

1 AN ACT concerning gaming.

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

4 Section 1. Findings. The legislature makes all of the
5 following findings:

6 (1) That riverboat gaming has had a negative impact on
7 horse racing. From 1992, the first full year of riverboat
8 operations, through 2005, Illinois on-track wagering has
9 decreased by 42% from \$835 million to \$482 million.

10 (2) That this decrease in wagering has negatively
11 impacted purses for Illinois racing, which has hurt the
12 State's breeding industry. Between 1991 and 2004 the number
13 of foals registered with the Department of Agriculture has
14 decreased by more than 46% from 3,529 to 1,891.

15 (3) That the decline of the Illinois horseracing and
16 breeding program, a \$2.5 billion industry, would be
17 reversed if this amendatory Act of the 94th General
18 Assembly was enacted. By requiring that riverboats agree to
19 pay 3% of their gross revenue into the Horse Racing Equity
20 Trust Fund, total purses in the State may increase by 50%,
21 helping Illinois tracks to better compete with those in
22 other states. Illinois currently ranks thirteenth
23 nationally in terms of its purse size; the change would
24 propel the State to second or third.

25 (4) That Illinois agriculture and other businesses
26 that support and supply the horse racing industry, already
27 a sector that employs over 37,000 Illinoisans, also stand
28 to substantially benefit and would be much more likely to
29 create additional jobs should Illinois horse racing once
30 again become competitive with other states.

31 (5) That the 3% of gross revenues this amendatory Act
32 of the 94th General Assembly will contribute to the horse
33 racing industry will benefit that important industry for

1 Illinois farmers, breeders, and fans of horseracing and
2 will begin to address the negative impact riverboat gaming
3 has had on Illinois horseracing.

4 Section 5. The State Finance Act is amended by changing
5 Section 8h as follows:

6 (30 ILCS 105/8h)

7 Sec. 8h. Transfers to General Revenue Fund.

8 (a) Except as provided in subsection (b), notwithstanding
9 any other State law to the contrary, the Governor may, through
10 June 30, 2007, from time to time direct the State Treasurer and
11 Comptroller to transfer a specified sum from any fund held by
12 the State Treasurer to the General Revenue Fund in order to
13 help defray the State's operating costs for the fiscal year.
14 The total transfer under this Section from any fund in any
15 fiscal year shall not exceed the lesser of (i) 8% of the
16 revenues to be deposited into the fund during that fiscal year
17 or (ii) an amount that leaves a remaining fund balance of 25%
18 of the July 1 fund balance of that fiscal year. In fiscal year
19 2005 only, prior to calculating the July 1, 2004 final
20 balances, the Governor may calculate and direct the State
21 Treasurer with the Comptroller to transfer additional amounts
22 determined by applying the formula authorized in Public Act
23 93-839 to the funds balances on July 1, 2003. No transfer may
24 be made from a fund under this Section that would have the
25 effect of reducing the available balance in the fund to an
26 amount less than the amount remaining unexpended and unreserved
27 from the total appropriation from that fund estimated to be
28 expended for that fiscal year. This Section does not apply to
29 any funds that are restricted by federal law to a specific use,
30 to any funds in the Motor Fuel Tax Fund, the Intercity
31 Passenger Rail Fund, the Hospital Provider Fund, the Medicaid
32 Provider Relief Fund, the Teacher Health Insurance Security
33 Fund, the Reviewing Court Alternative Dispute Resolution Fund,
34 ~~or~~ the Voters' Guide Fund, the Foreign Language Interpreter

1 Fund, the Lawyers' Assistance Program Fund, the Supreme Court
2 Federal Projects Fund, the Supreme Court Special State Projects
3 Fund, ~~or~~ the Low-Level Radioactive Waste Facility Development
4 and Operation Fund, the Horse Racing Equity Trust Fund, or the
5 Hospital Basic Services Preservation Fund, or to any funds to
6 which subsection (f) of Section 20-40 of the Nursing and
7 Advanced Practice Nursing Act applies. No transfers may be made
8 under this Section from the Pet Population Control Fund.
9 Notwithstanding any other provision of this Section, for fiscal
10 year 2004, the total transfer under this Section from the Road
11 Fund or the State Construction Account Fund shall not exceed
12 the lesser of (i) 5% of the revenues to be deposited into the
13 fund during that fiscal year or (ii) 25% of the beginning
14 balance in the fund. For fiscal year 2005 through fiscal year
15 2007, no amounts may be transferred under this Section from the
16 Road Fund, the State Construction Account Fund, the Criminal
17 Justice Information Systems Trust Fund, the Wireless Service
18 Emergency Fund, or the Mandatory Arbitration Fund.

19 In determining the available balance in a fund, the
20 Governor may include receipts, transfers into the fund, and
21 other resources anticipated to be available in the fund in that
22 fiscal year.

23 The State Treasurer and Comptroller shall transfer the
24 amounts designated under this Section as soon as may be
25 practicable after receiving the direction to transfer from the
26 Governor.

27 (b) This Section does not apply to: (i) the Ticket For The
28 Cure Fund; (ii) ~~or to~~ any fund established under the Community
29 Senior Services and Resources Act; or (iii) ~~(ii)~~ on or after
30 January 1, 2006 (the effective date of Public Act 94-511) ~~this~~
31 ~~amendatory Act of the 94th General Assembly~~, the Child Labor
32 and Day and Temporary Labor Enforcement Fund.

33 (c) This Section does not apply to the Demutualization
34 Trust Fund established under the Uniform Disposition of
35 Unclaimed Property Act.

36 (d) ~~(e)~~ This Section does not apply to moneys set aside in

1 the Illinois State Podiatric Disciplinary Fund for podiatric
2 scholarships and residency programs under the Podiatric
3 Scholarship and Residency Act.

4 (Source: P.A. 93-32, eff. 6-20-03; 93-659, eff. 2-3-04; 93-674,
5 eff. 6-10-04; 93-714, eff. 7-12-04; 93-801, eff. 7-22-04;
6 93-839, eff. 7-30-04; 93-1054, eff. 11-18-04; 93-1067, eff.
7 1-15-05; 94-91, eff. 7-1-05; 94-120, eff. 7-6-05; 94-511, eff.
8 1-1-06; 94-535, eff. 8-10-05; 94-639, eff. 8-22-05; 94-645,
9 eff. 8-22-05; 94-648, eff. 1-1-06; 94-686, eff. 11-2-05;
10 94-691, eff. 11-2-05; 94-726, eff. 1-20-06; revised 1-23-06.)

11 Section 10. The Illinois Horse Racing Act of 1975 is
12 amended by changing Section 54 as follows:

13 (230 ILCS 5/54)

14 Sec. 54. Horse Racing Equity Trust Fund.

15 (a) There is created ~~in the State Treasury~~ a Fund to be
16 known as the Horse Racing Equity Trust Fund, which is a
17 non-appropriated trust fund held separate and apart from State
18 moneys. The Fund shall consist of moneys paid into it by owners
19 licensees under ~~pursuant to subsection (c-5) of Section 13 of~~
20 the Riverboat Gambling Act for the purposes described in this
21 Section. The Fund shall be administered by the Board. Moneys in
22 the Fund shall be distributed as directed and certified by the
23 Board in accordance with the provisions of subsection (b) ~~the~~
24 Racing Board.

25 (b) The moneys deposited into the Fund, plus any accrued
26 interest on those moneys, shall be distributed ~~by the State~~
27 ~~Treasurer~~ within 10 days after those moneys are deposited into
28 the Fund as follows:

29 (1) Sixty percent ~~Fifty percent~~ of all moneys
30 distributed under this subsection shall be distributed to
31 organization licensees to be distributed at their race
32 meetings as purses. Fifty-seven percent of the amount
33 distributed under this paragraph (1) shall be distributed
34 for thoroughbred race meetings and 43% shall be distributed

1 for standardbred race meetings. Within each breed, moneys
2 shall be allocated to each organization licensee's purse
3 fund in accordance with the ratio between the purses
4 generated for that breed by that licensee during the prior
5 calendar year and the total purses generated throughout the
6 State for that breed during the prior calendar year by
7 licensees in the current calendar year.

8 (2) The remaining ~~40%~~ ~~50%~~ of the moneys distributed
9 under this subsection (b) shall be distributed as follows:

10 (A) 11% shall be distributed to any person (or its
11 successors or assigns) who had operating control of a
12 racetrack that conducted live racing in 2002 at a
13 racetrack in a county with at least 230,000 inhabitants
14 that borders the Mississippi River and is a licensee in
15 the current year; and

16 (B) the remaining 89% shall be distributed pro rata
17 according to the aggregate proportion of total
18 ~~state-wide~~ handle from wagering on live races
19 conducted in Illinois (irrespective of where the
20 wagers are placed) for calendar years 2004 and 2005 ~~at~~
21 ~~the racetrack, inter-track, and inter-track wagering~~
22 ~~locations that derive their licenses from a racetrack~~
23 ~~identified in this paragraph (2) for calendar years~~
24 ~~1994, 1996, and 1997~~ to ~~(i)~~ any person (or its
25 successors or assigns) who (i) had majority operating
26 control of a racing facility at which live racing was
27 conducted in calendar year 2002, (ii) ~~1997~~ and who has
28 ~~operating control of an organization licensee that~~
29 ~~conducted racing in calendar year 1997~~ and is a
30 licensee in the current year, and (iii) is not eligible
31 to receive moneys under subparagraph (A) of this
32 paragraph (2).

33 The moneys received by an organization licensee
34 under this paragraph (2) shall be used by each
35 organization licensee to improve, maintain, market,
36 and otherwise operate its racing facilities to conduct

1 live racing, which shall include backstretch services
2 and capital improvements related to live racing and the
3 backstretch. Any organization licensees sharing common
4 ownership may pool the moneys received and spent at all
5 racing facilities commonly owned in order to meet these
6 requirements., ~~or (ii) any person (or its successors or~~
7 ~~assigns) who has operating control of a racing facility~~
8 ~~located in a county that is bounded by the Mississippi~~
9 ~~River that has a population of less than 150,000~~
10 ~~according to the 1990 decennial census and conducted an~~
11 ~~average of 60 days of racing per year between 1985 and~~
12 ~~1993 and has been awarded an inter-track wagering~~
13 ~~license in the current year.~~

14 If any person identified in this paragraph (2) becomes
15 ineligible to receive moneys from the Fund, such amount
16 shall be redistributed among the remaining persons in
17 proportion to their percentages otherwise calculated.

18 (c) The Board shall monitor organization licensees to
19 ensure that moneys paid to organization licensees under this
20 Section are distributed by the organization licensees as
21 provided in subsection (b).

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

23 Section 15. The Riverboat Gambling Act is amended by
24 changing Sections 7, 13, and 23 as follows:

25 (230 ILCS 10/7) (from Ch. 120, par. 2407)

26 Sec. 7. Owners Licenses.

27 (a) The Board shall issue owners licenses to persons, firms
28 or corporations which apply for such licenses upon payment to
29 the Board of the non-refundable license fee set by the Board,
30 upon payment of a \$25,000 license fee for the first year of
31 operation and a \$5,000 license fee for each succeeding year and
32 upon a determination by the Board that the applicant is
33 eligible for an owners license pursuant to this Act and the
34 rules of the Board. As a condition of licensure and as a

1 successor source of payment for those funds previously payable
2 under subsection (c-5) of Section 13 of the Riverboat Gambling
3 Act, any owners licensee that holds or receives its owners
4 license on or after the effective date of this amendatory Act
5 of the 94th General Assembly, other than an owners licensee
6 operating a riverboat with adjusted gross receipts in calendar
7 year 2004 of less than \$200,000,000, must pay into the Horse
8 Racing Equity Trust Fund, in addition to any other payments
9 required under this Act, an amount equal to 3% of the adjusted
10 gross receipts received by the owners licensee. The payments
11 required under this Section shall be made by the owners
12 licensee to the State Treasurer no later than 3:00 o'clock p.m.
13 of the day after the day when the adjusted gross receipts were
14 received by the owners licensee. A person, firm or corporation
15 is ineligible to receive an owners license if:

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

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

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

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

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

27 (6) the firm or corporation employs a person defined in
28 (1), (2), (3) or (4) who participates in the management or
29 operation of gambling operations authorized under this
30 Act;

31 (7) (blank); or

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

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

1 (1) the character, reputation, experience and
2 financial integrity of the applicants and of any other or
3 separate person that either:

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

6 (B) is controlled, directly or indirectly, by such
7 applicant or by a person which controls, directly or
8 indirectly, such applicant;

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

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

13 (4) the extent to which the ownership of the applicant
14 reflects the diversity of the State by including minority
15 persons and females and the good faith affirmative action
16 plan of each applicant to recruit, train and upgrade
17 minority persons and females in all employment
18 classifications;

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

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

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

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

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

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

32 (e) The Board may issue up to 10 licenses authorizing the
33 holders of such licenses to own riverboats. In the application
34 for an owners license, the applicant shall state the dock at
35 which the riverboat is based and the water on which the
36 riverboat will be located. The Board shall issue 5 licenses to

1 become effective not earlier than January 1, 1991. Three of
2 such licenses shall authorize riverboat gambling on the
3 Mississippi River, or, with approval by the municipality in
4 which the riverboat was docked on August 7, 2003 and with Board
5 approval, be authorized to relocate to a new location, in a
6 municipality that (1) borders on the Mississippi River or is
7 within 5 miles of the city limits of a municipality that
8 borders on the Mississippi River and (2), on August 7, 2003,
9 had a riverboat conducting riverboat gambling operations
10 pursuant to a license issued under this Act; one of which shall
11 authorize riverboat gambling from a home dock in the city of
12 East St. Louis. One other license shall authorize riverboat
13 gambling on the Illinois River south of Marshall County. The
14 Board shall issue one additional license to become effective
15 not earlier than March 1, 1992, which shall authorize riverboat
16 gambling on the Des Plaines River in Will County. The Board may
17 issue 4 additional licenses to become effective not earlier
18 than March 1, 1992. In determining the water upon which
19 riverboats will operate, the Board shall consider the economic
20 benefit which riverboat gambling confers on the State, and
21 shall seek to assure that all regions of the State share in the
22 economic benefits of riverboat gambling.

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

36 In addition to any other revocation powers granted to the

1 Board under this Act, the Board may revoke the owners license
2 of a licensee which fails to begin conducting gambling within
3 15 months of receipt of the Board's approval of the application
4 if the Board determines that license revocation is in the best
5 interests of the State.

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

12 (g) Upon the termination, expiration, or revocation of each
13 of the first 10 licenses, which shall be issued for a 3 year
14 period, all licenses are renewable annually upon payment of the
15 fee and a determination by the Board that the licensee
16 continues to meet all of the requirements of this Act and the
17 Board's rules. However, for licenses renewed on or after May 1,
18 1998, renewal shall be for a period of 4 years, unless the
19 Board sets a shorter period.

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

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

1 tangible personal property apply to such sales aboard the
2 riverboat.

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

15 (Source: P.A. 93-28, eff. 6-20-03; 93-453, eff. 8-7-03; 94-667,
16 eff. 8-23-05.)

17 (230 ILCS 10/13) (from Ch. 120, par. 2413)

18 Sec. 13. Wagering tax; rate; distribution.

19 (a) Until January 1, 1998, a tax is imposed on the adjusted
20 gross receipts received from gambling games authorized under
21 this Act at the rate of 20%.

22 (a-1) From January 1, 1998 until July 1, 2002, a privilege
23 tax is imposed on persons engaged in the business of conducting
24 riverboat gambling operations, based on the adjusted gross
25 receipts received by a licensed owner from gambling games
26 authorized under this Act at the following rates:

27 15% of annual adjusted gross receipts up to and
28 including \$25,000,000;

29 20% of annual adjusted gross receipts in excess of
30 \$25,000,000 but not exceeding \$50,000,000;

31 25% of annual adjusted gross receipts in excess of
32 \$50,000,000 but not exceeding \$75,000,000;

33 30% of annual adjusted gross receipts in excess of
34 \$75,000,000 but not exceeding \$100,000,000;

35 35% of annual adjusted gross receipts in excess of

1 \$100,000,000.

2 (a-2) From July 1, 2002 until July 1, 2003, a privilege tax
3 is imposed on persons engaged in the business of conducting
4 riverboat gambling operations, other than licensed managers
5 conducting riverboat gambling operations on behalf of the
6 State, based on the adjusted gross receipts received by a
7 licensed owner from gambling games authorized under this Act at
8 the following rates:

9 15% of annual adjusted gross receipts up to and
10 including \$25,000,000;

11 22.5% of annual adjusted gross receipts in excess of
12 \$25,000,000 but not exceeding \$50,000,000;

13 27.5% of annual adjusted gross receipts in excess of
14 \$50,000,000 but not exceeding \$75,000,000;

15 32.5% of annual adjusted gross receipts in excess of
16 \$75,000,000 but not exceeding \$100,000,000;

17 37.5% of annual adjusted gross receipts in excess of
18 \$100,000,000 but not exceeding \$150,000,000;

19 45% of annual adjusted gross receipts in excess of
20 \$150,000,000 but not exceeding \$200,000,000;

21 50% of annual adjusted gross receipts in excess of
22 \$200,000,000.

23 (a-3) Beginning July 1, 2003, a privilege tax is imposed on
24 persons engaged in the business of conducting riverboat
25 gambling operations, other than licensed managers conducting
26 riverboat gambling operations on behalf of the State, based on
27 the adjusted gross receipts received by a licensed owner from
28 gambling games authorized under this Act at the following
29 rates:

30 15% of annual adjusted gross receipts up to and
31 including \$25,000,000;

32 27.5% of annual adjusted gross receipts in excess of
33 \$25,000,000 but not exceeding \$37,500,000;

34 32.5% of annual adjusted gross receipts in excess of
35 \$37,500,000 but not exceeding \$50,000,000;

36 37.5% of annual adjusted gross receipts in excess of

1 \$50,000,000 but not exceeding \$75,000,000;
2 45% of annual adjusted gross receipts in excess of
3 \$75,000,000 but not exceeding \$100,000,000;
4 50% of annual adjusted gross receipts in excess of
5 \$100,000,000 but not exceeding \$250,000,000;
6 70% of annual adjusted gross receipts in excess of
7 \$250,000,000.

8 An amount equal to the amount of wagering taxes collected
9 under this subsection (a-3) that are in addition to the amount
10 of wagering taxes that would have been collected if the
11 wagering tax rates under subsection (a-2) were in effect shall
12 be paid into the Common School Fund.

13 The privilege tax imposed under this subsection (a-3) shall
14 no longer be imposed beginning on the earlier of (i) July 1,
15 2005; (ii) the first date after June 20, 2003 that riverboat
16 gambling operations are conducted pursuant to a dormant
17 license; or (iii) the first day that riverboat gambling
18 operations are conducted under the authority of an owners
19 license that is in addition to the 10 owners licenses initially
20 authorized under this Act. For the purposes of this subsection
21 (a-3), the term "dormant license" means an owners license that
22 is authorized by this Act under which no riverboat gambling
23 operations are being conducted on June 20, 2003.

24 (a-4) Beginning on the first day on which the tax imposed
25 under subsection (a-3) is no longer imposed, a privilege tax is
26 imposed on persons engaged in the business of conducting
27 riverboat gambling operations, other than licensed managers
28 conducting riverboat gambling operations on behalf of the
29 State, based on the adjusted gross receipts received by a
30 licensed owner from gambling games authorized under this Act at
31 the following rates:

32 15% of annual adjusted gross receipts up to and
33 including \$25,000,000;
34 22.5% of annual adjusted gross receipts in excess of
35 \$25,000,000 but not exceeding \$50,000,000;
36 27.5% of annual adjusted gross receipts in excess of

1 \$50,000,000 but not exceeding \$75,000,000;

2 32.5% of annual adjusted gross receipts in excess of
3 \$75,000,000 but not exceeding \$100,000,000;

4 37.5% of annual adjusted gross receipts in excess of
5 \$100,000,000 but not exceeding \$150,000,000;

6 45% of annual adjusted gross receipts in excess of
7 \$150,000,000 but not exceeding \$200,000,000;

8 50% of annual adjusted gross receipts in excess of
9 \$200,000,000.

10 (a-8) Riverboat gambling operations conducted by a
11 licensed manager on behalf of the State are not subject to the
12 tax imposed under this Section.

13 (a-10) The taxes imposed by this Section shall be paid by
14 the licensed owner to the Board not later than 3:00 o'clock
15 p.m. of the day after the day when the wagers were made.

16 (a-15) If the privilege tax imposed under subsection (a-3)
17 is no longer imposed pursuant to item (i) of the last paragraph
18 of subsection (a-3), then by June 15 of each year, each owners
19 licensee, other than an owners licensee that admitted 1,000,000
20 persons or fewer in calendar year 2004, must, in addition to
21 the payment of all amounts otherwise due under this Section,
22 pay to the Board the amount, if any, by which the base amount
23 for the licensed owner exceeds the amount of tax paid under
24 this Section by the licensed owner in the then current State
25 fiscal year. The obligation imposed by this subsection (a-15)
26 is binding on any person, firm, corporation, or other entity
27 that acquires an ownership interest in any such owners license.
28 The obligation imposed under this subsection (a-15) terminates
29 on the earliest of: (i) July 1, 2007, (ii) the first day after
30 the effective date of this amendatory Act of the 94th General
31 Assembly that riverboat gambling operations are conducted
32 pursuant to a dormant license, (iii) the first day that
33 riverboat gambling operations are conducted under the
34 authority of an owners license that is in addition to the 10
35 owners licenses initially authorized under this Act, or (iv)
36 the first day that a licensee under the Illinois Horse Racing

1 Act of 1975 conducts gaming operations with slot machines or
2 other electronic gaming devices. The Board must reduce the
3 obligation imposed under this subsection (a-15) by an amount
4 the Board deems reasonable for any of the following reasons:
5 (A) an act or acts of God, (B) an act of bioterrorism or
6 terrorism or a bioterrorism or terrorism threat that was
7 investigated by a law enforcement agency, or (C) a condition
8 beyond the control of the owners licensee that does not result
9 from any act or omission by the owners licensee or any of its
10 agents and that poses a hazardous threat to the health and
11 safety of patrons. If an owners licensee pays an amount in
12 excess of its liability under this Section, the Board shall
13 apply the overpayment to future payments required under this
14 Section.

15 For purposes of this subsection (a-15):

16 "Act of God" means an incident caused by the operation of
17 an extraordinary force that cannot be foreseen, that cannot be
18 avoided by the exercise of due care, and for which no person
19 can be held liable.

20 "Base amount" means the following:

21 For a riverboat in Alton, \$31,000,000.

22 For a riverboat in East Peoria, \$43,000,000.

23 For the Empress riverboat in Joliet, \$86,000,000.

24 For a riverboat in Metropolis, \$45,000,000.

25 For the Harrah's riverboat in Joliet, \$114,000,000.

26 For a riverboat in Aurora, \$86,000,000.

27 For a riverboat in East St. Louis, \$48,500,000.

28 For a riverboat in Elgin, \$198,000,000.

29 "Dormant license" has the meaning ascribed to it in
30 subsection (a-3).

31 (b) Until January 1, 1998, 25% of the tax revenue deposited
32 in the State Gaming Fund under this Section shall be paid,
33 subject to appropriation by the General Assembly, to the unit
34 of local government which is designated as the home dock of the
35 riverboat. Beginning January 1, 1998, from the tax revenue
36 deposited in the State Gaming Fund under this Section, an

1 amount equal to 5% of adjusted gross receipts generated by a
2 riverboat shall be paid monthly, subject to appropriation by
3 the General Assembly, to the unit of local government that is
4 designated as the home dock of the riverboat. From the tax
5 revenue deposited in the State Gaming Fund pursuant to
6 riverboat gambling operations conducted by a licensed manager
7 on behalf of the State, an amount equal to 5% of adjusted gross
8 receipts generated pursuant to those riverboat gambling
9 operations shall be paid monthly, subject to appropriation by
10 the General Assembly, to the unit of local government that is
11 designated as the home dock of the riverboat upon which those
12 riverboat gambling operations are conducted.

13 (c) Appropriations, as approved by the General Assembly,
14 may be made from the State Gaming Fund to the Department of
15 Revenue and the Department of State Police for the
16 administration and enforcement of this Act, or to the
17 Department of Human Services for the administration of programs
18 to treat problem gambling.

19 (c-5) (Blank). ~~After the payments required under~~
20 ~~subsections (b) and (c) have been made, an amount equal to 15%~~
21 ~~of the adjusted gross receipts of (1) an owners licensee that~~
22 ~~relocates pursuant to Section 11.2, (2) an owners licensee~~
23 ~~conducting riverboat gambling operations pursuant to an owners~~
24 ~~license that is initially issued after June 25, 1999, or (3)~~
25 ~~the first riverboat gambling operations conducted by a licensed~~
26 ~~manager on behalf of the State under Section 7.3, whichever~~
27 ~~comes first, shall be paid from the State Gaming Fund into the~~
28 ~~Horse Racing Equity Fund.~~

29 (c-10) (Blank). ~~Each year the General Assembly shall~~
30 ~~appropriate from the General Revenue Fund to the Education~~
31 ~~Assistance Fund an amount equal to the amount paid into the~~
32 ~~Horse Racing Equity Fund pursuant to subsection (c-5) in the~~
33 ~~prior calendar year.~~

34 (c-15) After the payments required under subsections (b),
35 (c), and (c-5) have been made, an amount equal to 2% of the
36 adjusted gross receipts of (1) an owners licensee that

1 relocates pursuant to Section 11.2, (2) an owners licensee
2 conducting riverboat gambling operations pursuant to an owners
3 license that is initially issued after June 25, 1999, or (3)
4 the first riverboat gambling operations conducted by a licensed
5 manager on behalf of the State under Section 7.3, whichever
6 comes first, shall be paid, subject to appropriation from the
7 General Assembly, from the State Gaming Fund to each home rule
8 county with a population of over 3,000,000 inhabitants for the
9 purpose of enhancing the county's criminal justice system.

10 (c-20) Each year the General Assembly shall appropriate
11 from the General Revenue Fund to the Education Assistance Fund
12 an amount equal to the amount paid to each home rule county
13 with a population of over 3,000,000 inhabitants pursuant to
14 subsection (c-15) in the prior calendar year.

15 (c-25) After the payments required under subsections (b),
16 (c), (c-5) and (c-15) have been made, an amount equal to 2% of
17 the adjusted gross receipts of (1) an owners licensee that
18 relocates pursuant to Section 11.2, (2) an owners licensee
19 conducting riverboat gambling operations pursuant to an owners
20 license that is initially issued after June 25, 1999, or (3)
21 the first riverboat gambling operations conducted by a licensed
22 manager on behalf of the State under Section 7.3, whichever
23 comes first, shall be paid from the State Gaming Fund to
24 Chicago State University.

25 (d) From time to time, the Board shall transfer the
26 remainder of the funds generated by this Act into the Education
27 Assistance Fund, created by Public Act 86-0018, of the State of
28 Illinois.

29 (e) Nothing in this Act shall prohibit the unit of local
30 government designated as the home dock of the riverboat from
31 entering into agreements with other units of local government
32 in this State or in other states to share its portion of the
33 tax revenue.

34 (f) To the extent practicable, the Board shall administer
35 and collect the wagering taxes imposed by this Section in a
36 manner consistent with the provisions of Sections 4, 5, 5a, 5b,

1 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, and 10 of the
2 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
3 Penalty and Interest Act.

4 (Source: P.A. 93-27, eff. 6-20-03; 93-28, eff. 6-20-03; 94-673,
5 eff. 8-23-05.)

6 (230 ILCS 10/23) (from Ch. 120, par. 2423)

7 Sec. 23. The State Gaming Fund. On or after the effective
8 date of this Act, except as provided for payments into the
9 Horse Racing Equity Trust Fund under subsection (a) of Section
10 7, all of the fees and taxes collected pursuant to ~~subsections~~
11 ~~of~~ this Act shall be deposited into the State Gaming Fund, a
12 special fund in the State Treasury, which is hereby created.
13 The adjusted gross receipts of any riverboat gambling
14 operations conducted by a licensed manager on behalf of the
15 State remaining after the payment of the fees and expenses of
16 the licensed manager shall be deposited into the State Gaming
17 Fund. Fines and penalties collected pursuant to this Act shall
18 be deposited into the Education Assistance Fund, created by
19 Public Act 86-0018, of the State of Illinois.

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

21 (30 ILCS 105/5.490 rep.)

22 Section 20. The State Finance Act is amended by repealing
23 Section 5.490.

24 Section 97. Severability. The provisions of this Act are
25 severable under Section 1.31 of the Statute on Statutes.

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