



SENATE JOURNAL

STATE OF ILLINOIS

NINETY-THIRD GENERAL ASSEMBLY

119TH LEGISLATIVE DAY

SATURDAY, MAY 29, 2004

9:32 O'CLOCK A.M.

SENATE
Daily Journal Index
119th Legislative Day

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The Senate met pursuant to adjournment.
 Senator Patrick Welch, Peru, Illinois, presiding.
 Prayer by Reverend Jean Hembrough, Douglas Avenue United Methodist Church, Springfield, Illinois.
 Senator Link led the Senate in the Pledge of Allegiance.

The Journal of Friday, May 28, 2004, was being read when on motion of Senator Haine, further reading of same was dispensed with and unless some Senator had corrections to offer, the Journal would stand approved. No corrections being offered, the Journal was ordered to stand approved.

LEGISLATIVE MEASURES FILED

The following Floor amendments to the House Bills listed below have been filed with the Secretary, and referred to the Committee on Rules:

Senate Amendment No. 4 to House Bill 762
 Senate Amendment No. 1 to House Bill 790
 Senate Amendment No. 1 to House Bill 1015

JOINT ACTION MOTION FILED

The following Joint Action Motion to the Senate Bill listed below has been filed with the Secretary and referred to the Committee on Rules:

Motion to Concur in House Amendment 1 to Senate Bill 1946

MESSAGES FROM THE HOUSE

A message from the House by
 Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 334

A bill for AN ACT concerning taxes.

Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 2 to SENATE BILL NO. 334

Passed the House, as amended, May 28, 2004.

MARK MAHONEY, Clerk of the House

AMENDMENT NO. 2

AMENDMENT NO. 2. Amend Senate Bill 334 by replacing everything after the enacting clause with the following:

"Section 5. The Property Tax Code is amended by changing Section 15-125 as follows:

(35 ILCS 200/15-125)

Sec. 15-125. Parking areas.

(a) Parking areas, not leased or used for profit other than those lease or rental agreements subject to subsection (b) of this Section, when used as a part of a use for which an exemption is provided by this Code and owned by any school district, non-profit hospital, school, or religious or charitable institution which meets the qualifications for exemption, are exempt.

(b) Parking areas owned by any religious institution that meets the qualifications for exemption, when leased or rented to a mass transportation entity for the limited free parking of the commuters of

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the mass transportation entity, are exempt.

(Source: Laws 1959, p. 1549, 1554, 2219, and 2224; P.A. 88-455.)

Section 90. The State Mandates Act is amended by adding Section 8.28 as follows:

(30 ILCS 805/8.28 new)

Sec. 8.28. Exempt mandate. Notwithstanding Sections 6 and 8 of this Act, no reimbursement by the State is required for the implementation of any mandate created by this amendatory Act of the 93rd General Assembly."

Under the rules, the foregoing **Senate Bill No. 334**, with House Amendment No. 2 was referred to the Secretary's Desk.

A message from the House by

Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendments to a bill of the following title, to-wit:

HOUSE BILL 2587

A bill for AN ACT concerning the Department of Transportation.

Which amendments are as follows:

Senate Amendment No. 1 to HOUSE BILL NO. 2587

Senate Amendment No. 2 to HOUSE BILL NO. 2587

Senate Amendment No. 5 to HOUSE BILL NO. 2587

Concurred in by the House, May 28, 2004.

MARK MAHONEY, Clerk of the House

PRESENTATION OF RESOLUTIONS

SENATE RESOLUTION 581

Offered by Senator Schoenberg and all Senators:

Mourns the death of Darrell Pollack of Buffalo Grove.

SENATE RESOLUTION 583

Offered by Senator Ronen and all Senators:

Mourns the death of Ed Marciniak of Chicago.

By unanimous consent, the foregoing resolutions were referred to the Resolutions Consent Calendar.

REPORTS FROM STANDING COMMITTEES

Senator Jacobs, Chairperson of the Committee on Insurance & Pensions, to which was referred the Motions to concur with House Amendments to the following Senate Bills, reported that the Committee recommends that they be approved for consideration:

Motion to Concur in House Amendment 3 to Senate Bill 2238

Motion to Concur in House Amendment 1 to Senate Bill 3077

Under the rules, the foregoing Motions are eligible for consideration by the Senate.

Senators Cullerton and Dillard, Co-Chairpersons of the Committee on Judiciary, to which was referred the Motion to concur with House Amendment to the following Senate Bill, reported that the Committee recommends that it be approved for consideration:

Motion to Concur in House Amendment 1 to Senate Bill 2496

Under the rules, the foregoing Motion is eligible for consideration by the Senate.

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Senator Obama, Chairperson of the Committee on Health & Human Services, to which was referred the Motions to concur with House Amendments to the following Senate Bills, reported that the Committee recommends that they be approved for consideration:

Motion to Concur in House Amendment 1 to Senate Bill 2794
 Motion to Concur in House Amendments 1, 2 and 3 to Senate Bill 2880

Under the rules, the foregoing Motions are eligible for consideration by the Senate.

Senator Walsh, Chairperson of the Committee on Agriculture & Conservation, to which was referred the Motion to concur with House Amendment to the following Senate Bill, reported that the Committee recommends that it be adopted:

Motion to Concur in House Amendment 1 to Senate Bill 3111

Under the rules, the foregoing Motion is eligible for consideration by the Senate.

Senator Clayborne, Chairperson of the Committee on Environment & Energy, to which was referred the following Senate floor amendment, reported that the Committee recommends that it be approved for consideration:

Senate Amendment No. 4 to House Bill 911

Under the rules, the foregoing floor amendment is eligible for consideration on second reading.

Senator Meeks, Vice-Chairperson of the Committee on State Government, to which was referred the Motions to concur with House Amendments to the following Senate Bills, reported that the Committee recommends that they be adopted:

Motion to Concur in House Amendment 2 to Senate Bill 2820
 Motion to Concur in House Amendments 1 and 2 to Senate Bill 2844
 Motion to Concur in House Amendment 1 to Senate Bill 3201

Under the rules, the foregoing Motions are eligible for consideration by the Senate.

Senator Silverstein, Chairperson of the Committee on Executive, to which was referred the following Senate floor amendment, reported that the Committee recommends that it be adopted:

Senate Amendment No. 3 to House Bill 1067

Under the rules, the foregoing floor amendment is eligible for consideration on second reading.

Senator Lightford, Chairperson of the Committee on Financial Institutions, to which was referred the Motion to concur with House Amendment to the following Senate Bill, reported that the Committee recommends that it be adopted:

Motion to Concur in House Amendment 1 to Senate Bill 2908

Under the rules, the foregoing Motion is eligible for consideration by the Senate.

CONSIDERATION OF HOUSE AMENDMENTS TO SENATE BILLS ON SECRETARY'S DESK

On motion of Senator Munoz, **Senate Bill No. 2382**, with House Amendment No. 1 on the Secretary's Desk, was taken up for immediate consideration.

Senator Munoz moved that the Senate concur with the House in the adoption of their amendment to said bill.

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And on that motion, a call of the roll was had resulting as follows:

Yeas 46; Nays None.

The following voted in the affirmative:

Althoff	Geo-Karis	Munoz	Sullivan, D.
Bomke	Haine	Obama	Sullivan, J.
Brady	Halvorson	Petka	Syverson
Burzynski	Harmon	Rauschenberger	Trotter
Clayborne	Hunter	Righter	Viverito
Collins	Jacobs	Risinger	Walsh
Crotty	Jones, J.	Ronen	Watson
del Valle	Jones, W.	Rutherford	Welch
DeLeo	Lightford	Sandoval	Wojcik
Demuzio	Link	Shadid	Mr. President
Dillard	Maloney	Sieben	
Forby	Meeks	Silverstein	

The motion prevailed.

And the Senate concurred with the House in the adoption of their Amendment No. 1 to **Senate Bill No. 2382**.

Ordered that the Secretary inform the House of Representatives thereof.

On motion of Senator Jacobs, **Senate Bill No. 2238**, with House Amendment No. 3 on the Secretary's Desk, was taken up for immediate consideration.

Senator Jacobs moved that the Senate concur with the House in the adoption of their amendment to said bill.

And on that motion, a call of the roll was had resulting as follows:

Yeas 46; Nays None.

The following voted in the affirmative:

Althoff	Geo-Karis	Munoz	Sullivan, D.
Bomke	Haine	Obama	Sullivan, J.
Brady	Halvorson	Petka	Syverson
Burzynski	Harmon	Rauschenberger	Trotter
Clayborne	Hunter	Righter	Viverito
Collins	Jacobs	Risinger	Walsh
Crotty	Jones, J.	Ronen	Watson
del Valle	Jones, W.	Rutherford	Welch
DeLeo	Lightford	Sandoval	Wojcik
Demuzio	Link	Shadid	Mr. President
Dillard	Maloney	Sieben	
Forby	Meeks	Silverstein	

The motion prevailed.

And the Senate concurred with the House in the adoption of their Amendment No. 3 to **Senate Bill No. 2238**.

Ordered that the Secretary inform the House of Representatives thereof.

On motion of Senator del Valle, **Senate Bill No. 2794**, with House Amendment No. 1 on the Secretary's Desk, was taken up for immediate consideration.

Senator del Valle moved that the Senate concur with the House in the adoption of their amendment to said bill.

And on that motion, a call of the roll was had resulting as follows:

Yeas 46; Nays None.

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The following voted in the affirmative:

Althoff	Geo-Karis	Munoz	Sullivan, D.
Bomke	Haine	Obama	Sullivan, J.
Brady	Halvorson	Petka	Syverson
Burzynski	Harmon	Rauschenberger	Trotter
Clayborne	Hunter	Righter	Viverito
Collins	Jacobs	Risinger	Walsh
Crotty	Jones, J.	Ronen	Watson
del Valle	Jones, W.	Rutherford	Welch
DeLeo	Lightford	Sandoval	Wojcik
Demuzio	Link	Shadid	Mr. President
Dillard	Maloney	Sieben	
Forby	Meeks	Silverstein	

The motion prevailed.

And the Senate concurred with the House in the adoption of their Amendment No. 1 to **Senate Bill No. 2794**.

Ordered that the Secretary inform the House of Representatives thereof.

On motion of Senator Brady, **Senate Bill No. 2820**, with House Amendment No. 2 on the Secretary's Desk, was taken up for immediate consideration.

Senator Brady moved that the Senate concur with the House in the adoption of their amendment to said bill.

And on that motion, a call of the roll was had resulting as follows:

Yeas 46; Nays None.

The following voted in the affirmative:

Althoff	Geo-Karis	Munoz	Sullivan, D.
Bomke	Haine	Obama	Sullivan, J.
Brady	Halvorson	Petka	Syverson
Burzynski	Harmon	Rauschenberger	Trotter
Clayborne	Hunter	Righter	Viverito
Collins	Jacobs	Risinger	Walsh
Crotty	Jones, J.	Ronen	Watson
del Valle	Jones, W.	Rutherford	Welch
DeLeo	Lightford	Sandoval	Wojcik
Demuzio	Link	Shadid	Mr. President
Dillard	Maloney	Sieben	
Forby	Meeks	Silverstein	

The motion prevailed.

And the Senate concurred with the House in the adoption of their Amendment No. 2 to **Senate Bill No. 2820**.

Ordered that the Secretary inform the House of Representatives thereof.

On motion of Senator Halvorson, **Senate Bill No. 2844**, with House Amendments numbered 1 and 2 on the Secretary's Desk, was taken up for immediate consideration.

Senator Halvorson moved that the Senate concur with the House in the adoption of their amendments to said bill.

And on that motion, a call of the roll was had resulting as follows:

Yeas 46; Nays None.

The following voted in the affirmative:

Althoff	Geo-Karis	Munoz	Sullivan, D.
Bomke	Haine	Obama	Sullivan, J.
Brady	Halvorson	Petka	Syverson
Burzynski	Harmon	Rauschenberger	Trotter
Clayborne	Hunter	Righter	Viverito
Collins	Jacobs	Risinger	Walsh
Crotty	Jones, J.	Ronen	Watson
del Valle	Jones, W.	Rutherford	Welch
DeLeo	Lightford	Sandoval	Wojcik
Demuzio	Link	Shadid	Mr. President
Dillard	Maloney	Sieben	
Forby	Meeks	Silverstein	

The motion prevailed.

And the Senate concurred with the House in the adoption of their Amendments numbered 1 and 2 to **Senate Bill No. 2844**.

Ordered that the Secretary inform the House of Representatives thereof.

On motion of Senator Haine, **Senate Bill No. 2908**, with House Amendment No. 1 on the Secretary's Desk, was taken up for immediate consideration.

Senator Haine moved that the Senate concur with the House in the adoption of their amendment to said bill.

And on that motion, a call of the roll was had resulting as follows:

Yeas 46; Nays None.

The following voted in the affirmative:

Althoff	Geo-Karis	Munoz	Sullivan, D.
Bomke	Haine	Obama	Sullivan, J.
Brady	Halvorson	Petka	Syverson
Burzynski	Harmon	Rauschenberger	Trotter
Clayborne	Hunter	Righter	Viverito
Collins	Jacobs	Risinger	Walsh
Crotty	Jones, J.	Ronen	Watson
del Valle	Jones, W.	Rutherford	Welch
DeLeo	Lightford	Sandoval	Wojcik
Demuzio	Link	Shadid	Mr. President
Dillard	Maloney	Sieben	
Forby	Meeks	Silverstein	

The motion prevailed.

And the Senate concurred with the House in the adoption of their Amendment No. 1 to **Senate Bill No. 2908**.

Ordered that the Secretary inform the House of Representatives thereof.

On motion of Senator Brady, **Senate Bill No. 3077**, with House Amendment No. 1 on the Secretary's Desk, was taken up for immediate consideration.

Senator Brady moved that the Senate concur with the House in the adoption of their amendment to said bill.

And on that motion, a call of the roll was had resulting as follows:

Yeas 46; Nays None.

The following voted in the affirmative:

Althoff	Geo-Karis	Munoz	Sullivan, D.
Bomke	Haine	Obama	Sullivan, J.
Brady	Halvorson	Petka	Syverson

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Burzynski	Harmon	Rauschenberger	Trotter
Clayborne	Hunter	Righter	Viverito
Collins	Jacobs	Risinger	Walsh
Crotty	Jones, J.	Ronen	Watson
del Valle	Jones, W.	Rutherford	Welch
DeLeo	Lightford	Sandoval	Wojcik
Demuzio	Link	Shadid	Mr. President
Dillard	Maloney	Sieben	
Forby	Meeks	Silverstein	

The motion prevailed.

And the Senate concurred with the House in the adoption of their Amendment No. 1 to **Senate Bill No. 3077**.

Ordered that the Secretary inform the House of Representatives thereof.

On motion of Senator Walsh, **Senate Bill No. 3111**, with House Amendment No. 1 on the Secretary's Desk, was taken up for immediate consideration.

Senator Walsh moved that the Senate concur with the House in the adoption of their amendment to said bill.

And on that motion, a call of the roll was had resulting as follows:

Yeas 46; Nays None.

The following voted in the affirmative:

Althoff	Geo-Karis	Munoz	Sullivan, D.
Bomke	Haine	Obama	Sullivan, J.
Brady	Halvorson	Petka	Syverson
Burzynski	Harmon	Rauschenberger	Trotter
Clayborne	Hunter	Righter	Viverito
Collins	Jacobs	Risinger	Walsh
Crotty	Jones, J.	Ronen	Watson
del Valle	Jones, W.	Rutherford	Welch
DeLeo	Lightford	Sandoval	Wojcik
Demuzio	Link	Shadid	Mr. President
Dillard	Maloney	Sieben	
Forby	Meeks	Silverstein	

The motion prevailed.

And the Senate concurred with the House in the adoption of their Amendment No. 1 to **Senate Bill No. 3111**.

Ordered that the Secretary inform the House of Representatives thereof.

HOUSE BILL RECALLED

On motion of Senator Crotty, **House Bill No. 1660** was recalled from the order of third reading to the order of second reading.

Senator Crotty offered the following amendment and moved its adoption:

AMENDMENT NO. 2

AMENDMENT NO. 2. Amend House Bill 1660 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Public Aid Code is amended by adding Section 5-5.25 as follows:

(305 ILCS 5/5-5.25 new)

Sec. 5-5.25. Access to mental health services. The General Assembly finds that providing access to mental health services in a timely manner will improve the quality of life for persons suffering

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from mental illness and will contain health care costs by avoiding the need for more costly inpatient hospitalization. The Illinois Department shall reimburse advanced practice nurses who have a collaborative agreement with a collaborating physician specializing in psychiatry that authorizes the provision of mental health services for mental health services they provide, as authorized by Illinois law, to recipients. The Illinois Department, by rule, shall develop a method to reimburse providers for mental health services provided by telemedicine. The reimbursement methodology for mental health services provided by telemedicine shall be comparable to the reimbursement methodology used by the Illinois Department for other services provided by telemedicine.

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

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the bill, as amended, was ordered to a third reading.

READING BILL FROM THE HOUSE OF REPRESENTATIVES A THIRD TIME

On motion of Senator Crotty, **House Bill No. 1660**, having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

Yeas 46; Nays None.

The following voted in the affirmative:

Althoff	Geo-Karis	Munoz	Sullivan, D.
Bomke	Haine	Obama	Sullivan, J.
Brady	Halvorson	Petka	Syverson
Burzynski	Harmon	Rauschenberger	Trotter
Clayborne	Hunter	Righter	Viverito
Collins	Jacobs	Risinger	Walsh
Crotty	Jones, J.	Ronen	Watson
del Valle	Jones, W.	Rutherford	Welch
DeLeo	Lightford	Sandoval	Wojcik
Demuzio	Link	Shadid	Mr. President
Dillard	Maloney	Sieben	
Forby	Meeks	Silverstein	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendment adopted thereto.

HOUSE BILL RECALLED

On motion of Senator Shadid, **House Bill No. 3835** was recalled from the order of third reading to the order of second reading.

Senator Shadid offered the following amendment:

AMENDMENT NO. 2

AMENDMENT NO. 2. Amend House Bill 3835, AS AMENDED, with reference to page and line numbers of Senate Amendment No. 1, on page

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1, line 8, after "3-806.4", by inserting "and adding Sections 3-663 and 3-664"; and

on page 17, below line 14, by inserting the following:

" (625 ILCS 5/3-663 new)

Sec. 3-663. Work Zone license plates.

(a) The Secretary, upon receipt of an application made in the form prescribed by the Secretary, may issue special registration plates designated as Work Zone license plates. The special plates issued under this Section shall be affixed only to passenger vehicles of the first division and motor vehicles of the second division registered in accordance with subsection (a) of Section 3-815 of this Code.

(b) The design and color of the plates is wholly within the discretion of the Secretary. The Secretary shall prescribe stickers or decals as provided under Section 3-412 of this Code.

(c) An applicant for the special plate shall be charged a \$40 fee for original issuance, in addition to the appropriate registration fee or the fee designated in subsection (a) of Section 3-815. Of this fee, \$25 shall be deposited into the Transportation Safety Highway Hire-back Fund and \$15 shall be deposited into the Secretary of State Special License Plate Fund, to be used by the Secretary to help defray the administrative processing costs.

For each registration renewal period, a \$27 fee, in addition to the appropriate registration fee or the fee designated in subsection (a) of Section 3-815, shall be charged. Of this fee, \$25 shall be deposited into the Transportation Safety Highway Hire-back Fund and \$2 shall be deposited into the Secretary of State Special License Plate Fund.

(625 ILCS 5/3-664 new)

Sec. 3-664. Road Worker license plates.

(a) In addition to any other special license plate, the Secretary, upon receipt of all applicable fees and applications made in the form prescribed by the Secretary of State, may issue Road Worker license plates to residents of Illinois who meet eligibility requirements prescribed by the Secretary of State. The special Road Worker plate issued under this Section shall be affixed only to passenger vehicles of the first division and motor vehicles of the second division registered in accordance with Section 3-815 of this Code.

(b) The design, color, and format of the plates shall be wholly within the discretion of the Secretary of State. The Secretary may, in his or her discretion, allow the plates to be issued as vanity or personalized plates in accordance with Section 3-405.1 of this Code. The plates are not required to designate "Land Of Lincoln", as prescribed in subsection (b) of Section 3-412 of this Code. The Secretary shall prescribe the eligibility requirements and, in his or her discretion, shall approve and prescribe stickers or decals as provided under Section 3-412.

(c) An applicant shall be charged a \$40 fee for original issuance, in addition to the appropriate registration fee or the fee designated in subsection (a) of Section 3-815. Of this additional fee, \$15 shall be deposited into the Secretary of State Special License Plate Fund and \$25 shall be deposited into the Transportation Safety Highway Hire-back Fund.

For each registration renewal period, a \$27 fee, in addition to the appropriate registration fee or the fee designated in subsection (a) of Section 3-815, shall be charged. Of this additional fee, \$2 shall be deposited into the Secretary of State Special License Plate Fund and \$25 shall be deposited into the Transportation Safety Highway Hire-back Fund."

Senator Shadid moved that the foregoing amendment be ordered to lie on the table.

The motion to table prevailed.

Senator Shadid offered the following amendment and moved its adoption:

AMENDMENT NO. 3

AMENDMENT NO. 3. Amend House Bill 3835, AS AMENDED, with reference to page and line numbers of Senate Amendment No. 1, on page 1, line 8, after "3-806.4", by inserting "and adding Sections 3-663 "; and

on page 17, below line 14, by inserting the following:

"(625 ILCS 5/3-663 new)

Sec. 3-664. Road Worker Safety license plates.

(a) In addition to any other special license plate, the Secretary, upon receipt of all applicable fees and applications made in the form prescribed by the Secretary of State, may issue Road Worker Safety license plates to residents of Illinois who meet eligibility requirements prescribed by the Secretary of State. The special Road Worker Safety plate issued under this Section shall be affixed only to passenger vehicles of the first division and motor vehicles of the second division registered in accordance with subsection (a) of Section 3-815 of this Code.

(b) The design, color, and format of the plates shall be wholly within the discretion of the Secretary of State. The Secretary may, in his or her discretion, allow the plates to be issued as vanity or personalized plates in accordance with Section 3-405.1 of this Code. The plates are not required to designate "Land Of Lincoln", as prescribed in subsection (b) of Section 3-412 of this Code. The Secretary shall prescribe the eligibility requirements and, in his or her discretion, shall approve and prescribe stickers or decals as provided under Section 3-412.

(c) An applicant shall be charged a \$40 fee for original issuance, in addition to the appropriate registration fee or the fee designated in subsection (a) of Section 3-815. Of this additional fee, \$15 shall be deposited into the Secretary of State Special License Plate Fund and \$25 shall be deposited into the Transportation Safety Highway Hire-back Fund.

For each registration renewal period, a \$27 fee, in addition to the appropriate registration fee or the fee designated in subsection (a) of Section 3-815, shall be charged. Of this additional fee, \$2 shall be deposited into the Secretary of State Special License Plate Fund and \$25 shall be deposited into the Transportation Safety Highway Hire-back Fund."

The motion prevailed.

And the amendment was adopted and ordered printed.

Senator Shadid offered the following amendment and moved its adoption:

AMENDMENT NO. 4

AMENDMENT NO. 4. Amend House Bill 3835, AS AMENDED, with reference to page and line numbers of Senate Amendment No. 3, on page 1, by deleting lines 17 and 18 and inserting the following:

"weighing not more than 12,000 pounds."

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the bill, as amended, was ordered to a third reading.

READING BILLS FROM THE HOUSE OF REPRESENTATIVES A THIRD TIME

On motion of Senator Shadid, **House Bill No. 3835**, having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

Yeas 43; Nays 1; Present 1.

The following voted in the affirmative:

Althoff	Forby	Maloney	Silverstein
Bomke	Geo-Karis	Meeks	Sullivan, D.
Brady	Haine	Munoz	Sullivan, J.
Burzynski	Halvorson	Obama	Trotter
Clayborne	Harmon	Petka	Viverito
Collins	Hunter	Risinger	Walsh
Crotty	Jacobs	Ronen	Watson
del Valle	Jones, J.	Rutherford	Welch
DeLeo	Jones, W.	Sandoval	Wojcik
Demuzio	Lightford	Shadid	Mr. President
Dillard	Link	Sieben	

The following voted in the negative:

Righter

The following voted present:

Rauschenberger

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence in the Senate Amendments adopted thereto.

On motion of Senator Burzynski, **House Bill No. 6229**, having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

Yeas 45; Nays None.

The following voted in the affirmative:

Althoff	Haine	Obama	Sullivan, J.
Bomke	Halvorson	Petka	Syverson
Brady	Harmon	Rauschenberger	Trotter
Burzynski	Hunter	Righter	Viverito
Clayborne	Jacobs	Risinger	Walsh
Collins	Jones, J.	Ronen	Watson
Crotty	Jones, W.	Rutherford	Welch
del Valle	Lightford	Sandoval	Wojcik
DeLeo	Link	Shadid	Mr. President
Demuzio	Maloney	Sieben	
Forby	Meeks	Silverstein	
Geo-Karis	Munoz	Sullivan, D.	

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This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).
Ordered that the Secretary inform the House of Representatives thereof.

EXCUSED FROM ATTENDANCE

On motion of Senator Burzynski, Senators Peterson and Winkel were excused from attendance due to personal business in their districts.

HOUSE BILL RECALLED

On motion of Senator E. Jones, **House Bill No. 1067** was recalled from the order of third reading to the order of second reading.

Senator Jacobs offered the following amendment:

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend House Bill 1067 by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the Chicago Casino Development Authority Act.

Section 5. Definitions. As used in this Act:

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

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

"Casino" means one or more temporary land-based or river-based facilities and a permanent land-based facility, at each of which lawful gambling is authorized and licensed as provided in the Riverboat and Casino Gambling Act.

"City" means the City of Chicago.

"Casino operator" means any person developing or managing a casino pursuant to a casino development and management contract.

"Casino development and management contract" means a legally binding agreement between the Board and one or more casino operators, as specified in Section 45 of this Act.

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

"Gaming Board" means the Illinois Gaming Board created by the Riverboat and Casino Gambling Act.

"Mayor" means the Mayor of the City.

Section 15. Board.

(a) The governing and administrative powers of the Authority shall be vested in a body known as the Chicago Casino Development Board. The Board shall consist of 5 members, each of whom shall be appointed by the Mayor, subject to advice and consent by the corporate authorities of the City, after the completion of a background investigation and approval by the Illinois Gaming Board. One of these members shall be designated by the Mayor to serve as chairperson. If the corporate authorities fail to approve or reject a proposed appointment within 45 days after the Mayor has submitted the proposed appointment to the corporate authorities, the corporate authorities shall be deemed to have given consent to the appointment. All of the members shall be residents of the City.

(b) A Board member shall not hold any other public office under the laws or Constitution of this State or any political subdivision thereof.

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

Section 20. Terms of appointments; resignation and removal.

(a) The Mayor shall appoint 2 members of the Board for initial terms expiring July 1, 2005, 2 members for initial terms expiring July 1, 2007, and one member, who shall serve as chairperson, for an

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initial term expiring July 1, 2009. At the expiration of the term of any member, his or her successor shall be appointed by the Mayor in like manner as appointments for the initial terms.

(b) All successors shall hold office for a term of 5 years from the first day of July of the year in which they are appointed, except in the case of an appointment to fill a vacancy. All subsequent chairpersons shall hold office for a term of 5 years. Each member, including the chairperson, shall hold office until the expiration of his or her term and until his or her successor is appointed. Nothing shall preclude a member or a chairperson from serving consecutive terms. Any member may resign from his or her office, to take effect when his or her successor has been appointed and has qualified.

(c) The Mayor may remove any member of the Board upon a finding of incompetence, neglect of duty, misfeasance or malfeasance in office, or for a violation of Ethics Section 32, on the part of the board member to be removed. In addition the Gaming Board may remove any member of the Board for violation of any provision of the Riverboat and Casino Gambling Act or the rules and regulations of the Gaming Board. In case of a member's failure to qualify within the time required or abandonment of his or her office, or in the case of a member's death, indictment, or conviction for, or pleading guilty to, a felony or removal from office, his or her office shall become vacant. Each vacancy shall be filled for the unexpired term by appointment in like manner, as in the case of expiration of the term of a member of the Board.

Section 25. As soon as practicable after the effective date of this Act, the Board shall organize for the transaction of business. The Board shall prescribe the time and place for meetings, the manner in which special meetings may be called, and the notice that must be given to members. All actions and meetings of the Board and its committees shall be subject to the provisions of the Open Meetings Act. Three members of the Board shall constitute a quorum for the transaction of business. All substantive action of the Board shall be by resolution. The affirmative vote of at least 3 members shall be necessary for the adoption of any resolution.

Section 30. Executive director. Officers.

(a) The Board shall appoint an executive director, who shall be the chief executive officer of the Authority. The Board shall fix the compensation of the executive director. Subject to the general control of the Board, the executive director shall be responsible for the management of the business, properties, and employees of the Authority. The executive director shall direct the enforcement of all resolutions, rules, and regulations of the Board, and shall perform such other duties as may be prescribed from time to time by the Board. All employees and independent contractors, consultants, engineers, architects, accountants, attorneys, financial experts, construction experts and personnel, superintendents, managers, and other personnel appointed or employed pursuant to this Act shall report to the executive director. In addition to any other duties set forth in this Act, the executive director shall do all of the following:

- (1) Direct and supervise the administrative affairs and activities of the Authority in accordance with its rules, regulations, and policies.
- (2) Attend meetings of the Board.
- (3) Keep minutes of all proceedings of the Board.
- (4) Approve all accounts for salaries, per diem payments, and allowable expenses of the Board and its employees and consultants.
- (5) Report and make recommendations to the Board concerning the terms and conditions of any casino development and management contract.
- (6) Perform any other duty that the Board requires for carrying out the provisions of this Act.
- (7) Devote his or her full time to the duties of the office and not hold any other office or employment.

(b) The Board shall select a secretary and a treasurer, who need not be members of the Board, to hold office at the pleasure of the Board. The Board shall fix the duties and compensation of each such officer.

Section 32. Code of Ethics.

(a) No person who is an officer or employee of the Authority or the City may have a financial interest, either directly or indirectly, in his own name or in the name of any other person, partnership, association, trust, corporation, or other entity, in any contract or the performance of any work of the Authority. No such person may represent, either professionally or as agent or otherwise, any person, partnership, association, trust, corporation, or other business entity, with respect to any application or bid for any Authority contract or work, nor may any such person take or receive, or offer to take or receive, either directly or indirectly, any money or other thing of value as a gift or bribe or means of influencing his or her vote or action in his or her official character. Any contract made and procured in violation of this Section is void. The provisions of this Section shall continue to apply equally and in all respects for a period of 2 years from and after the date on which he or she ceases to be an officer or employee.

(b) Any person under subsection (a) may provide materials, merchandise, property, services, or labor, if:

- (1) the contract is with a person, firm, partnership, association, corporation, or other business entity in which the interested person has less than a 7 1/2% share in the ownership;
- (2) the interested person publicly discloses the nature and extent of his or her interest prior to or during deliberations concerning the proposed award of the contract;
- (3) the interested person, if a Board member, abstains from voting on the award of the contract, though he or she shall be considered present for the purposes of establishing a quorum;
- (4) the contract is approved by a majority vote of those members presently holding office;
- (5) for a contract the amount of which exceeds \$1,500, the contract is awarded after sealed bids to the lowest responsible bidder; and
- (6) the award of the contract would not cause the aggregate amount of all such contracts

so awarded to the same person, firm, association, partnership, corporation, or other business entity in the same fiscal year to exceed \$25,000.

A contract for the procurement of public utility services with a public utility company is not barred by this Section by any such person being an officer or employee of the public utility company or holding an ownership interest of no more than 7 1/2% in the public utility company. Any such person having such an interest shall be deemed not to have a prohibited interest under this Section.

(c) Before any contract relating to the ownership or use of real property is entered into by and between the Authority, the identity of every owner and beneficiary having an interest, real or personal, in such property, and every shareholder entitled to receive more than 7 1/2% of the total distributable income of any corporation having any interest, real or personal, in such property must be disclosed. The disclosure shall be in writing and shall be subscribed by an owner, authorized trustee, corporate official, or managing agent under oath. However, if stock in a corporation is publicly traded and there is no readily known individual having greater than a 7 1/2% interest, then a statement to that effect, subscribed to under oath by an officer of the corporation or its managing agent, shall fulfill the disclosure statement requirement of this Section. This Section shall be liberally construed to accomplish the purpose of requiring the identification of the actual parties benefiting from any transaction with the Authority involving the procurement of the ownership or use of real property thereby.

(d) Any member of the Board, officer or employee of the Authority, or other person, who violates any provision of this Section, is guilty of a Class 4 felony and in addition thereto, any office or

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official position held by any person so convicted shall become vacant, and shall be so declared as part of the judgment of court.

(e) As used in this Section: "financial interest" means (i) any interest as a result of which the owner currently receives or is entitled to receive in the future more than \$2,500 per year; (ii) any interest with a cost or present value of \$5,000 or more; or (iii) any interest representing more than 10% of a corporation, partnership, sole proprietorship, firm, enterprise, franchise, organization, holding company, joint stock company, receivership, trust, or any legal entity organized for profit; provided, however, financial interest shall not include (i) any interest of the spouse of an official or employee which interest is related to the spouse's independent occupation, profession, or employment; (ii) any ownership through purchase at fair market value or inheritance of less than 1% of the shares of a corporation, or any corporate subsidiary, parent, or affiliate thereof, regardless of the value of or dividends on such shares, if such shares are registered on a securities exchange pursuant to the Securities Exchange Act of 1934, as amended; (iii) the authorized compensation paid to an official or employee for his office or employment; (iv) a time or demand deposit in a financial institution; and (v) an endowment or insurance policy or annuity contract purchased from an insurance company.

Section 35. General powers of the Board. In addition to the specific powers and duties set forth elsewhere in this Act, the Board may do any of the following:

- (1) Adopt and alter an official seal.
- (2) Sue and be sued, plead and beimpleaded, all in its own name, and agree to binding arbitration of any dispute to which it is a party.
- (3) Adopt, amend, and repeal by-laws, rules, and regulations consistent with furtherance of the powers and duties provided in this Act.
- (4) Maintain its principal office within the City and such other offices as the Board may designate.
- (5) Employ, either as regular employees or independent contractors, consultants, engineers, architects, accountants, attorneys, financial experts, construction experts and personnel, superintendents, managers and other professional personnel, casino personnel, and such other personnel as may be necessary in the judgment of the Board, and fix their compensation.
- (6) Acquire, hold, lease, use, encumber, transfer, or dispose of real and personal property, including the alteration of or demolition of improvements to real estate.
- (7) Enter into, revoke, and modify contracts of any kind, including the casino development and management contracts specified in Section 45.
- (9) Subject to the provisions of Section 70, develop, or cause to be developed, a master plan for design, planning, and development of the casino.
- (10) Negotiate and enter into intergovernmental agreements with the State and its agencies, the City, and other units of local government, in furtherance of the powers and duties of the Board.
- (12) Receive and disburse funds for its own corporate purposes or as otherwise specified in this Act.
- (13) Borrow money from any source, public or private, for any corporate purpose, including, without limitation, working capital for its operations, reserve funds, or payment of interest, and to mortgage, pledge, or otherwise encumber the property or funds of the Authority and to contract with or engage the services of any person in connection with any financing, including financial institutions, issuers of letters of credit, or insurers and enter into reimbursement agreements with this person which may be secured as if money were borrowed from the person.
- (14) Issue bonds as provided under this Act.
- (15) Receive and accept from any source, private or public, contributions, gifts, or grants of money or property.
- (16) Make loans from proceeds or funds otherwise available to the extent necessary or appropriate to accomplish the purposes of the Authority.
- (17) Provide for the insurance of any property, operations, officers, members, agents, or employees of the Authority against any risk or hazard, to self-insure or participate in joint self-insurance pools or entities to insure against such risk or hazard, and to provide for the indemnification of its officers, members, employees, contractors, or agents against any and all risks.
- (18) Require the removal or relocation of any building, railroad, main, pipe, conduit, wire, pole, structure, facility, or equipment as may be needed to carry out the powers of the Authority, with the Authority to compensate the person required to remove or relocate the building, railroad, main, pipe, conduit, wire, pole, structure, facility, or equipment as provided by law, without the necessity to secure any approval from the Illinois Commerce Commission for such removal or for such relocation.

(19) Exercise all the corporate powers granted Illinois corporations under the Business Corporation Act of 1983, except to the extent that powers are inconsistent with those of a body politic and corporate of the State.

(20) Establish and change its fiscal year.

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

Section 45. Casino development and management contracts.

(a) The Board shall develop and administer an open and competitive bidding process for the selection of casino operators to develop and operate a casino within the City. The Board shall issue one or more requests for proposal and shall solicit proposals from casino operators in response to such a request. The Board may establish minimum financial and investment requirements to determine the eligibility of persons to respond to the Board's requests for proposal, and may establish and consider such other criteria as it deems appropriate. The Board may impose a fee upon persons who respond to requests for proposal, in order to reimburse the Board for its costs in preparing and issuing the requests and reviewing the proposals.

(b) The Board shall ensure that casino development and management contracts provide for the development, construction, and operation of a high quality casino, and provide for the maximum amounts of revenue that reasonably may be available to the Authority and the City.

(c) The Board shall evaluate the responses to its requests for proposal and the ability of all persons or entities responding to its request for proposal to meet the requirements of this Act and to undertake and perform the obligations set forth in its requests for proposal.

(d) After the review and evaluation of the proposals submitted, the Board shall, in its discretion, enter into one or more casino development and management contracts authorizing the development, construction, and operation of the casino, subject to the provisions of the Riverboat and Casino Gambling Act. The Board may award a casino development and management contract to a person or persons submitting proposals that are not the highest bidders. In doing so it may take into account other factors, such as experience, financial condition, assistance in financing, reputation, and any other factors the Board, in its discretion, believes may increase revenues at the casino.

(e) The Board shall transmit to the Gaming Board a copy of each casino development and management contract after it is executed.

(f) The Board may enter into a casino and development contract prior to or after adopting a resolution approving a location for the casino and submitting an application for an owners license to the Gaming Board under the Riverboat and Casino Gambling Act.

Section 50. Transfer of funds. The revenues received by the Authority (other than amounts required to pay the operating expenses of the Authority, to pay amounts due the casino operator pursuant to a casino management and development contract, to repay any borrowing of the Authority made pursuant to Section 35, to pay debt service on any bonds issued under Section 75, and to pay any expenses in connection with the issuance of such bonds pursuant to Section 75 or derivative products pursuant to Section 85) shall be transferred to the City by the Authority and may be applied to any public purpose benefiting the residents of the City.

Section 60. Authority annual expenses. Until sufficient revenues become available for such purpose, the Authority and the City may enter into an intergovernmental agreement whereby the Authority shall receive or borrow funds from the City for its annual operating expenses.

Section 65. Acquisition of property; eminent domain proceedings.

(a) The Authority may acquire in its own name, by gift or purchase, any real or personal property or interests in real or personal property necessary or convenient to carry out the purposes of the Act.

(b) For the lawful purposes of this Act, the City may acquire by eminent domain or by condemnation proceedings in the manner provided by Article VII of the Code of Civil Procedure, real or personal property or interests in real or personal property located in the City, and may convey to the Authority property so acquired. The acquisition of property under this Section is declared to be for a public use.

Section 70. Local regulation. The casino facilities and operations therein shall be subject to all ordinances and regulations of the City. The construction, development, and operation of the casino shall comply with all ordinances, regulations, rules, and controls of the City, including but not limited to those

relating to zoning and planned development, building, fire prevention, and land use. However, the regulation of gaming operations is subject to the exclusive jurisdiction of the Gaming Board, except as limited by the Riverboat and Casino Gambling Act.

Section 75. Borrowing.

(a) The Authority may at any time and from time to time borrow money and issue bonds as provided in this Section. Bonds of the Authority may be issued to provide funds for land acquisition, site assembly and preparation, and infrastructure improvements required in connection with the development of the casino; to pay, refund (at the time or in advance of any maturity or redemption), or redeem any bonds of the Authority; to provide or increase a debt service reserve fund or other reserves with respect to any or all of its bonds; to pay interest on bonds; or to pay the legal, financial, administrative, bond insurance, credit enhancement, and other legal expenses of the authorization, issuance, or delivery of bonds. In this Act, the term "bonds" also includes notes of any kind, interim certificates, refunding bonds, or any other evidence of obligation for borrowed money issued under this Section. Bonds may be issued in one or more series and may be payable and secured either on a parity with or separately from other bonds.

(b) The bonds of the Authority shall be payable solely from one or more of the following sources: (i) the property or revenues of the Authority; (ii) revenues derived from the casino; (iii) revenues derived from any casino operator; (iv) fees, bid proceeds, charges, lease payments, payments required pursuant to any casino development and management contract or other revenues payable to the Authority, or any receipts of the Authority; (v) payments by financial institutions, insurance companies, or others pursuant to letters or lines of credit, policies of insurance, or purchase agreements; (vi) investment earnings from funds or accounts maintained pursuant to a bond resolution or trust indenture; and (vii) proceeds of refunding bonds.

(c) Bonds shall be authorized by a resolution of the Authority and may be secured by a trust indenture by and between the Authority and a corporate trustee or trustees, which may be any trust company or bank having the powers of a trust company within or without the State. Bonds may:

(i) Mature at a time or times, whether as serial bonds, term bonds, or both, not

exceeding 40 years from their respective dates of issue.

(ii) Without regard to any limitation established by statute, bear interest in the manner or determined by the method provided in the resolution or trust indenture.

(iii) Be payable at a time or times, in the denominations and form, including book

entry form, either coupon, registered, or both, and carry the registration and privileges as to exchange, transfer or conversion, and replacement of mutilated, lost, or destroyed bonds as the resolution or trust indenture may provide.

(iv) Be payable in lawful money of the United States at a designated place.

(v) Be subject to the terms of purchase, payment, redemption, refunding, or

refinancing that the resolution or trust indenture provides.

(vi) Be executed by the manual or facsimile signatures of the officers of the

Authority designated by the Board, which signatures shall be valid at delivery even for one who has ceased to hold office.

(vii) Be sold at public or private sale in the manner and upon the terms determined by the Authority.

(viii) Be issued in accordance with the provisions of the Local Government Debt

Reform Act.

(d) Any resolution or trust indenture may contain, subject to the Riverboat and Casino Gambling Act and rules of the Gaming Board regarding pledging of interests in holders of owners licenses, provisions that shall be a part of the contract with the holders of the bonds as to the following:

(1) Pledging, assigning, or directing the use, investment, or disposition of revenues

of the Authority or proceeds or benefits of any contract, including without limitation, any rights in any casino development and management contract.

(2) The setting aside of loan funding deposits, debt service reserves, capitalized

interest accounts, replacement or operating reserves, cost of issuance accounts and sinking funds, and the regulation, investment, and disposition thereof.

(3) Limitations on the purposes to which or the investments in which the proceeds of

sale of any issue of bonds or the Authority's revenues and receipts may be applied or made.

(4) Limitations on the issue of additional bonds, the terms upon which additional

bonds may be issued and secured, the terms upon which additional bonds may rank on a parity with, or be subordinate or superior to, other bonds.

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

(6) The procedure, if any, by which the terms of any contract with bondholders may be

altered or amended and the amount of bonds and holders of which must consent thereto and the manner in which consent shall be given.

(7) Defining the acts or omissions which shall constitute a default in the duties of

the Authority to holders of bonds and providing the rights or remedies of such holders in the event of a default, which may include provisions restricting individual rights of action by bondholders.

(8) Providing for guarantees, pledges of property, letters of credit, or other

security, or insurance for the benefit of bondholders.

(9) Any other matter relating to the bonds that the Authority determines appropriate.

(e) No member of the Board, nor any person executing the bonds, shall be liable personally on the bonds or subject to any personal liability by reason of the issuance of the bonds.

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

(g) A pledge by the Authority of revenues and receipts as security for an issue of bonds or for the performance of its obligations under any casino development and management contract shall be valid and binding from the time when the pledge is made. The revenues and receipts pledged shall immediately be subject to the lien of the pledge without any physical delivery or further act, and the lien of any pledge shall be valid and binding against any person having any claim of any kind in tort, contract, or otherwise against the Authority, irrespective of whether the person has notice. No resolution, trust indenture, management agreement or financing statement, continuation statement, or other instrument adopted or entered into by the Authority need be filed or recorded in any public record other than the records of the Authority in order to perfect the lien against third persons, regardless of any contrary provision of law.

(h) By its authorizing resolution for particular bonds, the Authority may provide for specific terms of those bonds, including, without limitation, the purchase price and terms, interest rate or rates, redemption terms and principal amounts maturing in each year, to be established by one or more members of the Board or officers of the Authority, all within a specific range of discretion established by the authorizing resolution.

(i) Bonds that are being paid or retired by issuance, sale, or delivery of bonds, and bonds for which sufficient funds have been deposited with the paying agent or trustee to provide for payment of

principal and interest thereon, and any redemption premium, as provided in the authorizing resolution, shall not be considered outstanding for the purposes of this subsection.

(j) The bonds of the Authority shall not be indebtedness of the City, of the State, or of any political subdivision of the State other than the Authority. The bonds of the Authority are not general obligations of the State or the City and are not secured by a pledge of the full faith and credit of the State or the City and the holders of bonds of the Authority may not require, except as provided in this Act, the application of revenues or funds to the payment of bonds of the Authority.

(k) The State of Illinois pledges and agrees with the owners of the bonds that it will not limit or alter the rights and powers vested in the Authority by this Act so as to impair the terms of any contract made by the Authority with the owners or in any way impair the rights and remedies of the owners until the bonds, together with interest on them, and all costs and expenses in connection with any action or proceedings by or on behalf of the owners, are fully met and discharged. The Authority is authorized to include this pledge and agreement in any contract with the owners of bonds issued under this Section.

Section 85. Derivative products. With respect to all or part of any issue of its bonds, the Authority may enter into agreements or contracts with any necessary or appropriate person, which will have the benefit of providing to the Authority an interest rate basis, cash flow basis, or other basis different from that provided in the bonds for the payment of interest. Such agreements or contracts may include, without limitation, agreements or contracts commonly known as "interest rate swap agreements", "forward payment conversion agreements", "futures", "options", "puts", or "calls" and agreements or contracts providing for payments based on levels of or changes in interest rates, agreements or contracts to exchange cash flows or a series of payments, or to hedge payment, rate spread, or similar exposure

Section 90. Legality for investment. The State of Illinois, all governmental entities, all public officers, banks, bankers, trust companies, savings banks and institutions, building and loan associations, savings and loan associations, investment companies, and other persons carrying on a banking business, insurance companies, insurance associations, and other persons carrying on an insurance business, and all executors, administrators, guardians, trustees, and other fiduciaries may legally invest any sinking funds, moneys, or other funds belonging to them or within their control in any bonds issued under this Act. However, nothing in this Section shall be construed as relieving any person, firm, or corporation from any duty of exercising reasonable care in selecting securities for purchase or investment.

Section 95. Tax exemption. The Authority and all of its operations and property used for public purposes shall be exempt from all taxation of any kind imposed by the State of Illinois or any political subdivision, school district, municipal corporation, or unit of local government of the State of Illinois. However, nothing in this Act prohibits the imposition of any other taxes where such imposition is not prohibited by Section 21 of the Riverboat and Casino Gambling Act

Section 100. Application of laws. The Governmental Account Audit Act, the Public Funds Statement Publication Act, and the Illinois Municipal Budget Law shall not apply to the Authority.

Section 105. Budgets and reporting.

(a) Promptly following the execution of each casino development and management contract provided for in this Act, the Authority shall submit a written report with respect thereto to the Governor, the Mayor, the Secretary of the Senate, the Clerk of the House of Representatives, and the Illinois Economic and Fiscal Commission.

(b) The Authority shall annually adopt a current expense budget for each fiscal year. The budget may be modified from time to time in the same manner and upon the same vote as it may be adopted. The budget shall include the Authority's available funds and estimated revenues and shall provide for payment of its obligations and estimated expenditures for the fiscal year, including, without limitation, expenditures for administration, operation, maintenance and repairs, debt service, and deposits into reserve and other funds and capital projects.

(c) The Board shall annually cause the finances of the Authority to be audited by a firm of certified public accountants.

(d) The Authority shall, for each fiscal year, prepare an annual report setting forth information concerning its activities in the fiscal year and the status of the development of the casino. The annual report shall include the audited financial statements of the Authority for the fiscal year, the budget for the succeeding fiscal year, and the current capital plan as of the date of the report. Copies of the annual

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report shall be made available to persons who request them and shall be submitted not later than 120 days after the end of the Authority's fiscal year to the Governor, the Mayor, the Secretary of the Senate, the Clerk of the House of Representatives, and the Illinois Economic and Fiscal Commission.

Section 110. Deposit and withdrawal of funds.

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

No bank or savings and loan association shall receive public funds as permitted by this Section unless it has complied with the requirements established pursuant to Section 6 of the Public Funds Investment Act.

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

Section 115. Purchasing.

(a) All construction contracts and contracts for supplies, materials, equipment, and services, when the cost thereof to the Authority exceeds \$25,000, shall be let to the lowest responsible bidder, after advertising for bids, except for the following:

(1) When repair parts, accessories, equipment, or services are required for equipment

or services previously furnished or contracted for;

(2) Professional services;

(3) When services such as water, light, heat, power, telephone (other than

long-distance service), or telegraph are required;

(4) When contracts for the use, purchase, delivery, movement, or installation of data

processing equipment, software, or services and telecommunications equipment, software, and services are required;

(5) Casino development and management contracts, which shall be awarded as set forth

in Section 45 of this Act.

(b) All contracts involving less than \$25,000 shall be let by competitive bidding whenever possible, and in any event in a manner calculated to ensure the best interests of the public.

(c) Each bidder shall disclose in his or her bid the name of each individual having a beneficial interest, directly or indirectly, of more than 1% in such bidding entity and, if such bidding entity is a corporation, the names of each of its officers and directors. The bidder shall notify the Authority of any changes in its ownership or its officers or directors at the time such changes occur if the change occurs during the pendency of a proposal or a contract.

(d) In determining the responsibility of any bidder, the Authority may take into account the bidder's (or an individual having a beneficial interest, directly or indirectly, of more than 1% in such bidding entity) past record of dealings with the Authority, the bidder's experience, adequacy of equipment, and ability to complete performance within the time set, and other factors besides financial responsibility, but in no case shall any such contract be awarded to any other than the lowest bidder (in case of purchase or expenditure) unless authorized or approved by a vote of at least 4 members of the Board, and unless such action is accompanied by a statement in writing setting forth the reasons for not awarding the contract to the highest or lowest bidder, as the case may be. The statement shall be kept on file in the principal office of the Authority and open to public inspection.

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(e) Contracts shall not be split into parts involving expenditures of less than \$25,000 for the purposes of avoiding the provisions of this Section, and all such split contracts shall be void. If any collusion occurs among bidders or prospective bidders in restraint of freedom of competition, by agreement to bid a fixed amount, to refrain from bidding, or otherwise, the bids of such bidders shall be void. Each bidder shall accompany his or her bid with a sworn statement that he or she has not been a party to any such agreement.

(f) The Authority shall have the right to reject all bids and to re-advertise for bids. If after any such re-advertisement, no responsible and satisfactory bid, within the terms of the re-advertisement, is received, the Authority may award such contract without competitive bidding, provided that it shall not be less advantageous to the Authority than any valid bid received pursuant to advertisement.

(g) Advertisements for bids and re-bids shall be published at least once in a daily newspaper of general circulation published in the City at least 10 calendar days before the time for receiving bids, and such advertisements shall also be posted on readily accessible bulletin boards in the principal office of the Authority. Such advertisements shall state the time and place for receiving and opening of bids and, by reference to plans and specifications on file at the time of the first publication or in the advertisement itself, shall describe the character of the proposed contract in sufficient detail to fully advise prospective bidders of their obligations and to ensure free and open competitive bidding.

(h) All bids in response to advertisements shall be sealed and shall be publicly opened by the Authority. All bidders shall be entitled to be present in person or by representatives. Cash or a certified or satisfactory cashier's check, as a deposit of good faith, in a reasonable amount to be fixed by the Authority before advertising for bids, shall be required with the proposal of each bidder. A bond for faithful performance of the contract with surety or sureties satisfactory to the Authority and adequate insurance may be required in reasonable amounts to be fixed by the Authority before advertising for bids.

(i) The contract shall be awarded as promptly as possible after the opening of bids. The bid of the successful bidder, as well as the bids of the unsuccessful bidders, shall be placed on file and be open to public inspection. All bids shall be void if any disclosure of the terms of any bid in response to an advertisement is made or permitted to be made by the Authority before the time fixed for opening bids.

Section 130. Affirmative action and equal opportunity obligations of Authority.

(a) The Authority shall establish and maintain an affirmative action program designed to promote equal employment and management opportunity and eliminate the effects of past discrimination in the City and the State. The program shall include a plan, including timetables where appropriate, which shall specify goals and methods for increasing participation by women and minorities in employment and management by the Authority and by parties that contract with the Authority. The program shall also establish procedures and sanctions (including debarment), which the Authority shall enforce to ensure compliance with the plan established pursuant to this Section and with State and federal laws and regulations relating to the employment of women and minorities. A determination by the Authority as to whether a party to a contract with the Authority has achieved the goals or employed the methods for increasing participation by women and minorities shall be made in accordance with the terms of such contracts or the applicable provisions of rules and regulations existing at the time the contract was executed, including any provisions for consideration of good faith efforts at compliance that the Authority may reasonably adopt.

(b) The Authority shall adopt and maintain minority and female owned business enterprise procurement programs under the affirmative action program described in subsection (a) for any and all work undertaken by the Authority and for the development and management of any casino owned by the City. That work shall include, but is not limited to, the purchase of professional services, construction services, supplies, materials, and equipment. The programs shall establish goals of awarding not less than 25% of the annual dollar value of all contracts, including but not limited to management and development contracts, purchase orders, and other agreements (collectively referred to as "contracts"), to minority owned businesses and 5% of the annual dollar value of all contracts to female owned businesses. Without limiting the generality of the foregoing, the programs shall require, in connection with the prequalification or consideration of vendors for professional service contracts, construction contracts, contracts for supplies, materials, equipment, and services, and development and management contracts that each proposer or bidder submit as part of his or her proposal or bid a commitment detailing how he or she will expend 25% or more of the dollar value of his or her contracts with one or more minority owned businesses and 5% or more of the dollar value with one or more female owned businesses. Bids or proposals that do not include such detailed commitments are not responsive and shall be rejected unless the Authority deems it appropriate to grant a waiver of these requirements. The

commitment to minority and female owned business participation may be met by the contractor's, professional service provider's, developer's, or manager's status as a minority or female owned business, by joint venture, by subcontracting a portion of the work with or purchasing materials for the work from one or more such businesses, or by any combination thereof. Each contract shall require the contractor, provider, developer, or manager to submit a certified monthly report detailing the status of its compliance with the Authority's minority and female owned business enterprise procurement program. If, in connection with a particular contract, the Authority determines that it is impracticable or excessively costly to obtain minority or female owned businesses to perform sufficient work to fulfill the commitment required by this subsection (b), the Authority shall reduce or waive the commitment in the contract, as may be appropriate. The Authority shall establish rules setting forth the standards to be used in determining whether or not a reduction or waiver is appropriate. The terms "minority owned business" and "female owned business" have the meanings given to those terms in the Business Enterprise for Minorities, Females, and Persons with Disabilities Act.

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

Section 145. Severability. The provisions of this Act are severable under Section 1.31 of the Statute on Statutes.

Section 900. The Alcoholism and Other Drug Abuse and Dependency Act is amended by changing Section 5-20 as follows:

(20 ILCS 301/5-20)

Sec. 5-20. Compulsive gambling program.

(a) Subject to appropriation, the Department shall establish a program for public education, research, and training regarding problem and compulsive gambling and the treatment and prevention of problem and compulsive gambling. Subject to specific appropriation for these stated purposes, the program must include all of the following:

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

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

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

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

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

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

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

Section 905. The Department of Revenue Law of the Civil Administrative Code of Illinois is amended by changing Section 2505-305 as follows:

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

Sec. 2505-305. Investigators.

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

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

(c) Investigators appointed under this Section who are assigned to the Illinois Gaming Board have and may exercise all the rights and powers of peace officers, provided that these powers shall be limited to offenses or violations occurring or committed on a riverboat or dock or in a casino, as defined in ~~subsections (d) and (f)~~ of Section 4 of the Riverboat and Casino Gambling Act.

(Source: P.A. 91-239, eff. 1-1-00; 91-883, eff. 1-1-01; 92-493, eff. 1-1-02.)

Section 910. The Tobacco Products Tax Act of 1995 is amended by changing Section 99-99 as follows:

(35 ILCS 143/99-99)

Sec. 99-99. Effective date. This Section, Sections 10-1 through 10-90 of this Act, the changes to the Illinois Administrative Procedure Act, the changes to the State Employees Group Insurance Act of 1971, the changes to Sec. 5 of the Children and Family Services Act, the changes to Sec. 8.27 of the State Finance Act, the changes to Secs. 16-136.2, 16-153.2, and 17-156.3 of the Illinois Pension Code, Sec. 8.19 of the State Mandates Act, the changes to Sec. 8.2 of the Abused and Neglected Child Reporting Act, and the changes to the Unemployment Insurance Act take effect upon becoming law.

The following provisions take effect July 1, 1995: the changes to the Illinois Act on the Aging and the Civil Administrative Code of Illinois; the changes to Secs. 7 and 8a-13 of the Children and Family Services Act; the changes to the Disabled Persons Rehabilitation Act; Secs. 5.408, 5.409, 6z-39, and 6z-40 and the changes to Sec. 8.16 of the State Finance Act; the changes to the State Prompt Payment Act, the Illinois Income Tax Act, and Sec. 16-133.3 of the Illinois Pension Code; Sec. 2-3.117 and the changes to Secs. 14-7.02 and 14-15.01 of the School Code; Sec. 2-201.5 of the Nursing Home Care Act; the changes to the Child Care Act of 1969 and the Riverboat and Casino Gambling Act; the changes to Secs. 3-1, 3-1a, 3-3, 3-4, 3-13, 5-2.1, 5-5, 5-5.02, 5-5.4, 5-13, 5-16.3, 5-16.5, 5A-2, 5A-3, 5C-2, 5C-7, 5D-1, 5E-10, 6-8, 6-11, 9-11, 12-4.4, 12-10.2, and 14-8 and the repeal of Sec. 9-11 of the Illinois Public Aid Code; the changes to Sec. 3 of the Abused and Neglected Child Reporting Act; and the changes to the Juvenile Court Act of 1987, the Adoption Act, and the Probate Act of 1975.

The remaining provisions of this Act take effect on the uniform effective date as provided in the Effective Date of Laws Act.

(Source: P.A. 89-21, eff. 6-6-95.)

Section 915. The Joliet Regional Port District Act is amended by changing Section 5.1 as follows:

(70 ILCS 1825/5.1) (from Ch. 19, par. 255.1)

Sec. 5.1. Riverboat gambling. Notwithstanding any other provision of this Act, the District may not regulate the operation, conduct, or navigation of any riverboat gambling casino licensed under the Riverboat and Casino Gambling Act, and the District may not license, tax, or otherwise levy any assessment of any kind on any riverboat gambling casino licensed under the Riverboat and Casino Gambling Act. The General Assembly declares that the powers to regulate the operation, conduct, and navigation of riverboat gambling casinos and to license, tax, and levy assessments upon riverboat gambling casinos are exclusive powers of the State of Illinois and the Illinois Gaming Board as provided in the Riverboat and Casino Gambling Act.

(Source: P.A. 87-1175.)

Section 920. The Consumer Installment Loan Act is amended by changing Section 12.5 as follows:

(205 ILCS 670/12.5)

Sec. 12.5. Limited purpose branch.

(a) Upon the written approval of the Director, a licensee may maintain a limited purpose branch for the sole purpose of making loans as permitted by this Act. A limited purpose branch may include an automatic loan machine. No other activity shall be conducted at the site, including but not limited to, accepting payments, servicing the accounts, or collections.

(b) The licensee must submit an application for a limited purpose branch to the Director on forms prescribed by the Director with an application fee of \$300. The approval for the limited purpose branch must be renewed concurrently with the renewal of the licensee's license along with a renewal fee of \$300 for the limited purpose branch.

(c) The books, accounts, records, and files of the limited purpose branch's transactions shall be maintained at the licensee's licensed location. The licensee shall notify the Director of the licensed location at which the books, accounts, records, and files shall be maintained.

(d) The licensee shall prominently display at the limited purpose branch the address and telephone number of the licensee's licensed location.

(e) No other business shall be conducted at the site of the limited purpose branch unless authorized by the Director.

(f) The Director shall make and enforce reasonable rules for the conduct of a limited purpose branch.

(g) A limited purpose branch may not be located within 1,000 feet of a facility operated by an inter-track wagering licensee or an organization licensee subject to the Illinois Horse Racing Act of 1975, on a riverboat or in a casino subject to the Riverboat and Casino Gambling Act, or within 1,000 feet of the location at which the riverboat docks or within 1,000 feet of a casino.

(Source: P.A. 90-437, eff. 1-1-98.)

Section 925. The Illinois Horse Racing Act of 1975 is amended by changing Sections 1.2, 9, 20, 25, 26, 26.1, 27, 28.1, 30, 31, 36, and 42 and adding Sections 3.24, 3.25, 3.26, 3.27, and 56 as follows:

(230 ILCS 5/1.2)

Sec. 1.2. Legislative intent. This Act is intended to benefit the people of the State of Illinois by encouraging the breeding and production of race horses, assisting economic development, and promoting Illinois tourism. The General Assembly finds and declares it to be the public policy of the State of Illinois to:

(a) support and enhance Illinois' horse racing industry, which is a significant component within the agribusiness industry;

(b) ensure that Illinois' horse racing industry remains competitive with neighboring states;

(c) stimulate growth within Illinois' horse racing industry, thereby encouraging new investment and development to produce additional tax revenues and to create additional jobs;

(d) promote the further growth of tourism;

(e) encourage the breeding of thoroughbred and standardbred horses in this State; and

(f) ensure that public confidence and trust in the credibility and integrity of racing operations and the regulatory process is maintained.

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

(230 ILCS 5/3.24 new)

Sec. 3.24. "Gross gaming receipts" means the gross receipts from electronic gaming less winnings paid to wagerers.

(230 ILCS 5/3.25 new)

Sec. 3.25. "Electronic gaming" means slot machine gambling conducted at a race track pursuant to an electronic gaming license.

(230 ILCS 5/3.26 new)

Sec. 3.26. "Electronic gaming license" means a license to conduct electronic gaming issued under Section 56.

(230 ILCS 5/3.27 new)

Sec. 3.27. "Electronic gaming facility" means that portion of an organization licensee's race track facility at which electronic gaming is conducted.

(230 ILCS 5/9) (from Ch. 8, par. 37-9)

Sec. 9. The Board shall have all powers necessary and proper to fully and effectively execute the provisions of this Act, including, but not limited to, the following:

(a) The Board is vested with jurisdiction and supervision over all race meetings in this State, over all licensees doing business in this State, over all occupation licensees, and over all persons on the facilities of any licensee. Such jurisdiction shall include the power to issue licenses to the Illinois Department of Agriculture authorizing the pari-mutuel system of wagering on harness and Quarter Horse races held (1) at the Illinois State Fair in Sangamon County, and (2) at the DuQuoin State Fair in Perry County. The jurisdiction of the Board shall also include the power to issue licenses to county fairs which are eligible to receive funds pursuant to the Agricultural Fair Act, as now or hereafter amended, or their agents, authorizing the pari-mutuel system of wagering on horse races conducted at the county fairs receiving such licenses. Such licenses shall be governed by subsection (n) of this Section.

Upon application, the Board shall issue a license to the Illinois Department of Agriculture to conduct harness and Quarter Horse races at the Illinois State Fair and at the DuQuoin State Fairgrounds during the scheduled dates of each fair. The Board shall not require and the Department of Agriculture shall be exempt from the requirements of Sections 15.3, 18 and 19, paragraphs (a)(2), (b), (c), (d), (e), (e-5), (e-10), (f), (g), and (h) of Section 20, and Sections 21, 24 and 25. The Board and the Department of Agriculture may extend any or all of these exemptions to any contractor or agent engaged by the Department of Agriculture to conduct its race meetings when the Board determines that this would best serve the public interest and the interest of horse racing.

Notwithstanding any provision of law to the contrary, it shall be lawful for any licensee to operate pari-mutuel wagering or contract with the Department of Agriculture to operate pari-mutuel wagering at the DuQuoin State Fairgrounds or for the Department to enter into contracts with a licensee, employ its owners, employees or agents and employ such other occupation licensees as the Department deems necessary in connection with race meetings and wagerings.

(b) The Board is vested with the full power to promulgate reasonable rules and regulations for the purpose of administering the provisions of this Act and to prescribe reasonable rules, regulations and conditions under which all horse race meetings or wagering in the State shall be conducted. Such reasonable rules and regulations are to provide for the prevention of practices detrimental to the public interest and to promote the best interests of horse racing and to impose penalties for violations thereof.

(c) The Board, and any person or persons to whom it delegates this power, is vested with the power to enter the facilities and other places of business of any licensee to determine whether there has been compliance with the provisions of this Act and its rules and regulations.

(d) The Board, and any person or persons to whom it delegates this power, is vested with the authority to investigate alleged violations of the provisions of this Act, its reasonable rules and regulations, orders and final decisions; the Board shall take appropriate disciplinary action against any licensee or occupation licensee for violation thereof or institute appropriate legal action for the enforcement thereof.

(e) The Board, and any person or persons to whom it delegates this power, may eject or exclude from any race meeting or the facilities of any licensee, or any part thereof, any occupation licensee or any other individual whose conduct or reputation is such that his presence on those facilities may, in the opinion of the Board, call into question the honesty and integrity of horse racing or wagering or interfere with the orderly conduct of horse racing or wagering; provided, however, that no person shall be excluded or ejected from the facilities of any licensee solely on the grounds of race, color, creed, national origin, ancestry, or sex. The power to eject or exclude an occupation licensee or other individual may be exercised for just cause by the licensee or the Board, subject to subsequent hearing by the Board as to the propriety of said exclusion.

(f) The Board is vested with the power to acquire, establish, maintain and operate (or provide by contract to maintain and operate) testing laboratories and related facilities, for the purpose of conducting saliva, blood, urine and other tests on the horses run or to be run in any horse race meeting, including races run at county fairs, and to purchase all equipment and supplies deemed necessary or desirable in connection with any such testing laboratories and related facilities and all such tests.

(g) The Board may require that the records, including financial or other statements of any licensee or any person affiliated with the licensee who is involved directly or indirectly in the activities of any licensee as regulated under this Act to the extent that those financial or other statements relate to such activities be kept in such manner as prescribed by the Board, and that Board employees shall have access to those records during reasonable business hours. Within 120 days of the end of its fiscal year, each licensee shall transmit to the Board an audit of the financial transactions and condition of the licensee's total operations. All audits shall be conducted by certified public accountants. Each certified public accountant must be registered in the State of Illinois under the Illinois Public Accounting Act.

The compensation for each certified public accountant shall be paid directly by the licensee to the certified public accountant. A licensee shall also submit any other financial or related information the Board deems necessary to effectively administer this Act and all rules, regulations, and final decisions promulgated under this Act.

(h) The Board shall name and appoint in the manner provided by the rules and regulations of the Board: an Executive Director; a State director of mutuels; State veterinarians and representatives to take saliva, blood, urine and other tests on horses; licensing personnel; revenue inspectors; and State seasonal employees (excluding admission ticket sellers and mutuel clerks). All of those named and appointed as provided in this subsection shall serve during the pleasure of the Board; their compensation shall be determined by the Board and be paid in the same manner as other employees of the Board under this Act.

(i) The Board shall require that there shall be 3 stewards at each horse race meeting, at least 2 of whom shall be named and appointed by the Board. Stewards appointed or approved by the Board, while performing duties required by this Act or by the Board, shall be entitled to the same rights and immunities as granted to Board members and Board employees in Section 10 of this Act.

(j) The Board may discharge any Board employee who fails or refuses for any reason to comply with the rules and regulations of the Board, or who, in the opinion of the Board, is guilty of fraud, dishonesty or who is proven to be incompetent. The Board shall have no right or power to determine who shall be officers, directors or employees of any licensee, or their salaries except the Board may, by rule, require that all or any officials or employees in charge of or whose duties relate to the actual running of races be approved by the Board.

(k) The Board is vested with the power to appoint delegates to execute any of the powers granted to it under this Section for the purpose of administering this Act and any rules or regulations promulgated in accordance with this Act.

(l) The Board is vested with the power to impose civil penalties of up to \$5,000 against an individual and up to \$10,000 against a licensee for each violation of any provision of this Act, any rules adopted by the Board, any order of the Board or any other action which, in the Board's discretion, is a detriment or impediment to horse racing or wagering.

(m) The Board is vested with the power to prescribe a form to be used by licensees as an application for employment for employees of each licensee.

(n) The Board shall have the power to issue a license to any county fair, or its agent, authorizing the conduct of the pari-mutuel system of wagering. The Board is vested with the full power to promulgate reasonable rules, regulations and conditions under which all horse race meetings licensed pursuant to this subsection shall be held and conducted, including rules, regulations and conditions for the conduct of the pari-mutuel system of wagering. The rules, regulations and conditions shall provide for the prevention of practices detrimental to the public interest and for the best interests of horse racing, and shall prescribe penalties for violations thereof. Any authority granted the Board under this Act shall extend to its jurisdiction and supervision over county fairs, or their agents, licensed pursuant to this subsection. However, the Board may waive any provision of this Act or its rules or regulations which would otherwise apply to such county fairs or their agents.

(o) Whenever the Board is authorized or required by law to consider some aspect of criminal history record information for the purpose of carrying out its statutory powers and responsibilities, then, upon request and payment of fees in conformance with the requirements of Section 2605-400 of the Department of State Police Law (20 ILCS 2605/2605-400), the Department of State Police is authorized to furnish, pursuant to positive identification, such information contained in State files as is necessary to fulfill the request.

(p) To insure the convenience, comfort, and wagering accessibility of race track patrons, to provide for the maximization of State revenue, and to generate increases in purse allotments to the horsemen, the Board shall require any licensee to staff the pari-mutuel department with adequate personnel.

(Source: P.A. 91-239, eff. 1-1-00.)

(230 ILCS 5/20) (from Ch. 8, par. 37-20)

Sec. 20. (a) Any person desiring to conduct a horse race meeting may apply to the Board for an organization license. The application shall be made on a form prescribed and furnished by the Board. The application shall specify:

(1) the dates on which it intends to conduct the horse race meeting, which dates shall

be provided under Section 21;

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(2) the hours of each racing day between which it intends to hold or conduct horse

racing at such meeting;

(3) the location where it proposes to conduct the meeting; and

(4) any other information the Board may reasonably require.

(b) A separate application for an organization license shall be filed for each horse race meeting which such person proposes to hold. Any such application, if made by an individual, or by any individual as trustee, shall be signed and verified under oath by such individual. If made by individuals or a partnership, it shall be signed and verified under oath by at least 2 of such individuals or members of such partnership as the case may be. If made by an association, corporation, corporate trustee or any other entity, it shall be signed by the president and attested by the secretary or assistant secretary under the seal of such association, trust or corporation if it has a seal, and shall also be verified under oath by one of the signing officers.

(c) The application shall specify the name of the persons, association, trust, or corporation making such application and the post office address of the applicant; if the applicant is a trustee, the names and addresses of the beneficiaries; if a corporation, the names and post office addresses of all officers, stockholders and directors; or if such stockholders hold stock as a nominee or fiduciary, the names and post office addresses of these persons, partnerships, corporations, or trusts who are the beneficial owners thereof or who are beneficially interested therein; and if a partnership, the names and post office addresses of all partners, general or limited; if the applicant is a corporation, the name of the state of its incorporation shall be specified.

(d) The applicant shall execute and file with the Board a good faith affirmative action plan to recruit, train, and upgrade minorities in all classifications within the association.

(e) With such application there shall be delivered to the Board a certified check or bank draft payable to the order of the Board for an amount equal to \$1,000. All applications for the issuance of an organization license shall be filed with the Board before August 1 of the year prior to the year for which application is made and shall be acted upon by the Board at a meeting to be held on such date as shall be fixed by the Board during the last 15 days of September of such prior year. At such meeting, the Board shall announce the award of the racing meets, live racing schedule, and designation of host track to the applicants and its approval or disapproval of each application. No announcement shall be considered binding until a formal order is executed by the Board, which shall be executed no later than October 15 of that prior year. Absent the agreement of the affected organization licensees, the Board shall not grant overlapping race meetings to 2 or more tracks that are within 100 miles of each other to conduct the thoroughbred racing.

(e-2) In awarding racing dates for calendar year 2005 and thereafter, the Board shall award the same total number of racing days as it awarded in calendar year 2004 plus an amount as provided in subsection (e-3). In awarding racing dates under this subsection (e-2), the Board shall have the discretion to allocate those racing dates among organization licensees.

(e-3) Upon request, the Board shall award at least 25 standardbred racing dates to the organization licensee that conducts racing at Fairmount Race Track, unless a lesser schedule of live racing is the result of (A) weather or unsafe track conditions due to acts of God or (B) a strike between the organization licensee and the associations representing the largest number of owners, trainers, jockeys, or standardbred drivers who race horses at that organization licensee's racing meeting. Any racing dates awarded under this subsection (e-3) to an organization licensee that conducts racing at Fairmount Race Track that are in excess of the number awarded to that organization licensee in 2004 shall be in addition to those racing dates awarded under subsection (e-2).

(e-5) In reviewing an application for the purpose of granting an organization license consistent with the best interests of the public and the sport of horse racing, the Board shall consider:

(1) the character, reputation, experience, and financial integrity of the applicant and

of any other separate person that either:

(i) controls the applicant, directly or indirectly, or

(ii) is controlled, directly or indirectly, by that applicant or by a person who

controls, directly or indirectly, that applicant;

(2) the applicant's facilities or proposed facilities for conducting horse racing;

- (3) the total revenue without regard to Section 32.1 to be derived by the State and horsemen from the applicant's conducting a race meeting;
- (4) the applicant's good faith affirmative action plan to recruit, train, and upgrade minorities in all employment classifications;
- (5) the applicant's financial ability to purchase and maintain adequate liability and casualty insurance;
- (6) the applicant's proposed and prior year's promotional and marketing activities and expenditures of the applicant associated with those activities;
- (7) an agreement, if any, among organization licensees as provided in subsection (b) of Section 21 of this Act; and
- (8) the extent to which the applicant exceeds or meets other standards for the issuance of an organization license that the Board shall adopt by rule.

In granting organization licenses and allocating dates for horse race meetings, the Board shall have discretion to determine an overall schedule, including required simulcasts of Illinois races by host tracks that will, in its judgment, be conducive to the best interests of the public and the sport of horse racing.

(e-10) The Illinois Administrative Procedure Act shall apply to administrative procedures of the Board under this Act for the granting of an organization license, except that (1) notwithstanding the provisions of subsection (b) of Section 10-40 of the Illinois Administrative Procedure Act regarding cross-examination, the Board may prescribe rules limiting the right of an applicant or participant in any proceeding to award an organization license to conduct cross-examination of witnesses at that proceeding where that cross-examination would unduly obstruct the timely award of an organization license under subsection (e) of Section 20 of this Act; (2) the provisions of Section 10-45 of the Illinois Administrative Procedure Act regarding proposals for decision are excluded under this Act; (3) notwithstanding the provisions of subsection (a) of Section 10-60 of the Illinois Administrative Procedure Act regarding ex parte communications, the Board may prescribe rules allowing ex parte communications with applicants or participants in a proceeding to award an organization license where conducting those communications would be in the best interest of racing, provided all those communications are made part of the record of that proceeding pursuant to subsection (c) of Section 10-60 of the Illinois Administrative Procedure Act; (4) the provisions of Section 14a of this Act and the rules of the Board promulgated under that Section shall apply instead of the provisions of Article 10 of the Illinois Administrative Procedure Act regarding administrative law judges; and (5) the provisions of subsection (d) of Section 10-65 of the Illinois Administrative Procedure Act that prevent summary suspension of a license pending revocation or other action shall not apply.

(f) The Board may allot racing dates to an organization licensee for more than one calendar year but for no more than 3 successive calendar years in advance, provided that the Board shall review such allotment for more than one calendar year prior to each year for which such allotment has been made. The granting of an organization license to a person constitutes a privilege to conduct a horse race meeting under the provisions of this Act, and no person granted an organization license shall be deemed to have a vested interest, property right, or future expectation to receive an organization license in any subsequent year as a result of the granting of an organization license. Organization licenses shall be subject to revocation if the organization licensee has violated any provision of this Act or the rules and regulations promulgated under this Act or has been convicted of a crime or has failed to disclose or has stated falsely any information called for in the application for an organization license. Any organization license revocation proceeding shall be in accordance with Section 16 regarding suspension and revocation of occupation licenses.

(f-5) If, (i) an applicant does not file an acceptance of the racing dates awarded by the Board as required under part (1) of subsection (h) of this Section 20, or (ii) an organization licensee has its license suspended or revoked under this Act, the Board, upon conducting an emergency hearing as provided for in this Act, may reward on an emergency basis pursuant to rules established by the Board, racing dates not accepted or the racing dates associated with any suspension or revocation period to one or more organization licensees, new applicants, or any combination thereof, upon terms and conditions that the Board determines are in the best interest of racing, provided, the organization licensees or new applicants receiving the awarded racing dates file an acceptance of those rewarded racing dates as required under paragraph (1) of subsection (h) of this Section 20 and comply with the other provisions of this Act. The Illinois Administrative Procedures Act shall not apply to the administrative procedures of the Board in conducting the emergency hearing and the reallocation of racing dates on an emergency basis.

(g) (Blank).

(h) The Board shall send the applicant a copy of its formally executed order by certified mail addressed to the applicant at the address stated in his application, which notice shall be mailed within 5 days of the date the formal order is executed.

Each applicant notified shall, within 10 days after receipt of the final executed order of the Board awarding racing dates:

- (1) file with the Board an acceptance of such award in the form prescribed by the Board;
- (2) pay to the Board an additional amount equal to \$110 for each racing date awarded;

and

- (3) file with the Board the bonds required in Sections 21 and 25 at least 20 days prior

to the first day of each race meeting.

Upon compliance with the provisions of paragraphs (1), (2), and (3) of this subsection (h), the applicant shall be issued an organization license.

If any applicant fails to comply with this Section or fails to pay the organization license fees herein provided, no organization license shall be issued to such applicant.

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

(230 ILCS 5/25) (from Ch. 8, par. 37-25)

Sec. 25. Admissions tax; records and books; bond; penalty.

(a) There shall be paid to the Board at such time or times as it shall prescribe, the sum of fifteen cents (15¢) for each person entering the grounds or enclosure of each organization licensee and inter-track wagering licensee upon a ticket of admission except as provided in subsection (g) of Section 27 of this Act. If tickets are issued for more than one day then the sum of fifteen cents (15¢) shall be paid for each person using such ticket on each day that the same shall be used. Provided, however, that no charge shall be made on tickets of admission issued to and in the name of directors, officers, agents or employees of the organization licensee, or inter-track wagering licensee, or to owners, trainers, jockeys, drivers and their employees or to any person or persons entering the grounds or enclosure for the transaction of business in connection with such race meeting. The organization licensee or inter-track wagering licensee may, if it desires, collect such amount from each ticket holder in addition to the amount or amounts charged for such ticket of admission.

(b) Accurate records and books shall at all times be kept and maintained by the organization licensees and inter-track wagering licensees showing the admission tickets issued and used on each racing day and the attendance thereat of each horse racing meeting. The Board or its duly authorized representative or representatives shall at all reasonable times have access to the admission records of any organization licensee and inter-track wagering licensee for the purpose of examining and checking the same and ascertaining whether or not the proper amount has been or is being paid the State of Illinois as herein provided. The Board shall also require, before issuing any license, that the licensee shall execute and deliver to it a bond, payable to the State of Illinois, in such sum as it shall determine, not, however, in excess of fifty thousand dollars (\$50,000), with a surety or sureties to be approved by it, conditioned for the payment of all sums due and payable or collected by it under this Section upon admission fees received for any particular racing meetings. The Board may also from time to time require sworn statements of the number or numbers of such admissions and may prescribe blanks upon which such reports shall be made. Any organization licensee or inter-track wagering licensee failing or refusing to pay the amount found to be due as herein provided, shall be deemed guilty of a business offense and

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upon conviction shall be punished by a fine of not more than five thousand dollars (\$5,000) in addition to the amount due from such organization licensee or inter-track wagering licensee as herein provided. All fines paid into court by an organization licensee or inter-track wagering licensee found guilty of violating this Section shall be transmitted and paid over by the clerk of the court to the Board.

(c) In addition to the admission tax imposed under subsection (a), a tax is imposed on admissions at the rate of \$2 per person for the first 1,500,000 persons admitted by an organization licensee per year and \$3 per person for all persons admitted by that licensee in excess of 1,500,000 per year. The tax is imposed upon the organization licensee.

(1) The admission tax shall be paid for each admission.

(2) An organization licensee may issue tax-free passes to actual and necessary officials and employees of the licensee and other persons associated with race meeting operations.

(3) The number and issuance of tax-free passes is subject to the rules of the Board, and a list of all persons to whom the tax-free passes are issued shall be filed with the Board.

(4) The organization licensee shall pay the entire admission tax to the Board. Such payments shall be made daily. Accompanying each payment shall be a return on forms provided by the Board, which shall include other information regarding admission as the Board may require. Failure to submit either the payment or the return within the specified time may result in suspension or revocation of the organization licensee's license.

(5) The Board shall administer and collect the admission tax imposed by this subsection, to the extent practicable, in a manner consistent with the provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 6, 6a, 6b, 6c, 8, 9, and 10 of the Retailers' Occupation Tax Act and Section 3-7 of the Uniform Penalty and Interest Act. All moneys collected by the Board shall be deposited into the State Gaming Fund and shall be distributed as provided in subsection (d).

(d) From the tax imposed under subsection (c), the municipality in which an organization licensee's race track is located or, if the race track is not located within a municipality, the county in which the race track is located shall receive, subject to appropriation, \$1 for each person who enters the race track. For each admission in excess of 1,500,000 in a year, from the tax imposed under subsection (c), the county in which the race track is located shall receive, subject to appropriation, \$0.15, which shall be in addition to any other moneys paid to the county under this Section, \$0.20 shall be paid into the Agricultural Premium Fund, and \$0.15 shall be paid from the State Gaming Fund, subject to appropriation, into the Illinois Community Services Block Grant Fund.

(Source: P.A. 88-495; 89-16, eff. 5-30-95.)

(230 ILCS 5/26) (from Ch. 8, par. 37-26)

Sec. 26. Wagering.

(a) Any licensee may conduct and supervise the pari-mutuel system of wagering, as defined in Section 3.12 of this Act, on horse races conducted by an Illinois organization licensee or conducted at a racetrack located in another state or country and televised in Illinois in accordance with subsection (g) of Section 26 of this Act. Subject to the prior consent of the Board, licensees may supplement any pari-mutuel pool in order to guarantee a minimum distribution. Such pari-mutuel method of wagering shall not, under any circumstances if conducted under the provisions of this Act, be held or construed to be unlawful, other statutes of this State to the contrary notwithstanding. Subject to rules for advance wagering promulgated by the Board, any licensee may accept wagers in advance of the day of the race wagered upon occurs.

(b) Except as otherwise provided in Section 56, no other method of betting, pool making, wagering or gambling shall be used or permitted by the licensee. Each licensee may retain, subject to the payment of all applicable taxes and purses, an amount not to exceed 17% of all money wagered under subsection (a) of this Section, except as may otherwise be permitted under this Act.

(b-5) An individual may place a wager under the pari-mutuel system from any licensed location authorized under this Act provided that wager is electronically recorded in the manner described in Section 3.12 of this Act. Any wager made electronically by an individual while physically on the premises of a licensee shall be deemed to have been made at the premises of that licensee.

(c) Until January 1, 2000, the sum held by any licensee for payment of outstanding pari-mutuel tickets, if unclaimed prior to December 31 of the next year, shall be retained by the licensee for payment of such tickets until that date. Within 10 days thereafter, the balance of such sum remaining unclaimed, less any uncashed supplements contributed by such licensee for the purpose of guaranteeing minimum distributions of any pari-mutuel pool, shall be paid to the Illinois Veterans' Rehabilitation Fund of the State treasury, except as provided in subsection (g) of Section 27 of this Act.

(c-5) Beginning January 1, 2000, the sum held by any licensee for payment of outstanding pari-mutuel tickets, if unclaimed prior to December 31 of the next year, shall be retained by the licensee

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for payment of such tickets until that date. Within 10 days thereafter, the balance of such sum remaining unclaimed, less any uncashed supplements contributed by such licensee for the purpose of guaranteeing minimum distributions of any pari-mutuel pool, shall be evenly distributed to the purse account of the organization licensee and the organization licensee.

(d) A pari-mutuel ticket shall be honored until December 31 of the next calendar year, and the licensee shall pay the same and may charge the amount thereof against unpaid money similarly accumulated on account of pari-mutuel tickets not presented for payment.

(e) No licensee shall knowingly permit any minor, other than an employee of such licensee or an owner, trainer, jockey, driver, or employee thereof, to be admitted during a racing program unless accompanied by a parent or guardian, or any minor to be a patron of the pari-mutuel system of wagering conducted or supervised by it. The admission of any unaccompanied minor, other than an employee of the licensee or an owner, trainer, jockey, driver, or employee thereof at a race track is a Class C misdemeanor.

(f) Notwithstanding the other provisions of this Act, an organization licensee may contract with an entity in another state or country to permit any legal wagering entity in another state or country to accept wagers solely within such other state or country on races conducted by the organization licensee in this State. Beginning January 1, 2000, these wagers shall not be subject to State taxation. Until January 1, 2000, when the out-of-State entity conducts a pari-mutuel pool separate from the organization licensee, a privilege tax equal to 7 1/2% of all monies received by the organization licensee from entities in other states or countries pursuant to such contracts is imposed on the organization licensee, and such privilege tax shall be remitted to the Department of Revenue within 48 hours of receipt of the moneys from the simulcast. When the out-of-State entity conducts a combined pari-mutuel pool with the organization licensee, the tax shall be 10% of all monies received by the organization licensee with 25% of the receipts from this 10% tax to be distributed to the county in which the race was conducted.

An organization licensee may permit one or more of its races to be utilized for pari-mutuel wagering at one or more locations in other states and may transmit audio and visual signals of races the organization licensee conducts to one or more locations outside the State or country and may also permit pari-mutuel pools in other states or countries to be combined with its gross or net wagering pools or with wagering pools established by other states.

(g) A host track may accept interstate simulcast wagers on horse races conducted in other states or countries and shall control the number of signals and types of breeds of racing in its simulcast program, subject to the disapproval of the Board. The Board may prohibit a simulcast program only if it finds that the simulcast program is clearly adverse to the integrity of racing. The host track simulcast program shall include the signal of live racing of all organization licensees. All non-host licensees shall carry the host track simulcast program and accept wagers on all races included as part of the simulcast program upon which wagering is permitted. The costs and expenses of the host track and non-host licensees associated with interstate simulcast wagering, other than the interstate commission fee, shall be borne by the host track and all non-host licensees incurring these costs. The interstate commission fee shall not exceed 5% of Illinois handle on the interstate simulcast race or races without prior approval of the Board. The Board shall promulgate rules under which it may permit interstate commission fees in excess of 5%. The interstate commission fee and other fees charged by the sending racetrack, including, but not limited to, satellite decoder fees, shall be uniformly applied to the host track and all non-host licensees.

(1) Between the hours of 6:30 a.m. and 6:30 p.m. an intertrack wagering licensee other

than the host track may supplement the host track simulcast program with additional simulcast races or race programs, provided that between January 1 and the third Friday in February of any year, inclusive, if no live thoroughbred racing is occurring in Illinois during this period, only thoroughbred races may be used for supplemental interstate simulcast purposes. The Board shall withhold approval for a supplemental interstate simulcast only if it finds that the simulcast is clearly adverse to the integrity of racing. A supplemental interstate simulcast may be transmitted from an intertrack wagering licensee to its affiliated non-host licensees. The interstate commission fee for a supplemental interstate simulcast shall be paid by the non-host licensee and its affiliated non-host licensees receiving the simulcast.

(2) Between the hours of 6:30 p.m. and 6:30 a.m. an intertrack wagering licensee other

than the host track may receive supplemental interstate simulcasts only with the consent of the host track, except when the Board finds that the simulcast is clearly adverse to the integrity of racing. Consent granted under this paragraph (2) to any intertrack wagering licensee shall be deemed consent to

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all non-host licensees. The interstate commission fee for the supplemental interstate simulcast shall be paid by all participating non-host licensees.

(3) Each licensee conducting interstate simulcast wagering may retain, subject to the

payment of all applicable taxes and the purses, an amount not to exceed 17% of all money wagered. If any licensee conducts the pari-mutuel system wagering on races conducted at racetracks in another state or country, each such race or race program shall be considered a separate racing day for the purpose of determining the daily handle and computing the privilege tax of that daily handle as provided in subsection (a) of Section 27. Until January 1, 2000, from the sums permitted to be retained pursuant to this subsection, each intertrack wagering location licensee shall pay 1% of the pari-mutuel handle wagered on simulcast wagering to the Horse Racing Tax Allocation Fund, subject to the provisions of subparagraph (B) of paragraph (11) of subsection (h) of Section 26 of this Act.

(4) A licensee who receives an interstate simulcast may combine its gross or net pools

with pools at the sending racetracks pursuant to rules established by the Board. All licensees combining their gross pools at a sending racetrack shall adopt the take-out percentages of the sending racetrack. A licensee may also establish a separate pool and takeout structure for wagering purposes on races conducted at race tracks outside of the State of Illinois. The licensee may permit pari-mutuel wagers placed in other states or countries to be combined with its gross or net wagering pools or other wagering pools.

(5) After the payment of the interstate commission fee (except for the interstate

commission fee on a supplemental interstate simulcast, which shall be paid by the host track and by each non-host licensee through the host-track) and all applicable State and local taxes, except as provided in subsection (g) of Section 27 of this Act, the remainder of moneys retained from simulcast wagering pursuant to this subsection (g), and Section 26.2 shall be divided as follows:

(A) For interstate simulcast wagers made at a host track, 50% to the host track and 50% to purses at the host track.

(B) For wagers placed on interstate simulcast races, supplemental simulcasts as defined in subparagraphs (1) and (2), and separately pooled races conducted outside of the State of Illinois made at a non-host licensee, 25% to the host track, 25% to the non-host licensee, and 50% to the purses at the host track.

(6) Notwithstanding any provision in this Act to the contrary, non-host licensees who

derive their licenses from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River may receive supplemental interstate simulcast races at all times subject to Board approval, which shall be withheld only upon a finding that a supplemental interstate simulcast is clearly adverse to the integrity of racing.

(7) Notwithstanding any provision of this Act to the contrary, after payment of all

applicable State and local taxes and interstate commission fees, non-host licensees who derive their licenses from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River shall retain 50% of the retention from interstate simulcast wagers and shall pay 50% to purses at the track from which the non-host licensee derives its license as follows:

(A) Between January 1 and the third Friday in February, inclusive, if no live thoroughbred racing is occurring in Illinois during this period, when the interstate simulcast is a standardbred race, the purse share to its standardbred purse account;

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(B) Between January 1 and the third Friday in February, inclusive, if no live

thoroughbred racing is occurring in Illinois during this period, and the interstate simulcast is a thoroughbred race, the purse share to its interstate simulcast purse pool to be distributed under paragraph (10) of this subsection (g);

(C) Between January 1 and the third Friday in February, inclusive, if live

thoroughbred racing is occurring in Illinois, between 6:30 a.m. and 6:30 p.m. the purse share from wagers made during this time period to its thoroughbred purse account and between 6:30 p.m. and 6:30 a.m. the purse share from wagers made during this time period to its standardbred purse accounts;

(D) Between the third Saturday in February and December 31, when the interstate

simulcast occurs between the hours of 6:30 a.m. and 6:30 p.m., the purse share to its thoroughbred purse account;

(E) Between the third Saturday in February and December 31, when the interstate

simulcast occurs between the hours of 6:30 p.m. and 6:30 a.m., the purse share to its standardbred purse account.

(7.1) Notwithstanding any other provision of this Act to the contrary, if no

standardbred racing is conducted at a racetrack located in Madison County during any calendar year beginning on or after January 1, 2002, all moneys derived by that racetrack from simulcast wagering and inter-track wagering that (1) are to be used for purses and (2) are generated between the hours of 6:30 p.m. and 6:30 a.m. during that calendar year shall be paid as follows:

(A) If the licensee that conducts horse racing at that racetrack requests from the

Board at least as many racing dates as were conducted in calendar year 2000, 80% shall be paid to its thoroughbred purse account; and

(B) Twenty percent shall be deposited into the Illinois Colt Stakes Purse

Distribution Fund and shall be paid to purses for standardbred races for Illinois conceived and foaled horses conducted at any county fairgrounds. The moneys deposited into the Fund pursuant to this subparagraph (B) shall be deposited within 2 weeks after the day they were generated, shall be in addition to and not in lieu of any other moneys paid to standardbred purses under this Act, and shall not be commingled with other moneys paid into that Fund. The moneys deposited pursuant to this subparagraph (B) shall be allocated as provided by the Department of Agriculture, with the advice and assistance of the Illinois Standardbred Breeders Fund Advisory Board.

(7.2) Notwithstanding any other provision of this Act to the contrary, if no

thoroughbred racing is conducted at a racetrack located in Madison County during any calendar year beginning on or after January 1, 2002, all moneys derived by that racetrack from simulcast wagering and inter-track wagering that (1) are to be used for purses and (2) are generated between the hours of 6:30 a.m. and 6:30 p.m. during that calendar year shall be deposited as follows:

(A) If the licensee that conducts horse racing at that racetrack requests from the

Board at least as many racing dates as were conducted in calendar year 2000, 80% shall be deposited into its standardbred purse account; and

(B) Twenty percent shall be deposited into the Illinois Colt Stakes Purse

Distribution Fund. Moneys deposited into the Illinois Colt Stakes Purse Distribution Fund pursuant to this subparagraph (B) shall be paid to Illinois conceived and foaled thoroughbred breeders' programs and to thoroughbred purses for races conducted at any county fairgrounds for Illinois conceived and foaled horses at the discretion of the Department of Agriculture, with the advice and assistance of the Illinois Thoroughbred Breeders Fund Advisory Board. The moneys deposited into the Illinois Colt Stakes Purse Distribution Fund pursuant to this subparagraph (B) shall be deposited within 2 weeks after the day they were generated, shall be in addition to and not in lieu of any other moneys paid to thoroughbred purses under this Act, and shall not be commingled with other moneys deposited into that Fund.

(7.3) If no live standardbred racing is conducted at a racetrack located in Madison

County in calendar year 2000 or 2001, an organization licensee who is licensed to conduct horse racing at that racetrack shall, before January 1, 2002, pay all moneys derived from simulcast wagering and inter-track wagering in calendar years 2000 and 2001 and paid into the licensee's standardbred purse account as follows:

(A) Eighty percent to that licensee's thoroughbred purse account to be used for

thoroughbred purses; and

(B) Twenty percent to the Illinois Colt Stakes Purse Distribution Fund.

Failure to make the payment to the Illinois Colt Stakes Purse Distribution Fund before

January 1, 2002 shall result in the immediate revocation of the licensee's organization license, inter-track wagering license, and inter-track wagering location license.

Moneys paid into the Illinois Colt Stakes Purse Distribution Fund pursuant to this

paragraph (7.3) shall be paid to purses for standardbred races for Illinois conceived and foaled horses conducted at any county fairgrounds. Moneys paid into the Illinois Colt Stakes Purse Distribution Fund pursuant to this paragraph (7.3) shall be used as determined by the Department of Agriculture, with the advice and assistance of the Illinois Standardbred Breeders Fund Advisory Board, shall be in addition to and not in lieu of any other moneys paid to standardbred purses under this Act, and shall not be commingled with any other moneys paid into that Fund.

(7.4) If live standardbred racing is conducted at a racetrack located in Madison County

at any time in calendar year 2001 before the payment required under paragraph (7.3) has been made, the organization licensee who is licensed to conduct racing at that racetrack shall pay all moneys derived by that racetrack from simulcast wagering and inter-track wagering during calendar years 2000 and 2001 that (1) are to be used for purses and (2) are generated between the hours of 6:30 p.m. and 6:30 a.m. during 2000 or 2001 to the standardbred purse account at that racetrack to be used for standardbred purses.

(8) Notwithstanding any provision in this Act to the contrary, an organization licensee

from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River and its affiliated non-host licensees shall not be entitled to share in any retention generated on racing, inter-track wagering, or simulcast wagering at any other Illinois wagering facility.

(8.1) Notwithstanding any provisions in this Act to the contrary, if 2 organization

licensees are conducting standardbred race meetings concurrently between the hours of 6:30 p.m. and 6:30 a.m., after payment of all applicable State and local taxes and interstate commission fees, the remainder of the amount retained from simulcast wagering otherwise attributable to the host track and to host track purses shall be split daily between the 2 organization licensees and the purses at the tracks of the 2 organization licensees, respectively, based on each organization licensee's share of the total live handle for that day, provided that this provision shall not apply to any non-host licensee that derives its

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license from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River.

- (9) (Blank).
- (10) (Blank).
- (11) (Blank).
- (12) The Board shall have authority to compel all host tracks to receive the simulcast

of any or all races conducted at the Springfield or DuQuoin State fairgrounds and include all such races as part of their simulcast programs.

~~(13) (Blank). Notwithstanding any other provision of this Act, in the event that the total Illinois pari mutuel handle on Illinois horse races at all wagering facilities in any calendar year is less than 75% of the total Illinois pari mutuel handle on Illinois horse races at all such wagering facilities for calendar year 1994, then each wagering facility that has an annual total Illinois pari mutuel handle on Illinois horse races that is less than 75% of the total Illinois pari mutuel handle on Illinois horse races at such wagering facility for calendar year 1994, shall be permitted to receive, from any amount otherwise payable to the purse account at the race track with which the wagering facility is affiliated in the succeeding calendar year, an amount equal to 2% of the differential in total Illinois pari mutuel handle on Illinois horse races at the wagering facility between that calendar year in question and 1994 provided, however, that a wagering facility shall not be entitled to any such payment until the Board certifies in writing to the wagering facility the amount to which the wagering facility is entitled and a schedule for payment of the amount to the wagering facility, based on: (i) the racing dates awarded to the race track affiliated with the wagering facility during the succeeding year; (ii) the sums available or anticipated to be available in the purse account of the race track affiliated with the wagering facility for purses during the succeeding year; and (iii) the need to ensure reasonable purse levels during the payment period. The Board's certification shall be provided no later than January 31 of the succeeding year. In the event a wagering facility entitled to a payment under this paragraph (13) is affiliated with a race track that maintains purse accounts for both standardbred and thoroughbred racing, the amount to be paid to the wagering facility shall be divided between each purse account pro rata, based on the amount of Illinois handle on Illinois standardbred and thoroughbred racing respectively at the wagering facility during the previous calendar year. Annually, the General Assembly shall appropriate sufficient funds from the General Revenue Fund to the Department of Agriculture for payment into the thoroughbred and standardbred horse racing purse accounts at Illinois pari mutuel tracks. The amount paid to each purse account shall be the amount certified by the Illinois Racing Board in January to be transferred from each account to each eligible racing facility in accordance with the provisions of this Section.~~

(h) The Board may approve and license the conduct of inter-track wagering and simulcast wagering by inter-track wagering licensees and inter-track wagering location licensees subject to the following terms and conditions:

- (1) Any person licensed to conduct a race meeting (i) at a track where 60 or more days

of racing were conducted during the immediately preceding calendar year or where over the 5 immediately preceding calendar years an average of 30 or more days of racing were conducted annually may be issued an inter-track wagering license; (ii) at a track located in a county that is bounded by the Mississippi River, which has a population of less than 150,000 according to the 1990 decennial census, and an average of at least 60 days of racing per year between 1985 and 1993 may be issued an inter-track wagering license; or (iii) at a track located in Madison County that conducted at least 100 days of live racing during the immediately preceding calendar year may be issued an inter-track wagering license, unless a lesser schedule of live racing is the result of (A) weather, unsafe track conditions, or other acts of God; (B) an agreement between the organization licensee and the associations representing the largest number of owners, trainers, jockeys, or standardbred drivers who race horses at that organization licensee's racing meeting; or (C) a finding by the Board of extraordinary circumstances and that it was in the best interest of the public and the sport to conduct fewer than 100 days of live racing. Any such person having operating control of the racing facility may also receive up to 6 inter-track wagering location licenses. In no event shall more than 6 inter-track wagering locations be established for each eligible race track, except that an eligible race track located in a county that has a population of more than 230,000 and that is bounded by the Mississippi River may establish up to 7 inter-track wagering locations. An application for said license shall be filed with the Board prior to such dates as may be fixed by the Board. With an application for an inter-track wagering location license there shall be delivered to

the Board a certified check or bank draft payable to the order of the Board for an amount equal to \$500. The application shall be on forms prescribed and furnished by the Board. The application shall comply with all other rules, regulations and conditions imposed by the Board in connection therewith.

(2) The Board shall examine the applications with respect to their conformity with this

Act and the rules and regulations imposed by the Board. If found to be in compliance with the Act and rules and regulations of the Board, the Board may then issue a license to conduct inter-track wagering and simulcast wagering to such applicant. All such applications shall be acted upon by the Board at a meeting to be held on such date as may be fixed by the Board.

(3) In granting licenses to conduct inter-track wagering and simulcast wagering, the

Board shall give due consideration to the best interests of the public, of horse racing, and of maximizing revenue to the State.

(4) Prior to the issuance of a license to conduct inter-track wagering and simulcast

wagering, the applicant shall file with the Board a bond payable to the State of Illinois in the sum of \$50,000, executed by the applicant and a surety company or companies authorized to do business in this State, and conditioned upon (i) the payment by the licensee of all taxes due under Section 27 or 27.1 and any other monies due and payable under this Act, and (ii) distribution by the licensee, upon presentation of the winning ticket or tickets, of all sums payable to the patrons of pari-mutuel pools.

(5) Each license to conduct inter-track wagering and simulcast wagering shall specify

the person to whom it is issued, the dates on which such wagering is permitted, and the track or location where the wagering is to be conducted.

(6) All wagering under such license is subject to this Act and to the rules and

regulations from time to time prescribed by the Board, and every such license issued by the Board shall contain a recital to that effect.

(7) An inter-track wagering licensee or inter-track wagering location licensee may

accept wagers at the track or location where it is licensed, or as otherwise provided under this Act.

(8) Inter-track wagering or simulcast wagering shall not be conducted at any track less

than 5 miles from a track at which a racing meeting is in progress.

(8.1) Inter-track wagering location licensees who derive their licenses from a

particular organization licensee shall conduct inter-track wagering and simulcast wagering only at locations which are either within 90 miles of that race track where the particular organization licensee is licensed to conduct racing, or within 135 miles of that race track where the particular organization licensee is licensed to conduct racing in the case of race tracks in counties of less than 400,000 that were operating on or before June 1, 1986. However, inter-track wagering and simulcast wagering shall not be conducted by those licensees at any location within 5 miles of any race track at which a horse race meeting has been licensed in the current year, unless the person having operating control of such race track has given its written consent to such inter-track wagering location licensees, which consent must be filed with the Board at or prior to the time application is made.

(8.2) Inter-track wagering or simulcast wagering shall not be conducted by an

inter-track wagering location licensee at any location within 500 feet of an existing church or existing school, nor within 500 feet of the residences of more than 50 registered voters without receiving written permission from a majority of the registered voters at such residences. Such written permission

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statements shall be filed with the Board. The distance of 500 feet shall be measured to the nearest part of any building used for worship services, education programs, residential purposes, or conducting inter-track wagering by an inter-track wagering location licensee, and not to property boundaries. However, inter-track wagering or simulcast wagering may be conducted at a site within 500 feet of a church, school or residences of 50 or more registered voters if such church, school or residences have been erected or established, or such voters have been registered, after the Board issues the original inter-track wagering location license at the site in question. Inter-track wagering location licensees may conduct inter-track wagering and simulcast wagering only in areas that are zoned for commercial or manufacturing purposes or in areas for which a special use has been approved by the local zoning authority. However, no license to conduct inter-track wagering and simulcast wagering shall be granted by the Board with respect to any inter-track wagering location within the jurisdiction of any local zoning authority which has, by ordinance or by resolution, prohibited the establishment of an inter-track wagering location within its jurisdiction. However, inter-track wagering and simulcast wagering may be conducted at a site if such ordinance or resolution is enacted after the Board licenses the original inter-track wagering location licensee for the site in question.

(9) (Blank).

(10) An inter-track wagering licensee or an inter-track wagering location licensee may

retain, subject to the payment of the privilege taxes and the purses, an amount not to exceed 17% of all money wagered. Each program of racing conducted by each inter-track wagering licensee or inter-track wagering location licensee shall be considered a separate racing day for the purpose of determining the daily handle and computing the privilege tax or pari-mutuel tax on such daily handle as provided in Section 27.

(10.1) Except as provided in subsection (g) of Section 27 of this Act, inter-track

wagering location licensees shall pay 1% of the pari-mutuel handle at each location to the municipality in which such location is situated and 1% of the pari-mutuel handle at each location to the county in which such location is situated. In the event that an inter-track wagering location licensee is situated in an unincorporated area of a county, such licensee shall pay 2% of the pari-mutuel handle from such location to such county.

(10.2) Notwithstanding any other provision of this Act, with respect to intertrack

wagering at a race track located in a county that has a population of more than 230,000 and that is bounded by the Mississippi River ("the first race track"), or at a facility operated by an inter-track wagering licensee or inter-track wagering location licensee that derives its license from the organization licensee that operates the first race track, on races conducted at the first race track or on races conducted at another Illinois race track and simultaneously televised to the first race track or to a facility operated by an inter-track wagering licensee or inter-track wagering location licensee that derives its license from the organization licensee that operates the first race track, those moneys shall be allocated as follows:

(A) That portion of all moneys wagered on standardbred racing that is required

under this Act to be paid to purses shall be paid to purses for standardbred races.

(B) That portion of all moneys wagered on thoroughbred racing that is required

under this Act to be paid to purses shall be paid to purses for thoroughbred races.

(11) (A) After payment of the privilege or pari-mutuel tax, any other applicable taxes,

and the costs and expenses in connection with the gathering, transmission, and dissemination of all data necessary to the conduct of inter-track wagering, the remainder of the monies retained under either Section 26 or Section 26.2 of this Act by the inter-track wagering licensee on inter-track wagering shall be allocated with 50% to be split between the 2 participating licensees and 50% to purses, except that an intertrack wagering licensee that derives its license from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River shall not divide any remaining

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retention with the Illinois organization licensee that provides the race or races, and an intertrack wagering licensee that accepts wagers on races conducted by an organization licensee that conducts a race meet in a county with a population in excess of 230,000 and that borders the Mississippi River shall not divide any remaining retention with that organization licensee.

(B) From the sums permitted to be retained pursuant to this Act each inter-track

wagering location licensee shall pay (i) the privilege or pari-mutuel tax to the State; (ii) 4.75% of the pari-mutuel handle on intertrack wagering at such location on races as purses, except that an intertrack wagering location licensee that derives its license from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River shall retain all purse moneys for its own purse account consistent with distribution set forth in this subsection (h), and intertrack wagering location licensees that accept wagers on races conducted by an organization licensee located in a county with a population in excess of 230,000 and that borders the Mississippi River shall distribute all purse moneys to purses at the operating host track; (iii) until January 1, 2000, except as provided in subsection (g) of Section 27 of this Act, 1% of the pari-mutuel handle wagered on inter-track wagering and simulcast wagering at each inter-track wagering location licensee facility to the Horse Racing Tax Allocation Fund, provided that, to the extent the total amount collected and distributed to the Horse Racing Tax Allocation Fund under this subsection (h) during any calendar year exceeds the amount collected and distributed to the Horse Racing Tax Allocation Fund during calendar year 1994, that excess amount shall be redistributed (I) to all inter-track wagering location licensees, based on each licensee's pro-rata share of the total handle from inter-track wagering and simulcast wagering for all inter-track wagering location licensees during the calendar year in which this provision is applicable; then (II) the amounts redistributed to each inter-track wagering location licensee as described in subpart (I) shall be further redistributed as provided in subparagraph (B) of paragraph (5) of subsection (g) of this Section 26 provided first, that the shares of those amounts, which are to be redistributed to the host track or to purses at the host track under subparagraph (B) of paragraph (5) of subsection (g) of this Section 26 shall be redistributed based on each host track's pro rata share of the total inter-track wagering and simulcast wagering handle at all host tracks during the calendar year in question, and second, that any amounts redistributed as described in part (I) to an inter-track wagering location licensee that accepts wagers on races conducted by an organization licensee that conducts a race meet in a county with a population in excess of 230,000 and that borders the Mississippi River shall be further redistributed as provided in subparagraphs (D) and (E) of paragraph (7) of subsection (g) of this Section 26, with the portion of that further redistribution allocated to purses at that organization licensee to be divided between standardbred purses and thoroughbred purses based on the amounts otherwise allocated to purses at that organization licensee during the calendar year in question; and (iv) 8% of the pari-mutuel handle on inter-track wagering wagered at such location to satisfy all costs and expenses of conducting its wagering. The remainder of the monies retained by the inter-track wagering location licensee shall be allocated 40% to the location licensee and 60% to the organization licensee which provides the Illinois races to the location, except that an intertrack wagering location licensee that derives its license from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River shall not divide any remaining retention with the organization licensee that provides the race or races and an intertrack wagering location licensee that accepts wagers on races conducted by an organization licensee that conducts a race meet in a county with a population in excess of 230,000 and that borders the Mississippi River shall not divide any remaining retention with the organization licensee. Notwithstanding the provisions of clauses (ii) and (iv) of this paragraph, in the case of the additional inter-track wagering location licenses authorized under paragraph (1) of this subsection (h) by this amendatory Act of 1991, those licensees shall pay the following amounts as purses: during the first 12 months the licensee is in operation, 5.25% of the pari-mutuel handle wagered at the location on races; during the second 12 months, 5.25%; during the third 12 months, 5.75%; during the fourth 12 months, 6.25%; and during the fifth 12 months and thereafter, 6.75%. The following amounts shall be retained by the licensee to satisfy all costs and expenses of conducting its wagering: during the first 12 months the licensee is in operation, 8.25% of the pari-mutuel handle wagered at the location; during the second 12 months, 8.25%; during the third 12 months, 7.75%; during the fourth 12 months, 7.25%; and during the fifth 12 months and thereafter, 6.75%. For additional intertrack wagering location licensees authorized under this amendatory Act of 1995, purses for the first 12 months the licensee is in operation shall be 5.75% of the pari-mutuel wagered at the location, purses for the second 12 months the licensee is in operation shall be 6.25%, and purses thereafter shall be 6.75%. For additional intertrack location licensees authorized under this amendatory Act of 1995, the licensee shall

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be allowed to retain to satisfy all costs and expenses: 7.75% of the pari-mutuel handle wagered at the location during its first 12 months of operation, 7.25% during its second 12 months of operation, and 6.75% thereafter.

(C) There is hereby created the Horse Racing Tax Allocation Fund which shall remain in

existence until December 31, 1999. Moneys remaining in the Fund after December 31, 1999 shall be paid into the General Revenue Fund. Until January 1, 2000, all monies paid into the Horse Racing Tax Allocation Fund pursuant to this paragraph (11) by inter-track wagering location licensees located in park districts of 500,000 population or less, or in a municipality that is not included within any park district but is included within a conservation district and is the county seat of a county that (i) is contiguous to the state of Indiana and (ii) has a 1990 population of 88,257 according to the United States Bureau of the Census, and operating on May 1, 1994 shall be allocated by appropriation as follows:

Two-sevenths to the Department of Agriculture. Fifty percent of this two-sevenths

shall be used to promote the Illinois horse racing and breeding industry, and shall be distributed by the Department of Agriculture upon the advice of a 9-member committee appointed by the Governor consisting of the following members: the Director of Agriculture, who shall serve as chairman; 2 representatives of organization licensees conducting thoroughbred race meetings in this State, recommended by those licensees; 2 representatives of organization licensees conducting standardbred race meetings in this State, recommended by those licensees; a representative of the Illinois Thoroughbred Breeders and Owners Foundation, recommended by that Foundation; a representative of the Illinois Standardbred Owners and Breeders Association, recommended by that Association; a representative of the Horsemen's Benevolent and Protective Association or any successor organization thereto established in Illinois comprised of the largest number of owners and trainers, recommended by that Association or that successor organization; and a representative of the Illinois Harness Horsemen's Association, recommended by that Association. Committee members shall serve for terms of 2 years, commencing January 1 of each even-numbered year. If a representative of any of the above-named entities has not been recommended by January 1 of any even-numbered year, the Governor shall appoint a committee member to fill that position. Committee members shall receive no compensation for their services as members but shall be reimbursed for all actual and necessary expenses and disbursements incurred in the performance of their official duties. The remaining 50% of this two-sevenths shall be distributed to county fairs for premiums and rehabilitation as set forth in the Agricultural Fair Act;

Four-sevenths to park districts or municipalities that do not have a park district

of 500,000 population or less for museum purposes (if an inter-track wagering location licensee is located in such a park district) or to conservation districts for museum purposes (if an inter-track wagering location licensee is located in a municipality that is not included within any park district but is included within a conservation district and is the county seat of a county that (i) is contiguous to the state of Indiana and (ii) has a 1990 population of 88,257 according to the United States Bureau of the Census, except that if the conservation district does not maintain a museum, the monies shall be allocated equally between the county and the municipality in which the inter-track wagering location licensee is located for general purposes) or to a municipal recreation board for park purposes (if an inter-track wagering location licensee is located in a municipality that is not included within any park district and park maintenance is the function of the municipal recreation board and the municipality has a 1990 population of 9,302 according to the United States Bureau of the Census); provided that the monies are distributed to each park district or conservation district or municipality that does not have a park district in an amount equal to four-sevenths of the amount collected by each inter-track wagering location licensee within the park district or conservation district or municipality for the Fund. Monies that were paid into the Horse Racing Tax Allocation Fund before the effective date of this amendatory Act of 1991 by an inter-track wagering location licensee located in a municipality that is not included within any park district but is included within a conservation district as provided in this paragraph shall, as soon as practicable after the effective date of this amendatory Act of 1991, be allocated and paid to that conservation district as provided in this paragraph. Any park district or municipality not maintaining a museum may deposit the monies in the corporate fund of the park district or municipality where the inter-track wagering location is located, to be used for general purposes; and

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One-seventh to the Agricultural Premium Fund to be used for distribution to

agricultural home economics extension councils in accordance with "An Act in relation to additional support and finances for the Agricultural and Home Economic Extension Councils in the several counties of this State and making an appropriation therefor", approved July 24, 1967.

Until January 1, 2000, all other monies paid into the Horse Racing Tax Allocation Fund

pursuant to this paragraph (11) shall be allocated by appropriation as follows:

Two-sevenths to the Department of Agriculture. Fifty percent of this two-sevenths

shall be used to promote the Illinois horse racing and breeding industry, and shall be distributed by the Department of Agriculture upon the advice of a 9-member committee appointed by the Governor consisting of the following members: the Director of Agriculture, who shall serve as chairman; 2 representatives of organization licensees conducting thoroughbred race meetings in this State, recommended by those licensees; 2 representatives of organization licensees conducting standardbred race meetings in this State, recommended by those licensees; a representative of the Illinois Thoroughbred Breeders and Owners Foundation, recommended by that Foundation; a representative of the Illinois Standardbred Owners and Breeders Association, recommended by that Association; a representative of the Horsemen's Benevolent and Protective Association or any successor organization thereto established in Illinois comprised of the largest number of owners and trainers, recommended by that Association or that successor organization; and a representative of the Illinois Harness Horsemen's Association, recommended by that Association. Committee members shall serve for terms of 2 years, commencing January 1 of each even-numbered year. If a representative of any of the above-named entities has not been recommended by January 1 of any even-numbered year, the Governor shall appoint a committee member to fill that position. Committee members shall receive no compensation for their services as members but shall be reimbursed for all actual and necessary expenses and disbursements incurred in the performance of their official duties. The remaining 50% of this two-sevenths shall be distributed to county fairs for premiums and rehabilitation as set forth in the Agricultural Fair Act;

Four-sevenths to museums and aquariums located in park districts of over 500,000

population; provided that the monies are distributed in accordance with the previous year's distribution of the maintenance tax for such museums and aquariums as provided in Section 2 of the Park District Aquarium and Museum Act; and

One-seventh to the Agricultural Premium Fund to be used for distribution to

agricultural home economics extension councils in accordance with "An Act in relation to additional support and finances for the Agricultural and Home Economic Extension Councils in the several counties of this State and making an appropriation therefor", approved July 24, 1967. This subparagraph (C) shall be inoperative and of no force and effect on and after January 1, 2000.

(D) Except as provided in paragraph (11) of this subsection (h), with respect to

purse allocation from intertrack wagering, the monies so retained shall be divided as follows:

(i) If the inter-track wagering licensee, except an intertrack wagering

licensee that derives its license from an organization licensee located in a county with a population in excess of 230,000 and bounded by the Mississippi River, is not conducting its own race meeting during the same dates, then the entire purse allocation shall be to purses at the track where the races wagered on are being conducted.

(ii) If the inter-track wagering licensee, except an intertrack wagering

licensee that derives its license from an organization licensee located in a county with a population in excess of 230,000 and bounded by the Mississippi River, is also conducting its own race

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meeting during the same dates, then the purse allocation shall be as follows: 50% to purses at the track where the races wagered on are being conducted; 50% to purses at the track where the inter-track wagering licensee is accepting such wagers.

(iii) If the inter-track wagering is being conducted by an inter-track wagering

location licensee, except an intertrack wagering location licensee that derives its license from an organization licensee located in a county with a population in excess of 230,000 and bounded by the Mississippi River, the entire purse allocation for Illinois races shall be to purses at the track where the race meeting being wagered on is being held.

(12) The Board shall have all powers necessary and proper to fully supervise and

control the conduct of inter-track wagering and simulcast wagering by inter-track wagering licensees and inter-track wagering location licensees, including, but not limited to the following:

(A) The Board is vested with power to promulgate reasonable rules and regulations

for the purpose of administering the conduct of this wagering and to prescribe reasonable rules, regulations and conditions under which such wagering shall be held and conducted. Such rules and regulations are to provide for the prevention of practices detrimental to the public interest and for the best interests of said wagering and to impose penalties for violations thereof.

(B) The Board, and any person or persons to whom it delegates this power, is vested

with the power to enter the facilities of any licensee to determine whether there has been compliance with the provisions of this Act and the rules and regulations relating to the conduct of such wagering.

(C) The Board, and any person or persons to whom it delegates this power, may eject

or exclude from any licensee's facilities, any person whose conduct or reputation is such that his presence on such premises may, in the opinion of the Board, call into the question the honesty and integrity of, or interfere with the orderly conduct of such wagering; provided, however, that no person shall be excluded or ejected from such premises solely on the grounds of race, color, creed, national origin, ancestry, or sex.

(D) (Blank).

(E) The Board is vested with the power to appoint delegates to execute any of the

powers granted to it under this Section for the purpose of administering this wagering and any rules and regulations promulgated in accordance with this Act.

(F) The Board shall name and appoint a State director of this wagering who shall be

a representative of the Board and whose duty it shall be to supervise the conduct of inter-track wagering as may be provided for by the rules and regulations of the Board; such rules and regulation shall specify the method of appointment and the Director's powers, authority and duties.

(G) The Board is vested with the power to impose civil penalties of up to \$5,000

against individuals and up to \$10,000 against licensees for each violation of any provision of this Act relating to the conduct of this wagering, any rules adopted by the Board, any order of the Board or any other action which in the Board's discretion, is a detriment or impediment to such wagering.

(13) The Department of Agriculture may enter into agreements with licensees authorizing

such licensees to conduct inter-track wagering on races to be held at the licensed race meetings conducted by the Department of Agriculture. Such agreement shall specify the races of the Department

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of Agriculture's licensed race meeting upon which the licensees will conduct wagering. In the event that a licensee conducts inter-track pari-mutuel wagering on races from the Illinois State Fair or DuQuoin State Fair which are in addition to the licensee's previously approved racing program, those races shall be considered a separate racing day for the purpose of determining the daily handle and computing the privilege or pari-mutuel tax on that daily handle as provided in Sections 27 and 27.1. Such agreements shall be approved by the Board before such wagering may be conducted. In determining whether to grant approval, the Board shall give due consideration to the best interests of the public and of horse racing. The provisions of paragraphs (1), (8), (8.1), and (8.2) of subsection (h) of this Section which are not specified in this paragraph (13) shall not apply to licensed race meetings conducted by the Department of Agriculture at the Illinois State Fair in Sangamon County or the DuQuoin State Fair in Perry County, or to any wagering conducted on those race meetings.

(i) Notwithstanding the other provisions of this Act, the conduct of wagering at wagering facilities is authorized on all days, except as limited by subsection (b) of Section 19 of this Act.

(Source: P.A. 91-40, eff. 6-25-99; 92-211, eff. 8-2-01.)

(230 ILCS 5/26.1) (from Ch. 8, par. 37-26.1)

Sec. 26.1. For all pari-mutuel wagering conducted pursuant to this Act, breakage shall be at all times computed on the basis of not to exceed 10¢ on the dollar. If there is a minus pool, the breakage shall be computed on the basis of not to exceed 5¢ on the dollar. Breakage shall be calculated only after the amounts retained by licensees pursuant to Sections 26 and 26.2 of this Act, and all applicable surcharges, are taken out of winning wagers and winnings from wagers. From Beginning January 1, 2000 until July 1, 2005, all breakage shall be retained by licensees, with 50% of breakage to be used by licensees for racetrack improvements at the racetrack from which the wagering facility derives its license. The remaining 50% is to be allocated 50% to the purse account for the licensee from which the wagering facility derives its license and 50% to the licensee. Beginning July 1, 2005, all breakage shall be retained by licensees, with 50% of breakage to be used by licensees for racetrack improvements at the racetrack from which the wagering facility derives its license. The remaining 50% is to be allocated to the purse account for the licensee from which the wagering facility derives its license.

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

(230 ILCS 5/27) (from Ch. 8, par. 37-27)

Sec. 27. (a) In addition to the organization license fee provided by this Act, until January 1, 2000, a graduated privilege tax is hereby imposed for conducting the pari-mutuel system of wagering permitted under this Act. Until January 1, 2000, except as provided in subsection (g) of Section 27 of this Act, all of the breakage of each racing day held by any licensee in the State shall be paid to the State. Until January 1, 2000, such daily graduated privilege tax shall be paid by the licensee from the amount permitted to be retained under this Act. Until January 1, 2000, each day's graduated privilege tax, breakage, and Horse Racing Tax Allocation funds shall be remitted to the Department of Revenue within 48 hours after the close of the racing day upon which it is assessed or within such other time as the Board prescribes. The privilege tax hereby imposed, until January 1, 2000, shall be a flat tax at the rate of 2% of the daily pari-mutuel handle except as provided in Section 27.1.

In addition, every organization licensee, except as provided in Section 27.1 of this Act, which conducts multiple wagering shall pay, until January 1, 2000, as a privilege tax on multiple wagers an amount equal to 1.25% of all moneys wagered each day on such multiple wagers, plus an additional amount equal to 3.5% of the amount wagered each day on any other multiple wager which involves a single betting interest on 3 or more horses. The licensee shall remit the amount of such taxes to the Department of Revenue within 48 hours after the close of the racing day on which it is assessed or within such other time as the Board prescribes.

This subsection (a) shall be inoperative and of no force and effect on and after January 1, 2000.

(a-5) Beginning on January 1, 2000, a flat pari-mutuel tax at the rate of 1.5% of the daily pari-mutuel handle is imposed at all pari-mutuel wagering facilities, which shall be remitted to the Department of Revenue within 48 hours after the close of the racing day upon which it is assessed or within such other time as the Board prescribes.

(b) On or before December 31, 1999, in the event that any organization licensee conducts 2 separate programs of races on any day, each such program shall be considered a separate racing day for purposes of determining the daily handle and computing the privilege tax on such daily handle as provided in subsection (a) of this Section.

(c) Licensees shall at all times keep accurate books and records of all monies wagered on each day of a race meeting and of the taxes paid to the Department of Revenue under the provisions of this Section. The Board or its duly authorized representative or representatives shall at all reasonable times

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have access to such records for the purpose of examining and checking the same and ascertaining whether the proper amount of taxes is being paid as provided. The Board shall require verified reports and a statement of the total of all monies wagered daily at each wagering facility upon which the taxes are assessed and may prescribe forms upon which such reports and statement shall be made.

(d) Any licensee failing or refusing to pay the amount of any tax due under this Section shall be guilty of a business offense and upon conviction shall be fined not more than \$5,000 in addition to the amount found due as tax under this Section. Each day's violation shall constitute a separate offense. All fines paid into Court by a licensee hereunder shall be transmitted and paid over by the Clerk of the Court to the Board.

(e) No other license fee, privilege tax, excise tax, or racing fee, except as provided in this Act, shall be assessed or collected from any such licensee by the State.

(f) No other license fee, privilege tax, excise tax or racing fee shall be assessed or collected from any such licensee by units of local government except as provided in paragraph 10.1 of subsection (h) and subsection (f) of Section 26 of this Act. However, any municipality that has a Board licensed horse race meeting at a race track wholly within its corporate boundaries or a township that has a Board licensed horse race meeting at a race track wholly within the unincorporated area of the township may charge a local amusement tax not to exceed 10¢ per admission to such horse race meeting by the enactment of an ordinance. However, any municipality or county that has a Board licensed inter-track wagering location facility wholly within its corporate boundaries may each impose an admission fee not to exceed \$1.00 per admission to such inter-track wagering location facility, so that a total of not more than \$2.00 per admission may be imposed. Except as provided in subparagraph (g) of Section 27 of this Act, the inter-track wagering location licensee shall collect any and all such fees and within 48 hours remit the fees to the Board, which shall, pursuant to rule, cause the fees to be distributed to the county or municipality.

(g) Notwithstanding any provision in this Act to the contrary, if in any calendar year the total taxes and fees ~~from wagering on live racing and from inter-track wagering~~ required to be collected from licensees and distributed under this Act to all State and local governmental authorities exceeds the amount of such taxes and fees distributed to each State and local governmental authority to which each State and local governmental authority was entitled under this Act for calendar year 1994, then the first \$11 million of that excess amount shall be allocated at the earliest possible date for distribution as purse money for the succeeding calendar year. Upon reaching the 1994 level, and until the excess amount of taxes and fees exceeds \$11 million, the Board shall direct all licensees to cease paying the subject taxes and fees and the Board shall direct all licensees to allocate any such excess amount for purses as follows:

(i) the excess amount shall be initially divided between thoroughbred and standardbred

purses based on the thoroughbred's and standardbred's respective percentages of total Illinois live wagering in calendar year 1994;

(ii) each thoroughbred and standardbred organization licensee issued an organization

licensee in that succeeding allocation year shall be allocated an amount equal to the product of its percentage of total Illinois live thoroughbred or standardbred wagering in calendar year 1994 (the total to be determined based on the sum of 1994 on-track wagering for all organization licensees issued organization licenses in both the allocation year and the preceding year) multiplied by the total amount allocated for standardbred or thoroughbred purses, provided that the first \$1,500,000 of the amount allocated to standardbred purses under item (i) shall be allocated to the Department of Agriculture to be expended with the assistance and advice of the Illinois Standardbred Breeders Funds Advisory Board for the purposes listed in subsection (g) of Section 31 of this Act, before the amount allocated to standardbred purses under item (i) is allocated to standardbred organization licensees in the succeeding allocation year.

To the extent the excess amount of taxes and fees to be collected and distributed to State and local governmental authorities exceeds \$11 million, that excess amount shall be collected and distributed to State and local authorities as provided for under this Act.

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

(230 ILCS 5/28.1)

Sec. 28.1. Payments.

(a) Beginning on January 1, 2000, moneys collected by the Department of Revenue and the Racing Board pursuant to Section 26 or Section 27 of this Act shall be deposited into the Horse Racing Fund, which is hereby created as a special fund in the State Treasury.

(b) Appropriations, as approved by the General Assembly, may be made from the Horse Racing Fund to the Board to pay the salaries of the Board members, secretary, stewards, directors of mutuels, veterinarians, representatives, accountants, clerks, stenographers, inspectors and other employees of the Board, and all expenses of the Board incident to the administration of this Act, including, but not limited to, all expenses and salaries incident to the taking of saliva and urine samples in accordance with the rules and regulations of the Board.

(c) Appropriations, as approved by the General Assembly, shall be made from the Horse Racing Fund to the Department of Agriculture for the purposes identified in paragraphs (2), (2.5), (4), (6), (7), (8), and (9) of subsection (g) of Section 30, subsection (e) of Section 30.5, and paragraphs (1), (2), (3), (5), and (8) of subsection (g) of Section 31 and for standardbred bonus programs for owners of horses that win multiple stakes races that are limited to Illinois conceived and foaled horses. From Beginning on January 1, 2000 until the effective date of this amendatory Act of the 93rd General Assembly, the Board shall transfer the remainder of the funds generated pursuant to Sections 26 and 27 from the Horse Racing Fund into the General Revenue Fund.

(d) Beginning January 1, 2000, payments to all programs in existence on the effective date of this amendatory Act of 1999 that are identified in Sections 26(c), 26(f), 26(h)(11)(C), and 28, subsections (a), (b), (c), (d), (e), (f), (g), and (h) of Section 30, and subsections (a), (b), (c), (d), (e), (f), (g), and (h) of Section 31 shall be made from the General Revenue Fund at the funding levels determined by amounts paid under this Act in calendar year 1998.

(e) Notwithstanding any other provision of this Act to the contrary, appropriations, as approved by the General Assembly, may be made from the Fair and Exposition Fund to the Department of Agriculture for distribution to Illinois county fairs to supplement premiums offered in junior classes.

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

(230 ILCS 5/30) (from Ch. 8, par. 37-30)

Sec. 30. (a) The General Assembly declares that it is the policy of this State to encourage the breeding of thoroughbred horses in this State and the ownership of such horses by residents of this State in order to provide for: sufficient numbers of high quality thoroughbred horses to participate in thoroughbred racing meetings in this State, and to establish and preserve the agricultural and commercial benefits of such breeding and racing industries to the State of Illinois. It is the intent of the General Assembly to further this policy by the provisions of this Act.

(b) Each organization licensee conducting a thoroughbred racing meeting pursuant to this Act shall provide at least two races each day limited to Illinois conceived and foaled horses or Illinois foaled horses or both. A minimum of 6 races shall be conducted each week limited to Illinois conceived and foaled or Illinois foaled horses or both. Subject to the daily availability of horses, one of the 6 races scheduled per week that are limited to Illinois conceived and foaled or Illinois foaled horses or both shall be limited to Illinois conceived and foaled or Illinois foaled maidens. No horses shall be permitted to start in such races unless duly registered under the rules of the Department of Agriculture.

(c) Conditions of races under subsection (b) shall be commensurate with past performance, quality, and class of Illinois conceived and foaled and Illinois foaled horses available. If, however, sufficient competition cannot be had among horses of that class on any day, the races may, with consent of the Board, be eliminated for that day and substitute races provided.

(d) There is hereby created a special fund of the State Treasury to be known as the Illinois Thoroughbred Breeders Fund.

Except as provided in subsection (g) of Section 27 of this Act, 8.5% of all the monies received by the State as privilege taxes on Thoroughbred racing meetings shall be paid into the Illinois Thoroughbred Breeders Fund.

(e) The Illinois Thoroughbred Breeders Fund shall be administered by the Department of Agriculture with the advice and assistance of the Advisory Board created in subsection (f) of this Section.

(f) The Illinois Thoroughbred Breeders Fund Advisory Board shall consist of the Director of the Department of Agriculture, who shall serve as Chairman; a member of the Illinois Racing Board, designated by it; 2 representatives of the organization licensees conducting thoroughbred racing meetings, recommended by them; 2 representatives of the Illinois Thoroughbred Breeders and Owners Foundation, recommended by it; and 2 representatives of the Horsemen's Benevolent Protective Association or any successor organization established in Illinois comprised of the largest number of owners and trainers, recommended by it, with one representative of the Horsemen's Benevolent and

Protective Association to come from its Illinois Division, and one from its Chicago Division. Advisory Board members shall serve for 2 years commencing January 1 of each odd numbered year. If representatives of the organization licensees conducting thoroughbred racing meetings, the Illinois Thoroughbred Breeders and Owners Foundation, and the Horsemen's Benevolent Protection Association have not been recommended by January 1, of each odd numbered year, the Director of the Department of Agriculture shall make an appointment for the organization failing to so recommend a member of the Advisory Board. Advisory Board members shall receive no compensation for their services as members but shall be reimbursed for all actual and necessary expenses and disbursements incurred in the execution of their official duties.

(g) ~~Moneys No monies~~ shall be expended from the Illinois Thoroughbred Breeders Fund ~~except~~ as appropriated by the General Assembly pursuant to ~~this Act, the Riverboat Gambling Act, or both.~~ Monies appropriated from the Illinois Thoroughbred Breeders Fund shall be expended by the Department of Agriculture, with the advice and assistance of the Illinois Thoroughbred Breeders Fund Advisory Board, for the following purposes only:

(1) To provide purse supplements to owners of horses participating in races limited to

Illinois conceived and foaled and Illinois foaled horses. Any such purse supplements shall not be included in and shall be paid in addition to any purses, stakes, or breeders' awards offered by each organization licensee as determined by agreement between such organization licensee and an organization representing the horsemen. No monies from the Illinois Thoroughbred Breeders Fund shall be used to provide purse supplements for claiming races in which the minimum claiming price is less than \$7,500.

(2) To provide stakes and awards to be paid to the owners of the winning horses in

certain races limited to Illinois conceived and foaled and Illinois foaled horses designated as stakes races.

(2.5) To provide an award to the owner or owners of an Illinois conceived and foaled or

Illinois foaled horse that wins a maiden special weight, an allowance, overnight handicap race, or claiming race with claiming price of \$10,000 or more providing the race is not restricted to Illinois conceived and foaled or Illinois foaled horses. Awards shall also be provided to the owner or owners of Illinois conceived and foaled and Illinois foaled horses that place second or third in those races. To the extent that additional moneys are required to pay the minimum additional awards of 40% of the purse the horse earns for placing first, second or third in those races for Illinois foaled horses and of 60% of the purse the horse earns for placing first, second or third in those races for Illinois conceived and foaled horses, those moneys shall be provided from the purse account at the track where earned.

(3) To provide stallion awards to the owner or owners of any stallion that is duly

registered with the Illinois Thoroughbred Breeders Fund Program ~~prior to the effective date of this amendatory Act of 1995~~ whose duly registered Illinois conceived and foaled offspring wins a race conducted at an Illinois thoroughbred racing meeting other than a claiming race. Such award shall not be paid to the owner or owners of an Illinois stallion that served outside this State at any time during the calendar year in which such race was conducted.

(4) To provide \$75,000 annually for purses to be distributed to county fairs that

provide for the running of races during each county fair exclusively for the thoroughbreds conceived and foaled in Illinois. The conditions of the races shall be developed by the county fair association and reviewed by the Department with the advice and assistance of the Illinois Thoroughbred Breeders Fund Advisory Board. There shall be no wagering of any kind on the running of Illinois conceived and foaled races at county fairs.

(4.1) (Blank). ~~To provide purse money for an Illinois stallion stakes program.~~

(5) No less than 80% of all monies appropriated ~~to from~~ the Illinois Thoroughbred Breeders

Fund shall be expended for the purposes in (1), (2), (2.5), (3), (4), (4.1), and (5) as shown above.

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- (6) To provide for educational programs regarding the thoroughbred breeding industry.
- (7) To provide for research programs concerning the health, development and care of the

thoroughbred horse.

(8) To provide for a scholarship and training program for students of equine veterinary medicine.

(9) To provide for dissemination of public information designed to promote the breeding of thoroughbred horses in Illinois.

- (10) To provide for all expenses incurred in the administration of the Illinois

Thoroughbred Breeders Fund.

(h) ~~(Blank). Whenever the Governor finds that the amount in the Illinois Thoroughbred Breeders Fund is more than the total of the outstanding appropriations from such fund, the Governor shall notify the State Comptroller and the State Treasurer of such fact. The Comptroller and the State Treasurer, upon receipt of such notification, shall transfer such excess amount from the Illinois Thoroughbred Breeders Fund to the General Revenue Fund.~~

(i) A sum equal to 12 1/2% of the first prize money of every purse won by an Illinois foaled or an Illinois conceived and foaled horse in races not limited to Illinois foaled horses or Illinois conceived and foaled horses, or both, shall be paid by the organization licensee conducting the horse race meeting. Such sum shall be paid from the organization licensee's share of the money wagered as follows: 11 1/2% to the breeder of the winning horse and 1% to the organization representing thoroughbred breeders and owners whose representative serves on the Illinois Thoroughbred Breeders Fund Advisory Board for verifying the amounts of breeders' awards earned, assuring their distribution in accordance with this Act, and servicing and promoting the Illinois thoroughbred horse racing industry. The organization representing thoroughbred breeders and owners shall cause all expenditures of monies received under this subsection (i) to be audited at least annually by a registered public accountant. The organization shall file copies of each annual audit with the Racing Board, the Clerk of the House of Representatives and the Secretary of the Senate, and shall make copies of each annual audit available to the public upon request and upon payment of the reasonable cost of photocopying the requested number of copies. Such payments shall not reduce any award to the owner of the horse or reduce the taxes payable under this Act. Upon completion of its racing meet, each organization licensee shall deliver to the organization representing thoroughbred breeders and owners whose representative serves on the Illinois Thoroughbred Breeders Fund Advisory Board a listing of all the Illinois foaled and the Illinois conceived and foaled horses which won breeders' awards and the amount of such breeders' awards under this subsection to verify accuracy of payments and assure proper distribution of breeders' awards in accordance with the provisions of this Act. Such payments shall be delivered by the organization licensee within 30 days of the end of each race meeting.

(j) A sum equal to 12 1/2% of the first prize money won in each race limited to Illinois foaled horses or Illinois conceived and foaled horses, or both, shall be paid in the following manner by the organization licensee conducting the horse race meeting, from the organization licensee's share of the money wagered: 11 1/2% to the breeders of the horses in each such race which are the official first, second, third and fourth finishers and 1% to the organization representing thoroughbred breeders and owners whose representative serves on the Illinois Thoroughbred Breeders Fund Advisory Board for verifying the amounts of breeders' awards earned, assuring their proper distribution in accordance with this Act, and servicing and promoting the Illinois thoroughbred horse racing industry. The organization representing thoroughbred breeders and owners shall cause all expenditures of monies received under this subsection (j) to be audited at least annually by a registered public accountant. The organization shall file copies of each annual audit with the Racing Board, the Clerk of the House of Representatives and the Secretary of the Senate, and shall make copies of each annual audit available to the public upon request and upon payment of the reasonable cost of photocopying the requested number of copies.

The 11 1/2% paid to the breeders in accordance with this subsection shall be distributed as follows:

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(1) 60% of such sum shall be paid to the breeder of the horse which finishes in the official first position;

(2) 20% of such sum shall be paid to the breeder of the horse which finishes in the official second position;

(3) 15% of such sum shall be paid to the breeder of the horse which finishes in the official third position; and

(4) 5% of such sum shall be paid to the breeder of the horse which finishes in the official fourth position.

Such payments shall not reduce any award to the owners of a horse or reduce the taxes payable under this Act. Upon completion of its racing meet, each organization licensee shall deliver to the organization representing thoroughbred breeders and owners whose representative serves on the Illinois Thoroughbred Breeders Fund Advisory Board a listing of all the Illinois foaled and the Illinois conceived and foaled horses which won breeders' awards and the amount of such breeders' awards in accordance with the provisions of this Act. Such payments shall be delivered by the organization licensee within 30 days of the end of each race meeting.

(k) The term "breeder", as used herein, means the owner of the mare at the time the foal is dropped. An "Illinois foaled horse" is a foal dropped by a mare which enters this State on or before December 1, in the year in which the horse is bred, provided the mare remains continuously in this State until its foal is born. An "Illinois foaled horse" also means a foal born of a mare in the same year as the mare enters this State on or before March 1, and remains in this State at least 30 days after foaling, is bred back during the season of the foaling to an Illinois Registered Stallion (unless a veterinarian certifies that the mare should not be bred for health reasons), and is not bred to a stallion standing in any other state during the season of foaling. An "Illinois foaled horse" also means a foal born in Illinois of a mare purchased at public auction subsequent to the mare entering this State prior to ~~March 1~~ ~~February 1~~ of the foaling year providing the mare is owned solely by one or more Illinois residents or an Illinois entity that is entirely owned by one or more Illinois residents.

(l) The Department of Agriculture shall, by rule, with the advice and assistance of the Illinois Thoroughbred Breeders Fund Advisory Board:

(1) Qualify stallions for Illinois breeding; such stallions to stand for service within

the State of Illinois at the time of a foal's conception. Such stallion must not stand for service at any place outside the State of Illinois during the calendar year in which the foal is conceived. The Department of Agriculture may assess and collect an application fee of \$500 ~~fees~~ for the registration of each Illinois-eligible stallion ~~stallions~~. All fees collected are to be paid into the Illinois Thoroughbred Breeders Fund and used by the Illinois Thoroughbred Breeders Fund Advisory Board for stallion awards.

(2) Provide for the registration of Illinois conceived and foaled horses and Illinois

foaled horses. No such horse shall compete in the races limited to Illinois conceived and foaled horses or Illinois foaled horses or both unless registered with the Department of Agriculture. The Department of Agriculture may prescribe such forms as are necessary to determine the eligibility of such horses. The Department of Agriculture may assess and collect application fees for the registration of Illinois-eligible foals. All fees collected are to be paid into the Illinois Thoroughbred Breeders Fund. No person shall knowingly prepare or cause preparation of an application for registration of such foals containing false information.

(m) The Department of Agriculture, with the advice and assistance of the Illinois Thoroughbred Breeders Fund Advisory Board, shall provide that certain races limited to Illinois conceived and foaled and Illinois foaled horses be stakes races and determine the total amount of stakes and awards to be paid to the owners of the winning horses in such races.

In determining the stakes races and the amount of awards for such races, the Department of Agriculture shall consider factors, including but not limited to, the amount of money appropriated for the Illinois Thoroughbred Breeders Fund program, organization licensees' contributions, availability of stakes caliber horses as demonstrated by past performances, whether the race can be coordinated into the proposed racing dates within organization licensees' racing dates, opportunity for colts and fillies and various age groups to race, public wagering on such races, and the previous racing schedule.

(n) The Board and the organizational licensee shall notify the Department of the conditions and minimum purses for races limited to Illinois conceived and foaled and Illinois foaled horses conducted for each organizational licensee conducting a thoroughbred racing meeting. The Department of Agriculture with the advice and assistance of the Illinois Thoroughbred Breeders Fund Advisory Board may allocate monies for purse supplements for such races. In determining whether to allocate money and the amount, the Department of Agriculture shall consider factors, including but not limited to, the amount of money appropriated for the Illinois Thoroughbred Breeders Fund program, the number of races that may occur, and the organizational licensee's purse structure.

~~(o) (Blank). In order to improve the breeding quality of thoroughbred horses in the State, the General Assembly recognizes that existing provisions of this Section to encourage such quality breeding need to be revised and strengthened. As such, a Thoroughbred Breeder's Program Task Force is to be appointed by the Governor by September 1, 1999 to make recommendations to the General Assembly by no later than March 1, 2000. This task force is to be composed of 2 representatives from the Illinois Thoroughbred Breeders and Owners Foundation, 2 from the Illinois Thoroughbred Horsemen's Association, 3 from Illinois race tracks operating thoroughbred race meets for an average of at least 30 days in the past 3 years, the Director of Agriculture, the Executive Director of the Racing Board, who shall serve as Chairman.~~

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

(230 ILCS 5/31) (from Ch. 8, par. 37-31)

Sec. 31. (a) The General Assembly declares that it is the policy of this State to encourage the breeding of standardbred horses in this State and the ownership of such horses by residents of this State in order to provide for: sufficient numbers of high quality standardbred horses to participate in harness racing meetings in this State, and to establish and preserve the agricultural and commercial benefits of such breeding and racing industries to the State of Illinois. It is the intent of the General Assembly to further this policy by the provisions of this Section of this Act.

(b) Each organization licensee conducting a harness racing meeting pursuant to this Act shall provide for at least two races each race program limited to Illinois conceived and foaled horses. A minimum of 6 races shall be conducted each week limited to Illinois conceived and foaled horses. No horses shall be permitted to start in such races unless duly registered under the rules of the Department of Agriculture.

(b-5) Each organization licensee conducting a harness racing meeting pursuant to this Act shall provide stakes races and early closer races for Illinois conceived and foaled horses so the total purses distributed for such races shall be no less than 17% of the total purses distributed at the meeting.

(b-10) Each organization licensee conducting a harness racing meeting pursuant to this Act shall provide an owner award to be paid from the purse account equal to 25% of the amount earned by Illinois conceived and foaled horses in races that are not restricted to Illinois conceived and foaled horses.

(c) Conditions of races under subsection (b) shall be commensurate with past performance, quality and class of Illinois conceived and foaled horses available. If, however, sufficient competition cannot be had among horses of that class on any day, the races may, with consent of the Board, be eliminated for that day and substitute races provided.

(d) There is hereby created a special fund of the State Treasury to be known as the Illinois Standardbred Breeders Fund.

During the calendar year 1981, and each year thereafter, except as provided in subsection (g) of Section 27 of this Act, eight and one-half per cent of all the monies received by the State as privilege taxes on harness racing meetings shall be paid into the Illinois Standardbred Breeders Fund.

(e) The Illinois Standardbred Breeders Fund shall be administered by the Department of Agriculture with the assistance and advice of the Advisory Board created in subsection (f) of this Section.

(f) The Illinois Standardbred Breeders Fund Advisory Board is hereby created. The Advisory Board shall consist of the Director of the Department of Agriculture, who shall serve as Chairman; the Superintendent of the Illinois State Fair; a member of the Illinois Racing Board, designated by it; a representative of the Illinois Standardbred Owners and Breeders Association, recommended by it; a

representative of the Illinois Association of Agricultural Fairs, recommended by it, such representative to be from a fair at which Illinois conceived and foaled racing is conducted; a representative of the organization licensees conducting harness racing meetings, recommended by them and a representative of the Illinois Harness Horsemen's Association, recommended by it. Advisory Board members shall serve for 2 years commencing January 1, of each odd numbered year. If representatives of the Illinois Standardbred Owners and Breeders Associations, the Illinois Association of Agricultural Fairs, the Illinois Harness Horsemen's Association, and the organization licensees conducting harness racing meetings have not been recommended by January 1, of each odd numbered year, the Director of the Department of Agriculture shall make an appointment for the organization failing to so recommend a member of the Advisory Board. Advisory Board members shall receive no compensation for their services as members but shall be reimbursed for all actual and necessary expenses and disbursements incurred in the execution of their official duties.

(g) No monies shall be expended from the Illinois Standardbred Breeders Fund except as appropriated by the General Assembly. Monies appropriated from the Illinois Standardbred Breeders Fund shall be expended by the Department of Agriculture, with the assistance and advice of the Illinois Standardbred Breeders Fund Advisory Board for the following purposes only:

1. To provide purses for races limited to Illinois conceived and foaled horses at the

State Fair and the DuQuoin State Fair.

2. To provide purses for races limited to Illinois conceived and foaled horses at county fairs.

3. To provide purse supplements for races limited to Illinois conceived and foaled horses conducted by associations conducting harness racing meetings.

4. No less than 75% of all monies in the Illinois Standardbred Breeders Fund shall be expended for purses in 1, 2 and 3 as shown above.

5. In the discretion of the Department of Agriculture to provide awards to harness

breeders of Illinois conceived and foaled horses which win races conducted by organization licensees conducting harness racing meetings. A breeder is the owner of a mare at the time of conception. No more than 10% of all monies appropriated from the Illinois Standardbred Breeders Fund shall be expended for such harness breeders awards. No more than 25% of the amount expended for harness breeders awards shall be expended for expenses incurred in the administration of such harness breeders awards.

6. To pay for the improvement of racing facilities located at the State Fair and County fairs.

7. To pay the expenses incurred in the administration of the Illinois Standardbred Breeders Fund.

8. To promote the sport of harness racing, including grants up to a maximum of \$7,500 per fair per year for the cost of a totalizer system to be used for conducting pari-mutuel wagering during the advertised dates of a county fair.

(h) Whenever the Governor finds that the amount in the Illinois Standardbred Breeders Fund is more than the total of the outstanding appropriations from such fund, the Governor shall notify the State Comptroller and the State Treasurer of such fact. The Comptroller and the State Treasurer, upon receipt of such notification, shall transfer such excess amount from the Illinois Standardbred Breeders Fund to the General Revenue Fund.

(i) A sum equal to 12 1/2% of the first prize money of every purse won by an Illinois conceived and foaled horse shall be paid by the organization licensee conducting the horse race meeting to the

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breeder of such winning horse from the organization licensee's ~~account share of the money wagered~~. Such payment shall not reduce any award to the owner of the horse or reduce the taxes payable under this Act. Such payment shall be delivered by the organization licensee at the end of each ~~month race meeting~~.

(j) The Department of Agriculture shall, by rule, with the assistance and advice of the Illinois Standardbred Breeders Fund Advisory Board:

1. Qualify stallions for Illinois Standardbred Breeders Fund breeding; such stallion shall be owned by a resident of the State of Illinois or by an Illinois corporation all of whose shareholders, directors, officers and incorporators are residents of the State of Illinois. Such stallion shall stand for service at and within the State of Illinois at the time of a foal's conception, and such stallion must not stand for service at any place, ~~nor may semen from such stallion be transported~~, outside the State of Illinois during that calendar year in which the foal is conceived and that the owner of the stallion was for the 12 months prior, a resident of Illinois. The articles of agreement of any partnership, joint venture, limited partnership, syndicate, association or corporation and any bylaws and stock certificates must contain a restriction that provides that the ownership or transfer of interest by any one of the persons a party to the agreement can only be made to a person who qualifies as an Illinois resident. Foals conceived outside the State of Illinois from shipped semen from a stallion qualified for breeders' awards under this Section are not eligible to participate in the Illinois conceived and foaled program.

2. Provide for the registration of Illinois conceived and foaled horses and no such horse shall compete in the races limited to Illinois conceived and foaled horses unless registered with the Department of Agriculture. The Department of Agriculture may prescribe such forms as may be necessary to determine the eligibility of such horses. No person shall knowingly prepare or cause preparation of an application for registration of such foals containing false information. A mare (dam) must be in the state at least 30 days prior to foaling or remain in the State at least 30 days at the time of foaling. Beginning with the 1996 breeding season and for foals of 1997 and thereafter, a foal conceived in the State of Illinois by transported fresh semen may be eligible for Illinois conceived and foaled registration provided all breeding and foaling requirements are met. The stallion must be qualified for Illinois Standardbred Breeders Fund breeding at the time of conception and the mare must be inseminated within the State of Illinois. The foal must be dropped in Illinois and properly registered with the Department of Agriculture in accordance with this Act.

3. Provide that at least a 5 day racing program shall be conducted at the State Fair each year, which program shall include at least the following races limited to Illinois conceived and foaled horses: (a) a two year old Trot and Pace, and Filly Division of each; (b) a three year old Trot and Pace, and Filly Division of each; (c) an aged Trot and Pace, and Mare Division of each.

4. Provide for the payment of nominating, sustaining and starting fees for races promoting the sport of harness racing and for the races to be conducted at the State Fair as provided in subsection (j) 3 of this Section provided that the nominating, sustaining and starting payment required from an entrant shall not exceed 2% of the purse of such race. All nominating, sustaining and starting payments shall be held for the benefit of entrants and shall be paid out as part of the respective purses for such races. Nominating, sustaining and starting fees shall be held in trust accounts for the purposes as set forth in this Act and in accordance with Section 205-15 of the Department of Agriculture Law (20 ILCS 205/205-15).

5. Provide for the registration with the Department of Agriculture of Colt Associations or county fairs desiring to sponsor races at county fairs.

(k) The Department of Agriculture, with the advice and assistance of the Illinois Standardbred Breeders Fund Advisory Board, may allocate monies for purse supplements for such races. In determining whether to allocate money and the amount, the Department of Agriculture shall consider factors, including but not limited to, the amount of money appropriated for the Illinois Standardbred Breeders Fund program, the number of races that may occur, and an organizational licensee's purse structure. The organizational licensee shall notify the Department of Agriculture of the conditions and minimum purses for races limited to Illinois conceived and foaled horses to be conducted by each organizational licensee conducting a harness racing meeting for which purse supplements have been negotiated.

(l) All races held at county fairs and the State Fair which receive funds from the Illinois Standardbred Breeders Fund shall be conducted in accordance with the rules of the United States Trotting Association unless otherwise modified by the Department of Agriculture.

(m) At all standardbred race meetings held or conducted under authority of a license granted by the Board, and at all standardbred races held at county fairs which are approved by the Department of Agriculture or at the Illinois or DuQuoin State Fairs, no one shall jog, train, warm up or drive a

standardbred horse unless he or she is wearing a protective safety helmet, with the chin strap fastened and in place, which meets the standards and requirements as set forth in the 1984 Standard for Protective Headgear for Use in Harness Racing and Other Equestrian Sports published by the Snell Memorial Foundation, or any standards and requirements for headgear the Illinois Racing Board may approve. Any other standards and requirements so approved by the Board shall equal or exceed those published by the Snell Memorial Foundation. Any equestrian helmet bearing the Snell label shall be deemed to have met those standards and requirements.

(Source: P.A. 91-239, eff. 1-1-00.)

(230 ILCS 5/36) (from Ch. 8, par. 37-36)

Sec. 36. (a) Whoever administers or conspires to administer to any horse a hypnotic, narcotic, stimulant, depressant or any chemical substance which may affect the speed of a horse at any time in any race where the purse or any part of the purse is made of money authorized by any Section of this Act, except those chemical substances permitted by ruling of the Board, internally, externally or by hypodermic method in a race or prior thereto, or whoever knowingly enters a horse in any race within a period of 24 hours after any hypnotic, narcotic, stimulant, depressant or any other chemical substance which may affect the speed of a horse at any time, except those chemical substances permitted by ruling of the Board, has been administered to such horse either internally or externally or by hypodermic method for the purpose of increasing or retarding the speed of such horse shall be guilty of a Class 4 felony. The Board shall suspend or revoke such violator's license.

(b) The term "hypnotic" as used in this Section includes all barbituric acid preparations and derivatives.

(c) The term "narcotic" as used in this Section includes opium and all its alkaloids, salts, preparations and derivatives, cocaine and all its salts, preparations and derivatives and substitutes.

(d) The provisions of this Section 36 and the treatment authorized herein apply to horses entered in and competing in race meetings as defined in Section 3.47 of this Act and to horses entered in and competing at any county fair.

(Source: P.A. 79-1185.)

(230 ILCS 5/42) (from Ch. 8, par. 37-42)

Sec. 42. (a) Except as to the distribution of monies provided for by Sections 28, 29, 30, and 31 and the treating of horses as provided in Section 36, nothing whatsoever in this Act shall be held or taken to apply to county fairs and State Fairs or to agricultural and livestock exhibitions where the pari-mutuel system of wagering upon the result of horses is not permitted or conducted.

(b) Nothing herein shall be construed to permit the pari-mutuel method of wagering upon any race track unless such race track is licensed under this Act. It is hereby declared to be unlawful for any person to permit, conduct or supervise upon any race track ground the pari-mutuel method of wagering except in accordance with the provisions of this Act.

(c) Whoever violates subsection (b) of this Section is guilty of a Class 4 felony.

(Source: P.A. 89-16, eff. 5-30-95.)

(230 ILCS 5/56 new)

Sec. 56. Electronic gaming.

(a) An organization licensee may apply to the Gaming Board for an electronic gaming license. An electronic gaming license shall authorize its holder to conduct gambling at slot machines on the grounds of the licensee's race track. Only one organization licensee per race track may be awarded an electronic gaming license. Each license shall specify the number of slot machines that its holder may operate.

If an organization licensee receives an electronic gaming license, the organization must create an entity that shall hold the electronic gaming license and conduct electronic gaming under the license. The majority interest in the entity shall be retained by the organization licensee, but, within a time period set by the Board, which shall not exceed 12 months from the date the electronic gaming licensee begins to conduct electronic gaming, the entity shall attain a level of at least 20% minority person and female ownership, at least 16% and 4% respectively. The provisions of this subsection concerning minority person and female ownership of an entity the holds an electronic gaming license apply only to electronic gaming and not to any other activities conducted by an organization licensee under this Act. For the purposes of this Act, with respect to electronic gaming, the term "organization licensee" means the entity created under this subsection. The provisions of this subsection concerning the creation of an entity to hold an electronic gaming license do not apply to an organization licensee that has attained a level of at least 20% minority person and female ownership, at least 16% and 4% respectively. For the purposes of this Section, the terms "female" and "minority person" have the meanings provided in Section 2 of the Business Enterprise for Minorities, Females, and Persons with Disabilities Act.

An electronic gaming licensee may not permit persons under 21 years of age to be present in its electronic gaming facility, but the licensee may accept wagers on live racing and inter-track wagers at its electronic gaming facility.

(b) The gross gaming receipts received by an electronic gaming licensee from electronic gaming remaining after the payment of taxes under Section 13 of the Riverboat and Casino Gambling Act shall be distributed as follows:

77.5% shall be retained by the licensee;

20% shall be paid to purse equity accounts;

1.75% shall be paid to the Illinois Thoroughbred Breeders Fund and the Illinois Standardbred Breeders Fund, divided pro rata based on the proportion of live thoroughbred racing and live standardbred racing conducted at that licensee's race track;

0.25% shall be paid to the Illinois Quarter Horse Breeders Fund;

0.125% shall be paid to the University of Illinois for equine research;

0.125% shall be paid to the Racing Industry Charitable Foundation;

0.25% shall be paid to the licensee's live racing and horse ownership promotional account.

Of the moneys paid to purse equity accounts by an electronic gaming licensee, 58% shall be paid to the licensee's thoroughbred purse equity account and 42% shall be paid to the licensee's standardbred purse equity account.

Section 930. The Riverboat Gambling Act is amended by changing Sections 1, 2, 3, 4, 5, 6, 7, 7.1, 7.3, 7.4, 8, 9, 10, 11, 11.1, 12, 13, 14, 18, 19, 20, and 23 and adding Sections 7.6 and 7.7 as follows: (230 ILCS 10/1) (from Ch. 120, par. 2401)

Sec. 1. Short title. This Act shall be known and may be cited as the Riverboat and Casino Gambling Act.

(Source: P.A. 86-1029.)

(230 ILCS 10/2) (from Ch. 120, par. 2402)

Sec. 2. Legislative Intent.

(a) This Act is intended to benefit the people of the State of Illinois by assisting economic development and promoting Illinois tourism and by increasing the amount of revenues available to the State to assist and support education.

(b) While authorization of riverboat and casino gambling will enhance investment, development and tourism in Illinois, it is recognized that it will do so successfully only if public confidence and trust in the credibility and integrity of the gambling operations and the regulatory process is maintained. Therefore, regulatory provisions of this Act are designed to strictly regulate the facilities, persons, associations and practices related to gambling operations pursuant to the police powers of the State, including comprehensive law enforcement supervision.

(c) The Illinois Gaming Board established under this Act should, as soon as possible, inform each applicant for an owners license of the Board's intent to grant or deny a license.

(Source: P.A. 93-28, eff. 6-20-03.)

(230 ILCS 10/3) (from Ch. 120, par. 2403)

Sec. 3. ~~Riverboat~~ Gambling Authorized.

(a) Riverboat and casino gambling operations and electronic gaming operations ~~and the system of wagering incorporated therein~~, as defined in this Act, are hereby authorized to the extent that they are carried out in accordance with the provisions of this Act.

(b) This Act does not apply to the pari-mutuel system of wagering used or intended to be used in connection with the horse-race meetings as authorized under the Illinois Horse Racing Act of 1975, lottery games authorized under the Illinois Lottery Law, bingo authorized under the Bingo License and Tax Act, charitable games authorized under the Charitable Games Act or pull tabs and jar games conducted under the Illinois Pull Tabs and Jar Games Act. This Act does apply to electronic gaming authorized under the Illinois Horse Racing Act of 1975 to the extent provided in that Act and in this Act.

(c) Riverboat gambling conducted pursuant to this Act may be authorized upon any water within the State of Illinois or any water other than Lake Michigan which constitutes a boundary of the State of Illinois. Notwithstanding any provision in this subsection (c) to the contrary, a licensee that receives its license pursuant to subsection (e-5) of Section 7 authorizing its holder to conduct riverboat gambling from a home dock in any county North of Cook County may conduct riverboat gambling on Lake Michigan from a home dock located on Lake Michigan. Notwithstanding any provision in this subsection (c) to the contrary, a licensee may conduct gambling at its home dock facility as provided in Sections 7 and 11. A licensee may conduct riverboat gambling authorized under this Act regardless of

whether it conducts excursion cruises. A licensee may permit the continuous ingress and egress of passengers for the purpose of gambling.

(d) Gambling that is conducted in accordance with this Act using slot machines shall be authorized at electronic gaming facilities as provided in this Act.

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

(230 ILCS 10/4) (from Ch. 120, par. 2404)

Sec. 4. Definitions. As used in this Act:

"Authority" means the Chicago Casino Development Authority created under the Chicago Casino Development Authority Act.

~~(a)~~ "Board" means the Illinois Gaming Board.

"Casino" means a land-based facility located within a municipality with a population of more than 500,000 inhabitants at which lawful gambling is authorized and licensed as provided in this Act. "Casino" includes any temporary land-based or river-based facility at which lawful gambling is authorized and licensed as provided in this Act. "Casino" does not include any ancillary facilities such as hotels, restaurants, retail facilities, conference rooms, parking areas, entertainment venues, or other facilities at which gambling operations are not conducted.

"Casino operator" means any person or entity that manages casino gambling operations conducted by the Authority under subsection (e-6) of Section 7.

"Casino operators license" means a license issued by the Board to a person or entity to manage casino gambling operations conducted by the Authority pursuant to subsection (e-6) of Section 7.

~~(b)~~ "Occupational license" means a license issued by the Board to a person or entity to perform an occupation which the Board has identified as requiring a license to engage in riverboat or casino gambling in Illinois.

~~(c)~~ "Gambling game" includes, but is not limited to, baccarat, twenty-one, poker, craps, slot machine, video game of chance, roulette wheel, klondike table, punchboard, faro layout, keno layout, numbers ticket, push card, jar ticket, or pull tab which is authorized by the Board as a wagering device under this Act.

~~(d)~~ "Riverboat" means a self-propelled excursion boat, a permanently moored barge, or permanently moored barges that are permanently fixed together to operate as one vessel, on which lawful gambling is authorized and licensed as provided in this Act.

~~(e)~~ "Managers license" means a license issued by the Board to a person or entity to manage gambling operations conducted by the State pursuant to Section ~~7.3~~ ~~7.2~~.

~~(f)~~ "Dock" means the location where a riverboat moors for the purpose of embarking passengers for and disembarking passengers from the riverboat.

~~(g)~~ "Whole gaming ~~Gross~~ receipts" means the total amount of money exchanged for the purchase of chips, tokens or electronic cards by riverboat or casino patrons or electronic gaming patrons.

~~(h)~~ "Gross gaming ~~Adjusted gross~~ receipts" means the whole gaming ~~gross~~ receipts less winnings paid to wagerers.

~~(i)~~ "Cheat" means to alter the selection of criteria which determine the result of a gambling game or the amount or frequency of payment in a gambling game.

~~(j)~~ "Department" means the Department of Revenue.

~~(k)~~ "Gambling operation" means the conduct of ~~authorized~~ gambling games authorized under this Act upon a riverboat or in a casino or authorized under this Act and the Illinois Horse Racing Act of 1975 at an electronic gaming facility.

~~(l)~~ "License bid" means the lump sum amount of money that an applicant bids and agrees to pay the State or which is paid by the Authority, in return for an owners license that is re-issued on or after July 1, 2003.

~~(m)~~ The terms "minority person" and "female" shall have the same meaning as defined in Section 2 of the Business Enterprise for Minorities, Females, and Persons with Disabilities Act.

"Owners license" means a license to conduct riverboat gambling operations or casino gambling operations, but does not include an electronic gaming license.

"Licensed owner" means a person who holds an owners license.

"Electronic gaming" means the conduct of gambling using slot machines at a race track licensed under the Illinois Horse Racing Act of 1975 pursuant to the Illinois Horse Racing Act of 1975 and this Act.

"Electronic gaming facility" means the area where the Board has authorized electronic gaming at a race track of an organization licensee under the Illinois Horse Racing Act of 1975 that holds an electronic gaming license.

"Electronic gaming license" means a license issued by the Board under Section 7.6 of this Act authorizing electronic gaming at an electronic gaming facility.

"Organization licensee" means an entity authorized by the Illinois Racing Board to conduct pari-mutuel wagering in accordance with the Illinois Horse Racing Act of 1975.

(Source: P.A. 92-600, eff. 6-28-02; 93-28, eff. 6-20-03; revisory 1-28-04.)

(230 ILCS 10/5) (from Ch. 120, par. 2405)

Sec. 5. Gaming Board.

(a) (1) There is hereby established within the Department of Revenue an Illinois Gaming Board which shall have the powers and duties specified in this Act, and all other powers necessary and proper to fully and effectively execute this Act for the purpose of administering, regulating, and enforcing the system of riverboat and casino gambling established by this Act. Its jurisdiction shall extend under this Act to every person, association, corporation, partnership and trust involved in riverboat and casino gambling operations in the State of Illinois.

(2) The Board shall consist of 5 members to be appointed by the Governor with the advice and consent of the Senate, one of whom shall be designated by the Governor to be chairperson ~~chairman~~. Each member shall have a reasonable knowledge of the practice, procedure and principles of gambling operations. Each member shall either be a resident of Illinois or shall certify that he or she will become a resident of Illinois before taking office. At least one member shall be experienced in law enforcement and criminal investigation, at least one member shall be a certified public accountant experienced in accounting and auditing, and at least one member shall be a lawyer licensed to practice law in Illinois.

(3) The terms of office of the Board members shall be 3 years, except that the terms of office of the initial Board members appointed pursuant to this Act will commence from the effective date of this Act and run as follows: one for a term ending July 1, 1991, 2 for a term ending July 1, 1992, and 2 for a term ending July 1, 1993. Upon the expiration of the foregoing terms, the successors of such members shall serve a term for 3 years and until their successors are appointed and qualified for like terms. Vacancies in the Board shall be filled for the unexpired term in like manner as original appointments. Each member of the Board shall be eligible for reappointment at the discretion of the Governor with the advice and consent of the Senate.

(4) Each member of the Board shall receive \$300 for each day the Board meets and for each day the member conducts any hearing pursuant to this Act. Each member of the Board shall also be reimbursed for all actual and necessary expenses and disbursements incurred in the execution of official duties.

(5) No person shall be appointed a member of the Board or continue to be a member of the Board who is, or whose spouse, child or parent is, a member of the board of directors of, or a person financially interested in, any gambling operation subject to the jurisdiction of this Board, or any race track, race meeting, racing association or the operations thereof subject to the jurisdiction of the Illinois Racing Board. No Board member shall hold any other public office for which he shall receive compensation other than necessary travel or other incidental expenses. No person shall be a member of the Board who is not of good moral character or who has been convicted of, or is under indictment for, a felony under the laws of Illinois or any other state, or the United States.

(6) Any member of the Board may be removed by the Governor for neglect of duty, misfeasance, malfeasance, or nonfeasance in office.

(7) Before entering upon the discharge of the duties of his office, each member of the Board shall take an oath that he will faithfully execute the duties of his office according to the laws of the State and the rules and regulations adopted therewith and shall give bond to the State of Illinois, approved by the Governor, in the sum of \$25,000. Every such bond, when duly executed and approved, shall be recorded in the office of the Secretary of State. Whenever the Governor determines that the bond of any member of the Board has become or is likely to become invalid or insufficient, he shall require such member forthwith to renew his bond, which is to be approved by the Governor. Any member of the Board who fails to take oath and give bond within 30 days from the date of his appointment, or who fails to renew his bond within 30 days after it is demanded by the Governor, shall be guilty of neglect of duty and may be removed by the Governor. The cost of any bond given by any member of the Board under this Section shall be taken to be a part of the necessary expenses of the Board.

(8) Upon the request of the Board, the Department shall employ such personnel as may be necessary to carry out the functions of the Board. No person shall be employed to serve the Board who is, or whose spouse, parent or child is, an official of, or has a financial interest in or financial relation with, any operator engaged in gambling operations within this State or any organization engaged in conducting horse racing within this State. Any employee violating these prohibitions shall be subject to termination of employment.

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(9) An Administrator shall perform any and all duties that the Board shall assign him. The salary of the Administrator shall be determined by the Board and approved by the Director of the Department and, in addition, he shall be reimbursed for all actual and necessary expenses incurred by him in discharge of his official duties. The Administrator shall keep records of all proceedings of the Board and shall preserve all records, books, documents and other papers belonging to the Board or entrusted to its care. The Administrator shall devote his full time to the duties of the office and shall not hold any other office or employment.

(b) The Board shall have general responsibility for the implementation of this Act. Its duties include, without limitation, the following:

(1) To decide promptly and in reasonable order all license applications. Any party

aggrieved by an action of the Board denying, suspending, revoking, restricting or refusing to renew a license may request a hearing before the Board. A request for a hearing must be made to the Board in writing within 5 days after service of notice of the action of the Board. Notice of the action of the Board shall be served either by personal delivery or by certified mail, postage prepaid, to the aggrieved party. Notice served by certified mail shall be deemed complete on the business day following the date of such mailing. The Board shall conduct all requested hearings promptly and in reasonable order;

(2) To conduct all hearings pertaining to civil violations of this Act or rules and regulations promulgated hereunder;

(3) To promulgate such rules and regulations as in its judgment may be necessary to protect or enhance the credibility and integrity of gambling operations authorized by this Act and the regulatory process hereunder;

(4) To provide for the establishment and collection of all license and registration fees and taxes imposed by this Act and the rules and regulations issued pursuant hereto. All such fees and taxes shall be deposited into the State Gaming Fund;

(5) To provide for the levy and collection of penalties and fines for the violation of provisions of this Act and the rules and regulations promulgated hereunder. All such fines and penalties shall be deposited into the Education Assistance Fund, created by Public Act 86-0018, of the State of Illinois;

(6) To be present through its inspectors and agents any time gambling operations are conducted on any riverboat, in any casino, or at any electronic gaming facility for the purpose of certifying the revenue thereof, receiving complaints from the public, and conducting such other investigations into the conduct of the gambling games and the maintenance of the equipment as from time to time the Board may deem necessary and proper;

(7) To review and rule upon any complaint by a licensee regarding any investigative procedures of the State which are unnecessarily disruptive of gambling operations. The need to inspect and investigate shall be presumed at all times. The disruption of a licensee's operations shall be proved by clear and convincing evidence, and establish that: (A) the procedures had no reasonable law enforcement purposes, and (B) the procedures were so disruptive as to unreasonably inhibit gambling operations;

(8) To hold at least one meeting each quarter of the fiscal year. In addition, special meetings may be called by the chairperson ~~Chairman~~ or any 2 Board members upon 72 hours written notice to each member. All Board meetings shall be subject to the Open Meetings Act. Three members of the Board shall constitute a quorum, and 3 votes shall be required for any final

determination by the Board. The Board shall keep a complete and accurate record of all its meetings. A majority of the members of the Board shall constitute a quorum for the transaction of any business, for the performance of any duty, or for the exercise of any power which this Act requires the Board members to transact, perform or exercise en banc, except that, upon order of the Board, one of the Board members or an administrative law judge designated by the Board may conduct any hearing provided for under this Act or by Board rule and may recommend findings and decisions to the Board. The Board member or administrative law judge conducting such hearing shall have all powers and rights granted to the Board in this Act. The record made at the time of the hearing shall be reviewed by the Board, or a majority thereof, and the findings and decision of the majority of the Board shall constitute the order of the Board in such case;

(9) To maintain records which are separate and distinct from the records of any other

State board or commission. Such records shall be available for public inspection and shall accurately reflect all Board proceedings;

(10) To file a written annual report with the Governor on or before March 1 each year

and such additional reports as the Governor may request. The annual report shall include a statement of receipts and disbursements by the Board, actions taken by the Board, and any additional information and recommendations which the Board may deem valuable or which the Governor may request;

(11) (Blank); ~~and~~

(12) To assume responsibility for the administration and enforcement of the Bingo

License and Tax Act, the Charitable Games Act, and the Pull Tabs and Jar Games Act if such responsibility is delegated to it by the Director of Revenue; and -

(13) To assume responsibility for the administration and enforcement of operations at electronic gaming facilities pursuant to this Act and the Illinois Horse Racing Act of 1975.

(c) The Board shall have jurisdiction over and shall supervise all gambling operations governed by this Act. The Board shall have all powers necessary and proper to fully and effectively execute the provisions of this Act, including, but not limited to, the following:

(1) To investigate applicants and determine the eligibility of applicants for licenses

and to select among competing applicants the applicants which best serve the interests of the citizens of Illinois.

(2) To have jurisdiction and supervision over all ~~riverboat~~ gambling operations authorized under this Act in this State and all

persons in places on riverboats where gambling operations are conducted.

(3) To promulgate rules and regulations for the purpose of administering the provisions

of this Act and to prescribe rules, regulations and conditions under which all ~~riverboat~~ gambling operations subject to this Act in the State shall be conducted. Such rules and regulations are to provide for the prevention of practices detrimental to the public interest and for the best interests of ~~riverboat~~ gambling, including rules and regulations regarding the inspection of electronic gaming facilities, such riverboats, and casinos and the review of any permits or licenses necessary to operate a riverboat, casino, or electronic gaming facility under any laws or regulations applicable to riverboats, casinos, and electronic gaming facilities, and to impose penalties for violations thereof.

(4) To enter the office, riverboats, electronic gaming facilities, and other facilities ; or other places of business of a

licensee, where evidence of the compliance or noncompliance with the provisions of this Act is likely to be found.

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(5) To investigate alleged violations of this Act or the rules of the Board and to take appropriate disciplinary action against a licensee, other than the Authority, or a holder of an occupational license for a violation, or institute appropriate legal action for enforcement, or both.

(6) To adopt standards for the licensing of all persons under this Act, as well as for electronic or mechanical gambling games, and to establish fees for such licenses.

(7) To adopt appropriate standards for all electronic gaming facilities, riverboats, casinos, and other facilities authorized under this Act.

(8) To require that the records, including financial or other statements of any licensee under this Act, shall be kept in such manner as prescribed by the Board and that any such licensee involved in the ownership or management of gambling operations submit to the Board an annual balance sheet and profit and loss statement, list of the stockholders or other persons having a 1% or greater beneficial interest in the gambling activities of each licensee, and any other information the Board deems necessary in order to effectively administer this Act and all rules, regulations, orders and final decisions promulgated under this Act.

(9) To conduct hearings, issue subpoenas for the attendance of witnesses and subpoenas duces tecum for the production of books, records and other pertinent documents in accordance with the Illinois Administrative Procedure Act, and to administer oaths and affirmations to the witnesses, when, in the judgment of the Board, it is necessary to administer or enforce this Act or the Board rules.

(10) To prescribe a form to be used by any licensee involved in the ownership or management of gambling operations as an application for employment for their employees.

(11) To revoke or suspend licenses, other than the license issued to the Authority, as the Board may see fit and in compliance with

applicable laws of the State regarding administrative procedures, and to review applications for the renewal of licenses. The Board may suspend an owners license (other than the license issued to the Authority) or an electronic gaming license ; without notice or hearing , upon a determination that the safety or health of patrons or employees is jeopardized by continuing a gambling operation conducted under that license a riverboat's operation. The suspension may remain in effect until the Board determines that the cause for suspension has been abated. The Board may revoke the owners license (other than the license issued to the Authority) or the electronic gaming license upon a determination that the licensee owner has not made satisfactory progress toward abating the hazard.

(12) To eject or exclude or authorize the ejection or exclusion of, any person from riverboat gambling facilities where that such person is in violation of this Act, rules and regulations thereunder, or final orders of the Board, or where such person's conduct or reputation is such that his or her presence within the riverboat gambling facilities may, in the opinion of the Board, call into question the honesty and integrity of the gambling operations or interfere with the orderly conduct thereof; provided that the propriety of such ejection or exclusion is subject to subsequent hearing by the Board.

(13) To require all licensees of gambling operations to utilize a cashless wagering system whereby all players' money is converted to tokens, electronic cards, or chips which shall be used only for wagering in the gambling establishment.

(14) (Blank).

(15) To suspend, revoke or restrict licenses (other than the license issued to the Authority) or electronic gaming licenses, to require the removal of a licensee or

an employee of a licensee for a violation of this Act or a Board rule or for engaging in a fraudulent practice, and to impose civil penalties of up to \$5,000 against individuals and up to \$10,000 or an amount equal to the daily whole gaming gross receipts, whichever is larger, against licensees for each violation of any provision of the Act, any rules adopted by the Board, any order of the Board or any other action which, in the Board's discretion, is a detriment or impediment to ~~riverboat~~ gambling operations.

(16) To hire employees to gather information, conduct investigations and carry out any other tasks contemplated under this Act.

(17) To establish minimum levels of insurance to be maintained by licensees.

(18) To authorize a licensee to sell or serve alcoholic liquors, wine or beer as

defined in the Liquor Control Act of 1934 on board a riverboat or in a casino and to have exclusive authority to establish the hours for sale and consumption of alcoholic liquor on board a riverboat or in a casino, notwithstanding any provision of the Liquor Control Act of 1934 or any local ordinance, and regardless of whether the riverboat or in a casino makes excursions. The establishment of the hours for sale and consumption of alcoholic liquor on board a riverboat or in a casino is an exclusive power and function of the State. A home rule unit may not establish the hours for sale and consumption of alcoholic liquor on board a riverboat or in a casino. This ~~subdivision (18) amendatory Act of 1991~~ is a denial and limitation of home rule powers and functions under subsection (h) of Section 6 of Article VII of the Illinois Constitution.

(19) After consultation with the U.S. Army Corps of Engineers, to establish binding

emergency orders upon the concurrence of a majority of the members of the Board regarding the navigability of water, relative to excursions, in the event of extreme weather conditions, acts of God or other extreme circumstances.

(20) To delegate the execution of any of its powers under this Act for the purpose of administering and enforcing this Act and its rules and regulations hereunder.

(21) To make rules concerning the conduct of electronic gaming.

(22) ~~(21)~~ To take any other action as may be reasonable or appropriate to enforce this Act and

rules and regulations hereunder.

(d) The Board may seek and shall receive the cooperation of the Department of State Police in conducting background investigations of applicants and in fulfilling its responsibilities under this Section. Costs incurred by the Department of State Police as a result of such cooperation shall be paid by the Board in conformance with the requirements of Section 2605-400 of the Department of State Police Law (20 ILCS 2605/2605-400).

(e) The Board must authorize to each investigator and to any other employee of the Board exercising the powers of a peace officer a distinct badge that, on its face, (i) clearly states that the badge is authorized by the Board and (ii) contains a unique identifying number. No other badge shall be authorized by the Board.

(Source: P.A. 91-40, eff. 1-1-00; 91-239, eff. 1-1-00; 91-883, eff. 1-1-01.)

(230 ILCS 10/6) (from Ch. 120, par. 2406)

Sec. 6. Application for Owners License.

(a) A qualified person, other than the Authority, may apply to the Board for an owners license to conduct a riverboat gambling operation as provided in this Act. The application shall be made on forms provided by the Board and shall contain such information as the Board prescribes, including but not limited to the identity of the riverboat on which such gambling operation is to be conducted and the exact location where such riverboat will be docked, a certification that the riverboat will be registered under this Act at all times during which gambling operations are conducted on board, detailed

information regarding the ownership and management of the applicant, and detailed personal information regarding the applicant. Any application for an owners license to be re-issued on or after June 1, 2003 shall also include the applicant's license bid in a form prescribed by the Board. Information provided on the application shall be used as a basis for a thorough background investigation which the Board shall conduct with respect to each applicant. An incomplete application shall be cause for denial of a license by the Board.

(b) Applicants shall submit with their application all documents, resolutions, and letters of support from the governing body that represents the municipality or county wherein the licensee will dock.

(c) Each applicant shall disclose the identity of every person, association, trust or corporation having a greater than 1% direct or indirect pecuniary interest in the riverboat gambling operation with respect to which the license is sought. If the disclosed entity is a trust, the application shall disclose the names and addresses of the beneficiaries; if a corporation, the names and addresses of all stockholders and directors; if a partnership, the names and addresses of all partners, both general and limited.

(d) An application shall be filed with the Board by January 1 of the year preceding any calendar year for which an applicant seeks an owners license; however, applications for an owners license permitting operations on January 1, 1991 shall be filed by July 1, 1990. An application fee of \$50,000 shall be paid at the time of filing to defray the costs associated with the background investigation conducted by the Board. If the costs of the investigation exceed \$50,000, the applicant shall pay the additional amount to the Board. If the costs of the investigation are less than \$50,000, the applicant shall receive a refund of the remaining amount. All information, records, interviews, reports, statements, memoranda or other data supplied to or used by the Board in the course of its review or investigation of an application for a license under this Act shall be privileged, strictly confidential and shall be used only for the purpose of evaluating an applicant. Such information, records, interviews, reports, statements, memoranda or other data shall not be admissible as evidence, nor discoverable in any action of any kind in any court or before any tribunal, board, agency or person, except for any action deemed necessary by the Board.

(e) The Board shall charge each applicant a fee set by the Department of State Police to defray the costs associated with the search and classification of fingerprints obtained by the Board with respect to the applicant's application. These fees shall be paid into the State Police Services Fund.

(f) The licensed owner shall be the person primarily responsible for the boat itself. Only one riverboat gambling operation may be authorized by the Board on any riverboat. The applicant must identify each riverboat it intends to use and certify that the riverboat: (1) has the authorized capacity required in this Act; (2) is accessible to disabled persons; and (3) is fully registered and licensed in accordance with any applicable laws.

(g) A person who knowingly makes a false statement on an application is guilty of a Class A misdemeanor.

(Source: P.A. 93-28, eff. 6-20-03.)

(230 ILCS 10/7) (from Ch. 120, par. 2407)

Sec. 7. Owners Licenses.

(a) The Board shall issue owners licenses to persons, firms or corporations which apply for such licenses upon payment to the Board of the non-refundable license fee set by the Board, upon payment of a \$25,000 license fee for the first year of operation and a \$5,000 license fee for each succeeding year and upon a determination by the Board that the applicant is eligible for an owners license pursuant to this Act and the rules of the Board. No application under this Section shall be required from the Authority. The Authority is not required to pay the fees imposed under this Section. A person, firm or corporation is ineligible to receive an owners license if:

(1) the person has been convicted of a felony under the laws of this State, any other state, or the United States;

(2) the person has been convicted of any violation of Article 28 of the Criminal Code of 1961, or substantially similar laws of any other jurisdiction;

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

- (4) the person is a member of the Board;
- (5) a person defined in (1), (2), (3) or (4) is an officer, director or managerial

employee of the firm or corporation;

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

(7) (blank); or

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

(b) In determining whether to grant an owners license to an applicant, the Board shall consider:

- (1) the character, reputation, experience and financial integrity of the applicants

and of any other or separate person that either:

(A) controls, directly or indirectly, such applicant, or

(B) is controlled, directly or indirectly, by such applicant or by a person which

controls, directly or indirectly, such applicant;

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

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

(4) the extent to which the ownership of the applicant reflects the diversity of the

State by including minority persons and females and the good faith affirmative action plan of each applicant to recruit, train and upgrade minority persons and females in all employment classifications;

(5) the financial ability of the applicant to purchase and maintain adequate liability and casualty insurance;

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

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

(8) The amount of the applicant's license bid.

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

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

(e) ~~In addition to the licenses authorized under subsections (e-5) and (e-6), the~~ The Board may issue up to 10 licenses authorizing the holders of such licenses to own riverboats. In the application for an owners license, the applicant shall state the dock at which the riverboat is based and the water on which the riverboat will be located. The Board shall issue 5 licenses to become effective not earlier than January 1, 1991. Three of such licenses shall authorize riverboat gambling on the Mississippi River, or, with approval by the municipality in which the riverboat is docked on August 7, 2003, the effective date of this amendatory Act of the 93rd Assembly, in a municipality that (1) borders on the Mississippi River or is within 5 miles of the city limits of a municipality that borders on the Mississippi River and (2), on August 7, 2003, the effective date of this amendatory Act of the 93rd General Assembly, has a riverboat

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conducting riverboat gambling operations pursuant to a license issued under this Act; one of which shall authorize riverboat gambling from a home dock in the city of East St. Louis. One other license shall authorize riverboat gambling on the Illinois River south of Marshall County. The Board shall issue one additional license to become effective not earlier than March 1, 1992, which shall authorize riverboat gambling on the Des Plaines River in Will County. The Board may issue 4 additional licenses to become effective not earlier than March 1, 1992. In determining the water upon which riverboats will operate, the Board shall consider the economic benefit which riverboat gambling confers on the State, and shall seek to assure that all regions of the State share in the economic benefits of riverboat gambling.

(e-5) In addition to the licenses authorized under subsections (e) and (e-6), the Board may issue 3 additional licenses authorizing riverboat gambling.

(1) Except as otherwise provided in this paragraph (1), one of the licenses issued under this subsection (e-5) shall authorize its holder to conduct riverboat gambling from a home dock located in a municipality that (A) has a population of at least 75,000 inhabitants, (B) is bordered on the East by Lake Michigan, and (C) is located in a county, the entirety of which is located to the North of Cook County, and shall authorize its holder to conduct riverboat gambling on Lake Michigan.

(2) One license issued under this subsection (e-5) shall authorize its holder to conduct riverboat gambling in Cook County from a home dock located in the area bordered on the North by the southern corporate limit of the City of Chicago, on the South by Route 30, on the East by the Indiana border, and on the West by Interstate 57.

(3) One license issued under this subsection (e-5) shall authorize its holder to conduct riverboat gambling in a municipality with at least 75,000 inhabitants that is located in a county that (i) is entirely to the North of Cook County and (ii) does not border Lake Michigan.

Licenses authorized under this subsection (e-5) shall be awarded pursuant to a process of competitive bidding to the highest bidder that is eligible to hold an owners license under this Act. The minimum bid for an owners license under this subsection (e-5) shall be \$350,000,000.

Any licensee that receives its license under this subsection (e-5) shall attain a level of at least 20% minority person and female ownership, at least 16% and 4% respectively, within a time period prescribed by the Board, but not to exceed 12 months from the date the licensee begins conducting riverboat gambling. The 12-month period shall be extended by the amount of time necessary to conduct a background investigation pursuant to Section 6. For the purposes of this Section, the terms "female" and "minority person" have the meanings provided in Section 2 of the Business Enterprise for Minorities, Females, and Persons with Disabilities Act.

(e-6) In addition to the licenses authorized under subsections (e) and (e-5), the Board, upon written request of the Authority and upon payment by the Authority to the Board on or before June 30, 2005 of a fee of \$350,000,000, shall issue an owners license to the Authority, authorizing the conduct of gambling operations in a casino located in a municipality with a population of more than 500,000 inhabitants. Until completion of a permanent casino, the Authority's license shall authorize it to conduct gambling operations in one or more land-based or riverboat temporary casinos within the municipality, provided that the total number of gaming positions is limited to 3,000. The license issued to the Authority shall be perpetual and may not be revoked, suspended, or limited by the Board. The Board shall have the authority to investigate, reject, and remove any appointments to the Authority's board and the Authority's appointment of its executive director. Casino gambling operations shall be conducted by a casino operator on behalf of the Authority. The Authority shall conduct a competitive bidding process for the selection of casino operators to develop and operate the casino and one or more temporary casinos and riverboats; provided that the Authority may not select as a casino operator any bidder who directly or indirectly has an ownership or management interest in 2 or more riverboat gambling operations in Illinois and Indiana. Any such casino operators shall be subject to licensing by, and full jurisdiction of, the Board.

(e-10) In granting all licenses, the Board may give favorable consideration to economically depressed areas of the State, to applicants presenting plans which provide for significant economic development over a large geographic area, and to applicants who currently operate non-gambling riverboats in Illinois. The Board shall review all applications for owners licenses, and shall inform each applicant of the Board's decision. The Board may grant an owners license to an applicant that has not submitted the highest license bid, but if it does not select the highest bidder, the Board shall issue a written decision explaining why another applicant was selected and identifying the factors set forth in this Section that favored the winning bidder.

(e-15) In addition to any other revocation powers granted to the Board under this Act, the Board may revoke the owners license of a licensee which fails to begin conducting gambling within 15

months of receipt of the Board's approval of the application if the Board determines that license revocation is in the best interests of the State.

If, subsequent to the conduct of riverboat gambling operations under a license issued under this Act, riverboat gambling operations are not conducted under that license for a period of at least 12 months due to a cause other than a natural disaster, act of God, or other similar emergency, the license shall be declared dormant and shall be revoked by the Board.

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

(g) Upon the termination, expiration, or revocation of each ~~owners license of the first 10 licenses~~, which shall be issued for a 3 year period, all licenses are renewable annually upon payment of the fee and a determination by the Board that the licensee continues to meet all of the requirements of this Act and the Board's rules. However, for licenses renewed on or after May 1, 1998, renewal shall be for a period of 4 years, unless the Board sets a shorter period. The Authority's license shall be perpetual and shall not be subject to renewal.

(h) An owners license, other than the Authority's license, shall entitle the licensee to own up to 2 riverboats and operate up to 1,200 gaming positions, plus an additional number of positions as provided in subsections (h-5), (h-7), and (h-10). The Authority's license shall limit the number of gaming positions to 3,000, and shall not allow the Authority to obtain additional gaming positions under subsection (h-5).

(h-5) In addition to the 1,200 gaming positions authorized under subsection (h), a licensee, other than the Authority, may purchase and operate additional gaming positions as provided in this subsection (h-5). A licensee, other than the Authority, may purchase up to 800 additional gaming positions under this subsection (h-5) in groups of 100 by paying to the Board, within 60 days after the adoption of rules under subsection (h-8) concerning the forfeiture of unused gaming positions, a fee of \$2,500,000 for each group of 100 additional gaming positions.

(h-7) Gaming positions authorized under subsection (h-5) that go unpurchased for 60 days after the adoption of rules under subsection (h-8) concerning the forfeiture of unused gaming positions, if any, shall be made available to owners licensees, other than the Authority, as provided in this subsection (h-7). Within 30 days after the end of that 60-day period, the Gaming Board shall make those unpurchased positions available to owners licensees, other than the Authority, under a process of competitive bidding, in groups of 50 gaming positions. The minimum bid for each group of 50 gaming positions shall be \$1,250,000.

(h-8) At the time of license renewal, if the Gaming Board determines that an owners licensee is not using any portion of the gaming positions that it obtained under subsection (h-5) or (h-7), the owners licensee shall forfeit those unused gaming positions. The owners licensee shall not receive compensation for those forfeited gaming positions. Within 30 days after the forfeiture of an owners licensee's unused gaming positions, the unused positions shall be made available by the Gaming Board to owners licensees, other than the Authority, under a process of competitive bidding, in groups of 50 gaming positions. The minimum bid for each group of 50 gaming positions shall be \$1,250,000. Within 30 days after the effective date of this amendatory Act of the 93rd General Assembly, the Board shall adopt rules concerning the forfeiture of unused gaming positions obtained under subsection (h-5) or (h-7).

(h-10) The total number of gaming positions used by an owners licensee shall not exceed 3,500 at one time (3,000 in the case of the Authority). Within this limit, a licensee may operate both of its riverboats concurrently.

An owners licensee that obtains in excess of 1,200 positions, other than the Authority, may conduct riverboat gambling operations from a land-based facility within or attached to its home dock facility or from a temporary facility, as the term "temporary facility" is defined by Board rule, that is attached to the licensee's home dock, with Board approval. Gaming positions located in a land-based facility must be located in an area that is accessible only to persons who are at least 21 years of age. A licensee may not conduct gambling at a land-based facility unless the admission tax imposed under Section 12 has been paid for all persons who enter the land-based facility. The Board shall adopt rules concerning the conduct of gambling from land-based facilities, including rules concerning the number of gaming positions that may be located at a temporary facility. ~~A licensee shall limit the number of gambling participants to 1,200 for any such owners license. A licensee may operate both of its riverboats concurrently, provided that the total number of gambling participants on both riverboats does not exceed 1,200. Riverboats licensed to operate on the Mississippi River and the Illinois River south of Marshall~~

~~County shall have an authorized capacity of at least 500 persons. Any other riverboat licensed under this Act shall have an authorized capacity of at least 400 persons.~~

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

(j) The Board may issue or re-issue a license authorizing a riverboat to dock in a municipality or approve a relocation under Section 11.2 only if, prior to the issuance or re-issuance of the license or approval, the governing body of the municipality in which the riverboat will dock has by a majority vote approved the docking of riverboats in the municipality. The Board may issue or re-issue a license authorizing a riverboat to dock in areas of a county outside any municipality or approve a relocation under Section 11.2 only if, prior to the issuance or re-issuance of the license or approval, the governing body of the county has by a majority vote approved of the docking of riverboats within such areas.

(Source: P.A. 92-600, eff. 6-28-02; 93-28, eff. 6-20-03; 93-453, eff. 8-7-03; revised 1-27-04.)

(230 ILCS 10/7.1)

Sec. 7.1. Re-issuance of revoked or non-renewed owners licenses.

(a) If an owners license terminates or expires without renewal or the Board revokes or determines not to renew an owners license (including, without limitation, an owners license for a licensee that was not conducting riverboat gambling operations on January 1, 1998) and that revocation or determination is final, the Board may re-issue such license to a qualified applicant pursuant to an open and competitive bidding process, as set forth in Section 7.5, and subject to the maximum number of authorized licenses set forth in subsections (e), (e-5), and (e-6) of Section 7 ~~Section 7(e)~~.

(b) To be a qualified applicant, a person, firm, or corporation cannot be ineligible to receive an owners license under Section 7(a) and must submit an application for an owners license that complies with Section 6. Each such applicant must also submit evidence to the Board that minority persons and females hold ownership interests in the applicant of at least 16% and 4% respectively.

(c) Notwithstanding anything to the contrary in subsections (e), (e-5), or (e-6) of Section 7, ~~Section 7(e)~~, an applicant may apply to the Board for approval of relocation of a re-issued license to a new home dock location authorized under Section 3(c) upon receipt of the approval from the municipality or county, as the case may be, pursuant to Section 7(j).

(d) In determining whether to grant a re-issued owners license to an applicant, the Board shall consider all of the factors set forth in Section Sections 7(b) and in Section 7(e) or (e-5), whichever is applicable, ~~(e)~~ as well as the amount of the applicant's license bid. The Board may grant the re-issued owners license to an applicant that has not submitted the highest license bid, but if it does not select the highest bidder, the Board shall issue a written decision explaining why another applicant was selected and identifying the factors set forth in Section Sections 7(b) and in Section 7(e) or (e-5), whichever is applicable, ~~(e)~~ that favored the winning bidder.

(e) Re-issued owners licenses shall be subject to annual license fees as provided for in Section 7(a) and shall be governed by the provisions of Sections 7(f), (g), (h), and (i).

(Source: P.A. 93-28, eff. 6-20-03.)

(230 ILCS 10/7.3)

Sec. 7.3. State conduct of gambling operations.

(a) If, after reviewing each application for a re-issued license, the Board determines that the highest prospective total revenue to the State would be derived from State conduct of the gambling operation in lieu of re-issuing the license, the Board shall inform each applicant of its decision. The Board shall thereafter have the authority, without obtaining an owners license, to conduct riverboat gambling operations as previously authorized by the terminated, expired, revoked, or nonrenewed license through a licensed manager selected pursuant to an open and competitive bidding process as set forth in Section 7.5 and as provided in Section 7.4.

(b) The Board may locate any riverboat on which a gambling operation is conducted by the State in any home dock location authorized by Section 3(c) upon receipt of approval from a majority vote of the governing body of the municipality or county, as the case may be, in which the riverboat will dock.

(c) The Board shall have jurisdiction over and shall supervise all gambling operations conducted by the State provided for in this Act and shall have all powers necessary and proper to fully and effectively execute the provisions of this Act relating to gambling operations conducted by the State.

(d) The maximum number of owners licenses authorized under Section ~~7.7~~(e) shall be reduced by one for each instance in which the Board authorizes the State to conduct a riverboat gambling operation under subsection (a) in lieu of re-issuing a license to an applicant under Section 7.1.

(Source: P.A. 93-28, eff. 6-20-03.)

(230 ILCS 10/7.4)

Sec. 7.4. Managers and casino operators licenses.

(a) A qualified person may apply to the Board for a managers license to operate and manage any gambling operation conducted by the State or the Authority. The application shall be made on forms provided by the Board and shall contain such information as the Board prescribes, including but not limited to information required in Sections 6(a), (b), and (c) and information relating to the applicant's proposed price to manage State or Authority gambling operations and to provide the riverboat or casino, gambling equipment, and supplies necessary to conduct State or Authority gambling operations.

(b) Each applicant, other than an applicant to manage the Authority's gambling operations, must submit evidence to the Board that minority persons and females hold ownership interests in the applicant of at least 16% and 4%, respectively.

(c) A person, firm, or corporation is ineligible to receive a managers license or a casino operators license if:

(1) the person has been convicted of a felony under the laws of this State, any other state, or the United States;

(2) the person has been convicted of any violation of Article 28 of the Criminal Code of 1961, or substantially similar laws of any other jurisdiction;

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

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

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

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

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

(d) Each applicant shall submit with his or her application, on forms prescribed by the Board, 2 sets of his or her fingerprints.

(e) The Board shall charge each applicant a fee, set by the Board, to defray the costs associated with the background investigation conducted by the Board.

(f) A person who knowingly makes a false statement on an application is guilty of a Class A misdemeanor.

(g) The ~~managers~~ license to manage any gambling operation conducted by the State shall be for a term not to exceed 10 years, shall be renewable at the Board's option, and shall contain such terms and provisions as the Board deems necessary to protect or enhance the credibility and integrity of State gambling operations, achieve the highest prospective total revenue to the State, and otherwise serve the interests of the citizens of Illinois. The initial term of a casino operators license to manage the Authority's gambling operations shall be 4 years. Upon expiration of the initial term and of each renewal term, the casino operators license shall be renewed for a period of 4 years, provided that the casino operator continues to meet all of the requirements of this Act and the Board's rules.

(h) Issuance of a managers license shall be subject to an open and competitive bidding process. The Board may select an applicant other than the lowest bidder by price. If it does not select the lowest

bidder, the Board shall issue a notice of who the lowest bidder was and a written decision as to why another bidder was selected.

(Source: P.A. 93-28, eff. 6-20-03.)

(230 ILCS 10/7.6 new)

Sec. 7.6. Electronic gaming.

(a) The General Assembly finds that the horse racing and riverboat gambling industries share many similarities and collectively comprise the bulk of the State's gaming industry. One feature common to both industries is that each is highly regulated by the State of Illinois.

The General Assembly further finds, however, that despite their shared features each industry is distinct from the other in that horse racing is and continues to be intimately tied to Illinois' agricultural economy and is, at its core, a spectator sport. This distinction requires the General Assembly to utilize different methods to regulate and promote the horse racing industry throughout the State.

The General Assembly finds that in order to promote live horse racing as a spectator sport in Illinois and the agricultural economy of this State, it is necessary to allow electronic gaming at Illinois race tracks given the success of other states in increasing live racing purse accounts and improving the quality of horses participating in horse race meetings.

The General Assembly finds, however, that even though the authority to conduct electronic gaming is a uniform means to improve live horse racing in this State, electronic gaming must be regulated and implemented differently in southern Illinois versus the Chicago area. The General Assembly finds that Fairmount Park is the only race track operating on a year round basis in southern Illinois that offers live racing and for that matter only conducts live thoroughbred racing. The General Assembly finds that the current state of affairs deprives spectators and standardbred horsemen residing in southern Illinois of the opportunity to participate in live standardbred racing in a manner similar to spectators, thoroughbred horsemen, and standardbred horsemen residing in the Chicago area. The General Assembly declares that southern Illinois spectators and standardbred horsemen should have a similar opportunity to participate in live standardbred racing as spectators and standardbred horsemen in the Chicago area. The General Assembly declares that in order to remove this disparity between southern Illinois and the Chicago area, it is necessary for the State to regulate Fairmount Park differently from horse race tracks found in the Chicago area and tie Fairmount Park's authorization to conduct electronic gaming to a commitment to conduct at least 25 days of standardbred racing as set forth in subsection (d) of this Section. The General Assembly finds that standardbred racing provides an important economic benefit to the State.

(b) The Illinois Gaming Board shall award one electronic gaming license to become effective on or after July 1, 2004 to each organization licensee under the Illinois Horse Racing Act of 1975, subject to application and eligibility requirements of this Section. An electronic gaming license shall authorize its holder to conduct electronic gaming at its race track at the following times:

(1) on days when it conducts live racing at the track where its electronic gaming facility is located from the time the first race of the day at that track begins until 3:00 a.m. on the following day; and

(2) on days when it conducts simulcast wagering on races run in the United States from the time it first receives the simulcast signal until 3:00 a.m. on the following day.

A license to conduct electronic gaming and any renewal of an electronic gaming license shall authorize electronic gaming for a period of 4 years. The fee for the issuance or renewal of an electronic gaming license shall be \$40,000.

(c) To be eligible to conduct electronic gaming, an organization licensee must (i) obtain an electronic gaming license, (ii) hold an organization license under the Illinois Horse Racing Act of 1975, (iii) hold an inter-track wagering license, (iv) pay a fee of \$50,000 for each position authorized under this amendatory Act of the 93rd General Assembly before beginning to conduct electronic gaming, (v) apply for at least the same number of days of thoroughbred racing or standardbred racing or both, as the case may be, as it was awarded in calendar year 2004, (vi) meet the requirements of Section 56(a) of the Illinois Horse Racing Act of 1975, and (vii) meet all other requirements of this Act that apply to owners licensees.

With respect to the live racing requirement described in this subsection, an organization licensee must conduct the same number of days of thoroughbred or standardbred racing or both, as the case may be, as it was awarded by the Board, unless a lesser schedule of live racing is the result of (A) weather or unsafe track conditions due to acts of God, (B) a strike between the organization licensee and the associations representing the largest number of owners, trainers, jockeys, or standardbred drivers who race horses at that organization licensee's racing meeting, or (C) an agreement that has been approved by the Racing Board between the organization licensee and the associations representing the

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largest number of owners, trainers, jockeys, or standardbred drivers who race horses at that organization licensee's race meeting to conduct a lesser number of race meets.

(d) In addition to the other eligibility requirements of subsection (c), an organization licensee that holds an electronic gaming license authorizing it to conduct electronic gaming at Fairmount Park must apply for and conduct at least 25 days of standardbred racing in calendar year 2005 and thereafter, unless a lesser schedule of live racing is the result of (A) weather or unsafe track conditions due to acts of God, (B) a strike between the organization licensee and the associations representing the largest number of owners, trainers, jockeys, or standardbred drivers who race horses at that organization licensee's racing meeting, or (C) an agreement that has been approved by the Racing Board between the organization licensee and the associations representing the largest number of owners, trainers, jockeys, or standardbred drivers who race horses at that organization licensee's race meeting to conduct a lesser number of race meets.

(e) The Board may approve electronic gaming licenses authorizing the conduct of electronic gaming by eligible organization licensees.

(f) In calendar year 2004, the Board may approve up to 3,800 aggregate electronic gaming positions statewide as provided in this Section. The authority to operate electronic gaming positions under this Section in calendar year 2004 shall be allocated as follows:

(1) The organization licensee operating at Arlington Park Race Course may operate up to 1,150 electronic gaming positions at a time;

(2) The organization licensees operating at Hawthorne Race Course, including the organization licensee formerly operating at Sportsman's Park, may collectively operate up to 1,000 electronic gaming positions at a time;

(3) The organization licensee operating at Balmoral Park may operate up to 300 electronic gaming positions at a time;

(4) The organization licensee operating at Maywood Park may operate up to 850 electronic gaming positions at a time; and

(5) The organization licensee operating at Fairmount Park may operate up to 500 electronic gaming positions at a time.

(g) For each calendar year after 2004 in which an electronic gaming licensee requests a number of racing days under its organization license that is less than 90% of the number of days of live racing it was awarded in 2004, the electronic gaming licensee may not conduct electronic gaming.

(h) Upon the initial renewal of an electronic gaming license, if an electronic gaming licensee had a higher average daily live racing handle in the term of its previous electronic gaming license than in 2004, then the number of electronic gaming positions that the electronic gaming licensee may operate after its license is renewed shall be increased by a percentage equal to the percentage increase in average daily live racing handle during that previous license term over calendar year 2004, but in no event by more than 25%. If an electronic gaming license is authorized to operate additional electronic gaming positions under this subsection (h), it must pay the fee imposed under item (iv) of subsection (c) for each additional electronic gaming position.

(i) An electronic gaming licensee may conduct electronic gaming at a temporary facility pending the construction of a permanent facility or the remodeling of an existing facility to accommodate electronic gaming participants for up to 24 months after receiving an electronic gaming license. The Board shall make rules concerning the conduct of electronic gaming from temporary facilities.

(230 ILCS 10/7.7 new)

Sec. 7.7. Home rule. The regulation and licensing of electronic gaming and electronic gaming licensees are exclusive powers and functions of the State. A home rule unit may not regulate or license electronic gaming or electronic gaming licensees. This Section is a denial and limitation of home rule powers and functions under subsection (h) of Section 6 of Article VII of the Illinois Constitution.

(230 ILCS 10/8) (from Ch. 120, par. 2408)

Sec. 8. Suppliers licenses.

(a) The Board may issue a suppliers license to such persons, firms or corporations which apply therefor upon the payment of a non-refundable application fee set by the Board, upon a determination by the Board that the applicant is eligible for a suppliers license and upon payment of a \$5,000 annual license fee.

(b) The holder of a suppliers license is authorized to sell or lease, and to contract to sell or lease, gambling equipment and supplies to any licensee involved in the ownership or management of gambling operations.

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(c) Gambling supplies and equipment may not be distributed unless supplies and equipment conform to standards adopted by rules of the Board.

(d) A person, firm or corporation is ineligible to receive a suppliers license if:

(1) the person has been convicted of a felony under the laws of this State, any other state, or the United States;

(2) the person has been convicted of any violation of Article 28 of the Criminal Code of 1961, or substantially similar laws of any other jurisdiction;

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

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

(5) the firm or corporation is one in which a person defined in (1), (2), (3) or (4),

is an officer, director or managerial employee;

(6) the firm or corporation employs a person who participates in the management or operation of riverboat gambling authorized under this Act;

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

(e) Any person that supplies any equipment, devices, or supplies to a licensed riverboat or casino gambling operation or electronic gaming operation must first obtain a suppliers license. A supplier shall furnish to the Board a list of all equipment, devices and supplies offered for sale or lease in connection with gambling games authorized under this Act. A supplier shall keep books and records for the furnishing of equipment, devices and supplies to gambling operations separate and distinct from any other business that the supplier might operate. A supplier shall file a quarterly return with the Board listing all sales and leases. A supplier shall permanently affix its name to all its equipment, devices, and supplies for gambling operations. Any supplier's equipment, devices or supplies which are used by any person in an unauthorized gambling operation shall be forfeited to the State. A holder of an owners license, including the Authority, or an electronic gaming license licensed owner may own its own equipment, devices and supplies. Each holder of an owners license, including the Authority, or an electronic gaming license under the Act shall file an annual report listing its inventories of gambling equipment, devices and supplies.

(f) Any person who knowingly makes a false statement on an application is guilty of a Class A misdemeanor.

(g) Any gambling equipment, devices and supplies provided by any licensed supplier may either be repaired on the riverboat, at the casino, or at the electronic gaming facility or removed from the riverboat, casino, or electronic gaming facility to a ~~an on-shore~~ facility owned by the holder of an owners license or electronic gaming license for repair.

(h) On and after the effective date of this amendatory Act of the 93rd General Assembly, at least 30% of all slot machines and video games of chance purchased by an owners licensee or electronic gaming licensee shall be purchased from manufacturers whose manufacturing facilities are located in Illinois. The Board shall review the availability of such slot machines and video games of chance and shall have the discretion to raise or lower the minimum percentage of those slot machines and video games of chance that must be purchased from suppliers whose manufacturing facilities are located in Illinois by rule as it sees fit.

(Source: P.A. 86-1029; 87-826.)

(230 ILCS 10/9) (from Ch. 120, par. 2409)

Sec. 9. Occupational licenses.

(a) The Board may issue an occupational license to an applicant upon the payment of a non-refundable fee set by the Board, upon a determination by the Board that the applicant is eligible for

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an occupational license and upon payment of an annual license fee in an amount to be established. To be eligible for an occupational license, an applicant must:

(1) be at least 21 years of age if the applicant will perform any function involved in

gaming by patrons. Any applicant seeking an occupational license for a non-gaming function shall be at least 18 years of age;

(2) not have been convicted of a felony offense, a violation of Article 28 of the

Criminal Code of 1961, or a similar statute of any other jurisdiction, or a crime involving dishonesty or moral turpitude;

(3) have demonstrated a level of skill or knowledge which the Board determines to be

necessary in order to operate gambling aboard a riverboat, in a casino, or at an electronic gaming facility; and

(4) have met standards for the holding of an occupational license as adopted by rules

of the Board. Such rules shall provide that any person or entity seeking an occupational license to manage gambling operations hereunder shall be subject to background inquiries and further requirements similar to those required of applicants for an owners license. Furthermore, such rules shall provide that each such entity shall be permitted to manage gambling operations for only one licensed owner.

(b) Each application for an occupational license shall be on forms prescribed by the Board and shall contain all information required by the Board. The applicant shall set forth in the application: whether he has been issued prior gambling related licenses; whether he has been licensed in any other state under any other name, and, if so, such name and his age; and whether or not a permit or license issued to him in any other state has been suspended, restricted or revoked, and, if so, for what period of time.

(c) Each applicant shall submit with his application, on forms provided by the Board, 2 sets of his fingerprints. The Board shall charge each applicant a fee set by the Department of State Police to defray the costs associated with the search and classification of fingerprints obtained by the Board with respect to the applicant's application. These fees shall be paid into the State Police Services Fund.

(d) The Board may in its discretion refuse an occupational license to any person: (1) who is unqualified to perform the duties required of such applicant; (2) who fails to disclose or states falsely any information called for in the application; (3) who has been found guilty of a violation of this Act or whose prior gambling related license or application therefor has been suspended, restricted, revoked or denied for just cause in any other state; or (4) for any other just cause.

(e) The Board may suspend, revoke or restrict any occupational licensee: (1) for violation of any provision of this Act; (2) for violation of any of the rules and regulations of the Board; (3) for any cause which, if known to the Board, would have disqualified the applicant from receiving such license; or (4) for default in the payment of any obligation or debt due to the State of Illinois; or (5) for any other just cause.

(f) A person who knowingly makes a false statement on an application is guilty of a Class A misdemeanor.

(g) Any license issued pursuant to this Section shall be valid for a period of one year from the date of issuance.

(h) Nothing in this Act shall be interpreted to prohibit a licensed owner or electronic gaming licensee from entering into an agreement with a school approved under the Private Business and Vocational Schools Act for the training of any occupational licensee. Any training offered by such a school shall be in accordance with a written agreement between the licensed owner or electronic gaming licensee and the school.

(i) Any training provided for occupational licensees may be conducted either at the site of the gambling facility on the riverboat or at a school with which a licensed owner or electronic gaming licensee has entered into an agreement pursuant to subsection (h).

(Source: P.A. 86-1029; 87-826.)

(230 ILCS 10/10) (from Ch. 120, par. 2410)

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Sec. 10. Bond of licensee. Before an owners license, other than the Authority's license, is issued or re-issued or a managers license or casino operators license is issued, the licensee shall post a bond in the sum of \$200,000 to the State of Illinois. The bond shall be used to guarantee that the licensee faithfully makes the payments, keeps his books and records and makes reports, and conducts his games of chance in conformity with this Act and the rules adopted by the Board. The bond shall not be canceled by a surety on less than 30 days notice in writing to the Board. If a bond is canceled and the licensee fails to file a new bond with the Board in the required amount on or before the effective date of cancellation, the licensee's license shall be revoked. The total and aggregate liability of the surety on the bond is limited to the amount specified in the bond.

(Source: P.A. 93-28, eff. 6-20-03.)

(230 ILCS 10/11) (from Ch. 120, par. 2411)

Sec. 11. Conduct of gambling. Gambling may be conducted by licensed owners or licensed managers on behalf of the State or by casino operators on behalf of the Authority aboard riverboats or in a casino. If authorized by the Board by rule, an owners licensee may move gaming positions a "temporary facility" as that term is defined in Section 7(h-10) and use those gaming positions to conduct gambling as provided in Section 7(h-10). Gambling may be conducted by electronic gaming licensees at electronic gaming facilities. Gambling authorized under this Section shall be ; subject to the following standards:

(1) A licensee may conduct riverboat gambling authorized under this Act regardless of

whether it conducts excursion cruises. A licensee may permit the continuous ingress and egress of patrons passengers for the purpose of gambling.

(2) (Blank).

(3) Minimum and maximum wagers on games shall be set by the licensee.

(4) Agents of the Board and the Department of State Police may board and inspect any

riverboat or enter and inspect any portion of a casino or an electronic gaming facility at any time for the purpose of determining whether this Act is being complied with. Every riverboat, if under way and being hailed by a law enforcement officer or agent of the Board, must stop immediately and lay to.

(5) Employees of the Board shall have the right to be present on the riverboat or in the casino or on

adjacent facilities under the control of the licensee and at the electronic gaming facility under the control of the electronic gaming licensee.

(6) Gambling equipment and supplies customarily used in conducting riverboat gambling, casino gambling, or electronic gaming

must be purchased or leased only from suppliers licensed for such purpose under this Act.

(7) Persons licensed under this Act shall permit no form of wagering on gambling games except as permitted by this Act.

(8) Wagers may be received only from a person present on a licensed riverboat, in a casino, or at an electronic gaming facility. No

person present on a licensed riverboat, in a casino, or at an electronic gaming facility shall place or attempt to place a wager on behalf of another person who is not present on the riverboat, in the casino, or at the electronic gaming facility.

(9) Wagering, including electronic gaming, shall not be conducted with money or other negotiable currency.

(10) A person under age 21 shall not be permitted on an area of a riverboat or casino where gambling is being conducted or at an electronic gaming facility where gambling is being conducted, except for a person at least 18 years of age who is an employee of the riverboat or casino

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gambling operation or electronic gaming operation. No employee under age 21 shall perform any function involved in gambling by the patrons. No person under age 21 shall be permitted to make a wager under this Act.

(11) Gambling excursion cruises are permitted only when the waterway for which the

riverboat is licensed is navigable, as determined by the Board in consultation with the U.S. Army Corps of Engineers. This paragraph (11) does not limit the ability of a licensee to conduct gambling authorized under this Act when gambling excursion cruises are not permitted.

(12) All tokens, chips or electronic cards used to make wagers must be purchased (i) from

a licensed owner or manager, in the case of a riverboat or of a casino either aboard the a riverboat or at the casino or, in the case of a riverboat, at an onshore facility which has been approved by the Board and which is located where the riverboat docks or (ii) from an electronic gaming licensee at the electronic gaming facility. The tokens, chips or electronic cards may be purchased by means of an agreement under which the owner or manager extends credit to the patron. Such tokens, chips or electronic cards may be used while aboard the riverboat, in the casino, or at the electronic gaming facility only for the purpose of making wagers on gambling games.

(13) Notwithstanding any other Section of this Act, in addition to the other licenses

authorized under this Act, the Board may issue special event licenses allowing persons who are not otherwise licensed to conduct riverboat gambling to conduct such gambling on a specified date or series of dates. Riverboat gambling under such a license may take place on a riverboat not normally used for riverboat gambling. The Board shall establish standards, fees and fines for, and limitations upon, such licenses, which may differ from the standards, fees, fines and limitations otherwise applicable under this Act. All such fees shall be deposited into the State Gaming Fund. All such fines shall be deposited into the Education Assistance Fund, created by Public Act 86-0018, of the State of Illinois.

(14) In addition to the above, gambling must be conducted in accordance with all rules

adopted by the Board.

(Source: P.A. 93-28, eff. 6-20-03.)

(230 ILCS 10/11.1) (from Ch. 120, par. 2411.1)

Sec. 11.1. Collection of amounts owing under credit agreements. Notwithstanding any applicable statutory provision to the contrary, a licensed owner, ~~or manager~~ or electronic gaming licensee who extends credit to a riverboat or casino gambling patron or an electronic gaming patron pursuant to Section 11 (a) (12) of this Act is expressly authorized to institute a cause of action to collect any amounts due and owing under the extension of credit, as well as the owner's or manager's costs, expenses and reasonable attorney's fees incurred in collection.

(Source: P.A. 93-28, eff. 6-20-03.)

(230 ILCS 10/12) (from Ch. 120, par. 2412)

Sec. 12. Admission tax; fees.

(a) A tax is hereby imposed upon admissions to riverboats operated by licensed owners and upon admissions to casinos and riverboats operated by casino operators on behalf of the Authority authorized pursuant to this Act. Until July 1, 2002, the rate is \$2 per person admitted. From July 1, 2002 ~~and~~ until July 1, 2003, the rate is \$3 per person admitted. From Beginning July 1, 2003 until the effective date of this amendatory Act of the 93rd General Assembly, for a licensee that admitted 1,000,000 persons or fewer in the previous calendar year, the rate is \$3 per person admitted; for a licensee that admitted more than 1,000,000 but no more than 2,300,000 persons in the previous calendar year, the rate is \$4 per person admitted; and for a licensee that admitted more than 2,300,000 persons in the previous calendar year, the rate is \$5 per person admitted. Beginning on the effective date of this amendatory Act of the 93rd General Assembly, for a licensee that conducted riverboat gambling operations in calendar year 2003 and admitted 1,000,000 persons or fewer in the calendar year 2003, the rate is \$1 per person admitted and for all other licensees, including the Authority, the rate is \$3 per person admitted. Beginning July 1, 2003, for a licensee that admitted 2,300,000 persons or fewer in the previous calendar year, the rate is \$4 per person admitted and for a licensee that admitted more than 2,300,000 persons in

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~~the previous calendar year, the rate is \$5 per person admitted.~~ This admission tax is imposed upon the licensed owner conducting gambling.

(1) The admission tax shall be paid for each admission, except that a person who exits a riverboat gambling facility or a casino and reenters that riverboat gambling facility or casino within the same gaming day, as the term "gaming day" is defined by the Board by rule, shall be subject only to the initial admission tax. The Board shall establish, by rule, a procedure to determine whether a person admitted to a riverboat gambling facility or casino has paid the admission tax.

(2) (Blank).

(3) The riverboat licensee and the Authority may issue tax-free passes to actual and necessary officials

and employees of the licensee or other persons actually working on the riverboat or in the casino.

(4) The number and issuance of tax-free passes is subject to the rules of the Board,

and a list of all persons to whom the tax-free passes are issued shall be filed with the Board.

(a-5) A fee is hereby imposed upon admissions operated by licensed managers on behalf of the State pursuant to Section 7.3 at the rates provided in this subsection (a-5). For a licensee that admitted 1,000,000 persons or fewer in the previous calendar year, the rate is \$3 per person admitted; for a licensee that admitted more than 1,000,000 but no more than 2,300,000 persons in the previous calendar year, the rate is \$4 per person admitted; and for a licensee that admitted more than 2,300,000 persons in the previous calendar year, the rate is \$5 per person admitted.

(1) The admission fee shall be paid for each admission.

(2) (Blank).

(3) The licensed manager may issue fee-free passes to actual and necessary officials

and employees of the manager or other persons actually working on the riverboat.

(4) The number and issuance of fee-free passes is subject to the rules of the Board,

and a list of all persons to whom the fee-free passes are issued shall be filed with the Board.

(b) From the tax imposed under subsection (a) and the fee imposed under subsection (a-5), a municipality shall receive from the State \$1 for each person embarking on a riverboat docked within the municipality or entering a casino located within the municipality, and a county shall receive \$1 for each person entering a casino or embarking on a riverboat docked within the county but outside the boundaries of any municipality. The municipality's or county's share shall be collected by the Board on behalf of the State and remitted quarterly by the State, subject to appropriation, to the treasurer of the unit of local government for deposit in the general fund. For each admission in excess of 1,500,000 in a year, from the tax imposed under this Section, the county in which the licensee's home dock or casino is located shall receive, subject to appropriation, \$0.15, which shall be in addition to any other moneys paid to the county under this Section. \$0.20 shall be paid into the Agricultural Premium Fund, and \$0.15 shall be paid from the State Gaming Fund, subject to appropriation, into the Illinois Community Services Block Grant Fund.

(c) The licensed owner and the licensed casino operator conducting gambling operations on behalf of the Authority shall pay the entire admission tax to the Board and the licensed manager shall pay the entire admission fee to the Board. Such payments shall be made daily. Accompanying each payment shall be a return on forms provided by the Board which shall include other information regarding admissions as the Board may require. Failure to submit either the payment or the return within the specified time may result in suspension or revocation of the owners or managers license.

(d) The Board shall administer and collect the admission tax imposed by this Section, to the extent practicable, in a manner consistent with the provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9 and 10 of the Retailers' Occupation Tax Act and Section 3-7 of the Uniform Penalty and Interest Act.

(Source: P.A. 92-595, eff. 6-28-02; 93-27, eff. 6-20-03; 93-28, eff. 6-20-03; revised 8-1-03.)

(230 ILCS 10/13) (from Ch. 120, par. 2413)

Sec. 13. Wagering tax; rate; distribution.

(a) Until January 1, 1998, a tax is imposed on the ~~adjusted~~ gross gaming receipts received from gambling games authorized under this Act at the rate of 20%.

(a-1) From January 1, 1998 until July 1, 2002, a privilege tax is imposed on persons engaged in the business of conducting riverboat gambling operations, based on the ~~adjusted~~ gross gaming receipts received by a licensed owner from gambling games authorized under this Act at the following rates:

- 15% of annual ~~adjusted~~ gross gaming receipts up to and including \$25,000,000;
- 20% of annual ~~adjusted~~ gross gaming receipts in excess of \$25,000,000 but not exceeding \$50,000,000;
- 25% of annual ~~adjusted~~ gross gaming receipts in excess of \$50,000,000 but not exceeding \$75,000,000;
- 30% of annual ~~adjusted~~ gross gaming receipts in excess of \$75,000,000 but not exceeding \$100,000,000;
- 35% of annual ~~adjusted~~ gross gaming receipts in excess of \$100,000,000.

(a-2) From July 1, 2002 until July 1, 2003, a privilege tax is imposed on persons engaged in the business of conducting riverboat gambling operations, other than licensed managers conducting riverboat gambling operations on behalf of the State, based on the ~~adjusted~~ gross gaming receipts received by a licensed owner from gambling games authorized under this Act at the following rates:

- 15% of annual ~~adjusted~~ gross gaming receipts up to and including \$25,000,000;
- 22.5% of annual ~~adjusted~~ gross gaming receipts in excess of \$25,000,000 but not exceeding \$50,000,000;
- 27.5% of annual ~~adjusted~~ gross gaming receipts in excess of \$50,000,000 but not exceeding \$75,000,000;
- 32.5% of annual ~~adjusted~~ gross gaming receipts in excess of \$75,000,000 but not exceeding \$100,000,000;

37.5% of annual ~~adjusted~~ gross gaming receipts in excess of \$100,000,000 but not exceeding \$150,000,000;

45% of annual ~~adjusted~~ gross gaming receipts in excess of \$150,000,000 but not exceeding \$200,000,000;

50% of annual ~~adjusted~~ gross gaming receipts in excess of \$200,000,000.

(a-3) Beginning July 1, 2003, a privilege tax is imposed on persons engaged in the business of conducting riverboat gambling operations (other than licensed managers conducting riverboat gambling operations on behalf of the State) and on the Authority, based on the ~~adjusted~~ gross gaming receipts received by a licensed owner or by the Authority from gambling games authorized under this Act at the following rates:

- 15% of annual ~~adjusted~~ gross gaming receipts up to and including \$25,000,000;
- 27.5% of annual ~~adjusted~~ gross gaming receipts in excess of \$25,000,000 but not exceeding \$37,500,000;
- 32.5% of annual ~~adjusted~~ gross gaming receipts in excess of \$37,500,000 but not exceeding \$50,000,000;
- 37.5% of annual ~~adjusted~~ gross gaming receipts in excess of \$50,000,000 but not exceeding \$75,000,000;
- 45% of annual ~~adjusted~~ gross gaming receipts in excess of \$75,000,000 but not exceeding \$100,000,000;
- 50% of annual ~~adjusted~~ gross gaming receipts in excess of \$100,000,000 but not exceeding \$250,000,000;
- 70% of annual ~~adjusted~~ gross gaming receipts in excess of \$250,000,000.

An amount equal to the amount of wagering taxes collected under this subsection (a-3) that are in addition to the amount of wagering taxes that would have been collected if the wagering tax rates under subsection (a-2) were in effect shall be paid into the Common School Fund.

The privilege tax imposed under this subsection (a-3) shall no longer be imposed beginning on the earliest earlier of (i) July 1, 2005; (ii) the first date after June 20, 2003 ~~the effective date of this amendatory Act of the 93rd General Assembly~~ that riverboat gambling operations are conducted pursuant to a dormant license; ~~or~~ (iii) the first day that riverboat gambling operations are conducted under the authority of an owners license that is in addition to the 10 owners licenses initially authorized under this Act ; or (iv) the effective date of this amendatory Act of the 93rd General Assembly. For the

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purposes of this subsection (a-3), the term "dormant license" means an owners license that is authorized by this Act under which no riverboat gambling operations are being conducted on June 20, 2003 ~~the effective date of this amendatory Act of the 93rd General Assembly.~~

(a-4) Beginning on the first day on which the tax imposed under subsection (a-3) is no longer imposed, a privilege tax is imposed on persons engaged in the business of conducting riverboat gambling operations (other than licensed managers conducting riverboat gambling operations on behalf of the State) and on the Authority, based on the adjusted gross gaming receipts received by a licensed owner or by the Authority from gambling games authorized under this Act at the following rates:

15% of annual adjusted gross gaming receipts up to and including \$25,000,000;
22.5% of annual adjusted gross gaming receipts in excess of \$25,000,000 but not exceeding \$50,000,000;

27.5% of annual adjusted gross gaming receipts in excess of \$50,000,000 but not exceeding \$75,000,000;

32.5% of annual adjusted gross gaming receipts in excess of \$75,000,000 but not exceeding \$100,000,000;

37.5% of annual adjusted gross gaming receipts in excess of \$100,000,000 but not exceeding \$150,000,000;

45% of annual adjusted gross gaming receipts in excess of \$150,000,000 but not exceeding \$200,000,000;

50% of annual adjusted gross gaming receipts in excess of \$200,000,000.

(a-5) Beginning on the effective date of this amendatory Act of the 93rd General Assembly, a privilege tax is imposed on persons conducting electronic gaming, based on the gross gaming receipts received by an electronic gaming licensee from electronic gaming authorized under this Act at the following rates:

15% of annual gross gaming receipts up to and including \$25,000,000;
22.5% of annual gross gaming receipts in excess of \$25,000,000 but not exceeding \$50,000,000;

27.5% of annual gross gaming receipts in excess of \$50,000,000 but not exceeding \$75,000,000;

32.5% of annual gross gaming receipts in excess of \$75,000,000 but not exceeding \$100,000,000;

37.5% of annual gross gaming receipts in excess of \$100,000,000 but not exceeding \$150,000,000;

45% of annual gross gaming receipts in excess of \$150,000,000 but not exceeding \$200,000,000;

50% of annual gross gaming receipts in excess of \$200,000,000.

(a-8) Riverboat gambling operations conducted by a licensed manager on behalf of the State are not subject to the tax imposed under this Section.

(a-10) The taxes imposed by this Section shall be paid by the licensed owner, or by the casino operator on behalf of the Authority in the case of a license issued to the Authority, or the electronic gaming licensee to the Board not later than 5:00 o'clock p.m. ~~3:00 o'clock p.m.~~ of the day after the day when the wagers were made.

(b) Until January 1, 1998, 25% of the tax revenue deposited in the State Gaming Fund under this Section shall be paid, subject to appropriation by the General Assembly, to the unit of local government which is designated as the home dock of the riverboat. Except as otherwise provided in this subsection (b), beginning ~~Beginning~~ January 1, 1998, from the tax revenue from riverboat and casino gambling deposited in the State Gaming Fund under this Section, an amount equal to 5% of adjusted gross gaming receipts generated by a riverboat and an amount equal to 5% of gross gaming receipts generated by a casino shall be paid monthly, subject to appropriation by the General Assembly, to the unit of local government that is designated as the home dock of the riverboat or to the municipality in which the casino is located. From the tax revenue deposited in the State Gaming Fund pursuant to riverboat gambling operations conducted by a licensed manager on behalf of the State, an amount equal to 5% of adjusted gross gaming receipts generated pursuant to those riverboat gambling operations shall be paid monthly, subject to appropriation by the General Assembly, to the unit of local government that

is designated as the home dock of the riverboat upon which those riverboat gambling operations are conducted.

(b-5) Beginning on the effective date of this amendatory Act of the 93rd General Assembly, from the tax revenue from electronic gaming deposited into the State Gaming Fund under this Section, an amount equal to 5% of the gross gaming receipts generated by an electronic gaming licensee shall be paid monthly, subject to appropriation, to the municipality in which the electronic gaming facility is located. If an electronic gaming facility is not located within a municipality, then an amount equal to 5% of the gross gaming receipts generated by the electronic gaming licensee shall be paid monthly, subject to appropriation, to the county in which the electronic gaming facility is located.

(b-10) Beginning on the effective date of this amendatory Act of the 93rd General Assembly, from the tax revenue from electronic gaming deposited into the State Gaming Fund under this Section, an amount equal to 1% of the gross gaming receipts generated by electronic gaming licensees, but in no event more than \$25,000,000 in any year, shall be paid monthly, subject to appropriation, from the State Gaming Fund into the Illinois Community Services Block Grant Fund.

(b-15) Beginning on the effective date of this amendatory Act of the 93rd General Assembly, after the payments required under subsections (b), (b-5), and (b-10) have been made, the next \$5,000,000 of tax revenue derived each year from electronic gaming shall be paid from the State Gaming Fund into the Compulsive Gambling Prevention Fund, which is hereby created as a special fund in the State treasury. Moneys in the Compulsive Gambling Prevention Fund shall be used, subject to appropriation, by the Department of Human Services as provided in this subsection (b-15). Of the money allocated to the Department of Human Services under this subsection (b-15), 50% shall be used for compulsive gambling programs under Section 5-20 of the Alcoholism and Other Drug Abuse and Dependency Act and 50% shall be used by the Department of Human Service for other social service programs and grants.

(c) Appropriations, as approved by the General Assembly, may be made from the State Gaming Fund to the Department of Revenue and the Department of State Police for the administration and enforcement of this Act, or to the Department of Human Services for the administration of programs to treat problem gambling.

~~(c-5) (Blank). After the payments required under subsections (b) and (c) have been made, an amount equal to 15% of the adjusted gross receipts of (1) an owners licensee that relocates pursuant to Section 11.2, (2) an owners licensee license conducting riverboat gambling operations pursuant to an owners license that is initially issued after June 25, 1999, or (3) the first riverboat gambling operations conducted by a licensed manager on behalf of the State under Section 7.3 7.2, whichever comes first, shall be paid from the State Gaming Fund into the Horse Racing Equity Fund.~~

~~(c-10) (Blank). Each year the General Assembly shall appropriate from the General Revenue Fund to the Education Assistance Fund an amount equal to the amount paid into the Horse Racing Equity Fund pursuant to subsection (c-5) in the prior calendar year.~~

~~(c-15) After the payments required under subsections (b), (b-5), (b-10), (b-15), and (c) ~~and (c-5)~~ have been made, an amount equal to 2% of the adjusted gross gaming receipts of (1) an owners licensee that relocates pursuant to Section 11.2, (2) an owners licensee, other than the Authority, license conducting riverboat gambling operations from a home dock that is located within a home rule county with a population of over 3,000,000 inhabitants pursuant to an owners license that is initially issued after June 25, 1999, or 2 (3) the first riverboat gambling operations conducted by a licensed manager on behalf of the State under Section 7.3 7.2, whichever comes first, shall be paid, subject to appropriation from the General Assembly, from the State Gaming Fund to that county each home rule county with a population of over 3,000,000 inhabitants for the purpose of enhancing the county's criminal justice system.~~

(c-20) Each year the General Assembly shall appropriate from the General Revenue Fund to the Education Assistance Fund an amount equal to the amount paid to each home rule county with a population of over 3,000,000 inhabitants pursuant to subsection (c-15) in the prior calendar year.

(c-25) After the payments required under subsections (b), (b-5), (b-10), (b-15), (c), ~~(c-5)~~ and (c-15) have been made, an amount equal to 2% of the adjusted gross gaming receipts of the riverboat ~~(1) an owners licensee license that relocates pursuant to Section 11.2, (2) an owners licensee, other than the Authority, license conducting riverboat gambling operations pursuant to the first an owners license that is initially issued after June 25, 1999, or (3) the first riverboat gambling operations conducted by a licensed manager on behalf of the State under Section 7.3 7.2, whichever comes first, shall be paid from the State Gaming Fund to Chicago State University. If the State begins conducting a riverboat gambling operation under Section 7.3 before the first owners license is initially issued after June 25, 1999, then the~~

amount paid under this subsection (c-25) shall instead be equal to 2% of the gross gaming receipts arising from that riverboat gambling operation conducted by the State.

(c-30) After the payments required under subsections (b), (b-5), (b-10), (b-15), (c), (c-15), and (c-25) have been made, an aggregate amount equal to 3% of the gross gaming receipts of owners licensees, but in no event more than \$75,000,000 in any year, shall be paid monthly, subject to appropriation by the General Assembly, from the State Gaming Fund into the School Infrastructure Fund for the purpose of funding school construction program grants.

(c-35) After the payments required under subsections (b), (b-5), (b-10), (b-15), (c), (c-15), (c-25), and (c-30) have been made, an amount equal to 1% of the gross gaming receipts of an owners licensee that docks on the Mississippi River, the Illinois River, or the Ohio River shall be paid, subject to appropriation by the General Assembly, from the State Gaming Fund to qualifying municipalities within 50 miles of the home dock of the riverboat. The amount paid under this subsection (c-35) to each qualifying municipality shall be based on the proportion that the number of persons living at or below the poverty level in the qualifying municipality bears to the total number of persons living at or below the poverty level in qualifying municipalities that are within 50 miles of the owners licensee's home dock. If 2 or more owners licensees that dock on the Mississippi River, the Illinois River, or the Ohio River are within 50 miles of each other, payments required under this subsection (c-35) from the gross gaming receipts of those owners licensees shall be commingled and paid to qualifying municipalities that are within 50 miles of at least one of those owners licensee's home docks. For the purposes of this subsection (c-35), the term "qualifying municipality" means a municipality, other than a municipality in which a riverboat docks, in which the poverty rate as determined by using the most recent data released by the United States Census Bureau is at least 3% greater than the State poverty rate as determined by using the most recent data released by the United States Census Bureau.

(c-40) After the payments required under subsections (b), (b-5), (b-10), (b-15), (c), (c-15), (c-25), (c-30), and (c-35) have been made, an amount equal to 1% of the gross gaming receipts of an owners licensee that (i) docks on the Fox River or the Des Plaines River or (ii) is authorized under subsection (e-5) of Section 7, shall be paid, subject to appropriation by the General Assembly, from the State Gaming Fund to qualifying municipalities within 20 miles of the home dock of the riverboat. The amount paid under this subsection (c-40) to each qualifying municipality shall based on the proportion that the number of persons living at or below the poverty level in the qualifying municipality bears to the total number of persons living at or below the poverty level in qualifying municipalities that are within 20 miles of the owners licensee's home dock. If the home docks of 2 or more owners licensees that (i) dock on the Fox River or the Des Plaines River or (ii) are authorized under subsection (e-5) of Section 7 are within 20 miles of each other, payments required under this subsection (c-40) from the gross gaming receipts of those owners licensees shall be commingled and paid to qualifying municipalities that are within 20 miles of at least one of those owners licensee's home docks. For the purposes of this subsection (c-40), the term "qualifying municipality" means a municipality, other than the City of Chicago or a municipality in which a riverboat docks, in which the poverty rate as determined by using the most recent data released by the United States Census Bureau is at least 3% greater than the State poverty rate as determined by using the most recent data released by the United States Census Bureau.

(d) From time to time, the Board shall transfer the remainder of the funds generated by this Act into the Education Assistance Fund, created by Public Act 86-0018, of the State of Illinois.

(e) Nothing in this Act shall prohibit the unit of local government designated as the home dock of the riverboat, or the municipality in which the casino is located, from entering into agreements with other units of local government in this State or in other states to share its portion of the tax revenue.

(f) To the extent practicable, the Board shall administer and collect the wagering taxes imposed by this Section in a manner consistent with the provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, and 10 of the Retailers' Occupation Tax Act and Section 3-7 of the Uniform Penalty and Interest Act.

(Source: P.A. 92-595, eff. 6-28-02; 93-27, eff. 6-20-03; 93-28, eff. 6-20-03; revised 1-28-04.)

(230 ILCS 10/14) (from Ch. 120, par. 2414)

Sec. 14. Licensees - Records - Reports - Supervision.

(a) ~~A~~ Licensed owners, including the Authority, and electronic gaming licensees ~~owner~~ shall keep ~~their his~~ books and records so as to clearly show the following:

- (1) The amount received daily from admission fees.
- (2) The total amount of whole gaming ~~gross~~ receipts.
- (3) The total amount of the ~~adjusted~~ gross gaming receipts.

(b) ~~The Licensed owners, including the Authority, and electronic gaming licensees owner~~ shall furnish to the Board reports and information as the Board may require with respect to its activities on forms designed and supplied for such purpose by the Board.

(c) The books and records kept by a licensed owner or electronic gaming licensee as provided by this Section are public records and the examination, publication, and dissemination of the books and records are governed by the provisions of The Freedom of Information Act.

(Source: P.A. 86-1029.)

(230 ILCS 10/18) (from Ch. 120, par. 2418)

Sec. 18. Prohibited Activities - Penalty.

(a) A person is guilty of a Class A misdemeanor for doing any of the following:

(1) Conducting gambling where wagering is used or to be used without a license issued

by the Board.

(2) Conducting gambling where wagering is permitted other than in the manner specified

by Section 11.

(b) A person is guilty of a Class B misdemeanor for doing any of the following:

(1) permitting a person under 21 years to make a wager; or

(2) violating paragraph (12) of subsection (a) of Section 11 of this Act.

(c) A person wagering or accepting a wager at any location outside the riverboat, casino, or electronic gaming facility in violation of paragraph ~~is subject to the penalties in paragraphs~~ (1) or (2) of subsection (a) of Section 28-1 of the Criminal Code of 1961 ~~is subject to the penalties provided in that Section.~~

(d) A person commits a Class 4 felony and, in addition, shall be barred for life from gambling operations ~~riverboats~~ under the jurisdiction of the Board, if the person does any of the following:

(1) Offers, promises, or gives anything of value or benefit to a person who is

connected with a riverboat or casino owner or electronic gaming licensee including, but not limited to, an officer or employee of a licensed owner or electronic gaming licensee or holder of an occupational license pursuant to an agreement or arrangement or with the intent that the promise or thing of value or benefit will influence the actions of the person to whom the offer, promise, or gift was made in order to affect or attempt to affect the outcome of a gambling game, or to influence official action of a member of the Board.

(2) Solicits or knowingly accepts or receives a promise of anything of value or benefit

while the person is connected with a riverboat, casino, or electronic gaming facility, including, but not limited to, an officer or employee of a licensed owner or electronic gaming licensee, or the holder of an occupational license, pursuant to an understanding or arrangement or with the intent that the promise or thing of value or benefit will influence the actions of the person to affect or attempt to affect the outcome of a gambling game, or to influence official action of a member of the Board.

(3) Uses or possesses with the intent to use a device to assist:

(i) In projecting the outcome of the game.

(ii) In keeping track of the cards played.

(iii) In analyzing the probability of the occurrence of an event relating to the

gambling game.

(iv) In analyzing the strategy for playing or betting to be used in the game except

as permitted by the Board.

(4) Cheats at a gambling game.

(5) Manufactures, sells, or distributes any cards, chips, dice, game or device which is

intended to be used to violate any provision of this Act.

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(6) Alters or misrepresents the outcome of a gambling game on which wagers have been made after the outcome is made sure but before it is revealed to the players.

(7) Places a bet after acquiring knowledge, not available to all players, of the outcome of the gambling game which is subject of the bet or to aid a person in acquiring the knowledge for the purpose of placing a bet contingent on that outcome.

(8) Claims, collects, or takes, or attempts to claim, collect, or take, money or anything of value in or from the gambling games, with intent to defraud, without having made a wager contingent on winning a gambling game, or claims, collects, or takes an amount of money or thing of value of greater value than the amount won.

(9) Uses counterfeit chips or tokens in a gambling game.

(10) Possesses any key or device designed for the purpose of opening, entering, or affecting the operation of a gambling game, drop box, or an electronic or mechanical device connected with the gambling game or for removing coins, tokens, chips or other contents of a gambling game. This paragraph (10) does not apply to a gambling licensee or employee of a gambling licensee acting in furtherance of the employee's employment.

(e) The possession of more than one of the devices described in subsection (d), paragraphs (3), (5) or (10) permits a rebuttable presumption that the possessor intended to use the devices for cheating.

An action to prosecute any crime occurring on a riverboat or in a casino shall be tried in the county of the dock at which the riverboat is based or in the county in which the casino is located.

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

(230 ILCS 10/19) (from Ch. 120, par. 2419)

Sec. 19. Forfeiture of property.

(a) Except as provided in subsection (b), any riverboat or electronic gaming facility used for the conduct of gambling games in violation of this Act shall be considered a gambling place in violation of Section 28-3 of the Criminal Code of 1961, as now or hereafter amended. Every gambling device found on a riverboat or at an electronic gaming facility operating gambling games in violation of this Act and every slot machine found at an electronic gaming facility operating gambling games in violation of this Act shall be subject to seizure, confiscation and destruction as provided in Section 28-5 of the Criminal Code of 1961, as now or hereafter amended.

(b) It is not a violation of this Act for a riverboat or other watercraft which is licensed for gaming by a contiguous state to dock on the shores of this State if the municipality having jurisdiction of the shores, or the county in the case of unincorporated areas, has granted permission for docking and no gaming is conducted on the riverboat or other watercraft while it is docked on the shores of this State. No gambling device shall be subject to seizure, confiscation or destruction if the gambling device is located on a riverboat or other watercraft which is licensed for gaming by a contiguous state and which is docked on the shores of this State if the municipality having jurisdiction of the shores, or the county in the case of unincorporated areas, has granted permission for docking and no gaming is conducted on the riverboat or other watercraft while it is docked on the shores of this State.

(Source: P.A. 86-1029.)

(230 ILCS 10/20) (from Ch. 120, par. 2420)

Sec. 20. Prohibited activities - civil penalties. Any person who conducts a gambling operation without first obtaining a license to do so, or who continues to conduct such games after revocation of his license, or any licensee who conducts or allows to be conducted any unauthorized gambling games on a riverboat, in a casino, or at an electronic gaming facility where it is authorized to conduct its ~~riverboat~~ gambling operation, in addition to other penalties provided, shall be subject to a civil penalty equal to the amount of whole gaming gross receipts derived from wagering on the gambling games, whether unauthorized or authorized, conducted on that day as well as confiscation and forfeiture of all gambling game equipment used in the conduct of unauthorized gambling games.

(Source: P.A. 86-1029.)

(230 ILCS 10/23) (from Ch. 120, par. 2423)

Sec. 23. The State Gaming Fund. On or after the effective date of this Act, all of the fees and taxes collected pursuant to subsections of this Act shall be deposited into the State Gaming Fund, a special fund in the State Treasury, which is hereby created. The ~~adjusted~~ gross gaming receipts of any riverboat gambling operations conducted by a licensed manager on behalf of the State remaining after the payment of the fees and expenses of the licensed manager shall be deposited into the State Gaming Fund. Fines and penalties collected pursuant to this Act shall be deposited into the Education Assistance Fund, created by Public Act 86-0018, of the State of Illinois.

(Source: P.A. 93-28, eff. 6-20-03.)

Section 935. The Liquor Control Act of 1934 is amended by changing Sections 5-1 and 6-30 as follows:

(235 ILCS 5/5-1) (from Ch. 43, par. 115)

Sec. 5-1. Licenses issued by the Illinois Liquor Control Commission shall be of the following classes:

(a) Manufacturer's license - Class 1. Distiller, Class 2. Rectifier, Class 3. Brewer, Class 4. First Class Wine Manufacturer, Class 5. Second Class Wine Manufacturer, Class 6. First Class Winemaker, Class 7. Second Class Winemaker, Class 8. Limited Wine Manufacturer,

(b) Distributor's license,

(c) Importing Distributor's license,

(d) Retailer's license,

(e) Special Event Retailer's license (not-for-profit),

(f) Railroad license,

(g) Boat license,

(h) Non-Beverage User's license,

(i) Wine-maker's premises license,

(j) Airplane license,

(k) Foreign importer's license,

(l) Broker's license,

(m) Non-resident dealer's license,

(n) Brew Pub license,

(o) Auction liquor license,

(p) Caterer retailer license,

(q) Special use permit license.

No person, firm, partnership, corporation, or other legal business entity that is engaged in the manufacturing of wine may concurrently obtain and hold a wine-maker's license and a wine manufacturer's license.

(a) A manufacturer's license shall allow the manufacture, importation in bulk, storage, distribution and sale of alcoholic liquor to persons without the State, as may be permitted by law and to licensees in this State as follows:

Class 1. A Distiller may make sales and deliveries of alcoholic liquor to distillers, rectifiers, importing distributors, distributors and non-beverage users and to no other licensees.

Class 2. A Rectifier, who is not a distiller, as defined herein, may make sales and deliveries of alcoholic liquor to rectifiers, importing distributors, distributors, retailers and non-beverage users and to no other licensees.

Class 3. A Brewer may make sales and deliveries of beer to importing distributors, distributors, and to non-licensees, and to retailers provided the brewer obtains an importing distributor's license or distributor's license in accordance with the provisions of this Act.

Class 4. A first class wine-manufacturer may make sales and deliveries of up to 50,000 gallons of wine to manufacturers, importing distributors and distributors, and to no other licensees.

Class 5. A second class Wine manufacturer may make sales and deliveries of more than 50,000 gallons of wine to manufacturers, importing distributors and distributors and to no other licensees.

Class 6. A first-class wine-maker's license shall allow the manufacture of up to 50,000 gallons of wine per year, and the storage and sale of such wine to distributors in the State and to persons without the State, as may be permitted by law. A first-class wine-maker's license shall allow the sale of no more than 5,000 gallons of the licensee's wine to retailers. The State Commission shall issue only one first-class wine-maker's license to any person, firm, partnership, corporation, or other legal business entity that is engaged in the making of less than 50,000 gallons of wine annually that applies for a first-class wine-maker's license. No subsidiary or affiliate thereof, nor any officer, associate, member,

partner, representative, employee, agent, or shareholder may be issued an additional wine-maker's license by the State Commission.

Class 7. A second-class wine-maker's license shall allow the manufacture of between 50,000 and 100,000 gallons of wine per year, and the storage and sale of such wine to distributors in this State and to persons without the State, as may be permitted by law. A second-class wine-maker's license shall allow the sale of no more than 10,000 gallons of the licensee's wine directly to retailers. The State Commission shall issue only one second-class wine-maker's license to any person, firm, partnership, corporation, or other legal business entity that is engaged in the making of less than 100,000 gallons of wine annually that applies for a second-class wine-maker's license. No subsidiary or affiliate thereof, or any officer, associate, member, partner, representative, employee, agent, or shareholder may be issued an additional wine-maker's license by the State Commission.

Class 8. A limited wine-manufacturer may make sales and deliveries not to exceed 40,000 gallons of wine per year to distributors, and to non-licensees in accordance with the provisions of this Act.

(a-1) A manufacturer which is licensed in this State to make sales or deliveries of alcoholic liquor and which enlists agents, representatives, or individuals acting on its behalf who contact licensed retailers on a regular and continual basis in this State must register those agents, representatives, or persons acting on its behalf with the State Commission.

Registration of agents, representatives, or persons acting on behalf of a manufacturer is fulfilled by submitting a form to the Commission. The form shall be developed by the Commission and shall include the name and address of the applicant, the name and address of the manufacturer he or she represents, the territory or areas assigned to sell to or discuss pricing terms of alcoholic liquor, and any other questions deemed appropriate and necessary. All statements in the forms required to be made by law or by rule shall be deemed material, and any person who knowingly misstates any material fact under oath in an application is guilty of a Class B misdemeanor. Fraud, misrepresentation, false statements, misleading statements, evasions, or suppression of material facts in the securing of a registration are grounds for suspension or revocation of the registration.

(b) A distributor's license shall allow the wholesale purchase and storage of alcoholic liquors and sale of alcoholic liquors to licensees in this State and to persons without the State, as may be permitted by law.

(c) An importing distributor's license may be issued to and held by those only who are duly licensed distributors, upon the filing of an application by a duly licensed distributor, with the Commission and the Commission shall, without the payment of any fee, immediately issue such importing distributor's license to the applicant, which shall allow the importation of alcoholic liquor by the licensee into this State from any point in the United States outside this State, and the purchase of alcoholic liquor in barrels, casks or other bulk containers and the bottling of such alcoholic liquors before resale thereof, but all bottles or containers so filled shall be sealed, labeled, stamped and otherwise made to comply with all provisions, rules and regulations governing manufacturers in the preparation and bottling of alcoholic liquors. The importing distributor's license shall permit such licensee to purchase alcoholic liquor from Illinois licensed non-resident dealers and foreign importers only.

(d) A retailer's license shall allow the licensee to sell and offer for sale at retail, only in the premises specified in such license, alcoholic liquor for use or consumption, but not for resale in any form: Provided that any retail license issued to a manufacturer shall only permit such manufacturer to sell beer at retail on the premises actually occupied by such manufacturer.

After January 1, 1995 there shall be 2 classes of licenses issued under a retailers license.

(1) A "retailers on premise consumption license" shall allow the licensee to sell and

offer for sale at retail, only on the premises specified in the license, alcoholic liquor for use or consumption on the premises or on and off the premises, but not for resale in any form.

(2) An "off premise sale license" shall allow the licensee to sell, or offer for sale

at retail, alcoholic liquor intended only for off premise consumption and not for resale in any form.

Notwithstanding any other provision of this subsection (d), a retail licensee may sell alcoholic liquors to a special event retailer licensee for resale to the extent permitted under subsection (e).

(e) A special event retailer's license (not-for-profit) shall permit the licensee to purchase alcoholic liquors from an Illinois licensed distributor (unless the licensee purchases less than \$500 of alcoholic liquors for the special event, in which case the licensee may purchase the alcoholic liquors from a licensed retailer) and shall allow the licensee to sell and offer for sale, at retail, alcoholic liquors for use or consumption, but not for resale in any form and only at the location and on the specific dates designated for the special event in the license. An applicant for a special event retailer license must (i) furnish with the application: (A) a resale number issued under Section 2c of the Retailers' Occupation Tax Act or evidence that the applicant is registered under Section 2a of the Retailers' Occupation Tax Act, (B) a current, valid exemption identification number issued under Section 1g of the Retailers' Occupation Tax Act, and a certification to the Commission that the purchase of alcoholic liquors will be a tax-exempt purchase, or (C) a statement that the applicant is not registered under Section 2a of the Retailers' Occupation Tax Act, does not hold a resale number under Section 2c of the Retailers' Occupation Tax Act, and does not hold an exemption number under Section 1g of the Retailers' Occupation Tax Act, in which event the Commission shall set forth on the special event retailer's license a statement to that effect; (ii) submit with the application proof satisfactory to the State Commission that the applicant will provide dram shop liability insurance in the maximum limits; and (iii) show proof satisfactory to the State Commission that the applicant has obtained local authority approval.

(f) A railroad license shall permit the licensee to import alcoholic liquors into this State from any point in the United States outside this State and to store such alcoholic liquors in this State; to make wholesale purchases of alcoholic liquors directly from manufacturers, foreign importers, distributors and importing distributors from within or outside this State; and to store such alcoholic liquors in this State; provided that the above powers may be exercised only in connection with the importation, purchase or storage of alcoholic liquors to be sold or dispensed on a club, buffet, lounge or dining car operated on an electric, gas or steam railway in this State; and provided further, that railroad licensees exercising the above powers shall be subject to all provisions of Article VIII of this Act as applied to importing distributors. A railroad license shall also permit the licensee to sell or dispense alcoholic liquors on any club, buffet, lounge or dining car operated on an electric, gas or steam railway regularly operated by a common carrier in this State, but shall not permit the sale for resale of any alcoholic liquors to any licensee within this State. A license shall be obtained for each car in which such sales are made.

(g) A boat license shall allow the sale of alcoholic liquor in individual drinks, on any passenger boat regularly operated as a common carrier on navigable waters in this State or on any riverboat operated under the Riverboat and Casino Gambling Act, which boat or riverboat maintains a public dining room or restaurant thereon.

(h) A non-beverage user's license shall allow the licensee to purchase alcoholic liquor from a licensed manufacturer or importing distributor, without the imposition of any tax upon the business of such licensed manufacturer or importing distributor as to such alcoholic liquor to be used by such licensee solely for the non-beverage purposes set forth in subsection (a) of Section 8-1 of this Act, and such licenses shall be divided and classified and shall permit the purchase, possession and use of limited and stated quantities of alcoholic liquor as follows:

Class 1, not to exceed	500 gallons
Class 2, not to exceed	1,000 gallons
Class 3, not to exceed	5,000 gallons
Class 4, not to exceed	10,000 gallons
Class 5, not to exceed	50,000 gallons

(i) A wine-maker's premises license shall allow a licensee that concurrently holds a first-class wine-maker's license to sell and offer for sale at retail in the premises specified in such license not more than 50,000 gallons of the first-class wine-maker's wine that is made at the first-class wine-maker's licensed premises per year for use or consumption, but not for resale in any form. A wine-maker's premises license shall allow a licensee who concurrently holds a second-class wine-maker's license to sell and offer for sale at retail in the premises specified in such license up to 100,000 gallons of the second-class wine-maker's wine that is made at the second-class wine-maker's licensed premises per year for use or consumption but not for resale in any form. Upon approval from the State Commission, a wine-maker's premises license shall allow the licensee to sell and offer for sale at (i) the wine-maker's

licensed premises and (ii) at up to 2 additional locations for use and consumption and not for resale. Each location shall require additional licensing per location as specified in Section 5-3 of this Act.

(j) An airplane license shall permit the licensee to import alcoholic liquors into this State from any point in the United States outside this State and to store such alcoholic liquors in this State; to make wholesale purchases of alcoholic liquors directly from manufacturers, foreign importers, distributors and importing distributors from within or outside this State; and to store such alcoholic liquors in this State; provided that the above powers may be exercised only in connection with the importation, purchase or storage of alcoholic liquors to be sold or dispensed on an airplane; and provided further, that airplane licensees exercising the above powers shall be subject to all provisions of Article VIII of this Act as applied to importing distributors. An airplane licensee shall also permit the sale or dispensing of alcoholic liquors on any passenger airplane regularly operated by a common carrier in this State, but shall not permit the sale for resale of any alcoholic liquors to any licensee within this State. A single airplane license shall be required of an airline company if liquor service is provided on board aircraft in this State. The annual fee for such license shall be as determined in Section 5-3.

(k) A foreign importer's license shall permit such licensee to purchase alcoholic liquor from Illinois licensed non-resident dealers only, and to import alcoholic liquor other than in bulk from any point outside the United States and to sell such alcoholic liquor to Illinois licensed importing distributors and to no one else in Illinois; provided that the foreign importer registers with the State Commission every brand of alcoholic liquor that it proposes to sell to Illinois licensees during the license period and provided further that the foreign importer complies with all of the provisions of Section 6-9 of this Act with respect to registration of such Illinois licensees as may be granted the right to sell such brands at wholesale.

(l) (i) A broker's license shall be required of all persons who solicit orders for, offer to sell or offer to supply alcoholic liquor to retailers in the State of Illinois, or who offer to retailers to ship or cause to be shipped or to make contact with distillers, rectifiers, brewers or manufacturers or any other party within or without the State of Illinois in order that alcoholic liquors be shipped to a distributor, importing distributor or foreign importer, whether such solicitation or offer is consummated within or without the State of Illinois.

No holder of a retailer's license issued by the Illinois Liquor Control Commission shall purchase or receive any alcoholic liquor, the order for which was solicited or offered for sale to such retailer by a broker unless the broker is the holder of a valid broker's license.

The broker shall, upon the acceptance by a retailer of the broker's solicitation of an order or offer to sell or supply or deliver or have delivered alcoholic liquors, promptly forward to the Illinois Liquor Control Commission a notification of said transaction in such form as the Commission may by regulations prescribe.

(ii) A broker's license shall be required of a person within this State, other than a retail licensee, who, for a fee or commission, promotes, solicits, or accepts orders for alcoholic liquor, for use or consumption and not for resale, to be shipped from this State and delivered to residents outside of this State by an express company, common carrier, or contract carrier. This Section does not apply to any person who promotes, solicits, or accepts orders for wine as specifically authorized in Section 6-29 of this Act.

A broker's license under this subsection (1) shall not entitle the holder to buy or sell any alcoholic liquors for his own account or to take or deliver title to such alcoholic liquors.

This subsection (1) shall not apply to distributors, employees of distributors, or employees of a manufacturer who has registered the trademark, brand or name of the alcoholic liquor pursuant to Section 6-9 of this Act, and who regularly sells such alcoholic liquor in the State of Illinois only to its registrants thereunder.

Any agent, representative, or person subject to registration pursuant to subsection (a-1) of this Section shall not be eligible to receive a broker's license.

(m) A non-resident dealer's license shall permit such licensee to ship into and warehouse alcoholic liquor into this State from any point outside of this State, and to sell such alcoholic liquor to Illinois licensed foreign importers and importing distributors and to no one else in this State; provided that said non-resident dealer shall register with the Illinois Liquor Control Commission each and every brand of alcoholic liquor which it proposes to sell to Illinois licensees during the license period; and further provided that it shall comply with all of the provisions of Section 6-9 hereof with respect to registration of such Illinois licensees as may be granted the right to sell such brands at wholesale.

(n) A brew pub license shall allow the licensee to manufacture beer only on the premises specified in the license, to make sales of the beer manufactured on the premises to importing distributors, distributors, and to non-licensees for use and consumption, to store the beer upon the premises, and to

sell and offer for sale at retail from the licensed premises, provided that a brew pub licensee shall not sell for off-premises consumption more than 50,000 gallons per year.

(o) A caterer retailer license shall allow the holder to serve alcoholic liquors as an incidental part of a food service that serves prepared meals which excludes the serving of snacks as the primary meal, either on or off-site whether licensed or unlicensed.

(p) An auction liquor license shall allow the licensee to sell and offer for sale at auction wine and spirits for use or consumption, or for resale by an Illinois liquor licensee in accordance with provisions of this Act. An auction liquor license will be issued to a person and it will permit the auction liquor licensee to hold the auction anywhere in the State. An auction liquor license must be obtained for each auction at least 14 days in advance of the auction date.

(q) A special use permit license shall allow an Illinois licensed retailer to transfer a portion of its alcoholic liquor inventory from its retail licensed premises to the premises specified in the license hereby created, and to sell or offer for sale at retail, only in the premises specified in the license hereby created, the transferred alcoholic liquor for use or consumption, but not for resale in any form. A special use permit license may be granted for the following time periods: one day or less; 2 or more days to a maximum of 15 days per location in any 12 month period. An applicant for the special use permit license must also submit with the application proof satisfactory to the State Commission that the applicant will provide dram shop liability insurance to the maximum limits and have local authority approval.

(Source: P.A. 91-357, eff. 7-29-99; 92-105, eff. 1-1-02; 92-378, eff. 8-16-01; 92-651, eff. 7-11-02; 92-672, eff. 7-16-02.)

(235 ILCS 5/6-30) (from Ch. 43, par. 144f)

Sec. 6-30. Notwithstanding any other provision of this Act, the Illinois Gaming Board shall have exclusive authority to establish the hours for sale and consumption of alcoholic liquor on board a riverboat during riverboat gambling excursions and in a casino conducted in accordance with the Riverboat and Casino Gambling Act.

(Source: P.A. 87-826.)

Section 940. The Criminal Code of 1961 is amended by changing Sections 28-1, 28-1.1, 28-3, 28-5 and 28-7 as follows:

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

Sec. 28-1. Gambling.

(a) A person commits gambling when he:

(1) Plays a game of chance or skill for money or other thing of value, unless excepted

in subsection (b) of this Section; or

(2) Makes a wager upon the result of any game, contest, or any political nomination, appointment or election; or

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

(4) Contracts to have or give himself or another the option to buy or sell, or

contracts to buy or sell, at a future time, any grain or other commodity whatsoever, or any stock or security of any company, where it is at the time of making such contract intended by both parties thereto that the contract to buy or sell, or the option, whenever exercised, or the contract resulting therefrom, shall be settled, not by the receipt or delivery of such property, but by the payment only of differences in prices thereof; however, the issuance, purchase, sale, exercise, endorsement or guarantee, by or through a person registered with the Secretary of State pursuant to Section 8 of the Illinois Securities Law of 1953, or by or through a person exempt from such registration under said Section 8, of a put, call, or other option to buy or sell securities which have been registered with the Secretary of State or which are exempt from such registration under Section 3 of the Illinois Securities Law of 1953 is not gambling within the meaning of this paragraph (4); or

(5) Knowingly owns or possesses any book, instrument or apparatus by means of which

bets or wagers have been, or are, recorded or registered, or knowingly possesses any money which he has received in the course of a bet or wager; or

(6) Sells pools upon the result of any game or contest of skill or chance, political nomination, appointment or election; or

(7) Sets up or promotes any lottery or sells, offers to sell or transfers any ticket or share for any lottery; or

(8) Sets up or promotes any policy game or sells, offers to sell or knowingly possesses or transfers any policy ticket, slip, record, document or other similar device; or

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

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

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

(12) Knowingly establishes, maintains, or operates an Internet site that permits a person to play a game of chance or skill for money or other thing of value by means of the Internet or to make a wager upon the result of any game, contest, political nomination, appointment, or election by means of the Internet.

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

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

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

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

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

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

(6) Lotteries when conducted by the State of Illinois in accordance with the Illinois

Lottery Law;

(7) Possession of an antique slot machine that is neither used nor intended to be used

in the operation or promotion of any unlawful gambling activity or enterprise. For the purpose of this subparagraph (b)(7), an antique slot machine is one manufactured 25 years ago or earlier;

(8) Raffles when conducted in accordance with the Raffles Act;

(9) Charitable games when conducted in accordance with the Charitable Games Act;

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

Act; or

(11) Gambling games ~~conducted on riverboats~~ when authorized by the Riverboat and Casino Gambling Act.

(c) Sentence.

Gambling under subsection (a)(1) or (a)(2) of this Section is a Class A misdemeanor. Gambling under any of subsections (a)(3) through (a)(11) of this Section is a Class A misdemeanor. A second or subsequent conviction under any of subsections (a)(3) through (a)(11), is a Class 4 felony. Gambling under subsection (a)(12) of this Section is a Class A misdemeanor. A second or subsequent conviction under subsection (a)(12) is a Class 4 felony.

(d) Circumstantial evidence.

In prosecutions under subsection (a)(1) through (a)(12) of this Section circumstantial evidence shall have the same validity and weight as in any criminal prosecution.

(Source: P.A. 91-257, eff. 1-1-00.)

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

Sec. 28-1.1. Syndicated gambling.

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

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

(c) A person "operates a policy game" when he knowingly uses any premises or property for the purpose of receiving or knowingly does receive from what is commonly called "policy":

(1) money from a person other than the better or player whose bets or plays are

represented by such money; or

(2) written "policy game" records, made or used over any period of time, from a person

other than the better or player whose bets or plays are represented by such written record.

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

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

(1) Agreements to compensate for loss caused by the happening of chance including

without limitation contracts of indemnity or guaranty and life or health or accident insurance; and

(2) Offers of prizes, award or compensation to the actual contestants in any bona fide

contest for the determination of skill, speed, strength or endurance or to the owners of animals or vehicles entered in such contest; and

- (3) Pari-mutuel betting as authorized by law of this State; and
- (4) Manufacture of gambling devices, including the acquisition of essential parts

therefor and the assembly thereof, for transportation in interstate or foreign commerce to any place outside this State when such transportation is not prohibited by any applicable Federal law; and

- (5) Raffles when conducted in accordance with the Raffles Act; and
- (6) Gambling games conducted on riverboats or in casinos when authorized by the Riverboat and Casino Gambling

Act.

- (f) Sentence. Syndicated gambling is a Class 3 felony.
(Source: P.A. 86-1029; 87-435.)

(720 ILCS 5/28-3) (from Ch. 38, par. 28-3)

Sec. 28-3. Keeping a Gambling Place. A "gambling place" is any real estate, vehicle, boat or any other property whatsoever used for the purposes of gambling other than gambling conducted in the manner authorized by the Riverboat and Casino Gambling Act. Any person who knowingly permits any premises or property owned or occupied by him or under his control to be used as a gambling place commits a Class A misdemeanor. Each subsequent offense is a Class 4 felony. When any premises is determined by the circuit court to be a gambling place:

- (a) Such premises is a public nuisance and may be proceeded against as such, and
- (b) All licenses, permits or certificates issued by the State of Illinois or any subdivision or public agency thereof authorizing the serving of food or liquor on such premises shall be void; and no license, permit or certificate so cancelled shall be reissued for such premises for a period of 60 days thereafter; nor shall any person convicted of keeping a gambling place be reissued such license for one year from his conviction and, after a second conviction of keeping a gambling place, any such person shall not be reissued such license, and

(c) Such premises of any person who knowingly permits thereon a violation of any Section of this Article shall be held liable for, and may be sold to pay any unsatisfied judgment that may be recovered and any unsatisfied fine that may be levied under any Section of this Article.

(Source: P.A. 86-1029.)

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

Sec. 28-5. Seizure of gambling devices and gambling funds.

(a) Every device designed for gambling which is incapable of lawful use or every device used unlawfully for gambling shall be considered a "gambling device", and shall be subject to seizure, confiscation and destruction by the Department of State Police or by any municipal, or other local authority, within whose jurisdiction the same may be found. As used in this Section, a "gambling device" includes any slot machine, and includes any machine or device constructed for the reception of money or other thing of value and so constructed as to return, or to cause someone to return, on chance to the player thereof money, property or a right to receive money or property. With the exception of any device designed for gambling which is incapable of lawful use, no gambling device shall be forfeited or destroyed unless an individual with a property interest in said device knows of the unlawful use of the device.

(b) Every gambling device shall be seized and forfeited to the county wherein such seizure occurs. Any money or other thing of value integrally related to acts of gambling shall be seized and forfeited to the county wherein such seizure occurs.

(c) If, within 60 days after any seizure pursuant to subparagraph (b) of this Section, a person having any property interest in the seized property is charged with an offense, the court which renders judgment upon such charge shall, within 30 days after such judgment, conduct a forfeiture hearing to determine whether such property was a gambling device at the time of seizure. Such hearing shall be commenced by a written petition by the State, including material allegations of fact, the name and address of every person determined by the State to have any property interest in the seized property, a representation that written notice of the date, time and place of such hearing has been mailed to every such person by certified mail at least 10 days before such date, and a request for forfeiture. Every such person may appear as a party and present evidence at such hearing. The quantum of proof required shall

be a preponderance of the evidence, and the burden of proof shall be on the State. If the court determines that the seized property was a gambling device at the time of seizure, an order of forfeiture and disposition of the seized property shall be entered: a gambling device shall be received by the State's Attorney, who shall effect its destruction, except that valuable parts thereof may be liquidated and the resultant money shall be deposited in the general fund of the county wherein such seizure occurred; money and other things of value shall be received by the State's Attorney and, upon liquidation, shall be deposited in the general fund of the county wherein such seizure occurred. However, in the event that a defendant raises the defense that the seized slot machine is an antique slot machine described in subparagraph (b) (7) of Section 28-1 of this Code and therefore he is exempt from the charge of a gambling activity participant, the seized antique slot machine shall not be destroyed or otherwise altered until a final determination is made by the Court as to whether it is such an antique slot machine. Upon a final determination by the Court of this question in favor of the defendant, such slot machine shall be immediately returned to the defendant. Such order of forfeiture and disposition shall, for the purposes of appeal, be a final order and judgment in a civil proceeding.

(d) If a seizure pursuant to subparagraph (b) of this Section is not followed by a charge pursuant to subparagraph (c) of this Section, or if the prosecution of such charge is permanently terminated or indefinitely discontinued without any judgment of conviction or acquittal (1) the State's Attorney shall commence an in rem proceeding for the forfeiture and destruction of a gambling device, or for the forfeiture and deposit in the general fund of the county of any seized money or other things of value, or both, in the circuit court and (2) any person having any property interest in such seized gambling device, money or other thing of value may commence separate civil proceedings in the manner provided by law.

(e) Any gambling device displayed for sale to a riverboat gambling operation or a casino gambling operation or used to train occupational licensees of a riverboat gambling operation or a casino gambling operation as authorized under the Riverboat and Casino Gambling Act, is exempt from seizure under this Section.

(f) Any gambling equipment, devices and supplies provided by a licensed supplier in accordance with the Riverboat and Casino Gambling Act which are removed from ~~a~~ a riverboat , casino, or electronic gaming facility for repair are exempt from seizure under this Section.

(Source: P.A. 87-826.)

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

Sec. 28-7. Gambling contracts void.

(a) All promises, notes, bills, bonds, covenants, contracts, agreements, judgments, mortgages, or other securities or conveyances made, given, granted, drawn, or entered into, or executed by any person whatsoever, where the whole or any part of the consideration thereof is for any money or thing of value, won or obtained in violation of any Section of this Article are null and void.

(b) Any obligation void under this Section may be set aside and vacated by any court of competent jurisdiction, upon a complaint filed for that purpose, by the person so granting, giving, entering into, or executing the same, or by his executors or administrators, or by any creditor, heir, legatee, purchaser or other person interested therein; or if a judgment, the same may be set aside on motion of any person stated above, on due notice thereof given.

(c) No assignment of any obligation void under this Section may in any manner affect the defense of the person giving, granting, drawing, entering into or executing such obligation, or the remedies of any person interested therein.

(d) This Section shall not prevent a licensed owner of a riverboat gambling operation or a casino gambling operation or an electronic gaming licensee under the Riverboat Gambling Act and the Illinois Horse Racing Act of 1975 from instituting a cause of action to collect any amount due and owing under an extension of credit to a ~~riverboat~~ gambling patron as authorized under Section 11.1 of the Riverboat and Casino Gambling Act.

(Source: P.A. 87-826.)

Section 945. The Travel Promotion Consumer Protection Act is amended by changing Section 2 as follows:

(815 ILCS 420/2) (from Ch. 121 1/2, par. 1852)

Sec. 2. Definitions.

(a) "Travel promoter" means a person, including a tour operator, who sells, provides, furnishes, contracts for, arranges or advertises that he or she will arrange wholesale or retail transportation by air, land, sea or navigable stream, either separately or in conjunction with other services. "Travel promoter" does not include (1) an air carrier; (2) a sea carrier; (3) an officially appointed agent of an air carrier who

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is a member in good standing of the Airline Reporting Corporation; (4) a travel promoter who has in force \$1,000,000 or more of liability insurance coverage for professional errors and omissions and a surety bond or equivalent surety in the amount of \$100,000 or more for the benefit of consumers in the event of a bankruptcy on the part of the travel promoter; or (5) a riverboat subject to regulation under the Riverboat and Casino Gambling Act.

(b) "Advertise" means to make any representation in the solicitation of passengers and includes communication with other members of the same partnership, corporation, joint venture, association, organization, group or other entity.

(c) "Passenger" means a person on whose behalf money or other consideration has been given or is to be given to another, including another member of the same partnership, corporation, joint venture, association, organization, group or other entity, for travel.

(d) "Ticket or voucher" means a writing or combination of writings which is itself good and sufficient to obtain transportation and other services for which the passenger has contracted.

(Source: P.A. 91-357, eff. 7-29-99.)

Section 950. The State Finance Act is amended by adding Sections 5.625, and 5.626, and 6z-62 as follows:

(30 ILCS 105/5.625 new)

Sec. 5.625. The Compulsive Gambling Prevention Fund.

(30 ILCS 105/5.626 new)

Sec. 5.626. The Illinois Community Services Block Grant Fund.

(30 ILCS 105/6z-62 new)

Sec. 6z-62. Illinois Community Services Block Grant Fund. There is hereby created in the State Treasury a special fund to be known as the Illinois Community Services Block Grant Fund. Moneys deposited into the Fund shall, subject to appropriation, be used by the Department of Commerce and Economic Opportunity for programs in the same manner as programs financed with federal Community Services Block Grant funds as set forth under item (F) of subsection (1) of Section 605-400 of the Department of Commerce and Economic Opportunity Law of the Civil Administrative Code of Illinois.

(230 ILCS 5/32.1 rep.) (230 ILCS 5/54 rep.)

Section 955. The Illinois Horse Racing Act is amended by repealing Sections 32.1 and 54.

(230 ILCS 10/11.2 rep.)

Section 960. The Riverboat Gambling Act is amended by repealing Section 11.2.

Section 999. Effective date. This Act takes effect upon becoming law."

Senator Jacobs moved that the foregoing amendment be ordered to lie on the table.

The motion to table prevailed.

Senator Jacobs offered the following amendment:

AMENDMENT NO. 2

AMENDMENT NO. 2. Amend House Bill 1067 by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the Chicago Casino Development Authority Act.

Section 5. Definitions. As used in this Act:

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

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

"Casino" means one or more temporary land-based or river-based facilities and a permanent land-based facility, at each of which lawful gambling is authorized and licensed as provided in the Riverboat and Casino Gambling Act.

"City" means the City of Chicago.

"Casino operator" means any person developing or managing a casino pursuant to a casino development and management contract.

"Casino development and management contract" means a legally binding agreement between the Board and one or more casino operators, as specified in Section 45 of this Act.

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

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"Gaming Board" means the Illinois Gaming Board created by the Riverboat and Casino Gambling Act.

"Mayor" means the Mayor of the City.

Section 15. Board.

(a) The governing and administrative powers of the Authority shall be vested in a body known as the Chicago Casino Development Board. The Board shall consist of 5 members, each of whom shall be appointed by the Mayor, subject to advice and consent by the corporate authorities of the City, after the completion of a background investigation and approval by the Illinois Gaming Board. One of these members shall be designated by the Mayor to serve as chairperson. If the corporate authorities fail to approve or reject a proposed appointment within 45 days after the Mayor has submitted the proposed appointment to the corporate authorities, the corporate authorities shall be deemed to have given consent to the appointment. All of the members shall be residents of the City.

(b) A Board member shall not hold any other public office under the laws or Constitution of this State or any political subdivision thereof.

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

Section 20. Terms of appointments; resignation and removal.

(a) The Mayor shall appoint 2 members of the Board for initial terms expiring July 1, 2005, 2 members for initial terms expiring July 1, 2007, and one member, who shall serve as chairperson, for an initial term expiring July 1, 2009. At the expiration of the term of any member, his or her successor shall be appointed by the Mayor in like manner as appointments for the initial terms.

(b) All successors shall hold office for a term of 5 years from the first day of July of the year in which they are appointed, except in the case of an appointment to fill a vacancy. All subsequent chairpersons shall hold office for a term of 5 years. Each member, including the chairperson, shall hold office until the expiration of his or her term and until his or her successor is appointed. Nothing shall preclude a member or a chairperson from serving consecutive terms. Any member may resign from his or her office, to take effect when his or her successor has been appointed and has qualified.

(c) The Mayor may remove any member of the Board upon a finding of incompetence, neglect of duty, misfeasance or malfeasance in office, or for a violation of Ethics Section 32, on the part of the board member to be removed. In addition the Gaming Board may remove any member of the Board for violation of any provision of the Riverboat and Casino Gambling Act or the rules and regulations of the Gaming Board. In case of a member's failure to qualify within the time required or abandonment of his or her office, or in the case of a member's death, indictment, or conviction for, or pleading guilty to, a felony or removal from office, his or her office shall become vacant. Each vacancy shall be filled for the unexpired term by appointment in like manner, as in the case of expiration of the term of a member of the Board.

Section 25. As soon as practicable after the effective date of this Act, the Board shall organize for the transaction of business. The Board shall prescribe the time and place for meetings, the manner in which special meetings may be called, and the notice that must be given to members. All actions and meetings of the Board and its committees shall be subject to the provisions of the Open Meetings Act. Three members of the Board shall constitute a quorum for the transaction of business. All substantive action of the Board shall be by resolution. The affirmative vote of at least 3 members shall be necessary for the adoption of any resolution.

Section 30. Executive director. Officers.

(a) The Board shall appoint an executive director, who shall be the chief executive officer of the Authority. The Board shall fix the compensation of the executive director. Subject to the general control of the Board, the executive director shall be responsible for the management of the business, properties, and employees of the Authority. The executive director shall direct the enforcement of all resolutions, rules, and regulations of the Board, and shall perform such other duties as may be prescribed from time to time by the Board. All employees and independent contractors, consultants, engineers, architects, accountants, attorneys, financial experts, construction experts and personnel, superintendents, managers, and other personnel appointed or employed pursuant to this Act shall report to the executive

director. In addition to any other duties set forth in this Act, the executive director shall do all of the following:

- (1) Direct and supervise the administrative affairs and activities of the Authority in accordance with its rules, regulations, and policies.
- (2) Attend meetings of the Board.
- (3) Keep minutes of all proceedings of the Board.
- (4) Approve all accounts for salaries, per diem payments, and allowable expenses of the Board and its employees and consultants.
- (5) Report and make recommendations to the Board concerning the terms and conditions of any casino development and management contract.
- (6) Perform any other duty that the Board requires for carrying out the provisions of this Act.
- (7) Devote his or her full time to the duties of the office and not hold any other office or employment.

(b) The Board shall select a secretary and a treasurer, who need not be members of the Board, to hold office at the pleasure of the Board. The Board shall fix the duties and compensation of each such officer.

Section 32. Code of Ethics.

(a) No person who is an officer or employee of the Authority or the City may have a financial interest, either directly or indirectly, in his own name or in the name of any other person, partnership, association, trust, corporation, or other entity, in any contract or the performance of any work of the Authority. No such person may represent, either professionally or as agent or otherwise, any person, partnership, association, trust, corporation, or other business entity, with respect to any application or bid for any Authority contract or work, nor may any such person take or receive, or offer to take or receive, either directly or indirectly, any money or other thing of value as a gift or bribe or means of influencing his or her vote or action in his or her official character. Any contract made and procured in violation of this Section is void. The provisions of this Section shall continue to apply equally and in all respects for a period of 2 years from and after the date on which he or she ceases to be an officer or employee.

(b) Any person under subsection (a) may provide materials, merchandise, property, services, or labor, if:

- (1) the contract is with a person, firm, partnership, association, corporation, or other business entity in which the interested person has less than a 7 1/2% share in the ownership;
- (2) the interested person publicly discloses the nature and extent of his or her interest prior to or during deliberations concerning the proposed award of the contract;
- (3) the interested person, if a Board member, abstains from voting on the award of the contract, though he or she shall be considered present for the purposes of establishing a quorum;
- (4) the contract is approved by a majority vote of those members presently holding office;
- (5) for a contract the amount of which exceeds \$1,500, the contract is awarded after

sealed bids to the lowest responsible bidder; and

(6) the award of the contract would not cause the aggregate amount of all such contracts

so awarded to the same person, firm, association, partnership, corporation, or other business entity in the same fiscal year to exceed \$25,000.

A contract for the procurement of public utility services with a public utility company is not barred by this Section by any such person being an officer or employee of the public utility company or holding an ownership interest of no more than 7 1/2% in the public utility company. Any such person having such an interest shall be deemed not to have a prohibited interest under this Section.

(c) Before any contract relating to the ownership or use of real property is entered into by and between the Authority, the identity of every owner and beneficiary having an interest, real or personal, in such property, and every shareholder entitled to receive more than 7 1/2% of the total distributable income of any corporation having any interest, real or personal, in such property must be disclosed. The disclosure shall be in writing and shall be subscribed by an owner, authorized trustee, corporate official, or managing agent under oath. However, if stock in a corporation is publicly traded and there is no readily known individual having greater than a 7 1/2% interest, then a statement to that effect, subscribed to under oath by an officer of the corporation or its managing agent, shall fulfill the disclosure statement requirement of this Section. This Section shall be liberally construed to accomplish the purpose of requiring the identification of the actual parties benefiting from any transaction with the Authority involving the procurement of the ownership or use of real property thereby.

(d) Any member of the Board, officer or employee of the Authority, or other person, who violates any provision of this Section, is guilty of a Class 4 felony and in addition thereto, any office or official position held by any person so convicted shall become vacant, and shall be so declared as part of the judgment of court.

(e) As used in this Section: "financial interest" means (i) any interest as a result of which the owner currently receives or is entitled to receive in the future more than \$2,500 per year; (ii) any interest with a cost or present value of \$5,000 or more; or (iii) any interest representing more than 10% of a corporation, partnership, sole proprietorship, firm, enterprise, franchise, organization, holding company, joint stock company, receivership, trust, or any legal entity organized for profit; provided, however, financial interest shall not include (i) any interest of the spouse of an official or employee which interest is related to the spouse's independent occupation, profession, or employment; (ii) any ownership through purchase at fair market value or inheritance of less than 1% of the shares of a corporation, or any corporate subsidiary, parent, or affiliate thereof, regardless of the value of or dividends on such shares, if such shares are registered on a securities exchange pursuant to the Securities Exchange Act of 1934, as amended; (iii) the authorized compensation paid to an official or employee for his office or employment; (iv) a time or demand deposit in a financial institution; and (v) an endowment or insurance policy or annuity contract purchased from an insurance company.

Section 35. General powers of the Board. In addition to the specific powers and duties set forth elsewhere in this Act, the Board may do any of the following:

- (1) Adopt and alter an official seal.
- (2) Sue and be sued, plead and be impleaded, all in its own name, and agree to binding arbitration of any dispute to which it is a party.
- (3) Adopt, amend, and repeal by-laws, rules, and regulations consistent with furtherance of the powers and duties provided in this Act.
- (4) Maintain its principal office within the City and such other offices as the Board may designate.
- (5) Employ, either as regular employees or independent contractors, consultants, engineers, architects, accountants, attorneys, financial experts, construction experts and personnel, superintendents, managers and other professional personnel, casino personnel, and such other personnel as may be necessary in the judgment of the Board, and fix their compensation.
- (6) Acquire, hold, lease, use, encumber, transfer, or dispose of real and personal property, including the alteration of or demolition of improvements to real estate.
- (7) Enter into, revoke, and modify contracts of any kind, including the casino development and management contracts specified in Section 45.
- (9) Subject to the provisions of Section 70, develop, or cause to be developed, a master plan for design, planning, and development of the casino.

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(10) Negotiate and enter into intergovernmental agreements with the State and its agencies, the City, and other units of local government, in furtherance of the powers and duties of the Board.

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

(13) Borrow money from any source, public or private, for any corporate purpose, including, without limitation, working capital for its operations, reserve funds, or payment of interest, and to mortgage, pledge, or otherwise encumber the property or funds of the Authority and to contract with or engage the services of any person in connection with any financing, including financial institutions, issuers of letters of credit, or insurers and enter into reimbursement agreements with this person which may be secured as if money were borrowed from the person.

(14) Issue bonds as provided under this Act.

(15) Receive and accept from any source, private or public, contributions, gifts, or grants of money or property.

(16) Make loans from proceeds or funds otherwise available to the extent necessary or appropriate to accomplish the purposes of the Authority.

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

(18) Require the removal or relocation of any building, railroad, main, pipe, conduit, wire, pole, structure, facility, or equipment as may be needed to carry out the powers of the Authority, with the Authority to compensate the person required to remove or relocate the building, railroad, main, pipe, conduit, wire, pole, structure, facility, or equipment as provided by law, without the necessity to secure any approval from the Illinois Commerce Commission for such removal or for such relocation.

(19) Exercise all the corporate powers granted Illinois corporations under the Business Corporation Act of 1983, except to the extent that powers are inconsistent with those of a body politic and corporate of the State.

(20) Establish and change its fiscal year.

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

Section 45. Casino development and management contracts.

(a) The Board shall develop and administer an open and competitive bidding process for the selection of casino operators to develop and operate a casino within the City. The Board shall issue one or more requests for proposal and shall solicit proposals from casino operators in response to such a request. The Board may establish minimum financial and investment requirements to determine the eligibility of persons to respond to the Board's requests for proposal, and may establish and consider such other criteria as it deems appropriate. The Board may impose a fee upon persons who respond to requests for proposal, in order to reimburse the Board for its costs in preparing and issuing the requests and reviewing the proposals.

(b) The Board shall ensure that casino development and management contracts provide for the development, construction, and operation of a high quality casino, and provide for the maximum amounts of revenue that reasonably may be available to the Authority and the City.

(c) The Board shall evaluate the responses to its requests for proposal and the ability of all persons or entities responding to its request for proposal to meet the requirements of this Act and to undertake and perform the obligations set forth in its requests for proposal.

(d) After the review and evaluation of the proposals submitted, the Board shall, in its discretion, enter into one or more casino development and management contracts authorizing the development, construction, and operation of the casino, subject to the provisions of the Riverboat and Casino Gambling Act. The Board may award a casino development and management contract to a person or persons submitting proposals that are not the highest bidders. In doing so it may take into account other factors, such as experience, financial condition, assistance in financing, reputation, and any other factors the Board, in its discretion, believes may increase revenues at the casino.

(e) The Board shall transmit to the Gaming Board a copy of each casino development and management contract after it is executed.

(f) The Board may enter into a casino and development contract prior to or after adopting a resolution approving a location for the casino and submitting an application for an owners license to the Gaming Board under the Riverboat and Casino Gambling Act.

Section 50. Transfer of funds. The revenues received by the Authority (other than amounts required to pay the operating expenses of the Authority, to pay amounts due the casino operator pursuant to a casino management and development contract, to repay any borrowing of the Authority made pursuant to Section 35, to pay debt service on any bonds issued under Section 75, and to pay any expenses in connection with the issuance of such bonds pursuant to Section 75 or derivative products pursuant to Section 85) shall be transferred to the City by the Authority and may be applied to any public purpose benefiting the residents of the City.

Section 60. Authority annual expenses. Until sufficient revenues become available for such purpose, the Authority and the City may enter into an intergovernmental agreement whereby the Authority shall receive or borrow funds from the City for its annual operating expenses.

Section 65. Acquisition of property; eminent domain proceedings.

(a) The Authority may acquire in its own name, by gift or purchase, any real or personal property or interests in real or personal property necessary or convenient to carry out the purposes of the Act.

(b) For the lawful purposes of this Act, the City may acquire by eminent domain or by condemnation proceedings in the manner provided by Article VII of the Code of Civil Procedure, real or personal property or interests in real or personal property located in the City, and may convey to the Authority property so acquired. The acquisition of property under this Section is declared to be for a public use.

Section 70. Local regulation. The casino facilities and operations therein shall be subject to all ordinances and regulations of the City. The construction, development, and operation of the casino shall comply with all ordinances, regulations, rules, and controls of the City, including but not limited to those relating to zoning and planned development, building, fire prevention, and land use. However, the regulation of gaming operations is subject to the exclusive jurisdiction of the Gaming Board, except as limited by the Riverboat and Casino Gambling Act.

Section 75. Borrowing.

(a) The Authority may at any time and from time to time borrow money and issue bonds as provided in this Section. Bonds of the Authority may be issued to provide funds for land acquisition, site assembly and preparation, and infrastructure improvements required in connection with the development of the casino; to pay, refund (at the time or in advance of any maturity or redemption), or redeem any bonds of the Authority; to provide or increase a debt service reserve fund or other reserves with respect to any or all of its bonds; to pay interest on bonds; or to pay the legal, financial, administrative, bond insurance, credit enhancement, and other legal expenses of the authorization, issuance, or delivery of bonds. In this Act, the term "bonds" also includes notes of any kind, interim certificates, refunding bonds, or any other evidence of obligation of borrowed money issued under this Section. Bonds may be issued in one or more series and may be payable and secured either on a parity with or separately from other bonds.

(b) The bonds of the Authority shall be payable solely from one or more of the following sources: (i) the property or revenues of the Authority; (ii) revenues derived from the casino; (iii) revenues derived from any casino operator; (iv) fees, bid proceeds, charges, lease payments, payments required pursuant to any casino development and management contract or other revenues payable to the Authority, or any receipts of the Authority; (v) payments by financial institutions, insurance companies, or others pursuant to letters or lines of credit, policies of insurance, or purchase agreements; (vi) investment earnings from funds or accounts maintained pursuant to a bond resolution or trust indenture; and (vii) proceeds of refunding bonds.

(c) Bonds shall be authorized by a resolution of the Authority and may be secured by a trust indenture by and between the Authority and a corporate trustee or trustees, which may be any trust company or bank having the powers of a trust company within or without the State. Bonds may:

(i) Mature at a time or times, whether as serial bonds, term bonds, or both, not

exceeding 40 years from their respective dates of issue.

(ii) Without regard to any limitation established by statute, bear interest in the manner or determined by the method provided in the resolution or trust indenture.

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(iii) Be payable at a time or times, in the denominations and form, including book

entry form, either coupon, registered, or both, and carry the registration and privileges as to exchange, transfer or conversion, and replacement of mutilated, lost, or destroyed bonds as the resolution or trust indenture may provide.

(iv) Be payable in lawful money of the United States at a designated place.

(v) Be subject to the terms of purchase, payment, redemption, refunding, or refinancing that the resolution or trust indenture provides.

(vi) Be executed by the manual or facsimile signatures of the officers of the

Authority designated by the Board, which signatures shall be valid at delivery even for one who has ceased to hold office.

(vii) Be sold at public or private sale in the manner and upon the terms

determined by the Authority.

(viii) Be issued in accordance with the provisions of the Local Government Debt

Reform Act.

(d) Any resolution or trust indenture may contain, subject to the Riverboat and Casino Gambling Act and rules of the Gaming Board regarding pledging of interests in holders of owners licenses, provisions that shall be a part of the contract with the holders of the bonds as to the following:

(1) Pledging, assigning, or directing the use, investment, or disposition of revenues

of the Authority or proceeds or benefits of any contract, including without limitation, any rights in any casino development and management contract.

(2) The setting aside of loan funding deposits, debt service reserves, capitalized

interest accounts, replacement or operating reserves, cost of issuance accounts and sinking funds, and the regulation, investment, and disposition thereof.

(3) Limitations on the purposes to which or the investments in which the proceeds of

sale of any issue of bonds or the Authority's revenues and receipts may be applied or made.

(4) Limitations on the issue of additional bonds, the terms upon which additional

bonds may be issued and secured, the terms upon which additional bonds may rank on a parity with, or be subordinate or superior to, other bonds.

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

(6) The procedure, if any, by which the terms of any contract with bondholders may be

altered or amended and the amount of bonds and holders of which must consent thereto and the manner in which consent shall be given.

(7) Defining the acts or omissions which shall constitute a default in the duties of

the Authority to holders of bonds and providing the rights or remedies of such holders in the event of a default, which may include provisions restricting individual rights of action by bondholders.

(8) Providing for guarantees, pledges of property, letters of credit, or other

security, or insurance for the benefit of bondholders.

(9) Any other matter relating to the bonds that the Authority determines appropriate.

(e) No member of the Board, nor any person executing the bonds, shall be liable personally on the bonds or subject to any personal liability by reason of the issuance of the bonds.

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

(g) A pledge by the Authority of revenues and receipts as security for an issue of bonds or for the performance of its obligations under any casino development and management contract shall be valid and binding from the time when the pledge is made. The revenues and receipts pledged shall immediately be subject to the lien of the pledge without any physical delivery or further act, and the lien of any pledge shall be valid and binding against any person having any claim of any kind in tort, contract, or otherwise against the Authority, irrespective of whether the person has notice. No resolution, trust indenture, management agreement or financing statement, continuation statement, or other instrument adopted or entered into by the Authority need be filed or recorded in any public record other than the records of the Authority in order to perfect the lien against third persons, regardless of any contrary provision of law.

(h) By its authorizing resolution for particular bonds, the Authority may provide for specific terms of those bonds, including, without limitation, the purchase price and terms, interest rate or rates, redemption terms and principal amounts maturing in each year, to be established by one or more members of the Board or officers of the Authority, all within a specific range of discretion established by the authorizing resolution.

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

(j) The bonds of the Authority shall not be indebtedness of the City, of the State, or of any political subdivision of the State other than the Authority. The bonds of the Authority are not general obligations of the State or the City and are not secured by a pledge of the full faith and credit of the State or the City and the holders of bonds of the Authority may not require, except as provided in this Act, the application of revenues or funds to the payment of bonds of the Authority.

(k) The State of Illinois pledges and agrees with the owners of the bonds that it will not limit or alter the rights and powers vested in the Authority by this Act so as to impair the terms of any contract made by the Authority with the owners or in any way impair the rights and remedies of the owners until the bonds, together with interest on them, and all costs and expenses in connection with any action or proceedings by or on behalf of the owners, are fully met and discharged. The Authority is authorized to include this pledge and agreement in any contract with the owners of bonds issued under this Section.

Section 85. Derivative products. With respect to all or part of any issue of its bonds, the Authority may enter into agreements or contracts with any necessary or appropriate person, which will have the benefit of providing to the Authority an interest rate basis, cash flow basis, or other basis different from that provided in the bonds for the payment of interest. Such agreements or contracts may include, without limitation, agreements or contracts commonly known as "interest rate swap agreements", "forward payment conversion agreements", "futures", "options", "puts", or "calls" and agreements or contracts providing for payments based on levels of or changes in interest rates, agreements or contracts to exchange cash flows or a series of payments, or to hedge payment, rate spread, or similar exposure

Section 90. Legality for investment. The State of Illinois, all governmental entities, all public officers, banks, bankers, trust companies, savings banks and institutions, building and loan associations, savings and loan associations, investment companies, and other persons carrying on a banking business, insurance companies, insurance associations, and other persons carrying on an insurance business, and all executors, administrators, guardians, trustees, and other fiduciaries may legally invest any sinking funds, moneys, or other funds belonging to them or within their control in any bonds issued under this Act. However, nothing in this Section shall be construed as relieving any person, firm, or corporation from any duty of exercising reasonable care in selecting securities for purchase or investment.

Section 95. Tax exemption. The Authority and all of its operations and property used for public purposes shall be exempt from all taxation of any kind imposed by the State of Illinois or any political subdivision, school district, municipal corporation, or unit of local government of the State of Illinois. However, nothing in this Act prohibits the imposition of any other taxes where such imposition is not prohibited by Section 21 of the Riverboat and Casino Gambling Act

Section 100. Application of laws. The Governmental Account Audit Act, the Public Funds Statement Publication Act, and the Illinois Municipal Budget Law shall not apply to the Authority.

Section 105. Budgets and reporting.

(a) Promptly following the execution of each casino development and management contract provided for in this Act, the Authority shall submit a written report with respect thereto to the Governor, the Mayor, the Secretary of the Senate, the Clerk of the House of Representatives, and the Illinois Economic and Fiscal Commission.

(b) The Authority shall annually adopt a current expense budget for each fiscal year. The budget may be modified from time to time in the same manner and upon the same vote as it may be adopted. The budget shall include the Authority's available funds and estimated revenues and shall provide for payment of its obligations and estimated expenditures for the fiscal year, including, without limitation, expenditures for administration, operation, maintenance and repairs, debt service, and deposits into reserve and other funds and capital projects.

(c) The Board shall annually cause the finances of the Authority to be audited by a firm of certified public accountants.

(d) The Authority shall, for each fiscal year, prepare an annual report setting forth information concerning its activities in the fiscal year and the status of the development of the casino. The annual report shall include the audited financial statements of the Authority for the fiscal year, the budget for the succeeding fiscal year, and the current capital plan as of the date of the report. Copies of the annual report shall be made available to persons who request them and shall be submitted not later than 120 days after the end of the Authority's fiscal year to the Governor, the Mayor, the Secretary of the Senate, the Clerk of the House of Representatives, and the Illinois Economic and Fiscal Commission.

Section 110. Deposit and withdrawal of funds.

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

No bank or savings and loan association shall receive public funds as permitted by this Section unless it has complied with the requirements established pursuant to Section 6 of the Public Funds Investment Act.

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

Section 115. Purchasing.

(a) All construction contracts and contracts for supplies, materials, equipment, and services, when the cost thereof to the Authority exceeds \$25,000, shall be let to the lowest responsible bidder, after advertising for bids, except for the following:

(1) When repair parts, accessories, equipment, or services are required for equipment

or services previously furnished or contracted for;

(2) Professional services;

(3) When services such as water, light, heat, power, telephone (other than

long-distance service), or telegraph are required;

(4) When contracts for the use, purchase, delivery, movement, or installation of data

processing equipment, software, or services and telecommunications equipment, software, and services are required;

(5) Casino development and management contracts, which shall be awarded as set forth

in Section 45 of this Act.

(b) All contracts involving less than \$25,000 shall be let by competitive bidding whenever possible, and in any event in a manner calculated to ensure the best interests of the public.

(c) Each bidder shall disclose in his or her bid the name of each individual having a beneficial interest, directly or indirectly, of more than 1% in such bidding entity and, if such bidding entity is a corporation, the names of each of its officers and directors. The bidder shall notify the Authority of any changes in its ownership or its officers or directors at the time such changes occur if the change occurs during the pendency of a proposal or a contract.

(d) In determining the responsibility of any bidder, the Authority may take into account the bidder's (or an individual having a beneficial interest, directly or indirectly, of more than 1% in such bidding entity) past record of dealings with the Authority, the bidder's experience, adequacy of equipment, and ability to complete performance within the time set, and other factors besides financial responsibility, but in no case shall any such contract be awarded to any other than the lowest bidder (in case of purchase or expenditure) unless authorized or approved by a vote of at least 4 members of the Board, and unless such action is accompanied by a statement in writing setting forth the reasons for not awarding the contract to the highest or lowest bidder, as the case may be. The statement shall be kept on file in the principal office of the Authority and open to public inspection.

(e) Contracts shall not be split into parts involving expenditures of less than \$25,000 for the purposes of avoiding the provisions of this Section, and all such split contracts shall be void. If any collusion occurs among bidders or prospective bidders in restraint of freedom of competition, by agreement to bid a fixed amount, to refrain from bidding, or otherwise, the bids of such bidders shall be void. Each bidder shall accompany his or her bid with a sworn statement that he or she has not been a party to any such agreement.

(f) The Authority shall have the right to reject all bids and to re-advertise for bids. If after any such re-advertisement, no responsible and satisfactory bid, within the terms of the re-advertisement, is received, the Authority may award such contract without competitive bidding, provided that it shall not be less advantageous to the Authority than any valid bid received pursuant to advertisement.

(g) Advertisements for bids and re-bids shall be published at least once in a daily newspaper of general circulation published in the City at least 10 calendar days before the time for receiving bids, and such advertisements shall also be posted on readily accessible bulletin boards in the principal office of the Authority. Such advertisements shall state the time and place for receiving and opening of bids and, by reference to plans and specifications on file at the time of the first publication or in the advertisement itself, shall describe the character of the proposed contract in sufficient detail to fully advise prospective bidders of their obligations and to ensure free and open competitive bidding.

(h) All bids in response to advertisements shall be sealed and shall be publicly opened by the Authority. All bidders shall be entitled to be present in person or by representatives. Cash or a certified or satisfactory cashier's check, as a deposit of good faith, in a reasonable amount to be fixed by the Authority before advertising for bids, shall be required with the proposal of each bidder. A bond for faithful performance of the contract with surety or sureties satisfactory to the Authority and adequate insurance may be required in reasonable amounts to be fixed by the Authority before advertising for bids.

(i) The contract shall be awarded as promptly as possible after the opening of bids. The bid of the successful bidder, as well as the bids of the unsuccessful bidders, shall be placed on file and be open to public inspection. All bids shall be void if any disclosure of the terms of any bid in response to an advertisement is made or permitted to be made by the Authority before the time fixed for opening bids.

Section 130. Affirmative action and equal opportunity obligations of Authority.

(a) The Authority shall establish and maintain an affirmative action program designed to promote equal employment and management opportunity and eliminate the effects of past discrimination in the City and the State. The program shall include a plan, including timetables where appropriate, which shall specify goals and methods for increasing participation by women and minorities in

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employment and management by the Authority and by parties that contract with the Authority. The program shall also establish procedures and sanctions (including debarment), which the Authority shall enforce to ensure compliance with the plan established pursuant to this Section and with State and federal laws and regulations relating to the employment of women and minorities. A determination by the Authority as to whether a party to a contract with the Authority has achieved the goals or employed the methods for increasing participation by women and minorities shall be made in accordance with the terms of such contracts or the applicable provisions of rules and regulations existing at the time the contract was executed, including any provisions for consideration of good faith efforts at compliance that the Authority may reasonably adopt.

(b) The Authority shall adopt and maintain minority and female owned business enterprise procurement programs under the affirmative action program described in subsection (a) for any and all work undertaken by the Authority and for the development and management of any casino owned by the City. That work shall include, but is not limited to, the purchase of professional services, construction services, supplies, materials, and equipment. The programs shall establish goals of awarding not less than 25% of the annual dollar value of all contracts, including but not limited to management and development contracts, purchase orders, and other agreements (collectively referred to as "contracts"), to minority owned businesses and 5% of the annual dollar value of all contracts to female owned businesses. Without limiting the generality of the foregoing, the programs shall require, in connection with the prequalification or consideration of vendors for professional service contracts, construction contracts, contracts for supplies, materials, equipment, and services, and development and management contracts that each proposer or bidder submit as part of his or her proposal or bid a commitment detailing how he or she will expend 25% or more of the dollar value of his or her contracts with one or more minority owned businesses and 5% or more of the dollar value with one or more female owned businesses. Bids or proposals that do not include such detailed commitments are not responsive and shall be rejected unless the Authority deems it appropriate to grant a waiver of these requirements. The commitment to minority and female owned business participation may be met by the contractor's, professional service provider's, developer's, or manager's status as a minority or female owned business, by joint venture, by subcontracting a portion of the work with or purchasing materials for the work from one or more such businesses, or by any combination thereof. Each contract shall require the contractor, provider, developer, or manager to submit a certified monthly report detailing the status of its compliance with the Authority's minority and female owned business enterprise procurement program. If, in connection with a particular contract, the Authority determines that it is impracticable or excessively costly to obtain minority or female owned businesses to perform sufficient work to fulfill the commitment required by this subsection (b), the Authority shall reduce or waive the commitment in the contract, as may be appropriate. The Authority shall establish rules setting forth the standards to be used in determining whether or not a reduction or waiver is appropriate. The terms "minority owned business" and "female owned business" have the meanings given to those terms in the Business Enterprise for Minorities, Females, and Persons with Disabilities Act.

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

Section 145. Severability. The provisions of this Act are severable under Section 1.31 of the Statute on Statutes.

Section 900. The Alcoholism and Other Drug Abuse and Dependency Act is amended by changing Section 5-20 as follows:

(20 ILCS 301/5-20)

Sec. 5-20. Compulsive gambling program.

(a) Subject to appropriation, the Department shall establish a program for public education, research, and training regarding problem and compulsive gambling and the treatment and prevention of problem and compulsive gambling. Subject to specific appropriation for these stated purposes, the program must include all of the following:

(1) Establishment and maintenance of a toll-free "800" telephone number to provide

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crisis counseling and referral services to families experiencing difficulty as a result of problem or compulsive gambling.

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

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

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

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

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

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

Section 903. The Illinois Economic Opportunity Act is amended by adding Section 4.1 as follows:

(20 ILCS 625/4.1 new)

Sec. 4.1. Community Services Block Grant Oversight Commission. There is hereby established the Community Services Block Grant Oversight Commission. The Commission shall consist of 8 members, with 2 members appointed by the President of the Senate, 2 members appointed by the Minority Leader of the Senate, 2 members appointed by the Speaker of the House of Representatives, and 2 members appointed by the Minority Leader of the House of Representatives. The Commission shall meet at least 2 times per year to review projected programs funded by the Department of Commerce and Economic Opportunity through the Illinois Community Services Block Grant Fund. The Department shall fully cooperate with all reasonable requests of the Commission. Members of the Commission shall not be paid for their service on a Commission, but shall receive reimbursement for reasonable expenses associated with service on the Commission.

Section 905. The Department of Revenue Law of the Civil Administrative Code of Illinois is amended by changing Section 2505-305 as follows:

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

Sec. 2505-305. Investigators.

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

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

(c) Investigators appointed under this Section who are assigned to the Illinois Gaming Board have and may exercise all the rights and powers of peace officers, provided that these powers shall be limited to offenses or violations occurring or committed on a riverboat or dock or in a casino, as defined in ~~subsections (d) and (f)~~ of Section 4 of the Riverboat and Casino Gambling Act.

(Source: P.A. 91-239, eff. 1-1-00; 91-883, eff. 1-1-01; 92-493, eff. 1-1-02.)

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Section 910. The Tobacco Products Tax Act of 1995 is amended by changing Section 99-99 as follows:

(35 ILCS 143/99-99)

Sec. 99-99. Effective date. This Section, Sections 10-1 through 10-90 of this Act, the changes to the Illinois Administrative Procedure Act, the changes to the State Employees Group Insurance Act of 1971, the changes to Sec. 5 of the Children and Family Services Act, the changes to Sec. 8.27 of the State Finance Act, the changes to Secs. 16-136.2, 16-153.2, and 17-156.3 of the Illinois Pension Code, Sec. 8.19 of the State Mandates Act, the changes to Sec. 8.2 of the Abused and Neglected Child Reporting Act, and the changes to the Unemployment Insurance Act take effect upon becoming law.

The following provisions take effect July 1, 1995: the changes to the Illinois Act on the Aging and the Civil Administrative Code of Illinois; the changes to Secs. 7 and 8a-13 of the Children and Family Services Act; the changes to the Disabled Persons Rehabilitation Act; Secs. 5.408, 5.409, 6z-39, and 6z-40 and the changes to Sec. 8.16 of the State Finance Act; the changes to the State Prompt Payment Act, the Illinois Income Tax Act, and Sec. 16-133.3 of the Illinois Pension Code; Sec. 2-3.117 and the changes to Secs. 14-7.02 and 14-15.01 of the School Code; Sec. 2-201.5 of the Nursing Home Care Act; the changes to the Child Care Act of 1969 and the Riverboat and Casino Gambling Act; the changes to Secs. 3-1, 3-1a, 3-3, 3-4, 3-13, 5-2.1, 5-5, 5-5.02, 5-5.4, 5-13, 5-16.3, 5-16.5, 5A-2, 5A-3, 5C-2, 5C-7, 5D-1, 5E-10, 6-8, 6-11, 9-11, 12-4.4, 12-10.2, and 14-8 and the repeal of Sec. 9-11 of the Illinois Public Aid Code; the changes to Sec. 3 of the Abused and Neglected Child Reporting Act; and the changes to the Juvenile Court Act of 1987, the Adoption Act, and the Probate Act of 1975.

The remaining provisions of this Act take effect on the uniform effective date as provided in the Effective Date of Laws Act.

(Source: P.A. 89-21, eff. 6-6-95.)

Section 915. The Joliet Regional Port District Act is amended by changing Section 5.1 as follows:

(70 ILCS 1825/5.1) (from Ch. 19, par. 255.1)

Sec. 5.1. Riverboat gambling. Notwithstanding any other provision of this Act, the District may not regulate the operation, conduct, or navigation of any riverboat gambling casino licensed under the Riverboat and Casino Gambling Act, and the District may not license, tax, or otherwise levy any assessment of any kind on any riverboat gambling casino licensed under the Riverboat and Casino Gambling Act. The General Assembly declares that the powers to regulate the operation, conduct, and navigation of riverboat gambling casinos and to license, tax, and levy assessments upon riverboat gambling casinos are exclusive powers of the State of Illinois and the Illinois Gaming Board as provided in the Riverboat and Casino Gambling Act.

(Source: P.A. 87-1175.)

Section 920. The Consumer Installment Loan Act is amended by changing Section 12.5 as follows:

(205 ILCS 670/12.5)

Sec. 12.5. Limited purpose branch.

(a) Upon the written approval of the Director, a licensee may maintain a limited purpose branch for the sole purpose of making loans as permitted by this Act. A limited purpose branch may include an automatic loan machine. No other activity shall be conducted at the site, including but not limited to, accepting payments, servicing the accounts, or collections.

(b) The licensee must submit an application for a limited purpose branch to the Director on forms prescribed by the Director with an application fee of \$300. The approval for the limited purpose branch must be renewed concurrently with the renewal of the licensee's license along with a renewal fee of \$300 for the limited purpose branch.

(c) The books, accounts, records, and files of the limited purpose branch's transactions shall be maintained at the licensee's licensed location. The licensee shall notify the Director of the licensed location at which the books, accounts, records, and files shall be maintained.

(d) The licensee shall prominently display at the limited purpose branch the address and telephone number of the licensee's licensed location.

(e) No other business shall be conducted at the site of the limited purpose branch unless authorized by the Director.

(f) The Director shall make and enforce reasonable rules for the conduct of a limited purpose branch.

(g) A limited purpose branch may not be located within 1,000 feet of a facility operated by an inter-track wagering licensee or an organization licensee subject to the Illinois Horse Racing Act of 1975, on a riverboat or in a casino subject to the Riverboat and Casino Gambling Act, or within 1,000 feet of the location at which the riverboat docks or within 1,000 feet of a casino.

(Source: P.A. 90-437, eff. 1-1-98.)

Section 925. The Illinois Horse Racing Act of 1975 is amended by changing Sections 1.2, 9, 20, 26, 26.1, 27, 28.1, 30, 31, 32.1, 36, and 42 and adding Sections 3.24, 3.25, 3.26, 3.27, and 56 as follows:

(230 ILCS 5/1.2)

Sec. 1.2. Legislative intent. This Act is intended to benefit the people of the State of Illinois by encouraging the breeding and production of race horses, assisting economic development, and promoting Illinois tourism. The General Assembly finds and declares it to be the public policy of the State of Illinois to:

(a) support and enhance Illinois' horse racing industry, which is a significant component within the agribusiness industry;

(b) ensure that Illinois' horse racing industry remains competitive with neighboring states;

(c) stimulate growth within Illinois' horse racing industry, thereby encouraging new investment and development to produce additional tax revenues and to create additional jobs;

(d) promote the further growth of tourism;

(e) encourage the breeding of thoroughbred and standardbred horses in this State; and

(f) ensure that public confidence and trust in the credibility and integrity of racing operations and the regulatory process is maintained.

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

(230 ILCS 5/3.24 new)

Sec. 3.24. "Gross gaming receipts" means the gross receipts from electronic gaming less winnings paid to wagerers.

(230 ILCS 5/3.25 new)

Sec. 3.25. "Electronic gaming" means slot machine gambling, video game of chance gambling, or both that is conducted at a race track pursuant to an electronic gaming license.

(230 ILCS 5/3.26 new)

Sec. 3.26. "Electronic gaming license" means a license to conduct electronic gaming issued under Section 56.

(230 ILCS 5/3.27 new)

Sec. 3.27. "Electronic gaming facility" means that portion of an organization licensee's race track facility at which electronic gaming is conducted.

(230 ILCS 5/9) (from Ch. 8, par. 37-9)

Sec. 9. The Board shall have all powers necessary and proper to fully and effectively execute the provisions of this Act, including, but not limited to, the following:

(a) The Board is vested with jurisdiction and supervision over all race meetings in this State, over all licensees doing business in this State, over all occupation licensees, and over all persons on the facilities of any licensee. Such jurisdiction shall include the power to issue licenses to the Illinois Department of Agriculture authorizing the pari-mutuel system of wagering on harness and Quarter Horse races held (1) at the Illinois State Fair in Sangamon County, and (2) at the DuQuoin State Fair in Perry County. The jurisdiction of the Board shall also include the power to issue licenses to county fairs which are eligible to receive funds pursuant to the Agricultural Fair Act, as now or hereafter amended, or their agents, authorizing the pari-mutuel system of wagering on horse races conducted at the county fairs receiving such licenses. Such licenses shall be governed by subsection (n) of this Section.

Upon application, the Board shall issue a license to the Illinois Department of Agriculture to conduct harness and Quarter Horse races at the Illinois State Fair and at the DuQuoin State Fairgrounds during the scheduled dates of each fair. The Board shall not require and the Department of Agriculture shall be exempt from the requirements of Sections 15.3, 18 and 19, paragraphs (a)(2), (b), (c), (d), (e), (e-5), (e-10), (f), (g), and (h) of Section 20, and Sections 21, 24 and 25. The Board and the Department of Agriculture may extend any or all of these exemptions to any contractor or agent engaged by the Department of Agriculture to conduct its race meetings when the Board determines that this would best serve the public interest and the interest of horse racing.

Notwithstanding any provision of law to the contrary, it shall be lawful for any licensee to operate pari-mutuel wagering or contract with the Department of Agriculture to operate pari-mutuel wagering at the DuQuoin State Fairgrounds or for the Department to enter into contracts with a licensee,

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employ its owners, employees or agents and employ such other occupation licensees as the Department deems necessary in connection with race meetings and wagerings.

(b) The Board is vested with the full power to promulgate reasonable rules and regulations for the purpose of administering the provisions of this Act and to prescribe reasonable rules, regulations and conditions under which all horse race meetings or wagering in the State shall be conducted. Such reasonable rules and regulations are to provide for the prevention of practices detrimental to the public interest and to promote the best interests of horse racing and to impose penalties for violations thereof.

(c) The Board, and any person or persons to whom it delegates this power, is vested with the power to enter the facilities and other places of business of any licensee to determine whether there has been compliance with the provisions of this Act and its rules and regulations.

(d) The Board, and any person or persons to whom it delegates this power, is vested with the authority to investigate alleged violations of the provisions of this Act, its reasonable rules and regulations, orders and final decisions; the Board shall take appropriate disciplinary action against any licensee or occupation licensee for violation thereof or institute appropriate legal action for the enforcement thereof.

(e) The Board, and any person or persons to whom it delegates this power, may eject or exclude from any race meeting or the facilities of any licensee, or any part thereof, any occupation licensee or any other individual whose conduct or reputation is such that his presence on those facilities may, in the opinion of the Board, call into question the honesty and integrity of horse racing or wagering or interfere with the orderly conduct of horse racing or wagering; provided, however, that no person shall be excluded or ejected from the facilities of any licensee solely on the grounds of race, color, creed, national origin, ancestry, or sex. The power to eject or exclude an occupation licensee or other individual may be exercised for just cause by the licensee or the Board, subject to subsequent hearing by the Board as to the propriety of said exclusion.

(f) The Board is vested with the power to acquire, establish, maintain and operate (or provide by contract to maintain and operate) testing laboratories and related facilities, for the purpose of conducting saliva, blood, urine and other tests on the horses run or to be run in any horse race meeting, including races run at county fairs, and to purchase all equipment and supplies deemed necessary or desirable in connection with any such testing laboratories and related facilities and all such tests.

(g) The Board may require that the records, including financial or other statements of any licensee or any person affiliated with the licensee who is involved directly or indirectly in the activities of any licensee as regulated under this Act to the extent that those financial or other statements relate to such activities be kept in such manner as prescribed by the Board, and that Board employees shall have access to those records during reasonable business hours. Within 120 days of the end of its fiscal year, each licensee shall transmit to the Board an audit of the financial transactions and condition of the licensee's total operations. All audits shall be conducted by certified public accountants. Each certified public accountant must be registered in the State of Illinois under the Illinois Public Accounting Act. The compensation for each certified public accountant shall be paid directly by the licensee to the certified public accountant. A licensee shall also submit any other financial or related information the Board deems necessary to effectively administer this Act and all rules, regulations, and final decisions promulgated under this Act.

(h) The Board shall name and appoint in the manner provided by the rules and regulations of the Board: an Executive Director; a State director of mutuels; State veterinarians and representatives to take saliva, blood, urine and other tests on horses; licensing personnel; revenue inspectors; and State seasonal employees (excluding admission ticket sellers and mutuel clerks). All of those named and appointed as provided in this subsection shall serve during the pleasure of the Board; their compensation shall be determined by the Board and be paid in the same manner as other employees of the Board under this Act.

(i) The Board shall require that there shall be 3 stewards at each horse race meeting, at least 2 of whom shall be named and appointed by the Board. Stewards appointed or approved by the Board, while performing duties required by this Act or by the Board, shall be entitled to the same rights and immunities as granted to Board members and Board employees in Section 10 of this Act.

(j) The Board may discharge any Board employee who fails or refuses for any reason to comply with the rules and regulations of the Board, or who, in the opinion of the Board, is guilty of fraud, dishonesty or who is proven to be incompetent. The Board shall have no right or power to determine who shall be officers, directors or employees of any licensee, or their salaries except the Board may, by rule, require that all or any officials or employees in charge of or whose duties relate to the actual running of races be approved by the Board.

(k) The Board is vested with the power to appoint delegates to execute any of the powers granted to it under this Section for the purpose of administering this Act and any rules or regulations promulgated in accordance with this Act.

(l) The Board is vested with the power to impose civil penalties of up to \$5,000 against an individual and up to \$10,000 against a licensee for each violation of any provision of this Act, any rules adopted by the Board, any order of the Board or any other action which, in the Board's discretion, is a detriment or impediment to horse racing or wagering.

(m) The Board is vested with the power to prescribe a form to be used by licensees as an application for employment for employees of each licensee.

(n) The Board shall have the power to issue a license to any county fair, or its agent, authorizing the conduct of the pari-mutuel system of wagering. The Board is vested with the full power to promulgate reasonable rules, regulations and conditions under which all horse race meetings licensed pursuant to this subsection shall be held and conducted, including rules, regulations and conditions for the conduct of the pari-mutuel system of wagering. The rules, regulations and conditions shall provide for the prevention of practices detrimental to the public interest and for the best interests of horse racing, and shall prescribe penalties for violations thereof. Any authority granted the Board under this Act shall extend to its jurisdiction and supervision over county fairs, or their agents, licensed pursuant to this subsection. However, the Board may waive any provision of this Act or its rules or regulations which would otherwise apply to such county fairs or their agents.

(o) Whenever the Board is authorized or required by law to consider some aspect of criminal history record information for the purpose of carrying out its statutory powers and responsibilities, then, upon request and payment of fees in conformance with the requirements of Section 2605-400 of the Department of State Police Law (20 ILCS 2605/2605-400), the Department of State Police is authorized to furnish, pursuant to positive identification, such information contained in State files as is necessary to fulfill the request.

(p) To insure the convenience, comfort, and wagering accessibility of race track patrons, to provide for the maximization of State revenue, and to generate increases in purse allotments to the horsemen, the Board shall require any licensee to staff the pari-mutuel department with adequate personnel.

(Source: P.A. 91-239, eff. 1-1-00.)

(230 ILCS 5/20) (from Ch. 8, par. 37-20)

Sec. 20. (a) Any person desiring to conduct a horse race meeting may apply to the Board for an organization license. The application shall be made on a form prescribed and furnished by the Board. The application shall specify:

(1) the dates on which it intends to conduct the horse race meeting, which dates shall

be provided under Section 21;

(2) the hours of each racing day between which it intends to hold or conduct horse racing at such meeting;

(3) the location where it proposes to conduct the meeting; and

(4) any other information the Board may reasonably require.

(b) A separate application for an organization license shall be filed for each horse race meeting which such person proposes to hold. Any such application, if made by an individual, or by any individual as trustee, shall be signed and verified under oath by such individual. If made by individuals or a partnership, it shall be signed and verified under oath by at least 2 of such individuals or members of such partnership as the case may be. If made by an association, corporation, corporate trustee or any other entity, it shall be signed by the president and attested by the secretary or assistant secretary under the seal of such association, trust or corporation if it has a seal, and shall also be verified under oath by one of the signing officers.

(c) The application shall specify the name of the persons, association, trust, or corporation making such application and the post office address of the applicant; if the applicant is a trustee, the names and addresses of the beneficiaries; if a corporation, the names and post office addresses of all officers, stockholders and directors; or if such stockholders hold stock as a nominee or fiduciary, the names and post office addresses of these persons, partnerships, corporations, or trusts who are the beneficial owners thereof or who are beneficially interested therein; and if a partnership, the names and

post office addresses of all partners, general or limited; if the applicant is a corporation, the name of the state of its incorporation shall be specified.

(d) The applicant shall execute and file with the Board a good faith affirmative action plan to recruit, train, and upgrade minorities in all classifications within the association.

(e) With such application there shall be delivered to the Board a certified check or bank draft payable to the order of the Board for an amount equal to \$1,000. All applications for the issuance of an organization license shall be filed with the Board before August 1 of the year prior to the year for which application is made and shall be acted upon by the Board at a meeting to be held on such date as shall be fixed by the Board during the last 15 days of September of such prior year. At such meeting, the Board shall announce the award of the racing meets, live racing schedule, and designation of host track to the applicants and its approval or disapproval of each application. No announcement shall be considered binding until a formal order is executed by the Board, which shall be executed no later than October 15 of that prior year. Absent the agreement of the affected organization licensees, the Board shall not grant overlapping race meetings to 2 or more tracks that are within 100 miles of each other to conduct the thoroughbred racing.

(e-2) In awarding racing dates for calendar year 2005 and thereafter, the Board shall award the same total number of racing days as it awarded in calendar year 2004 plus an amount as provided in subsection (e-3). In awarding racing dates under this subsection (e-2), the Board shall have the discretion to allocate those racing dates among organization licensees.

(e-3) Upon request, the Board shall award at least 25 standardbred racing dates to the organization licensee that conducts racing at Fairmount Race Track, unless a lesser schedule of live racing is the result of (A) weather or unsafe track conditions due to acts of God or (B) a strike between the organization licensee and the associations representing the largest number of owners, trainers, jockeys, or standardbred drivers who race horses at that organization licensee's racing meeting. Any racing dates awarded under this subsection (e-3) to an organization licensee that conducts racing at Fairmount Race Track that are in excess of the number awarded to that organization licensee in 2004 shall be in addition to those racing dates awarded under subsection (e-2).

(e-5) In reviewing an application for the purpose of granting an organization license consistent with the best interests of the public and the sport of horse racing, the Board shall consider:

(1) the character, reputation, experience, and financial integrity of the applicant and

of any other separate person that either:

(i) controls the applicant, directly or indirectly, or

(ii) is controlled, directly or indirectly, by that applicant or by a person who

controls, directly or indirectly, that applicant;

(2) the applicant's facilities or proposed facilities for conducting horse racing;

(3) the total revenue without regard to Section 32.1 to be derived by the State and

horsemen from the applicant's conducting a race meeting;

(4) the applicant's good faith affirmative action plan to recruit, train, and upgrade minorities in all employment classifications;

(5) the applicant's financial ability to purchase and maintain adequate liability and casualty insurance;

(6) the applicant's proposed and prior year's promotional and marketing activities and expenditures of the applicant associated with those activities;

(7) an agreement, if any, among organization licensees as provided in subsection (b) of

Section 21 of this Act; and

(8) the extent to which the applicant exceeds or meets other standards for the issuance of an organization license that the Board shall adopt by rule.

In granting organization licenses and allocating dates for horse race meetings, the Board shall have discretion to determine an overall schedule, including required simulcasts of Illinois races by host tracks that will, in its judgment, be conducive to the best interests of the public and the sport of horse racing.

(e-10) The Illinois Administrative Procedure Act shall apply to administrative procedures of the Board under this Act for the granting of an organization license, except that (1) notwithstanding the provisions of subsection (b) of Section 10-40 of the Illinois Administrative Procedure Act regarding cross-examination, the Board may prescribe rules limiting the right of an applicant or participant in any proceeding to award an organization license to conduct cross-examination of witnesses at that proceeding where that cross-examination would unduly obstruct the timely award of an organization license under subsection (e) of Section 20 of this Act; (2) the provisions of Section 10-45 of the Illinois Administrative Procedure Act regarding proposals for decision are excluded under this Act; (3) notwithstanding the provisions of subsection (a) of Section 10-60 of the Illinois Administrative Procedure Act regarding ex parte communications, the Board may prescribe rules allowing ex parte communications with applicants or participants in a proceeding to award an organization license where conducting those communications would be in the best interest of racing, provided all those communications are made part of the record of that proceeding pursuant to subsection (c) of Section 10-60 of the Illinois Administrative Procedure Act; (4) the provisions of Section 14a of this Act and the rules of the Board promulgated under that Section shall apply instead of the provisions of Article 10 of the Illinois Administrative Procedure Act regarding administrative law judges; and (5) the provisions of subsection (d) of Section 10-65 of the Illinois Administrative Procedure Act that prevent summary suspension of a license pending revocation or other action shall not apply.

(f) The Board may allot racing dates to an organization licensee for more than one calendar year but for no more than 3 successive calendar years in advance, provided that the Board shall review such allotment for more than one calendar year prior to each year for which such allotment has been made. The granting of an organization license to a person constitutes a privilege to conduct a horse race meeting under the provisions of this Act, and no person granted an organization license shall be deemed to have a vested interest, property right, or future expectation to receive an organization license in any subsequent year as a result of the granting of an organization license. Organization licenses shall be subject to revocation if the organization licensee has violated any provision of this Act or the rules and regulations promulgated under this Act or has been convicted of a crime or has failed to disclose or has stated falsely any information called for in the application for an organization license. Any organization license revocation proceeding shall be in accordance with Section 16 regarding suspension and revocation of occupation licenses.

(f-5) If, (i) an applicant does not file an acceptance of the racing dates awarded by the Board as required under part (1) of subsection (h) of this Section 20, or (ii) an organization licensee has its license suspended or revoked under this Act, the Board, upon conducting an emergency hearing as provided for in this Act, may reaward on an emergency basis pursuant to rules established by the Board, racing dates not accepted or the racing dates associated with any suspension or revocation period to one or more organization licensees, new applicants, or any combination thereof, upon terms and conditions that the Board determines are in the best interest of racing, provided, the organization licensees or new applicants receiving the awarded racing dates file an acceptance of those reawarded racing dates as required under paragraph (1) of subsection (h) of this Section 20 and comply with the other provisions of this Act. The Illinois Administrative Procedures Act shall not apply to the administrative procedures of the Board in conducting the emergency hearing and the reallocation of racing dates on an emergency basis.

(g) (Blank).

(h) The Board shall send the applicant a copy of its formally executed order by certified mail addressed to the applicant at the address stated in his application, which notice shall be mailed within 5 days of the date the formal order is executed.

Each applicant notified shall, within 10 days after receipt of the final executed order of the Board awarding racing dates:

- (1) file with the Board an acceptance of such award in the form prescribed by the Board;
- (2) pay to the Board an additional amount equal to \$110 for each racing date awarded;

and

(3) file with the Board the bonds required in Sections 21 and 25 at least 20 days prior to the first day of each race meeting.

Upon compliance with the provisions of paragraphs (1), (2), and (3) of this subsection (h), the applicant shall be issued an organization license.

If any applicant fails to comply with this Section or fails to pay the organization license fees herein provided, no organization license shall be issued to such applicant.

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

(230 ILCS 5/26) (from Ch. 8, par. 37-26)

Sec. 26. Wagering.

(a) Any licensee may conduct and supervise the pari-mutuel system of wagering, as defined in Section 3.12 of this Act, on horse races conducted by an Illinois organization licensee or conducted at a racetrack located in another state or country and televised in Illinois in accordance with subsection (g) of Section 26 of this Act. Subject to the prior consent of the Board, licensees may supplement any pari-mutuel pool in order to guarantee a minimum distribution. Such pari-mutuel method of wagering shall not, under any circumstances if conducted under the provisions of this Act, be held or construed to be unlawful, other statutes of this State to the contrary notwithstanding. Subject to rules for advance wagering promulgated by the Board, any licensee may accept wagers in advance of the day of the race wagered upon occurs.

(b) Except as otherwise provided in Section 56, no other method of betting, pool making, wagering or gambling shall be used or permitted by the licensee. Each licensee may retain, subject to the payment of all applicable taxes and purses, an amount not to exceed 17% of all money wagered under subsection (a) of this Section, except as may otherwise be permitted under this Act.

(b-5) An individual may place a wager under the pari-mutuel system from any licensed location authorized under this Act provided that wager is electronically recorded in the manner described in Section 3.12 of this Act. Any wager made electronically by an individual while physically on the premises of a licensee shall be deemed to have been made at the premises of that licensee.

(c) Until January 1, 2000, the sum held by any licensee for payment of outstanding pari-mutuel tickets, if unclaimed prior to December 31 of the next year, shall be retained by the licensee for payment of such tickets until that date. Within 10 days thereafter, the balance of such sum remaining unclaimed, less any uncashed supplements contributed by such licensee for the purpose of guaranteeing minimum distributions of any pari-mutuel pool, shall be paid to the Illinois Veterans' Rehabilitation Fund of the State treasury, except as provided in subsection (g) of Section 27 of this Act.

(c-5) Beginning January 1, 2000, the sum held by any licensee for payment of outstanding pari-mutuel tickets, if unclaimed prior to December 31 of the next year, shall be retained by the licensee for payment of such tickets until that date. Within 10 days thereafter, the balance of such sum remaining unclaimed, less any uncashed supplements contributed by such licensee for the purpose of guaranteeing minimum distributions of any pari-mutuel pool, shall be evenly distributed to the purse account of the organization licensee and the organization licensee.

(d) A pari-mutuel ticket shall be honored until December 31 of the next calendar year, and the licensee shall pay the same and may charge the amount thereof against unpaid money similarly accumulated on account of pari-mutuel tickets not presented for payment.

(e) No licensee shall knowingly permit any minor, other than an employee of such licensee or an owner, trainer, jockey, driver, or employee thereof, to be admitted during a racing program unless accompanied by a parent or guardian, or any minor to be a patron of the pari-mutuel system of wagering conducted or supervised by it. The admission of any unaccompanied minor, other than an employee of the licensee or an owner, trainer, jockey, driver, or employee thereof at a race track is a Class C misdemeanor.

(f) Notwithstanding the other provisions of this Act, an organization licensee may contract with an entity in another state or country to permit any legal wagering entity in another state or country to accept wagers solely within such other state or country on races conducted by the organization licensee in this State. Beginning January 1, 2000, these wagers shall not be subject to State taxation. Until January 1, 2000, when the out-of-State entity conducts a pari-mutuel pool separate from the organization licensee, a privilege tax equal to 7 1/2% of all monies received by the organization licensee from entities in other states or countries pursuant to such contracts is imposed on the organization licensee, and such privilege tax shall be remitted to the Department of Revenue within 48 hours of receipt of the moneys

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from the simulcast. When the out-of-State entity conducts a combined pari-mutuel pool with the organization licensee, the tax shall be 10% of all monies received by the organization licensee with 25% of the receipts from this 10% tax to be distributed to the county in which the race was conducted.

An organization licensee may permit one or more of its races to be utilized for pari-mutuel wagering at one or more locations in other states and may transmit audio and visual signals of races the organization licensee conducts to one or more locations outside the State or country and may also permit pari-mutuel pools in other states or countries to be combined with its gross or net wagering pools or with wagering pools established by other states.

(g) A host track may accept interstate simulcast wagers on horse races conducted in other states or countries and shall control the number of signals and types of breeds of racing in its simulcast program, subject to the disapproval of the Board. The Board may prohibit a simulcast program only if it finds that the simulcast program is clearly adverse to the integrity of racing. The host track simulcast program shall include the signal of live racing of all organization licensees. All non-host licensees shall carry the host track simulcast program and accept wagers on all races included as part of the simulcast program upon which wagering is permitted. The costs and expenses of the host track and non-host licensees associated with interstate simulcast wagering, other than the interstate commission fee, shall be borne by the host track and all non-host licensees incurring these costs. The interstate commission fee shall not exceed 5% of Illinois handle on the interstate simulcast race or races without prior approval of the Board. The Board shall promulgate rules under which it may permit interstate commission fees in excess of 5%. The interstate commission fee and other fees charged by the sending racetrack, including, but not limited to, satellite decoder fees, shall be uniformly applied to the host track and all non-host licensees.

(1) Between the hours of 6:30 a.m. and 6:30 p.m. an intertrack wagering licensee other

than the host track may supplement the host track simulcast program with additional simulcast races or race programs, provided that between January 1 and the third Friday in February of any year, inclusive, if no live thoroughbred racing is occurring in Illinois during this period, only thoroughbred races may be used for supplemental interstate simulcast purposes. The Board shall withhold approval for a supplemental interstate simulcast only if it finds that the simulcast is clearly adverse to the integrity of racing. A supplemental interstate simulcast may be transmitted from an intertrack wagering licensee to its affiliated non-host licensees. The interstate commission fee for a supplemental interstate simulcast shall be paid by the non-host licensee and its affiliated non-host licensees receiving the simulcast.

(2) Between the hours of 6:30 p.m. and 6:30 a.m. an intertrack wagering licensee other

than the host track may receive supplemental interstate simulcasts only with the consent of the host track, except when the Board finds that the simulcast is clearly adverse to the integrity of racing. Consent granted under this paragraph (2) to any intertrack wagering licensee shall be deemed consent to all non-host licensees. The interstate commission fee for the supplemental interstate simulcast shall be paid by all participating non-host licensees.

(3) Each licensee conducting interstate simulcast wagering may retain, subject to the

payment of all applicable taxes and the purses, an amount not to exceed 17% of all money wagered. If any licensee conducts the pari-mutuel system wagering on races conducted at racetracks in another state or country, each such race or race program shall be considered a separate racing day for the purpose of determining the daily handle and computing the privilege tax of that daily handle as provided in subsection (a) of Section 27. Until January 1, 2000, from the sums permitted to be retained pursuant to this subsection, each intertrack wagering location licensee shall pay 1% of the pari-mutuel handle wagered on simulcast wagering to the Horse Racing Tax Allocation Fund, subject to the provisions of subparagraph (B) of paragraph (11) of subsection (h) of Section 26 of this Act.

(4) A licensee who receives an interstate simulcast may combine its gross or net pools

with pools at the sending racetracks pursuant to rules established by the Board. All licensees combining their gross pools at a sending racetrack shall adopt the take-out percentages of the sending racetrack. A licensee may also establish a separate pool and takeout structure for wagering purposes on races conducted at race tracks outside of the State of Illinois. The licensee may permit pari-mutuel

wagers placed in other states or countries to be combined with its gross or net wagering pools or other wagering pools.

(5) After the payment of the interstate commission fee (except for the interstate

commission fee on a supplemental interstate simulcast, which shall be paid by the host track and by each non-host licensee through the host-track) and all applicable State and local taxes, except as provided in subsection (g) of Section 27 of this Act, the remainder of moneys retained from simulcast wagering pursuant to this subsection (g), and Section 26.2 shall be divided as follows:

(A) For interstate simulcast wagers made at a host track, 50% to the host track and 50% to purses at the host track.

(B) For wagers placed on interstate simulcast races, supplemental simulcasts as defined in subparagraphs (1) and (2), and separately pooled races conducted outside of the State of Illinois made at a non-host licensee, 25% to the host track, 25% to the non-host licensee, and 50% to the purses at the host track.

(6) Notwithstanding any provision in this Act to the contrary, non-host licensees who

derive their licenses from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River may receive supplemental interstate simulcast races at all times subject to Board approval, which shall be withheld only upon a finding that a supplemental interstate simulcast is clearly adverse to the integrity of racing.

(7) Notwithstanding any provision of this Act to the contrary, after payment of all

applicable State and local taxes and interstate commission fees, non-host licensees who derive their licenses from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River shall retain 50% of the retention from interstate simulcast wagers and shall pay 50% to purses at the track from which the non-host licensee derives its license as follows:

(A) Between January 1 and the third Friday in February, inclusive, if no live

thoroughbred racing is occurring in Illinois during this period, when the interstate simulcast is a standardbred race, the purse share to its standardbred purse account;

(B) Between January 1 and the third Friday in February, inclusive, if no live

thoroughbred racing is occurring in Illinois during this period, and the interstate simulcast is a thoroughbred race, the purse share to its interstate simulcast purse pool to be distributed under paragraph (10) of this subsection (g);

(C) Between January 1 and the third Friday in February, inclusive, if live

thoroughbred racing is occurring in Illinois, between 6:30 a.m. and 6:30 p.m. the purse share from wagers made during this time period to its thoroughbred purse account and between 6:30 p.m. and 6:30 a.m. the purse share from wagers made during this time period to its standardbred purse accounts;

(D) Between the third Saturday in February and December 31, when the interstate

simulcast occurs between the hours of 6:30 a.m. and 6:30 p.m., the purse share to its thoroughbred purse account;

(E) Between the third Saturday in February and December 31, when the interstate

simulcast occurs between the hours of 6:30 p.m. and 6:30 a.m., the purse share to its standardbred purse account.

(7.1) Notwithstanding any other provision of this Act to the contrary, if no

standardbred racing is conducted at a racetrack located in Madison County during any calendar year beginning on or after January 1, 2002, all moneys derived by that racetrack from simulcast wagering and inter-track wagering that (1) are to be used for purses and (2) are generated between the hours of 6:30 p.m. and 6:30 a.m. during that calendar year shall be paid as follows:

(A) If the licensee that conducts horse racing at that racetrack requests from the

Board at least as many racing dates as were conducted in calendar year 2000, 80% shall be paid to its thoroughbred purse account; and

(B) Twenty percent shall be deposited into the Illinois Colt Stakes Purse

Distribution Fund and shall be paid to purses for standardbred races for Illinois conceived and foaled horses conducted at any county fairgrounds. The moneys deposited into the Fund pursuant to this subparagraph (B) shall be deposited within 2 weeks after the day they were generated, shall be in addition to and not in lieu of any other moneys paid to standardbred purses under this Act, and shall not be commingled with other moneys paid into that Fund. The moneys deposited pursuant to this subparagraph (B) shall be allocated as provided by the Department of Agriculture, with the advice and assistance of the Illinois Standardbred Breeders Fund Advisory Board.

(7.2) Notwithstanding any other provision of this Act to the contrary, if no

thoroughbred racing is conducted at a racetrack located in Madison County during any calendar year beginning on or after January 1, 2002, all moneys derived by that racetrack from simulcast wagering and inter-track wagering that (1) are to be used for purses and (2) are generated between the hours of 6:30 a.m. and 6:30 p.m. during that calendar year shall be deposited as follows:

(A) If the licensee that conducts horse racing at that racetrack requests from the

Board at least as many racing dates as were conducted in calendar year 2000, 80% shall be deposited into its standardbred purse account; and

(B) Twenty percent shall be deposited into the Illinois Colt Stakes Purse

Distribution Fund. Moneys deposited into the Illinois Colt Stakes Purse Distribution Fund pursuant to this subparagraph (B) shall be paid to Illinois conceived and foaled thoroughbred breeders' programs and to thoroughbred purses for races conducted at any county fairgrounds for Illinois conceived and foaled horses at the discretion of the Department of Agriculture, with the advice and assistance of the Illinois Thoroughbred Breeders Fund Advisory Board. The moneys deposited into the Illinois Colt Stakes Purse Distribution Fund pursuant to this subparagraph (B) shall be deposited within 2 weeks after the day they were generated, shall be in addition to and not in lieu of any other moneys paid to thoroughbred purses under this Act, and shall not be commingled with other moneys deposited into that Fund.

(7.3) If no live standardbred racing is conducted at a racetrack located in Madison

County in calendar year 2000 or 2001, an organization licensee who is licensed to conduct horse racing at that racetrack shall, before January 1, 2002, pay all moneys derived from simulcast wagering and inter-track wagering in calendar years 2000 and 2001 and paid into the licensee's standardbred purse account as follows:

(A) Eighty percent to that licensee's thoroughbred purse account to be used for

thoroughbred purses; and

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(B) Twenty percent to the Illinois Colt Stakes Purse Distribution Fund.
Failure to make the payment to the Illinois Colt Stakes Purse Distribution Fund before

January 1, 2002 shall result in the immediate revocation of the licensee's organization license, inter-track wagering license, and inter-track wagering location license.

Moneys paid into the Illinois Colt Stakes Purse Distribution Fund pursuant to this

paragraph (7.3) shall be paid to purses for standardbred races for Illinois conceived and foaled horses conducted at any county fairgrounds. Moneys paid into the Illinois Colt Stakes Purse Distribution Fund pursuant to this paragraph (7.3) shall be used as determined by the Department of Agriculture, with the advice and assistance of the Illinois Standardbred Breeders Fund Advisory Board, shall be in addition to and not in lieu of any other moneys paid to standardbred purses under this Act, and shall not be commingled with any other moneys paid into that Fund.

(7.4) If live standardbred racing is conducted at a racetrack located in Madison County

at any time in calendar year 2001 before the payment required under paragraph (7.3) has been made, the organization licensee who is licensed to conduct racing at that racetrack shall pay all moneys derived by that racetrack from simulcast wagering and inter-track wagering during calendar years 2000 and 2001 that (1) are to be used for purses and (2) are generated between the hours of 6:30 p.m. and 6:30 a.m. during 2000 or 2001 to the standardbred purse account at that racetrack to be used for standardbred purses.

(8) Notwithstanding any provision in this Act to the contrary, an organization licensee

from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River and its affiliated non-host licensees shall not be entitled to share in any retention generated on racing, inter-track wagering, or simulcast wagering at any other Illinois wagering facility.

(8.1) Notwithstanding any provisions in this Act to the contrary, if 2 organization

licensees are conducting standardbred race meetings concurrently between the hours of 6:30 p.m. and 6:30 a.m., after payment of all applicable State and local taxes and interstate commission fees, the remainder of the amount retained from simulcast wagering otherwise attributable to the host track and to host track purses shall be split daily between the 2 organization licensees and the purses at the tracks of the 2 organization licensees, respectively, based on each organization licensee's share of the total live handle for that day, provided that this provision shall not apply to any non-host licensee that derives its license from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River.

(9) (Blank).

(10) (Blank).

(11) (Blank).

(12) The Board shall have authority to compel all host tracks to receive the simulcast

of any or all races conducted at the Springfield or DuQuoin State fairgrounds and include all such races as part of their simulcast programs.

(13) Notwithstanding any other provision of this Act, in the event that the total

Illinois pari-mutuel handle on Illinois horse races at all wagering facilities in any calendar year is less than 75% of the total Illinois pari-mutuel handle on Illinois horse races at all such wagering facilities for calendar year 1994, then each wagering facility that has an annual total Illinois pari-mutuel handle on Illinois horse races that is less than 75% of the total Illinois pari-mutuel handle on Illinois horse races at such wagering facility for calendar year 1994, shall be permitted to receive, from any amount otherwise payable to the purse account at the race track with which the wagering facility is affiliated in the succeeding calendar year, an amount equal to 2% of the differential in total Illinois pari-mutuel handle

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on Illinois horse races at the wagering facility between that calendar year in question and 1994 provided, however, that a wagering facility shall not be entitled to any such payment until the Board certifies in writing to the wagering facility the amount to which the wagering facility is entitled and a schedule for payment of the amount to the wagering facility, based on: (i) the racing dates awarded to the race track affiliated with the wagering facility during the succeeding year; (ii) the sums available or anticipated to be available in the purse account of the race track affiliated with the wagering facility for purses during the succeeding year; and (iii) the need to ensure reasonable purse levels during the payment period. The Board's certification shall be provided no later than January 31 of the succeeding year. In the event a wagering facility entitled to a payment under this paragraph (13) is affiliated with a race track that maintains purse accounts for both standardbred and thoroughbred racing, the amount to be paid to the wagering facility shall be divided between each purse account pro rata, based on the amount of Illinois handle on Illinois standardbred and thoroughbred racing respectively at the wagering facility during the previous calendar year. Annually, the General Assembly shall appropriate sufficient funds from the General Revenue Fund to the Department of Agriculture for payment into the thoroughbred and standardbred horse racing purse accounts at Illinois pari-mutuel tracks. The amount paid to each purse account shall be the amount certified by the Illinois Racing Board in January to be transferred from each account to each eligible racing facility in accordance with the provisions of this Section. For the calendar year in which an organization licensee that is eligible to receive a payment under this paragraph (13) begins conducting electronic gaming pursuant to an electronic gaming license, the amount of that payment shall be reduced by a percentage equal to the percentage of the year remaining after the organization licensee begins conducting electronic gaming pursuant to its electronic gaming license. An organization licensee shall no longer be able to receive payments under this paragraph (13) beginning on the January 1 first occurring after the licensee begins conducting electronic gaming pursuant to an electronic gaming license issued under Section 7.6 of the Riverboat Gambling Act. Beginning on January 1, 2006, the other provisions of this paragraph (13) shall be of no force and effect.

(h) The Board may approve and license the conduct of inter-track wagering and simulcast wagering by inter-track wagering licensees and inter-track wagering location licensees subject to the following terms and conditions:

(1) Any person licensed to conduct a race meeting (i) at a track where 60 or more days

of racing were conducted during the immediately preceding calendar year or where over the 5 immediately preceding calendar years an average of 30 or more days of racing were conducted annually may be issued an inter-track wagering license; (ii) at a track located in a county that is bounded by the Mississippi River, which has a population of less than 150,000 according to the 1990 decennial census, and an average of at least 60 days of racing per year between 1985 and 1993 may be issued an inter-track wagering license; or (iii) at a track located in Madison County that conducted at least 100 days of live racing during the immediately preceding calendar year may be issued an inter-track wagering license, unless a lesser schedule of live racing is the result of (A) weather, unsafe track conditions, or other acts of God; (B) an agreement between the organization licensee and the associations representing the largest number of owners, trainers, jockeys, or standardbred drivers who race horses at that organization licensee's racing meeting; or (C) a finding by the Board of extraordinary circumstances and that it was in the best interest of the public and the sport to conduct fewer than 100 days of live racing. Any such person having operating control of the racing facility may also receive up to 6 inter-track wagering location licenses. In no event shall more than 6 inter-track wagering locations be established for each eligible race track, except that an eligible race track located in a county that has a population of more than 230,000 and that is bounded by the Mississippi River may establish up to 7 inter-track wagering locations. An application for said license shall be filed with the Board prior to such dates as may be fixed by the Board. With an application for an inter-track wagering location license there shall be delivered to the Board a certified check or bank draft payable to the order of the Board for an amount equal to \$500. The application shall be on forms prescribed and furnished by the Board. The application shall comply with all other rules, regulations and conditions imposed by the Board in connection therewith.

(2) The Board shall examine the applications with respect to their conformity with this

Act and the rules and regulations imposed by the Board. If found to be in compliance with the Act and rules and regulations of the Board, the Board may then issue a license to conduct inter-track wagering and simulcast wagering to such applicant. All such applications shall be acted upon by the Board at a meeting to be held on such date as may be fixed by the Board.

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(3) In granting licenses to conduct inter-track wagering and simulcast wagering, the

Board shall give due consideration to the best interests of the public, of horse racing, and of maximizing revenue to the State.

(4) Prior to the issuance of a license to conduct inter-track wagering and simulcast

wagering, the applicant shall file with the Board a bond payable to the State of Illinois in the sum of \$50,000, executed by the applicant and a surety company or companies authorized to do business in this State, and conditioned upon (i) the payment by the licensee of all taxes due under Section 27 or 27.1 and any other monies due and payable under this Act, and (ii) distribution by the licensee, upon presentation of the winning ticket or tickets, of all sums payable to the patrons of pari-mutuel pools.

(5) Each license to conduct inter-track wagering and simulcast wagering shall specify

the person to whom it is issued, the dates on which such wagering is permitted, and the track or location where the wagering is to be conducted.

(6) All wagering under such license is subject to this Act and to the rules and

regulations from time to time prescribed by the Board, and every such license issued by the Board shall contain a recital to that effect.

(7) An inter-track wagering licensee or inter-track wagering location licensee may

accept wagers at the track or location where it is licensed, or as otherwise provided under this Act.

(8) Inter-track wagering or simulcast wagering shall not be conducted at any track less

than 5 miles from a track at which a racing meeting is in progress.

(8.1) Inter-track wagering location licensees who derive their licenses from a

particular organization licensee shall conduct inter-track wagering and simulcast wagering only at locations which are either within 90 miles of that race track where the particular organization licensee is licensed to conduct racing, or within 135 miles of that race track where the particular organization licensee is licensed to conduct racing in the case of race tracks in counties of less than 400,000 that were operating on or before June 1, 1986. However, inter-track wagering and simulcast wagering shall not be conducted by those licensees at any location within 5 miles of any race track at which a horse race meeting has been licensed in the current year, unless the person having operating control of such race track has given its written consent to such inter-track wagering location licensees, which consent must be filed with the Board at or prior to the time application is made.

(8.2) Inter-track wagering or simulcast wagering shall not be conducted by an

inter-track wagering location licensee at any location within 500 feet of an existing church or existing school, nor within 500 feet of the residences of more than 50 registered voters without receiving written permission from a majority of the registered voters at such residences. Such written permission statements shall be filed with the Board. The distance of 500 feet shall be measured to the nearest part of any building used for worship services, education programs, residential purposes, or conducting inter-track wagering by an inter-track wagering location licensee, and not to property boundaries. However, inter-track wagering or simulcast wagering may be conducted at a site within 500 feet of a church, school or residences of 50 or more registered voters if such church, school or residences have been erected or established, or such voters have been registered, after the Board issues the original inter-track wagering location license at the site in question. Inter-track wagering location licensees may conduct inter-track wagering and simulcast wagering only in areas that are zoned for commercial or manufacturing purposes or in areas for which a special use has been approved by the local zoning authority. However, no license to conduct inter-track wagering and simulcast wagering shall be granted

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by the Board with respect to any inter-track wagering location within the jurisdiction of any local zoning authority which has, by ordinance or by resolution, prohibited the establishment of an inter-track wagering location within its jurisdiction. However, inter-track wagering and simulcast wagering may be conducted at a site if such ordinance or resolution is enacted after the Board licenses the original inter-track wagering location licensee for the site in question.

(9) (Blank).

(10) An inter-track wagering licensee or an inter-track wagering location licensee may

retain, subject to the payment of the privilege taxes and the purses, an amount not to exceed 17% of all money wagered. Each program of racing conducted by each inter-track wagering licensee or inter-track wagering location licensee shall be considered a separate racing day for the purpose of determining the daily handle and computing the privilege tax or pari-mutuel tax on such daily handle as provided in Section 27.

(10.1) Except as provided in subsection (g) of Section 27 of this Act, inter-track

wagering location licensees shall pay 1% of the pari-mutuel handle at each location to the municipality in which such location is situated and 1% of the pari-mutuel handle at each location to the county in which such location is situated. In the event that an inter-track wagering location licensee is situated in an unincorporated area of a county, such licensee shall pay 2% of the pari-mutuel handle from such location to such county.

(10.2) Notwithstanding any other provision of this Act, with respect to intertrack

wagering at a race track located in a county that has a population of more than 230,000 and that is bounded by the Mississippi River ("the first race track"), or at a facility operated by an inter-track wagering licensee or inter-track wagering location licensee that derives its license from the organization licensee that operates the first race track, on races conducted at the first race track or on races conducted at another Illinois race track and simultaneously televised to the first race track or to a facility operated by an inter-track wagering licensee or inter-track wagering location licensee that derives its license from the organization licensee that operates the first race track, those moneys shall be allocated as follows:

(A) That portion of all moneys wagered on standardbred racing that is required

under this Act to be paid to purses shall be paid to purses for standardbred races.

(B) That portion of all moneys wagered on thoroughbred racing that is required

under this Act to be paid to purses shall be paid to purses for thoroughbred races.

(11) (A) After payment of the privilege or pari-mutuel tax, any other applicable taxes,

and the costs and expenses in connection with the gathering, transmission, and dissemination of all data necessary to the conduct of inter-track wagering, the remainder of the monies retained under either Section 26 or Section 26.2 of this Act by the inter-track wagering licensee on inter-track wagering shall be allocated with 50% to be split between the 2 participating licensees and 50% to purses, except that an intertrack wagering licensee that derives its license from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River shall not divide any remaining retention with the Illinois organization licensee that provides the race or races, and an intertrack wagering licensee that accepts wagers on races conducted by an organization licensee that conducts a race meet in a county with a population in excess of 230,000 and that borders the Mississippi River shall not divide any remaining retention with that organization licensee.

(B) From the sums permitted to be retained pursuant to this Act each inter-track

wagering location licensee shall pay (i) the privilege or pari-mutuel tax to the State; (ii) 4.75% of the pari-mutuel handle on intertrack wagering at such location on races as purses, except that an intertrack wagering location licensee that derives its license from a track located in a county with a

population in excess of 230,000 and that borders the Mississippi River shall retain all purse moneys for its own purse account consistent with distribution set forth in this subsection (h), and intertrack wagering location licensees that accept wagers on races conducted by an organization licensee located in a county with a population in excess of 230,000 and that borders the Mississippi River shall distribute all purse moneys to purses at the operating host track; (iii) until January 1, 2000, except as provided in subsection (g) of Section 27 of this Act, 1% of the pari-mutuel handle wagered on inter-track wagering and simulcast wagering at each inter-track wagering location licensee facility to the Horse Racing Tax Allocation Fund, provided that, to the extent the total amount collected and distributed to the Horse Racing Tax Allocation Fund under this subsection (h) during any calendar year exceeds the amount collected and distributed to the Horse Racing Tax Allocation Fund during calendar year 1994, that excess amount shall be redistributed (I) to all inter-track wagering location licensees, based on each licensee's pro-rata share of the total handle from inter-track wagering and simulcast wagering for all inter-track wagering location licensees during the calendar year in which this provision is applicable; then (II) the amounts redistributed to each inter-track wagering location licensee as described in subpart (I) shall be further redistributed as provided in subparagraph (B) of paragraph (5) of subsection (g) of this Section 26 provided first, that the shares of those amounts, which are to be redistributed to the host track or to purses at the host track under subparagraph (B) of paragraph (5) of subsection (g) of this Section 26 shall be redistributed based on each host track's pro rata share of the total inter-track wagering and simulcast wagering handle at all host tracks during the calendar year in question, and second, that any amounts redistributed as described in part (I) to an inter-track wagering location licensee that accepts wagers on races conducted by an organization licensee that conducts a race meet in a county with a population in excess of 230,000 and that borders the Mississippi River shall be further redistributed as provided in subparagraphs (D) and (E) of paragraph (7) of subsection (g) of this Section 26, with the portion of that further redistribution allocated to purses at that organization licensee to be divided between standardbred purses and thoroughbred purses based on the amounts otherwise allocated to purses at that organization licensee during the calendar year in question; and (iv) 8% of the pari-mutuel handle on inter-track wagering wagered at such location to satisfy all costs and expenses of conducting its wagering. The remainder of the monies retained by the inter-track wagering location licensee shall be allocated 40% to the location licensee and 60% to the organization licensee which provides the Illinois races to the location, except that an intertrack wagering location licensee that derives its license from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River shall not divide any remaining retention with the organization licensee that provides the race or races and an intertrack wagering location licensee that accepts wagers on races conducted by an organization licensee that conducts a race meet in a county with a population in excess of 230,000 and that borders the Mississippi River shall not divide any remaining retention with the organization licensee. Notwithstanding the provisions of clauses (ii) and (iv) of this paragraph, in the case of the additional inter-track wagering location licenses authorized under paragraph (1) of this subsection (h) by this amendatory Act of 1991, those licensees shall pay the following amounts as purses: during the first 12 months the licensee is in operation, 5.25% of the pari-mutuel handle wagered at the location on races; during the second 12 months, 5.25%; during the third 12 months, 5.75%; during the fourth 12 months, 6.25%; and during the fifth 12 months and thereafter, 6.75%. The following amounts shall be retained by the licensee to satisfy all costs and expenses of conducting its wagering: during the first 12 months the licensee is in operation, 8.25% of the pari-mutuel handle wagered at the location; during the second 12 months, 8.25%; during the third 12 months, 7.75%; during the fourth 12 months, 7.25%; and during the fifth 12 months and thereafter, 6.75%. For additional intertrack wagering location licensees authorized under this amendatory Act of 1995, purses for the first 12 months the licensee is in operation shall be 5.75% of the pari-mutuel wagered at the location, purses for the second 12 months the licensee is in operation shall be 6.25%, and purses thereafter shall be 6.75%. For additional intertrack location licensees authorized under this amendatory Act of 1995, the licensee shall be allowed to retain to satisfy all costs and expenses: 7.75% of the pari-mutuel handle wagered at the location during its first 12 months of operation, 7.25% during its second 12 months of operation, and 6.75% thereafter.

(C) There is hereby created the Horse Racing Tax Allocation Fund which shall remain in

existence until December 31, 1999. Moneys remaining in the Fund after December 31, 1999 shall be paid into the General Revenue Fund. Until January 1, 2000, all monies paid into the Horse Racing Tax Allocation Fund pursuant to this paragraph (11) by inter-track wagering location licensees located in park districts of 500,000 population or less, or in a municipality that is not included within any park

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district but is included within a conservation district and is the county seat of a county that (i) is contiguous to the state of Indiana and (ii) has a 1990 population of 88,257 according to the United States Bureau of the Census, and operating on May 1, 1994 shall be allocated by appropriation as follows:

Two-sevenths to the Department of Agriculture. Fifty percent of this two-sevenths

shall be used to promote the Illinois horse racing and breeding industry, and shall be distributed by the Department of Agriculture upon the advice of a 9-member committee appointed by the Governor consisting of the following members: the Director of Agriculture, who shall serve as chairman; 2 representatives of organization licensees conducting thoroughbred race meetings in this State, recommended by those licensees; 2 representatives of organization licensees conducting standardbred race meetings in this State, recommended by those licensees; a representative of the Illinois Thoroughbred Breeders and Owners Foundation, recommended by that Foundation; a representative of the Illinois Standardbred Owners and Breeders Association, recommended by that Association; a representative of the Horsemen's Benevolent and Protective Association or any successor organization thereto established in Illinois comprised of the largest number of owners and trainers, recommended by that Association or that successor organization; and a representative of the Illinois Harness Horsemen's Association, recommended by that Association. Committee members shall serve for terms of 2 years, commencing January 1 of each even-numbered year. If a representative of any of the above-named entities has not been recommended by January 1 of any even-numbered year, the Governor shall appoint a committee member to fill that position. Committee members shall receive no compensation for their services as members but shall be reimbursed for all actual and necessary expenses and disbursements incurred in the performance of their official duties. The remaining 50% of this two-sevenths shall be distributed to county fairs for premiums and rehabilitation as set forth in the Agricultural Fair Act;

Four-sevenths to park districts or municipalities that do not have a park district

of 500,000 population or less for museum purposes (if an inter-track wagering location licensee is located in such a park district) or to conservation districts for museum purposes (if an inter-track wagering location licensee is located in a municipality that is not included within any park district but is included within a conservation district and is the county seat of a county that (i) is contiguous to the state of Indiana and (ii) has a 1990 population of 88,257 according to the United States Bureau of the Census, except that if the conservation district does not maintain a museum, the monies shall be allocated equally between the county and the municipality in which the inter-track wagering location licensee is located for general purposes) or to a municipal recreation board for park purposes (if an inter-track wagering location licensee is located in a municipality that is not included within any park district and park maintenance is the function of the municipal recreation board and the municipality has a 1990 population of 9,302 according to the United States Bureau of the Census); provided that the monies are distributed to each park district or conservation district or municipality that does not have a park district in an amount equal to four-sevenths of the amount collected by each inter-track wagering location licensee within the park district or conservation district or municipality for the Fund. Monies that were paid into the Horse Racing Tax Allocation Fund before the effective date of this amendatory Act of 1991 by an inter-track wagering location licensee located in a municipality that is not included within any park district but is included within a conservation district as provided in this paragraph shall, as soon as practicable after the effective date of this amendatory Act of 1991, be allocated and paid to that conservation district as provided in this paragraph. Any park district or municipality not maintaining a museum may deposit the monies in the corporate fund of the park district or municipality where the inter-track wagering location is located, to be used for general purposes; and

One-seventh to the Agricultural Premium Fund to be used for distribution to

agricultural home economics extension councils in accordance with "An Act in relation to additional support and finances for the Agricultural and Home Economic Extension Councils in the several counties of this State and making an appropriation therefor", approved July 24, 1967.

Until January 1, 2000, all other monies paid into the Horse Racing Tax Allocation Fund

pursuant to this paragraph (11) shall be allocated by appropriation as follows:

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Two-sevenths to the Department of Agriculture. Fifty percent of this two-sevenths

shall be used to promote the Illinois horse racing and breeding industry, and shall be distributed by the Department of Agriculture upon the advice of a 9-member committee appointed by the Governor consisting of the following members: the Director of Agriculture, who shall serve as chairman; 2 representatives of organization licensees conducting thoroughbred race meetings in this State, recommended by those licensees; 2 representatives of organization licensees conducting standardbred race meetings in this State, recommended by those licensees; a representative of the Illinois Thoroughbred Breeders and Owners Foundation, recommended by that Foundation; a representative of the Illinois Standardbred Owners and Breeders Association, recommended by that Association; a representative of the Horsemen's Benevolent and Protective Association or any successor organization thereto established in Illinois comprised of the largest number of owners and trainers, recommended by that Association or that successor organization; and a representative of the Illinois Harness Horsemen's Association, recommended by that Association. Committee members shall serve for terms of 2 years, commencing January 1 of each even-numbered year. If a representative of any of the above-named entities has not been recommended by January 1 of any even-numbered year, the Governor shall appoint a committee member to fill that position. Committee members shall receive no compensation for their services as members but shall be reimbursed for all actual and necessary expenses and disbursements incurred in the performance of their official duties. The remaining 50% of this two-sevenths shall be distributed to county fairs for premiums and rehabilitation as set forth in the Agricultural Fair Act;

Four-sevenths to museums and aquariums located in park districts of over 500,000

population; provided that the monies are distributed in accordance with the previous year's distribution of the maintenance tax for such museums and aquariums as provided in Section 2 of the Park District Aquarium and Museum Act; and

One-seventh to the Agricultural Premium Fund to be used for distribution to

agricultural home economics extension councils in accordance with "An Act in relation to additional support and finances for the Agricultural and Home Economic Extension Councils in the several counties of this State and making an appropriation therefor", approved July 24, 1967. This subparagraph (C) shall be inoperative and of no force and effect on and after January 1, 2000.

(D) Except as provided in paragraph (11) of this subsection (h), with respect to

purse allocation from intertrack wagering, the monies so retained shall be divided as follows:

(i) If the inter-track wagering licensee, except an intertrack wagering

licensee that derives its license from an organization licensee located in a county with a population in excess of 230,000 and bounded by the Mississippi River, is not conducting its own race meeting during the same dates, then the entire purse allocation shall be to purses at the track where the races wagered on are being conducted.

(ii) If the inter-track wagering licensee, except an intertrack wagering

licensee that derives its license from an organization licensee located in a county with a population in excess of 230,000 and bounded by the Mississippi River, is also conducting its own race meeting during the same dates, then the purse allocation shall be as follows: 50% to purses at the track where the races wagered on are being conducted; 50% to purses at the track where the inter-track wagering licensee is accepting such wagers.

(iii) If the inter-track wagering is being conducted by an inter-track wagering

location licensee, except an intertrack wagering location licensee that derives its license from an organization licensee located in a county with a population in excess of 230,000 and bounded by the Mississippi River, the entire purse allocation for Illinois races shall be to purses at the track where the race meeting being wagered on is being held.

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(12) The Board shall have all powers necessary and proper to fully supervise and

control the conduct of inter-track wagering and simulcast wagering by inter-track wagering licensees and inter-track wagering location licensees, including, but not limited to the following:

(A) The Board is vested with power to promulgate reasonable rules and regulations

for the purpose of administering the conduct of this wagering and to prescribe reasonable rules, regulations and conditions under which such wagering shall be held and conducted. Such rules and regulations are to provide for the prevention of practices detrimental to the public interest and for the best interests of said wagering and to impose penalties for violations thereof.

(B) The Board, and any person or persons to whom it delegates this power, is vested

with the power to enter the facilities of any licensee to determine whether there has been compliance with the provisions of this Act and the rules and regulations relating to the conduct of such wagering.

(C) The Board, and any person or persons to whom it delegates this power, may eject

or exclude from any licensee's facilities, any person whose conduct or reputation is such that his presence on such premises may, in the opinion of the Board, call into the question the honesty and integrity of, or interfere with the orderly conduct of such wagering; provided, however, that no person shall be excluded or ejected from such premises solely on the grounds of race, color, creed, national origin, ancestry, or sex.

(D) (Blank).

(E) The Board is vested with the power to appoint delegates to execute any of the

powers granted to it under this Section for the purpose of administering this wagering and any rules and regulations promulgated in accordance with this Act.

(F) The Board shall name and appoint a State director of this wagering who shall be

a representative of the Board and whose duty it shall be to supervise the conduct of inter-track wagering as may be provided for by the rules and regulations of the Board; such rules and regulation shall specify the method of appointment and the Director's powers, authority and duties.

(G) The Board is vested with the power to impose civil penalties of up to \$5,000

against individuals and up to \$10,000 against licensees for each violation of any provision of this Act relating to the conduct of this wagering, any rules adopted by the Board, any order of the Board or any other action which in the Board's discretion, is a detriment or impediment to such wagering.

(13) The Department of Agriculture may enter into agreements with licensees authorizing

such licensees to conduct inter-track wagering on races to be held at the licensed race meetings conducted by the Department of Agriculture. Such agreement shall specify the races of the Department of Agriculture's licensed race meeting upon which the licensees will conduct wagering. In the event that a licensee conducts inter-track pari-mutuel wagering on races from the Illinois State Fair or DuQuoin State Fair which are in addition to the licensee's previously approved racing program, those races shall be considered a separate racing day for the purpose of determining the daily handle and computing the privilege or pari-mutuel tax on that daily handle as provided in Sections 27 and 27.1. Such agreements shall be approved by the Board before such wagering may be conducted. In determining whether to grant approval, the Board shall give due consideration to the best interests of the public and of horse racing. The provisions of paragraphs (1), (8), (8.1), and (8.2) of subsection (h) of this Section which are not specified in this paragraph (13) shall not apply to licensed race meetings conducted by the Department of

Agriculture at the Illinois State Fair in Sangamon County or the DuQuoin State Fair in Perry County, or to any wagering conducted on those race meetings.

(i) Notwithstanding the other provisions of this Act, the conduct of wagering at wagering facilities is authorized on all days, except as limited by subsection (b) of Section 19 of this Act.

(Source: P.A. 91-40, eff. 6-25-99; 92-211, eff. 8-2-01.)

(230 ILCS 5/26.1) (from Ch. 8, par. 37-26.1)

Sec. 26.1. For all pari-mutuel wagering conducted pursuant to this Act, breakage shall be at all times computed on the basis of not to exceed 10¢ on the dollar. If there is a minus pool, the breakage shall be computed on the basis of not to exceed 5¢ on the dollar. Breakage shall be calculated only after the amounts retained by licensees pursuant to Sections 26 and 26.2 of this Act, and all applicable surcharges, are taken out of winning wagers and winnings from wagers. From Beginning January 1, 2000 until July 1, 2005, all breakage shall be retained by licensees, with 50% of breakage to be used by licensees for racetrack improvements at the racetrack from which the wagering facility derives its license. The remaining 50% is to be allocated 50% to the purse account for the licensee from which the wagering facility derives its license and 50% to the licensee. Beginning July 1, 2005, all breakage shall be retained by licensees, with 50% of breakage to be used by licensees for racetrack improvements at the racetrack from which the wagering facility derives its license. The remaining 50% is to be allocated to the purse account for the licensee from which the wagering facility derives its license.

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

(230 ILCS 5/27) (from Ch. 8, par. 37-27)

Sec. 27. (a) In addition to the organization license fee provided by this Act, until January 1, 2000, a graduated privilege tax is hereby imposed for conducting the pari-mutuel system of wagering permitted under this Act. Until January 1, 2000, except as provided in subsection (g) of Section 27 of this Act, all of the breakage of each racing day held by any licensee in the State shall be paid to the State. Until January 1, 2000, such daily graduated privilege tax shall be paid by the licensee from the amount permitted to be retained under this Act. Until January 1, 2000, each day's graduated privilege tax, breakage, and Horse Racing Tax Allocation funds shall be remitted to the Department of Revenue within 48 hours after the close of the racing day upon which it is assessed or within such other time as the Board prescribes. The privilege tax hereby imposed, until January 1, 2000, shall be a flat tax at the rate of 2% of the daily pari-mutuel handle except as provided in Section 27.1.

In addition, every organization licensee, except as provided in Section 27.1 of this Act, which conducts multiple wagering shall pay, until January 1, 2000, as a privilege tax on multiple wagers an amount equal to 1.25% of all moneys wagered each day on such multiple wagers, plus an additional amount equal to 3.5% of the amount wagered each day on any other multiple wager which involves a single betting interest on 3 or more horses. The licensee shall remit the amount of such taxes to the Department of Revenue within 48 hours after the close of the racing day on which it is assessed or within such other time as the Board prescribes.

This subsection (a) shall be inoperative and of no force and effect on and after January 1, 2000.

(a-5) Beginning on January 1, 2000, a flat pari-mutuel tax at the rate of 1.5% of the daily pari-mutuel handle is imposed at all pari-mutuel wagering facilities, which shall be remitted to the Department of Revenue within 48 hours after the close of the racing day upon which it is assessed or within such other time as the Board prescribes.

(b) On or before December 31, 1999, in the event that any organization licensee conducts 2 separate programs of races on any day, each such program shall be considered a separate racing day for purposes of determining the daily handle and computing the privilege tax on such daily handle as provided in subsection (a) of this Section.

(c) Licensees shall at all times keep accurate books and records of all monies wagered on each day of a race meeting and of the taxes paid to the Department of Revenue under the provisions of this Section. The Board or its duly authorized representative or representatives shall at all reasonable times have access to such records for the purpose of examining and checking the same and ascertaining whether the proper amount of taxes is being paid as provided. The Board shall require verified reports and a statement of the total of all monies wagered daily at each wagering facility upon which the taxes are assessed and may prescribe forms upon which such reports and statement shall be made.

(d) Any licensee failing or refusing to pay the amount of any tax due under this Section shall be guilty of a business offense and upon conviction shall be fined not more than \$5,000 in addition to the amount found due as tax under this Section. Each day's violation shall constitute a separate offense. All fines paid into Court by a licensee hereunder shall be transmitted and paid over by the Clerk of the Court to the Board.

(e) No other license fee, privilege tax, excise tax, or racing fee, except as provided in this Act, shall be assessed or collected from any such licensee by the State.

(f) No other license fee, privilege tax, excise tax or racing fee shall be assessed or collected from any such licensee by units of local government except as provided in paragraph 10.1 of subsection (h) and subsection (f) of Section 26 of this Act. However, any municipality that has a Board licensed horse race meeting at a race track wholly within its corporate boundaries or a township that has a Board licensed horse race meeting at a race track wholly within the unincorporated area of the township may charge a local amusement tax not to exceed 10¢ per admission to such horse race meeting by the enactment of an ordinance. However, any municipality or county that has a Board licensed inter-track wagering location facility wholly within its corporate boundaries may each impose an admission fee not to exceed \$1.00 per admission to such inter-track wagering location facility, so that a total of not more than \$2.00 per admission may be imposed. Except as provided in subparagraph (g) of Section 27 of this Act, the inter-track wagering location licensee shall collect any and all such fees and within 48 hours remit the fees to the Board, which shall, pursuant to rule, cause the fees to be distributed to the county or municipality.

(g) Notwithstanding any provision in this Act to the contrary, if in any calendar year the total taxes and fees from wagering on live racing and from inter-track wagering required to be collected from licensees and distributed under this Act to all State and local governmental authorities exceeds the amount of such taxes and fees distributed to each State and local governmental authority to which each State and local governmental authority was entitled under this Act for calendar year 1994, then the first \$11 million of that excess amount shall be allocated at the earliest possible date for distribution as purse money for the succeeding calendar year. Upon reaching the 1994 level, and until the excess amount of taxes and fees exceeds \$11 million, the Board shall direct all licensees to cease paying the subject taxes and fees and the Board shall direct all licensees to allocate any such excess amount for purses as follows:

(i) the excess amount shall be initially divided between thoroughbred and standardbred

purses based on the thoroughbred's and standardbred's respective percentages of total Illinois live wagering in calendar year 1994;

(ii) each thoroughbred and standardbred organization licensee issued an organization

licensee in that succeeding allocation year shall be allocated an amount equal to the product of its percentage of total Illinois live thoroughbred or standardbred wagering in calendar year 1994 (the total to be determined based on the sum of 1994 on-track wagering for all organization licensees issued organization licenses in both the allocation year and the preceding year) multiplied by the total amount allocated for standardbred or thoroughbred purses, provided that the first \$1,500,000 of the amount allocated to standardbred purses under item (i) shall be allocated to the Department of Agriculture to be expended with the assistance and advice of the Illinois Standardbred Breeders Funds Advisory Board for the purposes listed in subsection (g) of Section 31 of this Act, before the amount allocated to standardbred purses under item (i) is allocated to standardbred organization licensees in the succeeding allocation year.

To the extent the excess amount of taxes and fees to be collected and distributed to State and local governmental authorities exceeds \$11 million, that excess amount shall be collected and distributed to State and local authorities as provided for under this Act.

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

(230 ILCS 5/28.1)

Sec. 28.1. Payments.

(a) Beginning on January 1, 2000, moneys collected by the Department of Revenue and the Racing Board pursuant to Section 26 or Section 27 of this Act shall be deposited into the Horse Racing Fund, which is hereby created as a special fund in the State Treasury.

(b) Appropriations, as approved by the General Assembly, may be made from the Horse Racing Fund to the Board to pay the salaries of the Board members, secretary, stewards, directors of mutuels, veterinarians, representatives, accountants, clerks, stenographers, inspectors and other employees of the Board, and all expenses of the Board incident to the administration of this Act, including, but not limited to, all expenses and salaries incident to the taking of saliva and urine samples in accordance with the rules and regulations of the Board.

(c) Appropriations, as approved by the General Assembly, shall be made from the Horse Racing Fund to the Department of Agriculture for the purposes identified in paragraphs (2), (2.5), (4),

(6), (7), (8), and (9) of subsection (g) of Section 30, subsection (e) of Section 30.5, and paragraphs (1), (2), (3), (5), and (8) of subsection (g) of Section 31 and for standardbred bonus programs for owners of horses that win multiple stakes races that are limited to Illinois conceived and foaled horses. From Beginning on January 1, 2000 until the effective date of this amendatory Act of the 93rd General Assembly, the Board shall transfer the remainder of the funds generated pursuant to Sections 26 and 27 from the Horse Racing Fund into the General Revenue Fund.

(d) Beginning January 1, 2000, payments to all programs in existence on the effective date of this amendatory Act of 1999 that are identified in Sections 26(c), 26(f), 26(h)(11)(C), and 28, subsections (a), (b), (c), (d), (e), (f), (g), and (h) of Section 30, and subsections (a), (b), (c), (d), (e), (f), (g), and (h) of Section 31 shall be made from the General Revenue Fund at the funding levels determined by amounts paid under this Act in calendar year 1998.

(e) Notwithstanding any other provision of this Act to the contrary, appropriations, as approved by the General Assembly, may be made from the Fair and Exposition Fund to the Department of Agriculture for distribution to Illinois county fairs to supplement premiums offered in junior classes.

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

(230 ILCS 5/30) (from Ch. 8, par. 37-30)

Sec. 30. (a) The General Assembly declares that it is the policy of this State to encourage the breeding of thoroughbred horses in this State and the ownership of such horses by residents of this State in order to provide for: sufficient numbers of high quality thoroughbred horses to participate in thoroughbred racing meetings in this State, and to establish and preserve the agricultural and commercial benefits of such breeding and racing industries to the State of Illinois. It is the intent of the General Assembly to further this policy by the provisions of this Act.

(b) Each organization licensee conducting a thoroughbred racing meeting pursuant to this Act shall provide at least two races each day limited to Illinois conceived and foaled horses or Illinois foaled horses or both. A minimum of 6 races shall be conducted each week limited to Illinois conceived and foaled or Illinois foaled horses or both. Subject to the daily availability of horses, one of the 6 races scheduled per week that are limited to Illinois conceived and foaled or Illinois foaled horses or both shall be limited to Illinois conceived and foaled or Illinois foaled maidens. No horses shall be permitted to start in such races unless duly registered under the rules of the Department of Agriculture.

(c) Conditions of races under subsection (b) shall be commensurate with past performance, quality, and class of Illinois conceived and foaled and Illinois foaled horses available. If, however, sufficient competition cannot be had among horses of that class on any day, the races may, with consent of the Board, be eliminated for that day and substitute races provided.

(d) There is hereby created a special fund of the State Treasury to be known as the Illinois Thoroughbred Breeders Fund.

Except as provided in subsection (g) of Section 27 of this Act, 8.5% of all the monies received by the State as privilege taxes on Thoroughbred racing meetings shall be paid into the Illinois Thoroughbred Breeders Fund.

(e) The Illinois Thoroughbred Breeders Fund shall be administered by the Department of Agriculture with the advice and assistance of the Advisory Board created in subsection (f) of this Section.

(f) The Illinois Thoroughbred Breeders Fund Advisory Board shall consist of the Director of the Department of Agriculture, who shall serve as Chairman; a member of the Illinois Racing Board, designated by it; 2 representatives of the organization licensees conducting thoroughbred racing meetings, recommended by them; 2 representatives of the Illinois Thoroughbred Breeders and Owners Foundation, recommended by it; and 2 representatives of the Horsemen's Benevolent Protective Association or any successor organization established in Illinois comprised of the largest number of owners and trainers, recommended by it, with one representative of the Horsemen's Benevolent and Protective Association to come from its Illinois Division, and one from its Chicago Division. Advisory Board members shall serve for 2 years commencing January 1 of each odd numbered year. If representatives of the organization licensees conducting thoroughbred racing meetings, the Illinois Thoroughbred Breeders and Owners Foundation, and the Horsemen's Benevolent Protection Association have not been recommended by January 1, of each odd numbered year, the Director of the Department of Agriculture shall make an appointment for the organization failing to so recommend a member of the Advisory Board. Advisory Board members shall receive no compensation for their services as members but shall be reimbursed for all actual and necessary expenses and disbursements incurred in the execution of their official duties.

(g) ~~Moneys~~ ~~No monies~~ shall be expended from the Illinois Thoroughbred Breeders Fund ~~except~~ as appropriated by the General Assembly pursuant to this Act, the Riverboat Gambling Act, or both.

Monies appropriated from the Illinois Thoroughbred Breeders Fund shall be expended by the Department of Agriculture, with the advice and assistance of the Illinois Thoroughbred Breeders Fund Advisory Board, for the following purposes only:

- (1) To provide purse supplements to owners of horses participating in races limited to

Illinois conceived and foaled and Illinois foaled horses. Any such purse supplements shall not be included in and shall be paid in addition to any purses, stakes, or breeders' awards offered by each organization licensee as determined by agreement between such organization licensee and an organization representing the horsemen. No monies from the Illinois Thoroughbred Breeders Fund shall be used to provide purse supplements for claiming races in which the minimum claiming price is less than \$7,500.

- (2) To provide stakes and awards to be paid to the owners of the winning horses in

certain races limited to Illinois conceived and foaled and Illinois foaled horses designated as stakes races.

- (2.5) To provide an award to the owner or owners of an Illinois conceived and foaled or

Illinois foaled horse that wins a maiden special weight, an allowance, overnight handicap race, or claiming race with claiming price of \$10,000 or more providing the race is not restricted to Illinois conceived and foaled or Illinois foaled horses. Awards shall also be provided to the owner or owners of Illinois conceived and foaled and Illinois foaled horses that place second or third in those races. To the extent that additional moneys are required to pay the minimum additional awards of 40% of the purse the horse earns for placing first, second or third in those races for Illinois foaled horses and of 60% of the purse the horse earns for placing first, second or third in those races for Illinois conceived and foaled horses, those moneys shall be provided from the purse account at the track where earned.

- (3) To provide stallion awards to the owner or owners of any stallion that is duly

registered with the Illinois Thoroughbred Breeders Fund Program ~~prior to the effective date of this amendatory Act of 1995~~ whose duly registered Illinois conceived and foaled offspring wins a race conducted at an Illinois thoroughbred racing meeting other than a claiming race. Such award shall not be paid to the owner or owners of an Illinois stallion that served outside this State at any time during the calendar year in which such race was conducted.

- (4) To provide \$75,000 annually for purses to be distributed to county fairs that

provide for the running of races during each county fair exclusively for the thoroughbreds conceived and foaled in Illinois. The conditions of the races shall be developed by the county fair association and reviewed by the Department with the advice and assistance of the Illinois Thoroughbred Breeders Fund Advisory Board. There shall be no wagering of any kind on the running of Illinois conceived and foaled races at county fairs.

- (4.1) ~~(Blank). To provide purse money for an Illinois stallion stakes program.~~

- (5) No less than 80% of all monies appropriated ~~to from~~ the Illinois Thoroughbred Breeders

Fund shall be expended for the purposes in (1), (2), (2.5), (3), (4), (4.1), and (5) as shown above.

- (6) To provide for educational programs regarding the thoroughbred breeding industry.
(7) To provide for research programs concerning the health, development and care of the

thoroughbred horse.

(8) To provide for a scholarship and training program for students of equine veterinary medicine.

- (9) To provide for dissemination of public information designed to promote the breeding

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of thoroughbred horses in Illinois.

(10) To provide for all expenses incurred in the administration of the Illinois

Thoroughbred Breeders Fund.

~~(h) (Blank). Whenever the Governor finds that the amount in the Illinois Thoroughbred Breeders Fund is more than the total of the outstanding appropriations from such fund, the Governor shall notify the State Comptroller and the State Treasurer of such fact. The Comptroller and the State Treasurer, upon receipt of such notification, shall transfer such excess amount from the Illinois Thoroughbred Breeders Fund to the General Revenue Fund.~~

(i) A sum equal to 12 1/2% of the first prize money of every purse won by an Illinois foaled or an Illinois conceived and foaled horse in races not limited to Illinois foaled horses or Illinois conceived and foaled horses, or both, shall be paid by the organization licensee conducting the horse race meeting. Such sum shall be paid from the organization licensee's share of the money wagered as follows: 11 1/2% to the breeder of the winning horse and 1% to the organization representing thoroughbred breeders and owners whose representative serves on the Illinois Thoroughbred Breeders Fund Advisory Board for verifying the amounts of breeders' awards earned, assuring their distribution in accordance with this Act, and servicing and promoting the Illinois thoroughbred horse racing industry. The organization representing thoroughbred breeders and owners shall cause all expenditures of monies received under this subsection (i) to be audited at least annually by a registered public accountant. The organization shall file copies of each annual audit with the Racing Board, the Clerk of the House of Representatives and the Secretary of the Senate, and shall make copies of each annual audit available to the public upon request and upon payment of the reasonable cost of photocopying the requested number of copies. Such payments shall not reduce any award to the owner of the horse or reduce the taxes payable under this Act. Upon completion of its racing meet, each organization licensee shall deliver to the organization representing thoroughbred breeders and owners whose representative serves on the Illinois Thoroughbred Breeders Fund Advisory Board a listing of all the Illinois foaled and the Illinois conceived and foaled horses which won breeders' awards and the amount of such breeders' awards under this subsection to verify accuracy of payments and assure proper distribution of breeders' awards in accordance with the provisions of this Act. Such payments shall be delivered by the organization licensee within 30 days of the end of each race meeting.

(j) A sum equal to 12 1/2% of the first prize money won in each race limited to Illinois foaled horses or Illinois conceived and foaled horses, or both, shall be paid in the following manner by the organization licensee conducting the horse race meeting, from the organization licensee's share of the money wagered: 11 1/2% to the breeders of the horses in each such race which are the official first, second, third and fourth finishers and 1% to the organization representing thoroughbred breeders and owners whose representative serves on the Illinois Thoroughbred Breeders Fund Advisory Board for verifying the amounts of breeders' awards earned, assuring their proper distribution in accordance with this Act, and servicing and promoting the Illinois thoroughbred horse racing industry. The organization representing thoroughbred breeders and owners shall cause all expenditures of monies received under this subsection (j) to be audited at least annually by a registered public accountant. The organization shall file copies of each annual audit with the Racing Board, the Clerk of the House of Representatives and the Secretary of the Senate, and shall make copies of each annual audit available to the public upon request and upon payment of the reasonable cost of photocopying the requested number of copies.

The 11 1/2% paid to the breeders in accordance with this subsection shall be distributed as follows:

(1) 60% of such sum shall be paid to the breeder of the horse which finishes in the official first position;

(2) 20% of such sum shall be paid to the breeder of the horse which finishes in the official second position;

(3) 15% of such sum shall be paid to the breeder of the horse which finishes in the official third position; and

(4) 5% of such sum shall be paid to the breeder of the horse which finishes in the official fourth position.

Such payments shall not reduce any award to the owners of a horse or reduce the taxes payable under this Act. Upon completion of its racing meet, each organization licensee shall deliver to the organization representing thoroughbred breeders and owners whose representative serves on the Illinois Thoroughbred Breeders Fund Advisory Board a listing of all the Illinois foaled and the Illinois conceived and foaled horses which won breeders' awards and the amount of such breeders' awards in accordance with the provisions of this Act. Such payments shall be delivered by the organization licensee within 30 days of the end of each race meeting.

(k) The term "breeder", as used herein, means the owner of the mare at the time the foal is dropped. An "Illinois foaled horse" is a foal dropped by a mare which enters this State on or before December 1, in the year in which the horse is bred, provided the mare remains continuously in this State until its foal is born. An "Illinois foaled horse" also means a foal born of a mare in the same year as the mare enters this State on or before March 1, and remains in this State at least 30 days after foaling, is bred back during the season of the foaling to an Illinois Registered Stallion (unless a veterinarian certifies that the mare should not be bred for health reasons), and is not bred to a stallion standing in any other state during the season of foaling. An "Illinois foaled horse" also means a foal born in Illinois of a mare purchased at public auction subsequent to the mare entering this State prior to ~~March 1~~ ~~February 1~~ of the foaling year providing the mare is owned solely by one or more Illinois residents or an Illinois entity that is entirely owned by one or more Illinois residents.

(l) The Department of Agriculture shall, by rule, with the advice and assistance of the Illinois Thoroughbred Breeders Fund Advisory Board:

(1) Qualify stallions for Illinois breeding; such stallions to stand for service within

the State of Illinois at the time of a foal's conception. Such stallion must not stand for service at any place outside the State of Illinois during the calendar year in which the foal is conceived. The Department of Agriculture may assess and collect an application ~~fee of \$500 fees~~ for the registration of ~~each~~ Illinois-eligible ~~stallion~~ ~~stallions~~. All fees collected are to be paid into the Illinois Thoroughbred Breeders Fund and used by the Illinois Thoroughbred Breeders Fund Advisory Board for stallion awards.

(2) Provide for the registration of Illinois conceived and foaled horses and Illinois

foaled horses. No such horse shall compete in the races limited to Illinois conceived and foaled horses or Illinois foaled horses or both unless registered with the Department of Agriculture. The Department of Agriculture may prescribe such forms as are necessary to determine the eligibility of such horses. The Department of Agriculture may assess and collect application fees for the registration of Illinois-eligible foals. All fees collected are to be paid into the Illinois Thoroughbred Breeders Fund. No person shall knowingly prepare or cause preparation of an application for registration of such foals containing false information.

(m) The Department of Agriculture, with the advice and assistance of the Illinois Thoroughbred Breeders Fund Advisory Board, shall provide that certain races limited to Illinois conceived and foaled and Illinois foaled horses be stakes races and determine the total amount of stakes and awards to be paid to the owners of the winning horses in such races.

In determining the stakes races and the amount of awards for such races, the Department of Agriculture shall consider factors, including but not limited to, the amount of money appropriated for the Illinois Thoroughbred Breeders Fund program, organization licensees' contributions, availability of stakes caliber horses as demonstrated by past performances, whether the race can be coordinated into the proposed racing dates within organization licensees' racing dates, opportunity for colts and fillies and various age groups to race, public wagering on such races, and the previous racing schedule.

(n) The Board and the organizational licensee shall notify the Department of the conditions and minimum purses for races limited to Illinois conceived and foaled and Illinois foaled horses conducted for each organizational licensee conducting a thoroughbred racing meeting. The Department of Agriculture with the advice and assistance of the Illinois Thoroughbred Breeders Fund Advisory Board may allocate monies for purse supplements for such races. In determining whether to allocate money and

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the amount, the Department of Agriculture shall consider factors, including but not limited to, the amount of money appropriated for the Illinois Thoroughbred Breeders Fund program, the number of races that may occur, and the organizational licensee's purse structure.

~~(o) (Blank). In order to improve the breeding quality of thoroughbred horses in the State, the General Assembly recognizes that existing provisions of this Section to encourage such quality breeding need to be revised and strengthened. As such, a Thoroughbred Breeder's Program Task Force is to be appointed by the Governor by September 1, 1999 to make recommendations to the General Assembly by no later than March 1, 2000. This task force is to be composed of 2 representatives from the Illinois Thoroughbred Breeders and Owners Foundation, 2 from the Illinois Thoroughbred Horsemen's Association, 3 from Illinois race tracks operating thoroughbred race meets for an average of at least 30 days in the past 3 years, the Director of Agriculture, the Executive Director of the Racing Board, who shall serve as Chairman.~~

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

(230 ILCS 5/31) (from Ch. 8, par. 37-31)

Sec. 31. (a) The General Assembly declares that it is the policy of this State to encourage the breeding of standardbred horses in this State and the ownership of such horses by residents of this State in order to provide for: sufficient numbers of high quality standardbred horses to participate in harness racing meetings in this State, and to establish and preserve the agricultural and commercial benefits of such breeding and racing industries to the State of Illinois. It is the intent of the General Assembly to further this policy by the provisions of this Section of this Act.

(b) Each organization licensee conducting a harness racing meeting pursuant to this Act shall provide for at least two races each race program limited to Illinois conceived and foaled horses. A minimum of 6 races shall be conducted each week limited to Illinois conceived and foaled horses. No horses shall be permitted to start in such races unless duly registered under the rules of the Department of Agriculture.

(b-5) Each organization licensee conducting a harness racing meeting pursuant to this Act shall provide stakes races and early closer races for Illinois conceived and foaled horses so the total purses distributed for such races shall be no less than 17% of the total purses distributed at the meeting.

(b-10) Each organization licensee conducting a harness racing meeting pursuant to this Act shall provide an owner award to be paid from the purse account equal to 25% of the amount earned by Illinois conceived and foaled horses in races that are not restricted to Illinois conceived and foaled horses.

(c) Conditions of races under subsection (b) shall be commensurate with past performance, quality and class of Illinois conceived and foaled horses available. If, however, sufficient competition cannot be had among horses of that class on any day, the races may, with consent of the Board, be eliminated for that day and substitute races provided.

(d) There is hereby created a special fund of the State Treasury to be known as the Illinois Standardbred Breeders Fund.

During the calendar year 1981, and each year thereafter, except as provided in subsection (g) of Section 27 of this Act, eight and one-half per cent of all the monies received by the State as privilege taxes on harness racing meetings shall be paid into the Illinois Standardbred Breeders Fund.

(e) The Illinois Standardbred Breeders Fund shall be administered by the Department of Agriculture with the assistance and advice of the Advisory Board created in subsection (f) of this Section.

(f) The Illinois Standardbred Breeders Fund Advisory Board is hereby created. The Advisory Board shall consist of the Director of the Department of Agriculture, who shall serve as Chairman; the Superintendent of the Illinois State Fair; a member of the Illinois Racing Board, designated by it; a representative of the Illinois Standardbred Owners and Breeders Association, recommended by it; a representative of the Illinois Association of Agricultural Fairs, recommended by it, such representative to be from a fair at which Illinois conceived and foaled racing is conducted; a representative of the organization licensees conducting harness racing meetings, recommended by them and a representative of the Illinois Harness Horsemen's Association, recommended by it. Advisory Board members shall serve for 2 years commencing January 1, of each odd numbered year. If representatives of the Illinois Standardbred Owners and Breeders Associations, the Illinois Association of Agricultural Fairs, the Illinois Harness Horsemen's Association, and the organization licensees conducting harness racing meetings have not been recommended by January 1, of each odd numbered year, the Director of the Department of Agriculture shall make an appointment for the organization failing to so recommend a member of the Advisory Board. Advisory Board members shall receive no compensation for their

services as members but shall be reimbursed for all actual and necessary expenses and disbursements incurred in the execution of their official duties.

(g) No monies shall be expended from the Illinois Standardbred Breeders Fund except as appropriated by the General Assembly. Monies appropriated from the Illinois Standardbred Breeders Fund shall be expended by the Department of Agriculture, with the assistance and advice of the Illinois Standardbred Breeders Fund Advisory Board for the following purposes only:

1. To provide purses for races limited to Illinois conceived and foaled horses at the

State Fair and the DuQuoin State Fair.

2. To provide purses for races limited to Illinois conceived and foaled horses at county fairs.

3. To provide purse supplements for races limited to Illinois conceived and foaled horses conducted by associations conducting harness racing meetings.

4. No less than 75% of all monies in the Illinois Standardbred Breeders Fund shall be expended for purses in 1, 2 and 3 as shown above.

5. In the discretion of the Department of Agriculture to provide awards to harness

breeders of Illinois conceived and foaled horses which win races conducted by organization licensees conducting harness racing meetings. A breeder is the owner of a mare at the time of conception. No more than 10% of all monies appropriated from the Illinois Standardbred Breeders Fund shall be expended for such harness breeders awards. No more than 25% of the amount expended for harness breeders awards shall be expended for expenses incurred in the administration of such harness breeders awards.

6. To pay for the improvement of racing facilities located at the State Fair and County fairs.

7. To pay the expenses incurred in the administration of the Illinois Standardbred Breeders Fund.

8. To promote the sport of harness racing, including grants up to a maximum of \$7,500 per fair per year for the cost of a totalizer system to be used for conducting pari-mutuel wagering during the advertised dates of a county fair.

(h) Whenever the Governor finds that the amount in the Illinois Standardbred Breeders Fund is more than the total of the outstanding appropriations from such fund, the Governor shall notify the State Comptroller and the State Treasurer of such fact. The Comptroller and the State Treasurer, upon receipt of such notification, shall transfer such excess amount from the Illinois Standardbred Breeders Fund to the General Revenue Fund.

(i) A sum equal to 12 1/2% of the first prize money of every purse won by an Illinois conceived and foaled horse shall be paid by the organization licensee conducting the horse race meeting to the breeder of such winning horse from the organization licensee's account share of the money wagered. Such payment shall not reduce any award to the owner of the horse or reduce the taxes payable under this Act. Such payment shall be delivered by the organization licensee at the end of each month race meeting.

(j) The Department of Agriculture shall, by rule, with the assistance and advice of the Illinois Standardbred Breeders Fund Advisory Board:

1. Qualify stallions for Illinois Standardbred Breeders Fund breeding; such stallion shall be owned by a resident of the State of Illinois or by an Illinois corporation all of whose shareholders, directors, officers and incorporators are residents of the State of Illinois. Such stallion shall stand for service at and within the State of Illinois at the time of a foal's conception, and such stallion must not

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stand for service at any place, ~~nor may semen from such stallion be transported~~, outside the State of Illinois during that calendar year in which the foal is conceived and that the owner of the stallion was for the 12 months prior, a resident of Illinois. The articles of agreement of any partnership, joint venture, limited partnership, syndicate, association or corporation and any bylaws and stock certificates must contain a restriction that provides that the ownership or transfer of interest by any one of the persons a party to the agreement can only be made to a person who qualifies as an Illinois resident. Foals conceived outside the State of Illinois from shipped semen from a stallion qualified for breeders' awards under this Section are not eligible to participate in the Illinois conceived and foaled program.

2. Provide for the registration of Illinois conceived and foaled horses and no such horse shall compete in the races limited to Illinois conceived and foaled horses unless registered with the Department of Agriculture. The Department of Agriculture may prescribe such forms as may be necessary to determine the eligibility of such horses. No person shall knowingly prepare or cause preparation of an application for registration of such foals containing false information. A mare (dam) must be in the state at least 30 days prior to foaling or remain in the State at least 30 days at the time of foaling. Beginning with the 1996 breeding season and for foals of 1997 and thereafter, a foal conceived in the State of Illinois by transported fresh semen may be eligible for Illinois conceived and foaled registration provided all breeding and foaling requirements are met. The stallion must be qualified for Illinois Standardbred Breeders Fund breeding at the time of conception and the mare must be inseminated within the State of Illinois. The foal must be dropped in Illinois and properly registered with the Department of Agriculture in accordance with this Act.

3. Provide that at least a 5 day racing program shall be conducted at the State Fair each year, which program shall include at least the following races limited to Illinois conceived and foaled horses: (a) a two year old Trot and Pace, and Filly Division of each; (b) a three year old Trot and Pace, and Filly Division of each; (c) an aged Trot and Pace, and Mare Division of each.

4. Provide for the payment of nominating, sustaining and starting fees for races promoting the sport of harness racing and for the races to be conducted at the State Fair as provided in subsection (j) 3 of this Section provided that the nominating, sustaining and starting payment required from an entrant shall not exceed 2% of the purse of such race. All nominating, sustaining and starting payments shall be held for the benefit of entrants and shall be paid out as part of the respective purses for such races. Nominating, sustaining and starting fees shall be held in trust accounts for the purposes as set forth in this Act and in accordance with Section 205-15 of the Department of Agriculture Law (20 ILCS 205/205-15).

5. Provide for the registration with the Department of Agriculture of Colt Associations or county fairs desiring to sponsor races at county fairs.

(k) The Department of Agriculture, with the advice and assistance of the Illinois Standardbred Breeders Fund Advisory Board, may allocate monies for purse supplements for such races. In determining whether to allocate money and the amount, the Department of Agriculture shall consider factors, including but not limited to, the amount of money appropriated for the Illinois Standardbred Breeders Fund program, the number of races that may occur, and an organizational licensee's purse structure. The organizational licensee shall notify the Department of Agriculture of the conditions and minimum purses for races limited to Illinois conceived and foaled horses to be conducted by each organizational licensee conducting a harness racing meeting for which purse supplements have been negotiated.

(l) All races held at county fairs and the State Fair which receive funds from the Illinois Standardbred Breeders Fund shall be conducted in accordance with the rules of the United States Trotting Association unless otherwise modified by the Department of Agriculture.

(m) At all standardbred race meetings held or conducted under authority of a license granted by the Board, and at all standardbred races held at county fairs which are approved by the Department of Agriculture or at the Illinois or DuQuoin State Fairs, no one shall jog, train, warm up or drive a standardbred horse unless he or she is wearing a protective safety helmet, with the chin strap fastened and in place, which meets the standards and requirements as set forth in the 1984 Standard for Protective Headgear for Use in Harness Racing and Other Equestrian Sports published by the Snell Memorial Foundation, or any standards and requirements for headgear the Illinois Racing Board may approve. Any other standards and requirements so approved by the Board shall equal or exceed those published by the Snell Memorial Foundation. Any equestrian helmet bearing the Snell label shall be deemed to have met those standards and requirements.

(Source: P.A. 91-239, eff. 1-1-00.)

(230 ILCS 5/32.1)

Sec. 32.1. Pari-mutuel tax credit; statewide racetrack real estate equalization. In order to encourage new investment in Illinois racetrack facilities and mitigate differing real estate tax burdens among all racetracks, the licensees affiliated or associated with each racetrack that has been awarded live racing dates in the current year shall receive an immediate pari-mutuel tax credit in an amount equal to the greater of (i) 50% of the amount of the real estate taxes paid in the prior year attributable to that racetrack, or (ii) the amount by which the real estate taxes paid in the prior year attributable to that racetrack exceeds 60% of the average real estate taxes paid in the prior year for all racetracks awarded live horse racing meets in the current year.

Each year, regardless of whether the organization licensee conducted live racing in the year of certification, the Board shall certify in writing, prior to December 31, the real estate taxes paid in that year for each racetrack and the amount of the pari-mutuel tax credit that each organization licensee, intertrack wagering licensee, and intertrack wagering location licensee that derives its license from such racetrack is entitled in the succeeding calendar year. The real estate taxes considered under this Section for any racetrack shall be those taxes on the real estate parcels and related facilities used to conduct a horse race meeting and inter-track wagering at such racetrack under this Act. In no event shall the amount of the tax credit under this Section exceed the amount of pari-mutuel taxes otherwise calculated under this Act. The amount of the tax credit under this Section shall be retained by each licensee and shall not be subject to any reallocation or further distribution under this Act. The Board may promulgate emergency rules to implement this Section.

An organization licensee shall no longer be eligible to receive a pari-mutuel tax credit under this Section beginning on the January 1 first occurring after the organization licensee begins conducting electronic gaming pursuant to an electronic gaming license issued under Section 7.6 of the Riverboat Gambling Act or on January 1, 2006, whichever comes first. For the calendar year in which an organization licensee that is eligible to receive a pari-mutuel tax credit under this Section begins conducting electronic gaming pursuant to an electronic gaming license, the amount of the pari-mutuel tax credit shall be reduced by a percentage equal to the percentage of the year remaining after the organization licensee begins conducting electronic gaming pursuant to its electronic gaming license. Beginning on January 1, 2006, the other provisions of this Section shall be of no force and effect.

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

(230 ILCS 5/36) (from Ch. 8, par. 37-36)

Sec. 36. (a) Whoever administers or conspires to administer to any horse a hypnotic, narcotic, stimulant, depressant or any chemical substance which may affect the speed of a horse at any time in any race where the purse or any part of the purse is made of money authorized by any Section of this Act, except those chemical substances permitted by ruling of the Board, internally, externally or by hypodermic method in a race or prior thereto, or whoever knowingly enters a horse in any race within a period of 24 hours after any hypnotic, narcotic, stimulant, depressant or any other chemical substance which may affect the speed of a horse at any time, except those chemical substances permitted by ruling of the Board, has been administered to such horse either internally or externally or by hypodermic method for the purpose of increasing or retarding the speed of such horse shall be guilty of a Class 4 felony. The Board shall suspend or revoke such violator's license.

(b) The term "hypnotic" as used in this Section includes all barbituric acid preparations and derivatives.

(c) The term "narcotic" as used in this Section includes opium and all its alkaloids, salts, preparations and derivatives, cocaine and all its salts, preparations and derivatives and substitutes.

(d) The provisions of this Section 36 and the treatment authorized herein apply to horses entered in and competing in race meetings as defined in Section 3.47 of this Act and to horses entered in and competing at any county fair.

(Source: P.A. 79-1185.)

(230 ILCS 5/42) (from Ch. 8, par. 37-42)

Sec. 42. (a) Except as to the distribution of monies provided for by Sections 28, 29, 30, and 31 and the treating of horses as provided in Section 36, nothing whatsoever in this Act shall be held or taken to apply to county fairs and State Fairs or to agricultural and livestock exhibitions where the pari-mutuel system of wagering upon the result of horses is not permitted or conducted.

(b) Nothing herein shall be construed to permit the pari-mutuel method of wagering upon any race track unless such race track is licensed under this Act. It is hereby declared to be unlawful for any person to permit, conduct or supervise upon any race track ground the pari-mutuel method of wagering except in accordance with the provisions of this Act.

(c) Whoever violates subsection (b) of this Section is guilty of a Class 4 felony.

(Source: P.A. 89-16, eff. 5-30-95.)

(230 ILCS 5/56 new)

Sec. 56. Electronic gaming.

(a) An organization licensee may apply to the Gaming Board for an electronic gaming license. An electronic gaming license shall authorize its holder to conduct gambling using slot machines, video games of chance, or both on the grounds of the licensee's race track. Only one organization licensee per race track may be awarded an electronic gaming license. Each license shall specify the number of slot machines and video games of chance that its holder may operate.

If an organization licensee receives an electronic gaming license, the organization must create an entity that shall hold the electronic gaming license and conduct electronic gaming under the license. The majority interest in the entity shall be retained by the organization licensee, but, within a time period set by the Board, which shall not exceed 12 months from the date the electronic gaming licensee begins to conduct electronic gaming, the entity shall attain a level of at least 20% minority person and female ownership, at least 16% and 4% respectively. The provisions of this subsection concerning minority person and female ownership of an entity the holds an electronic gaming license apply only to electronic gaming and not to any other activities conducted by an organization licensee under this Act. For the purposes of this Act, with respect to electronic gaming, the term "organization licensee" means the entity created under this subsection. The provisions of this subsection concerning the creation of an entity to hold an electronic gaming license do not apply to an organization licensee that has attained a level of at least 20% minority person and female ownership, at least 16% and 4% respectively. For the purposes of this Section, the terms "female" and "minority person" have the meanings provided in Section 2 of the Business Enterprise for Minorities, Females, and Persons with Disabilities Act.

An electronic gaming licensee may not permit persons under 21 years of age to be present in its electronic gaming facility, but the licensee may accept wagers on live racing and inter-track wagers at its electronic gaming facility.

(b) The gross gaming receipts received by an electronic gaming licensee from electronic gaming remaining after the payment of taxes under Section 13 of the Riverboat and Casino Gambling Act shall be distributed as follows:

77% shall be retained by the licensee;

19.5% shall be paid to purse equity accounts;

1.75% shall be paid to the Illinois Thoroughbred Breeders Fund and the Illinois Standardbred Breeders Fund, divided pro rata based on the proportion of live thoroughbred racing and live standardbred racing conducted at that licensee's race track;

0.25% shall be paid to the Illinois Quarter Horse Breeders Fund;

0.125% shall be paid to the University of Illinois for equine research;

1.125% shall be paid to the Racing Industry Charitable Foundation;

0.25% shall be paid to the licensee's live racing and horse ownership promotional account.

Of the moneys paid to purse equity accounts by an electronic gaming licensee, 58% shall be paid to the licensee's thoroughbred purse equity account and 42% shall be paid to the licensee's standardbred purse equity account.

Section 930. The Riverboat Gambling Act is amended by changing Sections 1, 2, 3, 4, 5, 6, 7, 7.1, 7.3, 7.4, 8, 9, 10, 11, 11.1, 12, 13, 14, 18, 19, 20, and 23 and adding Sections 7.6 and 7.7 as follows: (230 ILCS 10/1) (from Ch. 120, par. 2401)

Sec. 1. Short title. This Act shall be known and may be cited as the Riverboat and Casino Gambling Act.

(Source: P.A. 86-1029.)

(230 ILCS 10/2) (from Ch. 120, par. 2402)

Sec. 2. Legislative Intent.

(a) This Act is intended to benefit the people of the State of Illinois by assisting economic development and promoting Illinois tourism and by increasing the amount of revenues available to the State to assist and support education.

(b) While authorization of riverboat and casino gambling will enhance investment, development and tourism in Illinois, it is recognized that it will do so successfully only if public confidence and trust in the credibility and integrity of the gambling operations and the regulatory process is maintained. Therefore, regulatory provisions of this Act are designed to strictly regulate the facilities, persons, associations and practices related to gambling operations pursuant to the police powers of the State, including comprehensive law enforcement supervision.

(c) The Illinois Gaming Board established under this Act should, as soon as possible, inform each applicant for an owners license of the Board's intent to grant or deny a license.

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(Source: P.A. 93-28, eff. 6-20-03.)

(230 ILCS 10/3) (from Ch. 120, par. 2403)

Sec. 3. ~~Riverboat~~ Gambling Authorized.

(a) ~~Riverboat and casino gambling operations and electronic gaming operations and the system of wagering incorporated therein,~~ as defined in this Act, are hereby authorized to the extent that they are carried out in accordance with the provisions of this Act.

(b) This Act does not apply to the pari-mutuel system of wagering used or intended to be used in connection with the horse-race meetings as authorized under the Illinois Horse Racing Act of 1975, lottery games authorized under the Illinois Lottery Law, bingo authorized under the Bingo License and Tax Act, charitable games authorized under the Charitable Games Act or pull tabs and jar games conducted under the Illinois Pull Tabs and Jar Games Act. This Act does apply to electronic gaming authorized under the Illinois Horse Racing Act of 1975 to the extent provided in that Act and in this Act.

(c) Riverboat gambling conducted pursuant to this Act may be authorized upon any water within the State of Illinois or any water other than Lake Michigan which constitutes a boundary of the State of Illinois. Notwithstanding any provision in this subsection (c) to the contrary, a licensee that receives its license pursuant to subsection (e-5) of Section 7 authorizing its holder to conduct riverboat gambling from a home dock in any county North of Cook County may conduct riverboat gambling on Lake Michigan from a home dock located on Lake Michigan. Notwithstanding any provision in this subsection (c) to the contrary, a licensee may conduct gambling at its home dock facility as provided in Sections 7 and 11. A licensee may conduct riverboat gambling authorized under this Act regardless of whether it conducts excursion cruises. A licensee may permit the continuous ingress and egress of passengers for the purpose of gambling.

(d) Gambling that is conducted in accordance with this Act using slot machines and video games of chance shall be authorized at electronic gaming facilities as provided in this Act.

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

(230 ILCS 10/4) (from Ch. 120, par. 2404)

Sec. 4. Definitions. As used in this Act:

"Authority" means the Chicago Casino Development Authority created under the Chicago Casino Development Authority Act.

~~(a)~~ "Board" means the Illinois Gaming Board.

"Casino" means a land-based facility located within a municipality with a population of more than 500,000 inhabitants at which lawful gambling is authorized and licensed as provided in this Act. "Casino" includes any temporary land-based or river-based facility at which lawful gambling is authorized and licensed as provided in this Act. "Casino" does not include any ancillary facilities such as hotels, restaurants, retail facilities, conference rooms, parking areas, entertainment venues, or other facilities at which gambling operations are not conducted.

"Casino operator" means any person or entity that manages casino gambling operations conducted by the Authority under subsection (e-6) of Section 7.

"Casino operators license" means a license issued by the Board to a person or entity to manage casino gambling operations conducted by the Authority pursuant to subsection (e-6) of Section 7.

~~(b)~~ "Occupational license" means a license issued by the Board to a person or entity to perform an occupation which the Board has identified as requiring a license to engage in riverboat or casino gambling in Illinois.

~~(c)~~ "Gambling game" includes, but is not limited to, baccarat, twenty-one, poker, craps, slot machine, video game of chance, roulette wheel, klondike table, punchboard, faro layout, keno layout, numbers ticket, push card, jar ticket, or pull tab which is authorized by the Board as a wagering device under this Act.

~~(d)~~ "Riverboat" means a self-propelled excursion boat, a permanently moored barge, or permanently moored barges that are permanently fixed together to operate as one vessel, on which lawful gambling is authorized and licensed as provided in this Act.

~~(e)~~ "Managers license" means a license issued by the Board to a person or entity to manage gambling operations conducted by the State pursuant to Section ~~7.3~~ 7.2.

~~(f)~~ "Dock" means the location where a riverboat moors for the purpose of embarking passengers for and disembarking passengers from the riverboat.

~~(g)~~ " Whole gaming Gross receipts" means the total amount of money exchanged for the purchase of chips, tokens or electronic cards by riverboat or casino patrons or electronic gaming patrons.

~~(h)~~ " Gross gaming Adjusted-gross receipts" means the whole gaming gross receipts less winnings paid to wagerers.

(+) "Cheat" means to alter the selection of criteria which determine the result of a gambling game or the amount or frequency of payment in a gambling game.

(+) "Department" means the Department of Revenue.

(+) "Gambling operation" means the conduct of ~~authorized~~ gambling games authorized under this Act upon a riverboat or in a casino or authorized under this Act and the Illinois Horse Racing Act of 1975 at an electronic gaming facility.

(+) "License bid" means the lump sum amount of money that an applicant bids and agrees to pay the State , or which is paid by the Authority, in return for an owners license that is re-issued on or after July 1, 2003.

(+) The terms "minority person" and "female" shall have the same meaning as defined in Section 2 of the Business Enterprise for Minorities, Females, and Persons with Disabilities Act.

"Owners license" means a license to conduct riverboat gambling operations or casino gambling operations, but does not include an electronic gaming license.

"Licensed owner" means a person who holds an owners license.

"Electronic gaming" means the conduct of gambling using slot machines and video games of chance at a race track licensed under the Illinois Horse Racing Act of 1975 pursuant to the Illinois Horse Racing Act of 1975 and this Act.

"Electronic gaming facility" means the area where the Board has authorized electronic gaming at a race track of an organization licensee under the Illinois Horse Racing Act of 1975 that holds an electronic gaming license.

"Electronic gaming license" means a license issued by the Board under Section 7.6 of this Act authorizing electronic gaming at an electronic gaming facility.

"Organization licensee" means an entity authorized by the Illinois Racing Board to conduct pari-mutuel wagering in accordance with the Illinois Horse Racing Act of 1975.

(Source: P.A. 92-600, eff. 6-28-02; 93-28, eff. 6-20-03; revisory 1-28-04.)

(230 ILCS 10/5) (from Ch. 120, par. 2405)

Sec. 5. Gaming Board.

(a) (1) There is hereby established within the Department of Revenue an Illinois Gaming Board which shall have the powers and duties specified in this Act, and all other powers necessary and proper to fully and effectively execute this Act for the purpose of administering, regulating, and enforcing the system of riverboat and casino gambling established by this Act. Its jurisdiction shall extend under this Act to every person, association, corporation, partnership and trust involved in riverboat and casino gambling operations in the State of Illinois.

(2) The Board shall consist of 5 members to be appointed by the Governor with the advice and consent of the Senate, one of whom shall be designated by the Governor to be chairperson ~~chairman~~. Each member shall have a reasonable knowledge of the practice, procedure and principles of gambling operations. Each member shall either be a resident of Illinois or shall certify that he or she will become a resident of Illinois before taking office. At least one member shall be experienced in law enforcement and criminal investigation, at least one member shall be a certified public accountant experienced in accounting and auditing, and at least one member shall be a lawyer licensed to practice law in Illinois.

(3) The terms of office of the Board members shall be 3 years, except that the terms of office of the initial Board members appointed pursuant to this Act will commence from the effective date of this Act and run as follows: one for a term ending July 1, 1991, 2 for a term ending July 1, 1992, and 2 for a term ending July 1, 1993. Upon the expiration of the foregoing terms, the successors of such members shall serve a term for 3 years and until their successors are appointed and qualified for like terms. Vacancies in the Board shall be filled for the unexpired term in like manner as original appointments. Each member of the Board shall be eligible for reappointment at the discretion of the Governor with the advice and consent of the Senate.

(4) Each member of the Board shall receive \$300 for each day the Board meets and for each day the member conducts any hearing pursuant to this Act. Each member of the Board shall also be reimbursed for all actual and necessary expenses and disbursements incurred in the execution of official duties.

(5) No person shall be appointed a member of the Board or continue to be a member of the Board who is, or whose spouse, child or parent is, a member of the board of directors of, or a person financially interested in, any gambling operation subject to the jurisdiction of this Board, or any race track, race meeting, racing association or the operations thereof subject to the jurisdiction of the Illinois Racing Board. No Board member shall hold any other public office for which he shall receive compensation other than necessary travel or other incidental expenses. No person shall be a member of

the Board who is not of good moral character or who has been convicted of, or is under indictment for, a felony under the laws of Illinois or any other state, or the United States.

(6) Any member of the Board may be removed by the Governor for neglect of duty, misfeasance, malfeasance, or nonfeasance in office.

(7) Before entering upon the discharge of the duties of his office, each member of the Board shall take an oath that he will faithfully execute the duties of his office according to the laws of the State and the rules and regulations adopted therewith and shall give bond to the State of Illinois, approved by the Governor, in the sum of \$25,000. Every such bond, when duly executed and approved, shall be recorded in the office of the Secretary of State. Whenever the Governor determines that the bond of any member of the Board has become or is likely to become invalid or insufficient, he shall require such member forthwith to renew his bond, which is to be approved by the Governor. Any member of the Board who fails to take oath and give bond within 30 days from the date of his appointment, or who fails to renew his bond within 30 days after it is demanded by the Governor, shall be guilty of neglect of duty and may be removed by the Governor. The cost of any bond given by any member of the Board under this Section shall be taken to be a part of the necessary expenses of the Board.

(8) Upon the request of the Board, the Department shall employ such personnel as may be necessary to carry out the functions of the Board. No person shall be employed to serve the Board who is, or whose spouse, parent or child is, an official of, or has a financial interest in or financial relation with, any operator engaged in gambling operations within this State or any organization engaged in conducting horse racing within this State. Any employee violating these prohibitions shall be subject to termination of employment.

(9) An Administrator shall perform any and all duties that the Board shall assign him. The salary of the Administrator shall be determined by the Board and approved by the Director of the Department and, in addition, he shall be reimbursed for all actual and necessary expenses incurred by him in discharge of his official duties. The Administrator shall keep records of all proceedings of the Board and shall preserve all records, books, documents and other papers belonging to the Board or entrusted to its care. The Administrator shall devote his full time to the duties of the office and shall not hold any other office or employment.

(b) The Board shall have general responsibility for the implementation of this Act. Its duties include, without limitation, the following:

(1) To decide promptly and in reasonable order all license applications. Any party

aggrieved by an action of the Board denying, suspending, revoking, restricting or refusing to renew a license may request a hearing before the Board. A request for a hearing must be made to the Board in writing within 5 days after service of notice of the action of the Board. Notice of the action of the Board shall be served either by personal delivery or by certified mail, postage prepaid, to the aggrieved party. Notice served by certified mail shall be deemed complete on the business day following the date of such mailing. The Board shall conduct all requested hearings promptly and in reasonable order;

(2) To conduct all hearings pertaining to civil violations of this Act or rules and regulations promulgated hereunder;

(3) To promulgate such rules and regulations as in its judgment may be necessary to protect or enhance the credibility and integrity of gambling operations authorized by this Act and the regulatory process hereunder;

(4) To provide for the establishment and collection of all license and registration fees and taxes imposed by this Act and the rules and regulations issued pursuant hereto. All such fees and taxes shall be deposited into the State Gaming Fund;

(5) To provide for the levy and collection of penalties and fines for the violation of provisions of this Act and the rules and regulations promulgated hereunder. All such fines and penalties shall be deposited into the Education Assistance Fund, created by Public Act 86-0018, of the State of Illinois;

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- (6) To be present through its inspectors and agents any time gambling operations are

conducted on any riverboat, in any casino, or at any electronic gaming facility for the purpose of certifying the revenue thereof, receiving complaints from the public, and conducting such other investigations into the conduct of the gambling games and the maintenance of the equipment as from time to time the Board may deem necessary and proper;

- (7) To review and rule upon any complaint by a licensee regarding any investigative

procedures of the State which are unnecessarily disruptive of gambling operations. The need to inspect and investigate shall be presumed at all times. The disruption of a licensee's operations shall be proved by clear and convincing evidence, and establish that: (A) the procedures had no reasonable law enforcement purposes, and (B) the procedures were so disruptive as to unreasonably inhibit gambling operations;

- (8) To hold at least one meeting each quarter of the fiscal year. In addition, special

meetings may be called by the chairperson ~~Chairman~~ or any 2 Board members upon 72 hours written notice to each member. All Board meetings shall be subject to the Open Meetings Act. Three members of the Board shall constitute a quorum, and 3 votes shall be required for any final determination by the Board. The Board shall keep a complete and accurate record of all its meetings. A majority of the members of the Board shall constitute a quorum for the transaction of any business, for the performance of any duty, or for the exercise of any power which this Act requires the Board members to transact, perform or exercise en banc, except that, upon order of the Board, one of the Board members or an administrative law judge designated by the Board may conduct any hearing provided for under this Act or by Board rule and may recommend findings and decisions to the Board. The Board member or administrative law judge conducting such hearing shall have all powers and rights granted to the Board in this Act. The record made at the time of the hearing shall be reviewed by the Board, or a majority thereof, and the findings and decision of the majority of the Board shall constitute the order of the Board in such case;

- (9) To maintain records which are separate and distinct from the records of any other

State board or commission. Such records shall be available for public inspection and shall accurately reflect all Board proceedings;

- (10) To file a written annual report with the Governor on or before March 1 each year

and such additional reports as the Governor may request. The annual report shall include a statement of receipts and disbursements by the Board, actions taken by the Board, and any additional information and recommendations which the Board may deem valuable or which the Governor may request;

- (11) (Blank); ~~and~~

- (12) To assume responsibility for the administration and enforcement of the Bingo

License and Tax Act, the Charitable Games Act, and the Pull Tabs and Jar Games Act if such responsibility is delegated to it by the Director of Revenue; and -

(13) To assume responsibility for the administration and enforcement of operations at electronic gaming facilities pursuant to this Act and the Illinois Horse Racing Act of 1975.

(c) The Board shall have jurisdiction over and shall supervise all gambling operations governed by this Act. The Board shall have all powers necessary and proper to fully and effectively execute the provisions of this Act, including, but not limited to, the following:

- (1) To investigate applicants and determine the eligibility of applicants for licenses

and to select among competing applicants the applicants which best serve the interests of the citizens of Illinois.

(2) To have jurisdiction and supervision over all riverboat gambling operations authorized under this Act in this State and all

persons in places on riverboats where gambling operations are conducted.

(3) To promulgate rules and regulations for the purpose of administering the provisions

of this Act and to prescribe rules, regulations and conditions under which all riverboat gambling operations subject to this Act in the State shall be conducted. Such rules and regulations are to provide for the prevention of practices detrimental to the public interest and for the best interests of riverboat gambling, including rules and regulations regarding the inspection of electronic gaming facilities, such riverboats, and casinos and the review of any permits or licenses necessary to operate a riverboat, casino, or electronic gaming facility under any laws or regulations applicable to riverboats, casinos, and electronic gaming facilities, and to impose penalties for violations thereof.

(4) To enter the office, riverboats, electronic gaming facilities, and other facilities ; or other places of business of a

licensee, where evidence of the compliance or noncompliance with the provisions of this Act is likely to be found.

(5) To investigate alleged violations of this Act or the rules of the Board and to take

appropriate disciplinary action against a licensee, other than the Authority, or a holder of an occupational license for a violation, or institute appropriate legal action for enforcement, or both.

(6) To adopt standards for the licensing of all persons under this Act, as well as for

electronic or mechanical gambling games, and to establish fees for such licenses.

(7) To adopt appropriate standards for all electronic gaming facilities, riverboats, casinos, and other facilities authorized under this Act.

(8) To require that the records, including financial or other statements of any

licensee under this Act, shall be kept in such manner as prescribed by the Board and that any such licensee involved in the ownership or management of gambling operations submit to the Board an annual balance sheet and profit and loss statement, list of the stockholders or other persons having a 1% or greater beneficial interest in the gambling activities of each licensee, and any other information the Board deems necessary in order to effectively administer this Act and all rules, regulations, orders and final decisions promulgated under this Act.

(9) To conduct hearings, issue subpoenas for the attendance of witnesses and subpoenas

duces tecum for the production of books, records and other pertinent documents in accordance with the Illinois Administrative Procedure Act, and to administer oaths and affirmations to the witnesses, when, in the judgment of the Board, it is necessary to administer or enforce this Act or the Board rules.

(10) To prescribe a form to be used by any licensee involved in the ownership or

management of gambling operations as an application for employment for their employees.

(11) To revoke or suspend licenses, other than the license issued to the Authority, as the Board may see fit and in compliance with

applicable laws of the State regarding administrative procedures, and to review applications for the renewal of licenses. The Board may suspend an owners license (other than the license issued to the Authority) or an electronic gaming license ; without notice or hearing , upon a determination that the safety or health of patrons or employees is jeopardized by continuing a gambling operation conducted

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under that license a riverboat's operation. The suspension may remain in effect until the Board determines that the cause for suspension has been abated. The Board may revoke the owners license (other than the license issued to the Authority) or the electronic gaming license upon a determination that the licensee owner has not made satisfactory progress toward abating the hazard.

(12) To eject or exclude or authorize the ejection or exclusion of, any person from ~~riverboat~~

gambling facilities where that such person is in violation of this Act, rules and regulations thereunder, or final orders of the Board, or where such person's conduct or reputation is such that his or her presence within the ~~riverboat~~ gambling facilities may, in the opinion of the Board, call into question the honesty and integrity of the gambling operations or interfere with the orderly conduct thereof; provided that the propriety of such ejection or exclusion is subject to subsequent hearing by the Board.

(13) To require all licensees of gambling operations to utilize a cashless wagering

system whereby all players' money is converted to tokens, electronic cards, or chips which shall be used only for wagering in the gambling establishment.

(14) (Blank).

(15) To suspend, revoke or restrict licenses (other than the license issued to the Authority) or electronic gaming licenses, to require the removal of a licensee or

an employee of a licensee for a violation of this Act or a Board rule or for engaging in a fraudulent practice, and to impose civil penalties of up to \$5,000 against individuals and up to \$10,000 or an amount equal to the daily whole gaming gross receipts, whichever is larger, against licensees for each violation of any provision of the Act, any rules adopted by the Board, any order of the Board or any other action which, in the Board's discretion, is a detriment or impediment to ~~riverboat~~ gambling operations.

(16) To hire employees to gather information, conduct investigations and carry out any

other tasks contemplated under this Act.

(17) To establish minimum levels of insurance to be maintained by licensees.

(18) To authorize a licensee to sell or serve alcoholic liquors, wine or beer as

defined in the Liquor Control Act of 1934 on board a riverboat or in a casino and to have exclusive authority to establish the hours for sale and consumption of alcoholic liquor on board a riverboat or in a casino, notwithstanding any provision of the Liquor Control Act of 1934 or any local ordinance, and regardless of whether the riverboat or in a casino makes excursions. The establishment of the hours for sale and consumption of alcoholic liquor on board a riverboat or in a casino is an exclusive power and function of the State. A home rule unit may not establish the hours for sale and consumption of alcoholic liquor on board a riverboat or in a casino. This subdivision (18) amendatory Act of 1994 is a denial and limitation of home rule powers and functions under subsection (h) of Section 6 of Article VII of the Illinois Constitution.

(19) After consultation with the U.S. Army Corps of Engineers, to establish binding

emergency orders upon the concurrence of a majority of the members of the Board regarding the navigability of water, relative to excursions, in the event of extreme weather conditions, acts of God or other extreme circumstances.

(20) To delegate the execution of any of its powers under this Act for the purpose of

administering and enforcing this Act and its rules and regulations hereunder.

(21) To make rules concerning the conduct of electronic gaming.

(22) (24) To take any other action as may be reasonable or appropriate to enforce this Act

and

rules and regulations hereunder.

(d) The Board may seek and shall receive the cooperation of the Department of State Police in conducting background investigations of applicants and in fulfilling its responsibilities under this Section. Costs incurred by the Department of State Police as a result of such cooperation shall be paid by the Board in conformance with the requirements of Section 2605-400 of the Department of State Police Law (20 ILCS 2605/2605-400).

(e) The Board must authorize to each investigator and to any other employee of the Board exercising the powers of a peace officer a distinct badge that, on its face, (i) clearly states that the badge is authorized by the Board and (ii) contains a unique identifying number. No other badge shall be authorized by the Board.

(Source: P.A. 91-40, eff. 1-1-00; 91-239, eff. 1-1-00; 91-883, eff. 1-1-01.)

(230 ILCS 10/6) (from Ch. 120, par. 2406)

Sec. 6. Application for Owners License.

(a) A qualified person, other than the Authority, may apply to the Board for an owners license to conduct a riverboat gambling operation as provided in this Act. The application shall be made on forms provided by the Board and shall contain such information as the Board prescribes, including but not limited to the identity of the riverboat on which such gambling operation is to be conducted and the exact location where such riverboat will be docked, a certification that the riverboat will be registered under this Act at all times during which gambling operations are conducted on board, detailed information regarding the ownership and management of the applicant, and detailed personal information regarding the applicant. Any application for an owners license to be re-issued on or after June 1, 2003 shall also include the applicant's license bid in a form prescribed by the Board. Information provided on the application shall be used as a basis for a thorough background investigation which the Board shall conduct with respect to each applicant. An incomplete application shall be cause for denial of a license by the Board.

(b) Applicants shall submit with their application all documents, resolutions, and letters of support from the governing body that represents the municipality or county wherein the licensee will dock.

(c) Each applicant shall disclose the identity of every person, association, trust or corporation having a greater than 1% direct or indirect pecuniary interest in the riverboat gambling operation with respect to which the license is sought. If the disclosed entity is a trust, the application shall disclose the names and addresses of the beneficiaries; if a corporation, the names and addresses of all stockholders and directors; if a partnership, the names and addresses of all partners, both general and limited.

(d) An application shall be filed with the Board by January 1 of the year preceding any calendar year for which an applicant seeks an owners license; however, applications for an owners license permitting operations on January 1, 1991 shall be filed by July 1, 1990. An application fee of \$50,000 shall be paid at the time of filing to defray the costs associated with the background investigation conducted by the Board. If the costs of the investigation exceed \$50,000, the applicant shall pay the additional amount to the Board. If the costs of the investigation are less than \$50,000, the applicant shall receive a refund of the remaining amount. All information, records, interviews, reports, statements, memoranda or other data supplied to or used by the Board in the course of its review or investigation of an application for a license under this Act shall be privileged, strictly confidential and shall be used only for the purpose of evaluating an applicant. Such information, records, interviews, reports, statements, memoranda or other data shall not be admissible as evidence, nor discoverable in any action of any kind in any court or before any tribunal, board, agency or person, except for any action deemed necessary by the Board.

(e) The Board shall charge each applicant a fee set by the Department of State Police to defray the costs associated with the search and classification of fingerprints obtained by the Board with respect to the applicant's application. These fees shall be paid into the State Police Services Fund.

(f) The licensed owner shall be the person primarily responsible for the boat itself. Only one riverboat gambling operation may be authorized by the Board on any riverboat. The applicant must identify each riverboat it intends to use and certify that the riverboat: (1) has the authorized capacity required in this Act; (2) is accessible to disabled persons; and (3) is fully registered and licensed in accordance with any applicable laws.

(g) A person who knowingly makes a false statement on an application is guilty of a Class A misdemeanor.

(Source: P.A. 93-28, eff. 6-20-03.)

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(230 ILCS 10/7) (from Ch. 120, par. 2407)

Sec. 7. Owners Licenses.

(a) The Board shall issue owners licenses to persons, firms or corporations which apply for such licenses upon payment to the Board of the non-refundable license fee set by the Board, upon payment of a \$25,000 license fee for the first year of operation and a \$5,000 license fee for each succeeding year and upon a determination by the Board that the applicant is eligible for an owners license pursuant to this Act and the rules of the Board. No application under this Section shall be required from the Authority. The Authority is not required to pay the fees imposed under this Section. A person, firm or corporation is ineligible to receive an owners license if:

- (1) the person has been convicted of a felony under the laws of this State, any other state, or the United States;
- (2) the person has been convicted of any violation of Article 28 of the Criminal Code of 1961, or substantially similar laws of any other jurisdiction;
- (3) the person has submitted an application for a license under this Act which contains false information;
- (4) the person is a member of the Board;
- (5) a person defined in (1), (2), (3) or (4) is an officer, director or managerial employee of the firm or corporation;
- (6) the firm or corporation employs a person defined in (1), (2), (3) or (4) who participates in the management or operation of gambling operations authorized under this Act;
- (7) (blank); or
- (8) a license of the person, firm or corporation issued under this Act, or a license to own or operate gambling facilities in any other jurisdiction, has been revoked.

(b) In determining whether to grant an owners license to an applicant, the Board shall consider:

- (1) the character, reputation, experience and financial integrity of the applicants and of any other or separate person that either:
 - (A) controls, directly or indirectly, such applicant, or
 - (B) is controlled, directly or indirectly, by such applicant or by a person which controls, directly or indirectly, such applicant;
- (2) the facilities or proposed facilities for the conduct of riverboat gambling;
- (3) the highest prospective total revenue to be derived by the State from the conduct of riverboat gambling;
- (4) the extent to which the ownership of the applicant reflects the diversity of the State by including minority persons and females and the good faith affirmative action plan of each applicant to recruit, train and upgrade minority persons and females in all employment classifications;
- (5) the financial ability of the applicant to purchase and maintain adequate liability and casualty insurance;

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

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

(8) The amount of the applicant's license bid.

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

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

(e) In addition to the licenses authorized under subsections (e-5) and (e-6), the Board may issue up to 10 licenses authorizing the holders of such licenses to own riverboats. In the application for an owners license, the applicant shall state the dock at which the riverboat is based and the water on which the riverboat will be located. The Board shall issue 5 licenses to become effective not earlier than January 1, 1991. Three of such licenses shall authorize riverboat gambling on the Mississippi River, or, with approval by the municipality in which the riverboat is docked on August 7, 2003, the effective date of this amendatory Act of the 93rd Assembly, in a municipality that (1) borders on the Mississippi River or is within 5 miles of the city limits of a municipality that borders on the Mississippi River and (2), on August 7, 2003, the effective date of this amendatory Act of the 93rd General Assembly, has a riverboat conducting riverboat gambling operations pursuant to a license issued under this Act; one of which shall authorize riverboat gambling from a home dock in the city of East St. Louis. One other license shall authorize riverboat gambling on the Illinois River south of Marshall County. The Board shall issue one additional license to become effective not earlier than March 1, 1992, which shall authorize riverboat gambling on the Des Plaines River in Will County. The Board may issue 4 additional licenses to become effective not earlier than March 1, 1992. In determining the water upon which riverboats will operate, the Board shall consider the economic benefit which riverboat gambling confers on the State, and shall seek to assure that all regions of the State share in the economic benefits of riverboat gambling.

(e-5) In addition to the licenses authorized under subsections (e) and (e-6), the Board may issue 3 additional licenses authorizing riverboat gambling.

(1) Except as otherwise provided in this paragraph (1), one of the licenses issued under this subsection (e-5) shall authorize its holder to conduct riverboat gambling from a home dock located in a municipality that (A) has a population of at least 75,000 inhabitants, (B) is bordered on the East by Lake Michigan, and (C) is located in a county, the entirety of which is located to the North of Cook County, and shall authorize its holder to conduct riverboat gambling on Lake Michigan.

(2) One license issued under this subsection (e-5) shall authorize its holder to conduct riverboat gambling in Cook County from a home dock located in the area bordered on the North by the southern corporate limit of the City of Chicago, on the South by Route 30, on the East by the Indiana border, and on the West by Interstate 57.

(3) One license issued under this subsection (e-5) shall authorize its holder to conduct riverboat gambling in a municipality with at least 75,000 inhabitants that is located in a county that (i) is entirely to the North of Cook County and (ii) does not border Lake Michigan.

Licenses authorized under this subsection (e-5) shall be awarded pursuant to a process of competitive bidding to the highest bidder that is eligible to hold an owners license under this Act. The minimum bid for an owners license under this subsection (e-5) shall be \$250,000,000.

Any licensee that receives its license under this subsection (e-5) shall attain a level of at least 20% minority person and female ownership, at least 16% and 4% respectively, within a time period prescribed by the Board, but not to exceed 12 months from the date the licensee begins conducting riverboat gambling. The 12-month period shall be extended by the amount of time necessary to conduct a background investigation pursuant to Section 6. For the purposes of this Section, the terms "female" and "minority person" have the meanings provided in Section 2 of the Business Enterprise for Minorities, Females, and Persons with Disabilities Act.

(e-6) In addition to the licenses authorized under subsections (e) and (e-5), the Board, upon written request of the Authority and upon payment by the Authority to the Board on or before June 30, 2005 of a fee of \$350,000,000, shall issue an owners license to the Authority, authorizing the conduct of gambling operations in a casino located in a municipality with a population of more than 500,000 inhabitants. Until completion of a permanent casino, the Authority's license shall authorize it to conduct gambling operations in one or more land-based or riverboat temporary casinos within the municipality.

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provided that the total number of gaming positions is limited to 3,000. The license issued to the Authority shall be perpetual and may not be revoked, suspended, or limited by the Board. The Board shall have the authority to investigate, reject, and remove any appointments to the Authority's board and the Authority's appointment of its executive director. Casino gambling operations shall be conducted by a casino operator on behalf of the Authority. The Authority shall conduct a competitive bidding process for the selection of casino operators to develop and operate the casino and one or more temporary casinos and riverboats; provided that the Authority may not select as a casino operator any bidder who directly or indirectly has an ownership or management interest in 2 or more riverboat gambling operations in Illinois and Indiana. Any such casino operators shall be subject to licensing by, and full jurisdiction of, the Board.

(e-10) In granting all licenses, the Board may give favorable consideration to economically depressed areas of the State, to applicants presenting plans which provide for significant economic development over a large geographic area, and to applicants who currently operate non-gambling riverboats in Illinois. The Board shall review all applications for owners licenses, and shall inform each applicant of the Board's decision. The Board may grant an owners license to an applicant that has not submitted the highest license bid, but if it does not select the highest bidder, the Board shall issue a written decision explaining why another applicant was selected and identifying the factors set forth in this Section that favored the winning bidder.

(e-15) In addition to any other revocation powers granted to the Board under this Act, the Board may revoke the owners license of a licensee which fails to begin conducting gambling within 15 months of receipt of the Board's approval of the application if the Board determines that license revocation is in the best interests of the State.

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

(g) Upon the termination, expiration, or revocation of each ~~owners license of the first 10 licenses~~, which shall be issued for a 3 year period, all licenses are renewable annually upon payment of the fee and a determination by the Board that the licensee continues to meet all of the requirements of this Act and the Board's rules. However, for licenses renewed on or after May 1, 1998, renewal shall be for a period of 4 years, unless the Board sets a shorter period. ~~The Authority's license shall be perpetual and shall not be subject to renewal.~~

(h) An owners license, ~~other than the Authority's license~~, shall entitle the licensee to own up to 2 riverboats and operate up to 1,200 gaming positions, plus an additional number of positions as provided in subsections (h-5), (h-7), and (h-10). The Authority's license shall limit the number of gaming positions to 3,000, and shall not allow the Authority to obtain additional gaming positions under subsection (h-5).

(h-5) In addition to the 1,200 gaming positions authorized under subsection (h), a licensee, other than the Authority, may purchase and operate additional gaming positions as provided in this subsection (h-5). A licensee, other than the Authority, may purchase up to 800 additional gaming positions under this subsection (h-5) in groups of 100 by paying to the Board, within 60 days after the adoption of rules under subsection (h-8) concerning the forfeiture of unused gaming positions, a fee of \$2,500,000 for each group of 100 additional gaming positions.

(h-7) Gaming positions authorized under subsection (h-5) that go unpurchased for 60 days after the adoption of rules under subsection (h-8) concerning the forfeiture of unused gaming positions, if any, shall be made available to owners licensees, other than the Authority, as provided in this subsection (h-7). Within 30 days after the end of that 60-day period, the Gaming Board shall make those unpurchased positions available to owners licensees, other than the Authority, under a process of competitive bidding, in groups of 50 gaming positions. The minimum bid for each group of 50 gaming positions shall be \$1,250,000.

(h-8) At the time of license renewal, if the Gaming Board determines that an owners licensee is not using any portion of the gaming positions that it obtained under subsection (h-5) or (h-7), the owners licensee shall forfeit those unused gaming positions. The owners licensee shall not receive compensation for those forfeited gaming positions. Within 30 days after the forfeiture of an owners licensee's unused gaming positions, the unused positions shall be made available by the Gaming Board to owners licensees, other than the Authority, under a process of competitive bidding, in groups of 50 gaming positions. The minimum bid for each group of 50 gaming positions shall be \$1,250,000. Within 30 days after the effective date of this amendatory Act of the 93rd General Assembly, the Board shall adopt rules concerning the forfeiture of unused gaming positions obtained under subsection (h-5) or (h-7).

(h-10) The total number of gaming positions used by an owners licensee shall not exceed 3,500 at one time (3,000 in the case of the Authority). Within this limit, a licensee may operate both of its riverboats concurrently.

An owners licensee that obtains in excess of 1,200 positions, other than the Authority, may conduct riverboat gambling operations from a land-based facility within or attached to its home dock facility or from a temporary facility, as the term "temporary facility" is defined by Board rule, that is attached to the licensee's home dock, with Board approval. Gaming positions located in a land-based facility must be located in an area that is accessible only to persons who are at least 21 years of age. A licensee may not conduct gambling at a land-based facility unless the admission tax imposed under Section 12 has been paid for all persons who enter the land-based facility. The Board shall adopt rules concerning the conduct of gambling from land-based facilities, including rules concerning the number of gaming positions that may be located at a temporary facility. A licensee shall limit the number of gambling participants to 1,200 for any such owners license. A licensee may operate both of its riverboats concurrently, provided that the total number of gambling participants on both riverboats does not exceed 1,200. Riverboats licensed to operate on the Mississippi River and the Illinois River south of Marshall County shall have an authorized capacity of at least 500 persons. Any other riverboat licensed under this Act shall have an authorized capacity of at least 400 persons.

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

(j) The Board may issue or re-issue a license authorizing a riverboat to dock in a municipality or approve a relocation under Section 11.2 only if, prior to the issuance or re-issuance of the license or approval, the governing body of the municipality in which the riverboat will dock has by a majority vote approved the docking of riverboats in the municipality. The Board may issue or re-issue a license authorizing a riverboat to dock in areas of a county outside any municipality or approve a relocation under Section 11.2 only if, prior to the issuance or re-issuance of the license or approval, the governing body of the county has by a majority vote approved of the docking of riverboats within such areas.

(Source: P.A. 92-600, eff. 6-28-02; 93-28, eff. 6-20-03; 93-453, eff. 8-7-03; revised 1-27-04.)

(230 ILCS 10/7.1)

Sec. 7.1. Re-issuance of revoked or non-renewed owners licenses.

(a) If an owners license terminates or expires without renewal or the Board revokes or determines not to renew an owners license (including, without limitation, an owners license for a licensee that was not conducting riverboat gambling operations on January 1, 1998) and that revocation or determination is final, the Board may re-issue such license to a qualified applicant pursuant to an open and competitive bidding process, as set forth in Section 7.5, and subject to the maximum number of authorized licenses set forth in subsections (e), (e-5), and (e-6) of Section 7 ~~Section 7(e)~~.

(b) To be a qualified applicant, a person, firm, or corporation cannot be ineligible to receive an owners license under Section 7(a) and must submit an application for an owners license that complies with Section 6. Each such applicant must also submit evidence to the Board that minority persons and females hold ownership interests in the applicant of at least 16% and 4% respectively.

(c) Notwithstanding anything to the contrary in subsections (e), (e-5), or (e-6) of Section 7, ~~Section 7(e)~~; an applicant may apply to the Board for approval of relocation of a re-issued license to a new home dock location authorized under Section 3(c) upon receipt of the approval from the municipality or county, as the case may be, pursuant to Section 7(j).

(d) In determining whether to grant a re-issued owners license to an applicant, the Board shall consider all of the factors set forth in ~~Section Sections~~ 7(b) and in Section 7(e) or (e-5), whichever is applicable, ~~(e)~~ as well as the amount of the applicant's license bid. The Board may grant the re-issued owners license to an applicant that has not submitted the highest license bid, but if it does not select the highest bidder, the Board shall issue a written decision explaining why another applicant was selected and identifying the factors set forth in ~~Section Sections~~ 7(b) and in Section 7(e) or (e-5), whichever is applicable, ~~(e)~~ that favored the winning bidder.

(e) Re-issued owners licenses shall be subject to annual license fees as provided for in Section 7(a) and shall be governed by the provisions of Sections 7(f), (g), (h), and (i).

(Source: P.A. 93-28, eff. 6-20-03.)

(230 ILCS 10/7.3)

Sec. 7.3. State conduct of gambling operations.

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(a) If, after reviewing each application for a re-issued license, the Board determines that the highest prospective total revenue to the State would be derived from State conduct of the gambling operation in lieu of re-issuing the license, the Board shall inform each applicant of its decision. The Board shall thereafter have the authority, without obtaining an owners license, to conduct riverboat gambling operations as previously authorized by the terminated, expired, revoked, or nonrenewed license through a licensed manager selected pursuant to an open and competitive bidding process as set forth in Section 7.5 and as provided in Section 7.4.

(b) The Board may locate any riverboat on which a gambling operation is conducted by the State in any home dock location authorized by Section 3(c) upon receipt of approval from a majority vote of the governing body of the municipality or county, as the case may be, in which the riverboat will dock.

(c) The Board shall have jurisdiction over and shall supervise all gambling operations conducted by the State provided for in this Act and shall have all powers necessary and proper to fully and effectively execute the provisions of this Act relating to gambling operations conducted by the State.

(d) The maximum number of owners licenses authorized under Section ~~7.7(e)~~ shall be reduced by one for each instance in which the Board authorizes the State to conduct a riverboat gambling operation under subsection (a) in lieu of re-issuing a license to an applicant under Section 7.1.

(Source: P.A. 93-28, eff. 6-20-03.)

(230 ILCS 10/7.4)

Sec. 7.4. Managers and casino operators licenses.

(a) A qualified person may apply to the Board for a managers license to operate and manage any gambling operation conducted by the State or the Authority. The application shall be made on forms provided by the Board and shall contain such information as the Board prescribes, including but not limited to information required in Sections 6(a), (b), and (c) and information relating to the applicant's proposed price to manage State or Authority gambling operations and to provide the riverboat or casino, gambling equipment, and supplies necessary to conduct State or Authority gambling operations.

(b) Each applicant, other than an applicant to manage the Authority's gambling operations, must submit evidence to the Board that minority persons and females hold ownership interests in the applicant of at least 16% and 4%, respectively.

(c) A person, firm, or corporation is ineligible to receive a managers license or a casino operators license if:

(1) the person has been convicted of a felony under the laws of this State, any other state, or the United States;

(2) the person has been convicted of any violation of Article 28 of the Criminal Code of 1961, or substantially similar laws of any other jurisdiction;

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

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

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

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

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

(d) Each applicant shall submit with his or her application, on forms prescribed by the Board, 2 sets of his or her fingerprints.

(e) The Board shall charge each applicant a fee, set by the Board, to defray the costs associated with the background investigation conducted by the Board.

(f) A person who knowingly makes a false statement on an application is guilty of a Class A misdemeanor.

(g) The managers license to manage any gambling operation conducted by the State shall be for a term not to exceed 10 years, shall be renewable at the Board's option, and shall contain such terms and provisions as the Board deems necessary to protect or enhance the credibility and integrity of State gambling operations, achieve the highest prospective total revenue to the State, and otherwise serve the interests of the citizens of Illinois. The initial term of a casino operators license to manage the Authority's gambling operations shall be 4 years. Upon expiration of the initial term and of each renewal term, the casino operators license shall be renewed for a period of 4 years, provided that the casino operator continues to meet all of the requirements of this Act and the Board's rules.

(h) Issuance of a managers license shall be subject to an open and competitive bidding process. The Board may select an applicant other than the lowest bidder by price. If it does not select the lowest bidder, the Board shall issue a notice of who the lowest bidder was and a written decision as to why another bidder was selected.

(Source: P.A. 93-28, eff. 6-20-03.)

(230 ILCS 10/7.6 new)

Sec. 7.6. Electronic gaming.

(a) The General Assembly finds that the horse racing and riverboat gambling industries share many similarities and collectively comprise the bulk of the State's gaming industry. One feature common to both industries is that each is highly regulated by the State of Illinois.

The General Assembly further finds, however, that despite their shared features each industry is distinct from the other in that horse racing is and continues to be intimately tied to Illinois' agricultural economy and is, at its core, a spectator sport. This distinction requires the General Assembly to utilize different methods to regulate and promote the horse racing industry throughout the State.

The General Assembly finds that in order to promote live horse racing as a spectator sport in Illinois and the agricultural economy of this State, it is necessary to allow electronic gaming at Illinois race tracks given the success of other states in increasing live racing purse accounts and improving the quality of horses participating in horse race meetings.

The General Assembly finds, however, that even though the authority to conduct electronic gaming is a uniform means to improve live horse racing in this State, electronic gaming must be regulated and implemented differently in southern Illinois versus the Chicago area. The General Assembly finds that Fairmount Park is the only race track operating on a year round basis in southern Illinois that offers live racing and for that matter only conducts live thoroughbred racing. The General Assembly finds that the current state of affairs deprives spectators and standardbred horsemen residing in southern Illinois of the opportunity to participate in live standardbred racing in a manner similar to spectators, thoroughbred horsemen, and standardbred horsemen residing in the Chicago area. The General Assembly declares that southern Illinois spectators and standardbred horsemen should have a similar opportunity to participate in live standardbred racing as spectators and standardbred horsemen in the Chicago area. The General Assembly declares that in order to remove this disparity between southern Illinois and the Chicago area, it is necessary for the State to regulate Fairmount Park differently from horse race tracks found in the Chicago area and tie Fairmount Park's authorization to conduct electronic gaming to a commitment to conduct at least 25 days of standardbred racing as set forth in subsection (d) of this Section. The General Assembly finds that standardbred racing provides an important economic benefit to the State.

(b) The Illinois Gaming Board shall award one electronic gaming license to become effective on or after July 1, 2004 to each organization licensee under the Illinois Horse Racing Act of 1975, subject to application and eligibility requirements of this Section. An electronic gaming license shall authorize its holder to conduct electronic gaming at its race track at the following times:

(1) on days when it conducts live racing at the track where its electronic gaming facility is located from the time the first race of the day at that track begins until 3:00 a.m. on the following day; and

(2) on days when it conducts simulcast wagering on races run in the United States from the time it first receives the simulcast signal until 3:00 a.m. on the following day.

A license to conduct electronic gaming and any renewal of an electronic gaming license shall authorize electronic gaming for a period of 4 years. The fee for the issuance or renewal of an electronic gaming license shall be \$40,000.

(c) To be eligible to conduct electronic gaming, an organization licensee must (i) obtain an electronic gaming license, (ii) hold an organization license under the Illinois Horse Racing Act of 1975, (iii) hold an inter-track wagering license, (iv) pay a fee of \$50,000 for each position authorized under this amendatory Act of the 93rd General Assembly before beginning to conduct electronic gaming, (v) apply for at least the same number of days of thoroughbred racing or standardbred racing or both, as the case may be, as it was awarded in calendar year 2004, (vi) meet the requirements of Section 56(a) of the Illinois Horse Racing Act of 1975, and (vii) meet all other requirements of this Act that apply to owners licensees.

With respect to the live racing requirement described in this subsection, an organization licensee must conduct the same number of days of thoroughbred or standardbred racing or both, as the case may be, as it was awarded by the Board, unless a lesser schedule of live racing is the result of (A) weather or unsafe track conditions due to acts of God, (B) a strike between the organization licensee and the associations representing the largest number of owners, trainers, jockeys, or standardbred drivers who race horses at that organization licensee's racing meeting, or (C) an agreement that has been approved by the Racing Board between the organization licensee and the associations representing the largest number of owners, trainers, jockeys, or standardbred drivers who race horses at that organization licensee's race meeting to conduct a lesser number of race meets.

(d) In addition to the other eligibility requirements of subsection (c), an organization licensee that holds an electronic gaming license authorizing it to conduct electronic gaming at Fairmount Park must apply for and conduct at least 25 days of standardbred racing in calendar year 2005 and thereafter, unless a lesser schedule of live racing is the result of (A) weather or unsafe track conditions due to acts of God, (B) a strike between the organization licensee and the associations representing the largest number of owners, trainers, jockeys, or standardbred drivers who race horses at that organization licensee's racing meeting, or (C) an agreement that has been approved by the Racing Board between the organization licensee and the associations representing the largest number of owners, trainers, jockeys, or standardbred drivers who race horses at that organization licensee's race meeting to conduct a lesser number of race meets.

(e) The Board may approve electronic gaming licenses authorizing the conduct of electronic gaming by eligible organization licensees.

(f) In calendar year 2004, the Board may approve up to 3,800 aggregate electronic gaming positions statewide as provided in this Section. The authority to operate electronic gaming positions under this Section in calendar year 2004 shall be allocated as follows:

(1) An organization licensee that had an average daily amount of wagers placed into mutual pools for races conducted at that licensee's racetrack in calendar year 2002 of more than \$3,000,000 may admit up to 1,150 gaming participants at a time.

(2) An organization licensee that had an average daily amount of wagers placed into mutual pools for races conducted at that licensee's racetrack in calendar year 2002 of more than \$2,000,000 but no more than \$3,000,000 may admit up to 1,000 gaming participants at a time.

(3) An organization licensee that had an average daily amount of wagers placed into mutual pools for races conducted at that licensee's racetrack in calendar year 2002 of \$2,000,000 or less may admit up to 850 gaming participants at a time.

(4) An organization licensee conducting pari-mutuel wagering at a racetrack located in a county with a population in excess of 230,000 inhabitants that borders on the Mississippi River may admit up to 500 gaming participants at a time.

(5) An organization licensee located at a race track outside of Cook County, other than an organization licensee described in paragraph (4), may admit up to 300 gaming participants at a time.

(g) For each calendar year after 2004 in which an electronic gaming licensee requests a number of racing days under its organization license that is less than 90% of the number of days of live racing it was awarded in 2004, the electronic gaming licensee may not conduct electronic gaming.

(h) Upon the initial renewal of an electronic gaming license, if an electronic gaming licensee had a higher average daily live racing handle in the term of its previous electronic gaming license than in 2004, then the number of electronic gaming positions that the electronic gaming licensee may operate after its license is renewed shall be increased by a percentage equal to the percentage increase in average daily live racing handle during that previous license term over calendar year 2004, but in no event by more than 25%. If an electronic gaming license is authorized to operate additional electronic gaming positions under this subsection (h), it must pay the fee imposed under item (iv) of subsection (c) for each additional electronic gaming position.

(i) An electronic gaming licensee may conduct electronic gaming at a temporary facility pending the construction of a permanent facility or the remodeling of an existing facility to

accommodate electronic gaming participants for up to 24 months after receiving an electronic gaming license. The Board shall make rules concerning the conduct of electronic gaming from temporary facilities.

(230 ILCS 10/7.7 new)

Sec. 7.7. Home rule. The regulation and licensing of electronic gaming and electronic gaming licensees are exclusive powers and functions of the State. A home rule unit may not regulate or license electronic gaming or electronic gaming licensees. This Section is a denial and limitation of home rule powers and functions under subsection (h) of Section 6 of Article VII of the Illinois Constitution.

(230 ILCS 10/8) (from Ch. 120, par. 2408)

Sec. 8. Suppliers licenses.

(a) The Board may issue a suppliers license to such persons, firms or corporations which apply therefor upon the payment of a non-refundable application fee set by the Board, upon a determination by the Board that the applicant is eligible for a suppliers license and upon payment of a \$5,000 annual license fee.

(b) The holder of a suppliers license is authorized to sell or lease, and to contract to sell or lease, gambling equipment and supplies to any licensee involved in the ownership or management of gambling operations.

(c) Gambling supplies and equipment may not be distributed unless supplies and equipment conform to standards adopted by rules of the Board.

(d) A person, firm or corporation is ineligible to receive a suppliers license if:

(1) the person has been convicted of a felony under the laws of this State, any other

state, or the United States;

(2) the person has been convicted of any violation of Article 28 of the Criminal Code of 1961, or substantially similar laws of any other jurisdiction;

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

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

(5) the firm or corporation is one in which a person defined in (1), (2), (3) or (4),

is an officer, director or managerial employee;

(6) the firm or corporation employs a person who participates in the management or operation of riverboat gambling authorized under this Act;

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

(e) Any person that supplies any equipment, devices, or supplies to a licensed riverboat or casino gambling operation or electronic gaming operation must first obtain a suppliers license. A supplier shall furnish to the Board a list of all equipment, devices and supplies offered for sale or lease in connection with gambling games authorized under this Act. A supplier shall keep books and records for the furnishing of equipment, devices and supplies to gambling operations separate and distinct from any other business that the supplier might operate. A supplier shall file a quarterly return with the Board listing all sales and leases. A supplier shall permanently affix its name to all its equipment, devices, and supplies for gambling operations. Any supplier's equipment, devices or supplies which are used by any person in an unauthorized gambling operation shall be forfeited to the State. ~~A holder of an owners license, including the Authority, or an electronic gaming license licensed owner~~ may own its own equipment, devices and supplies. Each holder of an owners license, ~~including the Authority, or an electronic gaming license~~ under the Act shall file an annual report listing its inventories of gambling equipment, devices and supplies.

(f) Any person who knowingly makes a false statement on an application is guilty of a Class A misdemeanor.

(g) Any gambling equipment, devices and supplies provided by any licensed supplier may either be repaired on the riverboat, at the casino, or at the electronic gaming facility or removed from the riverboat, casino, or electronic gaming facility to a ~~an on-shore~~ facility owned by the holder of an owners license or electronic gaming license for repair.

(h) On and after the effective date of this amendatory Act of the 93rd General Assembly, at least 30% of all slot machines and video games of chance purchased by an owners licensee or electronic gaming licensee shall be purchased from manufacturers whose manufacturing facilities are located in Illinois. The Board shall review the availability of such slot machines and video games of chance and shall have the discretion to raise or lower the minimum percentage of those slot machines and video games of chance that must be purchased from suppliers whose manufacturing facilities are located in Illinois by rule as it sees fit.

(Source: P.A. 86-1029; 87-826.)

(230 ILCS 10/9) (from Ch. 120, par. 2409)

Sec. 9. Occupational licenses.

(a) The Board may issue an occupational license to an applicant upon the payment of a non-refundable fee set by the Board, upon a determination by the Board that the applicant is eligible for an occupational license and upon payment of an annual license fee in an amount to be established. To be eligible for an occupational license, an applicant must:

(1) be at least 21 years of age if the applicant will perform any function involved in

gaming by patrons. Any applicant seeking an occupational license for a non-gaming function shall be at least 18 years of age;

(2) not have been convicted of a felony offense, a violation of Article 28 of the

Criminal Code of 1961, or a similar statute of any other jurisdiction, or a crime involving dishonesty or moral turpitude;

(3) have demonstrated a level of skill or knowledge which the Board determines to be

necessary in order to operate gambling aboard a riverboat, in a casino, or at an electronic gaming facility; and

(4) have met standards for the holding of an occupational license as adopted by rules

of the Board. Such rules shall provide that any person or entity seeking an occupational license to manage gambling operations hereunder shall be subject to background inquiries and further requirements similar to those required of applicants for an owners license. Furthermore, such rules shall provide that each such entity shall be permitted to manage gambling operations for only one licensed owner.

(b) Each application for an occupational license shall be on forms prescribed by the Board and shall contain all information required by the Board. The applicant shall set forth in the application: whether he has been issued prior gambling related licenses; whether he has been licensed in any other state under any other name, and, if so, such name and his age; and whether or not a permit or license issued to him in any other state has been suspended, restricted or revoked, and, if so, for what period of time.

(c) Each applicant shall submit with his application, on forms provided by the Board, 2 sets of his fingerprints. The Board shall charge each applicant a fee set by the Department of State Police to defray the costs associated with the search and classification of fingerprints obtained by the Board with respect to the applicant's application. These fees shall be paid into the State Police Services Fund.

(d) The Board may in its discretion refuse an occupational license to any person: (1) who is unqualified to perform the duties required of such applicant; (2) who fails to disclose or states falsely any information called for in the application; (3) who has been found guilty of a violation of this Act or whose prior gambling related license or application therefor has been suspended, restricted, revoked or denied for just cause in any other state; or (4) for any other just cause.

(e) The Board may suspend, revoke or restrict any occupational licensee: (1) for violation of any provision of this Act; (2) for violation of any of the rules and regulations of the Board; (3) for any

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cause which, if known to the Board, would have disqualified the applicant from receiving such license; or (4) for default in the payment of any obligation or debt due to the State of Illinois; or (5) for any other just cause.

(f) A person who knowingly makes a false statement on an application is guilty of a Class A misdemeanor.

(g) Any license issued pursuant to this Section shall be valid for a period of one year from the date of issuance.

(h) Nothing in this Act shall be interpreted to prohibit a licensed owner or electronic gaming licensee from entering into an agreement with a school approved under the Private Business and Vocational Schools Act for the training of any occupational licensee. Any training offered by such a school shall be in accordance with a written agreement between the licensed owner or electronic gaming licensee and the school.

(i) Any training provided for occupational licensees may be conducted either at the site of the gambling facility on the riverboat or at a school with which a licensed owner or electronic gaming licensee has entered into an agreement pursuant to subsection (h).

(Source: P.A. 86-1029; 87-826.)

(230 ILCS 10/10) (from Ch. 120, par. 2410)

Sec. 10. Bond of licensee. Before an owners license, other than the Authority's license, is issued or re-issued or a managers license or casino operators license is issued, the licensee shall post a bond in the sum of \$200,000 to the State of Illinois. The bond shall be used to guarantee that the licensee faithfully makes the payments, keeps his books and records and makes reports, and conducts his games of chance in conformity with this Act and the rules adopted by the Board. The bond shall not be canceled by a surety on less than 30 days notice in writing to the Board. If a bond is canceled and the licensee fails to file a new bond with the Board in the required amount on or before the effective date of cancellation, the licensee's license shall be revoked. The total and aggregate liability of the surety on the bond is limited to the amount specified in the bond.

(Source: P.A. 93-28, eff. 6-20-03.)

(230 ILCS 10/11) (from Ch. 120, par. 2411)

Sec. 11. Conduct of gambling. Gambling may be conducted by licensed owners or licensed managers on behalf of the State or by casino operators on behalf of the Authority aboard riverboats or in a casino. If authorized by the Board by rule, an owners licensee may move gaming positions a "temporary facility" as that term is defined in Section 7(h-10) and use those gaming positions to conduct gambling as provided in Section 7(h-10). Gambling may be conducted by electronic gaming licensees at electronic gaming facilities. Gambling authorized under this Section shall be ; subject to the following standards:

(1) A licensee may conduct riverboat gambling authorized under this Act regardless of

whether it conducts excursion cruises. A licensee may permit the continuous ingress and egress of patrons passengers for the purpose of gambling.

(2) (Blank).

(3) Minimum and maximum wagers on games shall be set by the licensee.

(4) Agents of the Board and the Department of State Police may board and inspect any

riverboat or enter and inspect any portion of a casino or an electronic gaming facility at any time for the purpose of determining whether this Act is being complied with. Every riverboat, if under way and being hailed by a law enforcement officer or agent of the Board, must stop immediately and lay to.

(5) Employees of the Board shall have the right to be present on the riverboat or in the casino or on

adjacent facilities under the control of the licensee and at the electronic gaming facility under the control of the electronic gaming licensee.

(6) Gambling equipment and supplies customarily used in conducting riverboat gambling, casino gambling, or electronic gaming

must be purchased or leased only from suppliers licensed for such purpose under this Act.

(7) Persons licensed under this Act shall permit no form of wagering on gambling games except as permitted by this Act.

(8) Wagers may be received only from a person present on a licensed riverboat, in a casino, or at an electronic gaming facility. No

person present on a licensed riverboat, in a casino, or at an electronic gaming facility shall place or attempt to place a wager on behalf of another person who is not present on the riverboat, in the casino, or at the electronic gaming facility.

(9) Wagering, including electronic gaming, shall not be conducted with money or other negotiable currency.

(10) A person under age 21 shall not be permitted on an area of a riverboat or casino where gambling is being conducted or at an electronic gaming facility where gambling is being conducted, except for a person at least 18 years of age who is an employee of the riverboat or casino gambling operation or electronic gaming operation. No employee under age 21 shall perform any function involved in gambling by the patrons. No person under age 21 shall be permitted to make a wager under this Act.

(11) Gambling excursion cruises are permitted only when the waterway for which the riverboat is licensed is navigable, as determined by the Board in consultation with the U.S. Army Corps of Engineers. This paragraph (11) does not limit the ability of a licensee to conduct gambling authorized under this Act when gambling excursion cruises are not permitted.

(12) All tokens, chips or electronic cards used to make wagers must be purchased (i) from a licensed owner or manager, in the case of a riverboat or of a casino either aboard the ~~a~~ riverboat or at the casino or, in the case of a riverboat, at an onshore facility which has been approved by the Board and which is located where the riverboat docks or (ii) from an electronic gaming licensee at the electronic gaming facility. The tokens, chips or electronic cards may be purchased by means of an agreement under which the owner or manager extends credit to the patron. Such tokens, chips or electronic cards may be used while aboard the riverboat, in the casino, or at the electronic gaming facility only for the purpose of making wagers on gambling games.

(13) Notwithstanding any other Section of this Act, in addition to the other licenses authorized under this Act, the Board may issue special event licenses allowing persons who are not otherwise licensed to conduct riverboat gambling to conduct such gambling on a specified date or series of dates. Riverboat gambling under such a license may take place on a riverboat not normally used for riverboat gambling. The Board shall establish standards, fees and fines for, and limitations upon, such licenses, which may differ from the standards, fees, fines and limitations otherwise applicable under this Act. All such fees shall be deposited into the State Gaming Fund. All such fines shall be deposited into the Education Assistance Fund, created by Public Act 86-0018, of the State of Illinois.

(14) In addition to the above, gambling must be conducted in accordance with all rules adopted by the Board.

(Source: P.A. 93-28, eff. 6-20-03.)

(230 ILCS 10/11.1) (from Ch. 120, par. 2411.1)

Sec. 11.1. Collection of amounts owing under credit agreements. Notwithstanding any applicable statutory provision to the contrary, a licensed owner, ~~or~~ manager, or electronic gaming licensee who extends credit to a riverboat or casino gambling patron or an electronic gaming patron pursuant to Section 11 (a) (12) of this Act is expressly authorized to institute a cause of action to collect any amounts due and owing under the extension of credit, as well as the owner's or manager's costs, expenses and reasonable attorney's fees incurred in collection.

(Source: P.A. 93-28, eff. 6-20-03.)
 (230 ILCS 10/12) (from Ch. 120, par. 2412)
 Sec. 12. Admission tax; fees.

(a) A tax is hereby imposed upon admissions to riverboats operated by licensed owners and upon admissions to casinos and riverboats operated by casino operators on behalf of the Authority authorized pursuant to this Act. Until July 1, 2002, the rate is \$2 per person admitted. From July 1, 2002 ~~and~~ until July 1, 2003, the rate is \$3 per person admitted. ~~From Beginning~~ July 1, 2003 until the effective date of this amendatory Act of the 93rd General Assembly, for a licensee that admitted 1,000,000 persons or fewer in the previous calendar year, the rate is \$3 per person admitted; for a licensee that admitted more than 1,000,000 but no more than 2,300,000 persons in the previous calendar year, the rate is \$4 per person admitted; and for a licensee that admitted more than 2,300,000 persons in the previous calendar year, the rate is \$5 per person admitted. Beginning on the effective date of this amendatory Act of the 93rd General Assembly, for a licensee that conducted riverboat gambling operations in calendar year 2003 and admitted 1,000,000 persons or fewer in the calendar year 2003, the rate is \$1 per person admitted and for all other licensees, including the Authority, the rate is \$3 per person admitted. ~~Beginning July 1, 2003, for a licensee that admitted 2,300,000 persons or fewer in the previous calendar year, the rate is \$4 per person admitted and for a licensee that admitted more than 2,300,000 persons in the previous calendar year, the rate is \$5 per person admitted.~~ This admission tax is imposed upon the licensed owner conducting gambling.

(1) The admission tax shall be paid for each admission, except that a person who exits a riverboat gambling facility or a casino and reenters that riverboat gambling facility or casino within the same gaming day, as the term "gaming day" is defined by the Board by rule, shall be subject only to the initial admission tax. The Board shall establish, by rule, a procedure to determine whether a person admitted to a riverboat gambling facility or casino has paid the admission tax.

(2) (Blank).

(3) The riverboat licensee and the Authority may issue tax-free passes to actual and necessary officials

and employees of the licensee or other persons actually working on the riverboat or in the casino.

(4) The number and issuance of tax-free passes is subject to the rules of the Board,

and a list of all persons to whom the tax-free passes are issued shall be filed with the Board.

(a-5) A fee is hereby imposed upon admissions operated by licensed managers on behalf of the State pursuant to Section 7.3 at the rates provided in this subsection (a-5). For a licensee that admitted 1,000,000 persons or fewer in the previous calendar year, the rate is \$3 per person admitted; for a licensee that admitted more than 1,000,000 but no more than 2,300,000 persons in the previous calendar year, the rate is \$4 per person admitted; and for a licensee that admitted more than 2,300,000 persons in the previous calendar year, the rate is \$5 per person admitted.

(1) The admission fee shall be paid for each admission.

(2) (Blank).

(3) The licensed manager may issue fee-free passes to actual and necessary officials

and employees of the manager or other persons actually working on the riverboat.

(4) The number and issuance of fee-free passes is subject to the rules of the Board,

and a list of all persons to whom the fee-free passes are issued shall be filed with the Board.

(b) From the tax imposed under subsection (a) and the fee imposed under subsection (a-5), a municipality shall receive from the State \$1 for each person embarking on a riverboat docked within the municipality or entering a casino located within the municipality, and a county shall receive \$1 for each person entering a casino or embarking on a riverboat docked within the county but outside the boundaries of any municipality. The municipality's or county's share shall be collected by the Board on behalf of the State and remitted quarterly by the State, subject to appropriation, to the treasurer of the unit of local government for deposit in the general fund. For each admission in excess of 1,500,000 in a year, from the tax imposed under this Section, the county in which the licensee's home dock or casino is located shall receive, subject to appropriation, \$0.15, which shall be in addition to any other moneys paid

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to the county under this Section, \$0.20 shall be paid into the Agricultural Premium Fund, and \$0.15 shall be paid from the State Gaming Fund, subject to appropriation, into the Illinois Community Services Block Grant Fund.

(c) The licensed owner and the licensed casino operator conducting gambling operations on behalf of the Authority shall pay the entire admission tax to the Board and the licensed manager shall pay the entire admission fee to the Board. Such payments shall be made daily. Accompanying each payment shall be a return on forms provided by the Board which shall include other information regarding admissions as the Board may require. Failure to submit either the payment or the return within the specified time may result in suspension or revocation of the owners or managers license.

(c-5) In addition to the admission tax imposed under subsection (a) and the admission fee imposed under subsection (a-5), a tax is imposed on admissions to electronic gaming facilities at the rate of \$2 per person for the first 1,500,000 persons admitted by an electronic gaming licensee per year and \$3 per person for all persons admitted by that licensee in excess of 1,500,000 per year. The tax is imposed upon the electronic gaming licensee.

(1) The admission tax shall be paid for each admission, except that a person who exits an electronic gaming facility and reenters that electronic gaming facility within the same gaming day, as the term "gaming day" is defined by the Board by rule, shall be subject only to the initial admission tax. The Board shall establish, by rule, a procedure to determine whether a person admitted to an electronic gaming facility has paid the admission tax.

(2) An electronic gaming licensee may issue tax-free passes to actual and necessary officials and employees of the licensee and other persons associated with electronic gaming operations.

(3) The number and issuance of tax-free passes is subject to the rules of the Board, and a list of all persons to whom the tax-free passes are issued shall be filed with the Board.

(4) The electronic gaming licensee shall pay the entire admission tax to the Board. Such payments shall be made daily. Accompanying each payment shall be a return on forms provided by the Board, which shall include other information regarding admission as the Board may require. Failure to submit either the payment or the return within the specified time may result in suspension or revocation of the organization licensee's license.

From the tax imposed under this subsection (c-5), the municipality in which an electronic gaming facility is located or, if the electronic gaming facility is not located within a municipality, the county in which the electronic gaming facility is located shall receive, subject to appropriation, \$1 for each person who enters the electronic gaming facility. For each admission to the electronic gaming facility in excess of 1,500,000 in a year, from the tax imposed under this subsection (c-5), the county in which the electronic gaming facility is located shall receive, subject to appropriation, \$0.15, which shall be in addition to any other moneys paid to the county under this Section, \$0.20 shall be paid into the Agricultural Premium Fund, and \$0.15 shall be paid from the State Gaming Fund, subject to appropriation, into the Illinois Community Services Block Grant Fund.

(d) The Board shall administer and collect the admission tax imposed by this Section, to the extent practicable, in a manner consistent with the provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9 and 10 of the Retailers' Occupation Tax Act and Section 3-7 of the Uniform Penalty and Interest Act.

(Source: P.A. 92-595, eff. 6-28-02; 93-27, eff. 6-20-03; 93-28, eff. 6-20-03; revised 8-1-03.)

(230 ILCS 10/13) (from Ch. 120, par. 2413)

Sec. 13. Wagering tax; rate; distribution.

(a) Until January 1, 1998, a tax is imposed on the ~~adjusted~~ gross gaming receipts received from gambling games authorized under this Act at the rate of 20%.

(a-1) From January 1, 1998 until July 1, 2002, a privilege tax is imposed on persons engaged in the business of conducting riverboat gambling operations, based on the ~~adjusted~~ gross gaming receipts received by a licensed owner from gambling games authorized under this Act at the following rates:

15% of annual ~~adjusted~~ gross gaming receipts up to and including \$25,000,000;

20% of annual ~~adjusted~~ gross gaming receipts in excess of \$25,000,000 but not exceeding \$50,000,000;

25% of annual ~~adjusted~~ gross gaming receipts in excess of \$50,000,000 but not exceeding \$75,000,000;

30% of annual ~~adjusted~~ gross gaming receipts in excess of \$75,000,000 but not exceeding \$100,000,000;

35% of annual ~~adjusted~~ gross gaming receipts in excess of \$100,000,000.

(a-2) From July 1, 2002 until July 1, 2003, a privilege tax is imposed on persons engaged in the business of conducting riverboat gambling operations, other than licensed managers conducting

riverboat gambling operations on behalf of the State, based on the ~~adjusted~~ gross gaming receipts received by a licensed owner from gambling games authorized under this Act at the following rates:

- 15% of annual ~~adjusted~~ gross gaming receipts up to and including \$25,000,000;
- 22.5% of annual ~~adjusted~~ gross gaming receipts in excess of \$25,000,000 but not exceeding \$50,000,000;
- 27.5% of annual ~~adjusted~~ gross gaming receipts in excess of \$50,000,000 but not exceeding \$75,000,000;
- 32.5% of annual ~~adjusted~~ gross gaming receipts in excess of \$75,000,000 but not exceeding \$100,000,000;
- 37.5% of annual ~~adjusted~~ gross gaming receipts in excess of \$100,000,000 but not exceeding \$150,000,000;

- 45% of annual ~~adjusted~~ gross gaming receipts in excess of \$150,000,000 but not exceeding \$200,000,000;
- 50% of annual ~~adjusted~~ gross gaming receipts in excess of \$200,000,000.

(a-3) Beginning July 1, 2003, a privilege tax is imposed on persons engaged in the business of conducting riverboat gambling operations (other than licensed managers conducting riverboat gambling operations on behalf of the State) and on the Authority, based on the ~~adjusted~~ gross gaming receipts received by a licensed owner or by the Authority from gambling games authorized under this Act at the following rates:

- 15% of annual ~~adjusted~~ gross gaming receipts up to and including \$25,000,000;
- 27.5% of annual ~~adjusted~~ gross gaming receipts in excess of \$25,000,000 but not exceeding \$37,500,000;
- 32.5% of annual ~~adjusted~~ gross gaming receipts in excess of \$37,500,000 but not exceeding \$50,000,000;
- 37.5% of annual ~~adjusted~~ gross gaming receipts in excess of \$50,000,000 but not exceeding \$75,000,000;
- 45% of annual ~~adjusted~~ gross gaming receipts in excess of \$75,000,000 but not exceeding \$100,000,000;
- 50% of annual ~~adjusted~~ gross gaming receipts in excess of \$100,000,000 but not exceeding \$250,000,000;
- 70% of annual ~~adjusted~~ gross gaming receipts in excess of \$250,000,000.

An amount equal to the amount of wagering taxes collected under this subsection (a-3) that are in addition to the amount of wagering taxes that would have been collected if the wagering tax rates under subsection (a-2) were in effect shall be paid into the Common School Fund.

The privilege tax imposed under this subsection (a-3) shall no longer be imposed beginning on the earliest earlier of (i) July 1, 2005; (ii) the first date after June 20, 2003 ~~the effective date of this amendatory Act of the 93rd General Assembly~~ that riverboat gambling operations are conducted pursuant to a dormant license; ~~or~~ (iii) the first day that riverboat gambling operations are conducted under the authority of an owners license that is in addition to the 10 owners licenses initially authorized under this Act ; or (iv) the effective date of this amendatory Act of the 93rd General Assembly. For the purposes of this subsection (a-3), the term "dormant license" means an owners license that is authorized by this Act under which no riverboat gambling operations are being conducted on June 20, 2003 ~~the effective date of this amendatory Act of the 93rd General Assembly~~.

(a-4) Beginning on the first day on which the tax imposed under subsection (a-3) is no longer imposed, a privilege tax is imposed on persons engaged in the business of conducting riverboat gambling operations (other than licensed managers conducting riverboat gambling operations on behalf of the State) and on the Authority, based on the ~~adjusted~~ gross gaming receipts received by a licensed owner or by the Authority from gambling games authorized under this Act at the following rates:

- 15% of annual ~~adjusted~~ gross gaming receipts up to and including \$25,000,000;
- 22.5% of annual ~~adjusted~~ gross gaming receipts in excess of \$25,000,000 but not exceeding \$50,000,000;
- 27.5% of annual ~~adjusted~~ gross gaming receipts in excess of \$50,000,000 but not exceeding \$75,000,000;
- 32.5% of annual ~~adjusted~~ gross gaming receipts in excess of \$75,000,000 but not exceeding

\$100,000,000;

37.5% of annual adjusted gross gaming receipts in excess of \$100,000,000 but not exceeding

\$150,000,000;

45% of annual adjusted gross gaming receipts in excess of \$150,000,000 but not exceeding \$200,000,000;

50% of annual adjusted gross gaming receipts in excess of \$200,000,000.

(a-5) Beginning on the effective date of this amendatory Act of the 93rd General Assembly, a privilege tax is imposed on persons conducting electronic gaming, based on the gross gaming receipts received by an electronic gaming licensee from electronic gaming authorized under this Act at the following rates:

15% of annual gross gaming receipts up to and including \$25,000,000;

22.5% of annual gross gaming receipts in excess of \$25,000,000 but not exceeding \$50,000,000;

27.5% of annual gross gaming receipts in excess of \$50,000,000 but not exceeding \$75,000,000;

32.5% of annual gross gaming receipts in excess of \$75,000,000 but not exceeding \$100,000,000;

37.5% of annual gross gaming receipts in excess of \$100,000,000 but not exceeding \$150,000,000;

45% of annual gross gaming receipts in excess of \$150,000,000 but not exceeding \$200,000,000;

50% of annual gross gaming receipts in excess of \$200,000,000.

(a-8) Riverboat gambling operations conducted by a licensed manager on behalf of the State are not subject to the tax imposed under this Section.

(a-10) The taxes imposed by this Section shall be paid by the licensed owner, or by the casino operator on behalf of the Authority in the case of a license issued to the Authority, or the electronic gaming licensee to the Board not later than 5:00 o'clock p.m. ~~3:00 o'clock p.m.~~ of the day after the day when the wagers were made.

(b) Until January 1, 1998, 25% of the tax revenue deposited in the State Gaming Fund under this Section shall be paid, subject to appropriation by the General Assembly, to the unit of local government which is designated as the home dock of the riverboat. Except as otherwise provided in this subsection (b), beginning ~~Beginning~~ January 1, 1998, from the tax revenue from riverboat and casino gambling deposited in the State Gaming Fund under this Section, an amount equal to 5% of adjusted gross gaming receipts generated by a riverboat and an amount equal to 5% of gross gaming receipts generated by a casino shall be paid monthly, subject to appropriation by the General Assembly, to the unit of local government that is designated as the home dock of the riverboat or to the municipality in which the casino is located. From the tax revenue deposited in the State Gaming Fund pursuant to riverboat gambling operations conducted by a licensed manager on behalf of the State, an amount equal to 5% of adjusted gross gaming receipts generated pursuant to those riverboat gambling operations shall be paid monthly, subject to appropriation by the General Assembly, to the unit of local government that is designated as the home dock of the riverboat upon which those riverboat gambling operations are conducted.

(b-5) Beginning on the effective date of this amendatory Act of the 93rd General Assembly, from the tax revenue from electronic gaming deposited into the State Gaming Fund under this Section, an amount equal to 5% of the gross gaming receipts generated by an electronic gaming licensee shall be paid monthly, subject to appropriation, to the municipality in which the electronic gaming facility is located. If an electronic gaming facility is not located within a municipality, then an amount equal to 5% of the gross gaming receipts generated by the electronic gaming licensee shall be paid monthly, subject to appropriation, to the county in which the electronic gaming facility is located.

(b-10) Beginning on the effective date of this amendatory Act of the 93rd General Assembly, from the tax revenue from electronic gaming deposited into the State Gaming Fund under this Section, an amount equal to 1% of the gross gaming receipts generated by electronic gaming licensees, but in no event more than \$25,000,000 in any year, shall be paid monthly, subject to appropriation, from the State Gaming Fund into the Illinois Community Services Block Grant Fund.

(b-12) Beginning on the effective date of this amendatory Act of the 93rd General Assembly, from the tax revenue from electronic gaming deposited into the State Gaming Fund under this Section,

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an amount equal to 1% of the gross gaming receipts generated by electronic gaming licensees, but in no event more than \$25,000,000 in any year, shall be paid monthly, subject to appropriation, from the State Gaming Fund into the School Infrastructure Fund.

(b-15) Beginning on the effective date of this amendatory Act of the 93rd General Assembly, after the payments required under subsections (b), (b-5), (b-10), and (b-12) have been made, the next \$5,000,000 of tax revenue derived each year from electronic gaming shall be paid from the State Gaming Fund into the Compulsive Gambling Prevention Fund, which is hereby created as a special fund in the State treasury. Moneys in the Compulsive Gambling Prevention Fund shall be used, subject to appropriation, by the Department of Human Services as provided in this subsection (b-15). Of the money allocated to the Department of Human Services under this subsection (b-15), 50% shall be used for compulsive gambling programs under Section 5-20 of the Alcoholism and Other Drug Abuse and Dependency Act and 50% shall be used by the Department of Human Service for other social service programs and grants.

(c) Appropriations, as approved by the General Assembly, may be made from the State Gaming Fund to the Department of Revenue and the Department of State Police for the administration and enforcement of this Act, or to the Department of Human Services for the administration of programs to treat problem gambling.

~~(c-5) (Blank). After the payments required under subsections (b) and (c) have been made, an amount equal to 15% of the adjusted gross receipts of (1) an owners licensee that relocates pursuant to Section 11.2, (2) an owners licensee license conducting riverboat gambling operations pursuant to an owners license that is initially issued after June 25, 1999, or (3) the first riverboat gambling operations conducted by a licensed manager on behalf of the State under Section 7.3 7.2, whichever comes first, shall be paid from the State Gaming Fund into the Horse Racing Equity Fund.~~

~~(c-10) (Blank). Each year the General Assembly shall appropriate from the General Revenue Fund to the Education Assistance Fund an amount equal to the amount paid into the Horse Racing Equity Fund pursuant to subsection (c-5) in the prior calendar year.~~

~~(c-15) After the payments required under subsections (b), (b-5), (b-10), (b-12), (b-15), and (c) ; and (c-5) have been made, an amount equal to 2% of the adjusted gross gaming receipts of each (1) an owners licensee that relocates pursuant to Section 11.2, (2) an owners licensee license conducting riverboat gambling operations from a home dock that is located within a home rule county with a population of over 3,000,000 inhabitants pursuant to an owners license that is initially issued after June 25, 1999, or (3) the first riverboat gambling operations conducted by a licensed manager on behalf of the State under Section 7.3 7.2, whichever comes first, shall be paid, subject to appropriation from the General Assembly, from the State Gaming Fund to that county each home rule county with a population of over 3,000,000 inhabitants for the purpose of enhancing the county's criminal justice system.~~

(c-20) Each year the General Assembly shall appropriate from the General Revenue Fund to the Education Assistance Fund an amount equal to the amount paid to each home rule county with a population of over 3,000,000 inhabitants pursuant to subsection (c-15) in the prior calendar year.

~~(c-25) After the payments required under subsections (b), (b-5), (b-10), (b-12), (b-15), (c), (c-5) and (c-15) have been made, an amount equal to 2% of the adjusted gross gaming receipts of (1) each an owners licensee license that relocates pursuant to Section 11.2 and ; (2) each an owners licensee license conducting riverboat gambling operations pursuant to an owners license that is initially issued after June 25, 1999, or (3) the first riverboat gambling operations conducted by a licensed manager on behalf of the State under Section 7.3 7.2, whichever comes first, shall be paid from the State Gaming Fund to Chicago State University.~~

(c-30) After the payments required under subsections (b), (b-5), (b-10), (b-12), (b-15), (c), (c-15), and (c-25) have been made, an aggregate amount equal to 2% of the gross gaming receipts of owners licensees, but in no event more than \$50,000,000 in any year, shall be paid monthly, subject to appropriation by the General Assembly, from the State Gaming Fund into the School Infrastructure Fund for the purpose of funding school construction program grants.

(c-35) After the payments required under subsections (b), (b-5), (b-10), (b-12), (b-15), (c), (c-15), (c-25), and (c-30) have been made, an amount equal to 1% of the gross gaming receipts of an owners licensee that docks on the Mississippi River, the Illinois River, or the Ohio River shall be paid, subject to appropriation by the General Assembly, from the State Gaming Fund to qualifying municipalities within 50 miles of the home dock of the riverboat. The amount paid under this subsection (c-35) to each qualifying municipality shall be based on the proportion that the number of persons living at or below the poverty level in the qualifying municipality bears to the total number of persons living at or below the poverty level in qualifying municipalities that are within 50 miles of the owners licensee's home dock. If 2 or more owners licensees that dock on the Mississippi River, the Illinois River, or the

Ohio River are within 50 miles of each other, payments required under this subsection (c-35) from the gross gaming receipts of those owners licensees shall be commingled and paid to qualifying municipalities that are within 50 miles of at least one of those owners licensee's home docks. For the purposes of this subsection (c-35), the term "qualifying municipality" means a municipality, other than a municipality in which a riverboat docks, in which the poverty rate as determined by using the most recent data released by the United States Census Bureau is at least 3% greater than the State poverty rate as determined by using the most recent data released by the United States Census Bureau.

(c-40) After the payments required under subsections (b), (b-5), (b-10), (b-12), (b-15), (c), (c-15), (c-25), (c-30), and (c-35) have been made, an amount equal to 1% of the gross gaming receipts of an owners licensee that (i) docks on the Fox River or the Des Plaines River or (ii) is authorized under subsection (e-5) of Section 7, shall be paid, subject to appropriation by the General Assembly, from the State Gaming Fund to qualifying municipalities within 20 miles of the home dock of the riverboat. The amount paid under this subsection (c-40) to each qualifying municipality shall be based on the proportion that the number of persons living at or below the poverty level in the qualifying municipality bears to the total number of persons living at or below the poverty level in qualifying municipalities that are within 20 miles of the owners licensee's home dock. If the home docks of 2 or more owners licensees that (i) dock on the Fox River or the Des Plaines River or (ii) are authorized under subsection (e-5) of Section 7 are within 20 miles of each other, payments required under this subsection (c-40) from the gross gaming receipts of those owners licensees shall be commingled and paid to qualifying municipalities that are within 20 miles of at least one of those owners licensee's home docks. For the purposes of this subsection (c-40), the term "qualifying municipality" means a municipality, other than the City of Chicago or a municipality in which a riverboat docks, in which the poverty rate as determined by using the most recent data released by the United States Census Bureau is at least 3% greater than the State poverty rate as determined by using the most recent data released by the United States Census Bureau.

(c-45) After the payments required under subsections (b), (b-5), (b-10), (b-12), (b-15), (c), (c-15), (c-25), (c-30), (c-35), and (c-40) have been made, an amount equal to 0.015% of the gross gaming receipts of each owners licensee, other than the Authority, shall be paid, subject to appropriation by the General Assembly, from the State Gaming Fund to the Department of Human Services for the purpose of making grants to special recreation associations for the operation of recreational programs for the handicapped under Section 10-35 of the Department of Human Services Act.

(d) From time to time, the Board shall transfer the remainder of the funds generated by this Act into the Education Assistance Fund, created by Public Act 86-0018, of the State of Illinois.

(e) Nothing in this Act shall prohibit the unit of local government designated as the home dock of the riverboat, or the municipality in which the casino is located, from entering into agreements with other units of local government in this State or in other states to share its portion of the tax revenue.

(f) To the extent practicable, the Board shall administer and collect the wagering taxes imposed by this Section in a manner consistent with the provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, and 10 of the Retailers' Occupation Tax Act and Section 3-7 of the Uniform Penalty and Interest Act.

(Source: P.A. 92-595, eff. 6-28-02; 93-27, eff. 6-20-03; 93-28, eff. 6-20-03; revised 1-28-04.)

(230 ILCS 10/14) (from Ch. 120, par. 2414)

Sec. 14. Licensees - Records - Reports - Supervision.

(a) ~~A~~ Licensed owners, including the Authority, and electronic gaming licensees owner shall keep their his books and records so as to clearly show the following:

- (1) The amount received daily from admission fees.
- (2) The total amount of whole gaming gross receipts.
- (3) The total amount of the adjusted gross gaming receipts.

(b) ~~The~~ Licensed owners, including the Authority, and electronic gaming licensees owner shall furnish to the Board reports and information as the Board may require with respect to its activities on forms designed and supplied for such purpose by the Board.

(c) The books and records kept by a licensed owner or electronic gaming licensee as provided by this Section are public records and the examination, publication, and dissemination of the books and records are governed by the provisions of The Freedom of Information Act.

(Source: P.A. 86-1029.)

(230 ILCS 10/18) (from Ch. 120, par. 2418)

Sec. 18. Prohibited Activities - Penalty.

(a) A person is guilty of a Class A misdemeanor for doing any of the following:

- (1) Conducting gambling where wagering is used or to be used without a license issued

by the Board.

(2) Conducting gambling where wagering is permitted other than in the manner specified

by Section 11.

(b) A person is guilty of a Class B misdemeanor for doing any of the following:

(1) permitting a person under 21 years to make a wager; or

(2) violating paragraph (12) of subsection (a) of Section 11 of this Act.

(c) A person wagering or accepting a wager at any location outside the riverboat, casino, or electronic gaming facility in violation of paragraph ~~is subject to the penalties in paragraphs~~ (1) or (2) of subsection (a) of Section 28-1 of the Criminal Code of 1961 is subject to the penalties provided in that Section.

(d) A person commits a Class 4 felony and, in addition, shall be barred for life from gambling operations ~~riverboats~~ under the jurisdiction of the Board, if the person does any of the following:

(1) Offers, promises, or gives anything of value or benefit to a person who is

connected with a riverboat or casino owner or electronic gaming licensee including, but not limited to, an officer or employee of a licensed owner or electronic gaming licensee or holder of an occupational license pursuant to an agreement or arrangement or with the intent that the promise or thing of value or benefit will influence the actions of the person to whom the offer, promise, or gift was made in order to affect or attempt to affect the outcome of a gambling game, or to influence official action of a member of the Board.

(2) Solicits or knowingly accepts or receives a promise of anything of value or benefit

while the person is connected with a riverboat, casino, or electronic gaming facility, including, but not limited to, an officer or employee of a licensed owner or electronic gaming licensee, or ~~the~~ holder of an occupational license, pursuant to an understanding or arrangement or with the intent that the promise or thing of value or benefit will influence the actions of the person to affect or attempt to affect the outcome of a gambling game, or to influence official action of a member of the Board.

(3) Uses or possesses with the intent to use a device to assist:

(i) In projecting the outcome of the game.

(ii) In keeping track of the cards played.

(iii) In analyzing the probability of the occurrence of an event relating to the

gambling game.

(iv) In analyzing the strategy for playing or betting to be used in the game except

as permitted by the Board.

(4) Cheats at a gambling game.

(5) Manufactures, sells, or distributes any cards, chips, dice, game or device which is

intended to be used to violate any provision of this Act.

(6) Alters or misrepresents the outcome of a gambling game on which wagers have been made after the outcome is made sure but before it is revealed to the players.

(7) Places a bet after acquiring knowledge, not available to all players, of the

outcome of the gambling game which is subject of the bet or to aid a person in acquiring the knowledge for the purpose of placing a bet contingent on that outcome.

(8) Claims, collects, or takes, or attempts to claim, collect, or take, money or

anything of value in or from the gambling games, with intent to defraud, without having made a wager contingent on winning a gambling game, or claims, collects, or takes an amount of money or thing of value of greater value than the amount won.

(9) Uses counterfeit chips or tokens in a gambling game.

(10) Possesses any key or device designed for the purpose of opening, entering, or

affecting the operation of a gambling game, drop box, or an electronic or mechanical device connected with the gambling game or for removing coins, tokens, chips or other contents of a gambling game. This paragraph (10) does not apply to a gambling licensee or employee of a gambling licensee acting in furtherance of the employee's employment.

(e) The possession of more than one of the devices described in subsection (d), paragraphs (3), (5) or (10) permits a rebuttable presumption that the possessor intended to use the devices for cheating.

An action to prosecute any crime occurring on a riverboat or in a casino shall be tried in the county of the dock at which the riverboat is based or in the county in which the casino is located.

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

(230 ILCS 10/19) (from Ch. 120, par. 2419)

Sec. 19. Forfeiture of property.

(a) Except as provided in subsection (b), any riverboat or electronic gaming facility used for the conduct of gambling games in violation of this Act shall be considered a gambling place in violation of Section 28-3 of the Criminal Code of 1961, as now or hereafter amended. Every gambling device found on a riverboat or at an electronic gaming facility operating gambling games in violation of this Act and every slot machine and video game of chance found at an electronic gaming facility operating gambling games in violation of this Act shall be subject to seizure, confiscation and destruction as provided in Section 28-5 of the Criminal Code of 1961, as now or hereafter amended.

(b) It is not a violation of this Act for a riverboat or other watercraft which is licensed for gaming by a contiguous state to dock on the shores of this State if the municipality having jurisdiction of the shores, or the county in the case of unincorporated areas, has granted permission for docking and no gaming is conducted on the riverboat or other watercraft while it is docked on the shores of this State. No gambling device shall be subject to seizure, confiscation or destruction if the gambling device is located on a riverboat or other watercraft which is licensed for gaming by a contiguous state and which is docked on the shores of this State if the municipality having jurisdiction of the shores, or the county in the case of unincorporated areas, has granted permission for docking and no gaming is conducted on the riverboat or other watercraft while it is docked on the shores of this State.

(Source: P.A. 86-1029.)

(230 ILCS 10/20) (from Ch. 120, par. 2420)

Sec. 20. Prohibited activities - civil penalties. Any person who conducts a gambling operation without first obtaining a license to do so, or who continues to conduct such games after revocation of his license, or any licensee who conducts or allows to be conducted any unauthorized gambling games on a riverboat, in a casino, or at an electronic gaming facility where it is authorized to conduct its ~~riverboat~~ gambling operation, in addition to other penalties provided, shall be subject to a civil penalty equal to the amount of whole gaming gross receipts derived from wagering on the gambling games, whether unauthorized or authorized, conducted on that day as well as confiscation and forfeiture of all gambling game equipment used in the conduct of unauthorized gambling games.

(Source: P.A. 86-1029.)

(230 ILCS 10/23) (from Ch. 120, par. 2423)

Sec. 23. The State Gaming Fund. On or after the effective date of this Act, all of the fees and taxes collected pursuant to subsections of this Act shall be deposited into the State Gaming Fund, a special fund in the State Treasury, which is hereby created. The ~~adjusted~~ gross gaming receipts of any riverboat gambling operations conducted by a licensed manager on behalf of the State remaining after the payment of the fees and expenses of the licensed manager shall be deposited into the State Gaming Fund. Fines and penalties collected pursuant to this Act shall be deposited into the Education Assistance Fund, created by Public Act 86-0018, of the State of Illinois.

(Source: P.A. 93-28, eff. 6-20-03.)

Section 935. The Liquor Control Act of 1934 is amended by changing Sections 5-1 and 6-30 as follows:

(235 ILCS 5/5-1) (from Ch. 43, par. 115)

Sec. 5-1. Licenses issued by the Illinois Liquor Control Commission shall be of the following classes:

(a) Manufacturer's license - Class 1. Distiller, Class 2. Rectifier, Class 3. Brewer, Class 4. First Class Wine Manufacturer, Class 5. Second Class Wine Manufacturer, Class 6. First Class Winemaker, Class 7. Second Class Winemaker, Class 8. Limited Wine Manufacturer,

- (b) Distributor's license,
- (c) Importing Distributor's license,
- (d) Retailer's license,
- (e) Special Event Retailer's license (not-for-profit),
- (f) Railroad license,
- (g) Boat license,
- (h) Non-Beverage User's license,
- (i) Wine-maker's premises license,
- (j) Airplane license,
- (k) Foreign importer's license,
- (l) Broker's license,
- (m) Non-resident dealer's license,
- (n) Brew Pub license,
- (o) Auction liquor license,
- (p) Caterer retailer license,
- (q) Special use permit license.

No person, firm, partnership, corporation, or other legal business entity that is engaged in the manufacturing of wine may concurrently obtain and hold a wine-maker's license and a wine manufacturer's license.

(a) A manufacturer's license shall allow the manufacture, importation in bulk, storage, distribution and sale of alcoholic liquor to persons without the State, as may be permitted by law and to licensees in this State as follows:

Class 1. A Distiller may make sales and deliveries of alcoholic liquor to distillers, rectifiers, importing distributors, distributors and non-beverage users and to no other licensees.

Class 2. A Rectifier, who is not a distiller, as defined herein, may make sales and deliveries of alcoholic liquor to rectifiers, importing distributors, distributors, retailers and non-beverage users and to no other licensees.

Class 3. A Brewer may make sales and deliveries of beer to importing distributors, distributors, and to non-licensees, and to retailers provided the brewer obtains an importing distributor's license or distributor's license in accordance with the provisions of this Act.

Class 4. A first class wine-manufacturer may make sales and deliveries of up to 50,000 gallons of wine to manufacturers, importing distributors and distributors, and to no other licensees.

Class 5. A second class Wine manufacturer may make sales and deliveries of more than 50,000 gallons of wine to manufacturers, importing distributors and distributors and to no other licensees.

Class 6. A first-class wine-maker's license shall allow the manufacture of up to 50,000 gallons of wine per year, and the storage and sale of such wine to distributors in the State and to persons without the State, as may be permitted by law. A first-class wine-maker's license shall allow the sale of no more than 5,000 gallons of the licensee's wine to retailers. The State Commission shall issue only one first-class wine-maker's license to any person, firm, partnership, corporation, or other legal business entity that is engaged in the making of less than 50,000 gallons of wine annually that applies for a first-class wine-maker's license. No subsidiary or affiliate thereof, nor any officer, associate, member, partner, representative, employee, agent, or shareholder may be issued an additional wine-maker's license by the State Commission.

Class 7. A second-class wine-maker's license shall allow the manufacture of between 50,000 and 100,000 gallons of wine per year, and the storage and sale of such wine to distributors in this State and to persons without the State, as may be permitted by law. A second-class wine-maker's license shall allow the sale of no more than 10,000 gallons of the licensee's wine directly to retailers. The State Commission shall issue only one second-class wine-maker's license to any person, firm, partnership, corporation, or other legal business entity that is engaged in the making of less than 100,000 gallons of wine annually that applies for a second-class wine-maker's license. No subsidiary or affiliate thereof, or any officer, associate, member, partner, representative, employee, agent, or shareholder may be issued an additional wine-maker's license by the State Commission.

Class 8. A limited wine-manufacturer may make sales and deliveries not to exceed 40,000 gallons of wine per year to distributors, and to non-licensees in accordance with the provisions of this Act.

(a-1) A manufacturer which is licensed in this State to make sales or deliveries of alcoholic liquor and which enlists agents, representatives, or individuals acting on its behalf who contact licensed retailers on a regular and continual basis in this State must register those agents, representatives, or persons acting on its behalf with the State Commission.

Registration of agents, representatives, or persons acting on behalf of a manufacturer is fulfilled by submitting a form to the Commission. The form shall be developed by the Commission and shall include the name and address of the applicant, the name and address of the manufacturer he or she represents, the territory or areas assigned to sell to or discuss pricing terms of alcoholic liquor, and any other questions deemed appropriate and necessary. All statements in the forms required to be made by law or by rule shall be deemed material, and any person who knowingly misstates any material fact under oath in an application is guilty of a Class B misdemeanor. Fraud, misrepresentation, false statements, misleading statements, evasions, or suppression of material facts in the securing of a registration are grounds for suspension or revocation of the registration.

(b) A distributor's license shall allow the wholesale purchase and storage of alcoholic liquors and sale of alcoholic liquors to licensees in this State and to persons without the State, as may be permitted by law.

(c) An importing distributor's license may be issued to and held by those only who are duly licensed distributors, upon the filing of an application by a duly licensed distributor, with the Commission and the Commission shall, without the payment of any fee, immediately issue such importing distributor's license to the applicant, which shall allow the importation of alcoholic liquor by the licensee into this State from any point in the United States outside this State, and the purchase of alcoholic liquor in barrels, casks or other bulk containers and the bottling of such alcoholic liquors before resale thereof, but all bottles or containers so filled shall be sealed, labeled, stamped and otherwise made to comply with all provisions, rules and regulations governing manufacturers in the preparation and bottling of alcoholic liquors. The importing distributor's license shall permit such licensee to purchase alcoholic liquor from Illinois licensed non-resident dealers and foreign importers only.

(d) A retailer's license shall allow the licensee to sell and offer for sale at retail, only in the premises specified in such license, alcoholic liquor for use or consumption, but not for resale in any form: Provided that any retail license issued to a manufacturer shall only permit such manufacturer to sell beer at retail on the premises actually occupied by such manufacturer.

After January 1, 1995 there shall be 2 classes of licenses issued under a retailers license.

(1) A "retailers on premise consumption license" shall allow the licensee to sell and

offer for sale at retail, only on the premises specified in the license, alcoholic liquor for use or consumption on the premises or on and off the premises, but not for resale in any form.

(2) An "off premise sale license" shall allow the licensee to sell, or offer for sale

at retail, alcoholic liquor intended only for off premise consumption and not for resale in any form.

Notwithstanding any other provision of this subsection (d), a retail licensee may sell alcoholic liquors to a special event retailer licensee for resale to the extent permitted under subsection (e).

(e) A special event retailer's license (not-for-profit) shall permit the licensee to purchase alcoholic liquors from an Illinois licensed distributor (unless the licensee purchases less than \$500 of alcoholic liquors for the special event, in which case the licensee may purchase the alcoholic liquors from a licensed retailer) and shall allow the licensee to sell and offer for sale, at retail, alcoholic liquors for use or consumption, but not for resale in any form and only at the location and on the specific dates designated for the special event in the license. An applicant for a special event retailer license must (i) furnish with the application: (A) a resale number issued under Section 2c of the Retailers' Occupation Tax Act or evidence that the applicant is registered under Section 2a of the Retailers' Occupation Tax Act, (B) a current, valid exemption identification number issued under Section 1g of the Retailers' Occupation Tax Act, and a certification to the Commission that the purchase of alcoholic liquors will be a tax-exempt purchase, or (C) a statement that the applicant is not registered under Section 2a of the Retailers' Occupation Tax Act, does not hold a resale number under Section 2c of the Retailers'

Occupation Tax Act, and does not hold an exemption number under Section 1g of the Retailers' Occupation Tax Act, in which event the Commission shall set forth on the special event retailer's license a statement to that effect; (ii) submit with the application proof satisfactory to the State Commission that the applicant will provide dram shop liability insurance in the maximum limits; and (iii) show proof satisfactory to the State Commission that the applicant has obtained local authority approval.

(f) A railroad license shall permit the licensee to import alcoholic liquors into this State from any point in the United States outside this State and to store such alcoholic liquors in this State; to make wholesale purchases of alcoholic liquors directly from manufacturers, foreign importers, distributors and importing distributors from within or outside this State; and to store such alcoholic liquors in this State; provided that the above powers may be exercised only in connection with the importation, purchase or storage of alcoholic liquors to be sold or dispensed on a club, buffet, lounge or dining car operated on an electric, gas or steam railway in this State; and provided further, that railroad licensees exercising the above powers shall be subject to all provisions of Article VIII of this Act as applied to importing distributors. A railroad license shall also permit the licensee to sell or dispense alcoholic liquors on any club, buffet, lounge or dining car operated on an electric, gas or steam railway regularly operated by a common carrier in this State, but shall not permit the sale for resale of any alcoholic liquors to any licensee within this State. A license shall be obtained for each car in which such sales are made.

(g) A boat license shall allow the sale of alcoholic liquor in individual drinks, on any passenger boat regularly operated as a common carrier on navigable waters in this State or on any riverboat operated under the Riverboat and Casino Gambling Act, which boat or riverboat maintains a public dining room or restaurant thereon.

(h) A non-beverage user's license shall allow the licensee to purchase alcoholic liquor from a licensed manufacturer or importing distributor, without the imposition of any tax upon the business of such licensed manufacturer or importing distributor as to such alcoholic liquor to be used by such licensee solely for the non-beverage purposes set forth in subsection (a) of Section 8-1 of this Act, and such licenses shall be divided and classified and shall permit the purchase, possession and use of limited and stated quantities of alcoholic liquor as follows:

- Class 1, not to exceed
500 gallons
- Class 2, not to exceed
1,000 gallons
- Class 3, not to exceed
5,000 gallons
- Class 4, not to exceed
10,000 gallons
- Class 5, not to exceed
50,000 gallons

(i) A wine-maker's premises license shall allow a licensee that concurrently holds a first-class wine-maker's license to sell and offer for sale at retail in the premises specified in such license not more than 50,000 gallons of the first-class wine-maker's wine that is made at the first-class wine-maker's licensed premises per year for use or consumption, but not for resale in any form. A wine-maker's premises license shall allow a licensee who concurrently holds a second-class wine-maker's license to sell and offer for sale at retail in the premises specified in such license up to 100,000 gallons of the second-class wine-maker's wine that is made at the second-class wine-maker's licensed premises per year for use or consumption but not for resale in any form. Upon approval from the State Commission, a wine-maker's premises license shall allow the licensee to sell and offer for sale at (i) the wine-maker's licensed premises and (ii) at up to 2 additional locations for use and consumption and not for resale. Each location shall require additional licensing per location as specified in Section 5-3 of this Act.

(j) An airplane license shall permit the licensee to import alcoholic liquors into this State from any point in the United States outside this State and to store such alcoholic liquors in this State; to make wholesale purchases of alcoholic liquors directly from manufacturers, foreign importers, distributors and importing distributors from within or outside this State; and to store such alcoholic liquors in this State; provided that the above powers may be exercised only in connection with the importation, purchase or storage of alcoholic liquors to be sold or dispensed on an airplane; and provided further, that airplane licensees exercising the above powers shall be subject to all provisions of Article VIII of this Act as applied to importing distributors. An airplane licensee shall also permit the sale or dispensing of alcoholic liquors on any passenger airplane regularly operated by a common carrier in this State, but shall not permit the sale for resale of any alcoholic liquors to any licensee within this State. A single

airplane license shall be required of an airline company if liquor service is provided on board aircraft in this State. The annual fee for such license shall be as determined in Section 5-3.

(k) A foreign importer's license shall permit such licensee to purchase alcoholic liquor from Illinois licensed non-resident dealers only, and to import alcoholic liquor other than in bulk from any point outside the United States and to sell such alcoholic liquor to Illinois licensed importing distributors and to no one else in Illinois; provided that the foreign importer registers with the State Commission every brand of alcoholic liquor that it proposes to sell to Illinois licensees during the license period and provided further that the foreign importer complies with all of the provisions of Section 6-9 of this Act with respect to registration of such Illinois licensees as may be granted the right to sell such brands at wholesale.

(l) (i) A broker's license shall be required of all persons who solicit orders for, offer to sell or offer to supply alcoholic liquor to retailers in the State of Illinois, or who offer to retailers to ship or cause to be shipped or to make contact with distillers, rectifiers, brewers or manufacturers or any other party within or without the State of Illinois in order that alcoholic liquors be shipped to a distributor, importing distributor or foreign importer, whether such solicitation or offer is consummated within or without the State of Illinois.

No holder of a retailer's license issued by the Illinois Liquor Control Commission shall purchase or receive any alcoholic liquor, the order for which was solicited or offered for sale to such retailer by a broker unless the broker is the holder of a valid broker's license.

The broker shall, upon the acceptance by a retailer of the broker's solicitation of an order or offer to sell or supply or deliver or have delivered alcoholic liquors, promptly forward to the Illinois Liquor Control Commission a notification of said transaction in such form as the Commission may by regulations prescribe.

(ii) A broker's license shall be required of a person within this State, other than a retail licensee, who, for a fee or commission, promotes, solicits, or accepts orders for alcoholic liquor, for use or consumption and not for resale, to be shipped from this State and delivered to residents outside of this State by an express company, common carrier, or contract carrier. This Section does not apply to any person who promotes, solicits, or accepts orders for wine as specifically authorized in Section 6-29 of this Act.

A broker's license under this subsection (1) shall not entitle the holder to buy or sell any alcoholic liquors for his own account or to take or deliver title to such alcoholic liquors.

This subsection (1) shall not apply to distributors, employees of distributors, or employees of a manufacturer who has registered the trademark, brand or name of the alcoholic liquor pursuant to Section 6-9 of this Act, and who regularly sells such alcoholic liquor in the State of Illinois only to its registrants thereunder.

Any agent, representative, or person subject to registration pursuant to subsection (a-1) of this Section shall not be eligible to receive a broker's license.

(m) A non-resident dealer's license shall permit such licensee to ship into and warehouse alcoholic liquor into this State from any point outside of this State, and to sell such alcoholic liquor to Illinois licensed foreign importers and importing distributors and to no one else in this State; provided that said non-resident dealer shall register with the Illinois Liquor Control Commission each and every brand of alcoholic liquor which it proposes to sell to Illinois licensees during the license period; and further provided that it shall comply with all of the provisions of Section 6-9 hereof with respect to registration of such Illinois licensees as may be granted the right to sell such brands at wholesale.

(n) A brew pub license shall allow the licensee to manufacture beer only on the premises specified in the license, to make sales of the beer manufactured on the premises to importing distributors, distributors, and to non-licensees for use and consumption, to store the beer upon the premises, and to sell and offer for sale at retail from the licensed premises, provided that a brew pub licensee shall not sell for off-premises consumption more than 50,000 gallons per year.

(o) A caterer retailer license shall allow the holder to serve alcoholic liquors as an incidental part of a food service that serves prepared meals which excludes the serving of snacks as the primary meal, either on or off-site whether licensed or unlicensed.

(p) An auction liquor license shall allow the licensee to sell and offer for sale at auction wine and spirits for use or consumption, or for resale by an Illinois liquor licensee in accordance with provisions of this Act. An auction liquor license will be issued to a person and it will permit the auction liquor licensee to hold the auction anywhere in the State. An auction liquor license must be obtained for each auction at least 14 days in advance of the auction date.

(q) A special use permit license shall allow an Illinois licensed retailer to transfer a portion of its alcoholic liquor inventory from its retail licensed premises to the premises specified in the license

hereby created, and to sell or offer for sale at retail, only in the premises specified in the license hereby created, the transferred alcoholic liquor for use or consumption, but not for resale in any form. A special use permit license may be granted for the following time periods: one day or less; 2 or more days to a maximum of 15 days per location in any 12 month period. An applicant for the special use permit license must also submit with the application proof satisfactory to the State Commission that the applicant will provide dram shop liability insurance to the maximum limits and have local authority approval.

(Source: P.A. 91-357, eff. 7-29-99; 92-105, eff. 1-1-02; 92-378, eff. 8-16-01; 92-651, eff. 7-11-02; 92-672, eff. 7-16-02.)

(235 ILCS 5/6-30) (from Ch. 43, par. 144f)

Sec. 6-30. Notwithstanding any other provision of this Act, the Illinois Gaming Board shall have exclusive authority to establish the hours for sale and consumption of alcoholic liquor on board a riverboat during riverboat gambling excursions and in a casino conducted in accordance with the Riverboat and Casino Gambling Act.

(Source: P.A. 87-826.)

Section 940. The Criminal Code of 1961 is amended by changing Sections 28-1, 28-1.1, 28-3, 28-5 and 28-7 as follows:

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

Sec. 28-1. Gambling.

(a) A person commits gambling when he:

(1) Plays a game of chance or skill for money or other thing of value, unless excepted in subsection (b) of this Section; or

(2) Makes a wager upon the result of any game, contest, or any political nomination, appointment or election; or

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

(4) Contracts to have or give himself or another the option to buy or sell, or contracts to buy or sell, at a future time, any grain or other commodity whatsoever, or any stock or security of any company, where it is at the time of making such contract intended by both parties thereto that the contract to buy or sell, or the option, whenever exercised, or the contract resulting therefrom, shall be settled, not by the receipt or delivery of such property, but by the payment only of differences in prices thereof; however, the issuance, purchase, sale, exercise, endorsement or guarantee, by or through a person registered with the Secretary of State pursuant to Section 8 of the Illinois Securities Law of 1953, or by or through a person exempt from such registration under said Section 8, of a put, call, or other option to buy or sell securities which have been registered with the Secretary of State or which are exempt from such registration under Section 3 of the Illinois Securities Law of 1953 is not gambling within the meaning of this paragraph (4); or

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

(6) Sells pools upon the result of any game or contest of skill or chance, political nomination, appointment or election; or

(7) Sets up or promotes any lottery or sells, offers to sell or transfers any ticket or share for any lottery; or

(8) Sets up or promotes any policy game or sells, offers to sell or knowingly possesses

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

(9) Knowingly drafts, prints or publishes any lottery ticket or share, or any policy

ticket, slip, record, document or similar device, except for such activity related to lotteries, bingo games and raffles authorized by and conducted in accordance with the laws of Illinois or any other state or foreign government; or

(10) Knowingly advertises any lottery or policy game, except for such activity related

to lotteries, bingo games and raffles authorized by and conducted in accordance with the laws of Illinois or any other state; or

(11) Knowingly transmits information as to wagers, betting odds, or changes in betting

odds by telephone, telegraph, radio, semaphore or similar means; or knowingly installs or maintains equipment for the transmission or receipt of such information; except that nothing in this subdivision (11) prohibits transmission or receipt of such information for use in news reporting of sporting events or contests; or

(12) Knowingly establishes, maintains, or operates an Internet site that permits a

person to play a game of chance or skill for money or other thing of value by means of the Internet or to make a wager upon the result of any game, contest, political nomination, appointment, or election by means of the Internet.

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

(1) Agreements to compensate for loss caused by the happening of chance including

without limitation contracts of indemnity or guaranty and life or health or accident insurance;

(2) Offers of prizes, award or compensation to the actual contestants in any bona fide

contest for the determination of skill, speed, strength or endurance or to the owners of animals or vehicles entered in such contest;

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

(4) Manufacture of gambling devices, including the acquisition of essential parts

therefor and the assembly thereof, for transportation in interstate or foreign commerce to any place outside this State when such transportation is not prohibited by any applicable Federal law;

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

(6) Lotteries when conducted by the State of Illinois in accordance with the Illinois Lottery Law;

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

(8) Raffles when conducted in accordance with the Raffles Act;

(9) Charitable games when conducted in accordance with the Charitable Games Act;

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

Act; or

(11) Gambling games ~~conducted on riverboats~~ when authorized by the Riverboat and Casino Gambling Act.

(c) Sentence.

Gambling under subsection (a)(1) or (a)(2) of this Section is a Class A misdemeanor. Gambling under any of subsections (a)(3) through (a)(11) of this Section is a Class A misdemeanor. A second or subsequent conviction under any of subsections (a)(3) through (a)(11), is a Class 4 felony. Gambling under subsection (a)(12) of this Section is a Class A misdemeanor. A second or subsequent conviction under subsection (a)(12) is a Class 4 felony.

(d) Circumstantial evidence.

In prosecutions under subsection (a)(1) through (a)(12) of this Section circumstantial evidence shall have the same validity and weight as in any criminal prosecution.

(Source: P.A. 91-257, eff. 1-1-00.)

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

Sec. 28-1.1. Syndicated gambling.

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

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

(c) A person "operates a policy game" when he knowingly uses any premises or property for the purpose of receiving or knowingly does receive from what is commonly called "policy":

(1) money from a person other than the better or player whose bets or plays are

represented by such money; or

(2) written "policy game" records, made or used over any period of time, from a person

other than the better or player whose bets or plays are represented by such written record.

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

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

(1) Agreements to compensate for loss caused by the happening of chance including

without limitation contracts of indemnity or guaranty and life or health or accident insurance; and

(2) Offers of prizes, award or compensation to the actual contestants in any bona fide

contest for the determination of skill, speed, strength or endurance or to the owners of animals or vehicles entered in such contest; and

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

(4) Manufacture of gambling devices, including the acquisition of essential parts

therefor and the assembly thereof, for transportation in interstate or foreign commerce to any place outside this State when such transportation is not prohibited by any applicable Federal law; and

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

(6) Gambling games conducted on riverboats or in casinos when authorized by the Riverboat and Casino Gambling

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(f) Sentence. Syndicated gambling is a Class 3 felony.
(Source: P.A. 86-1029; 87-435.)

(720 ILCS 5/28-3) (from Ch. 38, par. 28-3)

Sec. 28-3. Keeping a Gambling Place. A "gambling place" is any real estate, vehicle, boat or any other property whatsoever used for the purposes of gambling other than gambling conducted in the manner authorized by the Riverboat and Casino Gambling Act. Any person who knowingly permits any premises or property owned or occupied by him or under his control to be used as a gambling place commits a Class A misdemeanor. Each subsequent offense is a Class 4 felony. When any premises is determined by the circuit court to be a gambling place:

(a) Such premises is a public nuisance and may be proceeded against as such, and

(b) All licenses, permits or certificates issued by the State of Illinois or any subdivision or public agency thereof authorizing the serving of food or liquor on such premises shall be void; and no license, permit or certificate so cancelled shall be reissued for such premises for a period of 60 days thereafter; nor shall any person convicted of keeping a gambling place be reissued such license for one year from his conviction and, after a second conviction of keeping a gambling place, any such person shall not be reissued such license, and

(c) Such premises of any person who knowingly permits thereon a violation of any Section of this Article shall be held liable for, and may be sold to pay any unsatisfied judgment that may be recovered and any unsatisfied fine that may be levied under any Section of this Article.

(Source: P.A. 86-1029.)

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

Sec. 28-5. Seizure of gambling devices and gambling funds.

(a) Every device designed for gambling which is incapable of lawful use or every device used unlawfully for gambling shall be considered a "gambling device", and shall be subject to seizure, confiscation and destruction by the Department of State Police or by any municipal, or other local authority, within whose jurisdiction the same may be found. As used in this Section, a "gambling device" includes any slot machine, and includes any machine or device constructed for the reception of money or other thing of value and so constructed as to return, or to cause someone to return, on chance to the player thereof money, property or a right to receive money or property. With the exception of any device designed for gambling which is incapable of lawful use, no gambling device shall be forfeited or destroyed unless an individual with a property interest in said device knows of the unlawful use of the device.

(b) Every gambling device shall be seized and forfeited to the county wherein such seizure occurs. Any money or other thing of value integrally related to acts of gambling shall be seized and forfeited to the county wherein such seizure occurs.

(c) If, within 60 days after any seizure pursuant to subparagraph (b) of this Section, a person having any property interest in the seized property is charged with an offense, the court which renders judgment upon such charge shall, within 30 days after such judgment, conduct a forfeiture hearing to determine whether such property was a gambling device at the time of seizure. Such hearing shall be commenced by a written petition by the State, including material allegations of fact, the name and address of every person determined by the State to have any property interest in the seized property, a representation that written notice of the date, time and place of such hearing has been mailed to every such person by certified mail at least 10 days before such date, and a request for forfeiture. Every such person may appear as a party and present evidence at such hearing. The quantum of proof required shall be a preponderance of the evidence, and the burden of proof shall be on the State. If the court determines that the seized property was a gambling device at the time of seizure, an order of forfeiture and disposition of the seized property shall be entered: a gambling device shall be received by the State's Attorney, who shall effect its destruction, except that valuable parts thereof may be liquidated and the resultant money shall be deposited in the general fund of the county wherein such seizure occurred; money and other things of value shall be received by the State's Attorney and, upon liquidation, shall be deposited in the general fund of the county wherein such seizure occurred. However, in the event that a defendant raises the defense that the seized slot machine is an antique slot machine described in subparagraph (b) (7) of Section 28-1 of this Code and therefore he is exempt from the charge of a gambling activity participant, the seized antique slot machine shall not be destroyed or otherwise altered until a final determination is made by the Court as to whether it is such an antique slot machine. Upon a final determination by the Court of this question in favor of the defendant, such slot machine shall be

immediately returned to the defendant. Such order of forfeiture and disposition shall, for the purposes of appeal, be a final order and judgment in a civil proceeding.

(d) If a seizure pursuant to subparagraph (b) of this Section is not followed by a charge pursuant to subparagraph (c) of this Section, or if the prosecution of such charge is permanently terminated or indefinitely discontinued without any judgment of conviction or acquittal (1) the State's Attorney shall commence an in rem proceeding for the forfeiture and destruction of a gambling device, or for the forfeiture and deposit in the general fund of the county of any seized money or other things of value, or both, in the circuit court and (2) any person having any property interest in such seized gambling device, money or other thing of value may commence separate civil proceedings in the manner provided by law.

(e) Any gambling device displayed for sale to a riverboat gambling operation or a casino gambling operation or used to train occupational licensees of a riverboat gambling operation or a casino gambling operation as authorized under the Riverboat and Casino Gambling Act, is exempt from seizure under this Section.

(f) Any gambling equipment, devices and supplies provided by a licensed supplier in accordance with the Riverboat and Casino Gambling Act which are removed from a the riverboat a casino, or electronic gaming facility for repair are exempt from seizure under this Section.

(Source: P.A. 87-826.)

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

Sec. 28-7. Gambling contracts void.

(a) All promises, notes, bills, bonds, covenants, contracts, agreements, judgments, mortgages, or other securities or conveyances made, given, granted, drawn, or entered into, or executed by any person whatsoever, where the whole or any part of the consideration thereof is for any money or thing of value, won or obtained in violation of any Section of this Article are null and void.

(b) Any obligation void under this Section may be set aside and vacated by any court of competent jurisdiction, upon a complaint filed for that purpose, by the person so granting, giving, entering into, or executing the same, or by his executors or administrators, or by any creditor, heir, legatee, purchaser or other person interested therein; or if a judgment, the same may be set aside on motion of any person stated above, on due notice thereof given.

(c) No assignment of any obligation void under this Section may in any manner affect the defense of the person giving, granting, drawing, entering into or executing such obligation, or the remedies of any person interested therein.

(d) This Section shall not prevent a licensed owner of a riverboat gambling operation or a casino gambling operation or an electronic gaming licensee under the Riverboat Gambling Act and the Illinois Horse Racing Act of 1975 from instituting a cause of action to collect any amount due and owing under an extension of credit to a ~~riverboat~~ gambling patron as authorized under Section 11.1 of the Riverboat and Casino Gambling Act.

(Source: P.A. 87-826.)

Section 945. The Travel Promotion Consumer Protection Act is amended by changing Section 2 as follows:

(815 ILCS 420/2) (from Ch. 121 1/2, par. 1852)

Sec. 2. Definitions.

(a) "Travel promoter" means a person, including a tour operator, who sells, provides, furnishes, contracts for, arranges or advertises that he or she will arrange wholesale or retail transportation by air, land, sea or navigable stream, either separately or in conjunction with other services. "Travel promoter" does not include (1) an air carrier; (2) a sea carrier; (3) an officially appointed agent of an air carrier who is a member in good standing of the Airline Reporting Corporation; (4) a travel promoter who has in force \$1,000,000 or more of liability insurance coverage for professional errors and omissions and a surety bond or equivalent surety in the amount of \$100,000 or more for the benefit of consumers in the event of a bankruptcy on the part of the travel promoter; or (5) a riverboat subject to regulation under the Riverboat and Casino Gambling Act.

(b) "Advertise" means to make any representation in the solicitation of passengers and includes communication with other members of the same partnership, corporation, joint venture, association, organization, group or other entity.

(c) "Passenger" means a person on whose behalf money or other consideration has been given or is to be given to another, including another member of the same partnership, corporation, joint venture, association, organization, group or other entity, for travel.

(d) "Ticket or voucher" means a writing or combination of writings which is itself good and sufficient to obtain transportation and other services for which the passenger has contracted.

(Source: P.A. 91-357, eff. 7-29-99.)

Section 950. The State Finance Act is amended by adding Sections 5.625, and 5.626, and 6z-62 as follows:

(30 ILCS 105/5.625 new)

Sec. 5.625. The Compulsive Gambling Prevention Fund.

(30 ILCS 105/5.626 new)

Sec. 5.626. The Illinois Community Services Block Grant Fund.

(30 ILCS 105/6z-62 new)

Sec. 6z-62. Illinois Community Services Block Grant Fund. There is hereby created in the State Treasury a special fund to be known as the Illinois Community Services Block Grant Fund. Moneys deposited into the Fund shall, subject to appropriation, be used by the Department of Commerce and Economic Opportunity as follows: 50% shall be used for programs in the same manner as programs financed with federal Community Services Block Grant funds as set forth under item (F) of subsection (1) of Section 605-400 of the Department of Commerce and Economic Opportunity Law of the Civil Administrative Code of Illinois and 50% shall be used for grants distributed through requests for proposals in the same manner as other programs funded by the Department of Commerce and Economic Opportunity.

(230 ILCS 5/54 rep.)

Section 955. The Illinois Horse Racing Act of 1975 is amended by repealing Section 54.

Section 999. Effective date. This Act takes effect upon becoming law."

Senator Jacobs moved that the foregoing amendment be ordered to lie on the table.

The motion to table prevailed.

Floor Amendment No. 3 was recommended be adopted by the Committee on Executive earlier today.

There being no further amendments, the bill was held on second reading.

At the hour of 10:22 o'clock a.m., the Chair announced that the Senate stand adjourned until Sunday, May 30, 2004, at 5:00 o'clock p.m.