



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

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

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

7           (6) the firm or corporation employs a person  
8 defined in (1), (2), (3) or (4) who participates in the  
9 management or operation of gambling operations authorized  
10 under this Act;

11          (7) (blank); or

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

16          (b) In determining whether to grant an owners license to  
17 an applicant, 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  
24 such applicant or by a person which controls,  
25 directly or indirectly, such applicant;

26           (2) the facilities or proposed facilities for the  
27 conduct of riverboat gambling;

28           (3) the highest prospective total revenue to be  
29 derived by the State from the conduct of riverboat  
30 gambling;

31           (4) the good faith affirmative action plan of each  
32 applicant to recruit, train and upgrade minorities in all  
33 employment classifications;

34           (5) the financial ability of the applicant to

1 purchase and maintain adequate liability and casualty  
2 insurance;

3 (6) whether the applicant has adequate  
4 capitalization to provide and maintain, for the duration  
5 of a license, a riverboat; and

6 (7) the extent to which the applicant exceeds or  
7 meets other standards for the issuance of an owners  
8 license which the Board may adopt by rule.

9 (c) Each owners license shall specify the place where  
10 riverboats shall operate and dock.

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

13 (e) The Board may issue up to 10 licenses authorizing  
14 the holders of such licenses to own riverboats. In the  
15 application for an owners license, the applicant shall state  
16 the dock at which the riverboat is based and the water on  
17 which the riverboat will be located. The Board shall issue 5  
18 licenses to become effective not earlier than January 1,  
19 1991. Three of such licenses shall authorize riverboat  
20 gambling on the Mississippi River, one of which shall  
21 authorize riverboat gambling from a home dock in the city of  
22 East St. Louis. One other license shall authorize riverboat  
23 gambling on the Illinois River south of Marshall County. The  
24 Board shall issue 1 additional license to become effective  
25 not earlier than March 1, 1992, which shall authorize  
26 riverboat gambling on the Des Plaines River in Will County.  
27 The Board may issue 4 additional licenses to become effective  
28 not earlier than March 1, 1992. In determining the water  
29 upon which riverboats will operate, the Board shall consider  
30 the economic benefit which riverboat gambling confers on the  
31 State, and shall seek to assure that all regions of the State  
32 share in the economic benefits of riverboat gambling.

33 In granting all licenses, the Board may give favorable  
34 consideration to economically depressed areas of the State,

1 to applicants presenting plans which provide for significant  
2 economic development over a large geographic area, and to  
3 applicants who currently operate non-gambling riverboats in  
4 Illinois. The Board shall review all applications for owners  
5 licenses, and shall inform each applicant of the Board's  
6 decision.

7 The Board may revoke the owners license of a licensee  
8 which fails to begin conducting gambling within 15 months of  
9 receipt of the Board's approval of the application if the  
10 Board determines that license revocation is in the best  
11 interests of the State.

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

18 (g) Upon ~~the-termination, expiration, or-revocation, of~~  
19 each of the first 10 owners licenses is,--which--shall--be  
20 issued--for--a--3--year--period,--all--licenses--are renewable,  
21 annually upon payment of the fee and a determination by the  
22 Board that the licensee continues to meet all of the  
23 requirements of this Act and the Board's rules,  
24 ~~for--licenses--renewed--on--or--after--May--1,--1998,--renewal--shall~~  
25 be for a period of 4 years, unless the Board sets a shorter  
26 period.

27 (g-1) Upon the termination or revocation of an owners  
28 license, or whenever the Board denies an application to renew  
29 an owners license, the State may reissue that license to a  
30 new licensee only after, and pursuant to, a competitive  
31 bidding process. The Board shall create and adopt by rule  
32 the bidding process, including but not limited to public  
33 advertising of bid specifications, the procedures for  
34 bidding, and applicable deadlines. The Board shall select an

1 independent party to evaluate the bids and conduct the  
2 bidding process. Bids may be accepted only from applicants  
3 who have been determined by the Board to be qualified and  
4 eligible to receive an owners license in accordance with the  
5 standards, requirements, application fees, and factors set  
6 forth in this Act. Among other requirements that may be  
7 created by the Board, bids shall be expressed as a dollar  
8 amount that the applicant will pay for the privilege of  
9 receiving an owners license, in addition to any fees, taxes  
10 or other costs under this Act. The Board shall notify each  
11 applicant of its final decision, and shall publicly disclose  
12 the amounts of all bids. All amounts received pursuant to  
13 this subsection from the winning bidder shall be deposited  
14 into the General Revenue Fund.

15 (h) An owners license shall entitle the licensee to own  
16 up to 2 riverboats. A licensee shall limit the number of  
17 gambling participants to 1,200 for any such owners license.  
18 A licensee may operate both of its riverboats concurrently,  
19 provided that the total number of gambling participants on  
20 both riverboats does not exceed 1,200. Riverboats licensed  
21 to operate on the Mississippi River and the Illinois River  
22 south of Marshall County shall have an authorized capacity of  
23 at least 500 persons. Any other riverboat licensed under  
24 this Act shall have an authorized capacity of at least 400  
25 persons.

26 (i) A licensed owner is authorized to apply to the Board  
27 for and, if approved therefor, to receive all licenses from  
28 the Board necessary for the operation of a riverboat,  
29 including a liquor license, a license to prepare and serve  
30 food for human consumption, and other necessary licenses.  
31 All use, occupation and excise taxes which apply to the sale  
32 of food and beverages in this State and all taxes imposed on  
33 the sale or use of tangible personal property apply to such  
34 sales aboard the riverboat.

1 (j) The Board may 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 of the  
 4 license or approval, the governing body of the municipality  
 5 in which the riverboat will dock has by a majority vote  
 6 approved the docking of riverboats in the municipality. The  
 7 Board may issue a license authorizing a riverboat to dock in  
 8 areas of a county outside any municipality or approve a  
 9 relocation under Section 11.2 only if, prior to the issuance  
 10 of the license or approval, the governing body of the county  
 11 has by a majority vote approved of the docking of riverboats  
 12 within such areas.

13 (Source: P.A. 91-40, eff. 6-25-99.)

14 (230 ILCS 10/7.1 new)

15 Sec. 7.1. Sale or transfer of owners licenses; transfer  
 16 fee.

17 (a) A sale or transfer of an owners license, or of any  
 18 right, title or interest in any entity that owns or controls  
 19 an owners license, shall require the review and approval of  
 20 the Board, if the direct or indirect pecuniary interest being  
 21 purchased or transferred in the gaming operation requires  
 22 disclosure of identity pursuant to subsection (c) of Section  
 23 6 of this Act. For any such transaction, each transferor who  
 24 receives any proceeds from the sale or transfer shall be  
 25 required to pay an owners license transfer fee, equal to 30%  
 26 of the net proceeds of the sale or transfer, as defined  
 27 herein. The sale or transfer shall be not be approved by the  
 28 Board until the owners license transfer fee is paid to the  
 29 Board. All such transfer fees shall be deposited into the  
 30 General Revenue Fund.

31 (b) For the purposes of this Section, the following  
 32 terms shall have the following meanings:

33 (1) "Transferor" means an owner of any right,

1 title, or interest, whether legal or equitable, in a  
2 gaming entity licensed by the Board, including but not  
3 limited to any partner, investor, stockholder, or  
4 director of a firm, association, trust, or corporation  
5 that receives any proceeds from a sale or transfer  
6 pursuant to this Section.

7 (2) "Net proceeds" means the gross amount of  
8 consideration exchanged for or in connection with the  
9 sale or transfer, including but not limited to the  
10 following, reduced solely by permitted costs:

11 (i) the total purchase price payable and all  
12 deferred portions thereof, as if the purchase price  
13 were paid in full at the closing and not deferred;

14 (ii) any debt assumed by the purchaser in  
15 connection with the sale or transfer, whether  
16 directly or indirectly, for the pro rata portion of  
17 the total debt of the gaming entity outstanding on  
18 the date of transfer that is allocable to the right,  
19 title, or interest being sold or transferred; and

20 (iii) all fees paid or payable by the  
21 purchaser within 5 years of the date of the  
22 transfer, including but not limited to license fees,  
23 non-compete fees, consulting fees, commissions,  
24 rebates, and employment compensation.

25 (3) "Permitted costs" means documented legal and  
26 accounting fees incurred directly in connection with the  
27 sale or transfer.

28 (c) This Section does not limit the power granted to the  
29 Board by this Act to impose and collect penalties for the  
30 violation of this Act and the rules promulgated under this  
31 Act.

32 Section 99. Effective date. This Act takes effect upon  
33 becoming law."