

August 28, 2012

To the Honorable Members of the Illinois Senate  
97<sup>th</sup> General Assembly:

In accordance with Article IV, Section 9(b) of the Illinois Constitution, I hereby veto Senate Bill 1849 from the 97<sup>th</sup> General Assembly.

It is critically important that any expansion of gaming in Illinois be undertaken thoughtfully and carefully. We have one opportunity to get it right. If we do, we can create jobs and foster economic development in areas that need it across Illinois.

Over the past several years, I have repeatedly made clear that any expansion of gaming in our state must include strong ethical standards, proper balance, and support for education.

While Senate Bill 1849 addresses some of the shortcomings of Senate Bill 744, such as a reduction in the number of gaming locations, it continues to fall well short of the standards of the people of Illinois.

The most glaring deficiency of Senate Bill 1849 is the absence of strict ethical standards and comprehensive regulatory oversight. Illinois should never settle for a gaming bill that includes loopholes for mobsters.

Notably, this legislation lacks a ban on campaign money from gaming licensees and casino managers. We must prevent campaign contributions by gaming operators from infecting our political process.

To protect the public interest, other states have enacted such bans, including Massachusetts, New Jersey, Pennsylvania, and Louisiana, and our neighboring states such as Iowa, Michigan, and Indiana. The people of Illinois deserve no less.

Senate Bill 1849 also does not ensure clear regulatory oversight over the proposed Chicago casino. This bill does not provide the Illinois Gaming Board with the same regulatory authority over the Chicago casino that it maintains over all other gaming operations in Illinois. Permitting the Chicago casino to operate without the appropriate oversight of the Gaming Board is not good for Illinois.

In addition, this bill does not subject Chicago casino contracts to the Illinois Procurement Code. The bill contains a weak procurement process with many loopholes. Such a complete lack of oversight will leave the Chicago casino's numerous procurements vulnerable to organized crime, unsavory influence and potentially overpriced vendors.

This bill also does not provide the Illinois Gaming Board with sufficient time to make critical licensing and regulatory decisions. The Gaming Board has a solid track record of keeping corruption out of an industry that is susceptible to nefarious activity.

Furthermore, we cannot forget that Illinois' economic future relies on the education of our children. This bill does not provide adequate support for education. The budget for pre-school to 12th grade education was reduced by \$210 million by the General Assembly this fiscal year and faces more challenges in the immediate future. Any expansion of gaming must prioritize the needs of our students.

I call on the members of the General Assembly to work with my staff, the Illinois Gaming Board, the Illinois Racing Board, the City of Chicago, and all other interested parties to ensure that the final version of any gaming legislation includes strong ethical standards, clear oversight and adequate support for education. Anything short of that is unacceptable and would be a disservice to the people of Illinois.

Finally, Illinois cannot gamble its way out of our fiscal challenges. Even a casino on every street corner cannot repair the State's \$83 billion unfunded pension liability. I urge the members of the Illinois House and Senate to address the most pressing issue of our time – comprehensive public pension reform.

Accordingly, I must return this bill without my approval. Therefore, pursuant to Article IV, Section 9(b) of the Illinois Constitution of 1970, I hereby return Senate Bill 1849, entitled "AN ACT concerning gaming," with the foregoing objections, vetoed in its entirety.

Sincerely,

PAT QUINN  
Governor