in any bonds issued under this Act. However, nothing in

1 this Section shall be construed as relieving any person or  
2 entity from any duty of exercising reasonable care in selecting  
3 securities for purchase or investment.

4 Section 1-105. Budgets and reporting.

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

15 (b) The Casino Board shall annually cause the finances of  
16 the Authority to be audited by a firm of certified public  
17 accountants selected by the Casino Board in accordance with the  
18 rules of the Gaming Board and post on the Authority's Internet  
19 website such financial information as is required to be posted  
20 by all other owners licensees under the Illinois Gambling Act.

21 (c) The Casino Board shall, for each fiscal year, prepare  
22 an annual report setting forth information concerning its  
23 activities in the fiscal year and the status of the development  
24 of the casino. The annual report shall include financial  
25 information of the Authority consistent with that which is

1 required for all other owners licensees under the Illinois  
2 Gambling Act, the budget for the succeeding fiscal year, and  
3 the current capital plan as of the date of the report. Copies  
4 of the annual report shall be made available to persons who  
5 request them and shall be submitted not later than 120 days  
6 after the end of the Authority's fiscal year or, if the audit  
7 of the Authority's financial statements is not completed within  
8 120 days after the end of the Authority's fiscal year, as soon  
9 as practical after completion of the audit, to the Governor,  
10 the Mayor, the General Assembly, and the Commission on  
11 Government Forecasting and Accountability.

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

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

24 No bank or savings and loan association shall receive  
25 public funds as permitted by this Section unless it has

1 complied with the requirements established pursuant to Section  
2 6 of the Public Funds Investment Act.

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

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

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

1 contractor shall notify the Authority of any changes in  
2 officers, directors, ownership, or individuals having a  
3 beneficial interest of more than 1%. Notwithstanding the  
4 provisions of this subsection (a), the Gaming Board may adopt  
5 rules in connection with contractors for contracts with the  
6 Authority or the casino operator licensee.

7 (b) A bidder, respondent, offeror, or contractor for  
8 contracts with an annual value of \$25,000 or more or for a  
9 period to exceed one year shall disclose all political  
10 contributions of the bidder, respondent, offeror, or  
11 contractor and any affiliated person or entity. Disclosure  
12 shall include at least the names and addresses of the  
13 contributors and the dollar amounts of any contributions to any  
14 political committee made within the previous 2 years. The  
15 disclosure must be submitted to the Gaming Board with a copy of  
16 the contract. All such disclosures shall be posted on the  
17 websites of the Authority and the Gaming Board.

18 (c) As used in this Section:

19 "Contribution" means contribution as defined in Section  
20 9-1.4 of the Election Code.

21 "Affiliated person" means (i) any person with any ownership  
22 interest or distributive share of the bidding, responding, or  
23 contracting entity in excess of 1%, (ii) executive employees of  
24 the bidding, responding, or contracting entity, and (iii) the  
25 spouse, minor children, and parents of any such persons.

26 "Affiliated entity" means (i) any parent or subsidiary of



1 the bidding or contracting entity, (ii) any member of the same  
2 unitary business group, or (iii) any political committee for  
3 which the bidding, responding, or contracting entity is the  
4 sponsoring entity.

5 (d) The Gaming Board may direct the Authority or a casino  
6 operator licensee to void a contract if a violation of this  
7 Section occurs. The Authority may direct a casino operator  
8 licensee to void a contract if a violation of this Section  
9 occurs.

10 (e) All contracts pertaining to the actual operation of the  
11 casino and related gaming activities shall be entered into by  
12 the casino operator licensee and not the Authority and shall be  
13 subject to the regulation, oversight, and approval of the  
14 Gaming Board, applying the same regulation, oversight, and  
15 approval requirements as would be applied to any other owners  
16 licensee under the Illinois Gambling Act.

17 Section 1-115. Purchasing.

18 (a) The Casino Board shall designate an officer of the  
19 Authority to serve as the Chief Procurement Officer for the  
20 Authority. The Chief Procurement Officer shall have all powers  
21 and duties set forth in Section 15 of Division 10 of Article 8  
22 of the Illinois Municipal Code. Except as otherwise provided in  
23 this Section, the Chief Procurement Officer of the Authority  
24 shall conduct procurements on behalf of the Authority subject  
25 to Title 2, Chapter 92 of the Municipal Code of Chicago, which

1 by its terms incorporates Division 10 of Article 8 of the  
2 Illinois Municipal Code.

3 (b) All contracts for amounts greater than \$25,000 must be  
4 approved by the Casino Board and executed by the chairperson of  
5 the Casino Board and executive director of the Authority.  
6 Contracts for amounts of \$25,000 or less may be approved and  
7 executed by the Chief Procurement Officer for the Authority and  
8 executive director of the Authority, with approval by the chief  
9 legal counsel for the Authority as to form and legality.

10 (c) All construction contracts and contracts for supplies,  
11 materials, equipment, and services for amounts greater than  
12 \$25,000 shall be let by a competitive selection process to the  
13 lowest responsible proposer, after advertising for proposals,  
14 except for the following:

15 (1) when repair parts, accessories, equipment, or  
16 services are required for equipment or services previously  
17 furnished or contracted for;

18 (2) when services such as water, light, heat, power,  
19 telephone (other than long-distance service), or telegraph  
20 are required;

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

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

25 (5) when a purchase is needed on an immediate,  
26 emergency basis because there exists a threat to public

1 health or public safety, or when immediate expenditure is  
2 necessary for repairs to Authority property in order to  
3 protect against further loss of or damage to Authority  
4 property, to prevent or minimize serious disruption in  
5 Authority services or to ensure the integrity of Authority  
6 records;

7 (6) contracts for professional services other than for  
8 management of the casino, except such contracts described  
9 in subsection (d) of this Section; and

10 (7) contracts for the use, purchase, delivery,  
11 movement, or installation of (i) data processing  
12 equipment, software, and services and (ii)  
13 telecommunications equipment, software, and services.

14 (d) Contracts for professional services for a term of more  
15 than one year or contracts that may require payment in excess  
16 of \$25,000 in one year shall be let by a competitive bidding  
17 process to the most highly qualified firm that agrees to  
18 compensation and other terms of engagement that are both  
19 reasonable and acceptable to the Casino Board.

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

24 (f) In determining the responsibility of any proposer, the  
25 Authority may take into account the proposer's (or an  
26 individual having a beneficial interest, directly or

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

14 (g) The Authority shall have the right to reject all  
15 proposals and to re-advertise for proposals. If after any such  
16 re-advertisement, no responsible and satisfactory proposals,  
17 within the terms of the re-advertisement, is received, the  
18 Authority may award such contract without competitive  
19 selection. The contract must not be less advantageous to the  
20 Authority than any valid proposal received pursuant to  
21 advertisement.

22 (h) Advertisements for proposals and re-proposals shall be  
23 published at least once in a daily newspaper of general  
24 circulation published in the City at least 10 calendar days  
25 before the time for receiving proposals and in an online  
26 bulletin published on the Authority's website. Such

1 advertisements shall state the time and place for receiving and  
2 opening of proposals and, by reference to plans and  
3 specifications on file at the time of the first publication or  
4 in the advertisement itself, shall describe the character of  
5 the proposed contract in sufficient detail to fully advise  
6 prospective proposers of their obligations and to ensure free  
7 and open competitive selection.

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

19 (j) The contract shall be awarded as promptly as possible  
20 after the opening of proposals. The proposal of the successful  
21 proposer, as well as the bids of the unsuccessful proposers,  
22 shall be placed on file and be open to public inspection  
23 subject to the exemptions from disclosure provided under  
24 Section 7 of the Freedom of Information Act. All proposals  
25 shall be void if any disclosure of the terms of any proposals  
26 in response to an advertisement is made or permitted to be made

1 by the Authority before the time fixed for opening proposals.

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

24 Section 1-130. Affirmative action and equal opportunity  
25 obligations of Authority.

1           (a) The Authority is subject to the requirements of Article  
2 IV of Chapter 2-92 (Sections 2-92-650 through 2-92-720  
3 inclusive) of the Chicago Municipal Code, as now or hereafter  
4 amended, renumbered, or succeeded, concerning a Minority-Owned  
5 and Women-Owned Business Enterprise Procurement Program for  
6 construction contracts, and Section 2-92-420 et seq. of the  
7 Chicago Municipal Code, as now or hereafter amended,  
8 renumbered, or succeeded, concerning a Minority-Owned and  
9 Women-Owned Business Enterprise Procurement Program.

10           (b) The Authority is authorized to enter into agreements  
11 with contractors' associations, labor unions, and the  
12 contractors working on the development of the casino to  
13 establish an apprenticeship preparedness training program to  
14 provide for an increase in the number of minority and female  
15 journeymen and apprentices in the building trades and to enter  
16 into agreements with community college districts or other  
17 public or private institutions to provide readiness training.  
18 The Authority is further authorized to enter into contracts  
19 with public and private educational institutions and persons in  
20 the gaming, entertainment, hospitality, and tourism industries  
21 to provide training for employment in those industries.

22           Section 1-135. Transfer of interest. Neither the Authority  
23 nor the City may sell, lease, rent, transfer, exchange, or  
24 otherwise convey any interest that they have in the casino  
25 without prior approval of the General Assembly.





1           (4) That the decline of the Illinois horse racing and  
2 breeding program, a \$2.5 billion industry, would be  
3 reversed if this amendatory Act of the 99th General  
4 Assembly would be enacted.

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

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

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

23           (8) That by keeping these projects on track, the State  
24 can be sure that significant job and economic growth will  
25 in fact result from the previously enacted legislation.

26           (9) That gaming machines at Illinois horse racing

1 tracks would create an estimated 1,200 to 1,500 permanent  
2 jobs, and an estimated capital investment of up to \$200  
3 million to \$400 million at these race tracks would prompt  
4 additional trade organization jobs necessary to construct  
5 new facilities or remodel race tracks to operate electronic  
6 gaming.

7 Section 90-3. The State Officials and Employees Ethics Act  
8 is amended by changing Sections 5-45 and 20-10 as follows:

9 (5 ILCS 430/5-45)

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

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

22 (b) No former officer of the executive branch or State  
23 employee of the executive branch with regulatory or licensing  
24 authority, or spouse or immediate family member living with

1 such person, shall, within a period of one year immediately  
2 after termination of State employment, knowingly accept  
3 employment or receive compensation or fees for services from a  
4 person or entity if the officer or State employee, during the  
5 year immediately preceding termination of State employment,  
6 participated personally and substantially in making a  
7 regulatory or licensing decision that directly applied to the  
8 person or entity, or its parent or subsidiary.

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

21 The policies required under subsection (c) of this Section  
22 shall be filed with the appropriate ethics commission  
23 established under this Act or, for the Auditor General, with  
24 the Office of the Auditor General.

25 (d) Each Inspector General shall have the authority to  
26 determine that additional State positions under his or her

1 jurisdiction, not otherwise subject to the policies required by  
2 subsection (c) of this Section, are nonetheless subject to the  
3 notification requirement of subsection (f) below due to their  
4 involvement in the award of State contracts or in regulatory or  
5 licensing decisions.

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

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

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

24 (g) An Inspector General's determination regarding  
25 restrictions under subsection (a) or (b) may be appealed to the  
26 appropriate Ethics Commission by the person subject to the

1 decision or the Attorney General no later than the 10th  
2 calendar day after the date of the determination.

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

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

1 in the award of the State contract or contracts or the making  
2 of the regulatory or licensing decision in question:

3 (1) members or officers;

4 (2) members of a commission or board created by the  
5 Illinois Constitution;

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

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

11 (5) chief procurement officers, State purchasing  
12 officers, and their designees whose duties are directly  
13 related to State procurement; ~~and~~

14 (6) chiefs of staff, deputy chiefs of staff, associate  
15 chiefs of staff, assistant chiefs of staff, and deputy  
16 governors; ~~and~~

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

18 (8) employees of the Illinois Gaming Board.

19 (i) For the purposes of this Section, with respect to  
20 officers or employees of a regional transit board, as defined  
21 in this Act, the phrase "person or entity" does not include:

22 (i) the United States government, (ii) the State, (iii)  
23 municipalities, as defined under Article VII, Section 1 of the  
24 Illinois Constitution, (iv) units of local government, as  
25 defined under Article VII, Section 1 of the Illinois  
26 Constitution, or (v) school districts.

1 (Source: P.A. 96-555, eff. 8-18-09; 97-653, eff. 1-13-12.)

2 (5 ILCS 430/20-10)

3 Sec. 20-10. Offices of Executive Inspectors General.

4 (a) ~~Six~~ Five independent Offices of the Executive Inspector  
5 General are created, one each for the Governor, the Attorney  
6 General, the Secretary of State, the Comptroller, and the  
7 Treasurer and one for gaming activities. Each Office shall be  
8 under the direction and supervision of an Executive Inspector  
9 General and shall be a fully independent office with separate  
10 appropriations.

11 (b) The Governor, Attorney General, Secretary of State,  
12 Comptroller, and Treasurer shall each appoint an Executive  
13 Inspector General, and the Governor shall appoint an Executive  
14 Inspector General for gaming activities. Each appointment must  
15 be made without regard to political affiliation and solely on  
16 the basis of integrity and demonstrated ability. Appointments  
17 shall be made by and with the advice and consent of the Senate  
18 by three-fifths of the elected members concurring by record  
19 vote. Any nomination not acted upon by the Senate within 60  
20 session days of the receipt thereof shall be deemed to have  
21 received the advice and consent of the Senate. If, during a  
22 recess of the Senate, there is a vacancy in an office of  
23 Executive Inspector General, the appointing authority shall  
24 make a temporary appointment until the next meeting of the  
25 Senate when the appointing authority shall make a nomination to



1 fill that office. No person rejected for an office of Executive  
2 Inspector General shall, except by the Senate's request, be  
3 nominated again for that office at the same session of the  
4 Senate or be appointed to that office during a recess of that  
5 Senate.

6 Nothing in this Article precludes the appointment by the  
7 Governor, Attorney General, Secretary of State, Comptroller,  
8 or Treasurer of any other inspector general required or  
9 permitted by law. The Governor, Attorney General, Secretary of  
10 State, Comptroller, and Treasurer each may appoint an existing  
11 inspector general as the Executive Inspector General required  
12 by this Article, provided that such an inspector general is not  
13 prohibited by law, rule, jurisdiction, qualification, or  
14 interest from serving as the Executive Inspector General  
15 required by this Article. An appointing authority may not  
16 appoint a relative as an Executive Inspector General.

17 Each Executive Inspector General shall have the following  
18 qualifications:

19 (1) has not been convicted of any felony under the laws  
20 of this State, another State, or the United States;

21 (2) has earned a baccalaureate degree from an  
22 institution of higher education; and

23 (3) has 5 or more years of cumulative service (A) with  
24 a federal, State, or local law enforcement agency, at least  
25 2 years of which have been in a progressive investigatory  
26 capacity; (B) as a federal, State, or local prosecutor; (C)

1 as a senior manager or executive of a federal, State, or  
2 local agency; (D) as a member, an officer, or a State or  
3 federal judge; or (E) representing any combination of (A)  
4 through (D).

5 The term of each initial Executive Inspector General shall  
6 commence upon qualification and shall run through June 30,  
7 2008. The initial appointments shall be made within 60 days  
8 after the effective date of this Act.

9 After the initial term, each Executive Inspector General  
10 shall serve for 5-year terms commencing on July 1 of the year  
11 of appointment and running through June 30 of the fifth  
12 following year. An Executive Inspector General may be  
13 reappointed to one or more subsequent terms.

14 A vacancy occurring other than at the end of a term shall  
15 be filled by the appointing authority only for the balance of  
16 the term of the Executive Inspector General whose office is  
17 vacant.

18 Terms shall run regardless of whether the position is  
19 filled.

20 (c) The Executive Inspector General appointed by the  
21 Attorney General shall have jurisdiction over the Attorney  
22 General and all officers and employees of, and vendors and  
23 others doing business with, State agencies within the  
24 jurisdiction of the Attorney General. The Executive Inspector  
25 General appointed by the Secretary of State shall have  
26 jurisdiction over the Secretary of State and all officers and

1 employees of, and vendors and others doing business with, State  
2 agencies within the jurisdiction of the Secretary of State. The  
3 Executive Inspector General appointed by the Comptroller shall  
4 have jurisdiction over the Comptroller and all officers and  
5 employees of, and vendors and others doing business with, State  
6 agencies within the jurisdiction of the Comptroller. The  
7 Executive Inspector General appointed by the Treasurer shall  
8 have jurisdiction over the Treasurer and all officers and  
9 employees of, and vendors and others doing business with, State  
10 agencies within the jurisdiction of the Treasurer. The  
11 Executive Inspector General appointed by the Governor shall  
12 have jurisdiction over (i) the Governor, (ii) the Lieutenant  
13 Governor, (iii) all officers and employees of, and vendors and  
14 others doing business with, executive branch State agencies  
15 under the jurisdiction of the Executive Ethics Commission and  
16 not within the jurisdiction of the Attorney General, the  
17 Secretary of State, the Comptroller, ~~or~~ the Treasurer, or the  
18 Executive Inspector General for gaming activities, and (iv) all  
19 board members and employees of the Regional Transit Boards and  
20 all vendors and others doing business with the Regional Transit  
21 Boards. The Executive Inspector General for gaming activities  
22 appointed by the Governor has jurisdiction over the Illinois  
23 Gaming Board, all officers and employees of the Illinois Gaming  
24 Board, and all activities of the Illinois Gaming Board.

25 The jurisdiction of each Executive Inspector General is to  
26 investigate allegations of fraud, waste, abuse, mismanagement,

1 misconduct, nonfeasance, misfeasance, malfeasance, or  
2 violations of this Act or violations of other related laws and  
3 rules.

4 (d) The compensation for each Executive Inspector General  
5 shall be determined by the Executive Ethics Commission and  
6 shall be made from appropriations made to the Comptroller for  
7 this purpose. Subject to Section 20-45 of this Act, each  
8 Executive Inspector General has full authority to organize his  
9 or her Office of the Executive Inspector General, including the  
10 employment and determination of the compensation of staff, such  
11 as deputies, assistants, and other employees, as  
12 appropriations permit. A separate appropriation shall be made  
13 for each Office of Executive Inspector General.

14 (e) No Executive Inspector General or employee of the  
15 Office of the Executive Inspector General may, during his or  
16 her term of appointment or employment:

17 (1) become a candidate for any elective office;

18 (2) hold any other elected or appointed public office  
19 except for appointments on governmental advisory boards or  
20 study commissions or as otherwise expressly authorized by  
21 law;

22 (3) be actively involved in the affairs of any  
23 political party or political organization; or

24 (4) advocate for the appointment of another person to  
25 an appointed or elected office or position or actively  
26 participate in any campaign for any elective office.

1           In this subsection an appointed public office means a  
2 position authorized by law that is filled by an appointing  
3 authority as provided by law and does not include employment by  
4 hiring in the ordinary course of business.

5           (e-1) No Executive Inspector General or employee of the  
6 Office of the Executive Inspector General may, for one year  
7 after the termination of his or her appointment or employment:

8                   (1) become a candidate for any elective office;

9                   (2) hold any elected public office; or

10                   (3) hold any appointed State, county, or local judicial  
11 office.

12           (e-2) The requirements of item (3) of subsection (e-1) may  
13 be waived by the Executive Ethics Commission.

14           (f) An Executive Inspector General may be removed only for  
15 cause and may be removed only by the appointing ~~constitutional~~  
16 officer. At the time of the removal, the appointing  
17 ~~constitutional~~ officer must report to the Executive Ethics  
18 Commission the justification for the removal.

19           (Source: P.A. 96-555, eff. 8-18-09; 96-1528, eff. 7-1-11.)

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

22                   (20 ILCS 301/5-20)

23                   Sec. 5-20. Compulsive gambling program.

24                   (a) Subject to appropriation, the Department shall

1 establish a program for public education, research, and  
2 training regarding problem and compulsive gambling and the  
3 treatment and prevention of problem and compulsive gambling.  
4 Subject to specific appropriation for these stated purposes,  
5 the program must include all of the following:

6 (1) Establishment and maintenance of a toll-free "800"  
7 telephone number to provide crisis counseling and referral  
8 services to families experiencing difficulty as a result of  
9 problem or compulsive gambling.

10 (2) Promotion of public awareness regarding the  
11 recognition and prevention of problem and compulsive  
12 gambling.

13 (3) Facilitation, through in-service training and  
14 other means, of the availability of effective assistance  
15 programs for problem and compulsive gamblers.

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

19 (b) Subject to appropriation, the Department shall either  
20 establish and maintain the program or contract with a private  
21 or public entity for the establishment and maintenance of the  
22 program. Subject to appropriation, either the Department or the  
23 private or public entity shall implement the toll-free  
24 telephone number, promote public awareness, and conduct  
25 in-service training concerning problem and compulsive  
26 gambling.

1 (c) Subject to appropriation, the Department shall produce  
2 and supply the signs specified in Section 10.7 of the Illinois  
3 Lottery Law, Section 34.1 of the Illinois Horse Racing Act of  
4 1975, Section 4.3 of the Bingo License and Tax Act, Section 8.1  
5 of the Charitable Games Act, and Section 13.1 of the Illinois  
6 ~~Riverboat~~ Gambling Act.

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

8 Section 90-6. The Department of Commerce and Economic  
9 Opportunity Law of the Civil Administrative Code of Illinois is  
10 amended by adding Sections 605-530 and 605-535 as follows:

11 (20 ILCS 605/605-530 new)

12 Sec. 605-530. The Depressed Communities Economic  
13 Development Board.

14 (a) The Depressed Communities Economic Development Board  
15 is created as an advisory board within the Department of  
16 Commerce and Economic Opportunity. The Board shall consist of  
17 the following members:

18 (1) 3 members appointed by the Governor, one of whom  
19 shall be appointed to serve an initial term of one year and  
20 2 of whom shall be appointed to serve an initial term of 2  
21 years;

22 (2) 2 members appointed by the Speaker of the House of  
23 Representatives, one of whom shall be appointed to serve an  
24 initial term of one year and one of whom shall be appointed

1 to serve an initial term of 2 years;

2 (3) 2 members appointed by the President of the Senate,  
3 one of whom shall be appointed to serve an initial term of  
4 one year and one of whom shall be appointed to serve an  
5 initial term of 2 years;

6 (4) 2 members appointed by the Minority Leader of the  
7 House of Representatives, one of whom shall be appointed to  
8 serve an initial term of one year and one of whom shall be  
9 appointed to serve an initial term of 2 years; and

10 (5) 2 members appointed by the Minority Leader of the  
11 Senate, one of whom shall be appointed to serve an initial  
12 term of one year and one of whom shall be appointed to  
13 serve an initial term of 2 years.

14 The members of the Board shall elect a member to serve as  
15 chair of the Board. The members of the Board shall reflect the  
16 composition of the Illinois population with regard to ethnic  
17 and racial composition.

18 After the initial terms, each member shall be appointed to  
19 serve a term of 2 years and until his or her successor has been  
20 appointed and assumes office. If a vacancy occurs in the Board  
21 membership, then the vacancy shall be filled in the same manner  
22 as the initial appointment. No member of the Board shall, at  
23 the time of his or her appointment or within 2 years before the  
24 appointment, hold elected office or be appointed to a State  
25 board, commission, or agency. All Board members are subject to  
26 the State Officials and Employees Ethics Act.



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

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

24       (20 ILCS 605/605-535 new)

25       Sec. 605-535. The Commission on the Future of Economic

1 Development of the Latino Community.

2 (a) There is hereby created the Commission on the Future of  
3 Economic Development of the Latino Community within the  
4 Department. The purpose of the Commission shall be to maintain  
5 and develop the economy of Latinos and to provide opportunities  
6 for this community, which will enhance and expand the quality  
7 of their lives.

8 The Commission shall concentrate its major efforts on  
9 strategic planning, policy research and analysis, advocacy,  
10 evaluation, and promoting coordination and collaboration.

11 During each regular legislative session, the Commission  
12 must consult with appropriate legislative committees about the  
13 State's economic development needs and opportunities in the  
14 Latino community.

15 By October 1st of each even-numbered year, the Commission  
16 must submit to the Governor and the General Assembly a biennial  
17 comprehensive statewide economic development strategy for the  
18 Latino community with a report on progress from the previous  
19 comprehensive strategy.

20 The comprehensive statewide economic development strategy  
21 may include, but is not limited to:

22 (1) an assessment of the Latino community's economic  
23 vitality;

24 (2) recommended goals, objectives, and priorities for  
25 the next biennium and the future;

26 (3) a common set of outcomes and benchmarks for the

1 economic development system as a whole for the Latino  
2 community;

3 (4) recommendations for removing barriers for Latinos  
4 in employment;

5 (5) an inventory of existing relevant programs  
6 compiled by the Commission from materials submitted by  
7 agencies;

8 (6) recommendations for expanding, discontinuing, or  
9 redirecting existing programs or adding new programs to  
10 better serve the Latino community; and

11 (7) recommendations of best practices and public and  
12 private sector roles in implementing the comprehensive  
13 statewide economic development strategy.

14 In developing the biennial statewide economic development  
15 strategy, goals, objectives, priorities, and recommendations,  
16 the Commission shall consult, collaborate, and coordinate with  
17 relevant State agencies, private sector business, nonprofit  
18 organizations involved in economic development, trade  
19 associations, associate development organizations, and  
20 relevant local organizations in order to avoid duplication of  
21 effort.

22 State agencies shall cooperate with the Commission and  
23 provide information as the Commission may reasonably request.

24 The Commission shall review and make budget  
25 recommendations to the Governor's Office of Management and  
26 Budget and the General Assembly in areas relating to the

1 economic development in the State's Latino community.

2 The Commission shall evaluate its own performance on a  
3 regular basis.

4 The Commission may accept gifts, grants, donations,  
5 sponsorships, or contributions from any federal, State, or  
6 local governmental agency or program, or any private source,  
7 and expend the same for any purpose consistent with this  
8 Section.

9 (b) The Commission shall consist of 12 voting members,  
10 appointed by the Governor, 4 of whom shall be appointed to  
11 serve an initial term of one year, 4 of whom shall be appointed  
12 to serve an initial term of 2 years, and 4 of whom shall be  
13 appointed to serve an initial term of 3 years. After the  
14 initial term, each member shall be appointed to a term of 3  
15 years. Members of the Commission shall serve at the pleasure of  
16 the Governor for not more than 2 consecutive 3-year terms. In  
17 appointing members, the Governor shall appoint individuals  
18 from the following private industry sectors:

19 (1) production agriculture;

20 (2) at least 2 individuals from manufacturing, one of  
21 whom shall represent a company with no more than 75  
22 employees;

23 (3) transportation, construction, and logistics;

24 (4) travel and tourism;

25 (5) financial services and insurance;

26 (6) information technology and communications; and

1           (7) biotechnology.

2           The members of the Commission shall choose a member to  
3 serve as chair of the Commission. The members of the Commission  
4 shall be representative, to the extent possible, of the various  
5 geographic areas of the State. The Director shall serve as an  
6 ad hoc nonvoting member of the Commission. Vacancies shall be  
7 filled in the same manner as the original appointments. The  
8 members of the Commission shall serve without compensation.

9           (c) The Commission shall meet at least 4 times per year,  
10 with at least one meeting each calendar quarter, at the call of  
11 the director or 4 voting members of the Commission. The staff  
12 and support for the Commission shall be provided by the  
13 Department.

14           (d) The Commission and Department are encouraged to involve  
15 other essential groups in the work of the Commission,  
16 including, but not limited to:

17           (1) public universities;

18           (2) community colleges;

19           (3) other educational institutions; and

20           (4) the Department of Labor.

21           (e) The Commission shall make recommendations, which must  
22 be approved by a majority of the members of the Commission, to  
23 the Department concerning the award of grants from amounts  
24 appropriated to the Department from the Latino Community  
25 Economic Development Fund, a special fund in the State  
26 treasury. The Department shall make grants to public or private

1 entities submitting proposals to the Commission to assist in  
2 the economic development of the Latino community. Grants may be  
3 used by these entities only for those purposes conditioned with  
4 the grant. The Commission shall coordinate with the Department  
5 to develop grant criteria.

6 (f) For the purposes of this Section:

7 "Department" means the Department of Commerce and Economic  
8 Development.

9 "Director" means the Director of Commerce and Economic  
10 Development.

11 "Educational institutions" means nonprofit public and  
12 private colleges, community colleges, State colleges, and  
13 universities in this State.

14 Section 90-8. The Illinois Lottery Law is amended by  
15 changing Section 9.1 as follows:

16 (20 ILCS 1605/9.1)

17 Sec. 9.1. Private manager and management agreement.

18 (a) As used in this Section:

19 "Offeror" means a person or group of persons that responds  
20 to a request for qualifications under this Section.

21 "Request for qualifications" means all materials and  
22 documents prepared by the Department to solicit the following  
23 from offerors:

24 (1) Statements of qualifications.

1           (2) Proposals to enter into a management agreement,  
2           including the identity of any prospective vendor or vendors  
3           that the offeror intends to initially engage to assist the  
4           offeror in performing its obligations under the management  
5           agreement.

6           "Final offer" means the last proposal submitted by an  
7           offeror in response to the request for qualifications,  
8           including the identity of any prospective vendor or vendors  
9           that the offeror intends to initially engage to assist the  
10          offeror in performing its obligations under the management  
11          agreement.

12          "Final offeror" means the offeror ultimately selected by  
13          the Governor to be the private manager for the Lottery under  
14          subsection (h) of this Section.

15          (b) By September 15, 2010, the Governor shall select a  
16          private manager for the total management of the Lottery with  
17          integrated functions, such as lottery game design, supply of  
18          goods and services, and advertising and as specified in this  
19          Section.

20          (c) Pursuant to the terms of this subsection, the  
21          Department shall endeavor to expeditiously terminate the  
22          existing contracts in support of the Lottery in effect on the  
23          effective date of this amendatory Act of the 96th General  
24          Assembly in connection with the selection of the private  
25          manager. As part of its obligation to terminate these contracts  
26          and select the private manager, the Department shall establish

1 a mutually agreeable timetable to transfer the functions of  
2 existing contractors to the private manager so that existing  
3 Lottery operations are not materially diminished or impaired  
4 during the transition. To that end, the Department shall do the  
5 following:

6 (1) where such contracts contain a provision  
7 authorizing termination upon notice, the Department shall  
8 provide notice of termination to occur upon the mutually  
9 agreed timetable for transfer of functions;

10 (2) upon the expiration of any initial term or renewal  
11 term of the current Lottery contracts, the Department shall  
12 not renew such contract for a term extending beyond the  
13 mutually agreed timetable for transfer of functions; or

14 (3) in the event any current contract provides for  
15 termination of that contract upon the implementation of a  
16 contract with the private manager, the Department shall  
17 perform all necessary actions to terminate the contract on  
18 the date that coincides with the mutually agreed timetable  
19 for transfer of functions.

20 If the contracts to support the current operation of the  
21 Lottery in effect on the effective date of this amendatory Act  
22 of the 96th General Assembly are not subject to termination as  
23 provided for in this subsection (c), then the Department may  
24 include a provision in the contract with the private manager  
25 specifying a mutually agreeable methodology for incorporation.

26 (c-5) The Department shall include provisions in the



1 management agreement whereby the private manager shall, for a  
2 fee, and pursuant to a contract negotiated with the Department  
3 (the "Employee Use Contract"), utilize the services of current  
4 Department employees to assist in the administration and  
5 operation of the Lottery. The Department shall be the employer  
6 of all such bargaining unit employees assigned to perform such  
7 work for the private manager, and such employees shall be State  
8 employees, as defined by the Personnel Code. Department  
9 employees shall operate under the same employment policies,  
10 rules, regulations, and procedures, as other employees of the  
11 Department. In addition, neither historical representation  
12 rights under the Illinois Public Labor Relations Act, nor  
13 existing collective bargaining agreements, shall be disturbed  
14 by the management agreement with the private manager for the  
15 management of the Lottery.

16 (d) The management agreement with the private manager shall  
17 include all of the following:

18 (1) A term not to exceed 10 years, including any  
19 renewals.

20 (2) A provision specifying that the Department:

21 (A) shall exercise actual control over all  
22 significant business decisions;

23 (A-5) has the authority to direct or countermand  
24 operating decisions by the private manager at any time;

25 (B) has ready access at any time to information  
26 regarding Lottery operations;

1           (C) has the right to demand and receive information  
2           from the private manager concerning any aspect of the  
3           Lottery operations at any time; and

4           (D) retains ownership of all trade names,  
5           trademarks, and intellectual property associated with  
6           the Lottery.

7           (3) A provision imposing an affirmative duty on the  
8           private manager to provide the Department with material  
9           information and with any information the private manager  
10          reasonably believes the Department would want to know to  
11          enable the Department to conduct the Lottery.

12          (4) A provision requiring the private manager to  
13          provide the Department with advance notice of any operating  
14          decision that bears significantly on the public interest,  
15          including, but not limited to, decisions on the kinds of  
16          games to be offered to the public and decisions affecting  
17          the relative risk and reward of the games being offered, so  
18          the Department has a reasonable opportunity to evaluate and  
19          countermand that decision.

20          (5) A provision providing for compensation of the  
21          private manager that may consist of, among other things, a  
22          fee for services and a performance based bonus as  
23          consideration for managing the Lottery, including terms  
24          that may provide the private manager with an increase in  
25          compensation if Lottery revenues grow by a specified  
26          percentage in a given year.

1 (6) (Blank).

2 (7) A provision requiring the deposit of all Lottery  
3 proceeds to be deposited into the State Lottery Fund except  
4 as otherwise provided in Section 20 of this Act.

5 (8) A provision requiring the private manager to locate  
6 its principal office within the State.

7 (8-5) A provision encouraging that at least 20% of the  
8 cost of contracts entered into for goods and services by  
9 the private manager in connection with its management of  
10 the Lottery, other than contracts with sales agents or  
11 technical advisors, be awarded to businesses that are a  
12 minority owned business, a female owned business, or a  
13 business owned by a person with disability, as those terms  
14 are defined in the Business Enterprise for Minorities,  
15 Females, and Persons with Disabilities Act.

16 (9) A requirement that so long as the private manager  
17 complies with all the conditions of the agreement under the  
18 oversight of the Department, the private manager shall have  
19 the following duties and obligations with respect to the  
20 management of the Lottery:

21 (A) The right to use equipment and other assets  
22 used in the operation of the Lottery.

23 (B) The rights and obligations under contracts  
24 with retailers and vendors.

25 (C) The implementation of a comprehensive security  
26 program by the private manager.

1           (D) The implementation of a comprehensive system  
2 of internal audits.

3           (E) The implementation of a program by the private  
4 manager to curb compulsive gambling by persons playing  
5 the Lottery.

6           (F) A system for determining (i) the type of  
7 Lottery games, (ii) the method of selecting winning  
8 tickets, (iii) the manner of payment of prizes to  
9 holders of winning tickets, (iv) the frequency of  
10 drawings of winning tickets, (v) the method to be used  
11 in selling tickets, (vi) a system for verifying the  
12 validity of tickets claimed to be winning tickets,  
13 (vii) the basis upon which retailer commissions are  
14 established by the manager, and (viii) minimum  
15 payouts.

16           (10) A requirement that advertising and promotion must  
17 be consistent with Section 7.8a of this Act.

18           (11) A requirement that the private manager market the  
19 Lottery to those residents who are new, infrequent, or  
20 lapsed players of the Lottery, especially those who are  
21 most likely to make regular purchases on the Internet as  
22 permitted by law.

23           (12) A code of ethics for the private manager's  
24 officers and employees.

25           (13) A requirement that the Department monitor and  
26 oversee the private manager's practices and take action

1 that the Department considers appropriate to ensure that  
2 the private manager is in compliance with the terms of the  
3 management agreement, while allowing the manager, unless  
4 specifically prohibited by law or the management  
5 agreement, to negotiate and sign its own contracts with  
6 vendors.

7 (14) A provision requiring the private manager to  
8 periodically file, at least on an annual basis, appropriate  
9 financial statements in a form and manner acceptable to the  
10 Department.

11 (15) Cash reserves requirements.

12 (16) Procedural requirements for obtaining the prior  
13 approval of the Department when a management agreement or  
14 an interest in a management agreement is sold, assigned,  
15 transferred, or pledged as collateral to secure financing.

16 (17) Grounds for the termination of the management  
17 agreement by the Department or the private manager.

18 (18) Procedures for amendment of the agreement.

19 (19) A provision requiring the private manager to  
20 engage in an open and competitive bidding process for any  
21 procurement having a cost in excess of \$50,000 that is not  
22 a part of the private manager's final offer. The process  
23 shall favor the selection of a vendor deemed to have  
24 submitted a proposal that provides the Lottery with the  
25 best overall value. The process shall not be subject to the  
26 provisions of the Illinois Procurement Code, unless

1 specifically required by the management agreement.

2 (20) The transition of rights and obligations,  
3 including any associated equipment or other assets used in  
4 the operation of the Lottery, from the manager to any  
5 successor manager of the lottery, including the  
6 Department, following the termination of or foreclosure  
7 upon the management agreement.

8 (21) Right of use of copyrights, trademarks, and  
9 service marks held by the Department in the name of the  
10 State. The agreement must provide that any use of them by  
11 the manager shall only be for the purpose of fulfilling its  
12 obligations under the management agreement during the term  
13 of the agreement.

14 (22) The disclosure of any information requested by the  
15 Department to enable it to comply with the reporting  
16 requirements and information requests provided for under  
17 subsection (p) of this Section.

18 (e) Notwithstanding any other law to the contrary, the  
19 Department shall select a private manager through a competitive  
20 request for qualifications process consistent with Section  
21 20-35 of the Illinois Procurement Code, which shall take into  
22 account:

23 (1) the offeror's ability to market the Lottery to  
24 those residents who are new, infrequent, or lapsed players  
25 of the Lottery, especially those who are most likely to  
26 make regular purchases on the Internet;

1           (2) the offeror's ability to address the State's  
2 concern with the social effects of gambling on those who  
3 can least afford to do so;

4           (3) the offeror's ability to provide the most  
5 successful management of the Lottery for the benefit of the  
6 people of the State based on current and past business  
7 practices or plans of the offeror; and

8           (4) the offeror's poor or inadequate past performance  
9 in servicing, equipping, operating or managing a lottery on  
10 behalf of Illinois, another State or foreign government and  
11 attracting persons who are not currently regular players of  
12 a lottery.

13           (f) The Department may retain the services of an advisor or  
14 advisors with significant experience in financial services or  
15 the management, operation, and procurement of goods, services,  
16 and equipment for a government-run lottery to assist in the  
17 preparation of the terms of the request for qualifications and  
18 selection of the private manager. Any prospective advisor  
19 seeking to provide services under this subsection (f) shall  
20 disclose any material business or financial relationship  
21 during the past 3 years with any potential offeror, or with a  
22 contractor or subcontractor presently providing goods,  
23 services, or equipment to the Department to support the  
24 Lottery. The Department shall evaluate the material business or  
25 financial relationship of each prospective advisor. The  
26 Department shall not select any prospective advisor with a

1 substantial business or financial relationship that the  
2 Department deems to impair the objectivity of the services to  
3 be provided by the prospective advisor. During the course of  
4 the advisor's engagement by the Department, and for a period of  
5 one year thereafter, the advisor shall not enter into any  
6 business or financial relationship with any offeror or any  
7 vendor identified to assist an offeror in performing its  
8 obligations under the management agreement. Any advisor  
9 retained by the Department shall be disqualified from being an  
10 offeror. The Department shall not include terms in the request  
11 for qualifications that provide a material advantage whether  
12 directly or indirectly to any potential offeror, or any  
13 contractor or subcontractor presently providing goods,  
14 services, or equipment to the Department to support the  
15 Lottery, including terms contained in previous responses to  
16 requests for proposals or qualifications submitted to  
17 Illinois, another State or foreign government when those terms  
18 are uniquely associated with a particular potential offeror,  
19 contractor, or subcontractor. The request for proposals  
20 offered by the Department on December 22, 2008 as  
21 "LOT08GAMESYS" and reference number "22016176" is declared  
22 void.

23 (g) The Department shall select at least 2 offerors as  
24 finalists to potentially serve as the private manager no later  
25 than August 9, 2010. Upon making preliminary selections, the  
26 Department shall schedule a public hearing on the finalists'



1 proposals and provide public notice of the hearing at least 7  
2 calendar days before the hearing. The notice must include all  
3 of the following:

4 (1) The date, time, and place of the hearing.

5 (2) The subject matter of the hearing.

6 (3) A brief description of the management agreement to  
7 be awarded.

8 (4) The identity of the offerors that have been  
9 selected as finalists to serve as the private manager.

10 (5) The address and telephone number of the Department.

11 (h) At the public hearing, the Department shall (i) provide  
12 sufficient time for each finalist to present and explain its  
13 proposal to the Department and the Governor or the Governor's  
14 designee, including an opportunity to respond to questions  
15 posed by the Department, Governor, or designee and (ii) allow  
16 the public and non-selected offerors to comment on the  
17 presentations. The Governor or a designee shall attend the  
18 public hearing. After the public hearing, the Department shall  
19 have 14 calendar days to recommend to the Governor whether a  
20 management agreement should be entered into with a particular  
21 finalist. After reviewing the Department's recommendation, the  
22 Governor may accept or reject the Department's recommendation,  
23 and shall select a final offeror as the private manager by  
24 publication of a notice in the Illinois Procurement Bulletin on  
25 or before September 15, 2010. The Governor shall include in the  
26 notice a detailed explanation and the reasons why the final

1 offeror is superior to other offerors and will provide  
2 management services in a manner that best achieves the  
3 objectives of this Section. The Governor shall also sign the  
4 management agreement with the private manager.

5 (i) Any action to contest the private manager selected by  
6 the Governor under this Section must be brought within 7  
7 calendar days after the publication of the notice of the  
8 designation of the private manager as provided in subsection  
9 (h) of this Section.

10 (j) The Lottery shall remain, for so long as a private  
11 manager manages the Lottery in accordance with provisions of  
12 this Act, a Lottery conducted by the State, and the State shall  
13 not be authorized to sell or transfer the Lottery to a third  
14 party.

15 (k) Any tangible personal property used exclusively in  
16 connection with the lottery that is owned by the Department and  
17 leased to the private manager shall be owned by the Department  
18 in the name of the State and shall be considered to be public  
19 property devoted to an essential public and governmental  
20 function.

21 (l) The Department may exercise any of its powers under  
22 this Section or any other law as necessary or desirable for the  
23 execution of the Department's powers under this Section.

24 (m) Neither this Section nor any management agreement  
25 entered into under this Section prohibits the General Assembly  
26 from authorizing forms of gambling that are not in direct

1 competition with the Lottery. The forms of gambling authorized  
2 by this amendatory Act of the 99th General Assembly constitute  
3 authorized forms of gambling that are not in direct competition  
4 with the Lottery.

5 (n) The private manager shall be subject to a complete  
6 investigation in the third, seventh, and tenth years of the  
7 agreement (if the agreement is for a 10-year term) by the  
8 Department in cooperation with the Auditor General to determine  
9 whether the private manager has complied with this Section and  
10 the management agreement. The private manager shall bear the  
11 cost of an investigation or reinvestigation of the private  
12 manager under this subsection.

13 (o) The powers conferred by this Section are in addition  
14 and supplemental to the powers conferred by any other law. If  
15 any other law or rule is inconsistent with this Section,  
16 including, but not limited to, provisions of the Illinois  
17 Procurement Code, then this Section controls as to any  
18 management agreement entered into under this Section. This  
19 Section and any rules adopted under this Section contain full  
20 and complete authority for a management agreement between the  
21 Department and a private manager. No law, procedure,  
22 proceeding, publication, notice, consent, approval, order, or  
23 act by the Department or any other officer, Department, agency,  
24 or instrumentality of the State or any political subdivision is  
25 required for the Department to enter into a management  
26 agreement under this Section. This Section contains full and

1 complete authority for the Department to approve any contracts  
2 entered into by a private manager with a vendor providing  
3 goods, services, or both goods and services to the private  
4 manager under the terms of the management agreement, including  
5 subcontractors of such vendors.

6 Upon receipt of a written request from the Chief  
7 Procurement Officer, the Department shall provide to the Chief  
8 Procurement Officer a complete and un-redacted copy of the  
9 management agreement or any contract that is subject to the  
10 Department's approval authority under this subsection (o). The  
11 Department shall provide a copy of the agreement or contract to  
12 the Chief Procurement Officer in the time specified by the  
13 Chief Procurement Officer in his or her written request, but no  
14 later than 5 business days after the request is received by the  
15 Department. The Chief Procurement Officer must retain any  
16 portions of the management agreement or of any contract  
17 designated by the Department as confidential, proprietary, or  
18 trade secret information in complete confidence pursuant to  
19 subsection (g) of Section 7 of the Freedom of Information Act.  
20 The Department shall also provide the Chief Procurement Officer  
21 with reasonable advance written notice of any contract that is  
22 pending Department approval.

23 Notwithstanding any other provision of this Section to the  
24 contrary, the Chief Procurement Officer shall adopt  
25 administrative rules, including emergency rules, to establish  
26 a procurement process to select a successor private manager if

1 a private management agreement has been terminated. The  
2 selection process shall at a minimum take into account the  
3 criteria set forth in items (1) through (4) of subsection (e)  
4 of this Section and may include provisions consistent with  
5 subsections (f), (g), (h), and (i) of this Section. The Chief  
6 Procurement Officer shall also implement and administer the  
7 adopted selection process upon the termination of a private  
8 management agreement. The Department, after the Chief  
9 Procurement Officer certifies that the procurement process has  
10 been followed in accordance with the rules adopted under this  
11 subsection (o), shall select a final offeror as the private  
12 manager and sign the management agreement with the private  
13 manager.

14 Except as provided in Sections 21.2, 21.5, 21.6, 21.7,  
15 21.8, and 21.9, the Department shall distribute all proceeds of  
16 lottery tickets and shares sold in the following priority and  
17 manner:

18 (1) The payment of prizes and retailer bonuses.

19 (2) The payment of costs incurred in the operation and  
20 administration of the Lottery, including the payment of  
21 sums due to the private manager under the management  
22 agreement with the Department.

23 (3) On the last day of each month or as soon thereafter  
24 as possible, the State Comptroller shall direct and the  
25 State Treasurer shall transfer from the State Lottery Fund  
26 to the Common School Fund an amount that is equal to the

1 proceeds transferred in the corresponding month of fiscal  
2 year 2009, as adjusted for inflation, to the Common School  
3 Fund.

4 (4) On or before the last day of each fiscal year,  
5 deposit any remaining proceeds, subject to payments under  
6 items (1), (2), and (3) into the Capital Projects Fund each  
7 fiscal year.

8 (p) The Department shall be subject to the following  
9 reporting and information request requirements:

10 (1) the Department shall submit written quarterly  
11 reports to the Governor and the General Assembly on the  
12 activities and actions of the private manager selected  
13 under this Section;

14 (2) upon request of the Chief Procurement Officer, the  
15 Department shall promptly produce information related to  
16 the procurement activities of the Department and the  
17 private manager requested by the Chief Procurement  
18 Officer; the Chief Procurement Officer must retain  
19 confidential, proprietary, or trade secret information  
20 designated by the Department in complete confidence  
21 pursuant to subsection (g) of Section 7 of the Freedom of  
22 Information Act; and

23 (3) at least 30 days prior to the beginning of the  
24 Department's fiscal year, the Department shall prepare an  
25 annual written report on the activities of the private  
26 manager selected under this Section and deliver that report

1 to the Governor and General Assembly.

2 (Source: P.A. 97-464, eff. 8-19-11; 98-463, eff. 8-16-13;  
3 98-649, eff. 6-16-14.)

4 Section 90-10. The Department of Revenue Law of the Civil  
5 Administrative Code of Illinois is amended by changing Section  
6 2505-305 as follows:

7 (20 ILCS 2505/2505-305) (was 20 ILCS 2505/39b15.1)

8 Sec. 2505-305. Investigators.

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

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

23 (c) The Department may enter into agreements with the  
24 Illinois Gaming Board providing that investigators appointed

1 under this Section shall exercise the peace officer powers set  
2 forth in paragraph (20.6) of subsection (c) of Section 5 of the  
3 Illinois Riverboat Gambling Act.

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

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

7 (30 ILCS 5/3-1) (from Ch. 15, par. 303-1)

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

12 The Auditor General has jurisdiction over local government  
13 agencies and private agencies only:

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

24 (b) to make investigations authorized by or under this



1 Act or the Constitution; and

2 (c) to make audits of the records of local government  
3 agencies to verify actual costs of state-mandated programs  
4 when directed to do so by the Legislative Audit Commission  
5 at the request of the State Board of Appeals under the  
6 State Mandates Act.

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

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

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

1           The Auditor General may also conduct an audit, when  
2 authorized by the Legislative Audit Commission, of any hospital  
3 which receives 10% or more of its gross revenues from payments  
4 from the State of Illinois, Department of Healthcare and Family  
5 Services (formerly Department of Public Aid), Medical  
6 Assistance Program.

7           The Auditor General is authorized to conduct financial and  
8 compliance audits of the Illinois Distance Learning Foundation  
9 and the Illinois Conservation Foundation.

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

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

1           The Auditor General must conduct an audit of the Health  
2 Facilities and Services Review Board pursuant to Section 19.5  
3 of the Illinois Health Facilities Planning Act.

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

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

21           The Auditor General must conduct audits of the Rend Lake  
22 Conservancy District as provided in Section 25.5 of the River  
23 Conservancy Districts Act.

24           The Auditor General must conduct financial audits of the  
25 Southeastern Illinois Economic Development Authority as  
26 provided in Section 70 of the Southeastern Illinois Economic

1 Development Authority Act.

2 The Auditor General shall conduct a compliance audit in  
3 accordance with subsections (d) and (f) of Section 30 of the  
4 Innovation Development and Economy Act.

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

7 Section 90-15. The State Finance Act is amended by adding  
8 Sections 5.878, 5.879, 5.880, and 6z-102 and by changing  
9 Section 6z-45 as follows:

10 (30 ILCS 105/5.878 new)

11 Sec. 5.878. The Gaming Facilities Fee Revenue Fund.

12 (30 ILCS 105/5.879 new)

13 Sec. 5.879. The Depressed Communities Economic Development  
14 Fund.

15 (30 ILCS 105/5.880 new)

16 Sec. 5.880. The Latino Community Economic Development  
17 Fund.

18 (30 ILCS 105/6z-45)

19 Sec. 6z-45. The School Infrastructure Fund.

20 (a) The School Infrastructure Fund is created as a special  
21 fund in the State Treasury.

1           In addition to any other deposits authorized by law,  
2 beginning January 1, 2000, on the first day of each month, or  
3 as soon thereafter as may be practical, the State Treasurer and  
4 State Comptroller shall transfer the sum of \$5,000,000 from the  
5 General Revenue Fund to the School Infrastructure Fund, except  
6 that, notwithstanding any other provision of law, and in  
7 addition to any other transfers that may be provided for by  
8 law, before June 30, 2012, the Comptroller and the Treasurer  
9 shall transfer \$45,000,000 from the General Revenue Fund into  
10 the School Infrastructure Fund, and, for fiscal year 2013 only,  
11 the Treasurer and the Comptroller shall transfer \$1,250,000  
12 from the General Revenue Fund to the School Infrastructure Fund  
13 on the first day of each month; provided, however, that no such  
14 transfers shall be made from July 1, 2001 through June 30,  
15 2003.

16           (b) Subject to the transfer provisions set forth below,  
17 money in the School Infrastructure Fund shall, if and when the  
18 State of Illinois incurs any bonded indebtedness for the  
19 construction of school improvements under the School  
20 Construction Law, be set aside and used for the purpose of  
21 paying and discharging annually the principal and interest on  
22 that bonded indebtedness then due and payable, and for no other  
23 purpose.

24           In addition to other transfers to the General Obligation  
25 Bond Retirement and Interest Fund made pursuant to Section 15  
26 of the General Obligation Bond Act, upon each delivery of bonds

1 issued for construction of school improvements under the School  
2 Construction Law, the State Comptroller shall compute and  
3 certify to the State Treasurer the total amount of principal  
4 of, interest on, and premium, if any, on such bonds during the  
5 then current and each succeeding fiscal year. With respect to  
6 the interest payable on variable rate bonds, such  
7 certifications shall be calculated at the maximum rate of  
8 interest that may be payable during the fiscal year, after  
9 taking into account any credits permitted in the related  
10 indenture or other instrument against the amount of such  
11 interest required to be appropriated for that period.

12 On or before the last day of each month, the State  
13 Treasurer and State Comptroller shall transfer from the School  
14 Infrastructure Fund to the General Obligation Bond Retirement  
15 and Interest Fund an amount sufficient to pay the aggregate of  
16 the principal of, interest on, and premium, if any, on the  
17 bonds payable on their next payment date, divided by the number  
18 of monthly transfers occurring between the last previous  
19 payment date (or the delivery date if no payment date has yet  
20 occurred) and the next succeeding payment date. Interest  
21 payable on variable rate bonds shall be calculated at the  
22 maximum rate of interest that may be payable for the relevant  
23 period, after taking into account any credits permitted in the  
24 related indenture or other instrument against the amount of  
25 such interest required to be appropriated for that period.  
26 Interest for which moneys have already been deposited into the

1 capitalized interest account within the General Obligation  
2 Bond Retirement and Interest Fund shall not be included in the  
3 calculation of the amounts to be transferred under this  
4 subsection.

5 (b-5) The money deposited into the School Infrastructure  
6 Fund from transfers pursuant to subsections (c-30) and (c-35)  
7 of Section 13 of the Illinois Riverboat Gambling Act shall be  
8 applied, without further direction, as provided in subsection  
9 (b-3) of Section 5-35 of the School Construction Law.

10 (c) The surplus, if any, in the School Infrastructure Fund  
11 after payments made pursuant to subsections (b) and (b-5) of  
12 this Section shall, subject to appropriation, be used as  
13 follows:

14 First - to make 3 payments to the School Technology  
15 Revolving Loan Fund as follows:

16 Transfer of \$30,000,000 in fiscal year 1999;

17 Transfer of \$20,000,000 in fiscal year 2000; and

18 Transfer of \$10,000,000 in fiscal year 2001.

19 Second - to pay the expenses of the State Board of  
20 Education and the Capital Development Board in administering  
21 programs under the School Construction Law, the total expenses  
22 not to exceed \$1,200,000 in any fiscal year.

23 Third - to pay any amounts due for grants for school  
24 construction projects and debt service under the School  
25 Construction Law.

26 Fourth - to pay any amounts due for grants for school

1 maintenance projects under the School Construction Law.

2 (Source: P.A. 97-732, eff. 6-30-12; 98-18, eff. 6-7-13.)

3 (30 ILCS 105/6z-102 new)

4 Sec. 6z-102. The Gaming Facilities Fee Revenue Fund.

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

7 (b) The revenues in the Fund shall be used, subject to  
8 appropriation, by the Comptroller for the purpose of (i)  
9 providing appropriations to the Illinois Gaming Board for the  
10 administration and enforcement of the Illinois Gambling Act and  
11 the applicable provisions of the Chicago Casino Development  
12 Authority Act and (ii) payment of vouchers that are outstanding  
13 for more than 60 days. Whenever practical, the Comptroller must  
14 prioritize voucher payments for expenses related to medical  
15 assistance under the Illinois Public Aid Code, the Children's  
16 Health Insurance Program Act, the Covering ALL KIDS Health  
17 Insurance Act, and the Senior Citizens and Disabled Persons  
18 Property Tax Relief and Pharmaceutical Assistance Act.

19 (c) The Fund shall consist of fee revenues received  
20 pursuant to subsection (e) of Section 1-45 of the Chicago  
21 Casino Development Authority Act and pursuant to subsections  
22 (e-10), (e-15), (e-25), and (h-5) of Section 7 and subsections  
23 (b), (c), (d), and (k) of Section 7.7 of the Illinois Gambling  
24 Act. All interest earned on moneys in the Fund shall be  
25 deposited into the Fund.



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

4       Section 90-20. The Illinois Income Tax Act is amended by  
5       changing Sections 201, 303, 304 and 710 as follows:

6           (35 ILCS 5/201) (from Ch. 120, par. 2-201)

7           Sec. 201. Tax Imposed.

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

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

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

22           (2) In the case of an individual, trust or estate, for  
23      taxable years beginning prior to July 1, 1989 and ending  
24      after June 30, 1989, an amount equal to the sum of (i) 2

1 1/2% of the taxpayer's net income for the period prior to  
2 July 1, 1989, as calculated under Section 202.3, and (ii)  
3 3% of the taxpayer's net income for the period after June  
4 30, 1989, as calculated under Section 202.3.

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

9 (4) In the case of an individual, trust, or estate, for  
10 taxable years beginning prior to January 1, 2011, and  
11 ending after December 31, 2010, an amount equal to the sum  
12 of (i) 3% of the taxpayer's net income for the period prior  
13 to January 1, 2011, as calculated under Section 202.5, and  
14 (ii) 5% of the taxpayer's net income for the period after  
15 December 31, 2010, as calculated under Section 202.5.

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

20 (5.1) In the case of an individual, trust, or estate,  
21 for taxable years beginning prior to January 1, 2015, and  
22 ending after December 31, 2014, an amount equal to the sum  
23 of (i) 5% of the taxpayer's net income for the period prior  
24 to January 1, 2015, as calculated under Section 202.5, and  
25 (ii) 3.75% of the taxpayer's net income for the period  
26 after December 31, 2014, as calculated under Section 202.5.

1           (5.2) In the case of an individual, trust, or estate,  
2           for taxable years beginning on or after January 1, 2015,  
3           and ending prior to January 1, 2025, an amount equal to  
4           3.75% of the taxpayer's net income for the taxable year.

5           (5.3) In the case of an individual, trust, or estate,  
6           for taxable years beginning prior to January 1, 2025, and  
7           ending after December 31, 2024, an amount equal to the sum  
8           of (i) 3.75% of the taxpayer's net income for the period  
9           prior to January 1, 2025, as calculated under Section  
10          202.5, and (ii) 3.25% of the taxpayer's net income for the  
11          period after December 31, 2024, as calculated under Section  
12          202.5.

13          (5.4) In the case of an individual, trust, or estate,  
14          for taxable years beginning on or after January 1, 2025, an  
15          amount equal to 3.25% of the taxpayer's net income for the  
16          taxable year.

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

20          (7) In the case of a corporation, for taxable years  
21          beginning prior to July 1, 1989 and ending after June 30,  
22          1989, an amount equal to the sum of (i) 4% of the  
23          taxpayer's net income for the period prior to July 1, 1989,  
24          as calculated under Section 202.3, and (ii) 4.8% of the  
25          taxpayer's net income for the period after June 30, 1989,  
26          as calculated under Section 202.3.

1           (8) In the case of a corporation, for taxable years  
2 beginning after June 30, 1989, and ending prior to January  
3 1, 2011, an amount equal to 4.8% of the taxpayer's net  
4 income for the taxable year.

5           (9) In the case of a corporation, for taxable years  
6 beginning prior to January 1, 2011, and ending after  
7 December 31, 2010, an amount equal to the sum of (i) 4.8%  
8 of the taxpayer's net income for the period prior to  
9 January 1, 2011, as calculated under Section 202.5, and  
10 (ii) 7% of the taxpayer's net income for the period after  
11 December 31, 2010, as calculated under Section 202.5.

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

16           (11) In the case of a corporation, for taxable years  
17 beginning prior to January 1, 2015, and ending after  
18 December 31, 2014, an amount equal to the sum of (i) 7% of  
19 the taxpayer's net income for the period prior to January  
20 1, 2015, as calculated under Section 202.5, and (ii) 5.25%  
21 of the taxpayer's net income for the period after December  
22 31, 2014, as calculated under Section 202.5.

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

1           (13) In the case of a corporation, for taxable years  
2 beginning prior to January 1, 2025, and ending after  
3 December 31, 2024, an amount equal to the sum of (i) 5.25%  
4 of the taxpayer's net income for the period prior to  
5 January 1, 2025, as calculated under Section 202.5, and  
6 (ii) 4.8% of the taxpayer's net income for the period after  
7 December 31, 2024, as calculated under Section 202.5.

8           (14) In the case of a corporation, for taxable years  
9 beginning on or after January 1, 2025, an amount equal to  
10 4.8% of the taxpayer's net income for the taxable year.

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

13           (b-5) Surcharge; sale or exchange of assets, properties,  
14 and intangibles of electronic gaming licensees. For each of  
15 taxable years 2017 through 2025, a surcharge is imposed on all  
16 taxpayers on income arising from the sale or exchange of  
17 capital assets, depreciable business property, real property  
18 used in the trade or business, and Section 197 intangibles (i)  
19 of an organization licensee under the Illinois Horse Racing Act  
20 of 1975 and (ii) of an electronic gaming licensee under the  
21 Illinois Gambling Act. The amount of the surcharge is equal to  
22 the amount of federal income tax liability for the taxable year  
23 attributable to those sales and exchanges. The surcharge  
24 imposed shall not apply if:

25           (1) the electronic gaming license, organization  
26 license, or race track property is transferred as a result

1       of any of the following:

2               (A) bankruptcy, a receivership, or a debt  
3               adjustment initiated by or against the initial  
4               licensee or the substantial owners of the initial  
5               licensee;

6               (B) cancellation, revocation, or termination of  
7               any such license by the Illinois Gaming Board or the  
8               Illinois Racing Board;

9               (C) a determination by the Illinois Gaming Board  
10              that transfer of the license is in the best interests  
11              of Illinois gaming;

12              (D) the death of an owner of the equity interest in  
13              a licensee;

14              (E) the acquisition of a controlling interest in  
15              the stock or substantially all of the assets of a  
16              publicly traded company;

17              (F) a transfer by a parent company to a wholly  
18              owned subsidiary; or

19              (G) the transfer or sale to or by one person to  
20              another person where both persons were initial owners  
21              of the license when the license was issued; or

22              (2) the controlling interest in the electronic gaming  
23              license, organization license, or race track property is  
24              transferred in a transaction to lineal descendants in which  
25              no gain or loss is recognized or as a result of a  
26              transaction in accordance with Section 351 of the Internal

1       Revenue Code in which no gain or loss is recognized; or

2               (3) live horse racing was not conducted in 2011 under a  
3       license issued pursuant to the Illinois Horse Racing Act of  
4       1975.

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

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

23       (d) Additional Personal Property Tax Replacement Income  
24       Tax Rates. The personal property tax replacement income tax  
25       imposed by this subsection and subsection (c) of this Section  
26       in the case of a corporation, other than a Subchapter S

1 corporation and except as adjusted by subsection (d-1), shall  
2 be an additional amount equal to 2.85% of such taxpayer's net  
3 income for the taxable year, except that beginning on January  
4 1, 1981, and thereafter, the rate of 2.85% specified in this  
5 subsection shall be reduced to 2.5%, and in the case of a  
6 partnership, trust or a Subchapter S corporation shall be an  
7 additional amount equal to 1.5% of such taxpayer's net income  
8 for the taxable year.

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



1 and taxes measured by net income imposed by such foreign  
2 insurer's state or country of domicile, net of all credits  
3 allowed or (ii) a rate of zero if no such tax is imposed on such  
4 income by the foreign insurer's state of domicile. For the  
5 purposes of this subsection (d-1), an inter-affiliate includes  
6 a mutual insurer under common management.

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

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

13 (B) the privilege tax imposed by Section 409 of the  
14 Illinois Insurance Code, the fire insurance company  
15 tax imposed by Section 12 of the Fire Investigation  
16 Act, and the fire department taxes imposed under  
17 Section 11-10-1 of the Illinois Municipal Code,  
18 equals 1.25% for taxable years ending prior to December 31,  
19 2003, or 1.75% for taxable years ending on or after  
20 December 31, 2003, of the net taxable premiums written for  
21 the taxable year, as described by subsection (1) of Section  
22 409 of the Illinois Insurance Code. This paragraph will in  
23 no event increase the rates imposed under subsections (b)  
24 and (d).

25 (2) Any reduction in the rates of tax imposed by this  
26 subsection shall be applied first against the rates imposed

1 by subsection (b) and only after the tax imposed by  
2 subsection (a) net of all credits allowed under this  
3 Section other than the credit allowed under subsection (i)  
4 has been reduced to zero, against the rates imposed by  
5 subsection (d).

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

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

11 (1) A taxpayer shall be allowed a credit equal to .5%  
12 of the basis of qualified property placed in service during  
13 the taxable year, provided such property is placed in  
14 service on or after July 1, 1984. There shall be allowed an  
15 additional credit equal to .5% of the basis of qualified  
16 property placed in service during the taxable year,  
17 provided such property is placed in service on or after  
18 July 1, 1986, and the taxpayer's base employment within  
19 Illinois has increased by 1% or more over the preceding  
20 year as determined by the taxpayer's employment records  
21 filed with the Illinois Department of Employment Security.  
22 Taxpayers who are new to Illinois shall be deemed to have  
23 met the 1% growth in base employment for the first year in  
24 which they file employment records with the Illinois  
25 Department of Employment Security. The provisions added to  
26 this Section by Public Act 85-1200 (and restored by Public

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

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

17 (2) The term "qualified property" means property  
18 which:

19 (A) is tangible, whether new or used, including  
20 buildings and structural components of buildings and  
21 signs that are real property, but not including land or  
22 improvements to real property that are not a structural  
23 component of a building such as landscaping, sewer  
24 lines, local access roads, fencing, parking lots, and  
25 other appurtenances;

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

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

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

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

13 (E) has not previously been used in Illinois in  
14 such a manner and by such a person as would qualify for  
15 the credit provided by this subsection (e) or  
16 subsection (f).

17 (3) For purposes of this subsection (e),  
18 "manufacturing" means the material staging and production  
19 of tangible personal property by procedures commonly  
20 regarded as manufacturing, processing, fabrication, or  
21 assembling which changes some existing material into new  
22 shapes, new qualities, or new combinations. For purposes of  
23 this subsection (e) the term "mining" shall have the same  
24 meaning as the term "mining" in Section 613(c) of the  
25 Internal Revenue Code. For purposes of this subsection (e),  
26 the term "retailing" means the sale of tangible personal

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

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

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

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

20 (7) If during any taxable year, any property ceases to  
21 be qualified property in the hands of the taxpayer within  
22 48 months after being placed in service, or the situs of  
23 any qualified property is moved outside Illinois within 48  
24 months after being placed in service, the Personal Property  
25 Tax Replacement Income Tax for such taxable year shall be  
26 increased. Such increase shall be determined by (i)

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

10 (8) Unless the investment credit is extended by law,  
11 the basis of qualified property shall not include costs  
12 incurred after December 31, 2018, except for costs incurred  
13 pursuant to a binding contract entered into on or before  
14 December 31, 2018.

15 (9) Each taxable year ending before December 31, 2000,  
16 a partnership may elect to pass through to its partners the  
17 credits to which the partnership is entitled under this  
18 subsection (e) for the taxable year. A partner may use the  
19 credit allocated to him or her under this paragraph only  
20 against the tax imposed in subsections (c) and (d) of this  
21 Section. If the partnership makes that election, those  
22 credits shall be allocated among the partners in the  
23 partnership in accordance with the rules set forth in  
24 Section 704(b) of the Internal Revenue Code, and the rules  
25 promulgated under that Section, and the allocated amount of  
26 the credits shall be allowed to the partners for that

1 taxable year. The partnership shall make this election on  
2 its Personal Property Tax Replacement Income Tax return for  
3 that taxable year. The election to pass through the credits  
4 shall be irrevocable.

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

19 (f) Investment credit; Enterprise Zone; River Edge  
20 Redevelopment Zone.

21 (1) A taxpayer shall be allowed a credit against the  
22 tax imposed by subsections (a) and (b) of this Section for  
23 investment in qualified property which is placed in service  
24 in an Enterprise Zone created pursuant to the Illinois  
25 Enterprise Zone Act or, for property placed in service on  
26 or after July 1, 2006, a River Edge Redevelopment Zone



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

1 accruing first in time shall be applied first.

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

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

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

10 (C) is acquired by purchase as defined in Section  
11 179(d) of the Internal Revenue Code;

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

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

18 (3) The basis of qualified property shall be the basis  
19 used to compute the depreciation deduction for federal  
20 income tax purposes.

21 (4) If the basis of the property for federal income tax  
22 depreciation purposes is increased after it has been placed  
23 in service in the Enterprise Zone or River Edge  
24 Redevelopment Zone by the taxpayer, the amount of such  
25 increase shall be deemed property placed in service on the  
26 date of such increase in basis.

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

3           (6) If during any taxable year, any property ceases to  
4 be qualified property in the hands of the taxpayer within  
5 48 months after being placed in service, or the situs of  
6 any qualified property is moved outside the Enterprise Zone  
7 or River Edge Redevelopment Zone within 48 months after  
8 being placed in service, the tax imposed under subsections  
9 (a) and (b) of this Section for such taxable year shall be  
10 increased. Such increase shall be determined by (i)  
11 recomputing the investment credit which would have been  
12 allowed for the year in which credit for such property was  
13 originally allowed by eliminating such property from such  
14 computation, and (ii) subtracting such recomputed credit  
15 from the amount of credit previously allowed. For the  
16 purposes of this paragraph (6), a reduction of the basis of  
17 qualified property resulting from a redetermination of the  
18 purchase price shall be deemed a disposition of qualified  
19 property to the extent of such reduction.

20           (7) There shall be allowed an additional credit equal  
21 to 0.5% of the basis of qualified property placed in  
22 service during the taxable year in a River Edge  
23 Redevelopment Zone, provided such property is placed in  
24 service on or after July 1, 2006, and the taxpayer's base  
25 employment within Illinois has increased by 1% or more over  
26 the preceding year as determined by the taxpayer's

1 employment records filed with the Illinois Department of  
2 Employment Security. Taxpayers who are new to Illinois  
3 shall be deemed to have met the 1% growth in base  
4 employment for the first year in which they file employment  
5 records with the Illinois Department of Employment  
6 Security. If, in any year, the increase in base employment  
7 within Illinois over the preceding year is less than 1%,  
8 the additional credit shall be limited to that percentage  
9 times a fraction, the numerator of which is 0.5% and the  
10 denominator of which is 1%, but shall not exceed 0.5%.

11 (g) (Blank).

12 (h) Investment credit; High Impact Business.

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

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

26 Changes made in this subdivision (h) (1) by Public Act

1 88-670 restore changes made by Public Act 85-1182 and  
2 reflect existing law.

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

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

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

11 (C) is acquired by purchase as defined in Section  
12 179(d) of the Internal Revenue Code; and

13 (D) is not eligible for the Enterprise Zone  
14 Investment Credit provided by subsection (f) of this  
15 Section.

16 (3) The basis of qualified property shall be the basis  
17 used to compute the depreciation deduction for federal  
18 income tax purposes.

19 (4) If the basis of the property for federal income tax  
20 depreciation purposes is increased after it has been placed  
21 in service in a federally designated Foreign Trade Zone or  
22 Sub-Zone located in Illinois by the taxpayer, the amount of  
23 such increase shall be deemed property placed in service on  
24 the date of such increase in basis.

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

1           (6) If during any taxable year ending on or before  
2           December 31, 1996, any property ceases to be qualified  
3           property in the hands of the taxpayer within 48 months  
4           after being placed in service, or the situs of any  
5           qualified property is moved outside Illinois within 48  
6           months after being placed in service, the tax imposed under  
7           subsections (a) and (b) of this Section for such taxable  
8           year shall be increased. Such increase shall be determined  
9           by (i) recomputing the investment credit which would have  
10          been allowed for the year in which credit for such property  
11          was originally allowed by eliminating such property from  
12          such computation, and (ii) subtracting such recomputed  
13          credit from the amount of credit previously allowed. For  
14          the purposes of this paragraph (6), a reduction of the  
15          basis of qualified property resulting from a  
16          redetermination of the purchase price shall be deemed a  
17          disposition of qualified property to the extent of such  
18          reduction.

19          (7) Beginning with tax years ending after December 31,  
20          1996, if a taxpayer qualifies for the credit under this  
21          subsection (h) and thereby is granted a tax abatement and  
22          the taxpayer relocates its entire facility in violation of  
23          the explicit terms and length of the contract under Section  
24          18-183 of the Property Tax Code, the tax imposed under  
25          subsections (a) and (b) of this Section shall be increased  
26          for the taxable year in which the taxpayer relocated its

1 facility by an amount equal to the amount of credit  
2 received by the taxpayer under this subsection (h).

3 (i) Credit for Personal Property Tax Replacement Income  
4 Tax. For tax years ending prior to December 31, 2003, a credit  
5 shall be allowed against the tax imposed by subsections (a) and  
6 (b) of this Section for the tax imposed by subsections (c) and  
7 (d) of this Section. This credit shall be computed by  
8 multiplying the tax imposed by subsections (c) and (d) of this  
9 Section by a fraction, the numerator of which is base income  
10 allocable to Illinois and the denominator of which is Illinois  
11 base income, and further multiplying the product by the tax  
12 rate imposed by subsections (a) and (b) of this Section.

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



1           If, during any taxable year ending on or after December 31,  
2 1986, the tax imposed by subsections (c) and (d) of this  
3 Section for which a taxpayer has claimed a credit under this  
4 subsection (i) is reduced, the amount of credit for such tax  
5 shall also be reduced. Such reduction shall be determined by  
6 recomputing the credit to take into account the reduced tax  
7 imposed by subsections (c) and (d). If any portion of the  
8 reduced amount of credit has been carried to a different  
9 taxable year, an amended return shall be filed for such taxable  
10 year to reduce the amount of credit claimed.

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

1 with the determination of income and distributive share of  
2 income under Sections 702 and 704 and subchapter S of the  
3 Internal Revenue Code.

4 Any credit allowed under this subsection which is unused in  
5 the year the credit is earned may be carried forward to each of  
6 the 5 taxable years following the year for which the credit is  
7 first computed until it is used. This credit shall be applied  
8 first to the earliest year for which there is a liability. If  
9 there is a credit under this subsection from more than one tax  
10 year that is available to offset a liability the earliest  
11 credit arising under this subsection shall be applied first. No  
12 carryforward credit may be claimed in any tax year ending on or  
13 after December 31, 2003.

14 (k) Research and development credit. For tax years ending  
15 after July 1, 1990 and prior to December 31, 2003, and  
16 beginning again for tax years ending on or after December 31,  
17 2004, and ending prior to January 1, 2016, a taxpayer shall be  
18 allowed a credit against the tax imposed by subsections (a) and  
19 (b) of this Section for increasing research activities in this  
20 State. The credit allowed against the tax imposed by  
21 subsections (a) and (b) shall be equal to 6 1/2% of the  
22 qualifying expenditures for increasing research activities in  
23 this State. For partners, shareholders of subchapter S  
24 corporations, and owners of limited liability companies, if the  
25 liability company is treated as a partnership for purposes of  
26 federal and State income taxation, there shall be allowed a

1 credit under this subsection to be determined in accordance  
2 with the determination of income and distributive share of  
3 income under Sections 702 and 704 and subchapter S of the  
4 Internal Revenue Code.

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

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

26 If an unused credit is carried forward to a given year from

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

12 No inference shall be drawn from this amendatory Act of the  
13 91st General Assembly in construing this Section for taxable  
14 years beginning before January 1, 1999.

15 (1) Environmental Remediation Tax Credit.

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

1 Agency and recorded under Section 58.10 of the  
2 Environmental Protection Act. The credit must be claimed  
3 for the taxable year in which Agency approval of the  
4 eligible remediation costs is granted. The credit is not  
5 available to any taxpayer if the taxpayer or any related  
6 party caused or contributed to, in any material respect, a  
7 release of regulated substances on, in, or under the site  
8 that was identified and addressed by the remedial action  
9 pursuant to the Site Remediation Program of the  
10 Environmental Protection Act. After the Pollution Control  
11 Board rules are adopted pursuant to the Illinois  
12 Administrative Procedure Act for the administration and  
13 enforcement of Section 58.9 of the Environmental  
14 Protection Act, determinations as to credit availability  
15 for purposes of this Section shall be made consistent with  
16 those rules. For purposes of this Section, "taxpayer"  
17 includes a person whose tax attributes the taxpayer has  
18 succeeded to under Section 381 of the Internal Revenue Code  
19 and "related party" includes the persons disallowed a  
20 deduction for losses by paragraphs (b), (c), and (f)(1) of  
21 Section 267 of the Internal Revenue Code by virtue of being  
22 a related taxpayer, as well as any of its partners. The  
23 credit allowed against the tax imposed by subsections (a)  
24 and (b) shall be equal to 25% of the unreimbursed eligible  
25 remediation costs in excess of \$100,000 per site, except  
26 that the \$100,000 threshold shall not apply to any site

1 contained in an enterprise zone as determined by the  
2 Department of Commerce and Community Affairs (now  
3 Department of Commerce and Economic Opportunity). The  
4 total credit allowed shall not exceed \$40,000 per year with  
5 a maximum total of \$150,000 per site. For partners and  
6 shareholders of subchapter S corporations, there shall be  
7 allowed a credit under this subsection to be determined in  
8 accordance with the determination of income and  
9 distributive share of income under Sections 702 and 704 and  
10 subchapter S of the Internal Revenue Code.

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

1 carry-forward period of the seller. To perfect the  
2 transfer, the assignor shall record the transfer in the  
3 chain of title for the site and provide written notice to  
4 the Director of the Illinois Department of Revenue of the  
5 assignor's intent to sell the remediation site and the  
6 amount of the tax credit to be transferred as a portion of  
7 the sale. In no event may a credit be transferred to any  
8 taxpayer if the taxpayer or a related party would not be  
9 eligible under the provisions of subsection (i).

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

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

25 For purposes of this subsection:

26 "Qualifying pupils" means individuals who (i) are

1 residents of the State of Illinois, (ii) are under the age of  
2 21 at the close of the school year for which a credit is  
3 sought, and (iii) during the school year for which a credit is  
4 sought were full-time pupils enrolled in a kindergarten through  
5 twelfth grade education program at any school, as defined in  
6 this subsection.

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

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

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

21 (n) River Edge Redevelopment Zone site remediation tax  
22 credit.

23 (i) For tax years ending on or after December 31, 2006,  
24 a taxpayer shall be allowed a credit against the tax  
25 imposed by subsections (a) and (b) of this Section for  
26 certain amounts paid for unreimbursed eligible remediation



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

1 (b), (c), and (f) (1) of Section 267 of the Internal Revenue  
2 Code by virtue of being a related taxpayer, as well as any  
3 of its partners. The credit allowed against the tax imposed  
4 by subsections (a) and (b) shall be equal to 25% of the  
5 unreimbursed eligible remediation costs in excess of  
6 \$100,000 per site.

7 (ii) A credit allowed under this subsection that is  
8 unused in the year the credit is earned may be carried  
9 forward to each of the 5 taxable years following the year  
10 for which the credit is first earned until it is used. This  
11 credit shall be applied first to the earliest year for  
12 which there is a liability. If there is a credit under this  
13 subsection from more than one tax year that is available to  
14 offset a liability, the earliest credit arising under this  
15 subsection shall be applied first. A credit allowed under  
16 this subsection may be sold to a buyer as part of a sale of  
17 all or part of the remediation site for which the credit  
18 was granted. The purchaser of a remediation site and the  
19 tax credit shall succeed to the unused credit and remaining  
20 carry-forward period of the seller. To perfect the  
21 transfer, the assignor shall record the transfer in the  
22 chain of title for the site and provide written notice to  
23 the Director of the Illinois Department of Revenue of the  
24 assignor's intent to sell the remediation site and the  
25 amount of the tax credit to be transferred as a portion of  
26 the sale. In no event may a credit be transferred to any

1 taxpayer if the taxpayer or a related party would not be  
2 eligible under the provisions of subsection (i).

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

6 (o) For each of taxable years during the Compassionate Use  
7 of Medical Cannabis Pilot Program, a surcharge is imposed on  
8 all taxpayers on income arising from the sale or exchange of  
9 capital assets, depreciable business property, real property  
10 used in the trade or business, and Section 197 intangibles of  
11 an organization registrant under the Compassionate Use of  
12 Medical Cannabis Pilot Program Act. The amount of the surcharge  
13 is equal to the amount of federal income tax liability for the  
14 taxable year attributable to those sales and exchanges. The  
15 surcharge imposed does not apply if:

16 (1) the medical cannabis cultivation center  
17 registration, medical cannabis dispensary registration, or  
18 the property of a registration is transferred as a result  
19 of any of the following:

20 (A) bankruptcy, a receivership, or a debt  
21 adjustment initiated by or against the initial  
22 registration or the substantial owners of the initial  
23 registration;

24 (B) cancellation, revocation, or termination of  
25 any registration by the Illinois Department of Public  
26 Health;

1 (C) a determination by the Illinois Department of  
2 Public Health that transfer of the registration is in  
3 the best interests of Illinois qualifying patients as  
4 defined by the Compassionate Use of Medical Cannabis  
5 Pilot Program Act;

6 (D) the death of an owner of the equity interest in  
7 a registrant;

8 (E) the acquisition of a controlling interest in  
9 the stock or substantially all of the assets of a  
10 publicly traded company;

11 (F) a transfer by a parent company to a wholly  
12 owned subsidiary; or

13 (G) the transfer or sale to or by one person to  
14 another person where both persons were initial owners  
15 of the registration when the registration was issued;  
16 or

17 (2) the cannabis cultivation center registration,  
18 medical cannabis dispensary registration, or the  
19 controlling interest in a registrant's property is  
20 transferred in a transaction to lineal descendants in which  
21 no gain or loss is recognized or as a result of a  
22 transaction in accordance with Section 351 of the Internal  
23 Revenue Code in which no gain or loss is recognized.

24 (Source: P.A. 97-2, eff. 5-6-11; 97-636, eff. 6-1-12; 97-905,  
25 eff. 8-7-12; 98-109, eff. 7-25-13; 98-122, eff. 1-1-14; 98-756,  
26 eff. 7-16-14.)

1 (35 ILCS 5/303) (from Ch. 120, par. 3-303)

2 Sec. 303. (a) In general. Any item of capital gain or loss,  
3 and any item of income from rents or royalties from real or  
4 tangible personal property, interest, dividends, and patent or  
5 copyright royalties, and prizes awarded under the Illinois  
6 Lottery Law, and, for taxable years ending on or after December  
7 31, 2017, wagering and gambling winnings from Illinois sources  
8 as set forth in subsection (e-1) of this Section, to the extent  
9 such item constitutes nonbusiness income, together with any  
10 item of deduction directly allocable thereto, shall be  
11 allocated by any person other than a resident as provided in  
12 this Section.

13 (b) Capital gains and losses.

14 (1) Real property. Capital gains and losses from sales  
15 or exchanges of real property are allocable to this State  
16 if the property is located in this State.

17 (2) Tangible personal property. Capital gains and  
18 losses from sales or exchanges of tangible personal  
19 property are allocable to this State if, at the time of  
20 such sale or exchange:

21 (A) The property had its situs in this State; or

22 (B) The taxpayer had its commercial domicile in  
23 this State and was not taxable in the state in which  
24 the property had its situs.

25 (3) Intangibles. Capital gains and losses from sales or

1 exchanges of intangible personal property are allocable to  
2 this State if the taxpayer had its commercial domicile in  
3 this State at the time of such sale or exchange.

4 (c) Rents and royalties.

5 (1) Real property. Rents and royalties from real  
6 property are allocable to this State if the property is  
7 located in this State.

8 (2) Tangible personal property. Rents and royalties  
9 from tangible personal property are allocable to this  
10 State:

11 (A) If and to the extent that the property is  
12 utilized in this State; or

13 (B) In their entirety if, at the time such rents or  
14 royalties were paid or accrued, the taxpayer had its  
15 commercial domicile in this State and was not organized  
16 under the laws of or taxable with respect to such rents  
17 or royalties in the state in which the property was  
18 utilized. The extent of utilization of tangible  
19 personal property in a state is determined by  
20 multiplying the rents or royalties derived from such  
21 property by a fraction, the numerator of which is the  
22 number of days of physical location of the property in  
23 the state during the rental or royalty period in the  
24 taxable year and the denominator of which is the number  
25 of days of physical location of the property everywhere  
26 during all rental or royalty periods in the taxable

1 year. If the physical location of the property during  
2 the rental or royalty period is unknown or  
3 unascertainable by the taxpayer, tangible personal  
4 property is utilized in the state in which the property  
5 was located at the time the rental or royalty payer  
6 obtained possession.

7 (d) Patent and copyright royalties.

8 (1) Allocation. Patent and copyright royalties are  
9 allocable to this State:

10 (A) If and to the extent that the patent or  
11 copyright is utilized by the payer in this State; or

12 (B) If and to the extent that the patent or  
13 copyright is utilized by the payer in a state in which  
14 the taxpayer is not taxable with respect to such  
15 royalties and, at the time such royalties were paid or  
16 accrued, the taxpayer had its commercial domicile in  
17 this State.

18 (2) Utilization.

19 (A) A patent is utilized in a state to the extent  
20 that it is employed in production, fabrication,  
21 manufacturing or other processing in the state or to  
22 the extent that a patented product is produced in the  
23 state. If the basis of receipts from patent royalties  
24 does not permit allocation to states or if the  
25 accounting procedures do not reflect states of  
26 utilization, the patent is utilized in this State if

1 the taxpayer has its commercial domicile in this State.

2 (B) A copyright is utilized in a state to the  
3 extent that printing or other publication originates  
4 in the state. If the basis of receipts from copyright  
5 royalties does not permit allocation to states or if  
6 the accounting procedures do not reflect states of  
7 utilization, the copyright is utilized in this State if  
8 the taxpayer has its commercial domicile in this State.

9 (e) Illinois lottery prizes. Prizes awarded under the  
10 Illinois Lottery Law are allocable to this State. Payments  
11 received in taxable years ending on or after December 31, 2013,  
12 from the assignment of a prize under Section 13.1 of the  
13 Illinois Lottery Law are allocable to this State.

14 (e-1) Wagering and gambling winnings. Payments received in  
15 taxable years ending on or after December 31, 2017 of winnings  
16 from pari-mutuel wagering conducted at a wagering facility  
17 licensed under the Illinois Horse Racing Act of 1975 and from  
18 gambling games conducted on a riverboat or in a casino or  
19 electronic gaming facility licensed under the Illinois  
20 Gambling Act are allocable to this State.

21 (e-5) Unemployment benefits. Unemployment benefits paid by  
22 the Illinois Department of Employment Security are allocable to  
23 this State.

24 (f) Taxability in other state. For purposes of allocation  
25 of income pursuant to this Section, a taxpayer is taxable in  
26 another state if:



1           (1) In that state he is subject to a net income tax, a  
2 franchise tax measured by net income, a franchise tax for  
3 the privilege of doing business, or a corporate stock tax;  
4 or

5           (2) That state has jurisdiction to subject the taxpayer  
6 to a net income tax regardless of whether, in fact, the  
7 state does or does not.

8           (g) Cross references.

9           (1) For allocation of interest and dividends by persons  
10 other than residents, see Section 301(c)(2).

11           (2) For allocation of nonbusiness income by residents,  
12 see Section 301(a).

13           (Source: P.A. 97-709, eff. 7-1-12; 98-496, eff. 1-1-14.)

14           (35 ILCS 5/304) (from Ch. 120, par. 3-304)

15           Sec. 304. Business income of persons other than residents.

16           (a) In general. The business income of a person other than  
17 a resident shall be allocated to this State if such person's  
18 business income is derived solely from this State. If a person  
19 other than a resident derives business income from this State  
20 and one or more other states, then, for tax years ending on or  
21 before December 30, 1998, and except as otherwise provided by  
22 this Section, such person's business income shall be  
23 apportioned to this State by multiplying the income by a  
24 fraction, the numerator of which is the sum of the property  
25 factor (if any), the payroll factor (if any) and 200% of the

1 sales factor (if any), and the denominator of which is 4  
2 reduced by the number of factors other than the sales factor  
3 which have a denominator of zero and by an additional 2 if the  
4 sales factor has a denominator of zero. For tax years ending on  
5 or after December 31, 1998, and except as otherwise provided by  
6 this Section, persons other than residents who derive business  
7 income from this State and one or more other states shall  
8 compute their apportionment factor by weighting their  
9 property, payroll, and sales factors as provided in subsection  
10 (h) of this Section.

11 (1) Property factor.

12 (A) The property factor is a fraction, the numerator of  
13 which is the average value of the person's real and  
14 tangible personal property owned or rented and used in the  
15 trade or business in this State during the taxable year and  
16 the denominator of which is the average value of all the  
17 person's real and tangible personal property owned or  
18 rented and used in the trade or business during the taxable  
19 year.

20 (B) Property owned by the person is valued at its  
21 original cost. Property rented by the person is valued at 8  
22 times the net annual rental rate. Net annual rental rate is  
23 the annual rental rate paid by the person less any annual  
24 rental rate received by the person from sub-rentals.

25 (C) The average value of property shall be determined  
26 by averaging the values at the beginning and ending of the

1 taxable year but the Director may require the averaging of  
2 monthly values during the taxable year if reasonably  
3 required to reflect properly the average value of the  
4 person's property.

5 (2) Payroll factor.

6 (A) The payroll factor is a fraction, the numerator of  
7 which is the total amount paid in this State during the  
8 taxable year by the person for compensation, and the  
9 denominator of which is the total compensation paid  
10 everywhere during the taxable year.

11 (B) Compensation is paid in this State if:

12 (i) The individual's service is performed entirely  
13 within this State;

14 (ii) The individual's service is performed both  
15 within and without this State, but the service  
16 performed without this State is incidental to the  
17 individual's service performed within this State; or

18 (iii) Some of the service is performed within this  
19 State and either the base of operations, or if there is  
20 no base of operations, the place from which the service  
21 is directed or controlled is within this State, or the  
22 base of operations or the place from which the service  
23 is directed or controlled is not in any state in which  
24 some part of the service is performed, but the  
25 individual's residence is in this State.

26 (iv) Compensation paid to nonresident professional

1 athletes.

2 (a) General. The Illinois source income of a  
3 nonresident individual who is a member of a  
4 professional athletic team includes the portion of the  
5 individual's total compensation for services performed  
6 as a member of a professional athletic team during the  
7 taxable year which the number of duty days spent within  
8 this State performing services for the team in any  
9 manner during the taxable year bears to the total  
10 number of duty days spent both within and without this  
11 State during the taxable year.

12 (b) Travel days. Travel days that do not involve  
13 either a game, practice, team meeting, or other similar  
14 team event are not considered duty days spent in this  
15 State. However, such travel days are considered in the  
16 total duty days spent both within and without this  
17 State.

18 (c) Definitions. For purposes of this subpart  
19 (iv):

20 (1) The term "professional athletic team"  
21 includes, but is not limited to, any professional  
22 baseball, basketball, football, soccer, or hockey  
23 team.

24 (2) The term "member of a professional  
25 athletic team" includes those employees who are  
26 active players, players on the disabled list, and

1 any other persons required to travel and who travel  
2 with and perform services on behalf of a  
3 professional athletic team on a regular basis.  
4 This includes, but is not limited to, coaches,  
5 managers, and trainers.

6 (3) Except as provided in items (C) and (D) of  
7 this subpart (3), the term "duty days" means all  
8 days during the taxable year from the beginning of  
9 the professional athletic team's official  
10 pre-season training period through the last game  
11 in which the team competes or is scheduled to  
12 compete. Duty days shall be counted for the year in  
13 which they occur, including where a team's  
14 official pre-season training period through the  
15 last game in which the team competes or is  
16 scheduled to compete, occurs during more than one  
17 tax year.

18 (A) Duty days shall also include days on  
19 which a member of a professional athletic team  
20 performs service for a team on a date that does  
21 not fall within the foregoing period (e.g.,  
22 participation in instructional leagues, the  
23 "All Star Game", or promotional "caravans").  
24 Performing a service for a professional  
25 athletic team includes conducting training and  
26 rehabilitation activities, when such

1 activities are conducted at team facilities.

2 (B) Also included in duty days are game  
3 days, practice days, days spent at team  
4 meetings, promotional caravans, preseason  
5 training camps, and days served with the team  
6 through all post-season games in which the team  
7 competes or is scheduled to compete.

8 (C) Duty days for any person who joins a  
9 team during the period from the beginning of  
10 the professional athletic team's official  
11 pre-season training period through the last  
12 game in which the team competes, or is  
13 scheduled to compete, shall begin on the day  
14 that person joins the team. Conversely, duty  
15 days for any person who leaves a team during  
16 this period shall end on the day that person  
17 leaves the team. Where a person switches teams  
18 during a taxable year, a separate duty-day  
19 calculation shall be made for the period the  
20 person was with each team.

21 (D) Days for which a member of a  
22 professional athletic team is not compensated  
23 and is not performing services for the team in  
24 any manner, including days when such member of  
25 a professional athletic team has been  
26 suspended without pay and prohibited from

1 performing any services for the team, shall not  
2 be treated as duty days.

3 (E) Days for which a member of a  
4 professional athletic team is on the disabled  
5 list and does not conduct rehabilitation  
6 activities at facilities of the team, and is  
7 not otherwise performing services for the team  
8 in Illinois, shall not be considered duty days  
9 spent in this State. All days on the disabled  
10 list, however, are considered to be included in  
11 total duty days spent both within and without  
12 this State.

13 (4) The term "total compensation for services  
14 performed as a member of a professional athletic  
15 team" means the total compensation received during  
16 the taxable year for services performed:

17 (A) from the beginning of the official  
18 pre-season training period through the last  
19 game in which the team competes or is scheduled  
20 to compete during that taxable year; and

21 (B) during the taxable year on a date which  
22 does not fall within the foregoing period  
23 (e.g., participation in instructional leagues,  
24 the "All Star Game", or promotional caravans).

25 This compensation shall include, but is not  
26 limited to, salaries, wages, bonuses as described

1 in this subpart, and any other type of compensation  
2 paid during the taxable year to a member of a  
3 professional athletic team for services performed  
4 in that year. This compensation does not include  
5 strike benefits, severance pay, termination pay,  
6 contract or option year buy-out payments,  
7 expansion or relocation payments, or any other  
8 payments not related to services performed for the  
9 team.

10 For purposes of this subparagraph, "bonuses"  
11 included in "total compensation for services  
12 performed as a member of a professional athletic  
13 team" subject to the allocation described in  
14 Section 302(c)(1) are: bonuses earned as a result  
15 of play (i.e., performance bonuses) during the  
16 season, including bonuses paid for championship,  
17 playoff or "bowl" games played by a team, or for  
18 selection to all-star league or other honorary  
19 positions; and bonuses paid for signing a  
20 contract, unless the payment of the signing bonus  
21 is not conditional upon the signee playing any  
22 games for the team or performing any subsequent  
23 services for the team or even making the team, the  
24 signing bonus is payable separately from the  
25 salary and any other compensation, and the signing  
26 bonus is nonrefundable.



1 (3) Sales factor.

2 (A) The sales factor is a fraction, the numerator of  
3 which is the total sales of the person in this State during  
4 the taxable year, and the denominator of which is the total  
5 sales of the person everywhere during the taxable year.

6 (B) Sales of tangible personal property are in this  
7 State if:

8 (i) The property is delivered or shipped to a  
9 purchaser, other than the United States government,  
10 within this State regardless of the f. o. b. point or  
11 other conditions of the sale; or

12 (ii) The property is shipped from an office, store,  
13 warehouse, factory or other place of storage in this  
14 State and either the purchaser is the United States  
15 government or the person is not taxable in the state of  
16 the purchaser; provided, however, that premises owned  
17 or leased by a person who has independently contracted  
18 with the seller for the printing of newspapers,  
19 periodicals or books shall not be deemed to be an  
20 office, store, warehouse, factory or other place of  
21 storage for purposes of this Section. Sales of tangible  
22 personal property are not in this State if the seller  
23 and purchaser would be members of the same unitary  
24 business group but for the fact that either the seller  
25 or purchaser is a person with 80% or more of total  
26 business activity outside of the United States and the

1 property is purchased for resale.

2 (B-1) Patents, copyrights, trademarks, and similar  
3 items of intangible personal property.

4 (i) Gross receipts from the licensing, sale, or  
5 other disposition of a patent, copyright, trademark,  
6 or similar item of intangible personal property, other  
7 than gross receipts governed by paragraph (B-7) of this  
8 item (3), are in this State to the extent the item is  
9 utilized in this State during the year the gross  
10 receipts are included in gross income.

11 (ii) Place of utilization.

12 (I) A patent is utilized in a state to the  
13 extent that it is employed in production,  
14 fabrication, manufacturing, or other processing in  
15 the state or to the extent that a patented product  
16 is produced in the state. If a patent is utilized  
17 in more than one state, the extent to which it is  
18 utilized in any one state shall be a fraction equal  
19 to the gross receipts of the licensee or purchaser  
20 from sales or leases of items produced,  
21 fabricated, manufactured, or processed within that  
22 state using the patent and of patented items  
23 produced within that state, divided by the total of  
24 such gross receipts for all states in which the  
25 patent is utilized.

26 (II) A copyright is utilized in a state to the

1 extent that printing or other publication  
2 originates in the state. If a copyright is utilized  
3 in more than one state, the extent to which it is  
4 utilized in any one state shall be a fraction equal  
5 to the gross receipts from sales or licenses of  
6 materials printed or published in that state  
7 divided by the total of such gross receipts for all  
8 states in which the copyright is utilized.

9 (III) Trademarks and other items of intangible  
10 personal property governed by this paragraph (B-1)  
11 are utilized in the state in which the commercial  
12 domicile of the licensee or purchaser is located.

13 (iii) If the state of utilization of an item of  
14 property governed by this paragraph (B-1) cannot be  
15 determined from the taxpayer's books and records or  
16 from the books and records of any person related to the  
17 taxpayer within the meaning of Section 267(b) of the  
18 Internal Revenue Code, 26 U.S.C. 267, the gross  
19 receipts attributable to that item shall be excluded  
20 from both the numerator and the denominator of the  
21 sales factor.

22 (B-2) Gross receipts from the license, sale, or other  
23 disposition of patents, copyrights, trademarks, and  
24 similar items of intangible personal property, other than  
25 gross receipts governed by paragraph (B-7) of this item  
26 (3), may be included in the numerator or denominator of the

1 sales factor only if gross receipts from licenses, sales,  
2 or other disposition of such items comprise more than 50%  
3 of the taxpayer's total gross receipts included in gross  
4 income during the tax year and during each of the 2  
5 immediately preceding tax years; provided that, when a  
6 taxpayer is a member of a unitary business group, such  
7 determination shall be made on the basis of the gross  
8 receipts of the entire unitary business group.

9 (B-5) For taxable years ending on or after December 31,  
10 2008, except as provided in subsections (ii) through (vii),  
11 receipts from the sale of telecommunications service or  
12 mobile telecommunications service are in this State if the  
13 customer's service address is in this State.

14 (i) For purposes of this subparagraph (B-5), the  
15 following terms have the following meanings:

16 "Ancillary services" means services that are  
17 associated with or incidental to the provision of  
18 "telecommunications services", including but not  
19 limited to "detailed telecommunications billing",  
20 "directory assistance", "vertical service", and "voice  
21 mail services".

22 "Air-to-Ground Radiotelephone service" means a  
23 radio service, as that term is defined in 47 CFR 22.99,  
24 in which common carriers are authorized to offer and  
25 provide radio telecommunications service for hire to  
26 subscribers in aircraft.

1           "Call-by-call Basis" means any method of charging  
2           for telecommunications services where the price is  
3           measured by individual calls.

4           "Communications Channel" means a physical or  
5           virtual path of communications over which signals are  
6           transmitted between or among customer channel  
7           termination points.

8           "Conference bridging service" means an "ancillary  
9           service" that links two or more participants of an  
10          audio or video conference call and may include the  
11          provision of a telephone number. "Conference bridging  
12          service" does not include the "telecommunications  
13          services" used to reach the conference bridge.

14          "Customer Channel Termination Point" means the  
15          location where the customer either inputs or receives  
16          the communications.

17          "Detailed telecommunications billing service"  
18          means an "ancillary service" of separately stating  
19          information pertaining to individual calls on a  
20          customer's billing statement.

21          "Directory assistance" means an "ancillary  
22          service" of providing telephone number information,  
23          and/or address information.

24          "Home service provider" means the facilities based  
25          carrier or reseller with which the customer contracts  
26          for the provision of mobile telecommunications

1 services.

2 "Mobile telecommunications service" means  
3 commercial mobile radio service, as defined in Section  
4 20.3 of Title 47 of the Code of Federal Regulations as  
5 in effect on June 1, 1999.

6 "Place of primary use" means the street address  
7 representative of where the customer's use of the  
8 telecommunications service primarily occurs, which  
9 must be the residential street address or the primary  
10 business street address of the customer. In the case of  
11 mobile telecommunications services, "place of primary  
12 use" must be within the licensed service area of the  
13 home service provider.

14 "Post-paid telecommunication service" means the  
15 telecommunications service obtained by making a  
16 payment on a call-by-call basis either through the use  
17 of a credit card or payment mechanism such as a bank  
18 card, travel card, credit card, or debit card, or by  
19 charge made to a telephone number which is not  
20 associated with the origination or termination of the  
21 telecommunications service. A post-paid calling  
22 service includes telecommunications service, except a  
23 prepaid wireless calling service, that would be a  
24 prepaid calling service except it is not exclusively a  
25 telecommunication service.

26 "Prepaid telecommunication service" means the

1 right to access exclusively telecommunications  
2 services, which must be paid for in advance and which  
3 enables the origination of calls using an access number  
4 or authorization code, whether manually or  
5 electronically dialed, and that is sold in  
6 predetermined units or dollars of which the number  
7 declines with use in a known amount.

8 "Prepaid Mobile telecommunication service" means a  
9 telecommunications service that provides the right to  
10 utilize mobile wireless service as well as other  
11 non-telecommunication services, including but not  
12 limited to ancillary services, which must be paid for  
13 in advance that is sold in predetermined units or  
14 dollars of which the number declines with use in a  
15 known amount.

16 "Private communication service" means a  
17 telecommunication service that entitles the customer  
18 to exclusive or priority use of a communications  
19 channel or group of channels between or among  
20 termination points, regardless of the manner in which  
21 such channel or channels are connected, and includes  
22 switching capacity, extension lines, stations, and any  
23 other associated services that are provided in  
24 connection with the use of such channel or channels.

25 "Service address" means:

26 (a) The location of the telecommunications

1 equipment to which a customer's call is charged and  
2 from which the call originates or terminates,  
3 regardless of where the call is billed or paid;

4 (b) If the location in line (a) is not known,  
5 service address means the origination point of the  
6 signal of the telecommunications services first  
7 identified by either the seller's  
8 telecommunications system or in information  
9 received by the seller from its service provider  
10 where the system used to transport such signals is  
11 not that of the seller; and

12 (c) If the locations in line (a) and line (b)  
13 are not known, the service address means the  
14 location of the customer's place of primary use.

15 "Telecommunications service" means the electronic  
16 transmission, conveyance, or routing of voice, data,  
17 audio, video, or any other information or signals to a  
18 point, or between or among points. The term  
19 "telecommunications service" includes such  
20 transmission, conveyance, or routing in which computer  
21 processing applications are used to act on the form,  
22 code or protocol of the content for purposes of  
23 transmission, conveyance or routing without regard to  
24 whether such service is referred to as voice over  
25 Internet protocol services or is classified by the  
26 Federal Communications Commission as enhanced or value



1 added. "Telecommunications service" does not include:

2 (a) Data processing and information services  
3 that allow data to be generated, acquired, stored,  
4 processed, or retrieved and delivered by an  
5 electronic transmission to a purchaser when such  
6 purchaser's primary purpose for the underlying  
7 transaction is the processed data or information;

8 (b) Installation or maintenance of wiring or  
9 equipment on a customer's premises;

10 (c) Tangible personal property;

11 (d) Advertising, including but not limited to  
12 directory advertising;:-

13 (e) Billing and collection services provided  
14 to third parties;

15 (f) Internet access service;

16 (g) Radio and television audio and video  
17 programming services, regardless of the medium,  
18 including the furnishing of transmission,  
19 conveyance and routing of such services by the  
20 programming service provider. Radio and television  
21 audio and video programming services shall include  
22 but not be limited to cable service as defined in  
23 47 USC 522(6) and audio and video programming  
24 services delivered by commercial mobile radio  
25 service providers, as defined in 47 CFR 20.3;

26 (h) "Ancillary services"; or

1                   (i)           Digital           products           "delivered  
2                   electronically", including but not limited to  
3                   software, music, video, reading materials or ring  
4                   tones.

5                   "Vertical service" means an "ancillary service"  
6                   that is offered in connection with one or more  
7                   "telecommunications services", which offers advanced  
8                   calling features that allow customers to identify  
9                   callers and to manage multiple calls and call  
10                  connections, including "conference bridging services".

11                  "Voice mail service" means an "ancillary service"  
12                  that enables the customer to store, send or receive  
13                  recorded messages. "Voice mail service" does not  
14                  include any "vertical services" that the customer may  
15                  be required to have in order to utilize the "voice mail  
16                  service".

17                  (ii) Receipts from the sale of telecommunications  
18                  service sold on an individual call-by-call basis are in  
19                  this State if either of the following applies:

20                         (a) The call both originates and terminates in  
21                         this State.

22                         (b) The call either originates or terminates  
23                         in this State and the service address is located in  
24                         this State.

25                         (iii) Receipts from the sale of postpaid  
26                         telecommunications service at retail are in this State

1 if the origination point of the telecommunication  
2 signal, as first identified by the service provider's  
3 telecommunication system or as identified by  
4 information received by the seller from its service  
5 provider if the system used to transport  
6 telecommunication signals is not the seller's, is  
7 located in this State.

8 (iv) Receipts from the sale of prepaid  
9 telecommunications service or prepaid mobile  
10 telecommunications service at retail are in this State  
11 if the purchaser obtains the prepaid card or similar  
12 means of conveyance at a location in this State.  
13 Receipts from recharging a prepaid telecommunications  
14 service or mobile telecommunications service is in  
15 this State if the purchaser's billing information  
16 indicates a location in this State.

17 (v) Receipts from the sale of private  
18 communication services are in this State as follows:

19 (a) 100% of receipts from charges imposed at  
20 each channel termination point in this State.

21 (b) 100% of receipts from charges for the total  
22 channel mileage between each channel termination  
23 point in this State.

24 (c) 50% of the total receipts from charges for  
25 service segments when those segments are between 2  
26 customer channel termination points, 1 of which is

1           located in this State and the other is located  
2           outside of this State, which segments are  
3           separately charged.

4           (d) The receipts from charges for service  
5           segments with a channel termination point located  
6           in this State and in two or more other states, and  
7           which segments are not separately billed, are in  
8           this State based on a percentage determined by  
9           dividing the number of customer channel  
10          termination points in this State by the total  
11          number of customer channel termination points.

12          (vi) Receipts from charges for ancillary services  
13          for telecommunications service sold to customers at  
14          retail are in this State if the customer's primary  
15          place of use of telecommunications services associated  
16          with those ancillary services is in this State. If the  
17          seller of those ancillary services cannot determine  
18          where the associated telecommunications are located,  
19          then the ancillary services shall be based on the  
20          location of the purchaser.

21          (vii) Receipts to access a carrier's network or  
22          from the sale of telecommunication services or  
23          ancillary services for resale are in this State as  
24          follows:

25                  (a) 100% of the receipts from access fees  
26                  attributable to intrastate telecommunications

1 service that both originates and terminates in  
2 this State.

3 (b) 50% of the receipts from access fees  
4 attributable to interstate telecommunications  
5 service if the interstate call either originates  
6 or terminates in this State.

7 (c) 100% of the receipts from interstate end  
8 user access line charges, if the customer's  
9 service address is in this State. As used in this  
10 subdivision, "interstate end user access line  
11 charges" includes, but is not limited to, the  
12 surcharge approved by the federal communications  
13 commission and levied pursuant to 47 CFR 69.

14 (d) Gross receipts from sales of  
15 telecommunication services or from ancillary  
16 services for telecommunications services sold to  
17 other telecommunication service providers for  
18 resale shall be sourced to this State using the  
19 apportionment concepts used for non-resale  
20 receipts of telecommunications services if the  
21 information is readily available to make that  
22 determination. If the information is not readily  
23 available, then the taxpayer may use any other  
24 reasonable and consistent method.

25 (B-7) For taxable years ending on or after December 31,  
26 2008, receipts from the sale of broadcasting services are

1 in this State if the broadcasting services are received in  
2 this State. For purposes of this paragraph (B-7), the  
3 following terms have the following meanings:

4 "Advertising revenue" means consideration received  
5 by the taxpayer in exchange for broadcasting services  
6 or allowing the broadcasting of commercials or  
7 announcements in connection with the broadcasting of  
8 film or radio programming, from sponsorships of the  
9 programming, or from product placements in the  
10 programming.

11 "Audience factor" means the ratio that the  
12 audience or subscribers located in this State of a  
13 station, a network, or a cable system bears to the  
14 total audience or total subscribers for that station,  
15 network, or cable system. The audience factor for film  
16 or radio programming shall be determined by reference  
17 to the books and records of the taxpayer or by  
18 reference to published rating statistics provided the  
19 method used by the taxpayer is consistently used from  
20 year to year for this purpose and fairly represents the  
21 taxpayer's activity in this State.

22 "Broadcast" or "broadcasting" or "broadcasting  
23 services" means the transmission or provision of film  
24 or radio programming, whether through the public  
25 airwaves, by cable, by direct or indirect satellite  
26 transmission, or by any other means of communication,

1           either through a station, a network, or a cable system.

2           "Film" or "film programming" means the broadcast  
3           on television of any and all performances, events, or  
4           productions, including but not limited to news,  
5           sporting events, plays, stories, or other literary,  
6           commercial, educational, or artistic works, either  
7           live or through the use of video tape, disc, or any  
8           other type of format or medium. Each episode of a  
9           series of films produced for television shall  
10          constitute separate "film" notwithstanding that the  
11          series relates to the same principal subject and is  
12          produced during one or more tax periods.

13          "Radio" or "radio programming" means the broadcast  
14          on radio of any and all performances, events, or  
15          productions, including but not limited to news,  
16          sporting events, plays, stories, or other literary,  
17          commercial, educational, or artistic works, either  
18          live or through the use of an audio tape, disc, or any  
19          other format or medium. Each episode in a series of  
20          radio programming produced for radio broadcast shall  
21          constitute a separate "radio programming"  
22          notwithstanding that the series relates to the same  
23          principal subject and is produced during one or more  
24          tax periods.

25                   (i) In the case of advertising revenue from  
26                   broadcasting, the customer is the advertiser and

1           the service is received in this State if the  
2           commercial domicile of the advertiser is in this  
3           State.

4           (ii) In the case where film or radio  
5           programming is broadcast by a station, a network,  
6           or a cable system for a fee or other remuneration  
7           received from the recipient of the broadcast, the  
8           portion of the service that is received in this  
9           State is measured by the portion of the recipients  
10          of the broadcast located in this State.  
11          Accordingly, the fee or other remuneration for  
12          such service that is included in the Illinois  
13          numerator of the sales factor is the total of those  
14          fees or other remuneration received from  
15          recipients in Illinois. For purposes of this  
16          paragraph, a taxpayer may determine the location  
17          of the recipients of its broadcast using the  
18          address of the recipient shown in its contracts  
19          with the recipient or using the billing address of  
20          the recipient in the taxpayer's records.

21          (iii) In the case where film or radio  
22          programming is broadcast by a station, a network,  
23          or a cable system for a fee or other remuneration  
24          from the person providing the programming, the  
25          portion of the broadcast service that is received  
26          by such station, network, or cable system in this



1 State is measured by the portion of recipients of  
2 the broadcast located in this State. Accordingly,  
3 the amount of revenue related to such an  
4 arrangement that is included in the Illinois  
5 numerator of the sales factor is the total fee or  
6 other total remuneration from the person providing  
7 the programming related to that broadcast  
8 multiplied by the Illinois audience factor for  
9 that broadcast.

10 (iv) In the case where film or radio  
11 programming is provided by a taxpayer that is a  
12 network or station to a customer for broadcast in  
13 exchange for a fee or other remuneration from that  
14 customer the broadcasting service is received at  
15 the location of the office of the customer from  
16 which the services were ordered in the regular  
17 course of the customer's trade or business.  
18 Accordingly, in such a case the revenue derived by  
19 the taxpayer that is included in the taxpayer's  
20 Illinois numerator of the sales factor is the  
21 revenue from such customers who receive the  
22 broadcasting service in Illinois.

23 (v) In the case where film or radio programming  
24 is provided by a taxpayer that is not a network or  
25 station to another person for broadcasting in  
26 exchange for a fee or other remuneration from that

1 person, the broadcasting service is received at  
2 the location of the office of the customer from  
3 which the services were ordered in the regular  
4 course of the customer's trade or business.  
5 Accordingly, in such a case the revenue derived by  
6 the taxpayer that is included in the taxpayer's  
7 Illinois numerator of the sales factor is the  
8 revenue from such customers who receive the  
9 broadcasting service in Illinois.

10 (B-8) Gross receipts from winnings under the Illinois  
11 Lottery Law from the assignment of a prize under Section  
12 13.1 of the Illinois Lottery Law are received in this  
13 State. This paragraph (B-8) applies only to taxable years  
14 ending on or after December 31, 2013.

15 (B-9) For taxable years ending on or after December 31,  
16 2017, gross receipts from winnings from pari-mutuel  
17 wagering conducted at a wagering facility licensed under  
18 the Illinois Horse Racing Act of 1975 or from winnings from  
19 gambling games conducted on a riverboat or in a casino or  
20 electronic gaming facility licensed under the Illinois  
21 Gambling Act are in this State.

22 (C) For taxable years ending before December 31, 2008,  
23 sales, other than sales governed by paragraphs (B), (B-1),  
24 (B-2), and (B-8) are in this State if:

25 (i) The income-producing activity is performed in  
26 this State; or

1           (ii) The income-producing activity is performed  
2 both within and without this State and a greater  
3 proportion of the income-producing activity is  
4 performed within this State than without this State,  
5 based on performance costs.

6           (C-5) For taxable years ending on or after December 31,  
7 2008, sales, other than sales governed by paragraphs (B),  
8 (B-1), (B-2), (B-5), and (B-7), are in this State if any of  
9 the following criteria are met:

10           (i) Sales from the sale or lease of real property  
11 are in this State if the property is located in this  
12 State.

13           (ii) Sales from the lease or rental of tangible  
14 personal property are in this State if the property is  
15 located in this State during the rental period. Sales  
16 from the lease or rental of tangible personal property  
17 that is characteristically moving property, including,  
18 but not limited to, motor vehicles, rolling stock,  
19 aircraft, vessels, or mobile equipment are in this  
20 State to the extent that the property is used in this  
21 State.

22           (iii) In the case of interest, net gains (but not  
23 less than zero) and other items of income from  
24 intangible personal property, the sale is in this State  
25 if:

26           (a) in the case of a taxpayer who is a dealer

1           in the item of intangible personal property within  
2           the meaning of Section 475 of the Internal Revenue  
3           Code, the income or gain is received from a  
4           customer in this State. For purposes of this  
5           subparagraph, a customer is in this State if the  
6           customer is an individual, trust or estate who is a  
7           resident of this State and, for all other  
8           customers, if the customer's commercial domicile  
9           is in this State. Unless the dealer has actual  
10          knowledge of the residence or commercial domicile  
11          of a customer during a taxable year, the customer  
12          shall be deemed to be a customer in this State if  
13          the billing address of the customer, as shown in  
14          the records of the dealer, is in this State; or

15               (b) in all other cases, if the  
16               income-producing activity of the taxpayer is  
17               performed in this State or, if the  
18               income-producing activity of the taxpayer is  
19               performed both within and without this State, if a  
20               greater proportion of the income-producing  
21               activity of the taxpayer is performed within this  
22               State than in any other state, based on performance  
23               costs.

24               (iv) Sales of services are in this State if the  
25               services are received in this State. For the purposes  
26               of this section, gross receipts from the performance of

1 services provided to a corporation, partnership, or  
2 trust may only be attributed to a state where that  
3 corporation, partnership, or trust has a fixed place of  
4 business. If the state where the services are received  
5 is not readily determinable or is a state where the  
6 corporation, partnership, or trust receiving the  
7 service does not have a fixed place of business, the  
8 services shall be deemed to be received at the location  
9 of the office of the customer from which the services  
10 were ordered in the regular course of the customer's  
11 trade or business. If the ordering office cannot be  
12 determined, the services shall be deemed to be received  
13 at the office of the customer to which the services are  
14 billed. If the taxpayer is not taxable in the state in  
15 which the services are received, the sale must be  
16 excluded from both the numerator and the denominator of  
17 the sales factor. The Department shall adopt rules  
18 prescribing where specific types of service are  
19 received, including, but not limited to, publishing,  
20 and utility service.

21 (D) For taxable years ending on or after December 31,  
22 1995, the following items of income shall not be included  
23 in the numerator or denominator of the sales factor:  
24 dividends; amounts included under Section 78 of the  
25 Internal Revenue Code; and Subpart F income as defined in  
26 Section 952 of the Internal Revenue Code. No inference

1 shall be drawn from the enactment of this paragraph (D) in  
2 construing this Section for taxable years ending before  
3 December 31, 1995.

4 (E) Paragraphs (B-1) and (B-2) shall apply to tax years  
5 ending on or after December 31, 1999, provided that a  
6 taxpayer may elect to apply the provisions of these  
7 paragraphs to prior tax years. Such election shall be made  
8 in the form and manner prescribed by the Department, shall  
9 be irrevocable, and shall apply to all tax years; provided  
10 that, if a taxpayer's Illinois income tax liability for any  
11 tax year, as assessed under Section 903 prior to January 1,  
12 1999, was computed in a manner contrary to the provisions  
13 of paragraphs (B-1) or (B-2), no refund shall be payable to  
14 the taxpayer for that tax year to the extent such refund is  
15 the result of applying the provisions of paragraph (B-1) or  
16 (B-2) retroactively. In the case of a unitary business  
17 group, such election shall apply to all members of such  
18 group for every tax year such group is in existence, but  
19 shall not apply to any taxpayer for any period during which  
20 that taxpayer is not a member of such group.

21 (b) Insurance companies.

22 (1) In general. Except as otherwise provided by  
23 paragraph (2), business income of an insurance company for  
24 a taxable year shall be apportioned to this State by  
25 multiplying such income by a fraction, the numerator of  
26 which is the direct premiums written for insurance upon

1 property or risk in this State, and the denominator of  
2 which is the direct premiums written for insurance upon  
3 property or risk everywhere. For purposes of this  
4 subsection, the term "direct premiums written" means the  
5 total amount of direct premiums written, assessments and  
6 annuity considerations as reported for the taxable year on  
7 the annual statement filed by the company with the Illinois  
8 Director of Insurance in the form approved by the National  
9 Convention of Insurance Commissioners or such other form as  
10 may be prescribed in lieu thereof.

11 (2) Reinsurance. If the principal source of premiums  
12 written by an insurance company consists of premiums for  
13 reinsurance accepted by it, the business income of such  
14 company shall be apportioned to this State by multiplying  
15 such income by a fraction, the numerator of which is the  
16 sum of (i) direct premiums written for insurance upon  
17 property or risk in this State, plus (ii) premiums written  
18 for reinsurance accepted in respect of property or risk in  
19 this State, and the denominator of which is the sum of  
20 (iii) direct premiums written for insurance upon property  
21 or risk everywhere, plus (iv) premiums written for  
22 reinsurance accepted in respect of property or risk  
23 everywhere. For purposes of this paragraph, premiums  
24 written for reinsurance accepted in respect of property or  
25 risk in this State, whether or not otherwise determinable,  
26 may, at the election of the company, be determined on the

1 basis of the proportion which premiums written for  
2 reinsurance accepted from companies commercially domiciled  
3 in Illinois bears to premiums written for reinsurance  
4 accepted from all sources, or, alternatively, in the  
5 proportion which the sum of the direct premiums written for  
6 insurance upon property or risk in this State by each  
7 ceding company from which reinsurance is accepted bears to  
8 the sum of the total direct premiums written by each such  
9 ceding company for the taxable year. The election made by a  
10 company under this paragraph for its first taxable year  
11 ending on or after December 31, 2011, shall be binding for  
12 that company for that taxable year and for all subsequent  
13 taxable years, and may be altered only with the written  
14 permission of the Department, which shall not be  
15 unreasonably withheld.

16 (c) Financial organizations.

17 (1) In general. For taxable years ending before  
18 December 31, 2008, business income of a financial  
19 organization shall be apportioned to this State by  
20 multiplying such income by a fraction, the numerator of  
21 which is its business income from sources within this  
22 State, and the denominator of which is its business income  
23 from all sources. For the purposes of this subsection, the  
24 business income of a financial organization from sources  
25 within this State is the sum of the amounts referred to in  
26 subparagraphs (A) through (E) following, but excluding the



1 adjusted income of an international banking facility as  
2 determined in paragraph (2):

3 (A) Fees, commissions or other compensation for  
4 financial services rendered within this State;

5 (B) Gross profits from trading in stocks, bonds or  
6 other securities managed within this State;

7 (C) Dividends, and interest from Illinois  
8 customers, which are received within this State;

9 (D) Interest charged to customers at places of  
10 business maintained within this State for carrying  
11 debit balances of margin accounts, without deduction  
12 of any costs incurred in carrying such accounts; and

13 (E) Any other gross income resulting from the  
14 operation as a financial organization within this  
15 State. In computing the amounts referred to in  
16 paragraphs (A) through (E) of this subsection, any  
17 amount received by a member of an affiliated group  
18 (determined under Section 1504(a) of the Internal  
19 Revenue Code but without reference to whether any such  
20 corporation is an "includible corporation" under  
21 Section 1504(b) of the Internal Revenue Code) from  
22 another member of such group shall be included only to  
23 the extent such amount exceeds expenses of the  
24 recipient directly related thereto.

25 (2) International Banking Facility. For taxable years  
26 ending before December 31, 2008:

1 (A) Adjusted Income. The adjusted income of an  
2 international banking facility is its income reduced  
3 by the amount of the floor amount.

4 (B) Floor Amount. The floor amount shall be the  
5 amount, if any, determined by multiplying the income of  
6 the international banking facility by a fraction, not  
7 greater than one, which is determined as follows:

8 (i) The numerator shall be:

9 The average aggregate, determined on a  
10 quarterly basis, of the financial organization's  
11 loans to banks in foreign countries, to foreign  
12 domiciled borrowers (except where secured  
13 primarily by real estate) and to foreign  
14 governments and other foreign official  
15 institutions, as reported for its branches,  
16 agencies and offices within the state on its  
17 "Consolidated Report of Condition", Schedule A,  
18 Lines 2.c., 5.b., and 7.a., which was filed with  
19 the Federal Deposit Insurance Corporation and  
20 other regulatory authorities, for the year 1980,  
21 minus

22 The average aggregate, determined on a  
23 quarterly basis, of such loans (other than loans of  
24 an international banking facility), as reported by  
25 the financial institution for its branches,  
26 agencies and offices within the state, on the

1           corresponding Schedule and lines of the  
2           Consolidated Report of Condition for the current  
3           taxable year, provided, however, that in no case  
4           shall the amount determined in this clause (the  
5           subtrahend) exceed the amount determined in the  
6           preceding clause (the minuend); and

7           (ii) the denominator shall be the average  
8           aggregate, determined on a quarterly basis, of the  
9           international banking facility's loans to banks in  
10          foreign countries, to foreign domiciled borrowers  
11          (except where secured primarily by real estate)  
12          and to foreign governments and other foreign  
13          official institutions, which were recorded in its  
14          financial accounts for the current taxable year.

15          (C) Change to Consolidated Report of Condition and  
16          in Qualification. In the event the Consolidated Report  
17          of Condition which is filed with the Federal Deposit  
18          Insurance Corporation and other regulatory authorities  
19          is altered so that the information required for  
20          determining the floor amount is not found on Schedule  
21          A, lines 2.c., 5.b. and 7.a., the financial institution  
22          shall notify the Department and the Department may, by  
23          regulations or otherwise, prescribe or authorize the  
24          use of an alternative source for such information. The  
25          financial institution shall also notify the Department  
26          should its international banking facility fail to

1           qualify as such, in whole or in part, or should there  
2           be any amendment or change to the Consolidated Report  
3           of Condition, as originally filed, to the extent such  
4           amendment or change alters the information used in  
5           determining the floor amount.

6           (3) For taxable years ending on or after December 31,  
7           2008, the business income of a financial organization shall  
8           be apportioned to this State by multiplying such income by  
9           a fraction, the numerator of which is its gross receipts  
10          from sources in this State or otherwise attributable to  
11          this State's marketplace and the denominator of which is  
12          its gross receipts everywhere during the taxable year.  
13          "Gross receipts" for purposes of this subparagraph (3)  
14          means gross income, including net taxable gain on  
15          disposition of assets, including securities and money  
16          market instruments, when derived from transactions and  
17          activities in the regular course of the financial  
18          organization's trade or business. The following examples  
19          are illustrative:

20                 (i) Receipts from the lease or rental of real or  
21                 tangible personal property are in this State if the  
22                 property is located in this State during the rental  
23                 period. Receipts from the lease or rental of tangible  
24                 personal property that is characteristically moving  
25                 property, including, but not limited to, motor  
26                 vehicles, rolling stock, aircraft, vessels, or mobile

1 equipment are from sources in this State to the extent  
2 that the property is used in this State.

3 (ii) Interest income, commissions, fees, gains on  
4 disposition, and other receipts from assets in the  
5 nature of loans that are secured primarily by real  
6 estate or tangible personal property are from sources  
7 in this State if the security is located in this State.

8 (iii) Interest income, commissions, fees, gains on  
9 disposition, and other receipts from consumer loans  
10 that are not secured by real or tangible personal  
11 property are from sources in this State if the debtor  
12 is a resident of this State.

13 (iv) Interest income, commissions, fees, gains on  
14 disposition, and other receipts from commercial loans  
15 and installment obligations that are not secured by  
16 real or tangible personal property are from sources in  
17 this State if the proceeds of the loan are to be  
18 applied in this State. If it cannot be determined where  
19 the funds are to be applied, the income and receipts  
20 are from sources in this State if the office of the  
21 borrower from which the loan was negotiated in the  
22 regular course of business is located in this State. If  
23 the location of this office cannot be determined, the  
24 income and receipts shall be excluded from the  
25 numerator and denominator of the sales factor.

26 (v) Interest income, fees, gains on disposition,

1 service charges, merchant discount income, and other  
2 receipts from credit card receivables are from sources  
3 in this State if the card charges are regularly billed  
4 to a customer in this State.

5 (vi) Receipts from the performance of services,  
6 including, but not limited to, fiduciary, advisory,  
7 and brokerage services, are in this State if the  
8 services are received in this State within the meaning  
9 of subparagraph (a) (3) (C-5) (iv) of this Section.

10 (vii) Receipts from the issuance of travelers  
11 checks and money orders are from sources in this State  
12 if the checks and money orders are issued from a  
13 location within this State.

14 (viii) Receipts from investment assets and  
15 activities and trading assets and activities are  
16 included in the receipts factor as follows:

17 (1) Interest, dividends, net gains (but not  
18 less than zero) and other income from investment  
19 assets and activities from trading assets and  
20 activities shall be included in the receipts  
21 factor. Investment assets and activities and  
22 trading assets and activities include but are not  
23 limited to: investment securities; trading account  
24 assets; federal funds; securities purchased and  
25 sold under agreements to resell or repurchase;  
26 options; futures contracts; forward contracts;

1           notional principal contracts such as swaps;  
2           equities; and foreign currency transactions. With  
3           respect to the investment and trading assets and  
4           activities described in subparagraphs (A) and (B)  
5           of this paragraph, the receipts factor shall  
6           include the amounts described in such  
7           subparagraphs.

8                   (A) The receipts factor shall include the  
9                   amount by which interest from federal funds  
10                  sold and securities purchased under resale  
11                  agreements exceeds interest expense on federal  
12                  funds purchased and securities sold under  
13                  repurchase agreements.

14                  (B) The receipts factor shall include the  
15                  amount by which interest, dividends, gains and  
16                  other income from trading assets and  
17                  activities, including but not limited to  
18                  assets and activities in the matched book, in  
19                  the arbitrage book, and foreign currency  
20                  transactions, exceed amounts paid in lieu of  
21                  interest, amounts paid in lieu of dividends,  
22                  and losses from such assets and activities.

23                  (2) The numerator of the receipts factor  
24                  includes interest, dividends, net gains (but not  
25                  less than zero), and other income from investment  
26                  assets and activities and from trading assets and

1 activities described in paragraph (1) of this  
2 subsection that are attributable to this State.

3 (A) The amount of interest, dividends, net  
4 gains (but not less than zero), and other  
5 income from investment assets and activities  
6 in the investment account to be attributed to  
7 this State and included in the numerator is  
8 determined by multiplying all such income from  
9 such assets and activities by a fraction, the  
10 numerator of which is the gross income from  
11 such assets and activities which are properly  
12 assigned to a fixed place of business of the  
13 taxpayer within this State and the denominator  
14 of which is the gross income from all such  
15 assets and activities.

16 (B) The amount of interest from federal  
17 funds sold and purchased and from securities  
18 purchased under resale agreements and  
19 securities sold under repurchase agreements  
20 attributable to this State and included in the  
21 numerator is determined by multiplying the  
22 amount described in subparagraph (A) of  
23 paragraph (1) of this subsection from such  
24 funds and such securities by a fraction, the  
25 numerator of which is the gross income from  
26 such funds and such securities which are



1 properly assigned to a fixed place of business  
2 of the taxpayer within this State and the  
3 denominator of which is the gross income from  
4 all such funds and such securities.

5 (C) The amount of interest, dividends,  
6 gains, and other income from trading assets and  
7 activities, including but not limited to  
8 assets and activities in the matched book, in  
9 the arbitrage book and foreign currency  
10 transactions (but excluding amounts described  
11 in subparagraphs (A) or (B) of this paragraph),  
12 attributable to this State and included in the  
13 numerator is determined by multiplying the  
14 amount described in subparagraph (B) of  
15 paragraph (1) of this subsection by a fraction,  
16 the numerator of which is the gross income from  
17 such trading assets and activities which are  
18 properly assigned to a fixed place of business  
19 of the taxpayer within this State and the  
20 denominator of which is the gross income from  
21 all such assets and activities.

22 (D) Properly assigned, for purposes of  
23 this paragraph (2) of this subsection, means  
24 the investment or trading asset or activity is  
25 assigned to the fixed place of business with  
26 which it has a preponderance of substantive

1 contacts. An investment or trading asset or  
2 activity assigned by the taxpayer to a fixed  
3 place of business without the State shall be  
4 presumed to have been properly assigned if:

5 (i) the taxpayer has assigned, in the  
6 regular course of its business, such asset  
7 or activity on its records to a fixed place  
8 of business consistent with federal or  
9 state regulatory requirements;

10 (ii) such assignment on its records is  
11 based upon substantive contacts of the  
12 asset or activity to such fixed place of  
13 business; and

14 (iii) the taxpayer uses such records  
15 reflecting assignment of such assets or  
16 activities for the filing of all state and  
17 local tax returns for which an assignment  
18 of such assets or activities to a fixed  
19 place of business is required.

20 (E) The presumption of proper assignment  
21 of an investment or trading asset or activity  
22 provided in subparagraph (D) of paragraph (2)  
23 of this subsection may be rebutted upon a  
24 showing by the Department, supported by a  
25 preponderance of the evidence, that the  
26 preponderance of substantive contacts

1            regarding such asset or activity did not occur  
2            at the fixed place of business to which it was  
3            assigned on the taxpayer's records. If the  
4            fixed place of business that has a  
5            preponderance of substantive contacts cannot  
6            be determined for an investment or trading  
7            asset or activity to which the presumption in  
8            subparagraph (D) of paragraph (2) of this  
9            subsection does not apply or with respect to  
10           which that presumption has been rebutted, that  
11           asset or activity is properly assigned to the  
12           state in which the taxpayer's commercial  
13           domicile is located. For purposes of this  
14           subparagraph (E), it shall be presumed,  
15           subject to rebuttal, that taxpayer's  
16           commercial domicile is in the state of the  
17           United States or the District of Columbia to  
18           which the greatest number of employees are  
19           regularly connected with the management of the  
20           investment or trading income or out of which  
21           they are working, irrespective of where the  
22           services of such employees are performed, as of  
23           the last day of the taxable year.

24            (4) (Blank).

25            (5) (Blank).

26            (c-1) Federally regulated exchanges. For taxable years

1 ending on or after December 31, 2012, business income of a  
2 federally regulated exchange shall, at the option of the  
3 federally regulated exchange, be apportioned to this State by  
4 multiplying such income by a fraction, the numerator of which  
5 is its business income from sources within this State, and the  
6 denominator of which is its business income from all sources.  
7 For purposes of this subsection, the business income within  
8 this State of a federally regulated exchange is the sum of the  
9 following:

10 (1) Receipts attributable to transactions executed on  
11 a physical trading floor if that physical trading floor is  
12 located in this State.

13 (2) Receipts attributable to all other matching,  
14 execution, or clearing transactions, including without  
15 limitation receipts from the provision of matching,  
16 execution, or clearing services to another entity,  
17 multiplied by (i) for taxable years ending on or after  
18 December 31, 2012 but before December 31, 2013, 63.77%; and  
19 (ii) for taxable years ending on or after December 31,  
20 2013, 27.54%.

21 (3) All other receipts not governed by subparagraphs  
22 (1) or (2) of this subsection (c-1), to the extent the  
23 receipts would be characterized as "sales in this State"  
24 under item (3) of subsection (a) of this Section.

25 "Federally regulated exchange" means (i) a "registered  
26 entity" within the meaning of 7 U.S.C. Section 1a(40) (A), (B),

1 or (C), (ii) an "exchange" or "clearing agency" within the  
2 meaning of 15 U.S.C. Section 78c (a) (1) or (23), (iii) any such  
3 entities regulated under any successor regulatory structure to  
4 the foregoing, and (iv) all taxpayers who are members of the  
5 same unitary business group as a federally regulated exchange,  
6 determined without regard to the prohibition in Section  
7 1501(a) (27) of this Act against including in a unitary business  
8 group taxpayers who are ordinarily required to apportion  
9 business income under different subsections of this Section;  
10 provided that this subparagraph (iv) shall apply only if 50% or  
11 more of the business receipts of the unitary business group  
12 determined by application of this subparagraph (iv) for the  
13 taxable year are attributable to the matching, execution, or  
14 clearing of transactions conducted by an entity described in  
15 subparagraph (i), (ii), or (iii) of this paragraph.

16 In no event shall the Illinois apportionment percentage  
17 computed in accordance with this subsection (c-1) for any  
18 taxpayer for any tax year be less than the Illinois  
19 apportionment percentage computed under this subsection (c-1)  
20 for that taxpayer for the first full tax year ending on or  
21 after December 31, 2013 for which this subsection (c-1) applied  
22 to the taxpayer.

23 (d) Transportation services. For taxable years ending  
24 before December 31, 2008, business income derived from  
25 furnishing transportation services shall be apportioned to  
26 this State in accordance with paragraphs (1) and (2):

1           (1) Such business income (other than that derived from  
2 transportation by pipeline) shall be apportioned to this  
3 State by multiplying such income by a fraction, the  
4 numerator of which is the revenue miles of the person in  
5 this State, and the denominator of which is the revenue  
6 miles of the person everywhere. For purposes of this  
7 paragraph, a revenue mile is the transportation of 1  
8 passenger or 1 net ton of freight the distance of 1 mile  
9 for a consideration. Where a person is engaged in the  
10 transportation of both passengers and freight, the  
11 fraction above referred to shall be determined by means of  
12 an average of the passenger revenue mile fraction and the  
13 freight revenue mile fraction, weighted to reflect the  
14 person's

15           (A) relative railway operating income from total  
16 passenger and total freight service, as reported to the  
17 Interstate Commerce Commission, in the case of  
18 transportation by railroad, and

19           (B) relative gross receipts from passenger and  
20 freight transportation, in case of transportation  
21 other than by railroad.

22           (2) Such business income derived from transportation  
23 by pipeline shall be apportioned to this State by  
24 multiplying such income by a fraction, the numerator of  
25 which is the revenue miles of the person in this State, and  
26 the denominator of which is the revenue miles of the person

1 everywhere. For the purposes of this paragraph, a revenue  
2 mile is the transportation by pipeline of 1 barrel of oil,  
3 1,000 cubic feet of gas, or of any specified quantity of  
4 any other substance, the distance of 1 mile for a  
5 consideration.

6 (3) For taxable years ending on or after December 31,  
7 2008, business income derived from providing  
8 transportation services other than airline services shall  
9 be apportioned to this State by using a fraction, (a) the  
10 numerator of which shall be (i) all receipts from any  
11 movement or shipment of people, goods, mail, oil, gas, or  
12 any other substance (other than by airline) that both  
13 originates and terminates in this State, plus (ii) that  
14 portion of the person's gross receipts from movements or  
15 shipments of people, goods, mail, oil, gas, or any other  
16 substance (other than by airline) that originates in one  
17 state or jurisdiction and terminates in another state or  
18 jurisdiction, that is determined by the ratio that the  
19 miles traveled in this State bears to total miles  
20 everywhere and (b) the denominator of which shall be all  
21 revenue derived from the movement or shipment of people,  
22 goods, mail, oil, gas, or any other substance (other than  
23 by airline). Where a taxpayer is engaged in the  
24 transportation of both passengers and freight, the  
25 fraction above referred to shall first be determined  
26 separately for passenger miles and freight miles. Then an

1 average of the passenger miles fraction and the freight  
2 miles fraction shall be weighted to reflect the taxpayer's:

3 (A) relative railway operating income from total  
4 passenger and total freight service, as reported to the  
5 Surface Transportation Board, in the case of  
6 transportation by railroad; and

7 (B) relative gross receipts from passenger and  
8 freight transportation, in case of transportation  
9 other than by railroad.

10 (4) For taxable years ending on or after December 31,  
11 2008, business income derived from furnishing airline  
12 transportation services shall be apportioned to this State  
13 by multiplying such income by a fraction, the numerator of  
14 which is the revenue miles of the person in this State, and  
15 the denominator of which is the revenue miles of the person  
16 everywhere. For purposes of this paragraph, a revenue mile  
17 is the transportation of one passenger or one net ton of  
18 freight the distance of one mile for a consideration. If a  
19 person is engaged in the transportation of both passengers  
20 and freight, the fraction above referred to shall be  
21 determined by means of an average of the passenger revenue  
22 mile fraction and the freight revenue mile fraction,  
23 weighted to reflect the person's relative gross receipts  
24 from passenger and freight airline transportation.

25 (e) Combined apportionment. Where 2 or more persons are  
26 engaged in a unitary business as described in subsection



1 (a) (27) of Section 1501, a part of which is conducted in this  
2 State by one or more members of the group, the business income  
3 attributable to this State by any such member or members shall  
4 be apportioned by means of the combined apportionment method.

5 (f) Alternative allocation. If the allocation and  
6 apportionment provisions of subsections (a) through (e) and of  
7 subsection (h) do not, for taxable years ending before December  
8 31, 2008, fairly represent the extent of a person's business  
9 activity in this State, or, for taxable years ending on or  
10 after December 31, 2008, fairly represent the market for the  
11 person's goods, services, or other sources of business income,  
12 the person may petition for, or the Director may, without a  
13 petition, permit or require, in respect of all or any part of  
14 the person's business activity, if reasonable:

15 (1) Separate accounting;

16 (2) The exclusion of any one or more factors;

17 (3) The inclusion of one or more additional factors  
18 which will fairly represent the person's business  
19 activities or market in this State; or

20 (4) The employment of any other method to effectuate an  
21 equitable allocation and apportionment of the person's  
22 business income.

23 (g) Cross reference. For allocation of business income by  
24 residents, see Section 301(a).

25 (h) For tax years ending on or after December 31, 1998, the  
26 apportionment factor of persons who apportion their business

1 income to this State under subsection (a) shall be equal to:

2 (1) for tax years ending on or after December 31, 1998  
3 and before December 31, 1999, 16 2/3% of the property  
4 factor plus 16 2/3% of the payroll factor plus 66 2/3% of  
5 the sales factor;

6 (2) for tax years ending on or after December 31, 1999  
7 and before December 31, 2000, 8 1/3% of the property factor  
8 plus 8 1/3% of the payroll factor plus 83 1/3% of the sales  
9 factor;

10 (3) for tax years ending on or after December 31, 2000,  
11 the sales factor.

12 If, in any tax year ending on or after December 31, 1998 and  
13 before December 31, 2000, the denominator of the payroll,  
14 property, or sales factor is zero, the apportionment factor  
15 computed in paragraph (1) or (2) of this subsection for that  
16 year shall be divided by an amount equal to 100% minus the  
17 percentage weight given to each factor whose denominator is  
18 equal to zero.

19 (Source: P.A. 98-478, eff. 1-1-14; 98-496, eff. 1-1-14; 98-756,  
20 eff. 7-16-14; 99-642, eff. 7-28-16; revised 11-14-16.)

21 (35 ILCS 5/710) (from Ch. 120, par. 7-710)

22 Sec. 710. Withholding from lottery winnings.

23 (a) In general.

24 (1) Any person making a payment to a resident or  
25 nonresident of winnings under the Illinois Lottery Law and

1 not required to withhold Illinois income tax from such  
2 payment under Subsection (b) of Section 701 of this Act  
3 because those winnings are not subject to Federal income  
4 tax withholding, must withhold Illinois income tax from  
5 such payment at a rate equal to the percentage tax rate for  
6 individuals provided in subsection (b) of Section 201,  
7 provided that withholding is not required if such payment  
8 of winnings is less than \$1,000.

9 (2) In the case of an assignment of a lottery prize  
10 under Section 13.1 of the Illinois Lottery Law, any person  
11 making a payment of the purchase price after December 31,  
12 2013, shall withhold from the amount of each payment at a  
13 rate equal to the percentage tax rate for individuals  
14 provided in subsection (b) of Section 201.

15 (3) Any person making a payment after December 31, 2017  
16 to a resident or nonresident of winnings from pari-mutuel  
17 wagering conducted at a wagering facility licensed under  
18 the Illinois Horse Racing Act of 1975 or from gambling  
19 games conducted on a riverboat or in a casino or electronic  
20 gaming facility licensed under the Illinois Gambling Act  
21 must withhold Illinois income tax from such payment at a  
22 rate equal to the percentage tax rate for individuals  
23 provided in subsection (b) of Section 201, provided that  
24 the person making the payment is required to withhold under  
25 Section 3402(g) of the Internal Revenue Code.

26 (b) Credit for taxes withheld. Any amount withheld under

1 Subsection (a) shall be a credit against the Illinois income  
2 tax liability of the person to whom the payment of winnings was  
3 made for the taxable year in which that person incurred an  
4 Illinois income tax liability with respect to those winnings.  
5 (Source: P.A. 98-496, eff. 1-1-14.)

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

8 (35 ILCS 200/15-144 new)

9 Sec. 15-144. Chicago Casino Development Authority. All  
10 property owned by the Chicago Casino Development Authority is  
11 exempt. Any property owned by the Chicago Casino Development  
12 Authority and leased to any other entity is not exempt.

13 Section 90-24. The Illinois Municipal Code is amended by  
14 adding Section 8-10-2.6 as follows:

15 (65 ILCS 5/8-10-2.6 new)

16 Sec. 8-10-2.6. Chicago Casino Development Authority.  
17 Except as otherwise provided in the Chicago Casino Development  
18 Authority Act, this Division 10 applies to purchase orders and  
19 contracts relating to the Chicago Casino Development  
20 Authority.

21 Section 90-25. The Joliet Regional Port District Act is

1 amended by changing Section 5.1 as follows:

2 (70 ILCS 1825/5.1) (from Ch. 19, par. 255.1)

3 Sec. 5.1. Riverboat and casino gambling. Notwithstanding  
4 any other provision of this Act, the District may not regulate  
5 the operation, conduct, or navigation of any riverboat gambling  
6 casino licensed under the Illinois Riverboat Gambling Act, and  
7 the District may not license, tax, or otherwise levy any  
8 assessment of any kind on any riverboat gambling casino  
9 licensed under the Illinois Riverboat Gambling Act. The General  
10 Assembly declares that the powers to regulate the operation,  
11 conduct, and navigation of riverboat gambling casinos and to  
12 license, tax, and levy assessments upon riverboat gambling  
13 casinos are exclusive powers of the State of Illinois and the  
14 Illinois Gaming Board as provided in the Illinois Riverboat  
15 Gambling Act.

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

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

19 (205 ILCS 670/12.5)

20 Sec. 12.5. Limited purpose branch.

21 (a) Upon the written approval of the Director, a licensee  
22 may maintain a limited purpose branch for the sole purpose of  
23 making loans as permitted by this Act. A limited purpose branch

1 may include an automatic loan machine. No other activity shall  
2 be conducted at the site, including but not limited to,  
3 accepting payments, servicing the accounts, or collections.

4 (b) The licensee must submit an application for a limited  
5 purpose branch to the Director on forms prescribed by the  
6 Director with an application fee of \$300. The approval for the  
7 limited purpose branch must be renewed concurrently with the  
8 renewal of the licensee's license along with a renewal fee of  
9 \$300 for the limited purpose branch.

10 (c) The books, accounts, records, and files of the limited  
11 purpose branch's transactions shall be maintained at the  
12 licensee's licensed location. The licensee shall notify the  
13 Director of the licensed location at which the books, accounts,  
14 records, and files shall be maintained.

15 (d) The licensee shall prominently display at the limited  
16 purpose branch the address and telephone number of the  
17 licensee's licensed location.

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

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

22 (g) A limited purpose branch may not be located within  
23 1,000 feet of a facility operated by an inter-track wagering  
24 licensee or an organization licensee subject to the Illinois  
25 Horse Racing Act of 1975, on a riverboat or in a casino subject  
26 to the Illinois Riverboat Gambling Act, or within 1,000 feet of

1 the location at which the riverboat docks or within 1,000 feet  
2 of a casino.

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

4 Section 90-35. The Illinois Horse Racing Act of 1975 is  
5 amended by changing Sections 1.2, 3.11, 3.12, 6, 9, 15, 18, 19,  
6 20, 21, 24, 25, 26, 26.8, 26.9, 27, 30, 30.5, 31, 31.1, 32.1,  
7 36, 40, and 54.75 and by adding Sections 3.31, 3.32, 3.33,  
8 3.35, 3.36, 34.3, and 56 as follows:

9 (230 ILCS 5/1.2)

10 Sec. 1.2. Legislative intent. This Act is intended to  
11 benefit the people of the State of Illinois by encouraging the  
12 breeding and production of race horses, assisting economic  
13 development and promoting Illinois tourism. The General  
14 Assembly finds and declares it to be the public policy of the  
15 State of Illinois to:

16 (a) support and enhance Illinois' horse racing industry,  
17 which is a significant component within the agribusiness  
18 industry;

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

21 (c) stimulate growth within Illinois' horse racing  
22 industry, thereby encouraging new investment and development  
23 to produce additional tax revenues and to create additional  
24 jobs;

1 (d) promote the further growth of tourism;

2 (e) encourage the breeding of thoroughbred and  
3 standardbred horses in this State; and

4 (f) ensure that public confidence and trust in the  
5 credibility and integrity of racing operations and the  
6 regulatory process is maintained.

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

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

9 Sec. 3.11. "Organization Licensee" means any person  
10 receiving an organization license from the Board to conduct a  
11 race meeting or meetings. With respect only to electronic  
12 gaming, "organization licensee" includes the authorization for  
13 an electronic gaming license under subsection (a) of Section 56  
14 of this Act.

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

16 (230 ILCS 5/3.12) (from Ch. 8, par. 37-3.12)

17 Sec. 3.12. Pari-mutuel system of wagering. "Pari-mutuel  
18 system of wagering" means a form of wagering on the outcome of  
19 horse races in which wagers are made in various denominations  
20 on a horse or horses and all wagers for each race are pooled  
21 and held by a licensee for distribution in a manner approved by  
22 the Board. "Pari-mutuel system of wagering" shall not include  
23 wagering on historic races. Wagers may be placed via any method  
24 or at any location authorized under this Act.



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

2 (230 ILCS 5/3.31 new)

3 Sec. 3.31. Adjusted gross receipts. "Adjusted gross  
4 receipts" means the gross receipts less winnings paid to  
5 wagerers.

6 (230 ILCS 5/3.32 new)

7 Sec. 3.32. Gross receipts. "Gross receipts" means the total  
8 amount of money exchanged for the purchase of chips, tokens, or  
9 electronic cards by riverboat or casino patrons or electronic  
10 gaming patrons.

11 (230 ILCS 5/3.33 new)

12 Sec. 3.33. Electronic gaming. "Electronic gaming" means  
13 slot machine gambling, video game of chance gambling, or  
14 gambling with electronic gambling games as defined in the  
15 Illinois Gambling Act or defined by the Illinois Gaming Board  
16 that is conducted at a race track pursuant to an electronic  
17 gaming license.

18 (230 ILCS 5/3.35 new)

19 Sec. 3.35. Electronic gaming license. "Electronic gaming  
20 license" means a license issued by the Illinois Gaming Board  
21 under Section 7.7 of the Illinois Gambling Act authorizing  
22 electronic gaming at an electronic gaming facility.

1 (230 ILCS 5/3.36 new)

2 Sec. 3.36. Electronic gaming facility. "Electronic gaming  
3 facility" means that portion of an organization licensee's race  
4 track facility at which electronic gaming is conducted.

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

6 Sec. 6. Restrictions on Board members.

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

1 ~~security and pari mutuel operations, located, scheduled or~~  
2 ~~doing business within the State of Illinois, or in any race~~  
3 ~~horse competing at a meeting under the Board's jurisdiction. No~~  
4 ~~Board member shall hold any other public office for which he~~  
5 ~~shall receive compensation other than necessary travel or other~~  
6 ~~incidental expenses.~~

7 (b) No person shall be a member of the Board who is not of  
8 good moral character or who has been convicted of, or is under  
9 indictment for, a felony under the laws of Illinois or any  
10 other state, or the United States.

11 (c) No member of the Board or employee shall engage in any  
12 political activity.

13 For the purposes of this subsection (c):

14 "Political" means any activity in support of or in  
15 connection with any campaign for State or local elective office  
16 or any political organization, but does not include activities  
17 (i) relating to the support or opposition of any executive,  
18 legislative, or administrative action (as those terms are  
19 defined in Section 2 of the Lobbyist Registration Act), (ii)  
20 relating to collective bargaining, or (iii) that are otherwise  
21 in furtherance of the person's official State duties or  
22 governmental and public service functions.

23 "Political organization" means a party, committee,  
24 association, fund, or other organization (whether or not  
25 incorporated) that is required to file a statement of  
26 organization with the State Board of Elections or county clerk

1 under Section 9-3 of the Election Code, but only with regard to  
2 those activities that require filing with the State Board of  
3 Elections or county clerk.

4 (d) Board members and employees may not engage in  
5 communications or any activity that may cause or have the  
6 appearance of causing a conflict of interest. A conflict of  
7 interest exists if a situation influences or creates the  
8 appearance that it may influence judgment or performance of  
9 regulatory duties and responsibilities. This prohibition shall  
10 extend to any act identified by Board action that, in the  
11 judgment of the Board, could represent the potential for or the  
12 appearance of a conflict of interest.

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

18 (f) A Board member or employee shall not use or attempt to  
19 use his or her official position to secure, or attempt to  
20 secure, any privilege, advantage, favor, or influence for  
21 himself or herself or others. No Board member or employee,  
22 within a period of one year immediately preceding nomination by  
23 the Governor or employment, shall have been employed or  
24 received compensation or fees for services from a person or  
25 entity, or its parent or affiliate, that has engaged in  
26 business with the Board, a licensee or a licensee under the

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

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

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

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

9 (a) The Board is vested with jurisdiction and supervision  
10 over all race meetings in this State, over all licensees doing  
11 business in this State, over all occupation licensees, and over  
12 all persons on the facilities of any licensee. Such  
13 jurisdiction shall include the power to issue licenses to the  
14 Illinois Department of Agriculture authorizing the pari-mutuel  
15 system of wagering on harness and Quarter Horse races held (1)  
16 at the Illinois State Fair in Sangamon County, and (2) at the  
17 DuQuoin State Fair in Perry County. The jurisdiction of the  
18 Board shall also include the power to issue licenses to county  
19 fairs which are eligible to receive funds pursuant to the  
20 Agricultural Fair Act, as now or hereafter amended, or their  
21 agents, authorizing the pari-mutuel system of wagering on horse  
22 races conducted at the county fairs receiving such licenses.  
23 Such licenses shall be governed by subsection (n) of this  
24 Section.

25 Upon application, the Board shall issue a license to the

1 Illinois Department of Agriculture to conduct harness and  
2 Quarter Horse races at the Illinois State Fair and at the  
3 DuQuoin State Fairgrounds during the scheduled dates of each  
4 fair. The Board shall not require and the Department of  
5 Agriculture shall be exempt from the requirements of Sections  
6 15.3, 18 and 19, paragraphs (a)(2), (b), (c), (d), (e), (e-5),  
7 (e-10), (f), (g), and (h) of Section 20, and Sections 21, 24  
8 and 25. The Board and the Department of Agriculture may extend  
9 any or all of these exemptions to any contractor or agent  
10 engaged by the Department of Agriculture to conduct its race  
11 meetings when the Board determines that this would best serve  
12 the public interest and the interest of horse racing.

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

21 (b) The Board is vested with the full power to promulgate  
22 reasonable rules and regulations for the purpose of  
23 administering the provisions of this Act and to prescribe  
24 reasonable rules, regulations and conditions under which all  
25 horse race meetings or wagering in the State shall be  
26 conducted. Such reasonable rules and regulations are to provide

1 for the prevention of practices detrimental to the public  
2 interest and to promote the best interests of horse racing and  
3 to impose penalties for violations thereof.

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

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

17 (e) The Board, and any person or persons to whom it  
18 delegates this power, may eject or exclude from any race  
19 meeting or the facilities of any licensee, or any part thereof,  
20 any occupation licensee or any other individual whose conduct  
21 or reputation is such that his presence on those facilities  
22 may, in the opinion of the Board, call into question the  
23 honesty and integrity of horse racing or wagering or interfere  
24 with the orderly conduct of horse racing or wagering; provided,  
25 however, that no person shall be excluded or ejected from the  
26 facilities of any licensee solely on the grounds of race,

1 color, creed, national origin, ancestry, or sex. The power to  
2 eject or exclude an occupation licensee or other individual may  
3 be exercised for just cause by the licensee or the Board,  
4 subject to subsequent hearing by the Board as to the propriety  
5 of said exclusion.

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

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



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

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

20 (i) The Board shall require that there shall be 3 stewards  
21 at each horse race meeting, at least 2 of whom shall be named  
22 and appointed by the Board. Stewards appointed or approved by  
23 the Board, while performing duties required by this Act or by  
24 the Board, shall be entitled to the same rights and immunities  
25 as granted to Board members and Board employees in Section 10  
26 of this Act.

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

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

14           (l) The Board is vested with the power to impose civil  
15 penalties of up to \$5,000 against an individual and up to  
16 \$10,000 against a licensee for each violation of any provision  
17 of this Act, any rules adopted by the Board, any order of the  
18 Board or any other action which, in the Board's discretion, is  
19 a detriment or impediment to horse racing or wagering.  
20 Beginning on the date when any organization licensee begins  
21 conducting electronic gaming pursuant to an electronic gaming  
22 license issued under the Illinois Gambling Act, the power  
23 granted to the Board pursuant to this subsection (l) shall  
24 authorize the Board to impose penalties of up to \$10,000  
25 against an individual and up to \$25,000 against a licensee. All  
26 such civil penalties shall be deposited into the Horse Racing

1 Fund.

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

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

22 (o) Whenever the Board is authorized or required by law to  
23 consider some aspect of criminal history record information for  
24 the purpose of carrying out its statutory powers and  
25 responsibilities, then, upon request and payment of fees in  
26 conformance with the requirements of Section 2605-400 of the

1 Department of State Police Law (20 ILCS 2605/2605-400), the  
2 Department of State Police is authorized to furnish, pursuant  
3 to positive identification, such information contained in  
4 State files as is necessary to fulfill the request.

5 (p) To insure the convenience, comfort, and wagering  
6 accessibility of race track patrons, to provide for the  
7 maximization of State revenue, and to generate increases in  
8 purse allotments to the horsemen, the Board shall require any  
9 licensee to staff the pari-mutuel department with adequate  
10 personnel.

11 (Source: P.A. 97-1060, eff. 8-24-12.)

12 (230 ILCS 5/15) (from Ch. 8, par. 37-15)

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

1 concessionaire. Concessionaires of the Illinois State Fair and  
2 DuQuoin State Fair and employees of the Illinois Department of  
3 Agriculture shall not be required to obtain an occupation  
4 license by the Board.

5 (b) Each application for an occupation license shall be on  
6 forms prescribed by the Board. Such license, when issued, shall  
7 be for the period ending December 31 of each year, except that  
8 the Board in its discretion may grant 3-year licenses. The  
9 application shall be accompanied by a fee of not more than \$25  
10 per year or, in the case of 3-year occupation license  
11 applications, a fee of not more than \$60. Each applicant shall  
12 set forth in the application his full name and address, and if  
13 he had been issued prior occupation licenses or has been  
14 licensed in any other state under any other name, such name,  
15 his age, whether or not a permit or license issued to him in  
16 any other state has been suspended or revoked and if so whether  
17 such suspension or revocation is in effect at the time of the  
18 application, and such other information as the Board may  
19 require. Fees for registration of stable names shall not exceed  
20 \$50.00. Beginning on the date when any organization licensee  
21 begins conducting electronic gaming pursuant to an electronic  
22 gambling license issued under the Illinois Gambling Act, the  
23 fee for registration of stable names shall not exceed \$150, and  
24 the application fee for an occupation license shall not exceed  
25 \$75, per year or, in the case of a 3-year occupation license  
26 application, the fee shall not exceed \$180.

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

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

4           (2) who is unqualified to perform the duties required  
5 of such applicant;

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

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

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

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

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

14 or

15          (2) for violation of any of the rules or regulations of  
16 the Board; or

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

20          (4) for any other just cause.

21          (e) Each applicant shall submit his or her fingerprints  
22 to the Department of State Police in the form and manner  
23 prescribed by the Department of State Police. These  
24 fingerprints shall be checked against the fingerprint records  
25 now and hereafter filed in the Department of State Police and  
26 Federal Bureau of Investigation criminal history records

1 databases. The Department of State Police shall charge a fee  
2 for conducting the criminal history records check, which shall  
3 be deposited in the State Police Services Fund and shall not  
4 exceed the actual cost of the records check. The Department of  
5 State Police shall furnish, pursuant to positive  
6 identification, records of conviction to the Board. Each  
7 applicant for licensure shall submit with his occupation  
8 license application, on forms provided by the Board, 2 sets of  
9 his fingerprints. All such applicants shall appear in person at  
10 the location designated by the Board for the purpose of  
11 submitting such sets of fingerprints; however, with the prior  
12 approval of a State steward, an applicant may have such sets of  
13 fingerprints taken by an official law enforcement agency and  
14 submitted to the Board.

15 (f) The Board may, in its discretion, issue an occupation  
16 license without submission of fingerprints if an applicant has  
17 been duly licensed in another recognized racing jurisdiction  
18 after submitting fingerprints that were subjected to a Federal  
19 Bureau of Investigation criminal history background check in  
20 that jurisdiction.

21 (g) Beginning on the date when any organization licensee  
22 begins conducting electronic gambling pursuant to an  
23 electronic gaming license issued under the Illinois Gambling  
24 Act, the Board may charge each applicant a reasonable  
25 non-refundable fee to defray the costs associated with the  
26 background investigation conducted by the Board. This fee shall

1 be exclusive of any other fee or fees charged in connection  
2 with an application for and, if applicable, the issuance of, an  
3 electronic gaming license. If the costs of the investigation  
4 exceed the amount of the fee charged, the Board shall  
5 immediately notify the applicant of the additional amount owed,  
6 payment of which must be submitted to the Board within 7 days  
7 after such notification. All information, records, interviews,  
8 reports, statements, memoranda, or other data supplied to or  
9 used by the Board in the course of its review or investigation  
10 of an applicant for a license or renewal under this Act shall  
11 be privileged, strictly confidential, and shall be used only  
12 for the purpose of evaluating an applicant for a license or a  
13 renewal. Such information, records, interviews, reports,  
14 statements, memoranda, or other data shall not be admissible as  
15 evidence, nor discoverable, in any action of any kind in any  
16 court or before any tribunal, board, agency, or person, except  
17 for any action deemed necessary by the Board.

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

19 (230 ILCS 5/18) (from Ch. 8, par. 37-18)

20 Sec. 18. (a) Together with its application, each applicant  
21 for racing dates shall deliver to the Board a certified check  
22 or bank draft payable to the order of the Board for \$1,000. In  
23 the event the applicant applies for racing dates in 2 or 3  
24 successive calendar years as provided in subsection (b) of  
25 Section 21, the fee shall be \$2,000. Filing fees shall not be



1 refunded in the event the application is denied. Beginning on  
2 the date when any organization licensee begins conducting  
3 electronic gaming pursuant to an electronic gaming license  
4 issued under the Illinois Gambling Act, the application fee for  
5 racing dates imposed by this subsection (a) shall be \$10,000  
6 and the application fee for racing dates in 2 or 3 successive  
7 calendar years as provided in subsection (b) of Section 21  
8 shall be \$20,000. All filing fees shall be deposited into the  
9 Horse Racing Fund.

10 (b) In addition to the filing fee imposed by subsection (a)  
11 of \$1000 and the fees provided in subsection (j) of Section 20,  
12 each organization licensee shall pay a license fee of \$100 for  
13 each racing program on which its daily pari-mutuel handle is  
14 \$400,000 or more but less than \$700,000, and a license fee of  
15 \$200 for each racing program on which its daily pari-mutuel  
16 handle is \$700,000 or more. The additional fees required to be  
17 paid under this Section by this amendatory Act of 1982 shall be  
18 remitted by the organization licensee to the Illinois Racing  
19 Board with each day's graduated privilege tax or pari-mutuel  
20 tax and breakage as provided under Section 27. Beginning on the  
21 date when any organization licensee begins conducting  
22 electronic gaming pursuant to an electronic gaming license  
23 issued under the Illinois Gambling Act, the license fee imposed  
24 by this subsection (b) shall be \$200 for each racing program on  
25 which the organization licensee's daily pari-mutuel handle is  
26 \$100,000 or more, but less than \$400,000, and the license fee

1 imposed by this subsection (b) shall be \$400 for each racing  
2 program on which the organization licensee's daily pari-mutuel  
3 handle is \$400,000 or more.

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

7 (Source: P.A. 97-1060, eff. 8-24-12.)

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

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

11 (1) except as provided in subsection (c) of Section 21  
12 of this Act, to any person at any place within 35 miles of  
13 any other place licensed by the Board to hold a race  
14 meeting on the same date during the same hours, the mileage  
15 measurement used in this subsection (a) shall be certified  
16 to the Board by the Bureau of Systems and Services in the  
17 Illinois Department of Transportation as the most commonly  
18 used public way of vehicular travel;

19 (2) to any person in default in the payment of any  
20 obligation or debt due the State under this Act, provided  
21 no applicant shall be deemed in default in the payment of  
22 any obligation or debt due to the State under this Act as  
23 long as there is pending a hearing of any kind relevant to  
24 such matter;

25 (3) to any person who has been convicted of the

1 violation of any law of the United States or any State law  
2 which provided as all or part of its penalty imprisonment  
3 in any penal institution; to any person against whom there  
4 is pending a Federal or State criminal charge; to any  
5 person who is or has been connected with or engaged in the  
6 operation of any illegal business; to any person who does  
7 not enjoy a general reputation in his community of being an  
8 honest, upright, law-abiding person; provided that none of  
9 the matters set forth in this subparagraph (3) shall make  
10 any person ineligible to be granted an organization license  
11 if the Board determines, based on circumstances of any such  
12 case, that the granting of a license would not be  
13 detrimental to the interests of horse racing and of the  
14 public;

15 (4) to any person who does not at the time of  
16 application for the organization license own or have a  
17 contract or lease for the possession of a finished race  
18 track suitable for the type of racing intended to be held  
19 by the applicant and for the accommodation of the public.

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

24 (c) If any person is ineligible to receive an organization  
25 license because of any of the matters set forth in subsection  
26 (a) (2) or subsection (a) (3) of this Section, any other or

1 separate person that either (i) controls, directly or  
2 indirectly, such ineligible person or (ii) is controlled,  
3 directly or indirectly, by such ineligible person or by a  
4 person which controls, directly or indirectly, such ineligible  
5 person shall also be ineligible.

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

7 (230 ILCS 5/20) (from Ch. 8, par. 37-20)

8 Sec. 20. (a) Any person desiring to conduct a horse race  
9 meeting may apply to the Board for an organization license. The  
10 application shall be made on a form prescribed and furnished by  
11 the Board. The application shall specify:

12 (1) the dates on which it intends to conduct the horse  
13 race meeting, which dates shall be provided under Section  
14 21;

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

17 (3) the location where it proposes to conduct the  
18 meeting; and

19 (4) any other information the Board may reasonably  
20 require.

21 (b) A separate application for an organization license  
22 shall be filed for each horse race meeting which such person  
23 proposes to hold. Any such application, if made by an  
24 individual, or by any individual as trustee, shall be signed  
25 and verified under oath by such individual. If the application

1 is made by individuals, then it shall be signed and verified  
2 under oath by at least 2 of the individuals; if the application  
3 is made by ~~or a partnership, it shall be signed and verified~~  
4 ~~under oath by at least 2 of such individuals or members of such~~  
5 ~~partnership as the case may be. If made by an association, a~~  
6 ~~corporation, a corporate trustee, a limited liability company,~~  
7 ~~or any other entity, it shall be signed by~~ an authorized  
8 officer, a partner, a member, or a manager, as the case may be,  
9 of the entity ~~the president and attested by the secretary or~~  
10 ~~assistant secretary under the seal of such association, trust~~  
11 ~~or corporation if it has a seal, and shall also be verified~~  
12 ~~under oath by one of the signing officers.~~

13 (c) The application shall specify:

14 (1) the name of the persons, association, trust, or  
15 corporation making such application; and

16 (2) the principal ~~post office~~ address of the applicant;

17 (3) if the applicant is a trustee, the names and  
18 addresses of the beneficiaries; if the applicant is a  
19 corporation, the names and ~~post office~~ addresses of all  
20 officers, stockholders and directors; or if such  
21 stockholders hold stock as a nominee or fiduciary, the  
22 names and ~~post office~~ addresses of the parties ~~these~~  
23 ~~persons, partnerships, corporations, or trusts~~ who are the  
24 beneficial owners thereof or who are beneficially  
25 interested therein; and if the applicant is a partnership,  
26 the names and ~~post office~~ addresses of all partners,

1        general or limited; if the applicant is a limited liability  
2        company, the names and addresses of the manager and  
3        members; and if the applicant is any other entity, the  
4        names and addresses of all officers or other authorized  
5        persons of the entity ~~corporation, the name of the state of~~  
6        ~~its incorporation shall be specified.~~

7        (d) The applicant shall execute and file with the Board a  
8        good faith affirmative action plan to recruit, train, and  
9        upgrade minorities in all classifications within the  
10       association.

11       (e) With such application there shall be delivered to the  
12       Board a certified check or bank draft payable to the order of  
13       the Board for an amount equal to \$1,000. All applications for  
14       the issuance of an organization license shall be filed with the  
15       Board before August 1 of the year prior to the year for which  
16       application is made and shall be acted upon by the Board at a  
17       meeting to be held on such date as shall be fixed by the Board  
18       during the last 15 days of September of such prior year. At  
19       such meeting, the Board shall announce the award of the racing  
20       meets, live racing schedule, and designation of host track to  
21       the applicants and its approval or disapproval of each  
22       application. No announcement shall be considered binding until  
23       a formal order is executed by the Board, which shall be  
24       executed no later than October 15 of that prior year. Absent  
25       the agreement of the affected organization licensees, the Board  
26       shall not grant overlapping race meetings to 2 or more tracks

1 that are within 100 miles of each other to conduct the  
2 thoroughbred racing.

3 (e-1) In awarding standardbred racing dates for calendar  
4 year 2018 and thereafter, the Board shall award at least 310  
5 racing days, and each organization licensee shall average at  
6 least 12 races for each racing day awarded. The Board shall  
7 have the discretion to allocate those racing days among  
8 organization licensees requesting standardbred racing dates.  
9 Once awarded by the Board, organization licensees awarded  
10 standardbred racing dates shall run at least 3,500 races in  
11 total during that calendar year. Standardbred racing conducted  
12 in Sangamon County shall not be considered races under this  
13 subsection (e-1).

14 (e-2) In awarding racing dates for calendar year 2018 and  
15 thereafter, the Board shall award thoroughbred racing days to  
16 Cook County organization licensees commensurate with these  
17 organization licensees' requirement that they shall run at  
18 least 1,950 thoroughbred races in the aggregate, so long as 2  
19 organization licensees are conducting electronic gaming  
20 operations. Additionally, if the organization licensees that  
21 run thoroughbred races in Cook County are conducting electronic  
22 gaming operations, the Board shall increase the number of  
23 thoroughbred races to be run in Cook County in the aggregate to  
24 at least the following:

25 (i) 2,050 races in any year following the most recent  
26 preceding complete calendar year when the combined

1 adjusted gross receipts of the electronic gaming licensees  
2 operating at Cook County race tracks total in excess of  
3 \$200,000,000, but do not exceed \$250,000,000;

4 (ii) 2,125 races in any year following the most recent  
5 preceding complete calendar year when the combined  
6 adjusted gross receipts of the electronic gaming licensees  
7 operating at Cook County race tracks total in excess of  
8 \$250,000,000, but do not exceed \$300,000,000;

9 (iii) 2,200 races in any year following the most recent  
10 preceding complete calendar year when the combined  
11 adjusted gross receipts of the electronic gaming licensees  
12 operating at Cook County race tracks total in excess of  
13 \$300,000,000, but do not exceed \$350,000,000;

14 (iv) 2,300 races in any year following the most recent  
15 preceding complete calendar year when the combined  
16 adjusted gross receipts of the electronic gaming licensees  
17 operating at Cook County race tracks total in excess of  
18 \$350,000,000, but do not exceed \$400,000,000;

19 (v) 2,375 races in any year following the most recent  
20 preceding complete calendar year when the combined  
21 adjusted gross receipts of the electronic gaming licensees  
22 operating at Cook County race tracks total in excess of  
23 \$400,000,000, but do not exceed \$450,000,000;

24 (vi) 2,450 races in any year following the most recent  
25 preceding complete calendar year when the combined  
26 adjusted gross receipts of the electronic gaming licensees



1 operating at Cook County race tracks total in excess of  
2 \$450,000,000, but do not exceed \$500,000,000;

3 (vii) 2,550 races in any year following the most recent  
4 preceding complete calendar year when the combined  
5 adjusted gross receipts of the electronic gaming licensees  
6 operating at Cook County race tracks exceeds \$500,000,000.

7 In awarding racing dates under this subsection (e-2), the  
8 Board shall have the discretion to allocate those thoroughbred  
9 racing dates among these Cook County organization licensees.

10 (e-3) In awarding racing dates for calendar year 2018 and  
11 thereafter in connection with a race track in Madison County,  
12 the Board shall award racing dates and such organization  
13 licensee shall run at least 700 thoroughbred races at the race  
14 track in Madison County each year.

15 Notwithstanding Section 7.7 of the Illinois Gambling Act or  
16 any provision of this Act other than subsection (e-4.5), for  
17 each calendar year for which an electronic gaming licensee  
18 located in Madison County requests racing dates resulting in  
19 less than 700 live thoroughbred races at its race track  
20 facility, the electronic gaming licensee may not conduct  
21 electronic gaming for the calendar year of such requested live  
22 races.

23 (e-4) Notwithstanding the provisions of Section 7.7 of the  
24 Illinois Gambling Act or any provision of this Act other than  
25 subsections (e-3) and (e-4.5), for each calendar year for which  
26 an electronic gaming licensee requests racing dates for a

1 specific horse breed which results in a number of live races  
2 for that specific breed under its organization license that is  
3 less than the total number of live races for that specific  
4 breed which it conducted in 2011 for standardbred racing and in  
5 2009 for thoroughbred racing at its race track facility, the  
6 electronic gaming licensee may not conduct electronic gaming  
7 for the calendar year of such requested live races.

8 (e-4.5) The Board shall ensure that each organization  
9 licensee shall individually run a sufficient number of races  
10 per year to qualify for an electronic gaming license under this  
11 Act. The General Assembly finds that the minimum live racing  
12 guarantees contained in subsections (e-1), (e-2), and (e-3) are  
13 in the best interest of the sport of horse racing, and that  
14 such guarantees may only be reduced in the limited  
15 circumstances described in this subsection. The Board may  
16 decrease the number of racing days without affecting an  
17 organization licensee's ability to conduct electronic gaming  
18 only if the Board determines, after notice and hearing, that:

19 (i) a decrease is necessary to maintain a sufficient  
20 number of betting interests per race to ensure the  
21 integrity of racing;

22 (ii) there are unsafe track conditions due to weather  
23 or acts of God;

24 (iii) there is an agreement between an organization  
25 licensee and the breed association that is applicable to  
26 the involved live racing guarantee, such association

1 representing either the largest number of thoroughbred  
2 owners and trainers or the largest number of standardbred  
3 owners, trainers and drivers who race horses at the  
4 involved organization licensee's racing meeting, so long  
5 as the agreement does not compromise the integrity of the  
6 sport of horse racing; or

7 (iv) the horse population or purse levels are  
8 insufficient to provide the number of racing opportunities  
9 otherwise required in this Act.

10 In decreasing the number of racing dates in accordance with  
11 this subsection, the Board shall hold a hearing and shall  
12 provide the public and all interested parties notice and an  
13 opportunity to be heard. The Board shall accept testimony from  
14 all interested parties, including any association representing  
15 owners, trainers, jockeys, or drivers who will be affected by  
16 the decrease in racing dates. The Board shall provide a written  
17 explanation of the reasons for the decrease and the Board's  
18 findings. The written explanation shall include a listing and  
19 content of all communication between any party and any Illinois  
20 Racing Board member or staff that does not take place at a  
21 public meeting of the Board.

22 (e-5) In reviewing an application for the purpose of  
23 granting an organization license consistent with the best  
24 interests of the public and the sport of horse racing, the  
25 Board shall consider:

26 (1) the character, reputation, experience, and

1 financial integrity of the applicant and of any other  
2 separate person that either:

3 (i) controls the applicant, directly or  
4 indirectly, or

5 (ii) is controlled, directly or indirectly, by  
6 that applicant or by a person who controls, directly or  
7 indirectly, that applicant;

8 (2) the applicant's facilities or proposed facilities  
9 for conducting horse racing;

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

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

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

18 (6) the applicant's proposed and prior year's  
19 promotional and marketing activities and expenditures of  
20 the applicant associated with those activities;

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

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

1           In granting organization licenses and allocating dates for  
2 horse race meetings, the Board shall have discretion to  
3 determine an overall schedule, including required simulcasts  
4 of Illinois races by host tracks that will, in its judgment, be  
5 conducive to the best interests of the public and the sport of  
6 horse racing.

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

1 communications are made part of the record of that proceeding  
2 pursuant to subsection (c) of Section 10-60 of the Illinois  
3 Administrative Procedure Act; (4) the provisions of Section 14a  
4 of this Act and the rules of the Board promulgated under that  
5 Section shall apply instead of the provisions of Article 10 of  
6 the Illinois Administrative Procedure Act regarding  
7 administrative law judges; and (5) the provisions of subsection  
8 (d) of Section 10-65 of the Illinois Administrative Procedure  
9 Act that prevent summary suspension of a license pending  
10 revocation or other action shall not apply.

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

1 for an organization license. Any organization license  
2 revocation proceeding shall be in accordance with Section 16  
3 regarding suspension and revocation of occupation licenses.

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

24 (g) (Blank).

25 (h) The Board shall send the applicant a copy of its  
26 formally executed order by certified mail addressed to the

1 applicant at the address stated in his application, which  
2 notice shall be mailed within 5 days of the date the formal  
3 order is executed.

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

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

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

10 (3) file with the Board the bonds required in Sections  
11 21 and 25 at least 20 days prior to the first day of each  
12 race meeting.

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

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

19 (Source: P.A. 97-333, eff. 8-12-11.)

20 (230 ILCS 5/21) (from Ch. 8, par. 37-21)

21 Sec. 21. (a) Applications for organization licenses must be  
22 filed with the Board at a time and place prescribed by the  
23 rules and regulations of the Board. The Board shall examine the  
24 applications within 21 days after the date allowed for filing  
25 with respect to their conformity with this Act and such rules



1 and regulations as may be prescribed by the Board. If any  
2 application does not comply with this Act or the rules and  
3 regulations prescribed by the Board, such application may be  
4 rejected and an organization license refused to the applicant,  
5 or the Board may, within 21 days of the receipt of such  
6 application, advise the applicant of the deficiencies of the  
7 application under the Act or the rules and regulations of the  
8 Board, and require the submittal of an amended application  
9 within a reasonable time determined by the Board; and upon  
10 submittal of the amended application by the applicant, the  
11 Board may consider the application consistent with the process  
12 described in subsection (e-5) of Section 20 of this Act. If it  
13 is found to be in compliance with this Act and the rules and  
14 regulations of the Board, the Board may then issue an  
15 organization license to such applicant.

16 (b) The Board may exercise discretion in granting racing  
17 dates to qualified applicants different from those requested by  
18 the applicants in their applications. However, if all eligible  
19 applicants for organization licenses whose tracks are located  
20 within 100 miles of each other execute and submit to the Board  
21 a written agreement among such applicants as to the award of  
22 racing dates, including where applicable racing programs, for  
23 up to 3 consecutive years, then subject to annual review of  
24 each applicant's compliance with Board rules and regulations,  
25 provisions of this Act and conditions contained in annual dates  
26 orders issued by the Board, the Board may grant such dates and

1 programs to such applicants as so agreed by them if the Board  
2 determines that the grant of these racing dates is in the best  
3 interests of racing. The Board shall treat any such agreement  
4 as the agreement signatories' joint and several application for  
5 racing dates during the term of the agreement.

6 (c) Where 2 or more applicants propose to conduct horse  
7 race meetings within 35 miles of each other, as certified to  
8 the Board under Section 19 (a) (1) of this Act, on conflicting  
9 dates, the Board may determine and grant the number of racing  
10 days to be awarded to the several applicants in accordance with  
11 the provisions of subsection (e-5) of Section 20 of this Act.

12 (d) (Blank).

13 (e) Prior to the issuance of an organization license, the  
14 applicant shall file with the Board a bond payable to the State  
15 of Illinois in the sum of \$200,000, executed by the applicant  
16 and a surety company or companies authorized to do business in  
17 this State, and conditioned upon the payment by the  
18 organization licensee of all taxes due under Section 27, other  
19 monies due and payable under this Act, all purses due and  
20 payable, and that the organization licensee will upon  
21 presentation of the winning ticket or tickets distribute all  
22 sums due to the patrons of pari-mutuel pools. Beginning on the  
23 date when any organization licensee begins conducting  
24 electronic gaming pursuant to an electronic gaming license  
25 issued under the Illinois Gambling Act, the amount of the bond  
26 required under this subsection (e) shall be \$500,000.

1           (f) Each organization license shall specify the person to  
2 whom it is issued, the dates upon which horse racing is  
3 permitted, and the location, place, track, or enclosure where  
4 the horse race meeting is to be held.

5           (g) Any person who owns one or more race tracks within the  
6 State may seek, in its own name, a separate organization  
7 license for each race track.

8           (h) All racing conducted under such organization license is  
9 subject to this Act and to the rules and regulations from time  
10 to time prescribed by the Board, and every such organization  
11 license issued by the Board shall contain a recital to that  
12 effect.

13           (i) Each such organization licensee may provide that at  
14 least one race per day may be devoted to the racing of quarter  
15 horses, appaloosas, arabians, or paints.

16           (j) In acting on applications for organization licenses,  
17 the Board shall give weight to an organization license which  
18 has implemented a good faith affirmative action effort to  
19 recruit, train and upgrade minorities in all classifications  
20 within the organization license.

21           (Source: P.A. 90-754, eff. 1-1-99; 91-40, eff. 6-25-99.)

22           (230 ILCS 5/24) (from Ch. 8, par. 37-24)

23           Sec. 24. (a) No license shall be issued to or held by an  
24 organization licensee unless all of its officers, directors,  
25 and holders of ownership interests of at least 5% are first

1 approved by the Board. The Board shall not give approval of an  
2 organization license application to any person who has been  
3 convicted of or is under an indictment for a crime of moral  
4 turpitude or has violated any provision of the racing law of  
5 this State or any rules of the Board.

6 (b) An organization licensee must notify the Board within  
7 10 days of any change in the holders of a direct or indirect  
8 interest in the ownership of the organization licensee. The  
9 Board may, after hearing, revoke the organization license of  
10 any person who registers on its books or knowingly permits a  
11 direct or indirect interest in the ownership of that person  
12 without notifying the Board of the name of the holder in  
13 interest within this period.

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

19 (d) No person which has been granted an organization  
20 license to hold a race meeting shall give to any public  
21 official or member of his family, directly or indirectly, for  
22 or without consideration, any interest in the person. The Board  
23 shall, after hearing, revoke the organization license granted  
24 to a person which has violated this subsection.

25 (e) (Blank).

26 (f) No organization licensee or concessionaire or officer,

1 director or holder or controller of 5% or more legal or  
2 beneficial interest in any organization licensee or concession  
3 shall make any sort of gift or contribution that is prohibited  
4 under Article 10 of the State Officials and Employees Ethics  
5 Act ~~of any kind~~ or pay or give any money or other thing of value  
6 to any person who is a public official, or a candidate or  
7 nominee for public office if that payment or gift is prohibited  
8 under Article 10 of the State Officials and Employees Ethics  
9 Act.

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

11 (230 ILCS 5/25) (from Ch. 8, par. 37-25)

12 Sec. 25. Admission charge; bond; fine.

13 (a) There shall be paid to the Board at such time or times  
14 as it shall prescribe, the sum of fifteen cents (15¢) for each  
15 person entering the grounds or enclosure of each organization  
16 licensee and inter-track wagering licensee upon a ticket of  
17 admission except as provided in subsection (g) of Section 27 of  
18 this Act. If tickets are issued for more than one day then the  
19 sum of fifteen cents (15¢) shall be paid for each person using  
20 such ticket on each day that the same shall be used. Provided,  
21 however, that no charge shall be made on tickets of admission  
22 issued to and in the name of directors, officers, agents or  
23 employees of the organization licensee, or inter-track  
24 wagering licensee, or to owners, trainers, jockeys, drivers and  
25 their employees or to any person or persons entering the

1 grounds or enclosure for the transaction of business in  
2 connection with such race meeting. The organization licensee or  
3 inter-track wagering licensee may, if it desires, collect such  
4 amount from each ticket holder in addition to the amount or  
5 amounts charged for such ticket of admission. Beginning on the  
6 date when any organization licensee begins conducting  
7 electronic gaming pursuant to an electronic gaming license  
8 issued under the Illinois Gambling Act, the admission charge  
9 imposed by this subsection (a) shall be 40 cents for each  
10 person entering the grounds or enclosure of each organization  
11 licensee and inter-track wagering licensee upon a ticket of  
12 admission, and if such tickets are issued for more than one  
13 day, 40 cents shall be paid for each person using such ticket  
14 on each day that the same shall be used.

15 (b) Accurate records and books shall at all times be kept  
16 and maintained by the organization licensees and inter-track  
17 wagering licensees showing the admission tickets issued and  
18 used on each racing day and the attendance thereat of each  
19 horse racing meeting. The Board or its duly authorized  
20 representative or representatives shall at all reasonable  
21 times have access to the admission records of any organization  
22 licensee and inter-track wagering licensee for the purpose of  
23 examining and checking the same and ascertaining whether or not  
24 the proper amount has been or is being paid the State of  
25 Illinois as herein provided. The Board shall also require,  
26 before issuing any license, that the licensee shall execute and

1 deliver to it a bond, payable to the State of Illinois, in such  
2 sum as it shall determine, not, however, in excess of fifty  
3 thousand dollars (\$50,000), with a surety or sureties to be  
4 approved by it, conditioned for the payment of all sums due and  
5 payable or collected by it under this Section upon admission  
6 fees received for any particular racing meetings. The Board may  
7 also from time to time require sworn statements of the number  
8 or numbers of such admissions and may prescribe blanks upon  
9 which such reports shall be made. Any organization licensee or  
10 inter-track wagering licensee failing or refusing to pay the  
11 amount found to be due as herein provided, shall be deemed  
12 guilty of a business offense and upon conviction shall be  
13 punished by a fine of not more than five thousand dollars  
14 (\$5,000) in addition to the amount due from such organization  
15 licensee or inter-track wagering licensee as herein provided.  
16 All fines paid into court by an organization licensee or  
17 inter-track wagering licensee found guilty of violating this  
18 Section shall be transmitted and paid over by the clerk of the  
19 court to the Board. Beginning on the date when any organization  
20 licensee begins conducting electronic gaming pursuant to an  
21 electronic gaming license issued under the Illinois Gambling  
22 Act, any fine imposed pursuant to this subsection (b) shall not  
23 exceed \$10,000.

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

1           Sec. 26. Wagering.

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

16           (b) Except for those gaming activities for which a license  
17 is obtained and authorized under the Illinois Lottery Law, the  
18 Charitable Games Act, the Raffles and Poker Runs Act, or the  
19 Illinois Gambling Act, no ~~no~~ other method of betting, pool  
20 making, wagering or gambling shall be used or permitted by the  
21 licensee. Each licensee may retain, subject to the payment of  
22 all applicable taxes and purses, an amount not to exceed 17% of  
23 all money wagered under subsection (a) of this Section, except  
24 as may otherwise be permitted under this Act.

25           (b-5) An individual may place a wager under the pari-mutuel  
26 system from any licensed location authorized under this Act



1 provided that wager is electronically recorded in the manner  
2 described in Section 3.12 of this Act. Any wager made  
3 electronically by an individual while physically on the  
4 premises of a licensee shall be deemed to have been made at the  
5 premises of that licensee.

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

16 (c-5) Beginning January 1, 2000, the sum held by any  
17 licensee for payment of outstanding pari-mutuel tickets, if  
18 unclaimed prior to December 31 of the next year, shall be  
19 retained by the licensee for payment of such tickets until that  
20 date. Within 10 days thereafter, the balance of such sum  
21 remaining unclaimed, less any uncashed supplements contributed  
22 by such licensee for the purpose of guaranteeing minimum  
23 distributions of any pari-mutuel pool, shall be evenly  
24 distributed to the purse account of the organization licensee  
25 and the organization licensee.

26 (d) A pari-mutuel ticket shall be honored until December 31

1 of the next calendar year, and the licensee shall pay the same  
2 and may charge the amount thereof against unpaid money  
3 similarly accumulated on account of pari-mutuel tickets not  
4 presented for payment.

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

14 (f) Notwithstanding the other provisions of this Act, an  
15 organization licensee may contract with an entity in another  
16 state or country to permit any legal wagering entity in another  
17 state or country to accept wagers solely within such other  
18 state or country on races conducted by the organization  
19 licensee in this State. Beginning January 1, 2000, these wagers  
20 shall not be subject to State taxation. Until January 1, 2000,  
21 when the out-of-State entity conducts a pari-mutuel pool  
22 separate from the organization licensee, a privilege tax equal  
23 to 7 1/2% of all monies received by the organization licensee  
24 from entities in other states or countries pursuant to such  
25 contracts is imposed on the organization licensee, and such  
26 privilege tax shall be remitted to the Department of Revenue

1 within 48 hours of receipt of the moneys from the simulcast.  
2 When the out-of-State entity conducts a combined pari-mutuel  
3 pool with the organization licensee, the tax shall be 10% of  
4 all monies received by the organization licensee with 25% of  
5 the receipts from this 10% tax to be distributed to the county  
6 in which the race was conducted.

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

15 (g) A host track may accept interstate simulcast wagers on  
16 horse races conducted in other states or countries and shall  
17 control the number of signals and types of breeds of racing in  
18 its simulcast program, subject to the disapproval of the Board.  
19 The Board may prohibit a simulcast program only if it finds  
20 that the simulcast program is clearly adverse to the integrity  
21 of racing. The host track simulcast program shall include the  
22 signal of live racing of all organization licensees. All  
23 non-host licensees and advance deposit wagering licensees  
24 shall carry the signal of and accept wagers on live racing of  
25 all organization licensees. Advance deposit wagering licensees  
26 shall not be permitted to accept out-of-state wagers on any

1 Illinois signal provided pursuant to this Section without the  
2 approval and consent of the organization licensee providing the  
3 signal. For one year after August 15, 2014 (the effective date  
4 of Public Act 98-968) ~~this amendatory Act of the 98th General~~  
5 ~~Assembly~~, non-host licensees may carry the host track simulcast  
6 program and shall accept wagers on all races included as part  
7 of the simulcast program of horse races conducted at race  
8 tracks located within North America upon which wagering is  
9 permitted. For a period of one year after August 15, 2014 (the  
10 effective date of Public Act 98-968) ~~this amendatory Act of the~~  
11 ~~98th General Assembly~~, on horse races conducted at race tracks  
12 located outside of North America, non-host licensees may accept  
13 wagers on all races included as part of the simulcast program  
14 upon which wagering is permitted. Beginning August 15, 2015  
15 (one year after the effective date of Public Act 98-968) ~~this~~  
16 ~~amendatory Act of the 98th General Assembly~~, non-host licensees  
17 may carry the host track simulcast program and shall accept  
18 wagers on all races included as part of the simulcast program  
19 upon which wagering is permitted. All organization licensees  
20 shall provide their live signal to all advance deposit wagering  
21 licensees for a simulcast commission fee not to exceed 6% of  
22 the advance deposit wagering licensee's Illinois handle on the  
23 organization licensee's signal without prior approval by the  
24 Board. The Board may adopt rules under which it may permit  
25 simulcast commission fees in excess of 6%. The Board shall  
26 adopt rules limiting the interstate commission fees charged to

1 an advance deposit wagering licensee. The Board shall adopt  
2 rules regarding advance deposit wagering on interstate  
3 simulcast races that shall reflect, among other things, the  
4 General Assembly's desire to maximize revenues to the State,  
5 horsemen purses, and organizational licensees. However,  
6 organization licensees providing live signals pursuant to the  
7 requirements of this subsection (g) may petition the Board to  
8 withhold their live signals from an advance deposit wagering  
9 licensee if the organization licensee discovers and the Board  
10 finds reputable or credible information that the advance  
11 deposit wagering licensee is under investigation by another  
12 state or federal governmental agency, the advance deposit  
13 wagering licensee's license has been suspended in another  
14 state, or the advance deposit wagering licensee's license is in  
15 revocation proceedings in another state. The organization  
16 licensee's provision of their live signal to an advance deposit  
17 wagering licensee under this subsection (g) pertains to wagers  
18 placed from within Illinois. Advance deposit wagering  
19 licensees may place advance deposit wagering terminals at  
20 wagering facilities as a convenience to customers. The advance  
21 deposit wagering licensee shall not charge or collect any fee  
22 from purses for the placement of the advance deposit wagering  
23 terminals. The costs and expenses of the host track and  
24 non-host licensees associated with interstate simulcast  
25 wagering, other than the interstate commission fee, shall be  
26 borne by the host track and all non-host licensees incurring

1 these costs. The interstate commission fee shall not exceed 5%  
2 of Illinois handle on the interstate simulcast race or races  
3 without prior approval of the Board. The Board shall promulgate  
4 rules under which it may permit interstate commission fees in  
5 excess of 5%. The interstate commission fee and other fees  
6 charged by the sending racetrack, including, but not limited  
7 to, satellite decoder fees, shall be uniformly applied to the  
8 host track and all non-host licensees.

9 Notwithstanding any other provision of this Act, ~~through~~  
10 ~~December 31, 2018,~~ an organization licensee, with the consent  
11 of the horsemen association representing the largest number of  
12 owners, trainers, jockeys, or standardbred drivers who race  
13 horses at that organization licensee's racing meeting, may  
14 maintain a system whereby advance deposit wagering may take  
15 place or an organization licensee, with the consent of the  
16 horsemen association representing the largest number of  
17 owners, trainers, jockeys, or standardbred drivers who race  
18 horses at that organization licensee's racing meeting, may  
19 contract with another person to carry out a system of advance  
20 deposit wagering. Such consent may not be unreasonably  
21 withheld. Only with respect to an appeal to the Board that  
22 consent for an organization licensee that maintains its own  
23 advance deposit wagering system is being unreasonably  
24 withheld, the Board shall issue a final order within 30 days  
25 after initiation of the appeal, and the organization licensee's  
26 advance deposit wagering system may remain operational during

1 that 30-day period. The actions of any organization licensee  
2 who conducts advance deposit wagering or any person who has a  
3 contract with an organization licensee to conduct advance  
4 deposit wagering who conducts advance deposit wagering on or  
5 after January 1, 2013 and prior to June 7, 2013 (the effective  
6 date of Public Act 98-18) ~~this amendatory Act of the 98th~~  
7 ~~General Assembly~~ taken in reliance on the changes made to this  
8 subsection (g) by Public Act 98-18 ~~this amendatory Act of the~~  
9 ~~98th General Assembly~~ are hereby validated, provided payment of  
10 all applicable pari-mutuel taxes are remitted to the Board. All  
11 advance deposit wagers placed from within Illinois must be  
12 placed through a Board-approved advance deposit wagering  
13 licensee; no other entity may accept an advance deposit wager  
14 from a person within Illinois. All advance deposit wagering is  
15 subject to any rules adopted by the Board. The Board may adopt  
16 rules necessary to regulate advance deposit wagering through  
17 the use of emergency rulemaking in accordance with Section 5-45  
18 of the Illinois Administrative Procedure Act. The General  
19 Assembly finds that the adoption of rules to regulate advance  
20 deposit wagering is deemed an emergency and necessary for the  
21 public interest, safety, and welfare. An advance deposit  
22 wagering licensee may retain all moneys as agreed to by  
23 contract with an organization licensee. Any moneys retained by  
24 the organization licensee from advance deposit wagering, not  
25 including moneys retained by the advance deposit wagering  
26 licensee, shall be paid 50% to the organization licensee's

1     purse account and 50% to the organization licensee. With the  
2     exception of any organization licensee that is owned by a  
3     publicly traded company that is incorporated in a state other  
4     than Illinois and advance deposit wagering licensees under  
5     contract with such organization licensees, organization  
6     licensees that maintain advance deposit wagering systems and  
7     advance deposit wagering licensees that contract with  
8     organization licensees shall provide sufficiently detailed  
9     monthly accountings to the horsemen association representing  
10    the largest number of owners, trainers, jockeys, or  
11    standardbred drivers who race horses at that organization  
12    licensee's racing meeting so that the horsemen association, as  
13    an interested party, can confirm the accuracy of the amounts  
14    paid to the purse account at the horsemen association's  
15    affiliated organization licensee from advance deposit  
16    wagering. If more than one breed races at the same race track  
17    facility, then the 50% of the moneys to be paid to an  
18    organization licensee's purse account shall be allocated among  
19    all organization licensees' purse accounts operating at that  
20    race track facility proportionately based on the actual number  
21    of host days that the Board grants to that breed at that race  
22    track facility in the current calendar year. To the extent any  
23    fees from advance deposit wagering conducted in Illinois for  
24    wagers in Illinois or other states have been placed in escrow  
25    or otherwise withheld from wagers pending a determination of  
26    the legality of advance deposit wagering, no action shall be



1 brought to declare such wagers or the disbursement of any fees  
2 previously escrowed illegal.

3 (1) Between the hours of 6:30 a.m. and 6:30 p.m. an  
4 inter-track ~~intertrack~~ wagering licensee other than the  
5 host track may supplement the host track simulcast program  
6 with additional simulcast races or race programs, provided  
7 that between January 1 and the third Friday in February of  
8 any year, inclusive, if no live thoroughbred racing is  
9 occurring in Illinois during this period, only  
10 thoroughbred races may be used for supplemental interstate  
11 simulcast purposes. The Board shall withhold approval for a  
12 supplemental interstate simulcast only if it finds that the  
13 simulcast is clearly adverse to the integrity of racing. A  
14 supplemental interstate simulcast may be transmitted from  
15 an inter-track ~~intertrack~~ wagering licensee to its  
16 affiliated non-host licensees. The interstate commission  
17 fee for a supplemental interstate simulcast shall be paid  
18 by the non-host licensee and its affiliated non-host  
19 licensees receiving the simulcast.

20 (2) Between the hours of 6:30 p.m. and 6:30 a.m. an  
21 inter-track ~~intertrack~~ wagering licensee other than the  
22 host track may receive supplemental interstate simulcasts  
23 only with the consent of the host track, except when the  
24 Board finds that the simulcast is clearly adverse to the  
25 integrity of racing. Consent granted under this paragraph  
26 (2) to any inter-track ~~intertrack~~ wagering licensee shall

1 be deemed consent to all non-host licensees. The interstate  
2 commission fee for the supplemental interstate simulcast  
3 shall be paid by all participating non-host licensees.

4 (3) Each licensee conducting interstate simulcast  
5 wagering may retain, subject to the payment of all  
6 applicable taxes and the purses, an amount not to exceed  
7 17% of all money wagered. If any licensee conducts the  
8 pari-mutuel system wagering on races conducted at  
9 racetracks in another state or country, each such race or  
10 race program shall be considered a separate racing day for  
11 the purpose of determining the daily handle and computing  
12 the privilege tax of that daily handle as provided in  
13 subsection (a) of Section 27. Until January 1, 2000, from  
14 the sums permitted to be retained pursuant to this  
15 subsection, each inter-track ~~intertrack~~ wagering location  
16 licensee shall pay 1% of the pari-mutuel handle wagered on  
17 simulcast wagering to the Horse Racing Tax Allocation Fund,  
18 subject to the provisions of subparagraph (B) of paragraph  
19 (11) of subsection (h) of Section 26 of this Act.

20 (4) A licensee who receives an interstate simulcast may  
21 combine its gross or net pools with pools at the sending  
22 racetracks pursuant to rules established by the Board. All  
23 licensees combining their gross pools at a sending  
24 racetrack shall adopt the take-out percentages of the  
25 sending racetrack. A licensee may also establish a separate  
26 pool and takeout structure for wagering purposes on races

1 conducted at race tracks outside of the State of Illinois.  
2 The licensee may permit pari-mutuel wagers placed in other  
3 states or countries to be combined with its gross or net  
4 wagering pools or other wagering pools.

5 (5) After the payment of the interstate commission fee  
6 (except for the interstate commission fee on a supplemental  
7 interstate simulcast, which shall be paid by the host track  
8 and by each non-host licensee through the host-track) and  
9 all applicable State and local taxes, except as provided in  
10 subsection (g) of Section 27 of this Act, the remainder of  
11 moneys retained from simulcast wagering pursuant to this  
12 subsection (g), and Section 26.2 shall be divided as  
13 follows:

14 (A) For interstate simulcast wagers made at a host  
15 track, 50% to the host track and 50% to purses at the  
16 host track.

17 (B) For wagers placed on interstate simulcast  
18 races, supplemental simulcasts as defined in  
19 subparagraphs (1) and (2), and separately pooled races  
20 conducted outside of the State of Illinois made at a  
21 non-host licensee, 25% to the host track, 25% to the  
22 non-host licensee, and 50% to the purses at the host  
23 track.

24 (6) Notwithstanding any provision in this Act to the  
25 contrary, non-host licensees who derive their licenses  
26 from a track located in a county with a population in

1 excess of 230,000 and that borders the Mississippi River  
2 may receive supplemental interstate simulcast races at all  
3 times subject to Board approval, which shall be withheld  
4 only upon a finding that a supplemental interstate  
5 simulcast is clearly adverse to the integrity of racing.

6 (7) Notwithstanding any provision of this Act to the  
7 contrary, after payment of all applicable State and local  
8 taxes and interstate commission fees, non-host licensees  
9 who derive their licenses from a track located in a county  
10 with a population in excess of 230,000 and that borders the  
11 Mississippi River shall retain 50% of the retention from  
12 interstate simulcast wagers and shall pay 50% to purses at  
13 the track from which the non-host licensee derives its  
14 license as follows:

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

20 (B) Between January 1 and the third Friday in  
21 February, inclusive, if no live thoroughbred racing is  
22 occurring in Illinois during this period, and the  
23 interstate simulcast is a thoroughbred race, the purse  
24 share to its interstate simulcast purse pool to be  
25 distributed under paragraph (10) of this subsection  
26 (g);

1           (C) Between January 1 and the third Friday in  
2           February, inclusive, if live thoroughbred racing is  
3           occurring in Illinois, between 6:30 a.m. and 6:30 p.m.  
4           the purse share from wagers made during this time  
5           period to its thoroughbred purse account and between  
6           6:30 p.m. and 6:30 a.m. the purse share from wagers  
7           made during this time period to its standardbred purse  
8           accounts;

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

13          (E) Between the third Saturday in February and  
14          December 31, when the interstate simulcast occurs  
15          between the hours of 6:30 p.m. and 6:30 a.m., the purse  
16          share to its standardbred purse account.

17          (7.1) Notwithstanding any other provision of this Act  
18          to the contrary, if no standardbred racing is conducted at  
19          a racetrack located in Madison County during any calendar  
20          year beginning on or after January 1, 2002, all moneys  
21          derived by that racetrack from simulcast wagering and  
22          inter-track wagering that (1) are to be used for purses and  
23          (2) are generated between the hours of 6:30 p.m. and 6:30  
24          a.m. during that calendar year shall be paid as follows:

25                 (A) If the licensee that conducts horse racing at  
26                 that racetrack requests from the Board at least as many

1 racing dates as were conducted in calendar year 2000,  
2 80% shall be paid to its thoroughbred purse account;  
3 and

4 (B) Twenty percent shall be deposited into the  
5 Illinois Colt Stakes Purse Distribution Fund and shall  
6 be paid to purses for standardbred races for Illinois  
7 conceived and foaled horses conducted at any county  
8 fairgrounds. The moneys deposited into the Fund  
9 pursuant to this subparagraph (B) shall be deposited  
10 within 2 weeks after the day they were generated, shall  
11 be in addition to and not in lieu of any other moneys  
12 paid to standardbred purses under this Act, and shall  
13 not be commingled with other moneys paid into that  
14 Fund. The moneys deposited pursuant to this  
15 subparagraph (B) shall be allocated as provided by the  
16 Department of Agriculture, with the advice and  
17 assistance of the Illinois Standardbred Breeders Fund  
18 Advisory Board.

19 (7.2) Notwithstanding any other provision of this Act  
20 to the contrary, if no thoroughbred racing is conducted at  
21 a racetrack located in Madison County during any calendar  
22 year beginning on or after January 1, 2002, all moneys  
23 derived by that racetrack from simulcast wagering and  
24 inter-track wagering that (1) are to be used for purses and  
25 (2) are generated between the hours of 6:30 a.m. and 6:30  
26 p.m. during that calendar year shall be deposited as

1 follows:

2 (A) If the licensee that conducts horse racing at  
3 that racetrack requests from the Board at least as many  
4 racing dates as were conducted in calendar year 2000,  
5 80% shall be deposited into its standardbred purse  
6 account; and

7 (B) Twenty percent shall be deposited into the  
8 Illinois Colt Stakes Purse Distribution Fund. Moneys  
9 deposited into the Illinois Colt Stakes Purse  
10 Distribution Fund pursuant to this subparagraph (B)  
11 shall be paid to Illinois conceived and foaled  
12 thoroughbred breeders' programs and to thoroughbred  
13 purses for races conducted at any county fairgrounds  
14 for Illinois conceived and foaled horses at the  
15 discretion of the Department of Agriculture, with the  
16 advice and assistance of the Illinois Thoroughbred  
17 Breeders Fund Advisory Board. The moneys deposited  
18 into the Illinois Colt Stakes Purse Distribution Fund  
19 pursuant to this subparagraph (B) shall be deposited  
20 within 2 weeks after the day they were generated, shall  
21 be in addition to and not in lieu of any other moneys  
22 paid to thoroughbred purses under this Act, and shall  
23 not be commingled with other moneys deposited into that  
24 Fund.

25 (7.3) If no live standardbred racing is conducted at a  
26 racetrack located in Madison County in calendar year 2000

1 or 2001, an organization licensee who is licensed to  
2 conduct horse racing at that racetrack shall, before  
3 January 1, 2002, pay all moneys derived from simulcast  
4 wagering and inter-track wagering in calendar years 2000  
5 and 2001 and paid into the licensee's standardbred purse  
6 account as follows:

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

9 (B) Twenty percent to the Illinois Colt Stakes  
10 Purse Distribution Fund.

11 Failure to make the payment to the Illinois Colt Stakes  
12 Purse Distribution Fund before January 1, 2002 shall result  
13 in the immediate revocation of the licensee's organization  
14 license, inter-track wagering license, and inter-track  
15 wagering location license.

16 Moneys paid into the Illinois Colt Stakes Purse  
17 Distribution Fund pursuant to this paragraph (7.3) shall be  
18 paid to purses for standardbred races for Illinois  
19 conceived and foaled horses conducted at any county  
20 fairgrounds. Moneys paid into the Illinois Colt Stakes  
21 Purse Distribution Fund pursuant to this paragraph (7.3)  
22 shall be used as determined by the Department of  
23 Agriculture, with the advice and assistance of the Illinois  
24 Standardbred Breeders Fund Advisory Board, shall be in  
25 addition to and not in lieu of any other moneys paid to  
26 standardbred purses under this Act, and shall not be



1 commingled with any other moneys paid into that Fund.

2 (7.4) If live standardbred racing is conducted at a  
3 racetrack located in Madison County at any time in calendar  
4 year 2001 before the payment required under paragraph (7.3)  
5 has been made, the organization licensee who is licensed to  
6 conduct racing at that racetrack shall pay all moneys  
7 derived by that racetrack from simulcast wagering and  
8 inter-track wagering during calendar years 2000 and 2001  
9 that (1) are to be used for purses and (2) are generated  
10 between the hours of 6:30 p.m. and 6:30 a.m. during 2000 or  
11 2001 to the standardbred purse account at that racetrack to  
12 be used for standardbred purses.

13 (8) Notwithstanding any provision in this Act to the  
14 contrary, an organization licensee from a track located in  
15 a county with a population in excess of 230,000 and that  
16 borders the Mississippi River and its affiliated non-host  
17 licensees shall not be entitled to share in any retention  
18 generated on racing, inter-track wagering, or simulcast  
19 wagering at any other Illinois wagering facility.

20 (8.1) Notwithstanding any provisions in this Act to the  
21 contrary, if 2 organization licensees are conducting  
22 standardbred race meetings concurrently between the hours  
23 of 6:30 p.m. and 6:30 a.m., after payment of all applicable  
24 State and local taxes and interstate commission fees, the  
25 remainder of the amount retained from simulcast wagering  
26 otherwise attributable to the host track and to host track

1 purses shall be split daily between the 2 organization  
2 licensees and the purses at the tracks of the 2  
3 organization licensees, respectively, based on each  
4 organization licensee's share of the total live handle for  
5 that day, provided that this provision shall not apply to  
6 any non-host licensee that derives its license from a track  
7 located in a county with a population in excess of 230,000  
8 and that borders the Mississippi River.

9 (9) (Blank).

10 (10) (Blank).

11 (11) (Blank).

12 (12) The Board shall have authority to compel all host  
13 tracks to receive the simulcast of any or all races  
14 conducted at the Springfield or DuQuoin State fairgrounds  
15 and include all such races as part of their simulcast  
16 programs.

17 (13) Notwithstanding any other provision of this Act,  
18 in the event that the total Illinois pari-mutuel handle on  
19 Illinois horse races at all wagering facilities in any  
20 calendar year is less than 75% of the total Illinois  
21 pari-mutuel handle on Illinois horse races at all such  
22 wagering facilities for calendar year 1994, then each  
23 wagering facility that has an annual total Illinois  
24 pari-mutuel handle on Illinois horse races that is less  
25 than 75% of the total Illinois pari-mutuel handle on  
26 Illinois horse races at such wagering facility for calendar

1 year 1994, shall be permitted to receive, from any amount  
2 otherwise payable to the purse account at the race track  
3 with which the wagering facility is affiliated in the  
4 succeeding calendar year, an amount equal to 2% of the  
5 differential in total Illinois pari-mutuel handle on  
6 Illinois horse races at the wagering facility between that  
7 calendar year in question and 1994 provided, however, that  
8 a wagering facility shall not be entitled to any such  
9 payment until the Board certifies in writing to the  
10 wagering facility the amount to which the wagering facility  
11 is entitled and a schedule for payment of the amount to the  
12 wagering facility, based on: (i) the racing dates awarded  
13 to the race track affiliated with the wagering facility  
14 during the succeeding year; (ii) the sums available or  
15 anticipated to be available in the purse account of the  
16 race track affiliated with the wagering facility for purses  
17 during the succeeding year; and (iii) the need to ensure  
18 reasonable purse levels during the payment period. The  
19 Board's certification shall be provided no later than  
20 January 31 of the succeeding year. In the event a wagering  
21 facility entitled to a payment under this paragraph (13) is  
22 affiliated with a race track that maintains purse accounts  
23 for both standardbred and thoroughbred racing, the amount  
24 to be paid to the wagering facility shall be divided  
25 between each purse account pro rata, based on the amount of  
26 Illinois handle on Illinois standardbred and thoroughbred

1 racing respectively at the wagering facility during the  
2 previous calendar year. Annually, the General Assembly  
3 shall appropriate sufficient funds from the General  
4 Revenue Fund to the Department of Agriculture for payment  
5 into the thoroughbred and standardbred horse racing purse  
6 accounts at Illinois pari-mutuel tracks. The amount paid to  
7 each purse account shall be the amount certified by the  
8 Illinois Racing Board in January to be transferred from  
9 each account to each eligible racing facility in accordance  
10 with the provisions of this Section. Beginning in the  
11 calendar year in which an organization licensee that is  
12 eligible to receive payment under this paragraph (13)  
13 begins to receive funds from electronic gaming, the amount  
14 of the payment due to all wagering facilities licensed  
15 under that organization licensee under this paragraph (13)  
16 shall be the amount certified by the Board in January of  
17 that year. An organization licensee and its related  
18 wagering facilities shall no longer be able to receive  
19 payments under this paragraph (13) beginning in the year  
20 subsequent to the first year in which the organization  
21 licensee begins to receive funds from electronic gaming.

22 (h) The Board may approve and license the conduct of  
23 inter-track wagering and simulcast wagering by inter-track  
24 wagering licensees and inter-track wagering location licensees  
25 subject to the following terms and conditions:

26 (1) Any person licensed to conduct a race meeting (i)

1 at a track where 60 or more days of racing were conducted  
2 during the immediately preceding calendar year or where  
3 over the 5 immediately preceding calendar years an average  
4 of 30 or more days of racing were conducted annually may be  
5 issued an inter-track wagering license; (ii) at a track  
6 located in a county that is bounded by the Mississippi  
7 River, which has a population of less than 150,000  
8 according to the 1990 decennial census, and an average of  
9 at least 60 days of racing per year between 1985 and 1993  
10 may be issued an inter-track wagering license; or (iii) at  
11 a track located in Madison County that conducted at least  
12 100 days of live racing during the immediately preceding  
13 calendar year may be issued an inter-track wagering  
14 license, unless a lesser schedule of live racing is the  
15 result of (A) weather, unsafe track conditions, or other  
16 acts of God; (B) an agreement between the organization  
17 licensee and the associations representing the largest  
18 number of owners, trainers, jockeys, or standardbred  
19 drivers who race horses at that organization licensee's  
20 racing meeting; or (C) a finding by the Board of  
21 extraordinary circumstances and that it was in the best  
22 interest of the public and the sport to conduct fewer than  
23 100 days of live racing. Any such person having operating  
24 control of the racing facility may receive inter-track  
25 wagering location licenses. An eligible race track located  
26 in a county that has a population of more than 230,000 and

1 that is bounded by the Mississippi River may establish up  
2 to 9 inter-track wagering locations, ~~and~~ and an eligible race  
3 track located in Stickney Township in Cook County may  
4 establish up to 16 inter-track wagering locations, ~~and~~ and an  
5 eligible race track located in Palatine Township in Cook  
6 County may establish up to 18 inter-track wagering  
7 locations. An application for said license shall be filed  
8 with the Board prior to such dates as may be fixed by the  
9 Board. With an application for an inter-track wagering  
10 location license there shall be delivered to the Board a  
11 certified check or bank draft payable to the order of the  
12 Board for an amount equal to \$500. The application shall be  
13 on forms prescribed and furnished by the Board. The  
14 application shall comply with all other rules, regulations  
15 and conditions imposed by the Board in connection  
16 therewith.

17 (2) The Board shall examine the applications with  
18 respect to their conformity with this Act and the rules and  
19 regulations imposed by the Board. If found to be in  
20 compliance with the Act and rules and regulations of the  
21 Board, the Board may then issue a license to conduct  
22 inter-track wagering and simulcast wagering to such  
23 applicant. All such applications shall be acted upon by the  
24 Board at a meeting to be held on such date as may be fixed  
25 by the Board.

26 (3) In granting licenses to conduct inter-track

1           wagering and simulcast wagering, the Board shall give due  
2           consideration to the best interests of the public, of horse  
3           racing, and of maximizing revenue to the State.

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

15          (5) Each license to conduct inter-track wagering and  
16          simulcast wagering shall specify the person to whom it is  
17          issued, the dates on which such wagering is permitted, and  
18          the track or location where the wagering is to be  
19          conducted.

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

24          (7) An inter-track wagering licensee or inter-track  
25          wagering location licensee may accept wagers at the track  
26          or location where it is licensed, or as otherwise provided

1 under this Act.

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

5 (8.1) Inter-track wagering location licensees who  
6 derive their licenses from a particular organization  
7 licensee shall conduct inter-track wagering and simulcast  
8 wagering only at locations that are within 160 miles of  
9 that race track where the particular organization licensee  
10 is licensed to conduct racing. However, inter-track  
11 wagering and simulcast wagering shall not be conducted by  
12 those licensees at any location within 5 miles of any race  
13 track at which a horse race meeting has been licensed in  
14 the current year, unless the person having operating  
15 control of such race track has given its written consent to  
16 such inter-track wagering location licensees, which  
17 consent must be filed with the Board at or prior to the  
18 time application is made. In the case of any inter-track  
19 wagering location licensee initially licensed after  
20 December 31, 2013, inter-track wagering and simulcast  
21 wagering shall not be conducted by those inter-track  
22 wagering location licensees that are located outside the  
23 City of Chicago at any location within 8 miles of any race  
24 track at which a horse race meeting has been licensed in  
25 the current year, unless the person having operating  
26 control of such race track has given its written consent to



1 such inter-track wagering location licensees, which  
2 consent must be filed with the Board at or prior to the  
3 time application is made.

4 (8.2) Inter-track wagering or simulcast wagering shall  
5 not be conducted by an inter-track wagering location  
6 licensee at any location within 500 feet of an existing  
7 church, an ~~or~~ existing elementary or secondary public  
8 school, or an existing elementary or secondary private  
9 school registered with or recognized by the State Board of  
10 Education ~~school~~, nor within 500 feet of the residences of  
11 more than 50 registered voters without receiving written  
12 permission from a majority of the registered voters at such  
13 residences. Such written permission statements shall be  
14 filed with the Board. The distance of 500 feet shall be  
15 measured to the nearest part of any building used for  
16 worship services, education programs, residential  
17 purposes, or conducting inter-track wagering by an  
18 inter-track wagering location licensee, and not to  
19 property boundaries. However, inter-track wagering or  
20 simulcast wagering may be conducted at a site within 500  
21 feet of a church, school or residences of 50 or more  
22 registered voters if such church, school or residences have  
23 been erected or established, or such voters have been  
24 registered, after the Board issues the original  
25 inter-track wagering location license at the site in  
26 question. Inter-track wagering location licensees may

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

15           (9) (Blank).

16           (10) An inter-track wagering licensee or an  
17      inter-track wagering location licensee may retain, subject  
18      to the payment of the privilege taxes and the purses, an  
19      amount not to exceed 17% of all money wagered. Each program  
20      of racing conducted by each inter-track wagering licensee  
21      or inter-track wagering location licensee shall be  
22      considered a separate racing day for the purpose of  
23      determining the daily handle and computing the privilege  
24      tax or pari-mutuel tax on such daily handle as provided in  
25      Section 27.

26           (10.1) Except as provided in subsection (g) of Section

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

10           (10.2) Notwithstanding any other provision of this  
11 Act, with respect to inter-track ~~intertrack~~ wagering at a  
12 race track located in a county that has a population of  
13 more than 230,000 and that is bounded by the Mississippi  
14 River ("the first race track"), or at a facility operated  
15 by an inter-track wagering licensee or inter-track  
16 wagering location licensee that derives its license from  
17 the organization licensee that operates the first race  
18 track, on races conducted at the first race track or on  
19 races conducted at another Illinois race track and  
20 simultaneously televised to the first race track or to a  
21 facility operated by an inter-track wagering licensee or  
22 inter-track wagering location licensee that derives its  
23 license from the organization licensee that operates the  
24 first race track, those moneys shall be allocated as  
25 follows:

26           (A) That portion of all moneys wagered on

1 standardbred racing that is required under this Act to  
2 be paid to purses shall be paid to purses for  
3 standardbred races.

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

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

1 organization licensee.

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

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

1 organization licensee to be divided between standardbred  
2 purses and thoroughbred purses based on the amounts  
3 otherwise allocated to purses at that organization  
4 licensee during the calendar year in question; and (iv) 8%  
5 of the pari-mutuel handle on inter-track wagering wagered  
6 at such location to satisfy all costs and expenses of  
7 conducting its wagering. The remainder of the monies  
8 retained by the inter-track wagering location licensee  
9 shall be allocated 40% to the location licensee and 60% to  
10 the organization licensee which provides the Illinois  
11 races to the location, except that an inter-track  
12 ~~intertrack~~ wagering location licensee that derives its  
13 license from a track located in a county with a population  
14 in excess of 230,000 and that borders the Mississippi River  
15 shall not divide any remaining retention with the  
16 organization licensee that provides the race or races and  
17 an inter-track ~~intertrack~~ wagering location licensee that  
18 accepts wagers on races conducted by an organization  
19 licensee that conducts a race meet in a county with a  
20 population in excess of 230,000 and that borders the  
21 Mississippi River shall not divide any remaining retention  
22 with the organization licensee. Notwithstanding the  
23 provisions of clauses (ii) and (iv) of this paragraph, in  
24 the case of the additional inter-track wagering location  
25 licenses authorized under paragraph (1) of this subsection  
26 (h) by Public Act 87-110 ~~this amendatory Act of 1991~~, those

1 licenses shall pay the following amounts as purses: during  
2 the first 12 months the licensee is in operation, 5.25% of  
3 the pari-mutuel handle wagered at the location on races;  
4 during the second 12 months, 5.25%; during the third 12  
5 months, 5.75%; during the fourth 12 months, 6.25%; and  
6 during the fifth 12 months and thereafter, 6.75%. The  
7 following amounts shall be retained by the licensee to  
8 satisfy all costs and expenses of conducting its wagering:  
9 during the first 12 months the licensee is in operation,  
10 8.25% of the pari-mutuel handle wagered at the location;  
11 during the second 12 months, 8.25%; during the third 12  
12 months, 7.75%; during the fourth 12 months, 7.25%; and  
13 during the fifth 12 months and thereafter, 6.75%. For  
14 additional inter-track ~~intertrack~~ wagering location  
15 licensees authorized under Public Act 89-16 ~~this~~  
16 ~~amendatory Act of 1995~~, purses for the first 12 months the  
17 licensee is in operation shall be 5.75% of the pari-mutuel  
18 wagered at the location, purses for the second 12 months  
19 the licensee is in operation shall be 6.25%, and purses  
20 thereafter shall be 6.75%. For additional inter-track  
21 ~~intertrack~~ location licensees authorized under Public Act  
22 89-16 ~~this amendatory Act of 1995~~, the licensee shall be  
23 allowed to retain to satisfy all costs and expenses: 7.75%  
24 of the pari-mutuel handle wagered at the location during  
25 its first 12 months of operation, 7.25% during its second  
26 12 months of operation, and 6.75% thereafter.



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

16           Two-sevenths to the Department of Agriculture.  
17           Fifty percent of this two-sevenths shall be used to  
18 promote the Illinois horse racing and breeding  
19 industry, and shall be distributed by the Department of  
20 Agriculture upon the advice of a 9-member committee  
21 appointed by the Governor consisting of the following  
22 members: the Director of Agriculture, who shall serve  
23 as chairman; 2 representatives of organization  
24 licensees conducting thoroughbred race meetings in  
25 this State, recommended by those licensees; 2  
26 representatives of organization licensees conducting

1           standardbred race meetings in this State, recommended  
2           by those licensees; a representative of the Illinois  
3           Thoroughbred Breeders and Owners Foundation,  
4           recommended by that Foundation; a representative of  
5           the Illinois Standardbred Owners and Breeders  
6           Association, recommended by that Association; a  
7           representative of the Horsemen's Benevolent and  
8           Protective Association or any successor organization  
9           thereto established in Illinois comprised of the  
10          largest number of owners and trainers, recommended by  
11          that Association or that successor organization; and a  
12          representative of the Illinois Harness Horsemen's  
13          Association, recommended by that Association.  
14          Committee members shall serve for terms of 2 years,  
15          commencing January 1 of each even-numbered year. If a  
16          representative of any of the above-named entities has  
17          not been recommended by January 1 of any even-numbered  
18          year, the Governor shall appoint a committee member to  
19          fill that position. Committee members shall receive no  
20          compensation for their services as members but shall be  
21          reimbursed for all actual and necessary expenses and  
22          disbursements incurred in the performance of their  
23          official duties. The remaining 50% of this  
24          two-sevenths shall be distributed to county fairs for  
25          premiums and rehabilitation as set forth in the  
26          Agricultural Fair Act;

1           Four-sevenths to park districts or municipalities  
2           that do not have a park district of 500,000 population  
3           or less for museum purposes (if an inter-track wagering  
4           location licensee is located in such a park district)  
5           or to conservation districts for museum purposes (if an  
6           inter-track wagering location licensee is located in a  
7           municipality that is not included within any park  
8           district but is included within a conservation  
9           district and is the county seat of a county that (i) is  
10          contiguous to the state of Indiana and (ii) has a 1990  
11          population of 88,257 according to the United States  
12          Bureau of the Census, except that if the conservation  
13          district does not maintain a museum, the monies shall  
14          be allocated equally between the county and the  
15          municipality in which the inter-track wagering  
16          location licensee is located for general purposes) or  
17          to a municipal recreation board for park purposes (if  
18          an inter-track wagering location licensee is located  
19          in a municipality that is not included within any park  
20          district and park maintenance is the function of the  
21          municipal recreation board and the municipality has a  
22          1990 population of 9,302 according to the United States  
23          Bureau of the Census); provided that the monies are  
24          distributed to each park district or conservation  
25          district or municipality that does not have a park  
26          district in an amount equal to four-sevenths of the

1 amount collected by each inter-track wagering location  
2 licensee within the park district or conservation  
3 district or municipality for the Fund. Monies that were  
4 paid into the Horse Racing Tax Allocation Fund before  
5 August 9, 1991 (the effective date of Public Act  
6 87-110) ~~this amendatory Act of 1991~~ by an inter-track  
7 wagering location licensee located in a municipality  
8 that is not included within any park district but is  
9 included within a conservation district as provided in  
10 this paragraph shall, as soon as practicable after  
11 August 9, 1991 (the effective date of Public Act  
12 87-110) ~~this amendatory Act of 1991~~, be allocated and  
13 paid to that conservation district as provided in this  
14 paragraph. Any park district or municipality not  
15 maintaining a museum may deposit the monies in the  
16 corporate fund of the park district or municipality  
17 where the inter-track wagering location is located, to  
18 be used for general purposes; and

19 One-seventh to the Agricultural Premium Fund to be  
20 used for distribution to agricultural home economics  
21 extension councils in accordance with "An Act in  
22 relation to additional support and finances for the  
23 Agricultural and Home Economic Extension Councils in  
24 the several counties of this State and making an  
25 appropriation therefor", approved July 24, 1967.

26 Until January 1, 2000, all other monies paid into the

1 Horse Racing Tax Allocation Fund pursuant to this paragraph  
2 (11) shall be allocated by appropriation as follows:

3 Two-sevenths to the Department of Agriculture.  
4 Fifty percent of this two-sevenths shall be used to  
5 promote the Illinois horse racing and breeding  
6 industry, and shall be distributed by the Department of  
7 Agriculture upon the advice of a 9-member committee  
8 appointed by the Governor consisting of the following  
9 members: the Director of Agriculture, who shall serve  
10 as chairman; 2 representatives of organization  
11 licensees conducting thoroughbred race meetings in  
12 this State, recommended by those licensees; 2  
13 representatives of organization licensees conducting  
14 standardbred race meetings in this State, recommended  
15 by those licensees; a representative of the Illinois  
16 Thoroughbred Breeders and Owners Foundation,  
17 recommended by that Foundation; a representative of  
18 the Illinois Standardbred Owners and Breeders  
19 Association, recommended by that Association; a  
20 representative of the Horsemen's Benevolent and  
21 Protective Association or any successor organization  
22 thereto established in Illinois comprised of the  
23 largest number of owners and trainers, recommended by  
24 that Association or that successor organization; and a  
25 representative of the Illinois Harness Horsemen's  
26 Association, recommended by that Association.

1 Committee members shall serve for terms of 2 years,  
2 commencing January 1 of each even-numbered year. If a  
3 representative of any of the above-named entities has  
4 not been recommended by January 1 of any even-numbered  
5 year, the Governor shall appoint a committee member to  
6 fill that position. Committee members shall receive no  
7 compensation for their services as members but shall be  
8 reimbursed for all actual and necessary expenses and  
9 disbursements incurred in the performance of their  
10 official duties. The remaining 50% of this  
11 two-sevenths shall be distributed to county fairs for  
12 premiums and rehabilitation as set forth in the  
13 Agricultural Fair Act;

14 Four-sevenths to museums and aquariums located in  
15 park districts of over 500,000 population; provided  
16 that the monies are distributed in accordance with the  
17 previous year's distribution of the maintenance tax  
18 for such museums and aquariums as provided in Section 2  
19 of the Park District Aquarium and Museum Act; and

20 One-seventh to the Agricultural Premium Fund to be  
21 used for distribution to agricultural home economics  
22 extension councils in accordance with "An Act in  
23 relation to additional support and finances for the  
24 Agricultural and Home Economic Extension Councils in  
25 the several counties of this State and making an  
26 appropriation therefor", approved July 24, 1967. This

1           subparagraph (C) shall be inoperative and of no force  
2           and effect on and after January 1, 2000.

3           (D) Except as provided in paragraph (11) of this  
4           subsection (h), with respect to purse allocation from  
5           inter-track ~~intertrack~~ wagering, the monies so  
6           retained shall be divided as follows:

7                   (i) If the inter-track wagering licensee,  
8                   except an inter-track ~~intertrack~~ wagering licensee  
9                   that derives its license from an organization  
10                  licensee located in a county with a population in  
11                  excess of 230,000 and bounded by the Mississippi  
12                  River, is not conducting its own race meeting  
13                  during the same dates, then the entire purse  
14                  allocation shall be to purses at the track where  
15                  the races wagered on are being conducted.

16                  (ii) If the inter-track wagering licensee,  
17                  except an inter-track ~~intertrack~~ wagering licensee  
18                  that derives its license from an organization  
19                  licensee located in a county with a population in  
20                  excess of 230,000 and bounded by the Mississippi  
21                  River, is also conducting its own race meeting  
22                  during the same dates, then the purse allocation  
23                  shall be as follows: 50% to purses at the track  
24                  where the races wagered on are being conducted; 50%  
25                  to purses at the track where the inter-track  
26                  wagering licensee is accepting such wagers.

1           (iii) If the inter-track wagering is being  
2           conducted by an inter-track wagering location  
3           licensee, except an inter-track ~~inter-track~~  
4           wagering location licensee that derives its  
5           license from an organization licensee located in a  
6           county with a population in excess of 230,000 and  
7           bounded by the Mississippi River, the entire purse  
8           allocation for Illinois races shall be to purses at  
9           the track where the race meeting being wagered on  
10          is being held.

11          (12) The Board shall have all powers necessary and  
12          proper to fully supervise and control the conduct of  
13          inter-track wagering and simulcast wagering by inter-track  
14          wagering licensees and inter-track wagering location  
15          licensees, including, but not limited to the following:

16               (A) The Board is vested with power to promulgate  
17               reasonable rules and regulations for the purpose of  
18               administering the conduct of this wagering and to  
19               prescribe reasonable rules, regulations and conditions  
20               under which such wagering shall be held and conducted.  
21               Such rules and regulations are to provide for the  
22               prevention of practices detrimental to the public  
23               interest and for the best interests of said wagering  
24               and to impose penalties for violations thereof.

25               (B) The Board, and any person or persons to whom it  
26               delegates this power, is vested with the power to enter



1           the facilities of any licensee to determine whether  
2           there has been compliance with the provisions of this  
3           Act and the rules and regulations relating to the  
4           conduct of such wagering.

5           (C) The Board, and any person or persons to whom it  
6           delegates this power, may eject or exclude from any  
7           licensee's facilities, any person whose conduct or  
8           reputation is such that his presence on such premises  
9           may, in the opinion of the Board, call into the  
10          question the honesty and integrity of, or interfere  
11          with the orderly conduct of such wagering; provided,  
12          however, that no person shall be excluded or ejected  
13          from such premises solely on the grounds of race,  
14          color, creed, national origin, ancestry, or sex.

15          (D) (Blank).

16          (E) The Board is vested with the power to appoint  
17          delegates to execute any of the powers granted to it  
18          under this Section for the purpose of administering  
19          this wagering and any rules and regulations  
20          promulgated in accordance with this Act.

21          (F) The Board shall name and appoint a State  
22          director of this wagering who shall be a representative  
23          of the Board and whose duty it shall be to supervise  
24          the conduct of inter-track wagering as may be provided  
25          for by the rules and regulations of the Board; such  
26          rules and regulation shall specify the method of

1 appointment and the Director's powers, authority and  
2 duties.

3 (G) The Board is vested with the power to impose  
4 civil penalties of up to \$5,000 against individuals and  
5 up to \$10,000 against licensees for each violation of  
6 any provision of this Act relating to the conduct of  
7 this wagering, any rules adopted by the Board, any  
8 order of the Board or any other action which in the  
9 Board's discretion, is a detriment or impediment to  
10 such wagering.

11 (13) The Department of Agriculture may enter into  
12 agreements with licensees authorizing such licensees to  
13 conduct inter-track wagering on races to be held at the  
14 licensed race meetings conducted by the Department of  
15 Agriculture. Such agreement shall specify the races of the  
16 Department of Agriculture's licensed race meeting upon  
17 which the licensees will conduct wagering. In the event  
18 that a licensee conducts inter-track pari-mutuel wagering  
19 on races from the Illinois State Fair or DuQuoin State Fair  
20 which are in addition to the licensee's previously approved  
21 racing program, those races shall be considered a separate  
22 racing day for the purpose of determining the daily handle  
23 and computing the privilege or pari-mutuel tax on that  
24 daily handle as provided in Sections 27 and 27.1. Such  
25 agreements shall be approved by the Board before such  
26 wagering may be conducted. In determining whether to grant

1 approval, the Board shall give due consideration to the  
2 best interests of the public and of horse racing. The  
3 provisions of paragraphs (1), (8), (8.1), and (8.2) of  
4 subsection (h) of this Section which are not specified in  
5 this paragraph (13) shall not apply to licensed race  
6 meetings conducted by the Department of Agriculture at the  
7 Illinois State Fair in Sangamon County or the DuQuoin State  
8 Fair in Perry County, or to any wagering conducted on those  
9 race meetings.

10 (14) An inter-track wagering location license  
11 authorized by the Board in 2016 that is owned and operated  
12 by a race track in Rock Island County shall be transferred  
13 to a commonly owned race track in Cook County on August 12,  
14 2016 (the effective date of Public Act 99-757) ~~this~~  
15 ~~amendatory Act of the 99th General Assembly~~. The licensee  
16 shall retain its status in relation to purse distribution  
17 under paragraph (11) of this subsection (h) following the  
18 transfer to the new entity. The pari-mutuel tax credit  
19 under Section 32.1 shall not be applied toward any  
20 pari-mutuel tax obligation of the inter-track wagering  
21 location licensee of the license that is transferred under  
22 this paragraph (14).

23 (i) Notwithstanding the other provisions of this Act, the  
24 conduct of wagering at wagering facilities is authorized on all  
25 days, except as limited by subsection (b) of Section 19 of this  
26 Act.

1 (Source: P.A. 98-18, eff. 6-7-13; 98-624, eff. 1-29-14; 98-968,  
2 eff. 8-15-14; 99-756, eff. 8-12-16; 99-757, eff. 8-12-16;  
3 revised 9-14-16.)

4 (230 ILCS 5/26.8)

5 Sec. 26.8. Beginning on February 1, 2014 ~~and through~~  
6 ~~December 31, 2018~~, each wagering licensee may impose a  
7 surcharge of up to 0.5% on winning wagers and winnings from  
8 wagers. The surcharge shall be deducted from winnings prior to  
9 payout. All amounts collected from the imposition of this  
10 surcharge shall be evenly distributed to the organization  
11 licensee and the purse account of the organization licensee  
12 with which the licensee is affiliated. The amounts distributed  
13 under this Section shall be in addition to the amounts paid  
14 pursuant to paragraph (10) of subsection (h) of Section 26,  
15 Section 26.3, Section 26.4, Section 26.5, and Section 26.7.

16 (Source: P.A. 98-624, eff. 1-29-14; 99-756, eff. 8-12-16.)

17 (230 ILCS 5/26.9)

18 Sec. 26.9. Beginning on February 1, 2014 ~~and through~~  
19 ~~December 31, 2018~~, in addition to the surcharge imposed in  
20 Sections 26.3, 26.4, 26.5, 26.7, and 26.8 of this Act, each  
21 licensee shall impose a surcharge of 0.2% on winning wagers and  
22 winnings from wagers. The surcharge shall be deducted from  
23 winnings prior to payout. All amounts collected from the  
24 surcharges imposed under this Section shall be remitted to the

1 Board. From amounts collected under this Section, the Board  
2 shall deposit an amount not to exceed \$100,000 annually into  
3 the Quarter Horse Purse Fund and all remaining amounts into the  
4 Horse Racing Fund.

5 (Source: P.A. 98-624, eff. 1-29-14; 99-756, eff. 8-12-16.)

6 (230 ILCS 5/27) (from Ch. 8, par. 37-27)

7 Sec. 27. (a) In addition to the organization license fee  
8 provided by this Act, until January 1, 2000, a graduated  
9 privilege tax is hereby imposed for conducting the pari-mutuel  
10 system of wagering permitted under this Act. Until January 1,  
11 2000, except as provided in subsection (g) of Section 27 of  
12 this Act, all of the breakage of each racing day held by any  
13 licensee in the State shall be paid to the State. Until January  
14 1, 2000, such daily graduated privilege tax shall be paid by  
15 the licensee from the amount permitted to be retained under  
16 this Act. Until January 1, 2000, each day's graduated privilege  
17 tax, breakage, and Horse Racing Tax Allocation funds shall be  
18 remitted to the Department of Revenue within 48 hours after the  
19 close of the racing day upon which it is assessed or within  
20 such other time as the Board prescribes. The privilege tax  
21 hereby imposed, until January 1, 2000, shall be a flat tax at  
22 the rate of 2% of the daily pari-mutuel handle except as  
23 provided in Section 27.1.

24 In addition, every organization licensee, except as  
25 provided in Section 27.1 of this Act, which conducts multiple

1     wagering shall pay, until January 1, 2000, as a privilege tax  
2     on multiple wagers an amount equal to 1.25% of all moneys  
3     wagered each day on such multiple wagers, plus an additional  
4     amount equal to 3.5% of the amount wagered each day on any  
5     other multiple wager which involves a single betting interest  
6     on 3 or more horses. The licensee shall remit the amount of  
7     such taxes to the Department of Revenue within 48 hours after  
8     the close of the racing day on which it is assessed or within  
9     such other time as the Board prescribes.

10     This subsection (a) shall be inoperative and of no force  
11     and effect on and after January 1, 2000.

12     (a-5) Beginning on January 1, 2000, a flat pari-mutuel tax  
13     at the rate of 1.5% of the daily pari-mutuel handle is imposed  
14     at all pari-mutuel wagering facilities and on advance deposit  
15     wagering from a location other than a wagering facility, except  
16     as otherwise provided for in this subsection (a-5). In addition  
17     to the pari-mutuel tax imposed on advance deposit wagering  
18     pursuant to this subsection (a-5), beginning on August 24, 2012  
19     (the effective date of Public Act 97-1060) ~~and through December~~  
20     ~~31, 2018~~, an additional pari-mutuel tax at the rate of 0.25%  
21     shall be imposed on advance deposit wagering. Until August 25,  
22     2012, the additional 0.25% pari-mutuel tax imposed on advance  
23     deposit wagering by Public Act 96-972 shall be deposited into  
24     the Quarter Horse Purse Fund, which shall be created as a  
25     non-appropriated trust fund administered by the Board for  
26     grants to thoroughbred organization licensees for payment of

1 purses for quarter horse races conducted by the organization  
2 licensee. Beginning on August 26, 2012, the additional 0.25%  
3 pari-mutuel tax imposed on advance deposit wagering shall be  
4 deposited into the Standardbred Purse Fund, which shall be  
5 created as a non-appropriated trust fund administered by the  
6 Board, for grants to the standardbred organization licensees  
7 for payment of purses for standardbred horse races conducted by  
8 the organization licensee. Thoroughbred organization licensees  
9 may petition the Board to conduct quarter horse racing and  
10 receive purse grants from the Quarter Horse Purse Fund. The  
11 Board shall have complete discretion in distributing the  
12 Quarter Horse Purse Fund to the petitioning organization  
13 licensees. Beginning on July 26, 2010 (the effective date of  
14 Public Act 96-1287), a pari-mutuel tax at the rate of 0.75% of  
15 the daily pari-mutuel handle is imposed at a pari-mutuel  
16 facility whose license is derived from a track located in a  
17 county that borders the Mississippi River and conducted live  
18 racing in the previous year. The pari-mutuel tax imposed by  
19 this subsection (a-5) shall be remitted to the Department of  
20 Revenue within 48 hours after the close of the racing day upon  
21 which it is assessed or within such other time as the Board  
22 prescribes.

23 (a-10) Beginning on the date when an organization licensee  
24 begins conducting electronic gaming pursuant to an electronic  
25 gaming license, the following pari-mutuel tax is imposed upon  
26 an organization licensee on Illinois races at the licensee's

1 race track:

2 1.5% of the pari-mutuel handle at or below the average  
3 daily pari-mutuel handle for 2011.

4 2% of the pari-mutuel handle above the average daily  
5 pari-mutuel handle for 2011 up to 125% of the average daily  
6 pari-mutuel handle for 2011.

7 2.5% of the pari-mutuel handle 125% or more above the  
8 average daily pari-mutuel handle for 2011 up to 150% of the  
9 average daily pari-mutuel handle for 2011.

10 3% of the pari-mutuel handle 150% or more above the  
11 average daily pari-mutuel handle for 2011 up to 175% of the  
12 average daily pari-mutuel handle for 2011.

13 3.5% of the pari-mutuel handle 175% or more above the  
14 average daily pari-mutuel handle for 2011.

15 The pari-mutuel tax imposed by this subsection (a-10) shall  
16 be remitted to the Board within 48 hours after the close of the  
17 racing day upon which it is assessed or within such other time  
18 as the Board prescribes.

19 (b) On or before December 31, 1999, in the event that any  
20 organization licensee conducts 2 separate programs of races on  
21 any day, each such program shall be considered a separate  
22 racing day for purposes of determining the daily handle and  
23 computing the privilege tax on such daily handle as provided in  
24 subsection (a) of this Section.

25 (c) Licensees shall at all times keep accurate books and  
26 records of all monies wagered on each day of a race meeting and



1 of the taxes paid to the Department of Revenue under the  
2 provisions of this Section. The Board or its duly authorized  
3 representative or representatives shall at all reasonable  
4 times have access to such records for the purpose of examining  
5 and checking the same and ascertaining whether the proper  
6 amount of taxes is being paid as provided. The Board shall  
7 require verified reports and a statement of the total of all  
8 monies wagered daily at each wagering facility upon which the  
9 taxes are assessed and may prescribe forms upon which such  
10 reports and statement shall be made.

11 (d) Before a license is issued or re-issued, the licensee  
12 shall post a bond in the sum of \$500,000 to the State of  
13 Illinois. The bond shall be used to guarantee that the licensee  
14 faithfully makes the payments, keeps the books and records and  
15 makes reports, and conducts games of chance in conformity with  
16 this Act and the rules adopted by the Board. The bond shall not  
17 be canceled by a surety on less than 30 days' notice in writing  
18 to the Board. If a bond is canceled and the licensee fails to  
19 file a new bond with the Board in the required amount on or  
20 before the effective date of cancellation, the licensee's  
21 license shall be revoked. The total and aggregate liability of  
22 the surety on the bond is limited to the amount specified in  
23 the bond. Any licensee failing or refusing to pay the amount of  
24 any tax due under this Section shall be guilty of a business  
25 offense and upon conviction shall be fined not more than \$5,000  
26 in addition to the amount found due as tax under this Section.

1 ~~Each day's violation shall constitute a separate offense. All~~  
2 ~~finer paid into Court by a licensee hereunder shall be~~  
3 ~~transmitted and paid over by the Clerk of the Court to the~~  
4 ~~Board.~~

5 (e) No other license fee, privilege tax, excise tax, or  
6 racing fee, except as provided in this Act, shall be assessed  
7 or collected from any such licensee by the State.

8 (f) No other license fee, privilege tax, excise tax or  
9 racing fee shall be assessed or collected from any such  
10 licensee by units of local government except as provided in  
11 paragraph 10.1 of subsection (h) and subsection (f) of Section  
12 26 of this Act. However, any municipality that has a Board  
13 licensed horse race meeting at a race track wholly within its  
14 corporate boundaries or a township that has a Board licensed  
15 horse race meeting at a race track wholly within the  
16 unincorporated area of the township may charge a local  
17 amusement tax not to exceed 10¢ per admission to such horse  
18 race meeting by the enactment of an ordinance. However, any  
19 municipality or county that has a Board licensed inter-track  
20 wagering location facility wholly within its corporate  
21 boundaries may each impose an admission fee not to exceed \$1.00  
22 per admission to such inter-track wagering location facility,  
23 so that a total of not more than \$2.00 per admission may be  
24 imposed. Except as provided in subparagraph (g) of Section 27  
25 of this Act, the inter-track wagering location licensee shall  
26 collect any and all such fees and within 48 hours remit the

1 fees to the Board, which shall, pursuant to rule, cause the  
2 fees to be distributed to the county or municipality.

3 (g) Notwithstanding any provision in this Act to the  
4 contrary, if in any calendar year the total taxes and fees from  
5 wagering on live racing and from inter-track wagering required  
6 to be collected from licensees and distributed under this Act  
7 to all State and local governmental authorities exceeds the  
8 amount of such taxes and fees distributed to each State and  
9 local governmental authority to which each State and local  
10 governmental authority was entitled under this Act for calendar  
11 year 1994, then the first \$11 million of that excess amount  
12 shall be allocated at the earliest possible date for  
13 distribution as purse money for the succeeding calendar year.  
14 Upon reaching the 1994 level, and until the excess amount of  
15 taxes and fees exceeds \$11 million, the Board shall direct all  
16 licensees to cease paying the subject taxes and fees and the  
17 Board shall direct all licensees to allocate any such excess  
18 amount for purses as follows:

19 (i) the excess amount shall be initially divided  
20 between thoroughbred and standardbred purses based on the  
21 thoroughbred's and standardbred's respective percentages  
22 of total Illinois live wagering in calendar year 1994;

23 (ii) each thoroughbred and standardbred organization  
24 licensee issued an organization licensee in that  
25 succeeding allocation year shall be allocated an amount  
26 equal to the product of its percentage of total Illinois

1 live thoroughbred or standardbred wagering in calendar  
2 year 1994 (the total to be determined based on the sum of  
3 1994 on-track wagering for all organization licensees  
4 issued organization licenses in both the allocation year  
5 and the preceding year) multiplied by the total amount  
6 allocated for standardbred or thoroughbred purses,  
7 provided that the first \$1,500,000 of the amount allocated  
8 to standardbred purses under item (i) shall be allocated to  
9 the Department of Agriculture to be expended with the  
10 assistance and advice of the Illinois Standardbred  
11 Breeders Funds Advisory Board for the purposes listed in  
12 subsection (g) of Section 31 of this Act, before the amount  
13 allocated to standardbred purses under item (i) is  
14 allocated to standardbred organization licensees in the  
15 succeeding allocation year.

16 To the extent the excess amount of taxes and fees to be  
17 collected and distributed to State and local governmental  
18 authorities exceeds \$11 million, that excess amount shall be  
19 collected and distributed to State and local authorities as  
20 provided for under this Act.

21 (Source: P.A. 98-18, eff. 6-7-13; 98-624, eff. 1-29-14; 99-756,  
22 eff. 8-12-16.)

23 (230 ILCS 5/30) (from Ch. 8, par. 37-30)

24 Sec. 30. (a) The General Assembly declares that it is the  
25 policy of this State to encourage the breeding of thoroughbred

1 horses in this State and the ownership of such horses by  
2 residents of this State in order to provide for: sufficient  
3 numbers of high quality thoroughbred horses to participate in  
4 thoroughbred racing meetings in this State, and to establish  
5 and preserve the agricultural and commercial benefits of such  
6 breeding and racing industries to the State of Illinois. It is  
7 the intent of the General Assembly to further this policy by  
8 the provisions of this Act.

9 (b) Each organization licensee conducting a thoroughbred  
10 racing meeting pursuant to this Act shall provide at least two  
11 races each day limited to Illinois conceived and foaled horses  
12 or Illinois foaled horses or both. A minimum of 6 races shall  
13 be conducted each week limited to Illinois conceived and foaled  
14 or Illinois foaled horses or both. No horses shall be permitted  
15 to start in such races unless duly registered under the rules  
16 of the Department of Agriculture.

17 (c) Conditions of races under subsection (b) shall be  
18 commensurate with past performance, quality, and class of  
19 Illinois conceived and foaled and Illinois foaled horses  
20 available. If, however, sufficient competition cannot be had  
21 among horses of that class on any day, the races may, with  
22 consent of the Board, be eliminated for that day and substitute  
23 races provided.

24 (d) There is hereby created a special fund of the State  
25 Treasury to be known as the Illinois Thoroughbred Breeders  
26 Fund.

1        Beginning on the effective date of this amendatory Act of  
2        the 99th General Assembly, the Illinois Thoroughbred Breeders  
3        Fund shall become a non-appropriated trust fund held separately  
4        from State moneys. Expenditures from this Fund shall no longer  
5        be subject to appropriation.

6        Except as provided in subsection (g) of Section 27 of this  
7        Act, 8.5% of all the monies received by the State as privilege  
8        taxes on Thoroughbred racing meetings shall be paid into the  
9        Illinois Thoroughbred Breeders Fund.

10       Notwithstanding any provision of law to the contrary,  
11       amounts deposited into the Illinois Thoroughbred Breeders Fund  
12       from revenues generated by electronic gaming after the  
13       effective date of this amendatory Act of the 99th General  
14       Assembly shall be in addition to tax and fee amounts paid under  
15       this Section for calendar year 2017 and thereafter.

16       (e) The Illinois Thoroughbred Breeders Fund shall be  
17       administered by the Department of Agriculture with the advice  
18       and assistance of the Advisory Board created in subsection (f)  
19       of this Section.

20       (f) The Illinois Thoroughbred Breeders Fund Advisory Board  
21       shall consist of the Director of the Department of Agriculture,  
22       who shall serve as Chairman; a member of the Illinois Racing  
23       Board, designated by it; 2 representatives of the organization  
24       licensees conducting thoroughbred racing meetings, recommended  
25       by them; 2 representatives of the Illinois Thoroughbred  
26       Breeders and Owners Foundation, recommended by it; one

1 representative ~~and 2 representatives~~ of the Horsemen's  
2 Benevolent Protective Association; and one representative from  
3 the Illinois Thoroughbred Horsemen's Association ~~or any~~  
4 ~~successor organization established in Illinois comprised of~~  
5 ~~the largest number of owners and trainers, recommended by it,~~  
6 ~~with one representative of the Horsemen's Benevolent and~~  
7 ~~Protective Association to come from its Illinois Division, and~~  
8 ~~one from its Chicago Division.~~ Advisory Board members shall  
9 serve for 2 years commencing January 1 of each odd numbered  
10 year. If representatives of the organization licensees  
11 conducting thoroughbred racing meetings, the Illinois  
12 Thoroughbred Breeders and Owners Foundation, ~~and~~ the  
13 Horsemen's Benevolent Protection Association, and the Illinois  
14 Thoroughbred Horsemen's Association have not been recommended  
15 by January 1, of each odd numbered year, the Director of the  
16 Department of Agriculture shall make an appointment for the  
17 organization failing to so recommend a member of the Advisory  
18 Board. Advisory Board members shall receive no compensation for  
19 their services as members but shall be reimbursed for all  
20 actual and necessary expenses and disbursements incurred in the  
21 execution of their official duties.

22 (g) ~~No monies shall be expended from the Illinois~~  
23 ~~Thoroughbred Breeders Fund except as appropriated by the~~  
24 ~~General Assembly.~~ Monies expended ~~appropriated~~ from the  
25 Illinois Thoroughbred Breeders Fund shall be expended by the  
26 Department of Agriculture, with the advice and assistance of

1 the Illinois Thoroughbred Breeders Fund Advisory Board, for the  
2 following purposes only:

3 (1) To provide purse supplements to owners of horses  
4 participating in races limited to Illinois conceived and  
5 foaled and Illinois foaled horses. Any such purse  
6 supplements shall not be included in and shall be paid in  
7 addition to any purses, stakes, or breeders' awards offered  
8 by each organization licensee as determined by agreement  
9 between such organization licensee and an organization  
10 representing the horsemen. No monies from the Illinois  
11 Thoroughbred Breeders Fund shall be used to provide purse  
12 supplements for claiming races in which the minimum  
13 claiming price is less than \$7,500.

14 (2) To provide stakes and awards to be paid to the  
15 owners of the winning horses in certain races limited to  
16 Illinois conceived and foaled and Illinois foaled horses  
17 designated as stakes races.

18 (2.5) To provide an award to the owner or owners of an  
19 Illinois conceived and foaled or Illinois foaled horse that  
20 wins a maiden special weight, an allowance, overnight  
21 handicap race, or claiming race with claiming price of  
22 \$10,000 or more providing the race is not restricted to  
23 Illinois conceived and foaled or Illinois foaled horses.  
24 Awards shall also be provided to the owner or owners of  
25 Illinois conceived and foaled and Illinois foaled horses  
26 that place second or third in those races. To the extent



1 that additional moneys are required to pay the minimum  
2 additional awards of 40% of the purse the horse earns for  
3 placing first, second or third in those races for Illinois  
4 foaled horses and of 60% of the purse the horse earns for  
5 placing first, second or third in those races for Illinois  
6 conceived and foaled horses, those moneys shall be provided  
7 from the purse account at the track where earned.

8 (3) To provide stallion awards to the owner or owners  
9 of any stallion that is duly registered with the Illinois  
10 Thoroughbred Breeders Fund Program ~~prior to the effective~~  
11 ~~date of this amendatory Act of 1995~~ whose duly registered  
12 Illinois conceived and foaled offspring wins a race  
13 conducted at an Illinois thoroughbred racing meeting other  
14 than a claiming race, provided that the stallion stood  
15 service within Illinois at the time the offspring was  
16 conceived and that the stallion did not stand for service  
17 outside of Illinois at any time during the year in which  
18 the offspring was conceived. ~~Such award shall not be paid~~  
19 ~~to the owner or owners of an Illinois stallion that served~~  
20 ~~outside this State at any time during the calendar year in~~  
21 ~~which such race was conducted.~~

22 (4) To provide \$75,000 annually for purses to be  
23 distributed to county fairs that provide for the running of  
24 races during each county fair exclusively for the  
25 thoroughbreds conceived and foaled in Illinois. The  
26 conditions of the races shall be developed by the county

1 fair association and reviewed by the Department with the  
2 advice and assistance of the Illinois Thoroughbred  
3 Breeders Fund Advisory Board. There shall be no wagering of  
4 any kind on the running of Illinois conceived and foaled  
5 races at county fairs.

6 (4.1) To provide purse money for an Illinois stallion  
7 stakes program.

8 (5) No less than 90% ~~80%~~ of all monies appropriated  
9 from the Illinois Thoroughbred Breeders Fund shall be  
10 expended for the purposes in (1), (2), (2.5), (3), (4),  
11 (4.1), and (5) as shown above.

12 (6) To provide for educational programs regarding the  
13 thoroughbred breeding industry.

14 (7) To provide for research programs concerning the  
15 health, development and care of the thoroughbred horse.

16 (8) To provide for a scholarship and training program  
17 for students of equine veterinary medicine.

18 (9) To provide for dissemination of public information  
19 designed to promote the breeding of thoroughbred horses in  
20 Illinois.

21 (10) To provide for all expenses incurred in the  
22 administration of the Illinois Thoroughbred Breeders Fund.

23 (h) The Illinois Thoroughbred Breeders Fund is not subject  
24 to administrative charges or chargebacks, including, but not  
25 limited to, those authorized under Section 8h of the State  
26 Finance Act. ~~Whenever the Governor finds that the amount in the~~

1 ~~Illinois Thoroughbred Breeders Fund is more than the total of~~  
2 ~~the outstanding appropriations from such fund, the Governor~~  
3 ~~shall notify the State Comptroller and the State Treasurer of~~  
4 ~~such fact. The Comptroller and the State Treasurer, upon~~  
5 ~~receipt of such notification, shall transfer such excess amount~~  
6 ~~from the Illinois Thoroughbred Breeders Fund to the General~~  
7 ~~Revenue Fund.~~

8 (i) A sum equal to 13% ~~12 1/2%~~ of the first prize money of  
9 every purse won by an Illinois foaled or an Illinois conceived  
10 and foaled horse in races not limited to Illinois foaled horses  
11 or Illinois conceived and foaled horses, or both, shall be paid  
12 by the organization licensee conducting the horse race meeting.  
13 Such sum shall be paid 50% from the organization licensee's  
14 account and 50% from the purse account of the licensee ~~share of~~  
15 ~~the money wagered~~ as follows: 11 1/2% to the breeder of the  
16 winning horse and 1 1/2% ~~1%~~ to the organization representing  
17 thoroughbred breeders and owners whose representative serves  
18 on the Illinois Thoroughbred Breeders Fund Advisory Board for  
19 verifying the amounts of breeders' awards earned, assuring  
20 their distribution in accordance with this Act, and servicing  
21 and promoting the Illinois thoroughbred horse racing industry.  
22 The organization representing thoroughbred breeders and owners  
23 shall cause all expenditures of monies received under this  
24 subsection (i) to be audited at least annually by a registered  
25 public accountant. The organization shall file copies of each  
26 annual audit with the Racing Board, the Clerk of the House of

1 Representatives and the Secretary of the Senate, and shall make  
2 copies of each annual audit available to the public upon  
3 request and upon payment of the reasonable cost of photocopying  
4 the requested number of copies. Such payments shall not reduce  
5 any award to the owner of the horse or reduce the taxes payable  
6 under this Act. Upon completion of its racing meet, each  
7 organization licensee shall deliver to the organization  
8 representing thoroughbred breeders and owners whose  
9 representative serves on the Illinois Thoroughbred Breeders  
10 Fund Advisory Board a listing of all the Illinois foaled and  
11 the Illinois conceived and foaled horses which won breeders'  
12 awards and the amount of such breeders' awards under this  
13 subsection to verify accuracy of payments and assure proper  
14 distribution of breeders' awards in accordance with the  
15 provisions of this Act. Such payments shall be delivered by the  
16 organization licensee within 30 days of the end of each race  
17 meeting.

18 (j) A sum equal to 13% ~~12 1/2%~~ of the first prize money won  
19 in each race limited to Illinois foaled horses or Illinois  
20 conceived and foaled horses, or both, shall be paid in the  
21 following manner by the organization licensee conducting the  
22 horse race meeting, 50% from the organization licensee's  
23 account and 50% from the purse account of the licensee ~~share of~~  
24 ~~the money wagered~~: 11 1/2% to the breeders of the horses in  
25 each such race which are the official first, second, third and  
26 fourth finishers and 1 1/2% ~~1%~~ to the organization representing

1 thoroughbred breeders and owners whose representative serves  
2 on the Illinois Thoroughbred Breeders Fund Advisory Board for  
3 verifying the amounts of breeders' awards earned, assuring  
4 their proper distribution in accordance with this Act, and  
5 servicing and promoting the Illinois thoroughbred horse racing  
6 industry. The organization representing thoroughbred breeders  
7 and owners shall cause all expenditures of monies received  
8 under this subsection (j) to be audited at least annually by a  
9 registered public accountant. The organization shall file  
10 copies of each annual audit with the Racing Board, the Clerk of  
11 the House of Representatives and the Secretary of the Senate,  
12 and shall make copies of each annual audit available to the  
13 public upon request and upon payment of the reasonable cost of  
14 photocopying the requested number of copies.

15 The 11 1/2% paid to the breeders in accordance with this  
16 subsection shall be distributed as follows:

17 (1) 60% of such sum shall be paid to the breeder of the  
18 horse which finishes in the official first position;

19 (2) 20% of such sum shall be paid to the breeder of the  
20 horse which finishes in the official second position;

21 (3) 15% of such sum shall be paid to the breeder of the  
22 horse which finishes in the official third position; and

23 (4) 5% of such sum shall be paid to the breeder of the  
24 horse which finishes in the official fourth position.

25 Such payments shall not reduce any award to the owners of a  
26 horse or reduce the taxes payable under this Act. Upon

1 completion of its racing meet, each organization licensee shall  
2 deliver to the organization representing thoroughbred breeders  
3 and owners whose representative serves on the Illinois  
4 Thoroughbred Breeders Fund Advisory Board a listing of all the  
5 Illinois foaled and the Illinois conceived and foaled horses  
6 which won breeders' awards and the amount of such breeders'  
7 awards in accordance with the provisions of this Act. Such  
8 payments shall be delivered by the organization licensee within  
9 30 days of the end of each race meeting.

10 (k) The term "breeder", as used herein, means the owner of  
11 the mare at the time the foal is dropped. An "Illinois foaled  
12 horse" is a foal dropped by a mare which enters this State on  
13 or before December 1, in the year in which the horse is bred,  
14 provided the mare remains continuously in this State until its  
15 foal is born. An "Illinois foaled horse" also means a foal born  
16 of a mare in the same year as the mare enters this State on or  
17 before March 1, and remains in this State at least 30 days  
18 after foaling, is bred back during the season of the foaling to  
19 an Illinois Registered Stallion (unless a veterinarian  
20 certifies that the mare should not be bred for health reasons),  
21 and is not bred to a stallion standing in any other state  
22 during the season of foaling. An "Illinois foaled horse" also  
23 means a foal born in Illinois of a mare purchased at public  
24 auction subsequent to the mare entering this State on or before  
25 March 1 ~~prior to February 1~~ of the foaling year providing the  
26 mare is owned solely by one or more Illinois residents or an

1 Illinois entity that is entirely owned by one or more Illinois  
2 residents.

3 (1) The Department of Agriculture shall, by rule, with the  
4 advice and assistance of the Illinois Thoroughbred Breeders  
5 Fund Advisory Board:

6 (1) Qualify stallions for Illinois breeding; such  
7 stallions to stand for service within the State of Illinois  
8 at the time of a foal's conception. Such stallion must not  
9 stand for service at any place outside the State of  
10 Illinois during the calendar year in which the foal is  
11 conceived. The Department of Agriculture may assess and  
12 collect an application fee of up to \$500 ~~fees~~ for the  
13 registration of Illinois-eligible stallions. All fees  
14 collected are to be held in trust accounts for the purposes  
15 set forth in this Act and in accordance with Section 205-15  
16 of the Department of Agriculture Law ~~paid into the Illinois~~  
17 ~~Thoroughbred Breeders Fund.~~

18 (2) Provide for the registration of Illinois conceived  
19 and foaled horses and Illinois foaled horses. No such horse  
20 shall compete in the races limited to Illinois conceived  
21 and foaled horses or Illinois foaled horses or both unless  
22 registered with the Department of Agriculture. The  
23 Department of Agriculture may prescribe such forms as are  
24 necessary to determine the eligibility of such horses. The  
25 Department of Agriculture may assess and collect  
26 application fees for the registration of Illinois-eligible

1 foals. All fees collected are to be held in trust accounts  
2 for the purposes set forth in this Act and in accordance  
3 with Section 205-15 of the Department of Agriculture Law  
4 ~~paid into the Illinois Thoroughbred Breeders Fund.~~ No  
5 person shall knowingly prepare or cause preparation of an  
6 application for registration of such foals containing  
7 false information.

8 (m) The Department of Agriculture, with the advice and  
9 assistance of the Illinois Thoroughbred Breeders Fund Advisory  
10 Board, shall provide that certain races limited to Illinois  
11 conceived and foaled and Illinois foaled horses be stakes races  
12 and determine the total amount of stakes and awards to be paid  
13 to the owners of the winning horses in such races.

14 In determining the stakes races and the amount of awards  
15 for such races, the Department of Agriculture shall consider  
16 factors, including but not limited to, the amount of money  
17 appropriated for the Illinois Thoroughbred Breeders Fund  
18 program, organization licensees' contributions, availability  
19 of stakes caliber horses as demonstrated by past performances,  
20 whether the race can be coordinated into the proposed racing  
21 dates within organization licensees' racing dates, opportunity  
22 for colts and fillies and various age groups to race, public  
23 wagering on such races, and the previous racing schedule.

24 (n) The Board and the organizational licensee shall notify  
25 the Department of the conditions and minimum purses for races  
26 limited to Illinois conceived and foaled and Illinois foaled



1 horses conducted for each organizational licensee conducting a  
2 thoroughbred racing meeting. The Department of Agriculture  
3 with the advice and assistance of the Illinois Thoroughbred  
4 Breeders Fund Advisory Board may allocate monies for purse  
5 supplements for such races. In determining whether to allocate  
6 money and the amount, the Department of Agriculture shall  
7 consider factors, including but not limited to, the amount of  
8 money appropriated for the Illinois Thoroughbred Breeders Fund  
9 program, the number of races that may occur, and the  
10 organizational licensee's purse structure.

11 (o) (Blank).

12 (Source: P.A. 98-692, eff. 7-1-14.)

13 (230 ILCS 5/30.5)

14 Sec. 30.5. Illinois Racing Quarter Horse Breeders Fund.

15 (a) The General Assembly declares that it is the policy of  
16 this State to encourage the breeding of racing quarter horses  
17 in this State and the ownership of such horses by residents of  
18 this State in order to provide for sufficient numbers of high  
19 quality racing quarter horses in this State and to establish  
20 and preserve the agricultural and commercial benefits of such  
21 breeding and racing industries to the State of Illinois. It is  
22 the intent of the General Assembly to further this policy by  
23 the provisions of this Act.

24 (b) There is hereby created non-appropriated trust a  
25 ~~special fund in the State Treasury~~ to be known as the Illinois

1 Racing Quarter Horse Breeders Fund, which is held separately  
2 from State moneys. Except as provided in subsection (g) of  
3 Section 27 of this Act, 8.5% of all the moneys received by the  
4 State as pari-mutuel taxes on quarter horse racing shall be  
5 paid into the Illinois Racing Quarter Horse Breeders Fund. The  
6 Illinois Racing Quarter Horse Breeders Fund shall not be  
7 subject to administrative charges or chargebacks, including,  
8 but not limited to, those authorized under Section 8h of the  
9 State Finance Act.

10 (c) The Illinois Racing Quarter Horse Breeders Fund shall  
11 be administered by the Department of Agriculture with the  
12 advice and assistance of the Advisory Board created in  
13 subsection (d) of this Section.

14 (d) The Illinois Racing Quarter Horse Breeders Fund  
15 Advisory Board shall consist of the Director of the Department  
16 of Agriculture, who shall serve as Chairman; a member of the  
17 Illinois Racing Board, designated by it; one representative of  
18 the organization licensees conducting pari-mutuel quarter  
19 horse racing meetings, recommended by them; 2 representatives  
20 of the Illinois Running Quarter Horse Association, recommended  
21 by it; and the Superintendent of Fairs and Promotions from the  
22 Department of Agriculture. Advisory Board members shall serve  
23 for 2 years commencing January 1 of each odd numbered year. If  
24 representatives have not been recommended by January 1 of each  
25 odd numbered year, the Director of the Department of  
26 Agriculture may make an appointment for the organization

1 failing to so recommend a member of the Advisory Board.  
2 Advisory Board members shall receive no compensation for their  
3 services as members but may be reimbursed for all actual and  
4 necessary expenses and disbursements incurred in the execution  
5 of their official duties.

6 (e) Moneys in ~~No moneys shall be expended from the Illinois~~  
7 ~~Racing Quarter Horse Breeders Fund except as appropriated by~~  
8 ~~the General Assembly. Moneys appropriated from the Illinois~~  
9 Racing Quarter Horse Breeders Fund shall be expended by the  
10 Department of Agriculture, with the advice and assistance of  
11 the Illinois Racing Quarter Horse Breeders Fund Advisory Board,  
12 for the following purposes only:

13 (1) To provide stakes and awards to be paid to the  
14 owners of the winning horses in certain races. This  
15 provision is limited to Illinois conceived and foaled  
16 horses.

17 (2) To provide an award to the owner or owners of an  
18 Illinois conceived and foaled horse that wins a race when  
19 pari-mutuel wagering is conducted; providing the race is  
20 not restricted to Illinois conceived and foaled horses.

21 (3) To provide purse money for an Illinois stallion  
22 stakes program.

23 (4) To provide for purses to be distributed for the  
24 running of races during the Illinois State Fair and the  
25 DuQuoin State Fair exclusively for quarter horses  
26 conceived and foaled in Illinois.

1           (5) To provide for purses to be distributed for the  
2 running of races at Illinois county fairs exclusively for  
3 quarter horses conceived and foaled in Illinois.

4           (6) To provide for purses to be distributed for running  
5 races exclusively for quarter horses conceived and foaled  
6 in Illinois at locations in Illinois determined by the  
7 Department of Agriculture with advice and consent of the  
8 Illinois Racing Quarter Horse Breeders Fund Advisory  
9 Board.

10          (7) No less than 90% of all moneys appropriated from  
11 the Illinois Racing Quarter Horse Breeders Fund shall be  
12 expended for the purposes in items (1), (2), (3), (4), and  
13 (5) of this subsection (e).

14          (8) To provide for research programs concerning the  
15 health, development, and care of racing quarter horses.

16          (9) To provide for dissemination of public information  
17 designed to promote the breeding of racing quarter horses  
18 in Illinois.

19          (10) To provide for expenses incurred in the  
20 administration of the Illinois Racing Quarter Horse  
21 Breeders Fund.

22          (f) The Department of Agriculture shall, by rule, with the  
23 advice and assistance of the Illinois Racing Quarter Horse  
24 Breeders Fund Advisory Board:

25           (1) Qualify stallions for Illinois breeding; such  
26 stallions to stand for service within the State of

1 Illinois, at the time of a foal's conception. Such stallion  
2 must not stand for service at any place outside the State  
3 of Illinois during the calendar year in which the foal is  
4 conceived. The Department of Agriculture may assess and  
5 collect application fees for the registration of  
6 Illinois-eligible stallions. All fees collected are to be  
7 paid into the Illinois Racing Quarter Horse Breeders Fund.

8 (2) Provide for the registration of Illinois conceived  
9 and foaled horses. No such horse shall compete in the races  
10 limited to Illinois conceived and foaled horses unless it  
11 is registered with the Department of Agriculture. The  
12 Department of Agriculture may prescribe such forms as are  
13 necessary to determine the eligibility of such horses. The  
14 Department of Agriculture may assess and collect  
15 application fees for the registration of Illinois-eligible  
16 foals. All fees collected are to be paid into the Illinois  
17 Racing Quarter Horse Breeders Fund. No person shall  
18 knowingly prepare or cause preparation of an application  
19 for registration of such foals that contains false  
20 information.

21 (g) The Department of Agriculture, with the advice and  
22 assistance of the Illinois Racing Quarter Horse Breeders Fund  
23 Advisory Board, shall provide that certain races limited to  
24 Illinois conceived and foaled be stakes races and determine the  
25 total amount of stakes and awards to be paid to the owners of  
26 the winning horses in such races.

1 (Source: P.A. 98-463, eff. 8-16-13.)

2 (230 ILCS 5/31) (from Ch. 8, par. 37-31)

3 Sec. 31. (a) The General Assembly declares that it is the  
4 policy of this State to encourage the breeding of standardbred  
5 horses in this State and the ownership of such horses by  
6 residents of this State in order to provide for: sufficient  
7 numbers of high quality standardbred horses to participate in  
8 harness racing meetings in this State, and to establish and  
9 preserve the agricultural and commercial benefits of such  
10 breeding and racing industries to the State of Illinois. It is  
11 the intent of the General Assembly to further this policy by  
12 the provisions of this Section of this Act.

13 (b) Each organization licensee conducting a harness racing  
14 meeting pursuant to this Act shall provide for at least two  
15 races each race program limited to Illinois conceived and  
16 foaled horses. A minimum of 6 races shall be conducted each  
17 week limited to Illinois conceived and foaled horses. No horses  
18 shall be permitted to start in such races unless duly  
19 registered under the rules of the Department of Agriculture.

20 (b-5) Organization licensees, not including the Illinois  
21 State Fair or the DuQuoin State Fair, shall provide stake races  
22 and early closer races for Illinois conceived and foaled horses  
23 so that purses distributed for such races shall be no less than  
24 17% of total purses distributed for harness racing in that  
25 calendar year in addition to any stakes payments and starting

1 fees contributed by horse owners.

2 (b-10) Each organization licensee conducting a harness  
3 racing meeting pursuant to this Act shall provide an owner  
4 award to be paid from the purse account equal to 25% of the  
5 amount earned by Illinois conceived and foaled horses in races  
6 that are not restricted to Illinois conceived and foaled  
7 horses. The owner awards shall not be paid on races below the  
8 \$10,000 claiming class.

9 (c) Conditions of races under subsection (b) shall be  
10 commensurate with past performance, quality and class of  
11 Illinois conceived and foaled horses available. If, however,  
12 sufficient competition cannot be had among horses of that class  
13 on any day, the races may, with consent of the Board, be  
14 eliminated for that day and substitute races provided.

15 (d) There is hereby created a special fund of the State  
16 Treasury to be known as the Illinois Standardbred Breeders  
17 Fund.

18 During the calendar year 1981, and each year thereafter,  
19 except as provided in subsection (g) of Section 27 of this Act,  
20 eight and one-half per cent of all the monies received by the  
21 State as privilege taxes on harness racing meetings shall be  
22 paid into the Illinois Standardbred Breeders Fund.

23 (e) The Illinois Standardbred Breeders Fund shall be  
24 administered by the Department of Agriculture with the  
25 assistance and advice of the Advisory Board created in  
26 subsection (f) of this Section.

1           (f) The Illinois Standardbred Breeders Fund Advisory Board  
2 is hereby created. The Advisory Board shall consist of the  
3 Director of the Department of Agriculture, who shall serve as  
4 Chairman; the Superintendent of the Illinois State Fair; a  
5 member of the Illinois Racing Board, designated by it; a  
6 representative of the largest association of Illinois  
7 standardbred owners and breeders, recommended by it; a  
8 representative of a statewide association representing  
9 agricultural fairs in Illinois, recommended by it, such  
10 representative to be from a fair at which Illinois conceived  
11 and foaled racing is conducted; a representative of the  
12 organization licensees conducting harness racing meetings,  
13 recommended by them; a representative of the Breeder's  
14 Committee of the association representing the largest number of  
15 standardbred owners, breeders, trainers, caretakers, and  
16 drivers, recommended by it; and a representative of the  
17 association representing the largest number of standardbred  
18 owners, breeders, trainers, caretakers, and drivers,  
19 recommended by it. Advisory Board members shall serve for 2  
20 years commencing January 1 of each odd numbered year. If  
21 representatives of the largest association of Illinois  
22 standardbred owners and breeders, a statewide association of  
23 agricultural fairs in Illinois, the association representing  
24 the largest number of standardbred owners, breeders, trainers,  
25 caretakers, and drivers, a member of the Breeder's Committee of  
26 the association representing the largest number of



1 standardbred owners, breeders, trainers, caretakers, and  
2 drivers, and the organization licensees conducting harness  
3 racing meetings have not been recommended by January 1 of each  
4 odd numbered year, the Director of the Department of  
5 Agriculture shall make an appointment for the organization  
6 failing to so recommend a member of the Advisory Board.  
7 Advisory Board members shall receive no compensation for their  
8 services as members but shall be reimbursed for all actual and  
9 necessary expenses and disbursements incurred in the execution  
10 of their official duties.

11 (g) No monies shall be expended from the Illinois  
12 Standardbred Breeders Fund except as appropriated by the  
13 General Assembly. Monies appropriated from the Illinois  
14 Standardbred Breeders Fund shall be expended by the Department  
15 of Agriculture, with the assistance and advice of the Illinois  
16 Standardbred Breeders Fund Advisory Board for the following  
17 purposes only:

18 1. To provide purses for races limited to Illinois  
19 conceived and foaled horses at the State Fair and the  
20 DuQuoin State Fair.

21 2. To provide purses for races limited to Illinois  
22 conceived and foaled horses at county fairs.

23 3. To provide purse supplements for races limited to  
24 Illinois conceived and foaled horses conducted by  
25 associations conducting harness racing meetings.

26 4. No less than 75% of all monies in the Illinois

1 Standardbred Breeders Fund shall be expended for purses in  
2 1, 2 and 3 as shown above.

3 5. In the discretion of the Department of Agriculture  
4 to provide awards to harness breeders of Illinois conceived  
5 and foaled horses which win races conducted by organization  
6 licensees conducting harness racing meetings. A breeder is  
7 the owner of a mare at the time of conception. No more than  
8 10% of all monies appropriated from the Illinois  
9 Standardbred Breeders Fund shall be expended for such  
10 harness breeders awards. No more than 25% of the amount  
11 expended for harness breeders awards shall be expended for  
12 expenses incurred in the administration of such harness  
13 breeders awards.

14 6. To pay for the improvement of racing facilities  
15 located at the State Fair and County fairs.

16 7. To pay the expenses incurred in the administration  
17 of the Illinois Standardbred Breeders Fund.

18 8. To promote the sport of harness racing, including  
19 grants up to a maximum of \$7,500 per fair per year for  
20 conducting pari-mutuel wagering during the advertised  
21 dates of a county fair.

22 9. To pay up to \$50,000 annually for the Department of  
23 Agriculture to conduct drug testing at county fairs racing  
24 standardbred horses.

25 10. To pay up to \$100,000 annually for distribution to  
26 Illinois county fairs to supplement premiums offered in

1        junior classes.

2            11. To pay up to \$100,000 annually for division and  
3            equal distribution to the animal sciences department of  
4            each Illinois public university system engaged in equine  
5            research and education on or before the effective date of  
6            this amendatory Act of the 99th General Assembly for equine  
7            research and education.

8            (h) (Blank) ~~Whenever the Governor finds that the amount in~~  
9            ~~the Illinois Standardbred Breeders Fund is more than the total~~  
10           ~~of the outstanding appropriations from such fund, the Governor~~  
11           ~~shall notify the State Comptroller and the State Treasurer of~~  
12           ~~such fact. The Comptroller and the State Treasurer, upon~~  
13           ~~receipt of such notification, shall transfer such excess amount~~  
14           ~~from the Illinois Standardbred Breeders Fund to the General~~  
15           ~~Revenue Fund.~~

16           (i) A sum equal to 13% ~~12 1/2%~~ of the first prize money of  
17           the gross every purse won by an Illinois conceived and foaled  
18           horse shall be paid 50% by the organization licensee conducting  
19           the horse race meeting to the breeder of such winning horse  
20           from the organization licensee's account and 50% from the purse  
21           account of the licensee ~~share of the money wagered.~~ Such  
22           payment shall not reduce any award to the owner of the horse or  
23           reduce the taxes payable under this Act. Such payment shall be  
24           delivered by the organization licensee at the end of each  
25           quarter ~~race meeting.~~

26           (j) The Department of Agriculture shall, by rule, with the

1 assistance and advice of the Illinois Standardbred Breeders  
2 Fund Advisory Board:

3 1. Qualify stallions for Illinois Standardbred  
4 Breeders Fund breeding; ~~such stallion shall be owned by a~~  
5 ~~resident of the State of Illinois or by an Illinois~~  
6 ~~corporation all of whose shareholders, directors, officers~~  
7 ~~and incorporators are residents of the State of Illinois.~~

8 Such stallion shall stand for service at and within the  
9 State of Illinois at the time of a foal's conception, and  
10 such stallion must not stand for service at any place, ~~nor~~

11 ~~may semen from such stallion be transported,~~ outside the  
12 State of Illinois during that calendar year in which the  
13 foal is conceived ~~and that the owner of the stallion was~~

14 ~~for the 12 months prior, a resident of Illinois. Foals~~  
15 ~~conceived outside the State of Illinois from shipped semen~~  
16 ~~from a stallion qualified for breeders' awards under this~~

17 ~~Section are not eligible to participate in the Illinois~~  
18 ~~conceived and foaled program. The articles of agreement of~~  
19 ~~any partnership, joint venture, limited partnership,~~

20 ~~syndicate, association or corporation and any bylaws and~~  
21 ~~stock certificates must contain a restriction that~~  
22 ~~provides that the ownership or transfer of interest by any~~

23 ~~one of the persons a party to the agreement can only be~~  
24 ~~made to a person who qualifies as an Illinois resident.~~

25 2. Provide for the registration of Illinois conceived  
26 and foaled horses and no such horse shall compete in the

1 races limited to Illinois conceived and foaled horses  
2 unless registered with the Department of Agriculture. The  
3 Department of Agriculture may prescribe such forms as may  
4 be necessary to determine the eligibility of such horses.  
5 No person shall knowingly prepare or cause preparation of  
6 an application for registration of such foals containing  
7 false information. A mare (dam) must be in the state at  
8 least 180 ~~30~~ days prior to foaling or remain in the State  
9 at least 30 days at the time of foaling. Beginning with the  
10 1996 breeding season and for foals of 1997 and thereafter,  
11 a foal conceived in the State of Illinois by transported  
12 fresh semen may be eligible for Illinois conceived and  
13 foaled registration provided all breeding and foaling  
14 requirements are met. The stallion must be qualified for  
15 Illinois Standardbred Breeders Fund breeding at the time of  
16 conception and the mare must be inseminated within the  
17 State of Illinois. The foal must be dropped in Illinois and  
18 properly registered with the Department of Agriculture in  
19 accordance with this Act.

20 3. Provide that at least a 5 day racing program shall  
21 be conducted at the State Fair each year, which program  
22 shall include at least the following races limited to  
23 Illinois conceived and foaled horses: (a) a two year old  
24 Trot and Pace, and Filly Division of each; (b) a three year  
25 old Trot and Pace, and Filly Division of each; (c) an aged  
26 Trot and Pace, and Mare Division of each.

1           4. Provide for the payment of nominating, sustaining  
2           and starting fees for races promoting the sport of harness  
3           racing and for the races to be conducted at the State Fair  
4           as provided in subsection (j) 3 of this Section provided  
5           that the nominating, sustaining and starting payment  
6           required from an entrant shall not exceed 2% of the purse  
7           of such race. All nominating, sustaining and starting  
8           payments shall be held for the benefit of entrants and  
9           shall be paid out as part of the respective purses for such  
10          races. Nominating, sustaining and starting fees shall be  
11          held in trust accounts for the purposes as set forth in  
12          this Act and in accordance with Section 205-15 of the  
13          Department of Agriculture Law (20 ILCS 205/205-15).

14          5. Provide for the registration with the Department of  
15          Agriculture of Colt Associations or county fairs desiring  
16          to sponsor races at county fairs.

17          6. Provide for the promotion of producing standardbred  
18          racehorses by providing a bonus award program for owners of  
19          2-year-old horses that win multiple major stakes races that  
20          are limited to Illinois conceived and foaled horses.

21          (k) The Department of Agriculture, with the advice and  
22          assistance of the Illinois Standardbred Breeders Fund Advisory  
23          Board, may allocate monies for purse supplements for such  
24          races. In determining whether to allocate money and the amount,  
25          the Department of Agriculture shall consider factors,  
26          including but not limited to, the amount of money appropriated

1 for the Illinois Standardbred Breeders Fund program, the number  
2 of races that may occur, and an organizational licensee's purse  
3 structure. The organizational licensee shall notify the  
4 Department of Agriculture of the conditions and minimum purses  
5 for races limited to Illinois conceived and foaled horses to be  
6 conducted by each organizational licensee conducting a harness  
7 racing meeting for which purse supplements have been  
8 negotiated.

9 (l) All races held at county fairs and the State Fair which  
10 receive funds from the Illinois Standardbred Breeders Fund  
11 shall be conducted in accordance with the rules of the United  
12 States Trotting Association unless otherwise modified by the  
13 Department of Agriculture.

14 (m) At all standardbred race meetings held or conducted  
15 under authority of a license granted by the Board, and at all  
16 standardbred races held at county fairs which are approved by  
17 the Department of Agriculture or at the Illinois or DuQuoin  
18 State Fairs, no one shall jog, train, warm up or drive a  
19 standardbred horse unless he or she is wearing a protective  
20 safety helmet, with the chin strap fastened and in place, which  
21 meets the standards and requirements as set forth in the 1984  
22 Standard for Protective Headgear for Use in Harness Racing and  
23 Other Equestrian Sports published by the Snell Memorial  
24 Foundation, or any standards and requirements for headgear the  
25 Illinois Racing Board may approve. Any other standards and  
26 requirements so approved by the Board shall equal or exceed

1 those published by the Snell Memorial Foundation. Any  
2 equestrian helmet bearing the Snell label shall be deemed to  
3 have met those standards and requirements.

4 (Source: P.A. 99-756, eff. 8-12-16.)

5 (230 ILCS 5/31.1) (from Ch. 8, par. 37-31.1)

6 Sec. 31.1. (a) Organization licensees collectively shall  
7 contribute annually to charity the sum of \$1,000,000 ~~\$750,000~~  
8 to non-profit organizations that provide medical and family,  
9 counseling, and similar services to persons who reside or work  
10 on the backstretch of Illinois racetracks. These contributions  
11 shall be collected as follows: (i) no later than July 1st of  
12 each year the Board shall assess each organization licensee,  
13 except those tracks which are not within 100 miles of each  
14 other which tracks shall pay \$40,000 ~~\$30,000~~ annually apiece  
15 into the Board charity fund, that amount which equals \$920,000  
16 ~~\$690,000~~ multiplied by the amount of pari-mutuel wagering  
17 handled by the organization licensee in the year preceding  
18 assessment and divided by the total pari-mutuel wagering  
19 handled by all Illinois organization licensees, except those  
20 tracks which are not within 100 miles of each other, in the  
21 year preceding assessment; (ii) notice of the assessed  
22 contribution shall be mailed to each organization licensee;  
23 (iii) within thirty days of its receipt of such notice, each  
24 organization licensee shall remit the assessed contribution to  
25 the Board. If an organization licensee wilfully fails to so



1 remit the contribution, the Board may revoke its license to  
2 conduct horse racing.

3 (b) No later than October 1st of each year, any qualified  
4 charitable organization seeking an allotment of contributed  
5 funds shall submit to the Board an application for those funds,  
6 using the Board's approved form. No later than December 31st of  
7 each year, the Board shall distribute all such amounts  
8 collected that year to such charitable organization  
9 applicants.

10 (Source: P.A. 87-110.)

11 (230 ILCS 5/32.1)

12 Sec. 32.1. Pari-mutuel tax credit; statewide racetrack  
13 real estate equalization.

14 (a) In order to encourage new investment in Illinois  
15 racetrack facilities and mitigate differing real estate tax  
16 burdens among all racetracks, the licensees affiliated or  
17 associated with each racetrack that has been awarded live  
18 racing dates in the current year shall receive an immediate  
19 pari-mutuel tax credit in an amount equal to the greater of (i)  
20 50% of the amount of the real estate taxes paid in the prior  
21 year attributable to that racetrack, or (ii) the amount by  
22 which the real estate taxes paid in the prior year attributable  
23 to that racetrack exceeds 60% of the average real estate taxes  
24 paid in the prior year for all racetracks awarded live horse  
25 racing meets in the current year.

1           Each year, regardless of whether the organization licensee  
2 conducted live racing in the year of certification, the Board  
3 shall certify in writing, prior to December 31, the real estate  
4 taxes paid in that year for each racetrack and the amount of  
5 the pari-mutuel tax credit that each organization licensee,  
6 inter-track ~~intertrack~~ wagering licensee, and inter-track  
7 ~~intertrack~~ wagering location licensee that derives its license  
8 from such racetrack is entitled in the succeeding calendar  
9 year. The real estate taxes considered under this Section for  
10 any racetrack shall be those taxes on the real estate parcels  
11 and related facilities used to conduct a horse race meeting and  
12 inter-track wagering at such racetrack under this Act. In no  
13 event shall the amount of the tax credit under this Section  
14 exceed the amount of pari-mutuel taxes otherwise calculated  
15 under this Act. The amount of the tax credit under this Section  
16 shall be retained by each licensee and shall not be subject to  
17 any reallocation or further distribution under this Act. The  
18 Board may promulgate emergency rules to implement this Section.

19           (b) Beginning on January 1 following the calendar year  
20 during which an organization licensee begins conducting  
21 electronic gaming operations pursuant to an electronic gaming  
22 license issued under the Illinois Gambling Act, the  
23 organization licensee shall be ineligible to receive a tax  
24 credit under this Section.

25           (Source: P.A. 91-40, eff. 6-25-99; revised 9-2-16.)

1 (230 ILCS 5/34.3 new)

2 Sec. 34.3. Drug testing. The Illinois Racing Board and the  
3 Department of Agriculture shall jointly establish a program for  
4 the purpose of conducting drug testing of horses at county  
5 fairs and shall adopt any rules necessary for enforcement of  
6 the program. The rules shall include appropriate penalties for  
7 violations.

8 (230 ILCS 5/36) (from Ch. 8, par. 37-36)

9 Sec. 36. (a) Whoever administers or conspires to administer  
10 to any horse a hypnotic, narcotic, stimulant, depressant or any  
11 chemical substance which may affect the speed of a horse at any  
12 time in any race where the purse or any part of the purse is  
13 made of money authorized by any Section of this Act, except  
14 those chemical substances permitted by ruling of the Board,  
15 internally, externally or by hypodermic method in a race or  
16 prior thereto, or whoever knowingly enters a horse in any race  
17 within a period of 24 hours after any hypnotic, narcotic,  
18 stimulant, depressant or any other chemical substance which may  
19 affect the speed of a horse at any time, except those chemical  
20 substances permitted by ruling of the Board, has been  
21 administered to such horse either internally or externally or  
22 by hypodermic method for the purpose of increasing or retarding  
23 the speed of such horse shall be guilty of a Class 4 felony.  
24 The Board shall suspend or revoke such violator's license.

25 (b) The term "hypnotic" as used in this Section includes

1 all barbituric acid preparations and derivatives.

2 (c) The term "narcotic" as used in this Section includes  
3 opium and all its alkaloids, salts, preparations and  
4 derivatives, cocaine and all its salts, preparations and  
5 derivatives and substitutes.

6 (d) The provisions of this Section 36 and the treatment  
7 authorized herein apply to horses entered in and competing in  
8 race meetings as defined in Section 3.07 of this Act and to  
9 horses entered in and competing at any county fair.

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

11 (230 ILCS 5/40) (from Ch. 8, par. 37-40)

12 Sec. 40. (a) The imposition of any fine or penalty provided  
13 in this Act shall not preclude the Board in its rules and  
14 regulations from imposing a fine or penalty for any other  
15 action which, in the Board's discretion, is a detriment or  
16 impediment to horse racing.

17 (b) The Director of Agriculture or his or her authorized  
18 representative shall impose the following monetary penalties  
19 and hold administrative hearings as required for failure to  
20 submit the following applications, lists, or reports within the  
21 time period, date or manner required by statute or rule or for  
22 removing a foal from Illinois prior to inspection:

23 (1) late filing of a renewal application for offering  
24 or standing stallion for service:

25 (A) if an application is submitted no more than 30

1 days late, \$50;

2 (B) if an application is submitted no more than 45  
3 days late, \$150; or

4 (C) if an application is submitted more than 45  
5 days late, if filing of the application is allowed  
6 under an administrative hearing, \$250;

7 (2) late filing of list or report of mares bred:

8 (A) if a list or report is submitted no more than  
9 30 days late, \$50;

10 (B) if a list or report is submitted no more than  
11 60 days late, \$150; or

12 (C) if a list or report is submitted more than 60  
13 days late, if filing of the list or report is allowed  
14 under an administrative hearing, \$250;

15 (3) filing an Illinois foaled thoroughbred mare status  
16 report after the statutory deadline as provided in  
17 subsection (k) of Section 30 of this Act ~~December 31:~~

18 (A) if a report is submitted no more than 30 days  
19 late, \$50;

20 (B) if a report is submitted no more than 90 days  
21 late, \$150;

22 (C) if a report is submitted no more than 150 days  
23 late, \$250; or

24 (D) if a report is submitted more than 150 days  
25 late, if filing of the report is allowed under an  
26 administrative hearing, \$500;

1 (4) late filing of application for foal eligibility  
2 certificate:

3 (A) if an application is submitted no more than 30  
4 days late, \$50;

5 (B) if an application is submitted no more than 90  
6 days late, \$150;

7 (C) if an application is submitted no more than 150  
8 days late, \$250; or

9 (D) if an application is submitted more than 150  
10 days late, if filing of the application is allowed  
11 under an administrative hearing, \$500;

12 (5) failure to report the intent to remove a foal from  
13 Illinois prior to inspection, identification and  
14 certification by a Department of Agriculture investigator,  
15 \$50; and

16 (6) if a list or report of mares bred is incomplete,  
17 \$50 per mare not included on the list or report.

18 Any person upon whom monetary penalties are imposed under  
19 this Section 3 times within a 5-year ~~5-year~~ period shall have  
20 any further monetary penalties imposed at double the amounts  
21 set forth above. All monies assessed and collected for  
22 violations relating to thoroughbreds shall be paid into the  
23 Illinois Thoroughbred Breeders Fund. All monies assessed and  
24 collected for violations relating to standardbreds shall be  
25 paid into the Illinois Standardbred Breeders Fund.

26 (Source: P.A. 87-397; revised 9-2-16.)

1 (230 ILCS 5/54.75)

2 Sec. 54.75. Horse Racing Equity Trust Fund.

3 (a) There is created a Fund to be known as the Horse Racing  
4 Equity Trust Fund, which is a non-appropriated trust fund held  
5 separate and apart from State moneys. The Fund shall consist of  
6 moneys paid into it by owners licensees under the Illinois  
7 ~~Riverboat~~ Gambling Act for the purposes described in this  
8 Section. The Fund shall be administered by the Board. Moneys in  
9 the Fund shall be distributed as directed and certified by the  
10 Board in accordance with the provisions of subsection (b).

11 (b) The moneys deposited into the Fund, plus any accrued  
12 interest on those moneys, shall be distributed within 10 days  
13 after those moneys are deposited into the Fund as follows:

14 (1) Sixty percent of all moneys distributed under this  
15 subsection shall be distributed to organization licensees  
16 to be distributed at their race meetings as purses.  
17 Fifty-seven percent of the amount distributed under this  
18 paragraph (1) shall be distributed for thoroughbred race  
19 meetings and 43% shall be distributed for standardbred race  
20 meetings. Within each breed, moneys shall be allocated to  
21 each organization licensee's purse fund in accordance with  
22 the ratio between the purses generated for that breed by  
23 that licensee during the prior calendar year and the total  
24 purses generated throughout the State for that breed during  
25 the prior calendar year by licensees in the current

1           calendar year.

2           (2) The remaining 40% of the moneys distributed under  
3 this subsection (b) shall be distributed as follows:

4           (A) 11% shall be distributed to any person (or its  
5 successors or assigns) who had operating control of a  
6 racetrack that conducted live racing in 2002 at a  
7 racetrack in a county with at least 230,000 inhabitants  
8 that borders the Mississippi River and is a licensee in  
9 the current year; and

10          (B) the remaining 89% shall be distributed pro rata  
11 according to the aggregate proportion of total handle  
12 from wagering on live races conducted in Illinois  
13 (irrespective of where the wagers are placed) for  
14 calendar years 2004 and 2005 to any person (or its  
15 successors or assigns) who (i) had majority operating  
16 control of a racing facility at which live racing was  
17 conducted in calendar year 2002, (ii) is a licensee in  
18 the current year, and (iii) is not eligible to receive  
19 moneys under subparagraph (A) of this paragraph (2).

20          The moneys received by an organization licensee  
21 under this paragraph (2) shall be used by each  
22 organization licensee to improve, maintain, market,  
23 and otherwise operate its racing facilities to conduct  
24 live racing, which shall include backstretch services  
25 and capital improvements related to live racing and the  
26 backstretch. Any organization licensees sharing common



1 ownership may pool the moneys received and spent at all  
2 racing facilities commonly owned in order to meet these  
3 requirements.

4 If any person identified in this paragraph (2) becomes  
5 ineligible to receive moneys from the Fund, such amount  
6 shall be redistributed among the remaining persons in  
7 proportion to their percentages otherwise calculated.

8 (c) The Board shall monitor organization licensees to  
9 ensure that moneys paid to organization licensees under this  
10 Section are distributed by the organization licensees as  
11 provided in subsection (b).

12 (Source: P.A. 95-1008, eff. 12-15-08.)

13 (230 ILCS 5/56 new)

14 Sec. 56. Electronic gaming.

15 (a) A person, firm, corporation, or limited liability  
16 company having operating control of a race track may apply to  
17 the Gaming Board for an electronic gaming license. An  
18 electronic gaming license shall authorize its holder to conduct  
19 electronic gaming on the grounds of the race track controlled  
20 by the licensee's race track. Only one electronic gaming  
21 license may be awarded for any race track. A holder of an  
22 electronic gaming license shall be subject to the Illinois  
23 Gambling Act and rules of the Illinois Gaming Board concerning  
24 electronic gaming. If the person, firm, corporation, or limited  
25 liability company having operating control of a race track is

1 found by the Illinois Gaming Board to be unsuitable for an  
2 electronic gaming license under the Illinois Gambling Act and  
3 rules of the Gaming Board, that person, firm, corporation, or  
4 limited liability company shall not be granted an electronic  
5 gaming license. Each license shall specify the number of gaming  
6 positions that its holder may operate.

7 An electronic gaming licensee may not permit persons under  
8 21 years of age to be present in its electronic gaming  
9 facility, but the licensee may accept wagers on live racing and  
10 inter-track wagers at its electronic gaming facility.

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

19 (1) Amounts shall be paid to the purse account at the  
20 track at which the organization licensee is conducting  
21 racing equal to the following:

22 12.75% of annual adjusted gross receipts up to and  
23 including \$75,000,000;

24 20% of annual adjusted gross receipts in excess of  
25 \$75,000,000 but not exceeding \$100,000,000;

26 26.5% of annual adjusted gross receipts in excess

1           of \$100,000,000 but not exceeding \$125,000,000; and  
2                     20.5% of annual adjusted gross receipts in excess  
3           of \$125,000,000.

4           (2) The remainder shall be retained by the electronic  
5           gaming licensee.

6           (c) Electronic gaming receipts placed into the purse  
7           account of an organization licensee racing thoroughbred horses  
8           shall be used for purses, for health care services or worker's  
9           compensation for racing industry workers, for equine research,  
10           for programs to care for and transition injured and retired  
11           thoroughbred horses that race at the race track, or for horse  
12           ownership promotion, in accordance with the agreement of the  
13           horsemen's association representing the largest number of  
14           owners and trainers who race at that organization licensee's  
15           race meetings.

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

1 organization licensee's race meetings.

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

14 Annually, from the purse account of an organization  
15 licensee conducting thoroughbred races at a race track in  
16 Madison County, an amount equal to 1% of the electronic gaming  
17 receipts distributed to purses per subsection (b) of this  
18 Section 56 shall be paid as follows: 0.33 1/3% to Southern  
19 Illinois University Department of Animal Sciences for equine  
20 research and education, an amount equal to 0.33 1/3% of the  
21 electronic gaming receipts shall be used to operate laundry  
22 facilities or a kitchen for backstretch workers at that race  
23 track, and an amount equal to 0.33 1/3% of the electronic  
24 gaming receipts shall be paid to R.A.C.E., Inc., a 501(c)(3)  
25 non-profit organization that cares for injured and unwanted  
26 horses that race at that race track.

1       Annually, from the purse account of organization licensees  
2       conducting thoroughbred races at race tracks in Cook County,  
3       \$100,000 shall be paid for division and equal distribution to  
4       the animal sciences department of each Illinois public  
5       university system engaged in equine research and education on  
6       or before the effective date of this amendatory Act of the 99th  
7       General Assembly for equine research and education.

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

18       Section 90-40. The Riverboat Gambling Act is amended by  
19       changing Sections 1, 2, 3, 4, 5, 5.1, 6, 7, 7.3, 7.5, 8, 9, 11,  
20       11.1, 12, 13, 14, 15, 16, 17, 17.1, 18, 18.1, 19, 20, 21, 23,  
21       and 24 and by adding Sections 5.3, 7.7, 7.8, 7.9, 7.10, 7.11,  
22       7.12, and 7.13 as follows:

23       (230 ILCS 10/1) (from Ch. 120, par. 2401)

24       Sec. 1. Short title. This Act shall be known and may be

1 cited as the Illinois Riverboat Gambling Act.

2 (Source: P.A. 86-1029.)

3 (230 ILCS 10/2) (from Ch. 120, par. 2402)

4 Sec. 2. Legislative Intent.

5 (a) This Act is intended to benefit the people of the State  
6 of Illinois by assisting economic development, ~~and~~ promoting  
7 Illinois tourism, ~~and~~ ~~by~~ increasing the amount of revenues  
8 available to the State to assist and support education, and to  
9 defray State expenses, including unpaid bills.

10 (b) While authorization of riverboat and casino gambling  
11 will enhance investment, beautification, development and  
12 tourism in Illinois, it is recognized that it will do so  
13 successfully only if public confidence and trust in the  
14 credibility and integrity of the gambling operations and the  
15 regulatory process is maintained. Therefore, regulatory  
16 provisions of this Act are designed to strictly regulate the  
17 facilities, persons, associations and practices related to  
18 gambling operations pursuant to the police powers of the State,  
19 including comprehensive law enforcement supervision.

20 (c) The Illinois Gaming Board established under this Act  
21 should, as soon as possible, inform each applicant for an  
22 owners license of the Board's intent to grant or deny a  
23 license.

24 (Source: P.A. 93-28, eff. 6-20-03.)

1 (230 ILCS 10/3) (from Ch. 120, par. 2403)

2 Sec. 3. ~~Riverboat~~ Gambling Authorized.

3 (a) Riverboat and casino gambling operations and  
4 electronic gaming operations ~~and the system of wagering~~  
5 ~~incorporated therein~~, as defined in this Act, are hereby  
6 authorized to the extent that they are carried out in  
7 accordance with the provisions of this Act.

8 (b) This Act does not apply to the pari-mutuel system of  
9 wagering used or intended to be used in connection with the  
10 horse-race meetings as authorized under the Illinois Horse  
11 Racing Act of 1975, lottery games authorized under the Illinois  
12 Lottery Law, bingo authorized under the Bingo License and Tax  
13 Act, charitable games authorized under the Charitable Games Act  
14 or pull tabs and jar games conducted under the Illinois Pull  
15 Tabs and Jar Games Act. This Act applies to electronic gaming  
16 authorized under the Illinois Horse Racing Act of 1975 to the  
17 extent provided in that Act and in this Act.

18 (c) Riverboat gambling conducted pursuant to this Act may  
19 be authorized upon any water within the State of Illinois or  
20 any water other than Lake Michigan which constitutes a boundary  
21 of the State of Illinois. Notwithstanding any provision in this  
22 subsection (c) to the contrary, a licensee that receives its  
23 license pursuant to subsection (e-5) of Section 7 may conduct  
24 riverboat gambling on Lake Michigan from a home dock located on  
25 Lake Michigan subject to any limitations contained in Section  
26 7. Notwithstanding any provision in this subsection (c) to the

1 contrary, a licensee may conduct gambling at its home dock  
2 facility as provided in Sections 7 and 11. A licensee may  
3 conduct riverboat gambling authorized under this Act  
4 regardless of whether it conducts excursion cruises. A licensee  
5 may permit the continuous ingress and egress of passengers for  
6 the purpose of gambling.

7 (d) Gambling that is conducted in accordance with this Act  
8 using slot machines and video games of chance and other  
9 electronic gambling games as defined in both this Act and the  
10 Illinois Horse Racing Act of 1975 is authorized.

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

12 (230 ILCS 10/4) (from Ch. 120, par. 2404)

13 Sec. 4. Definitions. As used in this Act:

14 ~~(a)~~ "Board" means the Illinois Gaming Board.

15 ~~(b)~~ "Occupational license" means a license issued by the  
16 Board to a person or entity to perform an occupation which the  
17 Board has identified as requiring a license to engage in  
18 riverboat gambling, casino gambling, or electronic gaming in  
19 Illinois.

20 ~~(c)~~ "Gambling game" includes, but is not limited to,  
21 baccarat, twenty-one, poker, craps, slot machine, video game of  
22 chance, roulette wheel, klondike table, punchboard, faro  
23 layout, keno layout, numbers ticket, push card, jar ticket, or  
24 pull tab which is authorized by the Board as a wagering device  
25 under this Act.



1       ~~(d)~~ "Riverboat" means a self-propelled excursion boat, a  
2 permanently moored barge, or permanently moored barges that are  
3 permanently fixed together to operate as one vessel, on which  
4 lawful gambling is authorized and licensed as provided in this  
5 Act.

6       "Slot machine" means any mechanical, electrical, or other  
7 device, contrivance, or machine that is authorized by the Board  
8 as a wagering device under this Act which, upon insertion of a  
9 coin, currency, token, or similar object therein, or upon  
10 payment of any consideration whatsoever, is available to play  
11 or operate, the play or operation of which may deliver or  
12 entitle the person playing or operating the machine to receive  
13 cash, premiums, merchandise, tokens, or anything of value  
14 whatsoever, whether the payoff is made automatically from the  
15 machine or in any other manner whatsoever. A slot machine:

16           (1) may utilize spinning reels or video displays or  
17 both;

18           (2) may or may not dispense coins, tickets, or tokens  
19 to winning patrons;

20           (3) may use an electronic credit system for receiving  
21 wagers and making payouts; and

22           (4) may simulate a table game.

23       "Slot machine" does not include table games authorized by  
24 the Board as a wagering device under this Act.

25       ~~(e)~~ "Managers license" means a license issued by the Board  
26 to a person or entity to manage gambling operations conducted

1 by the State pursuant to Section 7.3.

2 ~~(f)~~ "Dock" means the location where a riverboat moors for  
3 the purpose of embarking passengers for and disembarking  
4 passengers from the riverboat.

5 ~~(g)~~ "Gross receipts" means the total amount of money  
6 exchanged for the purchase of chips, tokens, or electronic  
7 cards by riverboat patrons.

8 ~~(h)~~ "Adjusted gross receipts" means the gross receipts less  
9 winnings paid to wagerers.

10 ~~(i)~~ "Cheat" means to alter the selection of criteria which  
11 determine the result of a gambling game or the amount or  
12 frequency of payment in a gambling game.

13 ~~(j)~~ (Blank).

14 ~~(k)~~ "Gambling operation" means the conduct of ~~authorized~~  
15 gambling games authorized under this Act upon a riverboat or in  
16 a casino or authorized under this Act and the Illinois Horse  
17 Racing Act of 1975 at an electronic gaming facility.

18 ~~(l)~~ "License bid" means the lump sum amount of money that  
19 an applicant bids and agrees to pay the State in return for an  
20 owners license that is issued or re-issued on or after July 1,  
21 2003.

22 "Table game" means a live gaming apparatus upon which  
23 gaming is conducted or that determines an outcome that is the  
24 object of a wager, including, but not limited to, baccarat,  
25 twenty-one, blackjack, poker, craps, roulette wheel, klondike  
26 table, punchboard, faro layout, keno layout, numbers ticket,

1 push card, jar ticket, pull tab, or other similar games that  
2 are authorized by the Board as a wagering device under this  
3 Act. "Table game" does not include slot machines or video games  
4 of chance.

5 ~~(m)~~ The terms "minority person", "female", and "person with  
6 a disability" shall have the same meaning as defined in Section  
7 2 of the Business Enterprise for Minorities, Females, and  
8 Persons with Disabilities Act.

9 "Authority" means the Chicago Casino Development  
10 Authority.

11 "Casino" means a facility at which lawful gambling is  
12 authorized as provided in this Act.

13 "Owners license" means a license to conduct riverboat or  
14 casino gambling operations, but does not include an electronic  
15 gaming license.

16 "Licensed owner" means a person who holds an owners  
17 license.

18 "Electronic gaming" means slot machine gambling, video  
19 game of chance gambling, or gambling with electronic gambling  
20 games as defined in this Act or defined by the Board that is  
21 conducted at a race track pursuant to an electronic gaming  
22 license.

23 "Electronic gaming facility" means the area where the Board  
24 has authorized electronic gaming at a race track of an  
25 organization licensee under the Illinois Horse Racing Act of  
26 1975 that holds an electronic gaming license.

1       "Electronic gaming license" means a license issued by the  
2 Board under Section 7.7 of this Act authorizing electronic  
3 gaming at an electronic gaming facility.

4       "Electronic gaming licensee" means an entity that holds an  
5 electronic gaming license.

6       "Organization licensee" means an entity authorized by the  
7 Illinois Racing Board to conduct pari-mutuel wagering in  
8 accordance with the Illinois Horse Racing Act of 1975. With  
9 respect only to electronic gaming, "organization licensee"  
10 includes the authorization for electronic gaming created under  
11 subsection (a) of Section 56 of the Illinois Horse Racing Act  
12 of 1975.

13       "Casino operator license" means the license held by the  
14 person or entity selected by the Authority to manage and  
15 operate a riverboat or casino within the geographic area of the  
16 authorized municipality pursuant to this Act and the Chicago  
17 Casino Development Authority Act.

18       (Source: P.A. 95-331, eff. 8-21-07; 96-1392, eff. 1-1-11.)

19       (230 ILCS 10/5) (from Ch. 120, par. 2405)

20       Sec. 5. Gaming Board.

21       (a) (1) There is hereby established the Illinois Gaming  
22 Board, which shall have the powers and duties specified in this  
23 Act and in the Chicago Casino Development Authority Act, and  
24 all other powers necessary and proper to fully and effectively  
25 execute this Act for the purpose of administering, regulating,

1 and enforcing the system of riverboat and casino gambling and  
2 electronic gaming established by this Act and by the Chicago  
3 Casino Development Authority Act. Its jurisdiction shall  
4 extend under this Act and the Chicago Casino Development  
5 Authority Act to every person, association, corporation,  
6 partnership and trust involved in riverboat and casino gambling  
7 operations and electronic gaming in the State of Illinois.

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

16 On and after the effective date of this amendatory Act of  
17 the 99th General Assembly, new appointees to the Board must  
18 include the following:

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

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

26 (C) One member who has 5 years' experience as a

1       principal, senior officer, or director of a company or  
2       business with either material responsibility for the daily  
3       operations and management of the overall company or  
4       business or material responsibility for the policy making  
5       of the company or business.

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

8       Notwithstanding any provision of this subsection (a), the  
9       requirements of subparagraphs (A) through (D) of this paragraph  
10      (2) shall not apply to any person reappointed pursuant to  
11      paragraph (3).

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

1 the Senate and must be made available to the members of the  
2 Senate. ~~At least one member shall be experienced in law~~  
3 ~~enforcement and criminal investigation, at least one member~~  
4 ~~shall be a certified public accountant experienced in~~  
5 ~~accounting and auditing, and at least one member shall be a~~  
6 ~~lawyer licensed to practice law in Illinois.~~

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

20 (4) Each member of the Board shall receive \$300 for each  
21 day the Board meets and for each day the member conducts any  
22 hearing pursuant to this Act. Each member of the Board shall  
23 also be reimbursed for all actual and necessary expenses and  
24 disbursements incurred in the execution of official duties.

25 (5) No person shall be appointed a member of the Board or  
26 continue to be a member of the Board who is, or whose spouse,

1 child or parent is, a member of the board of directors of, or a  
2 person financially interested in, any gambling operation  
3 subject to the jurisdiction of this Board, or any race track,  
4 race meeting, racing association or the operations thereof  
5 subject to the jurisdiction of the Illinois Racing Board. No  
6 Board member shall hold any other public office. No person  
7 shall be a member of the Board who is not of good moral  
8 character or who has been convicted of, or is under indictment  
9 for, a felony under the laws of Illinois or any other state, or  
10 the United States.

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

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

25 (7) Before entering upon the discharge of the duties of his  
26 office, each member of the Board shall take an oath that he



1 will faithfully execute the duties of his office according to  
2 the laws of the State and the rules and regulations adopted  
3 therewith and shall give bond to the State of Illinois,  
4 approved by the Governor, in the sum of \$25,000. Every such  
5 bond, when duly executed and approved, shall be recorded in the  
6 office of the Secretary of State. Whenever the Governor  
7 determines that the bond of any member of the Board has become  
8 or is likely to become invalid or insufficient, he shall  
9 require such member forthwith to renew his bond, which is to be  
10 approved by the Governor. Any member of the Board who fails to  
11 take oath and give bond within 30 days from the date of his  
12 appointment, or who fails to renew his bond within 30 days  
13 after it is demanded by the Governor, shall be guilty of  
14 neglect of duty and may be removed by the Governor. The cost of  
15 any bond given by any member of the Board under this Section  
16 shall be taken to be a part of the necessary expenses of the  
17 Board.

18 (7.5) For the examination of all mechanical,  
19 electromechanical, or electronic table games, slot machines,  
20 slot accounting systems, and other electronic gaming equipment  
21 for compliance with this Act, the Board may utilize the  
22 services of one or more independent outside testing  
23 laboratories that have been accredited by a national  
24 accreditation body and that, in the judgment of the Board, are  
25 qualified to perform such examinations.

26 (8) The Board shall employ such personnel as may be

1 necessary to carry out its functions and shall determine the  
2 salaries of all personnel, except those personnel whose  
3 salaries are determined under the terms of a collective  
4 bargaining agreement. No person shall be employed to serve the  
5 Board who is, or whose spouse, parent or child is, an official  
6 of, or has a financial interest in or financial relation with,  
7 any operator engaged in gambling operations within this State  
8 or any organization engaged in conducting horse racing within  
9 this State. For the one year immediately preceding employment,  
10 an employee shall not have been employed or received  
11 compensation or fees for services from a person or entity, or  
12 its parent or affiliate, that has engaged in business with the  
13 Board, a licensee, or a licensee under the Illinois Horse  
14 Racing Act of 1975. Any employee violating these prohibitions  
15 shall be subject to termination of employment. In addition, all  
16 Board members and employees are subject to the restrictions set  
17 forth in Section 5-45 of the State Officials and Employees  
18 Ethics Act.

19 (9) An Administrator shall perform any and all duties that  
20 the Board shall assign him. The salary of the Administrator  
21 shall be determined by the Board and, in addition, he shall be  
22 reimbursed for all actual and necessary expenses incurred by  
23 him in discharge of his official duties. The Administrator  
24 shall keep records of all proceedings of the Board and shall  
25 preserve all records, books, documents and other papers  
26 belonging to the Board or entrusted to its care. The

1 Administrator shall devote his full time to the duties of the  
2 office and shall not hold any other office or employment.

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

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

19 (2) To conduct all hearings pertaining to civil  
20 violations of this Act or rules and regulations promulgated  
21 hereunder;

22 (3) To promulgate such rules and regulations as in its  
23 judgment may be necessary to protect or enhance the  
24 credibility and integrity of gambling operations  
25 authorized by this Act and the regulatory process  
26 hereunder;

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

6           (5) To provide for the levy and collection of penalties  
7 and fines for the violation of provisions of this Act and  
8 the rules and regulations promulgated hereunder. All such  
9 fines and penalties shall be deposited into the Education  
10 Assistance Fund, created by Public Act 86-0018, of the  
11 State of Illinois;

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

20           (7) To review and rule upon any complaint by a licensee  
21 regarding any investigative procedures of the State which  
22 are unnecessarily disruptive of gambling operations. The  
23 need to inspect and investigate shall be presumed at all  
24 times. The disruption of a licensee's operations shall be  
25 proved by clear and convincing evidence, and establish  
26 that: (A) the procedures had no reasonable law enforcement

1 purposes, and (B) the procedures were so disruptive as to  
2 unreasonably inhibit gambling operations;

3 (8) To hold at least one meeting each quarter of the  
4 fiscal year. In addition, special meetings may be called by  
5 the Chairman or any 2 Board members upon 72 hours written  
6 notice to each member. All Board meetings shall be subject  
7 to the Open Meetings Act. Three members of the Board shall  
8 constitute a quorum, and 3 votes shall be required for any  
9 final determination by the Board. The Board shall keep a  
10 complete and accurate record of all its meetings. A  
11 majority of the members of the Board shall constitute a  
12 quorum for the transaction of any business, for the  
13 performance of any duty, or for the exercise of any power  
14 which this Act requires the Board members to transact,  
15 perform or exercise en banc, except that, upon order of the  
16 Board, one of the Board members or an administrative law  
17 judge designated by the Board may conduct any hearing  
18 provided for under this Act or by Board rule and may  
19 recommend findings and decisions to the Board. The Board  
20 member or administrative law judge conducting such hearing  
21 shall have all powers and rights granted to the Board in  
22 this Act. The record made at the time of the hearing shall  
23 be reviewed by the Board, or a majority thereof, and the  
24 findings and decision of the majority of the Board shall  
25 constitute the order of the Board in such case;

26 (9) To maintain records which are separate and distinct

1 from the records of any other State board or commission.  
2 Such records shall be available for public inspection and  
3 shall accurately reflect all Board proceedings;

4 (10) To file a written annual report with the Governor  
5 on or before March 1 each year and such additional reports  
6 as the Governor may request. The annual report shall  
7 include a statement of receipts and disbursements by the  
8 Board, actions taken by the Board, and any additional  
9 information and recommendations which the Board may deem  
10 valuable or which the Governor may request;

11 (11) (Blank);

12 (12) (Blank);

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

15 (13.1) To assume responsibility for the administration  
16 and enforcement of operations at electronic gaming  
17 facilities pursuant to this Act and the Illinois Horse  
18 Racing Act of 1975;

19 (13.2) To assume responsibility for the administration  
20 and enforcement of gambling operations at the Chicago  
21 Casino Development Authority's casino pursuant to this Act  
22 and the Chicago Casino Development Authority Act; and

23 (14) To adopt, by rule, a code of conduct governing  
24 Board members and employees that ensure, to the maximum  
25 extent possible, that persons subject to this Code avoid  
26 situations, relationships, or associations that may

1 represent or lead to a conflict of interest.

2 Internal controls and changes submitted by licensees must  
3 be reviewed and either approved or denied with cause within 90  
4 days after receipt of submission is deemed final by the  
5 Illinois Gaming Board. In the event an internal control  
6 submission or change does not meet the standards set by the  
7 Board, staff of the Board must provide technical assistance to  
8 the licensee to rectify such deficiencies within 90 days after  
9 the initial submission and the revised submission must be  
10 reviewed and approved or denied with cause within 90 days after  
11 the date the revised submission is deemed final by the Board.  
12 For the purposes of this paragraph, "with cause" means that the  
13 approval of the submission would jeopardize the integrity of  
14 gaming. In the event the Board staff has not acted within the  
15 timeframe, the submission shall be deemed approved.

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

23 (1) To investigate applicants and determine the  
24 eligibility of applicants for licenses and to select among  
25 competing applicants the applicants which best serve the  
26 interests of the citizens of Illinois.

1           (2) To have jurisdiction and supervision over all  
2 ~~riverboat~~ gambling operations authorized under this Act  
3 and the Chicago Casino Development Authority Act ~~in this~~  
4 ~~State~~ and all persons in places ~~on riverboats~~ where  
5 gambling operations are conducted.

6           (3) To promulgate rules and regulations for the purpose  
7 of administering the provisions of this Act and the Chicago  
8 Casino Development Authority Act and to prescribe rules,  
9 regulations and conditions under which all ~~riverboat~~  
10 gambling operations subject to this Act and the Chicago  
11 Casino Development Authority Act ~~in the State~~ shall be  
12 conducted. Such rules and regulations are to provide for  
13 the prevention of practices detrimental to the public  
14 interest and for the best interests of ~~riverboat~~ gambling,  
15 including rules and regulations regarding the inspection  
16 of electronic gaming facilities, casinos, and ~~such~~  
17 ~~riverboats,~~ and the review of any permits or licenses  
18 necessary to operate a riverboat, casino, or electronic  
19 gaming facilities under any laws or regulations applicable  
20 to riverboats, casinos, or electronic gaming facilities  
21 and to impose penalties for violations thereof.

22           (4) To enter the office, riverboats, casinos,  
23 electronic gaming facilities, and other facilities, or  
24 other places of business of a licensee, where evidence of  
25 the compliance or noncompliance with the provisions of this  
26 Act and the Chicago Casino Development Authority Act is



1           likely to be found.

2           (5) To investigate alleged violations of this Act, the  
3           Chicago Casino Development Authority Act, or the rules of  
4           the Board and to take appropriate disciplinary action  
5           against a licensee or a holder of an occupational license  
6           for a violation, or institute appropriate legal action for  
7           enforcement, or both.

8           (6) To adopt standards for the licensing of all persons  
9           and entities under this Act and the Chicago Casino  
10          Development Authority Act, as well as for electronic or  
11          mechanical gambling games, and to establish fees for such  
12          licenses.

13          (7) To adopt appropriate standards for all electronic  
14          gaming facilities, riverboats, casinos, and other  
15          facilities authorized under this Act and the Chicago Casino  
16          Development Authority Act.

17          (8) To require that the records, including financial or  
18          other statements of any licensee under this Act and the  
19          Chicago Casino Development Authority Act, shall be kept in  
20          such manner as prescribed by the Board and that any such  
21          licensee involved in the ownership or management of  
22          gambling operations submit to the Board an annual balance  
23          sheet and profit and loss statement, list of the  
24          stockholders or other persons having a 1% or greater  
25          beneficial interest in the gambling activities of each  
26          licensee, and any other information the Board deems

1 necessary in order to effectively administer this Act and  
2 the Chicago Casino Development Authority Act and all rules,  
3 regulations, orders and final decisions promulgated under  
4 this Act and the Chicago Casino Development Authority Act.

5 (9) To conduct hearings, issue subpoenas for the  
6 attendance of witnesses and subpoenas duces tecum for the  
7 production of books, records and other pertinent documents  
8 in accordance with the Illinois Administrative Procedure  
9 Act, and to administer oaths and affirmations to the  
10 witnesses, when, in the judgment of the Board, it is  
11 necessary to administer or enforce this Act, the Chicago  
12 Casino Development Authority Act, or the Board rules.

13 (10) To prescribe a form to be used by any licensee  
14 involved in the ownership or management of gambling  
15 operations as an application for employment for their  
16 employees.

17 (11) To revoke or suspend licenses, other than the  
18 license issued to the Chicago Casino Development  
19 Authority, as the Board may see fit and in compliance with  
20 applicable laws of the State regarding administrative  
21 procedures, and to review applications for the renewal of  
22 licenses. The Board may suspend an owners license (other  
23 than the license issued to the Chicago Casino Development  
24 Authority), electronic gaming license, or casino operator  
25 license, without notice or hearing upon a determination  
26 that the safety or health of patrons or employees is

1       jeopardized by continuing a gambling operation conducted  
2       under that license ~~riverboat's operation~~. The suspension  
3       may remain in effect until the Board determines that the  
4       cause for suspension has been abated. The Board may revoke  
5       an ~~the~~ owners license (other than the license issued to the  
6       Chicago Casino Development Authority), electronic gaming  
7       license, or casino operator license upon a determination  
8       that the licensee ~~owner~~ has not made satisfactory progress  
9       toward abating the hazard.

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

22       (13) To require all licensees of gambling operations to  
23       utilize a cashless wagering system whereby all players'  
24       money is converted to tokens, electronic cards, or chips  
25       which shall be used only for wagering in the gambling  
26       establishment.

1 (14) (Blank).

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

16 (16) To hire employees to gather information, conduct  
17 investigations and carry out any other tasks contemplated  
18 under this Act or the Chicago Casino Development Authority  
19 Act.

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

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

1        a casino, notwithstanding any provision of the Liquor  
2        Control Act of 1934 or any local ordinance, and regardless  
3        of whether the riverboat makes excursions. The  
4        establishment of the hours for sale and consumption of  
5        alcoholic liquor on board a riverboat or in a casino is an  
6        exclusive power and function of the State. A home rule unit  
7        may not establish the hours for sale and consumption of  
8        alcoholic liquor on board a riverboat or in a casino. This  
9        subdivision (18) amendatory Act of 1991 is a denial and  
10       limitation of home rule powers and functions under  
11       subsection (h) of Section 6 of Article VII of the Illinois  
12       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 or the Chicago Casino Development Authority  
21       Act for the purpose of administering and enforcing this  
22       Act, the Chicago Casino Development Authority Act, and the  
23       ~~its~~ rules adopted by the Board under both Acts and  
24       ~~regulations hereunder~~.

25       (20.5) To approve any contract entered into on its  
26       behalf.

1           (20.6) To appoint investigators to conduct  
2 investigations, searches, seizures, arrests, and other  
3 duties imposed under this Act, as deemed necessary by the  
4 Board. These investigators have and may exercise all of the  
5 rights and powers of peace officers, provided that these  
6 powers shall be limited to offenses or violations occurring  
7 or committed in a casino, in an electronic gaming facility,  
8 or on a riverboat or dock, as defined in subsections (d)  
9 and (f) of Section 4, or as otherwise provided by this Act, the Chicago Casino Development Authority Act, or any other  
10 law.  
11

12           (20.7) To contract with the Department of State Police  
13 for the use of trained and qualified State police officers  
14 and with the Department of Revenue for the use of trained  
15 and qualified Department of Revenue investigators to  
16 conduct investigations, searches, seizures, arrests, and  
17 other duties imposed under this Act or the Chicago Casino  
18 Development Authority Act and to exercise all of the rights  
19 and powers of peace officers, provided that the powers of  
20 Department of Revenue investigators under this subdivision  
21 (20.7) shall be limited to offenses or violations occurring  
22 or committed in a casino, in an electronic gaming facility,  
23 or on a riverboat or dock, as defined in subsections (d)  
24 and (f) of Section 4, or as otherwise provided by this Act  
25 or any other law. In the event the Department of State  
26 Police or the Department of Revenue is unable to fill

1 contracted police or investigative positions, the Board  
2 may appoint investigators to fill those positions pursuant  
3 to subdivision (20.6).

4 (21) To adopt rules concerning the conduct of  
5 electronic gaming.

6 (22) To have the same jurisdiction and supervision over  
7 casinos and electronic gaming facilities as the Board has  
8 over riverboats, including, but not limited to, the power  
9 to (i) investigate, review, and approve contracts as that  
10 power is applied to riverboats, (ii) adopt rules for  
11 administering the provisions of this Act or the Chicago  
12 Casino Development Authority Act, (iii) adopt standards  
13 for the licensing of all persons involved with a casino or  
14 electronic gaming facility, (iv) investigate alleged  
15 violations of this Act by any person involved with a casino  
16 or electronic gaming facility, and (v) require that  
17 records, including financial or other statements of any  
18 casino or electronic gaming facility, shall be kept in such  
19 manner as prescribed by the Board.

20 (23) To supervise and regulate the Chicago Casino  
21 Development Authority in accordance with the Chicago  
22 Casino Development Authority Act and the provisions of this  
23 Act.

24 (24) ~~(21)~~ To take any other action as may be reasonable  
25 or appropriate to enforce this Act, the Chicago Casino  
26 Development Authority Act, and the rules adopted by the

1 Board under both Acts and regulations hereunder.

2 All Board powers enumerated in this Section in relation to  
3 licensees shall apply equally to the holder of any casino  
4 management contract entered into pursuant to the Chicago Casino  
5 Development Authority Act.

6 (d) The Board may seek and shall receive the cooperation of  
7 the Department of State Police in conducting background  
8 investigations of applicants and in fulfilling its  
9 responsibilities under this Section. Costs incurred by the  
10 Department of State Police as a result of such cooperation  
11 shall be paid by the Board in conformance with the requirements  
12 of Section 2605-400 of the Department of State Police Law (20  
13 ILCS 2605/2605-400).

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

20 (Source: P.A. 98-377, eff. 1-1-14; 98-582, eff. 8-27-13.)

21 (230 ILCS 10/5.1) (from Ch. 120, par. 2405.1)

22 Sec. 5.1. Disclosure of records.

23 (a) Notwithstanding any applicable statutory provision to  
24 the contrary, the Board shall, on written request from any  
25 person, provide information furnished by an applicant or



1 licensee concerning the applicant or licensee, his products,  
2 services or gambling enterprises and his business holdings, as  
3 follows:

4 (1) The name, business address and business telephone  
5 number of any applicant or licensee.

6 (2) An identification of any applicant or licensee  
7 including, if an applicant or licensee is not an  
8 individual, the names and addresses of all stockholders and  
9 directors, if the entity is a corporation; the names and  
10 addresses of all members, if the entity is a limited  
11 liability company; the names and addresses of all partners,  
12 both general and limited, if the entity is a partnership;  
13 and the names and addresses of all beneficiaries, if the  
14 entity is a trust ~~the state of incorporation or~~  
15 ~~registration, the corporate officers, and the identity of~~  
16 ~~all shareholders or participants.~~ If an applicant or  
17 licensee has a pending registration statement filed with  
18 the Securities and Exchange Commission, only the names of  
19 those persons or entities holding interest of 5% or more  
20 must be provided.

21 (3) An identification of any business, including, if  
22 applicable, the state of incorporation or registration, in  
23 which an applicant or licensee or an applicant's or  
24 licensee's spouse or children has an equity interest of  
25 more than 1%. If an applicant or licensee is a corporation,  
26 partnership or other business entity, the applicant or

1        licensee shall identify any other corporation, partnership  
2        or business entity in which it has an equity interest of 1%  
3        or more, including, if applicable, the state of  
4        incorporation or registration. This information need not  
5        be provided by a corporation, partnership or other business  
6        entity that has a pending registration statement filed with  
7        the Securities and Exchange Commission.

8            (4) Whether an applicant or licensee has been indicted,  
9        convicted, pleaded guilty or nolo contendere, or forfeited  
10        bail concerning any criminal offense under the laws of any  
11        jurisdiction, either felony or misdemeanor (except for  
12        traffic violations), including the date, the name and  
13        location of the court, arresting agency and prosecuting  
14        agency, the case number, the offense, the disposition and  
15        the location and length of incarceration.

16           (5) Whether an applicant or licensee has had any  
17        license or certificate issued by a licensing authority in  
18        Illinois or any other jurisdiction denied, restricted,  
19        suspended, revoked or not renewed and a statement  
20        describing the facts and circumstances concerning the  
21        denial, restriction, suspension, revocation or  
22        non-renewal, including the licensing authority, the date  
23        each such action was taken, and the reason for each such  
24        action.

25           (6) Whether an applicant or licensee has ever filed or  
26        had filed against it a proceeding in bankruptcy or has ever

1           been involved in any formal process to adjust, defer,  
2           suspend or otherwise work out the payment of any debt  
3           including the date of filing, the name and location of the  
4           court, the case and number of the disposition.

5           (7) Whether an applicant or licensee has filed, or been  
6           served with a complaint or other notice filed with any  
7           public body, regarding the delinquency in the payment of,  
8           or a dispute over the filings concerning the payment of,  
9           any tax required under federal, State or local law,  
10          including the amount, type of tax, the taxing agency and  
11          time periods involved.

12          (8) A statement listing the names and titles of all  
13          public officials or officers of any unit of government, and  
14          relatives of said public officials or officers who,  
15          directly or indirectly, own any financial interest in, have  
16          any beneficial interest in, are the creditors of or hold  
17          any debt instrument issued by, or hold or have any interest  
18          in any contractual or service relationship with, an  
19          applicant or licensee.

20          (9) Whether an applicant or licensee has made, directly  
21          or indirectly, any political contribution, or any loans,  
22          donations or other payments, to any candidate or office  
23          holder, within 5 years from the date of filing the  
24          application, including the amount and the method of  
25          payment.

26          (10) The name and business telephone number of the

1 counsel representing an applicant or licensee in matters  
2 before the Board.

3 (11) A description of any proposed or approved  
4 riverboat or casino gaming or electronic gaming operation,  
5 including the type of boat, home dock or casino or  
6 electronic gaming location, expected economic benefit to  
7 the community, anticipated or actual number of employees,  
8 any statement from an applicant or licensee regarding  
9 compliance with federal and State affirmative action  
10 guidelines, projected or actual admissions and projected  
11 or actual adjusted gross gaming receipts.

12 (12) A description of the product or service to be  
13 supplied by an applicant for a supplier's license.

14 (b) Notwithstanding any applicable statutory provision to  
15 the contrary, the Board shall, on written request from any  
16 person, also provide the following information:

17 (1) The amount of the wagering tax and admission tax  
18 paid daily to the State of Illinois by the holder of an  
19 owner's license.

20 (2) Whenever the Board finds an applicant for an  
21 owner's license unsuitable for licensing, a copy of the  
22 written letter outlining the reasons for the denial.

23 (3) Whenever the Board has refused to grant leave for  
24 an applicant to withdraw his application, a copy of the  
25 letter outlining the reasons for the refusal.

26 (c) Subject to the above provisions, the Board shall not

1 disclose any information which would be barred by:

2 (1) Section 7 of the Freedom of Information Act; or

3 (2) The statutes, rules, regulations or  
4 intergovernmental agreements of any jurisdiction.

5 (d) The Board may assess fees for the copying of  
6 information in accordance with Section 6 of the Freedom of  
7 Information Act.

8 (Source: P.A. 96-1392, eff. 1-1-11.)

9 (230 ILCS 10/5.3 new)

10 Sec. 5.3. Ethical conduct.

11 (a) Officials and employees of the corporate authority of a  
12 host community must carry out their duties and responsibilities  
13 in such a manner as to promote and preserve public trust and  
14 confidence in the integrity and conduct of gaming.

15 (b) Officials and employees of the corporate authority of a  
16 host community shall not use or attempt to use his or her  
17 official position to secure or attempt to secure any privilege,  
18 advantage, favor, or influence for himself or herself or  
19 others.

20 (c) Officials and employees of the corporate authority of a  
21 host community may not have a financial interest, directly or  
22 indirectly, in his or her own name or in the name of any other  
23 person, partnership, association, trust, corporation, or other  
24 entity in any contract or subcontract for the performance of  
25 any work for a riverboat or casino that is located in the host

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

11 (d) Officials and employees of the corporate authority of a  
12 host community may not accept any gift, gratuity, service,  
13 compensation, travel, lodging, or thing of value, with the  
14 exception of unsolicited items of an incidental nature, from  
15 any person, corporation, or entity doing business with the  
16 riverboat or casino that is located in the host community.

17 (e) Officials and employees of the corporate authority of a  
18 host community shall not, during the period that the person is  
19 an official or employee of the corporate authority or for a  
20 period of 2 years immediately after leaving such office,  
21 knowingly accept employment or receive compensation or fees for  
22 services from a person or entity, or its parent or affiliate,  
23 that has engaged in business with the riverboat or casino that  
24 is located in the host community that resulted in contracts  
25 with an aggregate value of at least \$25,000 or if that official  
26 or employee has made a decision that directly applied to the

1 person or entity, or its parent or affiliate.

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

18 (g) A spouse, child, or parent of an official or employee  
19 of the corporate authority of a host community may not accept  
20 any gift, gratuity, service, compensation, travel, lodging, or  
21 thing of value, with the exception of unsolicited items of an  
22 incidental nature, from any person, corporation, or entity  
23 doing business with the riverboat or casino that is located in  
24 the host community.

25 (h) A spouse, child, or parent of an official or employee  
26 of the corporate authority of a host community may not, during

1 the period that the person is an official of the corporate  
2 authority or for a period of 2 years immediately after leaving  
3 such office or employment, knowingly accept employment or  
4 receive compensation or fees for services from a person or  
5 entity, or its parent or affiliate, that has engaged in  
6 business with the riverboat or casino that is located in the  
7 host community that resulted in contracts with an aggregate  
8 value of at least \$25,000 or if that official or employee has  
9 made a decision that directly applied to the person or entity,  
10 or its parent or affiliate.

11 (i) Officials and employees of the corporate authority of a  
12 host community shall not attempt, in any way, to influence any  
13 person or entity doing business with the riverboat or casino  
14 that is located in the host community or any officer, agent, or  
15 employee thereof to hire or contract with any person or entity  
16 for any compensated work.

17 (j) Any communication between an official of the corporate  
18 authority of a host community and any applicant for an owners  
19 license in the host community, or an officer, director, or  
20 employee of a riverboat or casino in the host community,  
21 concerning any matter relating in any way to gaming shall be  
22 disclosed to the Board. Such disclosure shall be in writing by  
23 the official within 30 days after the communication and shall  
24 be filed with the Board. Disclosure must consist of the date of  
25 the communication, the identity and job title of the person  
26 with whom the communication was made, a brief summary of the



1 communication, the action requested or recommended, all  
2 responses made, the identity and job title of the person making  
3 the response, and any other pertinent information. Public  
4 disclosure of the written summary provided to the Board and the  
5 Gaming Board shall be subject to the exemptions provided under  
6 the Freedom of Information Act.

7 This subsection (j) shall not apply to communications  
8 regarding traffic, law enforcement, security, environmental  
9 issues, city services, transportation, or other routine  
10 matters concerning the ordinary operations of the riverboat or  
11 casino. For purposes of this subsection (j), "ordinary  
12 operations" means operations relating to the casino or  
13 riverboat facility other than the conduct of gambling  
14 activities, and "routine matters" includes the application  
15 for, issuance of, renewal of, and other processes associated  
16 with municipal permits and licenses.

17 (k) Any official or employee who violates any provision of  
18 this Section is guilty of a Class 4 felony.

19 (l) For purposes of this Section, "host community" or "host  
20 municipality" means a unit of local government that contains a  
21 riverboat or casino within its borders, but does not include  
22 the City of Chicago or the Chicago Casino Development  
23 Authority.

24 (230 ILCS 10/6) (from Ch. 120, par. 2406)

25 Sec. 6. Application for Owners License.

1 (a) A qualified person may apply to the Board for an owners  
2 license to conduct a riverboat gambling operation as provided  
3 in this Act. The application shall be made on forms provided by  
4 the Board and shall contain such information as the Board  
5 prescribes, including but not limited to the identity of the  
6 riverboat on which such gambling operation is to be conducted,  
7 if applicable, and the exact location where such riverboat or  
8 casino will be located ~~docked~~, a certification that the  
9 riverboat will be registered under this Act at all times during  
10 which gambling operations are conducted on board, detailed  
11 information regarding the ownership and management of the  
12 applicant, and detailed personal information regarding the  
13 applicant. Any application for an owners license to be  
14 re-issued on or after June 1, 2003 shall also include the  
15 applicant's license bid in a form prescribed by the Board.  
16 Information provided on the application shall be used as a  
17 basis for a thorough background investigation which the Board  
18 shall conduct with respect to each applicant. An incomplete  
19 application shall be cause for denial of a license by the  
20 Board.

21 (a-5) In addition to any other information required under  
22 this Section, each application for an owners license must  
23 include the following information:

24 (1) The history and success of the applicant and each  
25 person and entity disclosed under subsection (c) of this  
26 Section in developing tourism facilities ancillary to

1 gaming, if applicable.

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

8 (3) The projected number of jobs that would be created  
9 if the license is granted and the projected number of new  
10 employees at the proposed facility where gambling is to be  
11 conducted by the applicant.

12 (4) The record, if any, of the applicant and its  
13 developer in meeting commitments to local agencies,  
14 community-based organizations, and employees at other  
15 locations where the applicant or its developer has  
16 performed similar functions as they would perform if the  
17 applicant were granted a license.

18 (5) Identification of adverse effects that might be  
19 caused by the proposed facility where gambling is to be  
20 conducted by the applicant, including the costs of meeting  
21 increased demand for public health care, child care, public  
22 transportation, affordable housing, and social services,  
23 and a plan to mitigate those adverse effects.

24 (6) The record, if any, of the applicant and its  
25 developer regarding compliance with:

26 (A) federal, state, and local discrimination, wage

1           and hour, disability, and occupational and  
2           environmental health and safety laws; and

3           (B) state and local labor relations and employment  
4           laws.

5           (7) The applicant's record, if any, in dealing with its  
6           employees and their representatives at other locations.

7           (8) A plan concerning the utilization of  
8           minority-owned and female-owned businesses and concerning  
9           the hiring of minorities and females.

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

13           (b) Applicants shall submit with their application all  
14 documents, resolutions, and letters of support from the  
15 governing body that represents the municipality or county  
16 wherein the licensee will be located ~~dock~~.

17           (c) Each applicant shall disclose the identity of every  
18 person or entity ~~, association, trust or corporation~~ having a  
19 greater than 1% direct or indirect pecuniary interest in the  
20 ~~riverboat~~ gambling operation with respect to which the license  
21 is sought. If the disclosed entity is a trust, the application  
22 shall disclose the names and addresses of all ~~the~~  
23 beneficiaries; if a corporation, the names and addresses of all  
24 stockholders and directors; if a partnership, the names and  
25 addresses of all partners, both general and limited.

26           (d) An application shall be filed and considered in

1 accordance with the rules of the Board. Each application shall  
2 be accompanied by a non-refundable ~~An~~ application fee of  
3 \$100,000. In addition, a non-refundable fee of \$50,000 shall be  
4 paid at the time of filing to defray the costs associated with  
5 the background investigation conducted by the Board. If the  
6 costs of the investigation exceed \$50,000, the applicant shall  
7 pay the additional amount to the Board within 7 days after  
8 requested by the Board. If the costs of the investigation are  
9 less than \$50,000, the applicant shall receive a refund of the  
10 remaining amount. All information, records, interviews,  
11 reports, statements, memoranda or other data supplied to or  
12 used by the Board in the course of its review or investigation  
13 of an application for a license or a renewal under this Act  
14 shall be privileged, strictly confidential and shall be used  
15 only for the purpose of evaluating an applicant for a license  
16 or a renewal. Such information, records, interviews, reports,  
17 statements, memoranda or other data shall not be admissible as  
18 evidence, nor discoverable in any action of any kind in any  
19 court or before any tribunal, board, agency or person, except  
20 for any action deemed necessary by the Board. The application  
21 fee shall be deposited into the Gaming Facilities Fee Revenue  
22 Fund.

23 (e) The Board shall charge each applicant a fee set by the  
24 Department of State Police to defray the costs associated with  
25 the search and classification of fingerprints obtained by the  
26 Board with respect to the applicant's application. These fees

1 shall be paid into the State Police Services Fund.

2 (f) The licensed owner shall be the person primarily  
3 responsible for the boat or casino itself. Only one ~~riverboat~~  
4 gambling operation may be authorized by the Board on any  
5 riverboat or in any casino. The applicant must identify the  
6 ~~each~~ riverboat or premises it intends to use and certify that  
7 the riverboat or premises: (1) has the authorized capacity  
8 required in this Act; (2) is accessible to persons with  
9 disabilities; and (3) is fully registered and licensed in  
10 accordance with any applicable laws.

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

13 (Source: P.A. 99-143, eff. 7-27-15.)

14 (230 ILCS 10/7) (from Ch. 120, par. 2407)

15 Sec. 7. Owners Licenses.

16 (a) The Board shall issue owners licenses to persons or  
17 entities ~~, firms or corporations~~ which apply for such licenses  
18 upon payment to the Board of the non-refundable license fee as  
19 provided in subsection (e) or (e-5) ~~set by the Board, upon~~  
20 ~~payment of a \$25,000 license fee for the first year of~~  
21 ~~operation and a \$5,000 license fee for each succeeding year~~ and  
22 upon a determination by the Board that the applicant is  
23 eligible for an owners license pursuant to this Act, the  
24 Chicago Casino Development Authority Act, and the rules of the  
25 Board. From the effective date of this amendatory Act of the

1 95th General Assembly until (i) 3 years after the effective  
2 date of this amendatory Act of the 95th General Assembly, (ii)  
3 the date any organization licensee begins to operate a slot  
4 machine or video game of chance under the Illinois Horse Racing  
5 Act of 1975 or this Act, (iii) the date that payments begin  
6 under subsection (c-5) of Section 13 of the Act, ~~or~~ (iv) the  
7 wagering tax imposed under Section 13 of this Act is increased  
8 by law to reflect a tax rate that is at least as stringent or  
9 more stringent than the tax rate contained in subsection (a-3)  
10 of Section 13, or (v) when an owners licensee holding a license  
11 issued pursuant to Section 7.1 of this Act begins conducting  
12 gaming, whichever occurs first, as a condition of licensure and  
13 as an alternative source of payment for those funds payable  
14 under subsection (c-5) of Section 13 of this ~~the Riverboat~~  
15 ~~Gambling~~ Act, any owners licensee that holds or receives its  
16 owners license on or after the effective date of this  
17 amendatory Act of the 94th General Assembly, other than an  
18 owners licensee operating a riverboat with adjusted gross  
19 receipts in calendar year 2004 of less than \$200,000,000, must  
20 pay into the Horse Racing Equity Trust Fund, in addition to any  
21 other payments required under this Act, an amount equal to 3%  
22 of the adjusted gross receipts received by the owners licensee.  
23 The payments required under this Section shall be made by the  
24 owners licensee to the State Treasurer no later than 3:00  
25 o'clock p.m. of the day after the day when the adjusted gross  
26 receipts were received by the owners licensee. A person, ~~firm~~

1 or entity ~~corporation~~ is ineligible to receive an owners  
2 license if:

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

5 (2) the person has been convicted of any violation of  
6 Article 28 of the Criminal Code of 1961 or the Criminal  
7 Code of 2012, or substantially similar laws of any other  
8 jurisdiction;

9 (3) the person has submitted an application for a  
10 license under this Act or the Chicago Casino Development  
11 Authority Act which contains false information;

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

13 (5) a person defined in (1), (2), (3) or (4) is an  
14 officer, director or managerial employee of the entity ~~firm~~  
15 ~~or corporation~~;

16 (6) the entity ~~firm or corporation~~ employs a person  
17 defined in (1), (2), (3) or (4) who participates in the  
18 management or operation of gambling operations authorized  
19 under this Act or the Chicago Casino Development Authority  
20 Act;

21 (7) (blank); or

22 (8) a license of the person or entity ~~, firm or~~  
23 ~~corporation~~ issued under this Act or the Chicago Casino  
24 Development Authority Act, or a license to own or operate  
25 gambling facilities in any other jurisdiction, has been  
26 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           (a-1) Upon approval of the members of the Chicago Casino  
10 Development Board, the Chicago Casino Development Authority's  
11 executive director, and the Chicago casino operator licensee,  
12 the Board shall issue an owners license to the Chicago Casino  
13 Development Authority that authorizes the conduct of gambling  
14 operations in a casino located in the City of Chicago.

15           (b) In determining whether to grant an owners license to an  
16 applicant other than the Chicago Casino Development Authority,  
17 the Board shall consider:

18           (1) the character, reputation, experience and  
19 financial integrity of the applicants and of any other or  
20 separate person that either:

21           (A) controls, directly or indirectly, such  
22 applicant, or

23           (B) is controlled, directly or indirectly, by such  
24 applicant or by a person which controls, directly or  
25 indirectly, such applicant;

26           (2) the facilities or proposed facilities for the

1 conduct of ~~riverboat~~ gambling;

2 (3) the highest prospective total revenue to be derived  
3 by the State from the conduct of ~~riverboat~~ gambling;

4 (4) the extent to which the ownership of the applicant  
5 reflects the diversity of the State by including minority  
6 persons, females, and persons with a disability and the  
7 good faith affirmative action plan of each applicant to  
8 recruit, train and upgrade minority persons, females, and  
9 persons with a disability in all employment  
10 classifications;

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

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

16 (7) the extent to which the applicant exceeds or meets  
17 other standards for the issuance of an owners license which  
18 the Board may adopt by rule; ~~and~~

19 (8) the ~~The~~ amount of the applicant's license bid;~~-~~

20 (9) the extent to which the applicant or the proposed  
21 host municipality plans to enter into revenue sharing  
22 agreements with communities other than the host  
23 municipality; and

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

1 (c) Each owners license shall specify the place where the  
2 casino ~~riverboats~~ shall operate or the riverboat shall operate  
3 and dock.

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

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

1 original location, in a municipality that borders on the  
2 Illinois River or is within 5 miles of the city limits of a  
3 municipality that borders on the Illinois River ~~south of~~  
4 ~~Marshall County~~. The Board shall issue one additional license  
5 to become effective not earlier than March 1, 1992, which shall  
6 authorize riverboat gambling on the Des Plaines River in Will  
7 County. The Board may issue 4 additional licenses to become  
8 effective not earlier than March 1, 1992. In determining the  
9 water upon which riverboats will operate, the Board shall  
10 consider the economic benefit which riverboat gambling confers  
11 on the State, and shall seek to assure that all regions of the  
12 State share in the economic benefits of riverboat gambling.

13 In granting all licenses, the Board may give favorable  
14 consideration to economically depressed areas of the State, to  
15 applicants presenting plans which provide for significant  
16 economic development over a large geographic area, and to  
17 applicants who currently operate non-gambling riverboats in  
18 Illinois. The Board shall review all applications for owners  
19 licenses, and shall inform each applicant of the Board's  
20 decision. The Board may grant an owners license to an applicant  
21 that has not submitted the highest license bid, but if it does  
22 not select the highest bidder, the Board shall issue a written  
23 decision explaining why another applicant was selected and  
24 identifying the factors set forth in this Section that favored  
25 the winning bidder. The fee for issuance or renewal of a  
26 license pursuant to this subsection (e) shall be \$100,000.

1       (e-5) In addition to licenses authorized under subsection  
2 (e) of this Section:

3           (1) the Board shall issue one owners license  
4 authorizing the conduct of casino gambling in the City of  
5 Chicago;

6           (2) the Board may issue one owners license authorizing  
7 the conduct of riverboat gambling in the City of Danville;

8           (3) the Board may issue one owners license authorizing  
9 the conduct of riverboat gambling located in one of the  
10 following municipalities in Lake County: Park City, North  
11 Chicago, or Waukegan;

12           (4) the Board may issue one owners license authorizing  
13 the conduct of riverboat gambling in the City of Rockford;

14           (5) the Board may issue one owners license authorizing  
15 the conduct of riverboat gambling in a municipality that is  
16 located in one of the following townships of Cook County:  
17 Bloom, Bremen, Calumet, Rich, Thornton, or Worth Township;  
18 and

19           (6) the Board may issue one owners license authorizing  
20 the conduct of riverboat gambling in the unincorporated  
21 area of Williamson County adjacent to the Big Muddy River.

22       Each application for a license pursuant to this subsection  
23 (e-5) shall be submitted to the Board no later than 6 months  
24 after the effective date of this amendatory Act of the 99th  
25 General Assembly and shall include the non-refundable  
26 application fee and the non-refundable background

1 investigation fee as provided in subsection (d) of Section 6 of  
2 this Act. In the event that an applicant submits an application  
3 for a license pursuant to this subsection (e-5) prior to the  
4 effective date of this amendatory Act of the 99th General  
5 Assembly, such applicant shall submit the non-refundable  
6 application fee and background investigation fee as provided in  
7 subsection (d) of Section 6 of this Act no later than 6 months  
8 after the effective date of this amendatory Act of the 99th  
9 General Assembly.

10 The Board shall consider issuing a license pursuant to  
11 paragraphs (2) through (6) of this subsection only after the  
12 corporate authority of the municipality or the county board of  
13 the county in which the riverboat shall be located has  
14 certified to the Board the following:

15 (i) that the applicant has negotiated with the  
16 corporate authority or county board in good faith;

17 (ii) that the applicant and the corporate authority or  
18 county board have mutually agreed on the permanent location  
19 of the riverboat;

20 (iii) that the applicant and the corporate authority or  
21 county board have mutually agreed on the temporary location  
22 of the riverboat;

23 (iv) that the applicant and the corporate authority or  
24 the county board have mutually agreed on the percentage of  
25 revenues that will be shared with the municipality or  
26 county, if any; and

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

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

20           In addition, prior to the Board issuing the owners license  
21           authorized under paragraph (4) of subsection (e-5), an impact  
22           study shall be completed to determine what location in the city  
23           will provide the greater impact to the region, including the  
24           creation of jobs and the generation of tax revenue.

25           (e-10) The licenses authorized under subsection (e-5) of  
26           this Section shall be issued within 12 months after the date

1 the license application is submitted. If the Board does not  
2 issue the licenses within that time period, then the Board  
3 shall give a written explanation to the applicant as to why it  
4 has not reached a determination and when it reasonably expects  
5 to make a determination. The fee for the issuance or renewal of  
6 a license issued pursuant to this subsection (e-10) shall be  
7 \$100,000. Additionally, a licensee located outside of Cook  
8 County shall pay a minimum initial fee of \$17,500 per gaming  
9 position, and a licensee located in Cook County shall pay a  
10 minimum initial fee of \$30,000 per gaming position. The initial  
11 fees payable under this subsection (e-10) shall be deposited  
12 into the Gaming Facilities Fee Revenue Fund.

13 (e-15) Each licensee of a license authorized under  
14 subsection (e-5) of this Section shall make a reconciliation  
15 payment 3 years after the date the licensee begins operating in  
16 an amount equal to 75% of the adjusted gross receipts for the  
17 most lucrative 12-month period of operations, minus an amount  
18 equal to the initial payment per gaming position paid by the  
19 specific licensee. If this calculation results in a negative  
20 amount, then the licensee is not entitled to any reimbursement  
21 of fees previously paid. This reconciliation payment may be  
22 made in installments over a period of no more than 2 years,  
23 subject to Board approval. Any installment payments shall  
24 include an annual market interest rate as determined by the  
25 Board. All payments by licensees under this subsection (e-15)  
26 shall be deposited into the Gaming Facilities Fee Revenue Fund.



1       (e-20) In addition to any other revocation powers granted  
2 to the Board under this Act, the Board may revoke the owners  
3 license of a licensee, other than the Chicago Casino  
4 Development Authority, which fails to begin conducting  
5 gambling within 15 months of receipt of the Board's approval of  
6 the application if the Board determines that license revocation  
7 is in the best interests of the State.

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       (h) An owners license, except for an owners license issued

1 under subsection (e-5) of this Section, shall entitle the  
2 licensee to own up to 2 riverboats.

3 An owners licensee of a casino or riverboat that is located  
4 in the City of Chicago pursuant to paragraph (1) of subsection  
5 (e-5) of this Section shall limit the number of gaming  
6 positions to 4,000 for such owner. An owners licensee  
7 authorized under paragraphs (2) through (5) of subsection (e-5)  
8 of this Section shall limit the number of gaming positions to  
9 1,600 for any such owners license, except as further provided  
10 in subsection (h-10) of this Section. An owners licensee  
11 authorized under paragraph (6) of subsection (e-5) of this  
12 Section ~~A licensee~~ shall limit the number of gaming positions  
13 ~~gambling participants~~ to 1,200 for ~~any~~ such owner. The initial  
14 fee for each gaming position obtained on or after the effective  
15 date of this amendatory Act of the 99th General Assembly shall  
16 be a minimum of \$17,500 for licensees not located in Cook  
17 County and a minimum of \$30,000 for licensees located in Cook  
18 County, in addition to the reconciliation payment, as set forth  
19 in subsections (e-15) or (h-5) of this Section ~~owners license.~~

20 Each owners licensee shall reserve its gaming positions  
21 within 90 days after issuance of its owners license. The Board  
22 may grant an extension to this 90-day period, provided that the  
23 owners licensee submits a written request and explanation as to  
24 why it is unable to reserve its positions within the 90-day  
25 period.

26 A licensee may operate both of its riverboats concurrently,

1 provided that the total number of gaming positions ~~gambling~~  
2 ~~participants~~ on both riverboats does not exceed the limit  
3 established pursuant to this subsection and subsection (h-10)  
4 of this Section 1,200. Riverboats licensed to operate on the  
5 Mississippi River and the Illinois River south of Marshall  
6 County shall have an authorized capacity of at least 500  
7 persons. Any other riverboat licensed under this Act shall have  
8 an authorized capacity of at least 400 persons.

9 (h-5) An owners licensee who conducted gambling operations  
10 prior to January 1, 2012 and purchases positions pursuant to  
11 subsection (h-10) of this Section on or after the effective  
12 date of this amendatory Act of the 99th General Assembly must  
13 pay a minimum initial fee of \$17,500 per gaming position if the  
14 licensee is located outside Cook County and a minimum initial  
15 fee of \$30,000 per gaming position if the licensee is located  
16 in Cook County, as stated in subsection (h) of this Section.  
17 These initial fees shall be deposited into the Gaming  
18 Facilities Fee Revenue Fund. Additionally, that owners  
19 licensee shall make a reconciliation payment 3 years after any  
20 additional gaming positions obtained pursuant to subsection  
21 (h-10) begin operating in an amount equal to 75% of the owners  
22 licensee's average gross receipts for the most lucrative  
23 12-month period of operations minus an amount equal to the  
24 initial fee that the owners licensee paid per additional gaming  
25 position. For purposes of this subsection (h-5), "average gross  
26 receipts" means (i) the increase in adjusted gross receipts for

1 the most lucrative 12-month period of operations over the  
2 adjusted gross receipts for 2017, multiplied by (ii) the  
3 percentage derived by dividing the number of additional gaming  
4 positions that an owners licensee had obtained pursuant to  
5 subsection (h-10) by the total number of gaming positions  
6 operated by the owners licensee. If this calculation results in  
7 a negative amount, then the owners licensee is not entitled to  
8 any reimbursement of fees previously paid. This reconciliation  
9 payment may be made in installments over a period of no more  
10 than 2 years, subject to Board approval. Any installment  
11 payments shall include an annual market interest rate as  
12 determined by the Board. These reconciliation payments shall be  
13 deposited into the Gaming Facilities Fee Revenue Fund.

14 (h-10) For owners licensees authorized under paragraphs  
15 (2) through (5) of subsection (e-5) of this Section, the  
16 application for such new owners licenses shall ask the  
17 applicants to stipulate in their applications the number of  
18 gaming positions each applicant would like to reserve, up to  
19 1,600 gaming positions. Once the last winning applicant for  
20 each of these owners licenses has been selected by the Board,  
21 the Board shall publish the number of gaming positions reserved  
22 and unreserved by each winning applicant, shall accept requests  
23 for additional gaming positions from any winning applicants or  
24 owners licensee who initially reserved 1,600 gaming positions,  
25 and shall allocate expeditiously the unreserved gaming  
26 positions to such requesting winning applicants or owners

1 licensees in a manner to maximize revenue to the State;  
2 provided, however, that no owners licensee (other than the  
3 Chicago Casino Development Authority) shall obtain more than  
4 2,000 positions total. The Board may allocate any such unused  
5 gaming positions through a competitive bidding process  
6 pursuant to Section 7.5 of this Act.

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

14 Unreserved gaming positions retained from and allocated to  
15 owners licensees by the Board pursuant to this subsection  
16 (h-10) shall not be allocated to electronic gaming licensees  
17 pursuant to subsection (e) of Section 7.7 of this Act.

18 (i) A licensed owner is authorized to apply to the Board  
19 for and, if approved therefor, to receive all licenses from the  
20 Board necessary for the operation of a riverboat or a casino,  
21 including a liquor license, a license to prepare and serve food  
22 for human consumption, and other necessary licenses. All use,  
23 occupation and excise taxes which apply to the sale of food and  
24 beverages in this State and all taxes imposed on the sale or  
25 use of tangible personal property apply to such sales aboard  
26 the riverboat or in the casino.

1           (j) The Board may issue or re-issue a license authorizing a  
2 riverboat to dock in a municipality or approve a relocation  
3 under Section 11.2 only if, prior to the issuance or  
4 re-issuance of the license or approval, the governing body of  
5 the municipality in which the riverboat will dock has by a  
6 majority vote approved the docking of riverboats in the  
7 municipality. The Board may issue or re-issue a license  
8 authorizing a riverboat to dock in areas of a county outside  
9 any municipality or approve a relocation under Section 11.2  
10 only if, prior to the issuance or re-issuance of the license or  
11 approval, the governing body of the county has by a majority  
12 vote approved of the docking of riverboats within such areas.

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

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

25           (Source: P.A. 96-1392, eff. 1-1-11; 97-1150, eff. 1-25-13.)

1 (230 ILCS 10/7.3)

2 Sec. 7.3. State conduct of gambling operations.

3 (a) If, after reviewing each application for a re-issued  
4 license, the Board determines that the highest prospective  
5 total revenue to the State would be derived from State conduct  
6 of the gambling operation in lieu of re-issuing the license,  
7 the Board shall inform each applicant of its decision. The  
8 Board shall thereafter have the authority, without obtaining an  
9 owners license, to conduct casino or riverboat gambling  
10 operations as previously authorized by the terminated,  
11 expired, revoked, or nonrenewed license through a licensed  
12 manager selected pursuant to an open and competitive bidding  
13 process as set forth in Section 7.5 and as provided in Section  
14 7.4.

15 (b) The Board may locate any casino or riverboat on which a  
16 gambling operation is conducted by the State in any home dock  
17 or other location authorized by Section 3(c) upon receipt of  
18 approval from a majority vote of the governing body of the  
19 municipality or county, as the case may be, in which the  
20 riverboat will dock.

21 (c) The Board shall have jurisdiction over and shall  
22 supervise all gambling operations conducted by the State  
23 provided for in this Act and the Chicago Casino Development  
24 Authority Act and shall have all powers necessary and proper to  
25 fully and effectively execute the provisions of this Act and  
26 the Chicago Casino Development Authority Act relating to

1 gambling operations conducted by the State.

2 (d) The maximum number of owners licenses authorized under  
3 Section 7 ~~7(e)~~ shall be reduced by one for each instance in  
4 which the Board authorizes the State to conduct a casino or  
5 riverboat gambling operation under subsection (a) in lieu of  
6 re-issuing a license to an applicant under Section 7.1.

7 (Source: P.A. 93-28, eff. 6-20-03.)

8 (230 ILCS 10/7.5)

9 Sec. 7.5. Competitive Bidding. When the Board determines  
10 that (i) it will re-issue an owners license pursuant to an open  
11 and competitive bidding process, as set forth in Section 7.1,  
12 (ii) ~~or that~~ it will issue a managers license pursuant to an  
13 open and competitive bidding process, as set forth in Section  
14 7.4, (iii) it will issue an owners license pursuant to an open  
15 and competitive bidding process, as set forth in Section 7.11,  
16 or (iv) it will allocate unused gaming positions pursuant to an  
17 open and competitive bidding process, as set forth in  
18 subsection (h-10) of Section 7, the open and competitive  
19 bidding process shall adhere to the following procedures:

20 (1) The Board shall make applications for owners and  
21 managers licenses available to the public and allow a  
22 reasonable time for applicants to submit applications to the  
23 Board.

24 (2) During the filing period for owners or managers license  
25 applications, the Board may retain the services of an



1 investment banking firm to assist the Board in conducting the  
2 open and competitive bidding process.

3 (3) After receiving all of the bid proposals, the Board  
4 shall open all of the proposals in a public forum and disclose  
5 the prospective owners or managers names, venture partners, if  
6 any, and, in the case of applicants for owners licenses, the  
7 locations of the proposed development sites.

8 (4) The Board shall summarize the terms of the proposals  
9 and may make this summary available to the public.

10 (5) The Board shall evaluate the proposals within a  
11 reasonable time and select no more than 3 final applicants to  
12 make presentations of their proposals to the Board.

13 (6) The final applicants shall make their presentations to  
14 the Board on the same day during an open session of the Board.

15 (7) As soon as practicable after the public presentations  
16 by the final applicants, the Board, in its discretion, may  
17 conduct further negotiations among the 3 final applicants.  
18 During such negotiations, each final applicant may increase its  
19 license bid or otherwise enhance its bid proposal. At the  
20 conclusion of such negotiations, the Board shall select the  
21 winning proposal. In the case of negotiations for an owners  
22 license, the Board may, at the conclusion of such negotiations,  
23 make the determination allowed under Section 7.3(a).

24 (8) Upon selection of a winning bid, the Board shall  
25 evaluate the winning bid within a reasonable period of time for  
26 licensee suitability in accordance with all applicable

1 statutory and regulatory criteria.

2 (9) If the winning bidder is unable or otherwise fails to  
3 consummate the transaction, (including if the Board determines  
4 that the winning bidder does not satisfy the suitability  
5 requirements), the Board may, on the same criteria, select from  
6 the remaining bidders or make the determination allowed under  
7 Section 7.3(a).

8 (Source: P.A. 93-28, eff. 6-20-03.)

9 (230 ILCS 10/7.7 new)

10 Sec. 7.7. Electronic gaming.

11 (a) The General Assembly finds that the horse racing and  
12 riverboat gambling industries share many similarities and  
13 collectively comprise the bulk of the State's gaming industry.  
14 One feature common to both industries is that each is highly  
15 regulated by the State of Illinois. The General Assembly  
16 further finds, however, that despite their shared features each  
17 industry is distinct from the other in that horse racing is and  
18 continues to be intimately tied to Illinois' agricultural  
19 economy and is, at its core, a spectator sport. This  
20 distinction requires the General Assembly to utilize different  
21 methods to regulate and promote the horse racing industry  
22 throughout the State. The General Assembly finds that in order  
23 to promote live horse racing as a spectator sport in Illinois  
24 and the agricultural economy of this State, it is necessary to  
25 allow electronic gaming at Illinois race tracks as an ancillary

1 use given the success of other states in increasing live racing  
2 purse accounts and improving the quality of horses  
3 participating in horse race meetings.

4 (b) The Illinois Gaming Board shall award one electronic  
5 gaming license to each person or entity having operating  
6 control of a race track that applies under Section 56 of the  
7 Illinois Horse Racing Act of 1975, subject to the application  
8 and eligibility requirements of this Section. Within 60 days  
9 after the effective date of this amendatory Act of the 99th  
10 General Assembly, a person or entity having operating control  
11 of a race track may submit an application for an electronic  
12 gaming license. The application shall be made on such forms as  
13 provided by the Board and shall contain such information as the  
14 Board prescribes, including, but not limited to, the identity  
15 of any race track at which electronic gaming will be conducted,  
16 detailed information regarding the ownership and management of  
17 the applicant, and detailed personal information regarding the  
18 applicant. The application shall specify the number of gaming  
19 positions the applicant intends to use and the place where the  
20 electronic gaming facility will operate. A person who knowingly  
21 makes a false statement on an application is guilty of a Class  
22 A misdemeanor.

23 Each applicant shall disclose the identity of every person  
24 or entity having a direct or indirect pecuniary interest  
25 greater than 1% in any race track with respect to which the  
26 license is sought. If the disclosed entity is a corporation,

1 the applicant shall disclose the names and addresses of all  
2 stockholders and directors. If the disclosed entity is a  
3 limited liability company, the applicant shall disclose the  
4 names and addresses of all members and managers. If the  
5 disclosed entity is a partnership, the applicant shall disclose  
6 the names and addresses of all partners, both general and  
7 limited. If the disclosed entity is a trust, the applicant  
8 shall disclose the names and addresses of all beneficiaries.

9 An application shall be filed and considered in accordance  
10 with the rules of the Board. Each application for an electronic  
11 gaming license shall include a non-refundable application fee  
12 of \$100,000. In addition, a non-refundable fee of \$50,000 shall  
13 be paid at the time of filing to defray the costs associated  
14 with background investigations conducted by the Board. If the  
15 costs of the background investigation exceed \$50,000, the  
16 applicant shall pay the additional amount to the Board within 7  
17 days after a request by the Board. If the costs of the  
18 investigation are less than \$50,000, the applicant shall  
19 receive a refund of the remaining amount. All information,  
20 records, interviews, reports, statements, memoranda, or other  
21 data supplied to or used by the Board in the course of this  
22 review or investigation of an applicant for an electronic  
23 gaming license under this Act shall be privileged and strictly  
24 confidential and shall be used only for the purpose of  
25 evaluating an applicant for an electronic gaming license or a  
26 renewal. Such information, records, interviews, reports,

1 statements, memoranda, or other data shall not be admissible as  
2 evidence nor discoverable in any action of any kind in any  
3 court or before any tribunal, board, agency or person, except  
4 for any action deemed necessary by the Board. The application  
5 fee shall be deposited into the Gaming Facilities Fee Revenue  
6 Fund.

7 Each applicant shall submit with his or her application, on  
8 forms provided by the Board, 2 sets of his or her fingerprints.  
9 The Board shall charge each applicant a fee set by the  
10 Department of State Police to defray the costs associated with  
11 the search and classification of fingerprints obtained by the  
12 Board with respect to the applicant's application. This fee  
13 shall be paid into the State Police Services Fund.

14 (c) The Board shall determine within 120 days after  
15 receiving an application for an electronic gaming license  
16 whether to grant an electronic gaming license to the applicant.  
17 If the Board does not make a determination within that time  
18 period, then the Board shall give a written explanation to the  
19 applicant as to why it has not reached a determination and when  
20 it reasonably expects to make a determination.

21 The electronic gaming licensee shall purchase up to the  
22 amount of electronic gaming positions authorized under this Act  
23 within 120 days after receiving its electronic gaming license.  
24 If an electronic gaming licensee is prepared to purchase the  
25 electronic gaming positions, but is temporarily prohibited  
26 from doing so by order of a court of competent jurisdiction or

1 the Board, then the 120-day period is tolled until a resolution  
2 is reached.

3 An electronic gaming license shall authorize its holder to  
4 conduct electronic gaming at its race track at the following  
5 times:

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

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

12 Additionally, the Board may extend these days of operation  
13 and hours upon request by an organization licensee as the Board  
14 sees fit.

15 A license to conduct electronic gaming and any renewal of  
16 an electronic gaming license shall authorize electronic gaming  
17 for a period of 4 years. The fee for the issuance or renewal of  
18 an electronic gaming license shall be \$100,000.

19 (d) To be eligible to conduct electronic gaming, a person  
20 or entity having operating control of a race track must (i)  
21 obtain an electronic gaming license, (ii) hold an organization  
22 license under the Illinois Horse Racing Act of 1975, (iii) hold  
23 an inter-track wagering license, (iv) pay an initial fee of  
24 \$30,000 per gaming position from electronic gaming licensees  
25 where electronic gaming is conducted in Cook County and \$17,500  
26 for electronic gaming licensees where electronic gaming is

1 located outside of Cook County before beginning to conduct  
2 electronic gaming plus make the reconciliation payment  
3 required under subsection (i), (v) conduct at least 240 live  
4 races at each track per year or for a licensee that is only  
5 authorized 350 gaming positions pursuant to subsection (d) of  
6 Section 7.7 of this Act, have a fully operational facility  
7 running at least 96 live races over a period of at least 15  
8 days per year until such time as the total number of gaming  
9 positions is increased to 900, (vi) meet the requirements of  
10 subsection (a) of Section 56 of the Illinois Horse Racing Act  
11 of 1975, (vii) for organization licensees conducting  
12 standardbred race meetings that had an open backstretch in  
13 2009, keep backstretch barns and dormitories open and  
14 operational year-round unless a lesser schedule is mutually  
15 agreed to by the organization licensee and the horsemen's  
16 association racing at that organization licensee's race  
17 meeting, (viii) for organization licensees conducting  
18 thoroughbred race meetings, the organization licensee must  
19 maintain accident medical expense liability insurance coverage  
20 of \$1,000,000 for jockeys, and (ix) meet all other requirements  
21 of this Act that apply to owners licensees. Only those persons  
22 or entities (or its successors or assigns) that had operating  
23 control of a race track and held an inter-track wagering  
24 license authorized by the Illinois Racing Board in 2009 are  
25 eligible.

26 An electronic gaming licensee may enter into a joint

1 venture with a licensed owner to own, manage, conduct, or  
2 otherwise operate the electronic gaming licensee's electronic  
3 gaming facilities, unless the electronic gaming licensee has a  
4 parent company or other affiliated company that is, directly or  
5 indirectly, wholly owned by a parent company that is also  
6 licensed to conduct electronic gaming, casino gaming, or their  
7 equivalent in another state.

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

10 (e) A person or entity is ineligible to receive an  
11 electronic gaming license if:

12 (1) the person or entity has been convicted of a felony  
13 under the laws of this State, any other state, or the  
14 United States, including a conviction under the Racketeer  
15 Influenced and Corrupt Organizations Act;

16 (2) the person or entity has been convicted of any  
17 violation of Article 28 of the Criminal Code of 2012, or  
18 substantially similar laws of any other jurisdiction;

19 (3) the person or entity has submitted an application  
20 for a license under this Act that contains false  
21 information;

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

23 (5) a person defined in (1), (2), (3), or (4) of this  
24 subsection (e) is an officer, director, or managerial  
25 employee of the entity;

26 (6) the person or entity employs a person defined in



1       (1), (2), (3), or (4) of this subsection (e) who  
2       participates in the management or operation of gambling  
3       operations authorized under this Act; or

4       (7) a license of the person or entity issued under this  
5       Act or a license to own or operate gambling facilities in  
6       any other jurisdiction has been revoked.

7       (f) The Board may approve electronic gaming positions  
8       statewide as provided in this Section. The authority to operate  
9       electronic gaming positions under this Section shall be  
10       allocated as follows: up to 1,200 gaming positions for any  
11       electronic gaming licensee in Cook County whose electronic  
12       gaming license originates with an organization licensee that  
13       conducted live racing in calendar year 2016; up to 900 gaming  
14       positions for any electronic gaming licensee outside of Cook  
15       County whose electronic gaming license originates with an  
16       organization licensee that conducted live racing in calendar  
17       year 2016; and up to 350 gaming positions for any electronic  
18       gaming licensee whose electronic gaming license originates  
19       with an organization licensee that did not conduct live racing  
20       in calendar year 2010, which shall increase to 900 gaming  
21       positions in the calendar year following the year in which the  
22       electronic gaming licensee conducts 96 live races.

23       (g) Each applicant for an electronic gaming license shall  
24       specify in its application for licensure the number of gaming  
25       positions it will operate, up to the applicable limitation set  
26       forth in subsection (f) of this Section. Any unreserved gaming

1 positions that are not specified shall be forfeited and  
2 retained by the Board. For the purposes of this subsection (g),  
3 an electronic gaming licensee that did not conduct live racing  
4 in 2010 may reserve up to 900 positions and shall not be  
5 penalized under this Section for not operating those positions  
6 until it meets the requirements of subsection (f) of this  
7 Section, but such licensee shall not request unreserved gaming  
8 positions under this subsection (g) until its 900 positions are  
9 all operational.

10 Thereafter, the Board shall publish the number of  
11 unreserved electronic gaming positions and shall accept  
12 requests for additional positions from any electronic gaming  
13 licensee that initially reserved all of the positions that were  
14 offered. The Board shall allocate expeditiously the unreserved  
15 electronic gaming positions to requesting electronic gaming  
16 licensees in a manner that maximizes revenue to the State. The  
17 Board may allocate any such unused electronic gaming positions  
18 pursuant to an open and competitive bidding process, as  
19 provided under Section 7.5 of this Act. This process shall  
20 continue until all unreserved gaming positions have been  
21 purchased. All positions obtained pursuant to this process and  
22 all positions the electronic gaming licensee specified it would  
23 operate in its application must be in operation within 18  
24 months after they were obtained or the electronic gaming  
25 licensee forfeits the right to operate those positions, but is  
26 not entitled to a refund of any fees paid. The Board may, after

1 holding a public hearing, grant extensions so long as the  
2 electronic gaming licensee is working in good faith to make the  
3 positions operational. The extension may be for a period of 6  
4 months. If, after the period of the extension, the electronic  
5 gaming licensee has not made the positions operational, then  
6 another public hearing must be held by the Board before it may  
7 grant another extension.

8 Unreserved gaming positions retained from and allocated to  
9 electronic gaming licensees by the Board pursuant to this  
10 subsection (g) shall not be allocated to owners licensees  
11 pursuant to subsection (h-10) of Section 7 of this Act.

12 For the purpose of this subsection (g), the unreserved  
13 gaming positions for each electronic gaming licensee shall be  
14 the applicable limitation set forth in subsection (f) of this  
15 Section, less the number of reserved gaming positions by such  
16 electronic gaming licensee, and the total unreserved gaming  
17 positions shall be the aggregate of the unreserved gaming  
18 positions for all electronic gaming licensees.

19 (h) Subject to the approval of the Illinois Gaming Board,  
20 an electronic gaming licensee may make modification or  
21 additions to any existing buildings and structures to comply  
22 with the requirements of this Act. The Illinois Gaming Board  
23 shall make its decision after consulting with the Illinois  
24 Racing Board. In no case, however, shall the Illinois Gaming  
25 Board approve any modification or addition that alters the  
26 grounds of the organizational licensee such that the act of

1 live racing is an ancillary activity to electronic gaming.  
2 Electronic gaming may take place in existing structures where  
3 inter-track wagering is conducted at the race track or a  
4 facility within 300 yards of the race track in accordance with  
5 the provisions of this Act and the Illinois Horse Racing Act of  
6 1975.

7 (i) An electronic gaming licensee may conduct electronic  
8 gaming at a temporary facility pending the construction of a  
9 permanent facility or the remodeling or relocation of an  
10 existing facility to accommodate electronic gaming  
11 participants for up to 24 months after the temporary facility  
12 begins to conduct electronic gaming. Upon request by an  
13 electronic gaming licensee and upon a showing of good cause by  
14 the electronic gaming licensee, the Board shall extend the  
15 period during which the licensee may conduct electronic gaming  
16 at a temporary facility by up to 12 months. The Board shall  
17 make rules concerning the conduct of electronic gaming from  
18 temporary facilities.

19 Electronic gaming may take place in existing structures  
20 where inter-track wagering is conducted at the race track or a  
21 facility within 300 yards of the race track in accordance with  
22 the provisions of this Act and the Illinois Horse Racing Act of  
23 1975. Any electronic gaming conducted at a permanent facility  
24 within 300 yards of the race track in accordance with this Act  
25 and the Illinois Horse Racing Act of 1975 shall have an  
26 all-weather egress connecting the electronic gaming facility

1 and the race track facility or, on days and hours of live  
2 racing, a complimentary shuttle service between the permanent  
3 electronic gaming facility and the race track facility and  
4 shall not charge electronic gaming participants an additional  
5 admission fee to the race track facility.

6 (j) The Illinois Gaming Board must adopt emergency rules in  
7 accordance with Section 5-45 of the Illinois Administrative  
8 Procedure Act as necessary to ensure compliance with the  
9 provisions of this amendatory Act of the 99th General Assembly  
10 concerning electronic gaming. The adoption of emergency rules  
11 authorized by this subsection (j) shall be deemed to be  
12 necessary for the public interest, safety, and welfare.

13 (k) Each electronic gaming licensee who obtains electronic  
14 gaming positions must make a reconciliation payment 3 years  
15 after the date the electronic gaming licensee begins operating  
16 the positions in an amount equal to 75% of the difference  
17 between its adjusted gross receipts from electronic gaming and  
18 amounts paid to its purse accounts pursuant to item (1) of  
19 subsection (b) of Section 56 of the Illinois Horse Racing Act  
20 of 1975 for the 12-month period for which such difference was  
21 the largest, minus an amount equal to the initial per position  
22 fee paid by the electronic gaming licensee. If this calculation  
23 results in a negative amount, then the electronic gaming  
24 licensee is not entitled to any reimbursement of fees  
25 previously paid. This reconciliation payment may be made in  
26 installments over a period of no more than 2 years, subject to

1 Board approval. Any installment payments shall include an  
2 annual market interest rate as determined by the Board.

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

5 (1) As soon as practical after a request is made by the  
6 Illinois Gaming Board, to minimize duplicate submissions by the  
7 applicant, the Illinois Racing Board must provide information  
8 on an applicant for an electronic gaming license to the  
9 Illinois Gaming Board.

10 (230 ILCS 10/7.8 new)

11 Sec. 7.8. Home rule. The regulation and licensing of  
12 electronic gaming and electronic gaming licensees are  
13 exclusive powers and functions of the State. A home rule unit  
14 may not regulate or license electronic gaming or electronic  
15 gaming licensees. This Section is a denial and limitation of  
16 home rule powers and functions under subsection (h) of Section  
17 6 of Article VII of the Illinois Constitution.

18 (230 ILCS 10/7.9 new)

19 Sec. 7.9. Casino operator license.

20 (a) A qualified person may apply to the Board for a casino  
21 operator license to operate and manage any gambling operation  
22 conducted by the Authority. The application shall be made on  
23 forms provided by the Board and shall contain such information  
24 as the Board prescribes, including but not limited to

1 information required in Sections 6(a), (b), and (c) and  
2 information relating to the applicant's proposed price to  
3 manage the Authority's gambling operations and to provide the  
4 casino, gambling equipment, and supplies necessary to conduct  
5 Authority gambling operations. The application shall also  
6 include a non-refundable application fee of \$100,000. This  
7 application fee shall be deposited into the Gaming Facilities  
8 Fee Revenue Fund.

9 (b) A person or entity is ineligible to receive a casino  
10 operator license if:

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

13 (2) the person has been convicted of any violation of  
14 Article 28 of the Criminal Code of 2012, or substantially  
15 similar laws of any other jurisdiction;

16 (3) the person has submitted an application for a  
17 license under this Act or the Chicago Casino Development  
18 Authority Act which contains false information;

19 (4) the person is a member of the Board or the Chicago  
20 Casino Development Board or the person is an official or  
21 employee of the Chicago Casino Development Authority or the  
22 City of Chicago;

23 (5) a person defined in (1), (2), (3), or (4) is an  
24 officer, director, or managerial employee of the entity;

25 (6) the entity employs a person defined in (1), (2),  
26 (3), or (4) who participates in the management or operation

1 of gambling operations authorized under this Act; or

2 (7) a license of the person or entity issued under this  
3 Act, or a license to own or operate gambling facilities in  
4 any other jurisdiction, has been revoked.

5 (c) In determining whether to grant a casino operator  
6 license, the Board shall consider:

7 (1) the character, reputation, experience and  
8 financial integrity of the applicants and of any other or  
9 separate person that either:

10 (A) controls, directly or indirectly, such  
11 applicant, or

12 (B) is controlled, directly or indirectly, by such  
13 applicant or by a person which controls, directly or  
14 indirectly, such applicant;

15 (2) the facilities or proposed facilities for the  
16 conduct of gambling;

17 (3) the preference of the municipality in which the  
18 licensee will operate;

19 (4) the extent to which the ownership of the applicant  
20 reflects the diversity of the State by including minority  
21 persons and females and the good faith affirmative action  
22 plan of each applicant to recruit, train, and upgrade  
23 minority persons and females in all employment  
24 classifications;

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



1           (6) whether the applicant has adequate capitalization  
2           to provide and maintain, for the duration of a license, a  
3           casino; and

4           (7) the extent to which the applicant exceeds or meets  
5           other standards for the issuance of a casino operator  
6           license that the Board may adopt by rule.

7           (d) Each applicant shall submit with his or her  
8           application, on forms prescribed by the Board, 2 sets of his or  
9           her fingerprints. The Board shall charge each applicant a fee  
10           set by the Department of State Police to defray the costs  
11           associated with the search and classification of fingerprints  
12           obtained by the Board with respect to the applicant's  
13           application. This fee shall be paid into the State Police  
14           Services Fund.

15           (e) A person who knowingly makes a false statement on an  
16           application is guilty of a Class A misdemeanor.

17           (f) The Board shall charge each applicant a non-refundable  
18           fee of \$50,000 to defray the costs associated with the  
19           background investigation conducted by the Board. This fee shall  
20           be exclusive of any other fee or fees charged in connection  
21           with an application for and, if applicable, the issuance of, a  
22           casino operator license. If the costs of the investigation  
23           exceed \$50,000, the Board shall immediately notify the  
24           applicant of the additional amount owed, payment of which must  
25           be submitted to the Board within 7 days after such  
26           notification. All information, records, interviews, reports,

1 statements, memoranda, or other data supplied to or used by the  
2 Board in the course of its review or investigation of an  
3 application for a license or a renewal under this Act shall be  
4 privileged and strictly confidential and shall be used only for  
5 the purpose of evaluating an applicant for a license or a  
6 renewal. Such information, records, interviews, reports,  
7 statements, memoranda, or other data shall not be admissible as  
8 evidence, nor discoverable in any action of any kind in any  
9 court or before any tribunal, board, agency, or person, except  
10 for any action deemed necessary by the Board.

11 (g) The casino operator license shall be issued only upon  
12 proof that the applicant has entered into a labor peace  
13 agreement with each labor organization that is actively engaged  
14 in representing and attempting to represent casino and  
15 hospitality industry workers in this State. The labor peace  
16 agreement must be a valid and enforceable agreement under 29  
17 U.S.C. 185 that protects the city's and State's revenues from  
18 the operation of the casino facility by prohibiting the labor  
19 organization and its members from engaging in any picketing,  
20 work stoppages, boycotts, or any other economic interference  
21 with the casino facility for at least the first 5 years of the  
22 casino license and must cover all operations at the casino  
23 facility that are conducted by lessees or tenants or under  
24 management agreements.

25 (h) The casino operator license shall be for a term of 4  
26 years, shall be renewable by the Board, and shall contain such

1 terms and provisions as the Board deems necessary to protect or  
2 enhance the credibility and integrity of State gambling  
3 operations, achieve the highest prospective total revenue to  
4 the State, and otherwise serve the interests of the citizens of  
5 Illinois. The Board may suspend, restrict, or revoke the  
6 license:

7 (1) for violation of any provision of this Act;

8 (2) for violation of any rules of the Board;

9 (3) for any cause which, if known to the Board, would  
10 have disqualified the applicant from receiving the  
11 license; or

12 (4) for any other just cause.

13 (230 ILCS 10/7.10 new)

14 Sec. 7.10. Diversity program.

15 (a) Each owners licensee, electronic gaming licensee,  
16 casino operator licensee, and suppliers licensee shall  
17 establish and maintain a diversity program to ensure  
18 non-discrimination in the award and administration of  
19 contracts. The programs shall establish goals of awarding not  
20 less than 20% of the annual dollar value of all contracts,  
21 purchase orders, or other agreements to minority-owned  
22 businesses and 5% of the annual dollar value of all contracts  
23 to female-owned businesses.

24 (b) Each owners licensee, electronic gaming licensee,  
25 casino operator licensee, and suppliers licensee shall

1 establish and maintain a diversity program designed to promote  
2 equal opportunity for employment. The program shall establish  
3 hiring goals as the Board and each licensee determines  
4 appropriate. The Board shall monitor the progress of the gaming  
5 licensee's progress with respect to the program's goals.

6 (c) No later than May 31 of each year, each licensee shall  
7 report to the Board the number of respective employees and the  
8 number of their respective employees who have designated  
9 themselves as members of a minority group and gender. In  
10 addition, all licensees shall submit a report with respect to  
11 the minority-owned and female-owned businesses program created  
12 in this Section to the Board.

13 (230 ILCS 10/7.11 new)

14 Sec. 7.11. Annual report on diversity.

15 (a) Each licensee that receives a license under Sections 7,  
16 7.1, and 7.7 shall execute and file a report with the Board no  
17 later than December 31 of each year that shall contain, but not  
18 be limited to, the following information:

19 (i) a good faith affirmative action plan to recruit,  
20 train, and upgrade minority persons, females, and persons  
21 with a disability in all employment classifications;

22 (ii) the total dollar amount of contracts that were  
23 awarded to businesses owned by minority persons, females,  
24 and persons with a disability;

25 (iii) the total number of businesses owned by minority

1 persons, females, and persons with a disability that were  
2 utilized by the licensee;

3 (iv) the utilization of businesses owned by minority  
4 persons, females, and persons with disabilities during the  
5 preceding year; and

6 (v) the outreach efforts used by the licensee to  
7 attract investors and businesses consisting of minority  
8 persons, females, and persons with a disability.

9 (b) The Board shall forward a copy of each licensee's  
10 annual reports to the General Assembly no later than February 1  
11 of each year.

12 (230 ILCS 10/7.12 new)

13 Sec. 7.12. Issuance of new owners licenses.

14 (a) Except for the owners license issued to the Chicago  
15 Casino Development Authority, owners licenses newly authorized  
16 pursuant to this amendatory Act of the 99th General Assembly  
17 may be issued by the Board to a qualified applicant pursuant to  
18 an open and competitive bidding process, as set forth in  
19 Section 7.5, and subject to the maximum number of authorized  
20 licenses set forth in subsection (e-5) of Section 7 of this  
21 Act.

22 (b) To be a qualified applicant, a person or entity may not  
23 be ineligible to receive an owners license under subsection (a)  
24 of Section 7 of this Act and must submit an application for an  
25 owners license that complies with Section 6 of this Act.

1       (c) In determining whether to grant an owners license to an  
2 applicant, the Board shall consider all of the factors set  
3 forth in subsections (b) and (e-10) of Section 7 of this Act,  
4 as well as the amount of the applicant's license bid. The Board  
5 may grant the owners license to an applicant that has not  
6 submitted the highest license bid, but if it does not select  
7 the highest bidder, the Board shall issue a written decision  
8 explaining why another applicant was selected and identifying  
9 the factors set forth in subsections (b) and (e-10) of Section  
10 7 of this Act that favored the winning bidder.

11       (230 ILCS 10/7.13 new)

12       Sec. 7.13. Environmental standards. All permanent  
13 casinos, riverboats, and electronic gaming facilities shall  
14 consist of buildings that are certified as meeting the U.S.  
15 Green Building Council's Leadership in Energy and  
16 Environmental Design standards. The provisions of this Section  
17 apply to a holder of an owners license, casino operator  
18 license, or electronic gaming license that (i) begins  
19 operations on or after January 1, 2017 or (ii) relocates its  
20 facilities on or after the effective date of this amendatory  
21 Act of the 99th General Assembly.

22       (230 ILCS 10/8) (from Ch. 120, par. 2408)

23       Sec. 8. Suppliers licenses.

24       (a) The Board may issue a suppliers license to such

1 persons, firms or corporations which apply therefor upon the  
2 payment of a non-refundable application fee set by the Board,  
3 upon a determination by the Board that the applicant is  
4 eligible for a suppliers license and upon payment of a \$5,000  
5 annual license fee.

6 (b) The holder of a suppliers license is authorized to sell  
7 or lease, and to contract to sell or lease, gambling equipment  
8 and supplies to any licensee involved in the ownership or  
9 management of gambling operations.

10 (c) Gambling supplies and equipment may not be distributed  
11 unless supplies and equipment conform to standards adopted by  
12 rules of the Board.

13 (d) A person, firm or corporation is ineligible to receive  
14 a suppliers license if:

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

17 (2) the person has been convicted of any violation of  
18 Article 28 of the Criminal Code of 1961 or the Criminal  
19 Code of 2012, or substantially similar laws of any other  
20 jurisdiction;

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

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

24 (5) the entity ~~firm or corporation~~ is one in which a  
25 person defined in (1), (2), (3) or (4), is an officer,  
26 director or managerial employee;

1           (6) the firm or corporation employs a person who  
2 participates in the management or operation of riverboat  
3 gambling authorized under this Act or the Chicago Casino  
4 Development Authority Act;

5           (7) the license of the person, firm or corporation  
6 issued under this Act or the Chicago Casino Development  
7 Authority Act, or a license to own or operate gambling  
8 facilities in any other jurisdiction, has been revoked.

9           (e) Any person that supplies any equipment, devices, or  
10 supplies to a licensed riverboat gambling operation or casino  
11 or electronic gaming operation must first obtain a suppliers  
12 license. A supplier shall furnish to the Board a list of all  
13 equipment, devices and supplies offered for sale or lease in  
14 connection with gambling games authorized under this Act. A  
15 supplier shall keep books and records for the furnishing of  
16 equipment, devices and supplies to gambling operations  
17 separate and distinct from any other business that the supplier  
18 might operate. A supplier shall file a quarterly return with  
19 the Board listing all sales and leases. A supplier shall  
20 permanently affix its name or a distinctive logo or other mark  
21 or design element identifying the manufacturer or supplier to  
22 all its equipment, devices, and supplies, except gaming chips  
23 without a value impressed, engraved, or imprinted on it, for  
24 gambling operations. The Board may waive this requirement for  
25 any specific product or products if it determines that the  
26 requirement is not necessary to protect the integrity of the



1 game. Items purchased from a licensed supplier may continue to  
2 be used even though the supplier subsequently changes its name,  
3 distinctive logo, or other mark or design element; undergoes a  
4 change in ownership; or ceases to be licensed as a supplier for  
5 any reason. Any supplier's equipment, devices or supplies which  
6 are used by any person in an unauthorized gambling operation  
7 shall be forfeited to the State. A holder of an owners license  
8 or an electronic gaming license ~~A licensed owner~~ may own its  
9 own equipment, devices and supplies. Each holder of an owners  
10 license or an electronic gaming license under the Act shall  
11 file an annual report listing its inventories of gambling  
12 equipment, devices and supplies.

13 (f) Any person who knowingly makes a false statement on an  
14 application is guilty of a Class A misdemeanor.

15 (g) Any gambling equipment, devices and supplies provided  
16 by any licensed supplier may either be repaired on the  
17 riverboat, in the casino, or at the electronic gaming facility  
18 or removed from the riverboat, casino, or electronic gaming  
19 facility to a ~~an on-shore~~ facility owned by the holder of an  
20 owners license or electronic gaming license for repair.

21 (Source: P.A. 97-1150, eff. 1-25-13; 98-12, eff. 5-10-13;  
22 98-756, eff. 7-16-14.)

23 (230 ILCS 10/9) (from Ch. 120, par. 2409)

24 Sec. 9. Occupational licenses.

25 (a) The Board may issue an occupational license to an

1 applicant upon the payment of a non-refundable fee set by the  
2 Board, upon a determination by the Board that the applicant is  
3 eligible for an occupational license and upon payment of an  
4 annual license fee in an amount to be established. To be  
5 eligible for an occupational license, an applicant must:

6 (1) be at least 21 years of age if the applicant will  
7 perform any function involved in gaming by patrons. Any  
8 applicant seeking an occupational license for a non-gaming  
9 function shall be at least 18 years of age;

10 (2) not have been convicted of a felony offense, a  
11 violation of Article 28 of the Criminal Code of 1961 or the  
12 Criminal Code of 2012, or a similar statute of any other  
13 jurisdiction;

14 (2.5) not have been convicted of a crime, other than a  
15 crime described in item (2) of this subsection (a),  
16 involving dishonesty or moral turpitude, except that the  
17 Board may, in its discretion, issue an occupational license  
18 to a person who has been convicted of a crime described in  
19 this item (2.5) more than 10 years prior to his or her  
20 application and has not subsequently been convicted of any  
21 other crime;

22 (3) have demonstrated a level of skill or knowledge  
23 which the Board determines to be necessary in order to  
24 operate gambling aboard a riverboat, in a casino, or at an  
25 electronic gaming facility; and

26 (4) have met standards for the holding of an

1 occupational license as adopted by rules of the Board. Such  
2 rules shall provide that any person or entity seeking an  
3 occupational license to manage gambling operations under  
4 this Act or the Chicago Casino Development Authority Act  
5 ~~hereunder~~ shall be subject to background inquiries and  
6 further requirements similar to those required of  
7 applicants for an owners license. Furthermore, such rules  
8 shall provide that each such entity shall be permitted to  
9 manage gambling operations for only one licensed owner.

10 (b) Each application for an occupational license shall be  
11 on forms prescribed by the Board and shall contain all  
12 information required by the Board. The applicant shall set  
13 forth in the application: whether he has been issued prior  
14 gambling related licenses; whether he has been licensed in any  
15 other state under any other name, and, if so, such name and his  
16 age; and whether or not a permit or license issued to him in  
17 any other state has been suspended, restricted or revoked, and,  
18 if so, for what period of time.

19 (c) Each applicant shall submit with his application, on  
20 forms provided by the Board, 2 sets of his fingerprints. The  
21 Board shall charge each applicant a fee set by the Department  
22 of State Police to defray the costs associated with the search  
23 and classification of fingerprints obtained by the Board with  
24 respect to the applicant's application. These fees shall be  
25 paid into the State Police Services Fund.

26 (d) The Board may in its discretion refuse an occupational

1 license to any person: (1) who is unqualified to perform the  
2 duties required of such applicant; (2) who fails to disclose or  
3 states falsely any information called for in the application;  
4 (3) who has been found guilty of a violation of this Act or the  
5 Chicago Casino Development Authority Act or whose prior  
6 gambling related license or application therefor has been  
7 suspended, restricted, revoked or denied for just cause in any  
8 other state; or (4) for any other just cause.

9 (e) The Board may suspend, revoke or restrict any  
10 occupational licensee: (1) for violation of any provision of  
11 this Act; (2) for violation of any of the rules and regulations  
12 of the Board; (3) for any cause which, if known to the Board,  
13 would have disqualified the applicant from receiving such  
14 license; or (4) for default in the payment of any obligation or  
15 debt due to the State of Illinois; or (5) for any other just  
16 cause.

17 (f) A person who knowingly makes a false statement on an  
18 application is guilty of a Class A misdemeanor.

19 (g) Any license issued pursuant to this Section shall be  
20 valid for a period of one year from the date of issuance.

21 (h) Nothing in this Act shall be interpreted to prohibit a  
22 licensed owner or electronic gaming licensee from entering into  
23 an agreement with a public community college or a school  
24 approved under the Private Business and Vocational Schools Act  
25 of 2012 for the training of any occupational licensee. Any  
26 training offered by such a school shall be in accordance with a

1 written agreement between the licensed owner or electronic  
2 gaming licensee and the school.

3 (i) Any training provided for occupational licensees may be  
4 conducted either at the site of the gambling facility ~~on the~~  
5 ~~riverboat~~ or at a school with which a licensed owner or  
6 electronic gaming licensee has entered into an agreement  
7 pursuant to subsection (h).

8 (Source: P.A. 96-1392, eff. 1-1-11; 97-650, eff. 2-1-12;  
9 97-1150, eff. 1-25-13.)

10 (230 ILCS 10/11) (from Ch. 120, par. 2411)

11 Sec. 11. Conduct of gambling. Gambling may be conducted by  
12 licensed owners or licensed managers on behalf of the State  
13 aboard riverboats. Gambling may be conducted by electronic  
14 gaming licensees at electronic gaming facilities. Gambling may  
15 be conducted by a casino operator licensee at a casino.  
16 Gambling authorized under this Section is~~7~~ subject to the  
17 following standards:

18 (1) A licensee may conduct riverboat gambling  
19 authorized under this Act regardless of whether it conducts  
20 excursion cruises. A licensee may permit the continuous  
21 ingress and egress of patrons ~~passengers~~ on a riverboat not  
22 used for excursion cruises for the purpose of gambling.  
23 Excursion cruises shall not exceed 4 hours for a round  
24 trip. However, the Board may grant express approval for an  
25 extended cruise on a case-by-case basis.

1 (2) (Blank).

2 (3) Minimum and maximum wagers on games shall be set by  
3 the licensee.

4 (4) Agents of the Board and the Department of State  
5 Police may board and inspect any riverboat, enter and  
6 inspect any portion of a casino, or enter and inspect any  
7 portion of an electronic gaming facility at any time for  
8 the purpose of determining whether this Act or the Chicago  
9 Casino Development Authority Act is being complied with.  
10 Every riverboat, if under way and being hailed by a law  
11 enforcement officer or agent of the Board, must stop  
12 immediately and lay to.

13 (5) Employees of the Board shall have the right to be  
14 present on the riverboat or in the casino or on adjacent  
15 facilities under the control of the licensee and at the  
16 electronic gaming facility under the control of the  
17 electronic gaming licensee.

18 (6) Gambling equipment and supplies customarily used  
19 in conducting riverboat or casino gambling or electronic  
20 gaming must be purchased or leased only from suppliers  
21 licensed for such purpose under this Act. The Board may  
22 approve the transfer, sale, or lease of gambling equipment  
23 and supplies by a licensed owner from or to an affiliate of  
24 the licensed owner as long as the gambling equipment and  
25 supplies were initially acquired from a supplier licensed  
26 in Illinois.

1           (7) Persons licensed under this Act or the Chicago  
2 Casino Development Authority Act shall permit no form of  
3 wagering on gambling games except as permitted by this Act.

4           (8) Wagers may be received only from a person present  
5 on a licensed riverboat, in a casino, or at an electronic  
6 gaming facility. No person present on a licensed riverboat,  
7 in a casino, or at an electronic gaming facility shall  
8 place or attempt to place a wager on behalf of another  
9 person who is not present on the riverboat, in a casino, or  
10 at the electronic gaming facility.

11           (9) Wagering, including electronic gaming, shall not  
12 be conducted with money or other negotiable currency.

13           (10) A person under age 21 shall not be permitted on an  
14 area of a riverboat or casino where gambling is being  
15 conducted or at an electronic gaming facility where  
16 gambling is being conducted, except for a person at least  
17 18 years of age who is an employee of the riverboat or  
18 casino gambling operation or electronic gaming operation.  
19 No employee under age 21 shall perform any function  
20 involved in gambling by the patrons. No person under age 21  
21 shall be permitted to make a wager under this Act or the  
22 Chicago Casino Development Authority Act, and any winnings  
23 that are a result of a wager by a person under age 21,  
24 whether or not paid by a licensee, shall be treated as  
25 winnings for the privilege tax purposes, confiscated, and  
26 forfeited to the State and deposited into the Education

1 Assistance Fund.

2 (11) Gambling excursion cruises are permitted only  
3 when the waterway for which the riverboat is licensed is  
4 navigable, as determined by the Board in consultation with  
5 the U.S. Army Corps of Engineers. This paragraph (11) does  
6 not limit the ability of a licensee to conduct gambling  
7 authorized under this Act when gambling excursion cruises  
8 are not permitted.

9 (12) All tokens, chips or electronic cards used to make  
10 wagers must be purchased (i) from a licensed owner or  
11 manager, in the case of a riverboat, either aboard a  
12 riverboat or at an onshore facility which has been approved  
13 by the Board and which is located where the riverboat  
14 docks, (ii) in the case of a casino, from a licensed owner  
15 or licensed casino operator at the casino, or (iii) from an  
16 electronic gaming licensee at the electronic gaming  
17 facility. The tokens, chips or electronic cards may be  
18 purchased by means of an agreement under which the owner,  
19 ~~or~~ manager, or licensed casino operator extends credit to  
20 the patron. Such tokens, chips or electronic cards may be  
21 used while aboard the riverboat, in the casino, or at the  
22 electronic gaming facility only for the purpose of making  
23 wagers on gambling games.

24 (13) Notwithstanding any other Section of this Act or  
25 the Chicago Casino Development Authority Act, in addition  
26 to the other licenses authorized under this Act or the



1        Chicago Casino Development Authority Act, the Board may  
2        issue special event licenses allowing persons who are not  
3        otherwise licensed to conduct riverboat gambling to  
4        conduct such gambling on a specified date or series of  
5        dates. Riverboat gambling under such a license may take  
6        place on a riverboat not normally used for riverboat  
7        gambling. The Board shall establish standards, fees and  
8        fines for, and limitations upon, such licenses, which may  
9        differ from the standards, fees, fines and limitations  
10       otherwise applicable under this Act or the Chicago Casino  
11       Development Authority Act. All such fees shall be deposited  
12       into the State Gaming Fund. All such fines shall be  
13       deposited into the Education Assistance Fund, created by  
14       Public Act 86-0018, of the State of Illinois.

15            (14) In addition to the above, gambling must be  
16        conducted in accordance with all rules adopted by the  
17        Board.

18        (Source: P.A. 96-1392, eff. 1-1-11.)

19            (230 ILCS 10/11.1) (from Ch. 120, par. 2411.1)

20        Sec. 11.1. Collection of amounts owing under credit  
21        agreements. Notwithstanding any applicable statutory provision  
22        to the contrary, a licensed owner, licensed ~~or~~ manager,  
23        licensed casino operator, or electronic gaming licensee who  
24        extends credit to a ~~riverboat~~ gambling patron or an electronic  
25        gaming patron pursuant to Section 11 (a) (12) of this Act is

1 expressly authorized to institute a cause of action to collect  
2 any amounts due and owing under the extension of credit, as  
3 well as the licensed owner's, licensed ~~or~~ manager's, licensed  
4 casino operator's, or electronic gaming licensee's costs,  
5 expenses and reasonable attorney's fees incurred in  
6 collection.

7 (Source: P.A. 93-28, eff. 6-20-03.)

8 (230 ILCS 10/12) (from Ch. 120, par. 2412)

9 Sec. 12. Admission tax; fees.

10 (a) A tax is hereby imposed upon admissions to riverboat  
11 and casino gambling facilities ~~riverboats~~ operated by licensed  
12 owners authorized pursuant to this Act and the Chicago Casino  
13 Development Authority Act. Until July 1, 2002, the rate is \$2  
14 per person admitted. From July 1, 2002 until July 1, 2003, the  
15 rate is \$3 per person admitted. From July 1, 2003 until August  
16 23, 2005 (the effective date of Public Act 94-673), for a  
17 licensee that admitted 1,000,000 persons or fewer in the  
18 previous calendar year, the rate is \$3 per person admitted; for  
19 a licensee that admitted more than 1,000,000 but no more than  
20 2,300,000 persons in the previous calendar year, the rate is \$4  
21 per person admitted; and for a licensee that admitted more than  
22 2,300,000 persons in the previous calendar year, the rate is \$5  
23 per person admitted. Beginning on August 23, 2005 (the  
24 effective date of Public Act 94-673), for a licensee that  
25 admitted 1,000,000 persons or fewer in calendar year 2004, the

1 rate is \$2 per person admitted, and for all other licensees,  
2 including licensees that were not conducting gambling  
3 operations in 2004, the rate is \$3 per person admitted. This  
4 admission tax is imposed upon the licensed owner conducting  
5 gambling.

6 (1) The admission tax shall be paid for each admission,  
7 except that a person who exits a riverboat gambling  
8 facility and reenters that riverboat gambling facility  
9 within the same gaming day shall be subject only to the  
10 initial admission tax.

11 (2) (Blank).

12 (3) The riverboat licensee may issue tax-free passes to  
13 actual and necessary officials and employees of the  
14 licensee or other persons actually working on the  
15 riverboat.

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

20 (a-5) A fee is hereby imposed upon admissions operated by  
21 licensed managers on behalf of the State pursuant to Section  
22 7.3 at the rates provided in this subsection (a-5). For a  
23 licensee that admitted 1,000,000 persons or fewer in the  
24 previous calendar year, the rate is \$3 per person admitted; for  
25 a licensee that admitted more than 1,000,000 but no more than  
26 2,300,000 persons in the previous calendar year, the rate is \$4

1 per person admitted; and for a licensee that admitted more than  
2 2,300,000 persons in the previous calendar year, the rate is \$5  
3 per person admitted.

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

5 (2) (Blank).

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

9 (4) The number and issuance of fee-free passes is  
10 subject to the rules of the Board, and a list of all  
11 persons to whom the fee-free passes are issued shall be  
12 filed with the Board.

13 (b) Except as provided in subsection (b-5), from ~~From~~ the  
14 tax imposed under subsection (a) and the fee imposed under  
15 subsection (a-5), a municipality shall receive from the State  
16 \$1 for each person embarking on a riverboat docked within the  
17 municipality or entering a casino located within the  
18 municipality, and a county shall receive \$1 for each person  
19 entering a casino or embarking on a riverboat docked within the  
20 county but outside the boundaries of any municipality. The  
21 municipality's or county's share shall be collected by the  
22 Board on behalf of the State and remitted quarterly by the  
23 State, subject to appropriation, to the treasurer of the unit  
24 of local government for deposit in the general fund.

25 (b-5) From the tax imposed under subsection (a) and the fee  
26 imposed under subsection (a-5), \$1 for each person embarking on

1 a riverboat designated in paragraph (4) of subsection (e-5) of  
2 Section 7 shall be divided as follows: \$0.70 to the City of  
3 Rockford, \$0.05 to the City of Loves Park, \$0.05 to the Village  
4 of Machesney Park, and \$0.20 to Winnebago County.

5 The municipality's or county's share shall be collected by  
6 the Board on behalf of the State and remitted monthly by the  
7 State, subject to appropriation, to the treasurer of the unit  
8 of local government for deposit in the general fund.

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

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

22 (1) The admission tax shall be paid for each admission,  
23 except that a person who exits an electronic gaming  
24 facility and reenters that electronic gaming facility  
25 within the same gaming day, as the term "gaming day" is  
26 defined by the Board by rule, shall be subject only to the

1       initial admission tax. The Board shall establish, by rule,  
2       a procedure to determine whether a person admitted to an  
3       electronic gaming facility has paid the admission tax.

4           (2) An electronic gaming licensee may issue tax-free  
5       passes to actual and necessary officials and employees of  
6       the licensee and other persons associated with electronic  
7       gaming operations.

8           (3) The number and issuance of tax-free passes is  
9       subject to the rules of the Board, and a list of all  
10       persons to whom the tax-free passes are issued shall be  
11       filed with the Board.

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

14       Such payments shall be made daily. Accompanying each  
15       payment shall be a return on forms provided by the Board, which  
16       shall include other information regarding admission as the  
17       Board may require. Failure to submit either the payment or the  
18       return within the specified time may result in suspension or  
19       revocation of the electronic gaming license.

20       From the tax imposed under this subsection (c-5), a  
21       municipality other than the Village of Stickney or the City of  
22       Collinsville in which an electronic gaming facility is located,  
23       or if the electronic gaming facility is not located within a  
24       municipality, then the county in which the electronic gaming  
25       facility is located, except as otherwise provided in this  
26       Section, shall receive, subject to appropriation, \$1 for each

1 person who enters the electronic gaming facility. For each  
2 admission to the electronic gaming facility in excess of  
3 1,500,000 in a year, from the tax imposed under this subsection  
4 (c-5), the county in which the electronic gaming facility is  
5 located shall receive, subject to appropriation, \$0.30, which  
6 shall be in addition to any other moneys paid to the county  
7 under this Section.

8 From the tax imposed under this subsection (c-5) on an  
9 electronic gaming facility located in the Village of Stickney,  
10 \$1 for each person who enters the electronic gaming facility  
11 shall be distributed as follows, subject to appropriation:  
12 \$0.24 to the Village of Stickney, \$0.49 to the Town of Cicero,  
13 \$0.05 to the City of Berwyn, and \$0.17 to the Stickney Public  
14 Health District, and \$0.05 to the City of Bridgeview.

15 From the tax imposed under this subsection (c-5) on an  
16 electronic gaming facility located in the City of Collinsville,  
17 \$1 for each person who enters the electronic gaming facility  
18 shall be distributed as follows, subject to appropriation:  
19 \$0.45 to the City of Alton, \$0.45 to the City of East St.  
20 Louis, and \$0.10 to the City of Collinsville.

21 After payments required under this subsection (c-5) have  
22 been made, all remaining amounts shall be deposited into the  
23 Education Assistance Fund.

24 (d) The Board shall administer and collect the admission  
25 tax imposed by this Section, to the extent practicable, in a  
26 manner consistent with the provisions of Sections 4, 5, 5a, 5b,

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

4 (Source: P.A. 95-663, eff. 10-11-07; 96-1392, eff. 1-1-11.)

5 (230 ILCS 10/13) (from Ch. 120, par. 2413)

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

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

10 (a-1) From January 1, 1998 until July 1, 2002, a privilege  
11 tax is imposed on persons engaged in the business of conducting  
12 riverboat gambling operations, based on the adjusted gross  
13 receipts received by a licensed owner from gambling games  
14 authorized under this Act at the following rates:

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

17 20% of annual adjusted gross receipts in excess of  
18 \$25,000,000 but not exceeding \$50,000,000;

19 25% of annual adjusted gross receipts in excess of  
20 \$50,000,000 but not exceeding \$75,000,000;

21 30% of annual adjusted gross receipts in excess of  
22 \$75,000,000 but not exceeding \$100,000,000;

23 35% of annual adjusted gross receipts in excess of  
24 \$100,000,000.

25 (a-2) From July 1, 2002 until July 1, 2003, a privilege tax



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

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

9 22.5% of annual adjusted gross receipts in excess of  
10 \$25,000,000 but not exceeding \$50,000,000;

11 27.5% of annual adjusted gross receipts in excess of  
12 \$50,000,000 but not exceeding \$75,000,000;

13 32.5% of annual adjusted gross receipts in excess of  
14 \$75,000,000 but not exceeding \$100,000,000;

15 37.5% of annual adjusted gross receipts in excess of  
16 \$100,000,000 but not exceeding \$150,000,000;

17 45% of annual adjusted gross receipts in excess of  
18 \$150,000,000 but not exceeding \$200,000,000;

19 50% of annual adjusted gross receipts in excess of  
20 \$200,000,000.

21 (a-3) Beginning July 1, 2003, a privilege tax is imposed on  
22 persons engaged in the business of conducting riverboat  
23 gambling operations, other than licensed managers conducting  
24 riverboat gambling operations on behalf of the State, based on  
25 the adjusted gross receipts received by a licensed owner from  
26 gambling games authorized under this Act at the following

1 rates:

2 15% of annual adjusted gross receipts up to and  
3 including \$25,000,000;

4 27.5% of annual adjusted gross receipts in excess of  
5 \$25,000,000 but not exceeding \$37,500,000;

6 32.5% of annual adjusted gross receipts in excess of  
7 \$37,500,000 but not exceeding \$50,000,000;

8 37.5% of annual adjusted gross receipts in excess of  
9 \$50,000,000 but not exceeding \$75,000,000;

10 45% of annual adjusted gross receipts in excess of  
11 \$75,000,000 but not exceeding \$100,000,000;

12 50% of annual adjusted gross receipts in excess of  
13 \$100,000,000 but not exceeding \$250,000,000;

14 70% of annual adjusted gross receipts in excess of  
15 \$250,000,000.

16 An amount equal to the amount of wagering taxes collected  
17 under this subsection (a-3) that are in addition to the amount  
18 of wagering taxes that would have been collected if the  
19 wagering tax rates under subsection (a-2) were in effect shall  
20 be paid into the Common School Fund.

21 The privilege tax imposed under this subsection (a-3) shall  
22 no longer be imposed beginning on the earlier of (i) July 1,  
23 2005; (ii) the first date after June 20, 2003 that riverboat  
24 gambling operations are conducted pursuant to a dormant  
25 license; or (iii) the first day that riverboat gambling  
26 operations are conducted under the authority of an owners

1 license that is in addition to the 10 owners licenses initially  
2 authorized under this Act. For the purposes of this subsection  
3 (a-3), the term "dormant license" means an owners license that  
4 is authorized by this Act under which no riverboat gambling  
5 operations are being conducted on June 20, 2003.

6 (a-4) Beginning on the first day on which the tax imposed  
7 under subsection (a-3) is no longer imposed and ending upon the  
8 imposition of the privilege tax under subsection (a-5) of this  
9 Section, a privilege tax is imposed on persons engaged in the  
10 business of conducting riverboat or casino gambling or  
11 electronic gaming operations, other than licensed managers  
12 conducting riverboat gambling operations on behalf of the  
13 State, based on the adjusted gross receipts received by a  
14 licensed owner from gambling games authorized under this Act at  
15 the following rates:

16 15% of annual adjusted gross receipts up to and  
17 including \$25,000,000;

18 22.5% of annual adjusted gross receipts in excess of  
19 \$25,000,000 but not exceeding \$50,000,000;

20 27.5% of annual adjusted gross receipts in excess of  
21 \$50,000,000 but not exceeding \$75,000,000;

22 32.5% of annual adjusted gross receipts in excess of  
23 \$75,000,000 but not exceeding \$100,000,000;

24 37.5% of annual adjusted gross receipts in excess of  
25 \$100,000,000 but not exceeding \$150,000,000;

26 45% of annual adjusted gross receipts in excess of

1           \$150,000,000 but not exceeding \$200,000,000;

2           50% of annual adjusted gross receipts in excess of  
3           \$200,000,000.

4           For the imposition of the privilege tax in this subsection  
5           (a-4), amounts paid pursuant to item (1) of subsection (b) of  
6           Section 56 of the Illinois Horse Racing Act of 1975 shall not  
7           be included in the determination of adjusted gross receipts.

8           (a-5) Beginning in the fiscal year following the opening of  
9           the casino at which gambling operations are conducted pursuant  
10           to the Chicago Casino Development Authority Act, but not before  
11           July 1, 2019, a privilege tax is imposed on persons engaged in  
12           the business of conducting riverboat or casino gambling or  
13           electronic gaming operations, other than licensed managers  
14           conducting riverboat gambling operations on behalf of the  
15           State, based on the adjusted gross receipts received by such  
16           licensee from the gambling games authorized under this Act and  
17           the Chicago Casino Development Authority Act. The privilege tax  
18           for all gambling games other than table games, including, but  
19           not limited to, slot machines, video game of chance gambling,  
20           and electronic gambling games shall be at the following rates:

21           10% of annual adjusted gross receipts up to and  
22           including \$25,000,000;

23           17.5% of annual adjusted gross receipts in excess of  
24           \$25,000,000 but not exceeding \$50,000,000;

25           22.5% of annual adjusted gross receipts in excess of  
26           \$50,000,000 but not exceeding \$75,000,000;

1           27.5% of annual adjusted gross receipts in excess of  
2           \$75,000,000 but not exceeding \$100,000,000;

3           32.5% of annual adjusted gross receipts in excess of  
4           \$100,000,000 but not exceeding \$150,000,000;

5           35% of annual adjusted gross receipts in excess of  
6           \$150,000,000 but not exceeding \$200,000,000;

7           40% of annual adjusted gross receipts in excess of  
8           \$200,000,000 but not exceeding \$300,000,000;

9           30% of annual adjusted gross receipts in excess of  
10          \$300,000,000 but not exceeding \$350,000,000;

11          20% of annual adjusted gross receipts in excess of  
12          \$350,000,000, but not exceeding \$800,000,000;

13          50% of annual adjusted gross receipts in excess of  
14          \$800,000,000.

15          The privilege tax for table games shall be at the following  
16          rates:

17          10% of annual adjusted gross receipts up to and  
18          including \$25,000,000;

19          17.5% of annual adjusted gross receipts in excess of  
20          \$25,000,000 but not exceeding \$50,000,000;

21          22.5% of annual adjusted gross receipts in excess of  
22          \$50,000,000 but not exceeding \$70,000,000;

23          16% of annual adjusted gross receipts in excess of  
24          \$70,000,000.

25          For the imposition of the privilege tax in this subsection  
26          (a-5), amounts paid pursuant to item (1) of subsection (b) of

1 Section 56 of the Illinois Horse Racing Act of 1975 shall not  
2 be included in the determination of adjusted gross receipts.

3 (a-6) From the effective date of this amendatory Act of the  
4 99th General Assembly until June 30, 2021, an owners licensee  
5 that conducted gambling operations prior to January 1, 2011  
6 shall receive a dollar-for-dollar credit against the tax  
7 imposed under this Section for any renovation or construction  
8 costs paid by the owners licensee, but in no event shall the  
9 credit exceed \$2,000,000.

10 Additionally, from the effective date of this amendatory  
11 Act of the 99th General Assembly until December 31, 2020, an  
12 owners licensee that (i) is located within 15 miles of the  
13 Missouri border, and (ii) has at least 3 riverboats, casinos,  
14 or their equivalent within a 45-mile radius, may be authorized  
15 to relocate to a new location with the approval of both the  
16 unit of local government designated as the home dock and the  
17 Board, so long as the new location is within the same unit of  
18 local government and no more than 3 miles away from its  
19 original location. Such owners licensee shall receive a credit  
20 against the tax imposed under this Section equal to 8% of the  
21 total project costs, as approved by the Board, for any  
22 renovation or construction costs paid by the owners licensee  
23 for the construction of the new facility, provided that the new  
24 facility is operational by July 1, 2020. In determining whether  
25 or not to approve a relocation, the Board must consider the  
26 extent to which the relocation will diminish the gaming

1 revenues received by other Illinois gaming facilities.

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

5 (a-9) Beginning on January 1, 2018, the calculation of  
6 gross receipts or adjusted gross receipts, for the purposes of  
7 this Section, for a riverboat, casino, or electronic gaming  
8 facility shall not include the dollar amount of non-cashable  
9 vouchers, coupons, and electronic promotions redeemed by  
10 wagerers upon the riverboat, in the casino, or in the  
11 electronic gaming facility up to and including an amount not to  
12 exceed 30% of a riverboat casino or electronic gaming  
13 facility's adjusted gross receipts.

14 The Illinois Gaming Board shall submit to the General  
15 Assembly a comprehensive report no later than March 31, 2021  
16 detailing, at a minimum, the effect of removing non-cashable  
17 vouchers, coupons, and electronic promotions from this  
18 calculation on net gaming revenues to the State in calendar  
19 years 2018 through 2020, the increase or reduction in wagerers  
20 as a result of removing non-cashable vouchers, coupons, and  
21 electronic promotions from this calculation, the effect of the  
22 tax rates in subsection (a-5) on net gaming revenues to the  
23 State, and proposed modifications to the calculation.

24 (a-10) The taxes imposed by this Section shall be paid by  
25 the licensed owner or the electronic gaming licensee to the  
26 Board not later than 5:00 o'clock p.m. of the day after the day

1 when the wagers were made.

2 (a-15) If the privilege tax imposed under subsection (a-3)  
3 is no longer imposed pursuant to item (i) of the last paragraph  
4 of subsection (a-3), then by June 15 of each year, each owners  
5 licensee, other than an owners licensee that admitted 1,000,000  
6 persons or fewer in calendar year 2004, must, in addition to  
7 the payment of all amounts otherwise due under this Section,  
8 pay to the Board a reconciliation payment in the amount, if  
9 any, by which the licensed owner's base amount exceeds the  
10 amount of net privilege tax paid by the licensed owner to the  
11 Board in the then current State fiscal year. A licensed owner's  
12 net privilege tax obligation due for the balance of the State  
13 fiscal year shall be reduced up to the total of the amount paid  
14 by the licensed owner in its June 15 reconciliation payment.  
15 The obligation imposed by this subsection (a-15) is binding on  
16 any person, firm, corporation, or other entity that acquires an  
17 ownership interest in any such owners license. The obligation  
18 imposed under this subsection (a-15) terminates on the earliest  
19 of: (i) July 1, 2007, (ii) the first day after the effective  
20 date of this amendatory Act of the 94th General Assembly that  
21 riverboat gambling operations are conducted pursuant to a  
22 dormant license, (iii) the first day that riverboat gambling  
23 operations are conducted under the authority of an owners  
24 license that is in addition to the 10 owners licenses initially  
25 authorized under this Act, or (iv) the first day that a  
26 licensee under the Illinois Horse Racing Act of 1975 conducts



1 gaming operations with slot machines or other electronic gaming  
2 devices. The Board must reduce the obligation imposed under  
3 this subsection (a-15) by an amount the Board deems reasonable  
4 for any of the following reasons: (A) an act or acts of God,  
5 (B) an act of bioterrorism or terrorism or a bioterrorism or  
6 terrorism threat that was investigated by a law enforcement  
7 agency, or (C) a condition beyond the control of the owners  
8 licensee that does not result from any act or omission by the  
9 owners licensee or any of its agents and that poses a hazardous  
10 threat to the health and safety of patrons. If an owners  
11 licensee pays an amount in excess of its liability under this  
12 Section, the Board shall apply the overpayment to future  
13 payments required under this Section.

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

15 "Act of God" means an incident caused by the operation of  
16 an extraordinary force that cannot be foreseen, that cannot be  
17 avoided by the exercise of due care, and for which no person  
18 can be held liable.

19 "Base amount" means the following:

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

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

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

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

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

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

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

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

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

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

8           The changes made to this subsection (a-15) by Public Act  
9 94-839 are intended to restate and clarify the intent of Public  
10 Act 94-673 with respect to the amount of the payments required  
11 to be made under this subsection by an owners licensee to the  
12 Board.

13           (b) Until January 1, 1998, 25% of the tax revenue deposited  
14 in the State Gaming Fund under this Section shall be paid,  
15 subject to appropriation by the General Assembly, to the unit  
16 of local government which is designated as the home dock of the  
17 riverboat. Beginning January 1, 1998, from the tax revenue from  
18 riverboat or casino gambling deposited in the State Gaming Fund  
19 under this Section, an amount equal to 5% of adjusted gross  
20 receipts generated by a riverboat or a casino other than a  
21 riverboat designated in paragraph (3) or (4) of subsection  
22 (e-5) of Section 7, shall be paid monthly, subject to  
23 appropriation by the General Assembly, to the unit of local  
24 government in which the casino is located or that is designated  
25 as the home dock of the riverboat. From the tax revenue  
26 deposited in the State Gaming Fund pursuant to riverboat or

1 casino gambling operations conducted by a licensed manager on  
2 behalf of the State, an amount equal to 5% of adjusted gross  
3 receipts generated pursuant to those riverboat or casino  
4 gambling operations shall be paid monthly, subject to  
5 appropriation by the General Assembly, to the unit of local  
6 government that is designated as the home dock of the riverboat  
7 upon which those riverboat gambling operations are conducted or  
8 in which the casino is located. 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 the adjusted gross  
11 receipts generated by a riverboat designated in paragraph (3)  
12 of subsection (e-5) of Section 7 shall be divided and remitted  
13 monthly, subject to appropriation, as follows: 50% to Waukegan,  
14 25% to Park City, and 25% to North Chicago. From the tax  
15 revenue from riverboat or casino gambling deposited in the  
16 State Gaming Fund under this Section, an amount equal to 5% of  
17 the adjusted gross receipts generated by a riverboat designated  
18 in paragraph (4) of subsection (e-5) of Section 7 shall be  
19 remitted monthly, subject to appropriation, as follows: 70% to  
20 the City of Rockford, 5% to the City of Loves Park, 5% to the  
21 Village of Machesney, and 20% to Winnebago County. Units of  
22 local government may refund any portion of the payment that  
23 they receive pursuant to this subsection (b) to the riverboat  
24 or casino.

25 (b-5) Beginning on the effective date of this amendatory  
26 Act of the 99th General Assembly, from the tax revenue

1 deposited in the State Gaming Fund under this Section, an  
2 amount equal to 3% of adjusted gross receipts generated by each  
3 electronic gaming facility located outside Madison County  
4 shall be paid monthly, subject to appropriation by the General  
5 Assembly, to a municipality other than the Village of Stickney  
6 in which each electronic gaming facility is located or, if the  
7 electronic gaming facility is not located within a  
8 municipality, to the county in which the electronic gaming  
9 facility is located, except as otherwise provided in this  
10 Section. From the tax revenue deposited in the State Gaming  
11 Fund under this Section, an amount equal to 3% of adjusted  
12 gross receipts generated by an electronic gaming facility  
13 located in the Village of Stickney shall be paid monthly,  
14 subject to appropriation by the General Assembly, as follows:  
15 25% to the Village of Stickney, 5% to the City of Berwyn, 50%  
16 to the Town of Cicero, and 20% to the Stickney Public Health  
17 District.

18 From the tax revenue deposited in the State Gaming Fund  
19 under this Section, an amount equal to 5% of adjusted gross  
20 receipts generated by an electronic gaming facility located in  
21 the City of Collinsville shall be paid monthly, subject to  
22 appropriation by the General Assembly, as follows: 45% to the  
23 City of Alton, 45% to the City of East St. Louis, and 10% to the  
24 City of Collinsville.

25 Municipalities and counties may refund any portion of the  
26 payment that they receive pursuant to this subsection (b-5) to

1 the electronic gaming facility.

2 (b-6) Beginning on the effective date of this amendatory  
3 Act of the 99th General Assembly, from the tax revenue  
4 deposited in the State Gaming Fund under this Section, an  
5 amount equal to 2% of adjusted gross receipts generated by an  
6 electronic gaming facility located outside Madison County  
7 shall be paid monthly, subject to appropriation by the General  
8 Assembly, to the county in which the electronic gaming facility  
9 is located for the purposes of its criminal justice system or  
10 health care system.

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

14 (c) Appropriations, as approved by the General Assembly,  
15 may be made from the State Gaming Fund to the Board (i) for the  
16 administration and enforcement of this Act, the Chicago Casino  
17 Development Authority Act, and the Video Gaming Act, (ii) for  
18 distribution to the Department of State Police and to the  
19 Department of Revenue for the enforcement of this Act, the  
20 Chicago Casino Development Authority Act, and the Video Gaming  
21 Act, and (iii) to the Department of Human Services for the  
22 administration of programs to treat problem gambling. The  
23 Board's annual appropriations request must separately state  
24 its funding needs for the regulation of electronic gaming,  
25 riverboat gaming, casino gaming within the City of Chicago, and  
26 video gaming. From the tax revenue deposited in the Gaming

1 Facilities Fee Revenue Fund, the first \$50,000,000 shall be  
2 paid to the Board, subject to appropriation, for the  
3 administration and enforcement of the provisions of this  
4 amendatory Act of the 99th General Assembly.

5 (c-3) Appropriations, as approved by the General Assembly,  
6 may be made from the tax revenue deposited into the State  
7 Gaming Fund from electronic gaming pursuant to this Section for  
8 the administration and enforcement of this Act.

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

14 (c-5) Before May 26, 2006 (the effective date of Public Act  
15 94-804) and beginning on the effective date of this amendatory  
16 Act of the 95th General Assembly, unless any organization  
17 licensee under the Illinois Horse Racing Act of 1975 begins to  
18 operate a slot machine or video game of chance under the  
19 Illinois Horse Racing Act of 1975 or this Act, after the  
20 payments required under subsections (b) and (c) have been made,  
21 an amount equal to 15% of the adjusted gross receipts of (1) an  
22 owners licensee that relocates pursuant to Section 11.2, (2) an  
23 owners licensee conducting riverboat gambling operations  
24 pursuant to an owners license that is initially issued after  
25 June 25, 1999, or (3) the first riverboat gambling operations  
26 conducted by a licensed manager on behalf of the State under

1 Section 7.3, whichever comes first, shall be paid from the  
2 State Gaming Fund into the Horse Racing Equity Fund.

3 (c-10) Each year the General Assembly shall appropriate  
4 from the General Revenue Fund to the Education Assistance Fund  
5 an amount equal to the amount paid into the Horse Racing Equity  
6 Fund pursuant to subsection (c-5) in the prior calendar year.

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

19 (c-20) Each year the General Assembly shall appropriate  
20 from the General Revenue Fund to the Education Assistance Fund  
21 an amount equal to the amount paid to each home rule county  
22 with a population of over 3,000,000 inhabitants pursuant to  
23 subsection (c-15) in the prior calendar year.

24 (c-25) On July 1, 2013 and each July 1 thereafter,  
25 \$1,600,000 shall be transferred from the State Gaming Fund to  
26 the Chicago State University Education Improvement Fund.

1           (c-30) On July 1, 2013 or as soon as possible thereafter,  
2 \$92,000,000 shall be transferred from the State Gaming Fund to  
3 the School Infrastructure Fund and \$23,000,000 shall be  
4 transferred from the State Gaming Fund to the Horse Racing  
5 Equity Fund.

6           (c-35) Beginning on July 1, 2013, in addition to any amount  
7 transferred under subsection (c-30) of this Section,  
8 \$5,530,000 shall be transferred monthly from the State Gaming  
9 Fund to the School Infrastructure Fund.

10          (d) From time to time, the Board shall transfer the  
11 remainder of the funds generated by this Act into the Education  
12 Assistance Fund, created by Public Act 86-0018, of the State of  
13 Illinois.

14          (e) Nothing in this Act shall prohibit the unit of local  
15 government designated as the home dock of the riverboat from  
16 entering into agreements with other units of local government  
17 in this State or in other states to share its portion of the  
18 tax revenue.

19          (f) To the extent practicable, the Board shall administer  
20 and collect the wagering taxes imposed by this Section in a  
21 manner consistent with the provisions of Sections 4, 5, 5a, 5b,  
22 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, and 10 of the  
23 Retailers' Occupation Tax Act and Section 3-7 of the Uniform  
24 Penalty and Interest Act.

25          (Source: P.A. 98-18, eff. 6-7-13.)



1 (230 ILCS 10/14) (from Ch. 120, par. 2414)

2 Sec. 14. Licensees - Records - Reports - Supervision.

3 (a) Licensed owners and electronic gaming licensees ~~A~~  
4 ~~licensed owner~~ shall keep ~~his~~ books and records so as to  
5 clearly show the following:

6 (1) The amount received daily from admission fees.

7 (2) The total amount of gross receipts.

8 (3) The total amount of the adjusted gross receipts.

9 (b) Licensed owners and electronic gaming licensees ~~The~~  
10 ~~licensed owner~~ shall furnish to the Board reports and  
11 information as the Board may require with respect to its  
12 activities on forms designed and supplied for such purpose by  
13 the Board.

14 (c) The books and records kept by a licensed owner as  
15 provided by this Section are public records and the  
16 examination, publication, and dissemination of the books and  
17 records are governed by the provisions of The Freedom of  
18 Information Act.

19 (Source: P.A. 86-1029.)

20 (230 ILCS 10/15) (from Ch. 120, par. 2415)

21 Sec. 15. Audit of Licensee Operations. Annually, the  
22 licensed owner, ~~or~~ manager, or electronic gaming licensee shall  
23 transmit to the Board an audit of the financial transactions  
24 and condition of the licensee's or manager's total operations.  
25 Additionally, within 90 days after the end of each quarter of

1 each fiscal year, the licensed owner, ~~or~~ manager, or electronic  
2 gaming licensee shall transmit to the Board a compliance report  
3 on engagement procedures determined by the Board. All audits  
4 and compliance engagements shall be conducted by certified  
5 public accountants selected by the Board. Each certified public  
6 accountant must be registered in the State of Illinois under  
7 the Illinois Public Accounting Act. The compensation for each  
8 certified public accountant shall be paid directly by the  
9 licensed owner, ~~or~~ manager, or electronic gaming licensee to  
10 the certified public accountant.

11 (Source: P.A. 96-1392, eff. 1-1-11.)

12 (230 ILCS 10/16) (from Ch. 120, par. 2416)

13 Sec. 16. Annual Report of Board. The Board shall make an  
14 annual report to the Governor, for the period ending December  
15 31 of each year. Included in the report shall be an account of  
16 the Board actions, its financial position and results of  
17 operation under this Act and the Chicago Casino Development  
18 Authority Act, the practical results attained under this Act  
19 and the Chicago Casino Development Authority Act and any  
20 recommendations for legislation which the Board deems  
21 advisable.

22 (Source: P.A. 86-1029.)

23 (230 ILCS 10/17) (from Ch. 120, par. 2417)

24 Sec. 17. Administrative Procedures. The Illinois

1 Administrative Procedure Act shall apply to all administrative  
2 rules and procedures of the Board under this Act, the Chicago  
3 Casino Development Authority Act, and ~~or~~ the Video Gaming Act,  
4 except that: (1) subsection (b) of Section 5-10 of the Illinois  
5 Administrative Procedure Act does not apply to final orders,  
6 decisions and opinions of the Board; (2) subsection (a) of  
7 Section 5-10 of the Illinois Administrative Procedure Act does  
8 not apply to forms established by the Board for use under this  
9 Act, the Chicago Casino Development Authority Act, and or the  
10 Video Gaming Act; (3) the provisions of Section 10-45 of the  
11 Illinois Administrative Procedure Act regarding proposals for  
12 decision are excluded under this Act, the Chicago Casino  
13 Development Authority Act, and ~~or~~ the Video Gaming Act; and (4)  
14 the provisions of subsection (d) of Section 10-65 of the  
15 Illinois Administrative Procedure Act do not apply so as to  
16 prevent summary suspension of any license pending revocation or  
17 other action, which suspension shall remain in effect unless  
18 modified by the Board or unless the Board's decision is  
19 reversed on the merits upon judicial review.

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

21 (230 ILCS 10/17.1) (from Ch. 120, par. 2417.1)

22 Sec. 17.1. Judicial Review.

23 (a) Jurisdiction and venue for the judicial review of a  
24 final order of the Board relating to licensed owners,  
25 suppliers, electronic gaming licensees, and ~~or~~ special event

1 licenses is vested in the Appellate Court of the judicial  
2 district in which Sangamon County is located. A petition for  
3 judicial review of a final order of the Board must be filed in  
4 the Appellate Court, within 35 days from the date that a copy  
5 of the decision sought to be reviewed was served upon the party  
6 affected by the decision.

7 (b) Judicial review of all other final orders of the Board  
8 shall be conducted in accordance with the Administrative Review  
9 Law.

10 (Source: P.A. 88-1.)

11 (230 ILCS 10/18) (from Ch. 120, par. 2418)

12 Sec. 18. Prohibited Activities - Penalty.

13 (a) A person is guilty of a Class A misdemeanor for doing  
14 any of the following:

15 (1) Conducting gambling where wagering is used or to be  
16 used without a license issued by the Board.

17 (2) Conducting gambling where wagering is permitted  
18 other than in the manner specified by Section 11.

19 (b) A person is guilty of a Class B misdemeanor for doing  
20 any of the following:

21 (1) permitting a person under 21 years to make a wager;  
22 or

23 (2) violating paragraph (12) of subsection (a) of  
24 Section 11 of this Act.

25 (c) A person wagering or accepting a wager at any location

1 outside the riverboat, casino, or electronic gaming facility in  
2 violation of paragraph ~~is subject to the penalties in~~  
3 ~~paragraphs~~ (1) or (2) of subsection (a) of Section 28-1 of the  
4 Criminal Code of 2012 is subject to the penalties provided in  
5 that Section.

6 (d) A person commits a Class 4 felony and, in addition,  
7 shall be barred for life from gambling operations ~~riverboats~~  
8 under the jurisdiction of the Board, if the person does any of  
9 the following:

10 (1) Offers, promises, or gives anything of value or  
11 benefit to a person who is connected with a riverboat or  
12 casino owner or electronic gaming licensee, including, but  
13 not limited to, an officer or employee of a licensed owner,   
14 electronic gaming licensee, or holder of an occupational  
15 license pursuant to an agreement or arrangement or with the  
16 intent that the promise or thing of value or benefit will  
17 influence the actions of the person to whom the offer,  
18 promise, or gift was made in order to affect or attempt to  
19 affect the outcome of a gambling game, or to influence  
20 official action of a member of the Board.

21 (2) Solicits or knowingly accepts or receives a promise  
22 of anything of value or benefit while the person is  
23 connected with a riverboat, casino, or electronic gaming  
24 facility, including, but not limited to, an officer or  
25 employee of a licensed owner or electronic gaming licensee,  
26 or the holder of an occupational license, pursuant to an

1 understanding or arrangement or with the intent that the  
2 promise or thing of value or benefit will influence the  
3 actions of the person to affect or attempt to affect the  
4 outcome of a gambling game, or to influence official action  
5 of a member of the Board.

6 (3) Uses or possesses with the intent to use a device  
7 to assist:

8 (i) In projecting the outcome of the game.

9 (ii) In keeping track of the cards played.

10 (iii) In analyzing the probability of the  
11 occurrence of an event relating to the gambling game.

12 (iv) In analyzing the strategy for playing or  
13 betting to be used in the game except as permitted by  
14 the Board.

15 (4) Cheats at a gambling game.

16 (5) Manufactures, sells, or distributes any cards,  
17 chips, dice, game or device which is intended to be used to  
18 violate any provision of this Act or the Chicago Casino  
19 Development Authority Act.

20 (6) Alters or misrepresents the outcome of a gambling  
21 game on which wagers have been made after the outcome is  
22 made sure but before it is revealed to the players.

23 (7) Places a bet after acquiring knowledge, not  
24 available to all players, of the outcome of the gambling  
25 game which is subject of the bet or to aid a person in  
26 acquiring the knowledge for the purpose of placing a bet

1 contingent on that outcome.

2 (8) Claims, collects, or takes, or attempts to claim,  
3 collect, or take, money or anything of value in or from the  
4 gambling games, with intent to defraud, without having made  
5 a wager contingent on winning a gambling game, or claims,  
6 collects, or takes an amount of money or thing of value of  
7 greater value than the amount won.

8 (9) Uses counterfeit chips or tokens in a gambling  
9 game.

10 (10) Possesses any key or device designed for the  
11 purpose of opening, entering, or affecting the operation of  
12 a gambling game, drop box, or an electronic or mechanical  
13 device connected with the gambling game or for removing  
14 coins, tokens, chips or other contents of a gambling game.  
15 This paragraph (10) does not apply to a gambling licensee  
16 or employee of a gambling licensee acting in furtherance of  
17 the employee's employment.

18 (e) The possession of more than one of the devices  
19 described in subsection (d), paragraphs (3), (5), or (10)  
20 permits a rebuttable presumption that the possessor intended to  
21 use the devices for cheating.

22 (f) A person under the age of 21 who, except as authorized  
23 under paragraph (10) of Section 11, enters upon a riverboat or  
24 in a casino or electronic gaming facility commits a petty  
25 offense and is subject to a fine of not less than \$100 or more  
26 than \$250 for a first offense and of not less than \$200 or more

1 than \$500 for a second or subsequent offense.

2 An action to prosecute any crime occurring on a riverboat  
3 shall be tried in the county of the dock at which the riverboat  
4 is based. An action to prosecute any crime occurring in a  
5 casino or electronic gaming facility shall be tried in the  
6 county in which the casino or electronic gaming facility is  
7 located.

8 (Source: P.A. 96-1392, eff. 1-1-11; 97-1150, eff. 1-25-13.)

9 (230 ILCS 10/18.1)

10 Sec. 18.1. Distribution of certain fines. If a fine is  
11 imposed on an owner licensee or an electronic gaming licensee  
12 for knowingly sending marketing or promotional materials to any  
13 person placed on the self-exclusion list, then the Board shall  
14 distribute an amount equal to 15% of the fine imposed to the  
15 unit of local government in which the casino, riverboat, or  
16 electronic gaming facility is located for the purpose of  
17 awarding grants to non-profit entities that assist gambling  
18 addicts.

19 (Source: P.A. 96-224, eff. 8-11-09.)

20 (230 ILCS 10/19) (from Ch. 120, par. 2419)

21 Sec. 19. Forfeiture of property.

22 (a) Except as provided in subsection (b), any riverboat,  
23 casino, or electronic gaming facility used for the conduct of  
24 gambling games in violation of this Act shall be considered a



1 gambling place in violation of Section 28-3 of the Criminal  
2 Code of 2012. Every gambling device found on a riverboat, in a  
3 casino, or at an electronic gaming facility operating gambling  
4 games in violation of this Act and every slot machine and video  
5 game of chance found at an electronic gaming facility operating  
6 gambling games in violation of this Act or the Chicago Casino  
7 Development Authority Act shall be subject to seizure,  
8 confiscation and destruction as provided in Section 28-5 of the  
9 Criminal Code of 2012.

10 (b) It is not a violation of this Act for a riverboat or  
11 other watercraft which is licensed for gaming by a contiguous  
12 state to dock on the shores of this State if the municipality  
13 having jurisdiction of the shores, or the county in the case of  
14 unincorporated areas, has granted permission for docking and no  
15 gaming is conducted on the riverboat or other watercraft while  
16 it is docked on the shores of this State. No gambling device  
17 shall be subject to seizure, confiscation or destruction if the  
18 gambling device is located on a riverboat or other watercraft  
19 which is licensed for gaming by a contiguous state and which is  
20 docked on the shores of this State if the municipality having  
21 jurisdiction of the shores, or the county in the case of  
22 unincorporated areas, has granted permission for docking and no  
23 gaming is conducted on the riverboat or other watercraft while  
24 it is docked on the shores of this State.

25 (Source: P.A. 97-1150, eff. 1-25-13.)

1 (230 ILCS 10/20) (from Ch. 120, par. 2420)

2 Sec. 20. Prohibited activities - civil penalties. Any  
3 person who conducts a gambling operation without first  
4 obtaining a license to do so, or who continues to conduct such  
5 games after revocation of his license, or any licensee who  
6 conducts or allows to be conducted any unauthorized gambling  
7 games on a riverboat, in a casino, or at an electronic gaming  
8 facility where it is authorized to conduct its ~~riverboat~~  
9 gambling operation, in addition to other penalties provided,  
10 shall be subject to a civil penalty equal to the amount of  
11 gross receipts derived from wagering on the gambling games,  
12 whether unauthorized or authorized, conducted on that day as  
13 well as confiscation and forfeiture of all gambling game  
14 equipment used in the conduct of unauthorized gambling games.

15 (Source: P.A. 86-1029.)

16 (230 ILCS 10/21) (from Ch. 120, par. 2421)

17 Sec. 21. Limitation on taxation of licensees. Licensees  
18 shall not be subjected to any excise tax, license tax, permit  
19 tax, privilege tax, occupation tax or excursion tax which is  
20 imposed exclusively upon the licensee by the State or any  
21 political subdivision thereof, except as provided in this Act  
22 or the Chicago Casino Development Authority Act.

23 (Source: P.A. 86-1029.)

24 (230 ILCS 10/23) (from Ch. 120, par. 2423)

1           Sec. 23. The State Gaming Fund. On or after the effective  
2 date of this Act, except as provided for payments into the  
3 Horse Racing Equity Trust Fund under subsection (a) of Section  
4 7, all of the fees and taxes collected pursuant to this Act or  
5 the Chicago Casino Development Authority Act shall be deposited  
6 into the State Gaming Fund, a special fund in the State  
7 Treasury, which is hereby created. The adjusted gross receipts  
8 of any riverboat gambling operations conducted by a licensed  
9 manager on behalf of the State remaining after the payment of  
10 the fees and expenses of the licensed manager shall be  
11 deposited into the State Gaming Fund. Fines and penalties  
12 collected pursuant to this Act or the Chicago Casino  
13 Development Authority Act shall be deposited into the Education  
14 Assistance Fund, created by Public Act 86-0018, of the State of  
15 Illinois.

16           (Source: P.A. 93-28, eff. 6-20-03; 94-804, eff. 5-26-06.)

17           (230 ILCS 10/24)

18           Sec. 24. Applicability of this ~~Illinois Riverboat Gambling~~  
19 Act. The provisions of the this ~~Illinois Riverboat Gambling~~  
20 Act, and all rules promulgated thereunder, shall apply to the  
21 Chicago Casino Development Authority Act and the Video Gaming  
22 Act, except where there is a conflict between the ~~2~~ Acts. In  
23 the event of a conflict between this Act and the Chicago Casino  
24 Development Authority Act, the terms of the Chicago Casino  
25 Development Authority Act shall prevail. In the event of a

1 conflict between this Act and the Video Gaming Act, the terms  
2 of this Act shall prevail.

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

4 Section 90-42. The Video Gaming Act is amended by changing  
5 Sections 5, 25, 45, 79, and 80 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 "Electronic card" means a card purchased from a licensed  
17 establishment, licensed fraternal establishment, licensed  
18 veterans establishment, or licensed truck stop establishment  
19 for use in that establishment as a substitute for cash in the  
20 conduct of gaming on a video gaming terminal.

21 "Electronic voucher" means a voucher printed by an  
22 electronic video game machine that is redeemable in the  
23 licensed establishment for which it was issued.

24 "Terminal operator" means an individual, partnership,

1 corporation, or limited liability company that is licensed  
2 under this Act and that owns, services, and maintains video  
3 gaming terminals for placement in licensed establishments,  
4 licensed truck stop establishments, licensed fraternal  
5 establishments, or licensed veterans establishments.

6 "Licensed technician" means an individual who is licensed  
7 under this Act to repair, service, and maintain video gaming  
8 terminals.

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

19 "Manufacturer" means an individual, partnership,  
20 corporation, or limited liability company that is licensed  
21 under this Act and that manufactures or assembles video gaming  
22 terminals.

23 "Supplier" means an individual, partnership, corporation,  
24 or limited liability company that is licensed under this Act to  
25 supply major components or parts to video gaming terminals to  
26 licensed terminal operators.

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

3 "Video gaming terminal" means any electronic video game  
4 machine that, upon insertion of cash, electronic cards or  
5 vouchers, or any combination thereof, is available to play or  
6 simulate the play of a video game, including but not limited to  
7 video poker, line up, and blackjack, as authorized by the Board  
8 utilizing a video display and microprocessors in which the  
9 player may receive free games or credits that can be redeemed  
10 for cash. The term does not include a machine that directly  
11 dispenses coins, cash, or tokens or is for amusement purposes  
12 only.

13 "Licensed establishment" means any licensed retail  
14 establishment where alcoholic liquor is drawn, poured, mixed,  
15 or otherwise served for consumption on the premises, whether  
16 the establishment operates on a nonprofit or for-profit basis.  
17 "Licensed establishment" includes any such establishment that  
18 has a contractual relationship with an inter-track wagering  
19 location licensee licensed under the Illinois Horse Racing Act  
20 of 1975, provided any contractual relationship shall not  
21 include any transfer or offer of revenue from the operation of  
22 video gaming under this Act to any licensee licensed under the  
23 Illinois Horse Racing Act of 1975. Provided, however, that the  
24 licensed establishment that has such a contractual  
25 relationship with an inter-track wagering location licensee  
26 may not, itself, be (i) an inter-track wagering location

1 licensee, (ii) the corporate parent or subsidiary of any  
2 licensee licensed under the Illinois Horse Racing Act of 1975,  
3 or (iii) the corporate subsidiary of a corporation that is also  
4 the corporate parent or subsidiary of any licensee licensed  
5 under the Illinois Horse Racing Act of 1975. "Licensed  
6 establishment" does not include a facility operated by an  
7 organization licensee, an inter-track wagering licensee, or an  
8 inter-track wagering location licensee licensed under the  
9 Illinois Horse Racing Act of 1975 or a riverboat licensed under  
10 the Illinois Riverboat ~~Riverboat~~ Gambling Act, except as provided in this  
11 paragraph. The changes made to this definition by Public Act  
12 98-587 are declarative of existing law.

13 "Licensed fraternal establishment" means the location  
14 where a qualified fraternal organization that derives its  
15 charter from a national fraternal organization regularly  
16 meets.

17 "Licensed veterans establishment" means the location where  
18 a qualified veterans organization that derives its charter from  
19 a national veterans organization regularly meets.

20 "Licensed truck stop establishment" means a facility (i)  
21 that is at least a 3-acre facility with a convenience store,  
22 (ii) with separate diesel islands for fueling commercial motor  
23 vehicles, (iii) that sells at retail more than 10,000 gallons  
24 of diesel or biodiesel fuel per month, and (iv) with parking  
25 spaces for commercial motor vehicles. "Commercial motor  
26 vehicles" has the same meaning as defined in Section 18b-101 of

1 the Illinois Vehicle Code. The requirement of item (iii) of  
2 this paragraph may be met by showing that estimated future  
3 sales or past sales average at least 10,000 gallons per month.

4 (Source: P.A. 97-333, eff. 8-12-11; 98-31, eff. 6-24-13;  
5 98-582, eff. 8-27-13; 98-587, eff. 8-27-13; 98-756, eff.  
6 7-16-14.)

7 (230 ILCS 40/25)

8 Sec. 25. Restriction of licensees.

9 (a) Manufacturer. A person may not be licensed as a  
10 manufacturer of a video gaming terminal in Illinois unless the  
11 person has a valid manufacturer's license issued under this  
12 Act. A manufacturer may only sell video gaming terminals for  
13 use in Illinois to persons having a valid distributor's  
14 license.

15 (b) Distributor. A person may not sell, distribute, or  
16 lease or market a video gaming terminal in Illinois unless the  
17 person has a valid distributor's license issued under this Act.  
18 A distributor may only sell video gaming terminals for use in  
19 Illinois to persons having a valid distributor's or terminal  
20 operator's license.

21 (c) Terminal operator. A person may not own, maintain, or  
22 place a video gaming terminal unless he has a valid terminal  
23 operator's license issued under this Act. A terminal operator  
24 may only place video gaming terminals for use in Illinois in  
25 licensed establishments, licensed truck stop establishments,



1 licensed fraternal establishments, and licensed veterans  
2 establishments. No terminal operator may give anything of  
3 value, including but not limited to a loan or financing  
4 arrangement, to a licensed establishment, licensed truck stop  
5 establishment, licensed fraternal establishment, or licensed  
6 veterans establishment as any incentive or inducement to locate  
7 video terminals in that establishment. Of the after-tax profits  
8 from a video gaming terminal, 50% shall be paid to the terminal  
9 operator and 50% shall be paid to the licensed establishment,  
10 licensed truck stop establishment, licensed fraternal  
11 establishment, or licensed veterans establishment,  
12 notwithstanding any agreement to the contrary. A video terminal  
13 operator that violates one or more requirements of this  
14 subsection is guilty of a Class 4 felony and is subject to  
15 termination of his or her license by the Board.

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

21 (d-5) Licensed terminal handler. No person, including, but  
22 not limited to, an employee or independent contractor working  
23 for a manufacturer, distributor, supplier, technician, or  
24 terminal operator licensed pursuant to this Act, shall have  
25 possession or control of a video gaming terminal, or access to  
26 the inner workings of a video gaming terminal, unless that

1 person possesses a valid terminal handler's license issued  
2 under this Act.

3 (e) Licensed establishment. No video gaming terminal may be  
4 placed in any licensed establishment, licensed veterans  
5 establishment, licensed truck stop establishment, or licensed  
6 fraternal establishment unless the owner or agent of the owner  
7 of the licensed establishment, licensed veterans  
8 establishment, licensed truck stop establishment, or licensed  
9 fraternal establishment has entered into a written use  
10 agreement with the terminal operator for placement of the  
11 terminals. A copy of the use agreement shall be on file in the  
12 terminal operator's place of business and available for  
13 inspection by individuals authorized by the Board. A licensed  
14 establishment, licensed truck stop establishment, licensed  
15 veterans establishment, or licensed fraternal establishment  
16 may operate up to 5 video gaming terminals on its premises at  
17 any time.

18 (f) (Blank).

19 (g) Financial interest restrictions. As used in this Act,  
20 "substantial interest" in a partnership, a corporation, an  
21 organization, an association, a business, or a limited  
22 liability company means:

23 (A) When, with respect to a sole proprietorship, an  
24 individual or his or her spouse owns, operates, manages, or  
25 conducts, directly or indirectly, the organization,  
26 association, or business, or any part thereof; or

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

4           (C) When, with respect to a corporation, an individual  
5           or his or her spouse is an officer or director, or the  
6           individual or his or her spouse is a holder, directly or  
7           beneficially, of 5% or more of any class of stock of the  
8           corporation; or

9           (D) When, with respect to an organization not covered  
10          in (A), (B) or (C) above, an individual or his or her  
11          spouse is an officer or manages the business affairs, or  
12          the individual or his or her spouse is the owner of or  
13          otherwise controls 10% or more of the assets of the  
14          organization; or

15          (E) When an individual or his or her spouse furnishes  
16          5% or more of the capital, whether in cash, goods, or  
17          services, for the operation of any business, association,  
18          or organization during any calendar year; or

19          (F) When, with respect to a limited liability company,  
20          an individual or his or her spouse is a member, or the  
21          individual or his or her spouse is a holder, directly or  
22          beneficially, of 5% or more of the membership interest of  
23          the limited liability company.

24          For purposes of this subsection (g), "individual" includes  
25          all individuals or their spouses whose combined interest would  
26          qualify as a substantial interest under this subsection (g) and

1 whose activities with respect to an organization, association,  
2 or business are so closely aligned or coordinated as to  
3 constitute the activities of a single entity.

4 (h) Location restriction. A licensed establishment,  
5 licensed truck stop establishment, licensed fraternal  
6 establishment, or licensed veterans establishment that is (i)  
7 located within 1,000 feet of a facility operated by an  
8 organization licensee licensed under the Illinois Horse Racing  
9 Act of 1975 or the home dock of a riverboat licensed under the  
10 Illinois Riverboat ~~Riverboat~~ Gambling Act or (ii) located within 100 feet  
11 of a school or a place of worship under the Religious  
12 Corporation Act, is ineligible to operate a video gaming  
13 terminal. The location restrictions in this subsection (h) do  
14 not apply if (A) a facility operated by an organization  
15 licensee, a school, or a place of worship moves to or is  
16 established within the restricted area after a licensed  
17 establishment, licensed truck stop establishment, licensed  
18 fraternal establishment, or licensed veterans establishment  
19 becomes licensed under this Act or (B) a school or place of  
20 worship moves to or is established within the restricted area  
21 after a licensed establishment, licensed truck stop  
22 establishment, licensed fraternal establishment, or licensed  
23 veterans establishment obtains its original liquor license.  
24 For the purpose of this subsection, "school" means an  
25 elementary or secondary public school, or an elementary or  
26 secondary private school registered with or recognized by the

1 State Board of Education.

2 Notwithstanding the provisions of this subsection (h), the  
3 Board may waive the requirement that a licensed establishment,  
4 licensed truck stop establishment, licensed fraternal  
5 establishment, or licensed veterans establishment not be  
6 located within 1,000 feet from a facility operated by an  
7 organization licensee licensed under the Illinois Horse Racing  
8 Act of 1975 or the home dock of a riverboat licensed under the  
9 Illinois Riverboat ~~Riverboat~~ Gambling Act. The Board shall not grant such  
10 waiver if there is any common ownership or control, shared  
11 business activity, or contractual arrangement of any type  
12 between the establishment and the organization licensee or  
13 owners licensee of a riverboat. The Board shall adopt rules to  
14 implement the provisions of this paragraph.

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

26 (1) substantially impede or suppress competition among

1 terminal operators;

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

4 (3) negatively impact the purposes of the Video Gaming  
5 Act.

6 The Board shall adopt rules concerning undue economic  
7 concentration with respect to the operation of video gaming  
8 terminals in Illinois. The rules shall include, but not be  
9 limited to, (i) limitations on the number of video gaming  
10 terminals operated by any terminal operator within a defined  
11 geographic radius and (ii) guidelines on the discontinuation of  
12 operation of any such video gaming terminals the Board  
13 determines will cause undue economic concentration.

14 (j) The provisions of the Illinois Antitrust Act are fully  
15 and equally applicable to the activities of any licensee under  
16 this Act.

17 (Source: P.A. 97-333, eff. 8-12-11; 98-31, eff. 6-24-13; 98-77,  
18 eff. 7-15-13; 98-112, eff. 7-26-13; 98-756, eff. 7-16-14.)

19 (230 ILCS 40/45)

20 Sec. 45. Issuance of license.

21 (a) The burden is upon each applicant to demonstrate his  
22 suitability for licensure. Each video gaming terminal  
23 manufacturer, distributor, supplier, operator, handler,  
24 licensed establishment, licensed truck stop establishment,  
25 licensed fraternal establishment, and licensed veterans

1 establishment shall be licensed by the Board. The Board may  
2 issue or deny a license under this Act to any person pursuant  
3 to the same criteria set forth in Section 9 of the Illinois  
4 ~~Riverboat~~ Gambling Act.

5 (a-5) The Board shall not grant a license to a person who  
6 has facilitated, enabled, or participated in the use of  
7 coin-operated devices for gambling purposes or who is under the  
8 significant influence or control of such a person. For the  
9 purposes of this Act, "facilitated, enabled, or participated in  
10 the use of coin-operated amusement devices for gambling  
11 purposes" means that the person has been convicted of any  
12 violation of Article 28 of the Criminal Code of 1961 or the  
13 Criminal Code of 2012. If there is pending legal action against  
14 a person for any such violation, then the Board shall delay the  
15 licensure of that person until the legal action is resolved.

16 (b) Each person seeking and possessing a license as a video  
17 gaming terminal manufacturer, distributor, supplier, operator,  
18 handler, licensed establishment, licensed truck stop  
19 establishment, licensed fraternal establishment, or licensed  
20 veterans establishment shall submit to a background  
21 investigation conducted by the Board with the assistance of the  
22 State Police or other law enforcement. To the extent that the  
23 corporate structure of the applicant allows, the background  
24 investigation shall include any or all of the following as the  
25 Board deems appropriate or as provided by rule for each  
26 category of licensure: (i) each beneficiary of a trust, (ii)

1 each partner of a partnership, (iii) each member of a limited  
2 liability company, (iv) each director and officer of a publicly  
3 or non-publicly held corporation, (v) each stockholder of a  
4 non-publicly held corporation, (vi) each stockholder of 5% or  
5 more of a publicly held corporation, or (vii) each stockholder  
6 of 5% or more in a parent or subsidiary corporation.

7 (c) Each person seeking and possessing a license as a video  
8 gaming terminal manufacturer, distributor, supplier, operator,  
9 handler, licensed establishment, licensed truck stop  
10 establishment, licensed fraternal establishment, or licensed  
11 veterans establishment shall disclose the identity of every  
12 person, association, trust, corporation, or limited liability  
13 company having a greater than 1% direct or indirect pecuniary  
14 interest in the video gaming terminal operation for which the  
15 license is sought. If the disclosed entity is a trust, the  
16 application shall disclose the names and addresses of the  
17 beneficiaries; if a corporation, the names and addresses of all  
18 stockholders and directors; if a limited liability company, the  
19 names and addresses of all members; or if a partnership, the  
20 names and addresses of all partners, both general and limited.

21 (d) No person may be licensed as a video gaming terminal  
22 manufacturer, distributor, supplier, operator, handler,  
23 licensed establishment, licensed truck stop establishment,  
24 licensed fraternal establishment, or licensed veterans  
25 establishment if that person has been found by the Board to:

26 (1) have a background, including a criminal record,



1 reputation, habits, social or business associations, or  
 2 prior activities that pose a threat to the public interests  
 3 of the State or to the security and integrity of video  
 4 gaming;

5 (2) create or enhance the dangers of unsuitable,  
 6 unfair, or illegal practices, methods, and activities in  
 7 the conduct of video gaming; or

8 (3) present questionable business practices and  
 9 financial arrangements incidental to the conduct of video  
 10 gaming activities.

11 (e) Any applicant for any license under this Act has the  
 12 burden of proving his or her qualifications to the satisfaction  
 13 of the Board. The Board may adopt rules to establish additional  
 14 qualifications and requirements to preserve the integrity and  
 15 security of video gaming in this State.

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

- 19 (1) Manufacturer ..... \$5,000
- 20 (2) Distributor..... \$5,000
- 21 (3) Terminal operator..... \$5,000
- 22 (4) Supplier ..... \$2,500
- 23 (5) Technician ..... \$100
- 24 (6) Terminal Handler ..... \$50

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

- 1 (1) Manufacturer ..... \$10,000  
 2 (2) Distributor..... \$10,000  
 3 (3) Terminal operator..... \$5,000  
 4 (4) Supplier ..... \$2,000  
 5 (5) Technician ..... \$100  
 6 (6) Licensed establishment, licensed truck stop  
 7 establishment, licensed fraternal establishment,  
 8 or licensed veterans establishment ..... \$100  
 9 (7) Video gaming terminal..... \$100  
 10 (8) Terminal Handler ..... \$50  
 11 (h) A terminal operator and a licensed establishment,  
 12 licensed truck stop establishment, licensed fraternal  
 13 establishment, or licensed veterans establishment shall  
 14 equally split the fees specified in item (7) of subsection (g).  
 15 (Source: P.A. 97-1150, eff. 1-25-13; 98-31, eff. 6-24-13;  
 16 98-587, eff. 8-27-13; 98-756, eff. 7-16-14.)

17 (230 ILCS 40/79)

18 Sec. 79. Investigators. Investigators appointed by the  
 19 Board pursuant to the powers conferred upon the Board by  
 20 paragraph (20.6) of subsection (c) of Section 5 of the Illinois  
 21 ~~Riverboat~~ Gambling Act and Section 80 of this Act shall have  
 22 authority to conduct investigations, searches, seizures,  
 23 arrests, and other duties imposed under this Act and the  
 24 Illinois ~~Riverboat~~ Gambling Act, as deemed necessary by the  
 25 Board. These investigators have and may exercise all of the

1 rights and powers of peace officers, provided that these powers  
2 shall be (1) limited to offenses or violations occurring or  
3 committed in connection with conduct subject to this Act,  
4 including, but not limited to, the manufacture, distribution,  
5 supply, operation, placement, service, maintenance, or play of  
6 video gaming terminals and the distribution of profits and  
7 collection of revenues resulting from such play, and (2)  
8 exercised, to the fullest extent practicable, in cooperation  
9 with the local police department of the applicable municipality  
10 or, if these powers are exercised outside the boundaries of an  
11 incorporated municipality or within a municipality that does  
12 not have its own police department, in cooperation with the  
13 police department whose jurisdiction encompasses the  
14 applicable locality.

15 (Source: P.A. 97-809, eff. 7-13-12.)

16 (230 ILCS 40/80)

17 Sec. 80. Applicability of Illinois ~~Riverboat~~ Gambling Act.  
18 The provisions of the Illinois ~~Riverboat~~ Gambling Act, and all  
19 rules promulgated thereunder, shall apply to the Video Gaming  
20 Act, except where there is a conflict between the 2 Acts. In  
21 the event of a conflict between the 2 Acts, the provisions of  
22 the Illinois Gambling Act shall prevail. All provisions of the  
23 Uniform Penalty and Interest Act shall apply, as far as  
24 practicable, to the subject matter of this Act to the same  
25 extent as if such provisions were included herein.

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

2 Section 90-45. The Liquor Control Act of 1934 is amended by  
3 changing Sections 5-1 and 6-30 as follows:

4 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

5 Sec. 5-1. Licenses issued by the Illinois Liquor Control  
6 Commission shall be of the following classes:

7 (a) Manufacturer's license - Class 1. Distiller, Class 2.  
8 Rectifier, Class 3. Brewer, Class 4. First Class Wine  
9 Manufacturer, Class 5. Second Class Wine Manufacturer, Class 6.  
10 First Class Winemaker, Class 7. Second Class Winemaker, Class  
11 8. Limited Wine Manufacturer, Class 9. Craft Distiller, Class  
12 10. Class 1 Brewer, Class 11. Class 2 Brewer,

13 (b) Distributor's license,

14 (c) Importing Distributor's license,

15 (d) Retailer's license,

16 (e) Special Event Retailer's license (not-for-profit),

17 (f) Railroad license,

18 (g) Boat license,

19 (h) Non-Beverage User's license,

20 (i) Wine-maker's premises license,

21 (j) Airplane license,

22 (k) Foreign importer's license,

23 (l) Broker's license,

24 (m) Non-resident dealer's license,

- 1 (n) Brew Pub license,
- 2 (o) Auction liquor license,
- 3 (p) Caterer retailer license,
- 4 (q) Special use permit license,
- 5 (r) Winery shipper's license,
- 6 (s) Craft distiller tasting permit.

7 No person, firm, partnership, corporation, or other legal  
8 business entity that is engaged in the manufacturing of wine  
9 may concurrently obtain and hold a wine-maker's license and a  
10 wine manufacturer's license.

11 (a) A manufacturer's license shall allow the manufacture,  
12 importation in bulk, storage, distribution and sale of  
13 alcoholic liquor to persons without the State, as may be  
14 permitted by law and to licensees in this State as follows:

15 Class 1. A Distiller may make sales and deliveries of  
16 alcoholic liquor to distillers, rectifiers, importing  
17 distributors, distributors and non-beverage users and to no  
18 other licensees.

19 Class 2. A Rectifier, who is not a distiller, as defined  
20 herein, may make sales and deliveries of alcoholic liquor to  
21 rectifiers, importing distributors, distributors, retailers  
22 and non-beverage users and to no other licensees.

23 Class 3. A Brewer may make sales and deliveries of beer to  
24 importing distributors and distributors and may make sales as  
25 authorized under subsection (e) of Section 6-4 of this Act.

26 Class 4. A first class wine-manufacturer may make sales and

1 deliveries of up to 50,000 gallons of wine to manufacturers,  
2 importing distributors and distributors, and to no other  
3 licensees.

4 Class 5. A second class Wine manufacturer may make sales  
5 and deliveries of more than 50,000 gallons of wine to  
6 manufacturers, importing distributors and distributors and to  
7 no other licensees.

8 Class 6. A first-class wine-maker's license shall allow the  
9 manufacture of up to 50,000 gallons of wine per year, and the  
10 storage and sale of such wine to distributors in the State and  
11 to persons without the State, as may be permitted by law. A  
12 person who, prior to June 1, 2008 (the effective date of Public  
13 Act 95-634), is a holder of a first-class wine-maker's license  
14 and annually produces more than 25,000 gallons of its own wine  
15 and who distributes its wine to licensed retailers shall cease  
16 this practice on or before July 1, 2008 in compliance with  
17 Public Act 95-634.

18 Class 7. A second-class wine-maker's license shall allow  
19 the manufacture of between 50,000 and 150,000 gallons of wine  
20 per year, and the storage and sale of such wine to distributors  
21 in this State and to persons without the State, as may be  
22 permitted by law. A person who, prior to June 1, 2008 (the  
23 effective date of Public Act 95-634), is a holder of a  
24 second-class wine-maker's license and annually produces more  
25 than 25,000 gallons of its own wine and who distributes its  
26 wine to licensed retailers shall cease this practice on or

1 before July 1, 2008 in compliance with Public Act 95-634.

2 Class 8. A limited wine-manufacturer may make sales and  
3 deliveries not to exceed 40,000 gallons of wine per year to  
4 distributors, and to non-licensees in accordance with the  
5 provisions of this Act.

6 Class 9. A craft distiller license shall allow the  
7 manufacture of up to 100,000 ~~March 1, 2013 (Public Act 97-1166)~~  
8 gallons of spirits by distillation per year and the storage of  
9 such spirits. If a craft distiller licensee, including a craft  
10 distiller licensee who holds more than one craft distiller  
11 license, is not affiliated with any other manufacturer of  
12 spirits, then the craft distiller licensee may sell such  
13 spirits to distributors in this State and up to 2,500 gallons  
14 of such spirits to non-licensees to the extent permitted by any  
15 exemption approved by the Commission pursuant to Section 6-4 of  
16 this Act. A craft distiller license holder may store such  
17 spirits at a non-contiguous licensed location, but at no time  
18 shall a craft distiller license holder directly or indirectly  
19 produce in the aggregate more than 100,000 gallons of spirits  
20 per year.

21 A craft distiller licensee may hold more than one craft  
22 distiller's license. However, a craft distiller that holds more  
23 than one craft distiller license shall not manufacture, in the  
24 aggregate, more than 100,000 gallons of spirits by distillation  
25 per year and shall not sell, in the aggregate, more than 2,500  
26 gallons of such spirits to non-licensees in accordance with an

1 exemption approved by the State Commission pursuant to Section  
2 6-4 of this Act.

3 Any craft distiller licensed under this Act who on July 28,  
4 2010 (the effective date of Public Act 96-1367) was licensed as  
5 a distiller and manufactured no more spirits than permitted by  
6 this Section shall not be required to pay the initial licensing  
7 fee.

8 Class 10. A class 1 brewer license, which may only be  
9 issued to a licensed brewer or licensed non-resident dealer,  
10 shall allow the manufacture of up to 930,000 gallons of beer  
11 per year provided that the class 1 brewer licensee does not  
12 manufacture more than a combined 930,000 gallons of beer per  
13 year and is not a member of or affiliated with, directly or  
14 indirectly, a manufacturer that produces more than 930,000  
15 gallons of beer per year or any other alcoholic liquor. A class  
16 1 brewer licensee may make sales and deliveries to importing  
17 distributors and distributors and to retail licensees in  
18 accordance with the conditions set forth in paragraph (18) of  
19 subsection (a) of Section 3-12 of this Act.

20 Class 11. A class 2 brewer license, which may only be  
21 issued to a licensed brewer or licensed non-resident dealer,  
22 shall allow the manufacture of up to 3,720,000 gallons of beer  
23 per year provided that the class 2 brewer licensee does not  
24 manufacture more than a combined 3,720,000 gallons of beer per  
25 year and is not a member of or affiliated with, directly or  
26 indirectly, a manufacturer that produces more than 3,720,000



1 gallons of beer per year or any other alcoholic liquor. A class  
2 brewer licensee may make sales and deliveries to importing  
3 distributors and distributors, but shall not make sales or  
4 deliveries to any other licensee. If the State Commission  
5 provides prior approval, a class 2 brewer licensee may annually  
6 transfer up to 3,720,000 gallons of beer manufactured by that  
7 class 2 brewer licensee to the premises of a licensed class 2  
8 brewer wholly owned and operated by the same licensee.

9 (a-1) A manufacturer which is licensed in this State to  
10 make sales or deliveries of alcoholic liquor to licensed  
11 distributors or importing distributors and which enlists  
12 agents, representatives, or individuals acting on its behalf  
13 who contact licensed retailers on a regular and continual basis  
14 in this State must register those agents, representatives, or  
15 persons acting on its behalf with the State Commission.

16 Registration of agents, representatives, or persons acting  
17 on behalf of a manufacturer is fulfilled by submitting a form  
18 to the Commission. The form shall be developed by the  
19 Commission and shall include the name and address of the  
20 applicant, the name and address of the manufacturer he or she  
21 represents, the territory or areas assigned to sell to or  
22 discuss pricing terms of alcoholic liquor, and any other  
23 questions deemed appropriate and necessary. All statements in  
24 the forms required to be made by law or by rule shall be deemed  
25 material, and any person who knowingly misstates any material  
26 fact under oath in an application is guilty of a Class B

1 misdemeanor. Fraud, misrepresentation, false statements,  
2 misleading statements, evasions, or suppression of material  
3 facts in the securing of a registration are grounds for  
4 suspension or revocation of the registration. The State  
5 Commission shall post a list of registered agents on the  
6 Commission's website.

7 (b) A distributor's license shall allow the wholesale  
8 purchase and storage of alcoholic liquors and sale of alcoholic  
9 liquors to licensees in this State and to persons without the  
10 State, as may be permitted by law. No person licensed as a  
11 distributor shall be granted a non-resident dealer's license.

12 (c) An importing distributor's license may be issued to and  
13 held by those only who are duly licensed distributors, upon the  
14 filing of an application by a duly licensed distributor, with  
15 the Commission and the Commission shall, without the payment of  
16 any fee, immediately issue such importing distributor's  
17 license to the applicant, which shall allow the importation of  
18 alcoholic liquor by the licensee into this State from any point  
19 in the United States outside this State, and the purchase of  
20 alcoholic liquor in barrels, casks or other bulk containers and  
21 the bottling of such alcoholic liquors before resale thereof,  
22 but all bottles or containers so filled shall be sealed,  
23 labeled, stamped and otherwise made to comply with all  
24 provisions, rules and regulations governing manufacturers in  
25 the preparation and bottling of alcoholic liquors. The  
26 importing distributor's license shall permit such licensee to

1 purchase alcoholic liquor from Illinois licensed non-resident  
2 dealers and foreign importers only. No person licensed as an  
3 importing distributor shall be granted a non-resident dealer's  
4 license.

5 (d) A retailer's license shall allow the licensee to sell  
6 and offer for sale at retail, only in the premises specified in  
7 the license, alcoholic liquor for use or consumption, but not  
8 for resale in any form. Nothing in Public Act 95-634 shall  
9 deny, limit, remove, or restrict the ability of a holder of a  
10 retailer's license to transfer, deliver, or ship alcoholic  
11 liquor to the purchaser for use or consumption subject to any  
12 applicable local law or ordinance. Any retail license issued to  
13 a manufacturer shall only permit the manufacturer to sell beer  
14 at retail on the premises actually occupied by the  
15 manufacturer. For the purpose of further describing the type of  
16 business conducted at a retail licensed premises, a retailer's  
17 licensee may be designated by the State Commission as (i) an on  
18 premise consumption retailer, (ii) an off premise sale  
19 retailer, or (iii) a combined on premise consumption and off  
20 premise sale retailer.

21 Notwithstanding any other provision of this subsection  
22 (d), a retail licensee may sell alcoholic liquors to a special  
23 event retailer licensee for resale to the extent permitted  
24 under subsection (e).

25 (e) A special event retailer's license (not-for-profit)  
26 shall permit the licensee to purchase alcoholic liquors from an

1 Illinois licensed distributor (unless the licensee purchases  
2 less than \$500 of alcoholic liquors for the special event, in  
3 which case the licensee may purchase the alcoholic liquors from  
4 a licensed retailer) and shall allow the licensee to sell and  
5 offer for sale, at retail, alcoholic liquors for use or  
6 consumption, but not for resale in any form and only at the  
7 location and on the specific dates designated for the special  
8 event in the license. An applicant for a special event retailer  
9 license must (i) furnish with the application: (A) a resale  
10 number issued under Section 2c of the Retailers' Occupation Tax  
11 Act or evidence that the applicant is registered under Section  
12 2a of the Retailers' Occupation Tax Act, (B) a current, valid  
13 exemption identification number issued under Section 1g of the  
14 Retailers' Occupation Tax Act, and a certification to the  
15 Commission that the purchase of alcoholic liquors will be a  
16 tax-exempt purchase, or (C) a statement that the applicant is  
17 not registered under Section 2a of the Retailers' Occupation  
18 Tax Act, does not hold a resale number under Section 2c of the  
19 Retailers' Occupation Tax Act, and does not hold an exemption  
20 number under Section 1g of the Retailers' Occupation Tax Act,  
21 in which event the Commission shall set forth on the special  
22 event retailer's license a statement to that effect; (ii)  
23 submit with the application proof satisfactory to the State  
24 Commission that the applicant will provide dram shop liability  
25 insurance in the maximum limits; and (iii) show proof  
26 satisfactory to the State Commission that the applicant has

1 obtained local authority approval.

2 (f) A railroad license shall permit the licensee to import  
3 alcoholic liquors into this State from any point in the United  
4 States outside this State and to store such alcoholic liquors  
5 in this State; to make wholesale purchases of alcoholic liquors  
6 directly from manufacturers, foreign importers, distributors  
7 and importing distributors from within or outside this State;  
8 and to store such alcoholic liquors in this State; provided  
9 that the above powers may be exercised only in connection with  
10 the importation, purchase or storage of alcoholic liquors to be  
11 sold or dispensed on a club, buffet, lounge or dining car  
12 operated on an electric, gas or steam railway in this State;  
13 and provided further, that railroad licensees exercising the  
14 above powers shall be subject to all provisions of Article VIII  
15 of this Act as applied to importing distributors. A railroad  
16 license shall also permit the licensee to sell or dispense  
17 alcoholic liquors on any club, buffet, lounge or dining car  
18 operated on an electric, gas or steam railway regularly  
19 operated by a common carrier in this State, but shall not  
20 permit the sale for resale of any alcoholic liquors to any  
21 licensee within this State. A license shall be obtained for  
22 each car in which such sales are made.

23 (g) A boat license shall allow the sale of alcoholic liquor  
24 in individual drinks, on any passenger boat regularly operated  
25 as a common carrier on navigable waters in this State or on any  
26 riverboat operated under the Illinois Riverboat Gambling Act,

1 which boat or riverboat maintains a public dining room or  
2 restaurant thereon.

3 (h) A non-beverage user's license shall allow the licensee  
4 to purchase alcoholic liquor from a licensed manufacturer or  
5 importing distributor, without the imposition of any tax upon  
6 the business of such licensed manufacturer or importing  
7 distributor as to such alcoholic liquor to be used by such  
8 licensee solely for the non-beverage purposes set forth in  
9 subsection (a) of Section 8-1 of this Act, and such licenses  
10 shall be divided and classified and shall permit the purchase,  
11 possession and use of limited and stated quantities of  
12 alcoholic liquor as follows:

- 13 Class 1, not to exceed ..... 500 gallons
- 14 Class 2, not to exceed ..... 1,000 gallons
- 15 Class 3, not to exceed ..... 5,000 gallons
- 16 Class 4, not to exceed ..... 10,000 gallons
- 17 Class 5, not to exceed ..... 50,000 gallons

18 (i) A wine-maker's premises license shall allow a licensee  
19 that concurrently holds a first-class wine-maker's license to  
20 sell and offer for sale at retail in the premises specified in  
21 such license not more than 50,000 gallons of the first-class  
22 wine-maker's wine that is made at the first-class wine-maker's  
23 licensed premises per year for use or consumption, but not for  
24 resale in any form. A wine-maker's premises license shall allow  
25 a licensee who concurrently holds a second-class wine-maker's  
26 license to sell and offer for sale at retail in the premises

1 specified in such license up to 100,000 gallons of the  
2 second-class wine-maker's wine that is made at the second-class  
3 wine-maker's licensed premises per year for use or consumption  
4 but not for resale in any form. A wine-maker's premises license  
5 shall allow a licensee that concurrently holds a first-class  
6 wine-maker's license or a second-class wine-maker's license to  
7 sell and offer for sale at retail at the premises specified in  
8 the wine-maker's premises license, for use or consumption but  
9 not for resale in any form, any beer, wine, and spirits  
10 purchased from a licensed distributor. Upon approval from the  
11 State Commission, a wine-maker's premises license shall allow  
12 the licensee to sell and offer for sale at (i) the wine-maker's  
13 licensed premises and (ii) at up to 2 additional locations for  
14 use and consumption and not for resale. Each location shall  
15 require additional licensing per location as specified in  
16 Section 5-3 of this Act. A wine-maker's premises licensee shall  
17 secure liquor liability insurance coverage in an amount at  
18 least equal to the maximum liability amounts set forth in  
19 subsection (a) of Section 6-21 of this Act.

20 (j) An airplane license shall permit the licensee to import  
21 alcoholic liquors into this State from any point in the United  
22 States outside this State and to store such alcoholic liquors  
23 in this State; to make wholesale purchases of alcoholic liquors  
24 directly from manufacturers, foreign importers, distributors  
25 and importing distributors from within or outside this State;  
26 and to store such alcoholic liquors in this State; provided

1 that the above powers may be exercised only in connection with  
2 the importation, purchase or storage of alcoholic liquors to be  
3 sold or dispensed on an airplane; and provided further, that  
4 airplane licensees exercising the above powers shall be subject  
5 to all provisions of Article VIII of this Act as applied to  
6 importing distributors. An airplane licensee shall also permit  
7 the sale or dispensing of alcoholic liquors on any passenger  
8 airplane regularly operated by a common carrier in this State,  
9 but shall not permit the sale for resale of any alcoholic  
10 liquors to any licensee within this State. A single airplane  
11 license shall be required of an airline company if liquor  
12 service is provided on board aircraft in this State. The annual  
13 fee for such license shall be as determined in Section 5-3.

14 (k) A foreign importer's license shall permit such licensee  
15 to purchase alcoholic liquor from Illinois licensed  
16 non-resident dealers only, and to import alcoholic liquor other  
17 than in bulk from any point outside the United States and to  
18 sell such alcoholic liquor to Illinois licensed importing  
19 distributors and to no one else in Illinois; provided that (i)  
20 the foreign importer registers with the State Commission every  
21 brand of alcoholic liquor that it proposes to sell to Illinois  
22 licensees during the license period, (ii) the foreign importer  
23 complies with all of the provisions of Section 6-9 of this Act  
24 with respect to registration of such Illinois licensees as may  
25 be granted the right to sell such brands at wholesale, and  
26 (iii) the foreign importer complies with the provisions of



1 Sections 6-5 and 6-6 of this Act to the same extent that these  
2 provisions apply to manufacturers.

3 (1) (i) A broker's license shall be required of all persons  
4 who solicit orders for, offer to sell or offer to supply  
5 alcoholic liquor to retailers in the State of Illinois, or who  
6 offer to retailers to ship or cause to be shipped or to make  
7 contact with distillers, rectifiers, brewers or manufacturers  
8 or any other party within or without the State of Illinois in  
9 order that alcoholic liquors be shipped to a distributor,  
10 importing distributor or foreign importer, whether such  
11 solicitation or offer is consummated within or without the  
12 State of Illinois.

13 No holder of a retailer's license issued by the Illinois  
14 Liquor Control Commission shall purchase or receive any  
15 alcoholic liquor, the order for which was solicited or offered  
16 for sale to such retailer by a broker unless the broker is the  
17 holder of a valid broker's license.

18 The broker shall, upon the acceptance by a retailer of the  
19 broker's solicitation of an order or offer to sell or supply or  
20 deliver or have delivered alcoholic liquors, promptly forward  
21 to the Illinois Liquor Control Commission a notification of  
22 said transaction in such form as the Commission may by  
23 regulations prescribe.

24 (ii) A broker's license shall be required of a person  
25 within this State, other than a retail licensee, who, for a fee  
26 or commission, promotes, solicits, or accepts orders for

1 alcoholic liquor, for use or consumption and not for resale, to  
2 be shipped from this State and delivered to residents outside  
3 of this State by an express company, common carrier, or  
4 contract carrier. This Section does not apply to any person who  
5 promotes, solicits, or accepts orders for wine as specifically  
6 authorized in Section 6-29 of this Act.

7 A broker's license under this subsection (1) shall not  
8 entitle the holder to buy or sell any alcoholic liquors for his  
9 own account or to take or deliver title to such alcoholic  
10 liquors.

11 This subsection (1) shall not apply to distributors,  
12 employees of distributors, or employees of a manufacturer who  
13 has registered the trademark, brand or name of the alcoholic  
14 liquor pursuant to Section 6-9 of this Act, and who regularly  
15 sells such alcoholic liquor in the State of Illinois only to  
16 its registrants thereunder.

17 Any agent, representative, or person subject to  
18 registration pursuant to subsection (a-1) of this Section shall  
19 not be eligible to receive a broker's license.

20 (m) A non-resident dealer's license shall permit such  
21 licensee to ship into and warehouse alcoholic liquor into this  
22 State from any point outside of this State, and to sell such  
23 alcoholic liquor to Illinois licensed foreign importers and  
24 importing distributors and to no one else in this State;  
25 provided that (i) said non-resident dealer shall register with  
26 the Illinois Liquor Control Commission each and every brand of

1 alcoholic liquor which it proposes to sell to Illinois  
2 licensees during the license period, (ii) it shall comply with  
3 all of the provisions of Section 6-9 hereof with respect to  
4 registration of such Illinois licensees as may be granted the  
5 right to sell such brands at wholesale, and (iii) the  
6 non-resident dealer shall comply with the provisions of  
7 Sections 6-5 and 6-6 of this Act to the same extent that these  
8 provisions apply to manufacturers. No person licensed as a  
9 non-resident dealer shall be granted a distributor's or  
10 importing distributor's license.

11 (n) A brew pub license shall allow the licensee to only (i)  
12 manufacture up to 155,000 gallons of beer per year only on the  
13 premises specified in the license, (ii) make sales of the beer  
14 manufactured on the premises or, with the approval of the  
15 Commission, beer manufactured on another brew pub licensed  
16 premises that is wholly owned and operated by the same licensee  
17 to importing distributors, distributors, and to non-licensees  
18 for use and consumption, (iii) store the beer upon the  
19 premises, (iv) sell and offer for sale at retail from the  
20 licensed premises for off-premises consumption no more than  
21 155,000 gallons per year so long as such sales are only made  
22 in-person, (v) sell and offer for sale at retail for use and  
23 consumption on the premises specified in the license any form  
24 of alcoholic liquor purchased from a licensed distributor or  
25 importing distributor, and (vi) with the prior approval of the  
26 Commission, annually transfer no more than 155,000 gallons of

1 beer manufactured on the premises to a licensed brew pub wholly  
2 owned and operated by the same licensee.

3 A brew pub licensee shall not under any circumstance sell  
4 or offer for sale beer manufactured by the brew pub licensee to  
5 retail licensees.

6 A person who holds a class 2 brewer license may  
7 simultaneously hold a brew pub license if the class 2 brewer  
8 (i) does not, under any circumstance, sell or offer for sale  
9 beer manufactured by the class 2 brewer to retail licensees;  
10 (ii) does not hold more than 3 brew pub licenses in this State;  
11 (iii) does not manufacture more than a combined 3,720,000  
12 gallons of beer per year, including the beer manufactured at  
13 the brew pub; and (iv) is not a member of or affiliated with,  
14 directly or indirectly, a manufacturer that produces more than  
15 3,720,000 gallons of beer per year or any other alcoholic  
16 liquor.

17 Notwithstanding any other provision of this Act, a licensed  
18 brewer, class 2 brewer, or non-resident dealer who before July  
19 1, 2015 manufactured less than 3,720,000 gallons of beer per  
20 year and held a brew pub license on or before July 1, 2015 may  
21 (i) continue to qualify for and hold that brew pub license for  
22 the licensed premises and (ii) manufacture more than 3,720,000  
23 gallons of beer per year and continue to qualify for and hold  
24 that brew pub license if that brewer, class 2 brewer, or  
25 non-resident dealer does not simultaneously hold a class 1  
26 brewer license and is not a member of or affiliated with,

1 directly or indirectly, a manufacturer that produces more than  
2 3,720,000 gallons of beer per year or that produces any other  
3 alcoholic liquor.

4 (o) A caterer retailer license shall allow the holder to  
5 serve alcoholic liquors as an incidental part of a food service  
6 that serves prepared meals which excludes the serving of snacks  
7 as the primary meal, either on or off-site whether licensed or  
8 unlicensed.

9 (p) An auction liquor license shall allow the licensee to  
10 sell and offer for sale at auction wine and spirits for use or  
11 consumption, or for resale by an Illinois liquor licensee in  
12 accordance with provisions of this Act. An auction liquor  
13 license will be issued to a person and it will permit the  
14 auction liquor licensee to hold the auction anywhere in the  
15 State. An auction liquor license must be obtained for each  
16 auction at least 14 days in advance of the auction date.

17 (q) A special use permit license shall allow an Illinois  
18 licensed retailer to transfer a portion of its alcoholic liquor  
19 inventory from its retail licensed premises to the premises  
20 specified in the license hereby created, and to sell or offer  
21 for sale at retail, only in the premises specified in the  
22 license hereby created, the transferred alcoholic liquor for  
23 use or consumption, but not for resale in any form. A special  
24 use permit license may be granted for the following time  
25 periods: one day or less; 2 or more days to a maximum of 15 days  
26 per location in any 12-month ~~12-month~~ period. An applicant for

1 the special use permit license must also submit with the  
2 application proof satisfactory to the State Commission that the  
3 applicant will provide dram shop liability insurance to the  
4 maximum limits and have local authority approval.

5 (r) A winery shipper's license shall allow a person with a  
6 first-class or second-class wine manufacturer's license, a  
7 first-class or second-class wine-maker's license, or a limited  
8 wine manufacturer's license or who is licensed to make wine  
9 under the laws of another state to ship wine made by that  
10 licensee directly to a resident of this State who is 21 years  
11 of age or older for that resident's personal use and not for  
12 resale. Prior to receiving a winery shipper's license, an  
13 applicant for the license must provide the Commission with a  
14 true copy of its current license in any state in which it is  
15 licensed as a manufacturer of wine. An applicant for a winery  
16 shipper's license must also complete an application form that  
17 provides any other information the Commission deems necessary.  
18 The application form shall include all addresses from which the  
19 applicant for a winery shipper's license intends to ship wine,  
20 including the name and address of any third party, except for a  
21 common carrier, authorized to ship wine on behalf of the  
22 manufacturer. The application form shall include an  
23 acknowledgement consenting to the jurisdiction of the  
24 Commission, the Illinois Department of Revenue, and the courts  
25 of this State concerning the enforcement of this Act and any  
26 related laws, rules, and regulations, including authorizing

1 the Department of Revenue and the Commission to conduct audits  
2 for the purpose of ensuring compliance with Public Act 95-634,  
3 and an acknowledgement that the wine manufacturer is in  
4 compliance with Section 6-2 of this Act. Any third party,  
5 except for a common carrier, authorized to ship wine on behalf  
6 of a first-class or second-class wine manufacturer's licensee,  
7 a first-class or second-class wine-maker's licensee, a limited  
8 wine manufacturer's licensee, or a person who is licensed to  
9 make wine under the laws of another state shall also be  
10 disclosed by the winery shipper's licensee, and a copy of the  
11 written appointment of the third-party wine provider, except  
12 for a common carrier, to the wine manufacturer shall be filed  
13 with the State Commission as a supplement to the winery  
14 shipper's license application or any renewal thereof. The  
15 winery shipper's license holder shall affirm under penalty of  
16 perjury, as part of the winery shipper's license application or  
17 renewal, that he or she only ships wine, either directly or  
18 indirectly through a third-party provider, from the licensee's  
19 own production.

20 Except for a common carrier, a third-party provider  
21 shipping wine on behalf of a winery shipper's license holder is  
22 the agent of the winery shipper's license holder and, as such,  
23 a winery shipper's license holder is responsible for the acts  
24 and omissions of the third-party provider acting on behalf of  
25 the license holder. A third-party provider, except for a common  
26 carrier, that engages in shipping wine into Illinois on behalf

1 of a winery shipper's license holder shall consent to the  
2 jurisdiction of the State Commission and the State. Any  
3 third-party, except for a common carrier, holding such an  
4 appointment shall, by February 1 of each calendar year, file  
5 with the State Commission a statement detailing each shipment  
6 made to an Illinois resident. The State Commission shall adopt  
7 rules as soon as practicable to implement the requirements of  
8 Public Act 99-904 ~~this amendatory Act of the 99th General~~  
9 ~~Assembly~~ and shall adopt rules prohibiting any such third-party  
10 appointment of a third-party provider, except for a common  
11 carrier, that has been deemed by the State Commission to have  
12 violated the provisions of this Act with regard to any winery  
13 shipper licensee.

14 A winery shipper licensee must pay to the Department of  
15 Revenue the State liquor gallonage tax under Section 8-1 for  
16 all wine that is sold by the licensee and shipped to a person  
17 in this State. For the purposes of Section 8-1, a winery  
18 shipper licensee shall be taxed in the same manner as a  
19 manufacturer of wine. A licensee who is not otherwise required  
20 to register under the Retailers' Occupation Tax Act must  
21 register under the Use Tax Act to collect and remit use tax to  
22 the Department of Revenue for all gallons of wine that are sold  
23 by the licensee and shipped to persons in this State. If a  
24 licensee fails to remit the tax imposed under this Act in  
25 accordance with the provisions of Article VIII of this Act, the  
26 winery shipper's license shall be revoked in accordance with



1 the provisions of Article VII of this Act. If a licensee fails  
2 to properly register and remit tax under the Use Tax Act or the  
3 Retailers' Occupation Tax Act for all wine that is sold by the  
4 winery shipper and shipped to persons in this State, the winery  
5 shipper's license shall be revoked in accordance with the  
6 provisions of Article VII of this Act.

7 A winery shipper licensee must collect, maintain, and  
8 submit to the Commission on a semi-annual basis the total  
9 number of cases per resident of wine shipped to residents of  
10 this State. A winery shipper licensed under this subsection (r)  
11 must comply with the requirements of Section 6-29 of this Act.

12 Pursuant to paragraph (5.1) or (5.3) of subsection (a) of  
13 Section 3-12, the State Commission may receive, respond to, and  
14 investigate any complaint and impose any of the remedies  
15 specified in paragraph (1) of subsection (a) of Section 3-12.

16 (s) A craft distiller tasting permit license shall allow an  
17 Illinois licensed craft distiller to transfer a portion of its  
18 alcoholic liquor inventory from its craft distiller licensed  
19 premises to the premises specified in the license hereby  
20 created and to conduct a sampling, only in the premises  
21 specified in the license hereby created, of the transferred  
22 alcoholic liquor in accordance with subsection (c) of Section  
23 6-31 of this Act. The transferred alcoholic liquor may not be  
24 sold or resold in any form. An applicant for the craft  
25 distiller tasting permit license must also submit with the  
26 application proof satisfactory to the State Commission that the

1 applicant will provide dram shop liability insurance to the  
2 maximum limits and have local authority approval.

3 (Source: P.A. 98-394, eff. 8-16-13; 98-401, eff. 8-16-13;  
4 98-756, eff. 7-16-14; 99-448, eff. 8-24-15; 99-642, eff.  
5 7-28-16; 99-800, eff. 8-12-16; 99-902, eff. 8-26-16; 99-904,  
6 eff. 1-1-17; revised 9-15-16.)

7 (235 ILCS 5/6-30) (from Ch. 43, par. 144f)

8 Sec. 6-30. Notwithstanding any other provision of this Act,  
9 the Illinois Gaming Board shall have exclusive authority to  
10 establish the hours for sale and consumption of alcoholic  
11 liquor on board a riverboat during riverboat gambling  
12 excursions and in a casino conducted in accordance with the  
13 Illinois Riverboat Gambling Act.

14 (Source: P.A. 87-826.)

15 Section 90-46. The Illinois Public Aid Code is amended by  
16 changing Section 10-17.15 as follows:

17 (305 ILCS 5/10-17.15)

18 Sec. 10-17.15. Certification of information to State  
19 gaming licensees.

20 (a) For purposes of this Section, "State gaming licensee"  
21 means, as applicable, an organization licensee or advance  
22 deposit wagering licensee licensed under the Illinois Horse  
23 Racing Act of 1975, an owners licensee licensed under the

1 Illinois ~~Riverboat~~ Gambling Act, or a licensee that operates,  
2 under any law of this State, one or more facilities or gaming  
3 locations at which lawful gambling is authorized and licensed  
4 as provided in the Illinois ~~Riverboat~~ Gambling Act.

5 (b) The Department may provide, by rule, for certification  
6 to any State gaming licensee of past due child support owed by  
7 a responsible relative under a support order entered by a court  
8 or administrative body of this or any other State on behalf of  
9 a resident or non-resident receiving child support services  
10 under this Article in accordance with the requirements of Title  
11 IV-D, Part D, of the Social Security Act. The State gaming  
12 licensee shall have the ability to withhold from winnings  
13 required to be reported to the Internal Revenue Service on Form  
14 W-2G, up to the full amount of winnings necessary to pay the  
15 winner's past due child support. The rule shall provide for  
16 notice to and an opportunity to be heard by each responsible  
17 relative affected and any final administrative decision  
18 rendered by the Department shall be reviewed only under and in  
19 accordance with the Administrative Review Law.

20 (c) For withholding of winnings, the State gaming licensee  
21 shall be entitled to an administrative fee not to exceed the  
22 lesser of 4% of the total amount of cash winnings paid to the  
23 gambling winner or \$150.

24 (d) In no event may the total amount withheld from the cash  
25 payout, including the administrative fee, exceed the total cash  
26 winnings claimed by the obligor. If the cash payout claimed is

1 greater than the amount sufficient to satisfy the obligor's  
2 delinquent child support payments, the State gaming licensee  
3 shall pay the obligor the remaining balance of the payout, less  
4 the administrative fee authorized by subsection (c) of this  
5 Section, at the time it is claimed.

6 (e) A State gaming licensee who in good faith complies with  
7 the requirements of this Section shall not be liable to the  
8 gaming winner or any other individual or entity.

9 (Source: P.A. 98-318, eff. 8-12-13.)

10 Section 90-47. The Firearm Concealed Carry Act is amended  
11 by changing Section 65 as follows:

12 (430 ILCS 66/65)

13 Sec. 65. Prohibited areas.

14 (a) A licensee under this Act shall not knowingly carry a  
15 firearm on or into:

16 (1) Any building, real property, and parking area under  
17 the control of a public or private elementary or secondary  
18 school.

19 (2) Any building, real property, and parking area under  
20 the control of a pre-school or child care facility,  
21 including any room or portion of a building under the  
22 control of a pre-school or child care facility. Nothing in  
23 this paragraph shall prevent the operator of a child care  
24 facility in a family home from owning or possessing a

1           firearm in the home or license under this Act, if no child  
2           under child care at the home is present in the home or the  
3           firearm in the home is stored in a locked container when a  
4           child under child care at the home is present in the home.

5           (3) Any building, parking area, or portion of a  
6           building under the control of an officer of the executive  
7           or legislative branch of government, provided that nothing  
8           in this paragraph shall prohibit a licensee from carrying a  
9           concealed firearm onto the real property, bikeway, or trail  
10          in a park regulated by the Department of Natural Resources  
11          or any other designated public hunting area or building  
12          where firearm possession is permitted as established by the  
13          Department of Natural Resources under Section 1.8 of the  
14          Wildlife Code.

15          (4) Any building designated for matters before a  
16          circuit court, appellate court, or the Supreme Court, or  
17          any building or portion of a building under the control of  
18          the Supreme Court.

19          (5) Any building or portion of a building under the  
20          control of a unit of local government.

21          (6) Any building, real property, and parking area under  
22          the control of an adult or juvenile detention or  
23          correctional institution, prison, or jail.

24          (7) Any building, real property, and parking area under  
25          the control of a public or private hospital or hospital  
26          affiliate, mental health facility, or nursing home.

1           (8) Any bus, train, or form of transportation paid for  
2           in whole or in part with public funds, and any building,  
3           real property, and parking area under the control of a  
4           public transportation facility paid for in whole or in part  
5           with public funds.

6           (9) Any building, real property, and parking area under  
7           the control of an establishment that serves alcohol on its  
8           premises, if more than 50% of the establishment's gross  
9           receipts within the prior 3 months is from the sale of  
10          alcohol. The owner of an establishment who knowingly fails  
11          to prohibit concealed firearms on its premises as provided  
12          in this paragraph or who knowingly makes a false statement  
13          or record to avoid the prohibition on concealed firearms  
14          under this paragraph is subject to the penalty under  
15          subsection (c-5) of Section 10-1 of the Liquor Control Act  
16          of 1934.

17          (10) Any public gathering or special event conducted on  
18          property open to the public that requires the issuance of a  
19          permit from the unit of local government, provided this  
20          prohibition shall not apply to a licensee who must walk  
21          through a public gathering in order to access his or her  
22          residence, place of business, or vehicle.

23          (11) Any building or real property that has been issued  
24          a Special Event Retailer's license as defined in Section  
25          1-3.17.1 of the Liquor Control Act during the time  
26          designated for the sale of alcohol by the Special Event

1       Retailer's license, or a Special use permit license as  
2       defined in subsection (q) of Section 5-1 of the Liquor  
3       Control Act during the time designated for the sale of  
4       alcohol by the Special use permit license.

5               (12) Any public playground.

6               (13) Any public park, athletic area, or athletic  
7       facility under the control of a municipality or park  
8       district, provided nothing in this Section shall prohibit a  
9       licensee from carrying a concealed firearm while on a trail  
10      or bikeway if only a portion of the trail or bikeway  
11      includes a public park.

12              (14) Any real property under the control of the Cook  
13      County Forest Preserve District.

14              (15) Any building, classroom, laboratory, medical  
15      clinic, hospital, artistic venue, athletic venue,  
16      entertainment venue, officially recognized  
17      university-related organization property, whether owned or  
18      leased, and any real property, including parking areas,  
19      sidewalks, and common areas under the control of a public  
20      or private community college, college, or university.

21              (16) Any building, real property, or parking area under  
22      the control of a gaming facility licensed under the  
23      Illinois Riverboat ~~Riverboat~~ Gambling Act or the Illinois Horse  
24      Racing Act of 1975, including an inter-track wagering  
25      location licensee.

26              (17) Any stadium, arena, or the real property or

1 parking area under the control of a stadium, arena, or any  
2 collegiate or professional sporting event.

3 (18) Any building, real property, or parking area under  
4 the control of a public library.

5 (19) Any building, real property, or parking area under  
6 the control of an airport.

7 (20) Any building, real property, or parking area under  
8 the control of an amusement park.

9 (21) Any building, real property, or parking area under  
10 the control of a zoo or museum.

11 (22) Any street, driveway, parking area, property,  
12 building, or facility, owned, leased, controlled, or used  
13 by a nuclear energy, storage, weapons, or development site  
14 or facility regulated by the federal Nuclear Regulatory  
15 Commission. The licensee shall not under any circumstance  
16 store a firearm or ammunition in his or her vehicle or in a  
17 compartment or container within a vehicle located anywhere  
18 in or on the street, driveway, parking area, property,  
19 building, or facility described in this paragraph.

20 (23) Any area where firearms are prohibited under  
21 federal law.

22 (a-5) Nothing in this Act shall prohibit a public or  
23 private community college, college, or university from:

24 (1) prohibiting persons from carrying a firearm within  
25 a vehicle owned, leased, or controlled by the college or  
26 university;



1           (2) developing resolutions, regulations, or policies  
2 regarding student, employee, or visitor misconduct and  
3 discipline, including suspension and expulsion;

4           (3) developing resolutions, regulations, or policies  
5 regarding the storage or maintenance of firearms, which  
6 must include designated areas where persons can park  
7 vehicles that carry firearms; and

8           (4) permitting the carrying or use of firearms for the  
9 purpose of instruction and curriculum of officially  
10 recognized programs, including but not limited to military  
11 science and law enforcement training programs, or in any  
12 designated area used for hunting purposes or target  
13 shooting.

14           (a-10) The owner of private real property of any type may  
15 prohibit the carrying of concealed firearms on the property  
16 under his or her control. The owner must post a sign in  
17 accordance with subsection (d) of this Section indicating that  
18 firearms are prohibited on the property, unless the property is  
19 a private residence.

20           (b) Notwithstanding subsections (a), (a-5), and (a-10) of  
21 this Section except under paragraph (22) or (23) of subsection  
22 (a), any licensee prohibited from carrying a concealed firearm  
23 into the parking area of a prohibited location specified in  
24 subsection (a), (a-5), or (a-10) of this Section shall be  
25 permitted to carry a concealed firearm on or about his or her  
26 person within a vehicle into the parking area and may store a

1 firearm or ammunition concealed in a case within a locked  
2 vehicle or locked container out of plain view within the  
3 vehicle in the parking area. A licensee may carry a concealed  
4 firearm in the immediate area surrounding his or her vehicle  
5 within a prohibited parking lot area only for the limited  
6 purpose of storing or retrieving a firearm within the vehicle's  
7 trunk. For purposes of this subsection, "case" includes a glove  
8 compartment or console that completely encloses the concealed  
9 firearm or ammunition, the trunk of the vehicle, or a firearm  
10 carrying box, shipping box, or other container.

11 (c) A licensee shall not be in violation of this Section  
12 while he or she is traveling along a public right of way that  
13 touches or crosses any of the premises under subsection (a),  
14 (a-5), or (a-10) of this Section if the concealed firearm is  
15 carried on his or her person in accordance with the provisions  
16 of this Act or is being transported in a vehicle by the  
17 licensee in accordance with all other applicable provisions of  
18 law.

19 (d) Signs stating that the carrying of firearms is  
20 prohibited shall be clearly and conspicuously posted at the  
21 entrance of a building, premises, or real property specified in  
22 this Section as a prohibited area, unless the building or  
23 premises is a private residence. Signs shall be of a uniform  
24 design as established by the Department and shall be 4 inches  
25 by 6 inches in size. The Department shall adopt rules for  
26 standardized signs to be used under this subsection.

1 (Source: P.A. 98-63, eff. 7-9-13; 99-29, eff. 7-10-15.)

2 Section 90-50. The Criminal Code of 2012 is amended by  
3 changing Sections 28-1, 28-1.1, 28-3, 28-5, and 28-7 as  
4 follows:

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

6 Sec. 28-1. Gambling.

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

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

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

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

17 (4) contracts to have or give himself or herself or  
18 another the option to buy or sell, or contracts to buy or  
19 sell, at a future time, any grain or other commodity  
20 whatsoever, or any stock or security of any company, where  
21 it is at the time of making such contract intended by both  
22 parties thereto that the contract to buy or sell, or the  
23 option, whenever exercised, or the contract resulting  
24 therefrom, shall be settled, not by the receipt or delivery

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

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

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

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

23 (8) knowingly sets up or promotes any policy game or  
24 sells, offers to sell or knowingly possesses or transfers  
25 any policy ticket, slip, record, document or other similar  
26 device;

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

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

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

19           (12) knowingly establishes, maintains, or operates an  
20 Internet site that permits a person to play a game of  
21 chance or skill for money or other thing of value by means  
22 of the Internet or to make a wager upon the result of any  
23 game, contest, political nomination, appointment, or  
24 election by means of the Internet. This item (12) does not  
25 apply to activities referenced in items (6) and (6.1) of  
26 subsection (b) of this Section.

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

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

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

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

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

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

24 (6) Lotteries when conducted by the State of Illinois  
25 in accordance with the Illinois Lottery Law. This exemption  
26 includes any activity conducted by the Department of

1 Revenue to sell lottery tickets pursuant to the provisions  
2 of the Illinois Lottery Law and its rules.

3 (6.1) The purchase of lottery tickets through the  
4 Internet for a lottery conducted by the State of Illinois  
5 under the program established in Section 7.12 of the  
6 Illinois Lottery Law.

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

12 (8) Raffles and poker runs when conducted in accordance  
13 with the Raffles and Poker Runs Act.

14 (9) Charitable games when conducted in accordance with  
15 the Charitable Games Act.

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

18 (11) Gambling games ~~conducted on riverboats~~ when  
19 authorized by the Illinois Riverboat Gambling Act.

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

25 (13) Games of skill or chance where money or other  
26 things of value can be won but no payment or purchase is

1 required to participate.

2 (14) Savings promotion raffles authorized under  
3 Section 5g of the Illinois Banking Act, Section 7008 of the  
4 Savings Bank Act, Section 42.7 of the Illinois Credit Union  
5 Act, Section 5136B of the National Bank Act (12 U.S.C.  
6 25a), or Section 4 of the Home Owners' Loan Act (12 U.S.C.  
7 1463).

8 (c) Sentence.

9 Gambling is a Class A misdemeanor. A second or subsequent  
10 conviction under subsections (a) (3) through (a) (12), is a Class  
11 4 felony.

12 (d) Circumstantial evidence.

13 In prosecutions under this Section circumstantial evidence  
14 shall have the same validity and weight as in any criminal  
15 prosecution.

16 (Source: P.A. 98-644, eff. 6-10-14; 99-149, eff. 1-1-16.)

17 (720 ILCS 5/28-1.1) (from Ch. 38, par. 28-1.1)

18 Sec. 28-1.1. Syndicated gambling.

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

25 (b) A person commits syndicated gambling when he or she



1 operates a "policy game" or engages in the business of  
2 bookmaking.

3 (c) A person "operates a policy game" when he or she  
4 knowingly uses any premises or property for the purpose of  
5 receiving or knowingly does receive from what is commonly  
6 called "policy":

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

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

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

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

25 (1) Agreements to compensate for loss caused by the  
26 happening of chance including without limitation contracts

1 of indemnity or guaranty and life or health or accident  
2 insurance;

3 (2) Offers of prizes, award or compensation to the  
4 actual contestants in any bona fide contest for the  
5 determination of skill, speed, strength or endurance or to  
6 the owners of animals or vehicles entered in the contest;

7 (3) Pari-mutuel betting as authorized by law of this  
8 State;

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

15 (5) Raffles and poker runs when conducted in accordance  
16 with the Raffles and Poker Runs Act;

17 (6) Gambling games conducted on riverboats, in  
18 casinos, or at electronic gaming facilities when  
19 authorized by the Illinois Riverboat Gambling Act;

20 (7) Video gaming terminal games at a licensed  
21 establishment, licensed truck stop establishment, licensed  
22 fraternal establishment, or licensed veterans  
23 establishment when conducted in accordance with the Video  
24 Gaming Act; and

25 (8) Savings promotion raffles authorized under Section  
26 5g of the Illinois Banking Act, Section 7008 of the Savings

1 Bank Act, Section 42.7 of the Illinois Credit Union Act,  
2 Section 5136B of the National Bank Act (12 U.S.C. 25a), or  
3 Section 4 of the Home Owners' Loan Act (12 U.S.C. 1463).

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

5 (Source: P.A. 98-644, eff. 6-10-14; 99-149, eff. 1-1-16.)

6 (720 ILCS 5/28-3) (from Ch. 38, par. 28-3)

7 Sec. 28-3. Keeping a Gambling Place. A "gambling place" is  
8 any real estate, vehicle, boat or any other property whatsoever  
9 used for the purposes of gambling other than gambling conducted  
10 in the manner authorized by the Illinois Riverboat ~~Riverboat~~ Gambling Act  
11 or the Video Gaming Act. Any person who knowingly permits any  
12 premises or property owned or occupied by him or under his  
13 control to be used as a gambling place commits a Class A  
14 misdemeanor. Each subsequent offense is a Class 4 felony. When  
15 any premises is determined by the circuit court to be a  
16 gambling place:

17 (a) Such premises is a public nuisance and may be proceeded  
18 against as such, and

19 (b) All licenses, permits or certificates issued by the  
20 State of Illinois or any subdivision or public agency thereof  
21 authorizing the serving of food or liquor on such premises  
22 shall be void; and no license, permit or certificate so  
23 cancelled shall be reissued for such premises for a period of  
24 60 days thereafter; nor shall any person convicted of keeping a  
25 gambling place be reissued such license for one year from his

1 conviction and, after a second conviction of keeping a gambling  
2 place, any such person shall not be reissued such license, and

3 (c) Such premises of any person who knowingly permits  
4 thereon a violation of any Section of this Article shall be  
5 held liable for, and may be sold to pay any unsatisfied  
6 judgment that may be recovered and any unsatisfied fine that  
7 may be levied under any Section of this Article.

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

9 (720 ILCS 5/28-5) (from Ch. 38, par. 28-5)

10 Sec. 28-5. Seizure of gambling devices and gambling funds.

11 (a) Every device designed for gambling which is incapable  
12 of lawful use or every device used unlawfully for gambling  
13 shall be considered a "gambling device", and shall be subject  
14 to seizure, confiscation and destruction by the Department of  
15 State Police or by any municipal, or other local authority,  
16 within whose jurisdiction the same may be found. As used in  
17 this Section, a "gambling device" includes any slot machine,  
18 and includes any machine or device constructed for the  
19 reception of money or other thing of value and so constructed  
20 as to return, or to cause someone to return, on chance to the  
21 player thereof money, property or a right to receive money or  
22 property. With the exception of any device designed for  
23 gambling which is incapable of lawful use, no gambling device  
24 shall be forfeited or destroyed unless an individual with a  
25 property interest in said device knows of the unlawful use of

1 the device.

2 (b) Every gambling device shall be seized and forfeited to  
3 the county wherein such seizure occurs. Any money or other  
4 thing of value integrally related to acts of gambling shall be  
5 seized and forfeited to the county wherein such seizure occurs.

6 (c) If, within 60 days after any seizure pursuant to  
7 subparagraph (b) of this Section, a person having any property  
8 interest in the seized property is charged with an offense, the  
9 court which renders judgment upon such charge shall, within 30  
10 days after such judgment, conduct a forfeiture hearing to  
11 determine whether such property was a gambling device at the  
12 time of seizure. Such hearing shall be commenced by a written  
13 petition by the State, including material allegations of fact,  
14 the name and address of every person determined by the State to  
15 have any property interest in the seized property, a  
16 representation that written notice of the date, time and place  
17 of such hearing has been mailed to every such person by  
18 certified mail at least 10 days before such date, and a request  
19 for forfeiture. Every such person may appear as a party and  
20 present evidence at such hearing. The quantum of proof required  
21 shall be a preponderance of the evidence, and the burden of  
22 proof shall be on the State. If the court determines that the  
23 seized property was a gambling device at the time of seizure,  
24 an order of forfeiture and disposition of the seized property  
25 shall be entered: a gambling device shall be received by the  
26 State's Attorney, who shall effect its destruction, except that

1 valuable parts thereof may be liquidated and the resultant  
2 money shall be deposited in the general fund of the county  
3 wherein such seizure occurred; money and other things of value  
4 shall be received by the State's Attorney and, upon  
5 liquidation, shall be deposited in the general fund of the  
6 county wherein such seizure occurred. However, in the event  
7 that a defendant raises the defense that the seized slot  
8 machine is an antique slot machine described in subparagraph  
9 (b) (7) of Section 28-1 of this Code and therefore he is exempt  
10 from the charge of a gambling activity participant, the seized  
11 antique slot machine shall not be destroyed or otherwise  
12 altered until a final determination is made by the Court as to  
13 whether it is such an antique slot machine. Upon a final  
14 determination by the Court of this question in favor of the  
15 defendant, such slot machine shall be immediately returned to  
16 the defendant. Such order of forfeiture and disposition shall,  
17 for the purposes of appeal, be a final order and judgment in a  
18 civil proceeding.

19 (d) If a seizure pursuant to subparagraph (b) of this  
20 Section is not followed by a charge pursuant to subparagraph  
21 (c) of this Section, or if the prosecution of such charge is  
22 permanently terminated or indefinitely discontinued without  
23 any judgment of conviction or acquittal (1) the State's  
24 Attorney shall commence an in rem proceeding for the forfeiture  
25 and destruction of a gambling device, or for the forfeiture and  
26 deposit in the general fund of the county of any seized money

1 or other things of value, or both, in the circuit court and (2)  
2 any person having any property interest in such seized gambling  
3 device, money or other thing of value may commence separate  
4 civil proceedings in the manner provided by law.

5 (e) Any gambling device displayed for sale to a riverboat  
6 gambling operation, casino gambling operation, or electronic  
7 gaming facility or used to train occupational licensees of a  
8 riverboat gambling operation, casino gambling operation, or  
9 electronic gaming facility as authorized under the Illinois  
10 ~~Riverboat~~ Gambling Act is exempt from seizure under this  
11 Section.

12 (f) Any gambling equipment, devices and supplies provided  
13 by a licensed supplier in accordance with the Illinois  
14 ~~Riverboat~~ Gambling Act which are removed from a the riverboat,  
15 casino, or electronic gaming facility for repair are exempt  
16 from seizure under this Section.

17 (g) The following video gaming terminals are exempt from  
18 seizure under this Section:

19 (1) Video gaming terminals for sale to a licensed  
20 distributor or operator under the Video Gaming Act.

21 (2) Video gaming terminals used to train licensed  
22 technicians or licensed terminal handlers.

23 (3) Video gaming terminals that are removed from a  
24 licensed establishment, licensed truck stop establishment,  
25 licensed fraternal establishment, or licensed veterans  
26 establishment for repair.

1 (Source: P.A. 98-31, eff. 6-24-13.)

2 (720 ILCS 5/28-7) (from Ch. 38, par. 28-7)

3 Sec. 28-7. Gambling contracts void.

4 (a) All promises, notes, bills, bonds, covenants,  
5 contracts, agreements, judgments, mortgages, or other  
6 securities or conveyances made, given, granted, drawn, or  
7 entered into, or executed by any person whatsoever, where the  
8 whole or any part of the consideration thereof is for any money  
9 or thing of value, won or obtained in violation of any Section  
10 of this Article are null and void.

11 (b) Any obligation void under this Section may be set aside  
12 and vacated by any court of competent jurisdiction, upon a  
13 complaint filed for that purpose, by the person so granting,  
14 giving, entering into, or executing the same, or by his  
15 executors or administrators, or by any creditor, heir, legatee,  
16 purchaser or other person interested therein; or if a judgment,  
17 the same may be set aside on motion of any person stated above,  
18 on due notice thereof given.

19 (c) No assignment of any obligation void under this Section  
20 may in any manner affect the defense of the person giving,  
21 granting, drawing, entering into or executing such obligation,  
22 or the remedies of any person interested therein.

23 (d) This Section shall not prevent a licensed owner of a  
24 riverboat gambling operation, casino gambling operation, or an  
25 electronic gaming licensee under the Illinois Gambling Act and



1 the Illinois Horse Racing Act of 1975 from instituting a cause  
2 of action to collect any amount due and owing under an  
3 extension of credit to a ~~riverboat~~ gambling patron as  
4 authorized under Section 11.1 of the Illinois Riverboat  
5 Gambling Act.

6 (Source: P.A. 87-826.)

7 Section 90-55. The Eminent Domain Act is amended by adding  
8 Section 15-5-48 as follows:

9 (735 ILCS 30/15-5-48 new)

10 Sec. 15-5-48. Eminent domain powers in new Acts. The  
11 following provisions of law may include express grants of the  
12 power to acquire property by condemnation or eminent domain:

13 Chicago Casino Development Authority Act; City of Chicago; for  
14 the purposes of the Act.

15 Section 90-60. The Payday Loan Reform Act is amended by  
16 changing Section 3-5 as follows:

17 (815 ILCS 122/3-5)

18 Sec. 3-5. Licensure.

19 (a) A license to make a payday loan shall state the  
20 address, including city and state, at which the business is to  
21 be conducted and shall state fully the name of the licensee.

1 The license shall be conspicuously posted in the place of  
2 business of the licensee and shall not be transferable or  
3 assignable.

4 (b) An application for a license shall be in writing and in  
5 a form prescribed by the Secretary. The Secretary may not issue  
6 a payday loan license unless and until the following findings  
7 are made:

8 (1) that the financial responsibility, experience,  
9 character, and general fitness of the applicant are such as  
10 to command the confidence of the public and to warrant the  
11 belief that the business will be operated lawfully and  
12 fairly and within the provisions and purposes of this Act;  
13 and

14 (2) that the applicant has submitted such other  
15 information as the Secretary may deem necessary.

16 (c) A license shall be issued for no longer than one year,  
17 and no renewal of a license may be provided if a licensee has  
18 substantially violated this Act and has not cured the violation  
19 to the satisfaction of the Department.

20 (d) A licensee shall appoint, in writing, the Secretary as  
21 attorney-in-fact upon whom all lawful process against the  
22 licensee may be served with the same legal force and validity  
23 as if served on the licensee. A copy of the written  
24 appointment, duly certified, shall be filed in the office of  
25 the Secretary, and a copy thereof certified by the Secretary  
26 shall be sufficient evidence to subject a licensee to

1 jurisdiction in a court of law. This appointment shall remain  
2 in effect while any liability remains outstanding in this State  
3 against the licensee. When summons is served upon the Secretary  
4 as attorney-in-fact for a licensee, the Secretary shall  
5 immediately notify the licensee by registered mail, enclosing  
6 the summons and specifying the hour and day of service.

7 (e) A licensee must pay an annual fee of \$1,000. In  
8 addition to the license fee, the reasonable expense of any  
9 examination or hearing by the Secretary under any provisions of  
10 this Act shall be borne by the licensee. If a licensee fails to  
11 renew its license by December 31, its license shall  
12 automatically expire; however, the Secretary, in his or her  
13 discretion, may reinstate an expired license upon:

14 (1) payment of the annual fee within 30 days of the  
15 date of expiration; and

16 (2) proof of good cause for failure to renew.

17 (f) Not more than one place of business shall be maintained  
18 under the same license, but the Secretary may issue more than  
19 one license to the same licensee upon compliance with all the  
20 provisions of this Act governing issuance of a single license.  
21 The location, except those locations already in existence as of  
22 June 1, 2005, may not be within one mile of a horse race track  
23 subject to the Illinois Horse Racing Act of 1975, within one  
24 mile of a facility at which gambling is conducted under the  
25 Illinois Riverboat Gambling Act, within one mile of the  
26 location at which a riverboat subject to the Illinois Riverboat

1 Gambling Act docks, or within one mile of any State of Illinois  
2 or United States military base or naval installation.

3 (g) No licensee shall conduct the business of making loans  
4 under this Act within any office, suite, room, or place of  
5 business in which (1) any loans are offered or made under the  
6 Consumer Installment Loan Act other than title secured loans as  
7 defined in subsection (a) of Section 15 of the Consumer  
8 Installment Loan Act and governed by Title 38, Section 110.330  
9 of the Illinois Administrative Code or (2) any other business  
10 is solicited or engaged in unless the other business is  
11 licensed by the Department or, in the opinion of the Secretary,  
12 the other business would not be contrary to the best interests  
13 of consumers and is authorized by the Secretary in writing.

14 (g-5) Notwithstanding subsection (g) of this Section, a  
15 licensee may obtain a license under the Consumer Installment  
16 Loan Act (CILA) for the exclusive purpose and use of making  
17 title secured loans, as defined in subsection (a) of Section 15  
18 of CILA and governed by Title 38, Section 110.300 of the  
19 Illinois Administrative Code. A licensee may continue to  
20 service Consumer Installment Loan Act loans that were  
21 outstanding as of the effective date of this amendatory Act of  
22 the 96th General Assembly.

23 (h) The Secretary shall maintain a list of licensees that  
24 shall be available to interested consumers and lenders and the  
25 public. The Secretary shall maintain a toll-free number whereby  
26 consumers may obtain information about licensees. The

1 Secretary shall also establish a complaint process under which  
2 an aggrieved consumer may file a complaint against a licensee  
3 or non-licensee who violates any provision of this Act.

4 (Source: P.A. 96-936, eff. 3-21-11.)

5 Section 90-65. The Travel Promotion Consumer Protection  
6 Act is amended by changing Section 2 as follows:

7 (815 ILCS 420/2) (from Ch. 121 1/2, par. 1852)

8 Sec. 2. Definitions.

9 (a) "Travel promoter" means a person, including a tour  
10 operator, who sells, provides, furnishes, contracts for,  
11 arranges or advertises that he or she will arrange wholesale or  
12 retail transportation by air, land, sea or navigable stream,  
13 either separately or in conjunction with other services.  
14 "Travel promoter" does not include (1) an air carrier; (2) a  
15 sea carrier; (3) an officially appointed agent of an air  
16 carrier who is a member in good standing of the Airline  
17 Reporting Corporation; (4) a travel promoter who has in force  
18 \$1,000,000 or more of liability insurance coverage for  
19 professional errors and omissions and a surety bond or  
20 equivalent surety in the amount of \$100,000 or more for the  
21 benefit of consumers in the event of a bankruptcy on the part  
22 of the travel promoter; or (5) a riverboat subject to  
23 regulation under the Illinois Riverboat Gambling Act.

24 (b) "Advertise" means to make any representation in the

1 solicitation of passengers and includes communication with  
2 other members of the same partnership, corporation, joint  
3 venture, association, organization, group or other entity.

4 (c) "Passenger" means a person on whose behalf money or  
5 other consideration has been given or is to be given to  
6 another, including another member of the same partnership,  
7 corporation, joint venture, association, organization, group  
8 or other entity, for travel.

9 (d) "Ticket or voucher" means a writing or combination of  
10 writings which is itself good and sufficient to obtain  
11 transportation and other services for which the passenger has  
12 contracted.

13 (Source: P.A. 91-357, eff. 7-29-99.)

14 (30 ILCS 105/5.490 rep.)

15 Section 90-70. The State Finance Act is amended by  
16 repealing Section 5.490.

17 (230 ILCS 5/54 rep.)

18 Section 90-75. The Illinois Horse Racing Act of 1975 is  
19 amended by repealing Section 54.

20 ARTICLE 99.

21 Section 99-97. Severability. The provisions of this Act are  
22 severable under Section 1.31 of the Statute on Statutes.

1           Section 99-99. Effective date. This Act takes effect upon  
2    becoming law.".