



Sen. John J. Cullerton

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LRB097 04905 ASK 53161 a

1 AMENDMENT TO SENATE BILL 17

2 AMENDMENT NO. _____. Amend Senate Bill 17 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Riverboat Gambling Act is amended by
5 changing Sections 5, 13, and 17 as follows:

6 (230 ILCS 10/5) (from Ch. 120, par. 2405)

7 Sec. 5. Gaming Board.

8 (a) (1) There is hereby established the Illinois Gaming
9 Board, which shall have the powers and duties specified in this
10 Act, and all other powers necessary and proper to fully and
11 effectively execute this Act for the purpose of administering,
12 regulating, and enforcing the system of riverboat gambling
13 established by this Act. Its jurisdiction shall extend under
14 this Act to every person, association, corporation,
15 partnership and trust involved in riverboat gambling
16 operations in the State of Illinois.

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

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

26 (4) Each member of the Board shall receive \$300 for each

1 day the Board meets and for each day the member conducts any
2 hearing pursuant to this Act. Each member of the Board shall
3 also be reimbursed for all actual and necessary expenses and
4 disbursements incurred in the execution of official duties.

5 (5) No person shall be appointed a member of the Board or
6 continue to be a member of the Board who is, or whose spouse,
7 child or parent is, a member of the board of directors of, or a
8 person financially interested in, any gambling operation
9 subject to the jurisdiction of this Board, or any race track,
10 race meeting, racing association or the operations thereof
11 subject to the jurisdiction of the Illinois Racing Board. No
12 Board member shall hold any other public office. No person
13 shall be a member of the Board who is not of good moral
14 character or who has been convicted of, or is under indictment
15 for, a felony under the laws of Illinois or any other state, or
16 the United States.

17 (5.5) No member of the Board shall engage in any political
18 activity. For the purposes of this Section, "political" means
19 any activity in support of or in connection with any campaign
20 for federal, State, or local elective office or any political
21 organization, but does not include activities (i) relating to
22 the support or opposition of any executive, legislative, or
23 administrative action (as those terms are defined in Section 2
24 of the Lobbyist Registration Act), (ii) relating to collective
25 bargaining, or (iii) that are otherwise in furtherance of the
26 person's official State duties or governmental and public

1 service functions.

2 (6) Any member of the Board may be removed by the Governor
3 for neglect of duty, misfeasance, malfeasance, or nonfeasance
4 in office or for engaging in any political activity.

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

24 (8) The Board shall employ such personnel as may be
25 necessary to carry out its functions and shall determine the
26 salaries of all personnel, except those personnel whose

1 salaries are determined under the terms of a collective
2 bargaining agreement. No person shall be employed to serve the
3 Board who is, or whose spouse, parent or child is, an official
4 of, or has a financial interest in or financial relation with,
5 any operator engaged in gambling operations within this State
6 or any organization engaged in conducting horse racing within
7 this State. Any employee violating these prohibitions shall be
8 subject to termination of employment.

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

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

22 (1) To decide promptly and in reasonable order all
23 license applications. Any party aggrieved by an action of
24 the Board denying, suspending, revoking, restricting or
25 refusing to renew a license may request a hearing before
26 the Board. A request for a hearing must be made to the

1 Board in writing within 5 days after service of notice of
2 the action of the Board. Notice of the action of the Board
3 shall be served either by personal delivery or by certified
4 mail, postage prepaid, to the aggrieved party. Notice
5 served by certified mail shall be deemed complete on the
6 business day following the date of such mailing. The Board
7 shall conduct all requested hearings promptly and in
8 reasonable order;

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

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

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

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

1 State of Illinois;

2 (6) To be present through its inspectors and agents any
3 time gambling operations are conducted on any riverboat for
4 the purpose of certifying the revenue thereof, receiving
5 complaints from the public, and conducting such other
6 investigations into the conduct of the gambling games and
7 the maintenance of the equipment as from time to time the
8 Board may deem necessary and proper;

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

18 (8) To hold at least one meeting each quarter of the
19 fiscal year. In addition, special meetings may be called by
20 the Chairman or any 2 Board members upon 72 hours written
21 notice to each member. All Board meetings shall be subject
22 to the Open Meetings Act. Three members of the Board shall
23 constitute a quorum, and 3 votes shall be required for any
24 final determination by the Board. The Board shall keep a
25 complete and accurate record of all its meetings. A
26 majority of the members of the Board shall constitute a

1 quorum for the transaction of any business, for the
2 performance of any duty, or for the exercise of any power
3 which this Act requires the Board members to transact,
4 perform or exercise en banc, except that, upon order of the
5 Board, one of the Board members or an administrative law
6 judge designated by the Board may conduct any hearing
7 provided for under this Act or by Board rule and may
8 recommend findings and decisions to the Board. The Board
9 member or administrative law judge conducting such hearing
10 shall have all powers and rights granted to the Board in
11 this Act. The record made at the time of the hearing shall
12 be reviewed by the Board, or a majority thereof, and the
13 findings and decision of the majority of the Board shall
14 constitute the order of the Board in such case;

15 (9) To maintain records which are separate and distinct
16 from the records of any other State board or commission.
17 Such records shall be available for public inspection and
18 shall accurately reflect all Board proceedings;

19 (10) To file a written annual report with the Governor
20 on or before March 1 each year and such additional reports
21 as the Governor may request. The annual report shall
22 include a statement of receipts and disbursements by the
23 Board, actions taken by the Board, and any additional
24 information and recommendations which the Board may deem
25 valuable or which the Governor may request;

26 (11) (Blank);

1 (12) (Blank);

2 (13) (Blank); ~~To assume responsibility for~~
3 ~~administration and enforcement of the Video Gaming Act;~~ and

4 (14) To adopt, by rule, a code of conduct governing
5 Board members and employees that ensure, to the maximum
6 extent possible, that persons subject to this Code avoid
7 situations, relationships, or associations that may
8 represent or lead to a conflict of interest.

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

14 (1) To investigate applicants and determine the
15 eligibility of applicants for licenses and to select among
16 competing applicants the applicants which best serve the
17 interests of the citizens of Illinois.

18 (2) To have jurisdiction and supervision over all
19 riverboat gambling operations in this State and all persons
20 on riverboats where gambling operations are conducted.

21 (3) To promulgate rules and regulations for the purpose
22 of administering the provisions of this Act and to
23 prescribe rules, regulations and conditions under which
24 all riverboat gambling in the State shall be conducted.
25 Such rules and regulations are to provide for the
26 prevention of practices detrimental to the public interest

1 and for the best interests of riverboat gambling, including
2 rules and regulations regarding the inspection of such
3 riverboats and the review of any permits or licenses
4 necessary to operate a riverboat under any laws or
5 regulations applicable to riverboats, and to impose
6 penalties for violations thereof.

7 (4) To enter the office, riverboats, facilities, or
8 other places of business of a licensee, where evidence of
9 the compliance or noncompliance with the provisions of this
10 Act is likely to be found.

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

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

19 (7) To adopt appropriate standards for all riverboats
20 and facilities.

21 (8) To require that the records, including financial or
22 other statements of any licensee under this Act, shall be
23 kept in such manner as prescribed by the Board and that any
24 such licensee involved in the ownership or management of
25 gambling operations submit to the Board an annual balance
26 sheet and profit and loss statement, list of the

1 stockholders or other persons having a 1% or greater
2 beneficial interest in the gambling activities of each
3 licensee, and any other information the Board deems
4 necessary in order to effectively administer this Act and
5 all rules, regulations, orders and final decisions
6 promulgated under this Act.

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

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

19 (11) To revoke or suspend licenses, as the Board may
20 see fit and in compliance with applicable laws of the State
21 regarding administrative procedures, and to review
22 applications for the renewal of licenses. The Board may
23 suspend an owners license, without notice or hearing upon a
24 determination that the safety or health of patrons or
25 employees is jeopardized by continuing a riverboat's
26 operation. The suspension may remain in effect until the

1 Board determines that the cause for suspension has been
2 abated. The Board may revoke the owners license upon a
3 determination that the owner has not made satisfactory
4 progress toward abating the hazard.

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

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

21 (14) (Blank).

22 (15) To suspend, revoke or restrict licenses, to
23 require the removal of a licensee or an employee of a
24 licensee for a violation of this Act or a Board rule or for
25 engaging in a fraudulent practice, and to impose civil
26 penalties of up to \$5,000 against individuals and up to

1 \$10,000 or an amount equal to the daily gross receipts,
2 whichever is larger, against licensees for each violation
3 of any provision of the Act, any rules adopted by the
4 Board, any order of the Board or any other action which, in
5 the Board's discretion, is a detriment or impediment to
6 riverboat gambling operations.

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

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

12 (18) To authorize a licensee to sell or serve alcoholic
13 liquors, wine or beer as defined in the Liquor Control Act
14 of 1934 on board a riverboat and to have exclusive
15 authority to establish the hours for sale and consumption
16 of alcoholic liquor on board a riverboat, notwithstanding
17 any provision of the Liquor Control Act of 1934 or any
18 local ordinance, and regardless of whether the riverboat
19 makes excursions. The establishment of the hours for sale
20 and consumption of alcoholic liquor on board a riverboat is
21 an exclusive power and function of the State. A home rule
22 unit may not establish the hours for sale and consumption
23 of alcoholic liquor on board a riverboat. This amendatory
24 Act of 1991 is a denial and limitation of home rule powers
25 and functions under subsection (h) of Section 6 of Article
26 VII of the Illinois Constitution.

1 (19) After consultation with the U.S. Army Corps of
2 Engineers, to establish binding emergency orders upon the
3 concurrence of a majority of the members of the Board
4 regarding the navigability of water, relative to
5 excursions, in the event of extreme weather conditions,
6 acts of God or other extreme circumstances.

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

10 (20.5) To approve any contract entered into on its
11 behalf.

12 (20.6) To appoint investigators to conduct
13 investigations, searches, seizures, arrests, and other
14 duties imposed under this Act, as deemed necessary by the
15 Board. These investigators have and may exercise all of the
16 rights and powers of peace officers, provided that these
17 powers shall be limited to offenses or violations occurring
18 or committed on a riverboat or dock, as defined in
19 subsections (d) and (f) of Section 4, or as otherwise
20 provided by this Act or any other law.

21 (20.7) To contract with the Department of State Police
22 for the use of trained and qualified State police officers
23 and with the Department of Revenue for the use of trained
24 and qualified Department of Revenue investigators to
25 conduct investigations, searches, seizures, arrests, and
26 other duties imposed under this Act and to exercise all of

1 the rights and powers of peace officers, provided that the
2 powers of Department of Revenue investigators under this
3 subdivision (20.7) shall be limited to offenses or
4 violations occurring or committed on a riverboat or dock,
5 as defined in subsections (d) and (f) of Section 4, or as
6 otherwise provided by this Act or any other law. In the
7 event the Department of State Police or the Department of
8 Revenue is unable to fill contracted police or
9 investigative positions, the Board may appoint
10 investigators to fill those positions pursuant to
11 subdivision (20.6).

12 (21) To take any other action as may be reasonable or
13 appropriate to enforce this Act and rules and regulations
14 hereunder.

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

23 (e) The Board must authorize to each investigator and to
24 any other employee of the Board exercising the powers of a
25 peace officer a distinct badge that, on its face, (i) clearly
26 states that the badge is authorized by the Board and (ii)

1 contains a unique identifying number. No other badge shall be
2 authorized by the Board.

3 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09;
4 96-1000, eff. 7-2-10; 96-1392, eff. 1-1-11.)

5 (230 ILCS 10/13) (from Ch. 120, par. 2413)

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

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

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

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

17 20% of annual adjusted gross receipts in excess of
18 \$25,000,000 but not exceeding \$50,000,000;

19 25% of annual adjusted gross receipts in excess of
20 \$50,000,000 but not exceeding \$75,000,000;

21 30% of annual adjusted gross receipts in excess of
22 \$75,000,000 but not exceeding \$100,000,000;

23 35% of annual adjusted gross receipts in excess of
24 \$100,000,000.

25 (a-2) From July 1, 2002 until July 1, 2003, a privilege tax

1 is imposed on persons engaged in the business of conducting
2 riverboat gambling operations, other than licensed managers
3 conducting riverboat gambling operations on behalf of the
4 State, based on the adjusted gross receipts received by a
5 licensed owner from gambling games authorized under this Act at
6 the following rates:

7 15% of annual adjusted gross receipts up to and
8 including \$25,000,000;

9 22.5% of annual adjusted gross receipts in excess of
10 \$25,000,000 but not exceeding \$50,000,000;

11 27.5% of annual adjusted gross receipts in excess of
12 \$50,000,000 but not exceeding \$75,000,000;

13 32.5% of annual adjusted gross receipts in excess of
14 \$75,000,000 but not exceeding \$100,000,000;

15 37.5% of annual adjusted gross receipts in excess of
16 \$100,000,000 but not exceeding \$150,000,000;

17 45% of annual adjusted gross receipts in excess of
18 \$150,000,000 but not exceeding \$200,000,000;

19 50% of annual adjusted gross receipts in excess of
20 \$200,000,000.

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

1 rates:

2 15% of annual adjusted gross receipts up to and
3 including \$25,000,000;

4 27.5% of annual adjusted gross receipts in excess of
5 \$25,000,000 but not exceeding \$37,500,000;

6 32.5% of annual adjusted gross receipts in excess of
7 \$37,500,000 but not exceeding \$50,000,000;

8 37.5% of annual adjusted gross receipts in excess of
9 \$50,000,000 but not exceeding \$75,000,000;

10 45% of annual adjusted gross receipts in excess of
11 \$75,000,000 but not exceeding \$100,000,000;

12 50% of annual adjusted gross receipts in excess of
13 \$100,000,000 but not exceeding \$250,000,000;

14 70% of annual adjusted gross receipts in excess of
15 \$250,000,000.

16 An amount equal to the amount of wagering taxes collected
17 under this subsection (a-3) that are in addition to the amount
18 of wagering taxes that would have been collected if the
19 wagering tax rates under subsection (a-2) were in effect shall
20 be paid into the Common School Fund.

21 The privilege tax imposed under this subsection (a-3) shall
22 no longer be imposed beginning on the earlier of (i) July 1,
23 2005; (ii) the first date after June 20, 2003 that riverboat
24 gambling operations are conducted pursuant to a dormant
25 license; or (iii) the first day that riverboat gambling
26 operations are conducted under the authority of an owners

1 license that is in addition to the 10 owners licenses initially
2 authorized under this Act. For the purposes of this subsection
3 (a-3), the term "dormant license" means an owners license that
4 is authorized by this Act under which no riverboat gambling
5 operations are being conducted on June 20, 2003.

6 (a-4) Beginning on the first day on which the tax imposed
7 under subsection (a-3) is no longer imposed, a privilege tax is
8 imposed on persons engaged in the business of conducting
9 riverboat gambling operations, other than licensed managers
10 conducting riverboat gambling operations on behalf of the
11 State, based on the adjusted gross receipts received by a
12 licensed owner from gambling games authorized under this Act at
13 the following rates:

14 15% of annual adjusted gross receipts up to and
15 including \$25,000,000;

16 22.5% of annual adjusted gross receipts in excess of
17 \$25,000,000 but not exceeding \$50,000,000;

18 27.5% of annual adjusted gross receipts in excess of
19 \$50,000,000 but not exceeding \$75,000,000;

20 32.5% of annual adjusted gross receipts in excess of
21 \$75,000,000 but not exceeding \$100,000,000;

22 37.5% of annual adjusted gross receipts in excess of
23 \$100,000,000 but not exceeding \$150,000,000;

24 45% of annual adjusted gross receipts in excess of
25 \$150,000,000 but not exceeding \$200,000,000;

26 50% of annual adjusted gross receipts in excess of

1 \$200,000,000.

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

5 (a-10) The taxes imposed by this Section shall be paid by
6 the licensed owner to the Board not later than 5:00 o'clock
7 p.m. of the day after the day when the wagers were made.

8 (a-15) If the privilege tax imposed under subsection (a-3)
9 is no longer imposed pursuant to item (i) of the last paragraph
10 of subsection (a-3), then by June 15 of each year, each owners
11 licensee, other than an owners licensee that admitted 1,000,000
12 persons or fewer in calendar year 2004, must, in addition to
13 the payment of all amounts otherwise due under this Section,
14 pay to the Board a reconciliation payment in the amount, if
15 any, by which the licensed owner's base amount exceeds the
16 amount of net privilege tax paid by the licensed owner to the
17 Board in the then current State fiscal year. A licensed owner's
18 net privilege tax obligation due for the balance of the State
19 fiscal year shall be reduced up to the total of the amount paid
20 by the licensed owner in its June 15 reconciliation payment.
21 The obligation imposed by this subsection (a-15) is binding on
22 any person, firm, corporation, or other entity that acquires an
23 ownership interest in any such owners license. The obligation
24 imposed under this subsection (a-15) terminates on the earliest
25 of: (i) July 1, 2007, (ii) the first day after the effective
26 date of this amendatory Act of the 94th General Assembly that

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

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

21 "Act of God" means an incident caused by the operation of
22 an extraordinary force that cannot be foreseen, that cannot be
23 avoided by the exercise of due care, and for which no person
24 can be held liable.

25 "Base amount" means the following:

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

1 For a riverboat in East Peoria, \$43,000,000.
2 For the Empress riverboat in Joliet, \$86,000,000.
3 For a riverboat in Metropolis, \$45,000,000.
4 For the Harrah's riverboat in Joliet, \$114,000,000.
5 For a riverboat in Aurora, \$86,000,000.
6 For a riverboat in East St. Louis, \$48,500,000.
7 For a riverboat in Elgin, \$198,000,000.

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

10 "Net privilege tax" means all privilege taxes paid by a
11 licensed owner to the Board under this Section, less all
12 payments made from the State Gaming Fund pursuant to subsection
13 (b) of this Section.

14 The changes made to this subsection (a-15) by Public Act
15 94-839 are intended to restate and clarify the intent of Public
16 Act 94-673 with respect to the amount of the payments required
17 to be made under this subsection by an owners licensee to the
18 Board.

19 (b) Until January 1, 1998, 25% of the tax revenue deposited
20 in the State Gaming Fund under this Section shall be paid,
21 subject to appropriation by the General Assembly, to the unit
22 of local government which is designated as the home dock of the
23 riverboat. Beginning January 1, 1998, from the tax revenue
24 deposited in the State Gaming Fund under this Section, an
25 amount equal to 5% of adjusted gross receipts generated by a
26 riverboat shall be paid monthly, subject to appropriation by

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

11 (c) Appropriations, as approved by the General Assembly,
12 may be made from the State Gaming Fund to the Board (i) for the
13 administration and enforcement of this Act ~~and the Video Gaming~~
14 ~~Act~~, (ii) for distribution to the Department of State Police
15 and to the Department of Revenue for the enforcement of this
16 Act, and (iii) to the Department of Human Services for the
17 administration of programs to treat problem gambling.

18 (c-5) Before May 26, 2006 (the effective date of Public Act
19 94-804) and beginning on the effective date of this amendatory
20 Act of the 95th General Assembly, unless any organization
21 licensee under the Illinois Horse Racing Act of 1975 begins to
22 operate a slot machine or video game of chance under the
23 Illinois Horse Racing Act of 1975 or this Act, after the
24 payments required under subsections (b) and (c) have been made,
25 an amount equal to 15% of the adjusted gross receipts of (1) an
26 owners licensee that relocates pursuant to Section 11.2, (2) an

1 owners licensee conducting riverboat gambling operations
2 pursuant to an owners license that is initially issued after
3 June 25, 1999, or (3) the first riverboat gambling operations
4 conducted by a licensed manager on behalf of the State under
5 Section 7.3, whichever comes first, shall be paid from the
6 State Gaming Fund into the Horse Racing Equity Fund.

7 (c-10) Each year the General Assembly shall appropriate
8 from the General Revenue Fund to the Education Assistance Fund
9 an amount equal to the amount paid into the Horse Racing Equity
10 Fund pursuant to subsection (c-5) in the prior calendar year.

11 (c-15) After the payments required under subsections (b),
12 (c), and (c-5) have been made, an amount equal to 2% of the
13 adjusted gross receipts of (1) an owners licensee that
14 relocates pursuant to Section 11.2, (2) an owners licensee
15 conducting riverboat gambling operations pursuant to an owners
16 license that is initially issued after June 25, 1999, or (3)
17 the first riverboat gambling operations conducted by a licensed
18 manager on behalf of the State under Section 7.3, whichever
19 comes first, shall be paid, subject to appropriation from the
20 General Assembly, from the State Gaming Fund to each home rule
21 county with a population of over 3,000,000 inhabitants for the
22 purpose of enhancing the county's criminal justice system.

23 (c-20) Each year the General Assembly shall appropriate
24 from the General Revenue Fund to the Education Assistance Fund
25 an amount equal to the amount paid to each home rule county
26 with a population of over 3,000,000 inhabitants pursuant to

1 subsection (c-15) in the prior calendar year.

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

12 (d) From time to time, the Board shall transfer the
13 remainder of the funds generated by this Act into the Education
14 Assistance Fund, created by Public Act 86-0018, of the State of
15 Illinois.

16 (e) Nothing in this Act shall prohibit the unit of local
17 government designated as the home dock of the riverboat from
18 entering into agreements with other units of local government
19 in this State or in other states to share its portion of the
20 tax revenue.

21 (f) To the extent practicable, the Board shall administer
22 and collect the wagering taxes imposed by this Section in a
23 manner consistent with the provisions of Sections 4, 5, 5a, 5b,
24 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, and 10 of the
25 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
26 Penalty and Interest Act.

1 (Source: P.A. 95-331, eff. 8-21-07; 95-1008, eff. 12-15-08;
2 96-37, eff. 7-13-09; 96-1392, eff. 1-1-11.)

3 (230 ILCS 10/17) (from Ch. 120, par. 2417)

4 Sec. 17. Administrative Procedures. The Illinois
5 Administrative Procedure Act shall apply to all administrative
6 rules and procedures of the Board under this Act ~~or the Video~~
7 ~~Gaming Act~~, except that: (1) subsection (b) of Section 5-10 of
8 the Illinois Administrative Procedure Act does not apply to
9 final orders, decisions and opinions of the Board; (2)
10 subsection (a) of Section 5-10 of the Illinois Administrative
11 Procedure Act does not apply to forms established by the Board
12 for use under this Act ~~or the Video Gaming Act~~; (3) the
13 provisions of Section 10-45 of the Illinois Administrative
14 Procedure Act regarding proposals for decision are excluded
15 under this Act ~~or the Video Gaming Act~~; and (4) the provisions
16 of subsection (d) of Section 10-65 of the Illinois
17 Administrative Procedure Act do not apply so as to prevent
18 summary suspension of any license pending revocation or other
19 action, which suspension shall remain in effect unless modified
20 by the Board or unless the Board's decision is reversed on the
21 merits upon judicial review.

22 (Source: P.A. 96-34, eff. 7-13-09.)

23 Section 10. The Criminal Code of 1961 is amended by
24 changing Sections 28-1, 28-1.1, and 28-3 as follows:

1 (720 ILCS 5/28-1) (from Ch. 38, par. 28-1)

2 Sec. 28-1. Gambling.

3 (a) A person commits gambling when he:

4 (1) Plays a game of chance or skill for money or other
5 thing of value, unless excepted in subsection (b) of this
6 Section; or

7 (2) Makes a wager upon the result of any game, contest,
8 or any political nomination, appointment or election; or

9 (3) Operates, keeps, owns, uses, purchases, exhibits,
10 rents, sells, bargains for the sale or lease of,
11 manufactures or distributes any gambling device; or

12 (4) Contracts to have or give himself or another the
13 option to buy or sell, or contracts to buy or sell, at a
14 future time, any grain or other commodity whatsoever, or
15 any stock or security of any company, where it is at the
16 time of making such contract intended by both parties
17 thereto that the contract to buy or sell, or the option,
18 whenever exercised, or the contract resulting therefrom,
19 shall be settled, not by the receipt or delivery of such
20 property, but by the payment only of differences in prices
21 thereof; however, the issuance, purchase, sale, exercise,
22 endorsement or guarantee, by or through a person registered
23 with the Secretary of State pursuant to Section 8 of the
24 Illinois Securities Law of 1953, or by or through a person
25 exempt from such registration under said Section 8, of a

1 put, call, or other option to buy or sell securities which
2 have been registered with the Secretary of State or which
3 are exempt from such registration under Section 3 of the
4 Illinois Securities Law of 1953 is not gambling within the
5 meaning of this paragraph (4); or

6 (5) Knowingly owns or possesses any book, instrument or
7 apparatus by means of which bets or wagers have been, or
8 are, recorded or registered, or knowingly possesses any
9 money which he has received in the course of a bet or
10 wager; or

11 (6) Sells pools upon the result of any game or contest
12 of skill or chance, political nomination, appointment or
13 election; or

14 (7) Sets up or promotes any lottery or sells, offers to
15 sell or transfers any ticket or share for any lottery; or

16 (8) Sets up or promotes any policy game or sells,
17 offers to sell or knowingly possesses or transfers any
18 policy ticket, slip, record, document or other similar
19 device; or

20 (9) Knowingly drafts, prints or publishes any lottery
21 ticket or share, or any policy ticket, slip, record,
22 document or similar device, except for such activity
23 related to lotteries, bingo games and raffles authorized by
24 and conducted in accordance with the laws of Illinois or
25 any other state or foreign government; or

26 (10) Knowingly advertises any lottery or policy game,

1 except for such activity related to lotteries, bingo games
2 and raffles authorized by and conducted in accordance with
3 the laws of Illinois or any other state; or

4 (11) Knowingly transmits information as to wagers,
5 betting odds, or changes in betting odds by telephone,
6 telegraph, radio, semaphore or similar means; or knowingly
7 installs or maintains equipment for the transmission or
8 receipt of such information; except that nothing in this
9 subdivision (11) prohibits transmission or receipt of such
10 information for use in news reporting of sporting events or
11 contests; or

12 (12) Knowingly establishes, maintains, or operates an
13 Internet site that permits a person to play a game of
14 chance or skill for money or other thing of value by means
15 of the Internet or to make a wager upon the result of any
16 game, contest, political nomination, appointment, or
17 election by means of the Internet. This item (12) does not
18 apply to activities referenced in items (6) and (6.1) of
19 subsection (b) of this Section.

20 (b) Participants in any of the following activities shall
21 not be convicted of gambling therefor:

22 (1) Agreements to compensate for loss caused by the
23 happening of chance including without limitation contracts
24 of indemnity or guaranty and life or health or accident
25 insurance.

26 (2) Offers of prizes, award or compensation to the

1 actual contestants in any bona fide contest for the
2 determination of skill, speed, strength or endurance or to
3 the owners of animals or vehicles entered in such contest.

4 (3) Pari-mutuel betting as authorized by the law of
5 this State.

6 (4) Manufacture of gambling devices, including the
7 acquisition of essential parts therefor and the assembly
8 thereof, for transportation in interstate or foreign
9 commerce to any place outside this State when such
10 transportation is not prohibited by any applicable Federal
11 law; ~~or the manufacture, distribution, or possession of~~
12 ~~video gaming terminals, as defined in the Video Gaming Act,~~
13 ~~by manufacturers, distributors, and terminal operators~~
14 ~~licensed to do so under the Video Gaming Act.~~

15 (5) The game commonly known as "bingo", when conducted
16 in accordance with the Bingo License and Tax Act.

17 (6) Lotteries when conducted by the State of Illinois
18 in accordance with the Illinois Lottery Law. This exemption
19 includes any activity conducted by the Department of
20 Revenue to sell lottery tickets pursuant to the provisions
21 of the Illinois Lottery Law and its rules.

22 (6.1) The purchase of lottery tickets through the
23 Internet for a lottery conducted by the State of Illinois
24 under the program established in Section 7.12 of the
25 Illinois Lottery Law.

26 (7) Possession of an antique slot machine that is

1 neither used nor intended to be used in the operation or
2 promotion of any unlawful gambling activity or enterprise.
3 For the purpose of this subparagraph (b)(7), an antique
4 slot machine is one manufactured 25 years ago or earlier.

5 (8) Raffles when conducted in accordance with the
6 Raffles Act.

7 (9) Charitable games when conducted in accordance with
8 the Charitable Games Act.

9 (10) Pull tabs and jar games when conducted under the
10 Illinois Pull Tabs and Jar Games Act.

11 (11) Gambling games conducted on riverboats when
12 authorized by the Riverboat Gambling Act.

13 (12) ~~(Blank) Video gaming terminal games at a licensed~~
14 ~~establishment, licensed truck stop establishment, licensed~~
15 ~~fraternal establishment, or licensed veterans~~
16 ~~establishment when conducted in accordance with the Video~~
17 ~~Gaming Act.~~

18 (13) Games of skill or chance where money or other
19 things of value can be won but no payment or purchase is
20 required to participate.

21 (c) Sentence.

22 Gambling under subsection (a)(1) or (a)(2) of this Section
23 is a Class A misdemeanor. Gambling under any of subsections
24 (a)(3) through (a)(11) of this Section is a Class A
25 misdemeanor. A second or subsequent conviction under any of
26 subsections (a)(3) through (a)(11), is a Class 4 felony.

1 Gambling under subsection (a)(12) of this Section is a Class A
2 misdemeanor. A second or subsequent conviction under
3 subsection (a)(12) is a Class 4 felony.

4 (d) Circumstantial evidence.

5 In prosecutions under subsection (a)(1) through (a)(12) of
6 this Section circumstantial evidence shall have the same
7 validity and weight as in any criminal prosecution.

8 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09;
9 96-1203, eff. 7-22-10.)

10 (720 ILCS 5/28-1.1) (from Ch. 38, par. 28-1.1)

11 Sec. 28-1.1. Syndicated gambling.

12 (a) Declaration of Purpose. Recognizing the close
13 relationship between professional gambling and other organized
14 crime, it is declared to be the policy of the legislature to
15 restrain persons from engaging in the business of gambling for
16 profit in this State. This Section shall be liberally construed
17 and administered with a view to carrying out this policy.

18 (b) A person commits syndicated gambling when he operates a
19 "policy game" or engages in the business of bookmaking.

20 (c) A person "operates a policy game" when he knowingly
21 uses any premises or property for the purpose of receiving or
22 knowingly does receive from what is commonly called "policy":

23 (1) money from a person other than the better or player
24 whose bets or plays are represented by such money; or

25 (2) written "policy game" records, made or used over

1 any period of time, from a person other than the better or
2 player whose bets or plays are represented by such written
3 record.

4 (d) A person engages in bookmaking when he receives or
5 accepts more than five bets or wagers upon the result of any
6 trials or contests of skill, speed or power of endurance or
7 upon any lot, chance, casualty, unknown or contingent event
8 whatsoever, which bets or wagers shall be of such size that the
9 total of the amounts of money paid or promised to be paid to
10 such bookmaker on account thereof shall exceed \$2,000.
11 Bookmaking is the receiving or accepting of such bets or wagers
12 regardless of the form or manner in which the bookmaker records
13 them.

14 (e) Participants in any of the following activities shall
15 not be convicted of syndicated gambling:

16 (1) Agreements to compensate for loss caused by the
17 happening of chance including without limitation contracts
18 of indemnity or guaranty and life or health or accident
19 insurance; and

20 (2) Offers of prizes, award or compensation to the
21 actual contestants in any bona fide contest for the
22 determination of skill, speed, strength or endurance or to
23 the owners of animals or vehicles entered in such contest;
24 and

25 (3) Pari-mutuel betting as authorized by law of this
26 State; and

1 (4) Manufacture of gambling devices, including the
2 acquisition of essential parts therefor and the assembly
3 thereof, for transportation in interstate or foreign
4 commerce to any place outside this State when such
5 transportation is not prohibited by any applicable Federal
6 law; and

7 (5) Raffles when conducted in accordance with the
8 Raffles Act; and

9 (6) Gambling games conducted on riverboats when
10 authorized by the Riverboat Gambling Act; and

11 (7) (Blank) ~~Video gaming terminal games at a licensed~~
12 ~~establishment, licensed truck stop establishment, licensed~~
13 ~~fraternal establishment, or licensed veterans~~
14 ~~establishment when conducted in accordance with the Video~~
15 ~~Gaming Act.~~

16 (f) Sentence. Syndicated gambling is a Class 3 felony.

17 (Source: P.A. 96-34, eff. 7-13-09.)

18 (720 ILCS 5/28-3) (from Ch. 38, par. 28-3)

19 Sec. 28-3. Keeping a Gambling Place. A "gambling place" is
20 any real estate, vehicle, boat or any other property whatsoever
21 used for the purposes of gambling other than gambling conducted
22 in the manner authorized by the Riverboat Gambling Act ~~or the~~
23 ~~Video Gaming Act.~~ Any person who knowingly permits any premises
24 or property owned or occupied by him or under his control to be
25 used as a gambling place commits a Class A misdemeanor. Each

1 subsequent offense is a Class 4 felony. When any premises is
2 determined by the circuit court to be a gambling place:

3 (a) Such premises is a public nuisance and may be proceeded
4 against as such, and

5 (b) All licenses, permits or certificates issued by the
6 State of Illinois or any subdivision or public agency thereof
7 authorizing the serving of food or liquor on such premises
8 shall be void; and no license, permit or certificate so
9 cancelled shall be reissued for such premises for a period of
10 60 days thereafter; nor shall any person convicted of keeping a
11 gambling place be reissued such license for one year from his
12 conviction and, after a second conviction of keeping a gambling
13 place, any such person shall not be reissued such license, and

14 (c) Such premises of any person who knowingly permits
15 thereon a violation of any Section of this Article shall be
16 held liable for, and may be sold to pay any unsatisfied
17 judgment that may be recovered and any unsatisfied fine that
18 may be levied under any Section of this Article.

19 (Source: P.A. 96-34, eff. 7-13-09.)

20 (30 ILCS 105/5.724 rep.)

21 Section 70. The State Finance Act is amended by repealing
22 Section 5.724.

23 (230 ILCS 10/24 rep.)

24 Section 80. The Riverboat Gambling Act is amended by

1 repealing Section 24.

2 (230 ILCS 40/Act rep.)

3 Section 90. The Video Gaming Act is repealed.

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