



Rep. Jay Hoffman

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LRB099 15447 AMC 51671 a

1 AMENDMENT TO SENATE BILL 2216

2 AMENDMENT NO. _____. Amend Senate Bill 2216, AS AMENDED,
3 by replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Video Gaming Act is amended by changing the
6 Sections 5, 25, 30, 35, 45, 55, 58, and 60 as follows:

7 (230 ILCS 40/5)

8 Sec. 5. Definitions. As used in this Act:

9 "Board" means the Illinois Gaming Board.

10 "Credit" means one, 5, 10, or 25 cents either won or
11 purchased by a player.

12 "Distributor" means an individual, partnership,
13 corporation, or limited liability company licensed under this
14 Act to buy, sell, lease, or distribute video gaming terminals
15 or major components or parts of video gaming terminals to or
16 from terminal operators.

1 "Electronic card" means a card purchased from a licensed
2 establishment, licensed fraternal establishment, licensed
3 veterans establishment, or licensed truck stop establishment
4 for use in that establishment as a substitute for cash in the
5 conduct of gaming on a video gaming terminal.

6 "Electronic voucher" means a voucher printed by an
7 electronic video game machine that is redeemable in the
8 licensed establishment for which it was issued.

9 "Terminal operator" means an individual, partnership,
10 corporation, or limited liability company that is licensed
11 under this Act and that owns, services, and maintains video
12 gaming terminals for placement in licensed establishments,
13 licensed truck stop establishments, licensed fraternal
14 establishments, organization licensee locations, inter-track
15 wagering location licensee locations, or licensed veterans
16 establishments.

17 "Licensed technician" means an individual who is licensed
18 under this Act to repair, service, and maintain video gaming
19 terminals.

20 "Licensed terminal handler" means a person, including but
21 not limited to an employee or independent contractor working
22 for a manufacturer, distributor, supplier, technician, or
23 terminal operator, who is licensed under this Act to possess or
24 control a video gaming terminal or to have access to the inner
25 workings of a video gaming terminal. A licensed terminal
26 handler does not include an individual, partnership,

1 corporation, or limited liability company defined as a
2 manufacturer, distributor, supplier, technician, or terminal
3 operator under this Act.

4 "Manufacturer" means an individual, partnership,
5 corporation, or limited liability company that is licensed
6 under this Act and that manufactures or assembles video gaming
7 terminals.

8 "Supplier" means an individual, partnership, corporation,
9 or limited liability company that is licensed under this Act to
10 supply major components or parts to video gaming terminals to
11 licensed terminal operators.

12 "Net terminal income" means money put into a video gaming
13 terminal minus credits paid out to players.

14 "Video gaming terminal" means any electronic video game
15 machine that, upon insertion of cash, electronic cards or
16 vouchers, or any combination thereof, is available to play or
17 simulate the play of a video game, including but not limited to
18 video poker, line up, and blackjack, as authorized by the Board
19 utilizing a video display and microprocessors in which the
20 player may receive free games or credits that can be redeemed
21 for cash. The term does not include a machine that directly
22 dispenses coins, cash, or tokens or is for amusement purposes
23 only.

24 "Licensed establishment" means any licensed retail
25 establishment where alcoholic liquor is drawn, poured, mixed,
26 or otherwise served for consumption on the premises, whether

1 the establishment operates on a nonprofit or for-profit basis.
2 ~~"Licensed establishment" includes any such establishment that~~
3 ~~has a contractual relationship with an inter-track wagering~~
4 ~~location licensee licensed under the Illinois Horse Racing Act~~
5 ~~of 1975, provided any contractual relationship shall not~~
6 ~~include any transfer or offer of revenue from the operation of~~
7 ~~video gaming under this Act to any licensee licensed under the~~
8 ~~Illinois Horse Racing Act of 1975. Provided, however, that the~~
9 ~~licensed establishment that has such a contractual~~
10 ~~relationship with an inter-track wagering location licensee~~
11 ~~may not, itself, be (i) an inter-track wagering location~~
12 ~~licensee, (ii) the corporate parent or subsidiary of any~~
13 ~~licensee licensed under the Illinois Horse Racing Act of 1975,~~
14 ~~or (iii) the corporate subsidiary of a corporation that is also~~
15 ~~the corporate parent or subsidiary of any licensee licensed~~
16 ~~under the Illinois Horse Racing Act of 1975. "Licensed~~
17 ~~establishment" does not include a facility operated by an~~
18 ~~organization licensee, an inter-track wagering licensee, or an~~
19 ~~inter-track wagering location licensee licensed under the~~
20 ~~Illinois Horse Racing Act of 1975 or a riverboat licensed under~~
21 ~~the Riverboat Gambling Act, except as provided in this~~
22 ~~paragraph. The changes made to this definition by Public Act~~
23 ~~98-587 are declarative of existing law.~~

24 "Licensed fraternal establishment" means the location
25 where a qualified fraternal organization that derives its
26 charter from a national fraternal organization regularly

1 meets.

2 "Licensed veterans establishment" means the location where
3 a qualified veterans organization that derives its charter from
4 a national veterans organization regularly meets.

5 "Licensed truck stop establishment" means a facility (i)
6 that is at least a 3-acre facility with a convenience store,
7 (ii) with separate diesel islands for fueling commercial motor
8 vehicles, (iii) that sells at retail more than 10,000 gallons
9 of diesel or biodiesel fuel per month, and (iv) with parking
10 spaces for commercial motor vehicles. "Commercial motor
11 vehicles" has the same meaning as defined in Section 18b-101 of
12 the Illinois Vehicle Code. The requirement of item (iii) of
13 this paragraph may be met by showing that estimated future
14 sales or past sales average at least 10,000 gallons per month.

15 "Organization licensee" means an organization licensee as
16 defined in the Illinois Horse Racing Act of 1975.

17 "Inter-track wagering location licensee" means an
18 inter-track wagering location licensee as defined in the
19 Illinois Horse Racing Act of 1975.

20 (Source: P.A. 97-333, eff. 8-12-11; 98-31, eff. 6-24-13;
21 98-582, eff. 8-27-13; 98-587, eff. 8-27-13; 98-756, eff.
22 7-16-14.)

23 (230 ILCS 40/25)

24 Sec. 25. Restriction of licensees.

25 (a) Manufacturer. A person may not be licensed as a

1 manufacturer of a video gaming terminal in Illinois unless the
2 person has a valid manufacturer's license issued under this
3 Act. A manufacturer may only sell video gaming terminals for
4 use in Illinois to persons having a valid distributor's
5 license.

6 (b) Distributor. A person may not sell, distribute, or
7 lease or market a video gaming terminal in Illinois unless the
8 person has a valid distributor's license issued under this Act.
9 A distributor may only sell video gaming terminals for use in
10 Illinois to persons having a valid distributor's or terminal
11 operator's license.

12 (c) Terminal operator. A person may not own, maintain, or
13 place a video gaming terminal unless he has a valid terminal
14 operator's license issued under this Act. A terminal operator
15 may only place video gaming terminals for use in Illinois in
16 licensed establishments, licensed truck stop establishments,
17 licensed fraternal establishments, organization licensee
18 locations, inter-track wagering location licensee locations,
19 and licensed veterans establishments. No terminal operator may
20 give anything of value, including but not limited to a loan or
21 financing arrangement, to a licensed establishment, licensed
22 truck stop establishment, licensed fraternal establishment,
23 organization licensee location, inter-track wagering location
24 licensee location, or licensed veterans establishment as any
25 incentive or inducement to locate video terminals in that
26 establishment. Of the after-tax profits from a video gaming

1 terminal, 50% shall be paid to the terminal operator and 50%
2 shall be paid to the licensed establishment, licensed truck
3 stop establishment, licensed fraternal establishment,
4 organization licensee location, inter-track wagering location
5 licensee location, or licensed veterans establishment,
6 notwithstanding any agreement to the contrary. Organization
7 licensee locations and inter-track wagering location licensee
8 locations that are directly owned by the organization licensee
9 shall deposit 40% of their share of the after-tax profits into
10 the horsemen purse accounts associated with their respective
11 racetrack proportionally by handle for each breed. A video
12 terminal operator that violates one or more requirements of
13 this subsection is guilty of a Class 4 felony and is subject to
14 termination of his or her license by the Board.

15 (d) Licensed technician. A person may not service,
16 maintain, or repair a video gaming terminal in this State
17 unless he or she (1) has a valid technician's license issued
18 under this Act, (2) is a terminal operator, or (3) is employed
19 by a terminal operator, distributor, or manufacturer.

20 (d-5) Licensed terminal handler. No person, including, but
21 not limited to, an employee or independent contractor working
22 for a manufacturer, distributor, supplier, technician, or
23 terminal operator licensed pursuant to this Act, shall have
24 possession or control of a video gaming terminal, or access to
25 the inner workings of a video gaming terminal, unless that
26 person possesses a valid terminal handler's license issued

1 under this Act.

2 (e) Licensed establishment. No video gaming terminal may be
3 placed in any licensed establishment, licensed veterans
4 establishment, licensed truck stop establishment, organization
5 licensee location, inter-track wagering location licensee
6 location, or licensed fraternal establishment unless the owner
7 or agent of the owner of the licensed establishment, licensed
8 veterans establishment, licensed truck stop establishment,
9 organization licensee, inter-track wagering location licensee,
10 or licensed fraternal establishment has entered into a written
11 use agreement with the terminal operator for placement of the
12 terminals. A copy of the use agreement shall be on file in the
13 terminal operator's place of business and available for
14 inspection by individuals authorized by the Board. A licensed
15 establishment, licensed truck stop establishment, licensed
16 veterans establishment, or licensed fraternal establishment
17 may operate up to 5 video gaming terminals on its premises at
18 any time, except that an organization licensee licensed under
19 the Illinois Horse Racing Act of 1975 may operate up to 150
20 video gaming terminals at its organization licensee location at
21 any time and an inter-track wagering location licensee may
22 operate up to 5 video gaming terminals at the inter-track
23 wagering location licensee's location or on the premises of the
24 organization licensee with which they are affiliated. An
25 organization licensee may enter into a written use agreement
26 with multiple terminal operators for placement of terminals on

1 the organization licensee's premises.

2 (f) (Blank).

3 (g) Financial interest restrictions. As used in this Act,
4 "substantial interest" in a partnership, a corporation, an
5 organization, an association, a business, or a limited
6 liability company means:

7 (A) When, with respect to a sole proprietorship, an
8 individual or his or her spouse owns, operates, manages, or
9 conducts, directly or indirectly, the organization,
10 association, or business, or any part thereof; or

11 (B) When, with respect to a partnership, the individual
12 or his or her spouse shares in any of the profits, or
13 potential profits, of the partnership activities; or

14 (C) When, with respect to a corporation, an individual
15 or his or her spouse is an officer or director, or the
16 individual or his or her spouse is a holder, directly or
17 beneficially, of 5% or more of any class of stock of the
18 corporation; or

19 (D) When, with respect to an organization not covered
20 in (A), (B) or (C) above, an individual or his or her
21 spouse is an officer or manages the business affairs, or
22 the individual or his or her spouse is the owner of or
23 otherwise controls 10% or more of the assets of the
24 organization; or

25 (E) When an individual or his or her spouse furnishes
26 5% or more of the capital, whether in cash, goods, or

1 services, for the operation of any business, association,
2 or organization during any calendar year; or

3 (F) When, with respect to a limited liability company,
4 an individual or his or her spouse is a member, or the
5 individual or his or her spouse is a holder, directly or
6 beneficially, of 5% or more of the membership interest of
7 the limited liability company.

8 For purposes of this subsection (g), "individual" includes
9 all individuals or their spouses whose combined interest would
10 qualify as a substantial interest under this subsection (g) and
11 whose activities with respect to an organization, association,
12 or business are so closely aligned or coordinated as to
13 constitute the activities of a single entity.

14 (h) Location restriction. A licensed establishment,
15 licensed truck stop establishment, licensed fraternal
16 establishment, organization licensee location, inter-track
17 wagering location licensee location, or licensed veterans
18 establishment that is (i) located within 1,000 feet of ~~a~~
19 ~~facility operated by an organization licensee licensed under~~
20 ~~the Illinois Horse Racing Act of 1975~~ or the home dock of a
21 riverboat licensed under the Riverboat Gambling Act or (ii)
22 located within 100 feet of a school or a place of worship under
23 the Religious Corporation Act, ~~7~~ is ineligible to operate a video
24 gaming terminal. The location restrictions in this subsection
25 (h) do not apply if (A) ~~a facility operated by an organization~~
26 ~~licensee,~~ a school, ~~7~~ or a place of worship moves to or is

1 established within the restricted area after a licensed
2 establishment, licensed truck stop establishment, licensed
3 fraternal establishment, organization licensee, inter-track
4 wagering location licensee, or licensed veterans establishment
5 becomes licensed under this Act or (B) a school or place of
6 worship moves to or is established within the restricted area
7 after a licensed establishment, licensed truck stop
8 establishment, licensed fraternal establishment, organization
9 licensee, inter-track wagering location licensee, or licensed
10 veterans establishment obtains its original liquor license.
11 For the purpose of this subsection, "school" means an
12 elementary or secondary public school, or an elementary or
13 secondary private school registered with or recognized by the
14 State Board of Education.

15 Notwithstanding the provisions of this subsection (h), the
16 Board may waive the requirement that a licensed establishment,
17 licensed truck stop establishment, licensed fraternal
18 establishment, organization licensee location, inter-track
19 wagering location licensee location, or licensed veterans
20 establishment not be located within 1,000 feet from ~~a facility~~
21 ~~operated by an organization licensee licensed under the~~
22 ~~Illinois Horse Racing Act of 1975 or~~ the home dock of a
23 riverboat licensed under the Riverboat Gambling Act. The Board
24 shall not grant such waiver if there is any common ownership or
25 control, shared business activity, or contractual arrangement
26 of any type between the establishment and the ~~organization~~

1 ~~licensee or~~ owners licensee of a riverboat. The Board shall
2 adopt rules to implement the provisions of this paragraph.

3 (i) Undue economic concentration. In addition to
4 considering all other requirements under this Act, in deciding
5 whether to approve the operation of video gaming terminals by a
6 terminal operator in a location, the Board shall consider the
7 impact of any economic concentration of such operation of video
8 gaming terminals. The Board shall not allow a terminal operator
9 to operate video gaming terminals if the Board determines such
10 operation will result in undue economic concentration. For
11 purposes of this Section, "undue economic concentration" means
12 that a terminal operator would have such actual or potential
13 influence over video gaming terminals in Illinois as to:

14 (1) substantially impede or suppress competition among
15 terminal operators;

16 (2) adversely impact the economic stability of the
17 video gaming industry in Illinois; or

18 (3) negatively impact the purposes of the Video Gaming
19 Act.

20 The Board shall adopt rules concerning undue economic
21 concentration with respect to the operation of video gaming
22 terminals in Illinois. The rules shall include, but not be
23 limited to, (i) limitations on the number of video gaming
24 terminals operated by any terminal operator within a defined
25 geographic radius and (ii) guidelines on the discontinuation of
26 operation of any such video gaming terminals the Board

1 determines will cause undue economic concentration.

2 (j) The provisions of the Illinois Antitrust Act are fully
3 and equally applicable to the activities of any licensee under
4 this Act.

5 (Source: P.A. 97-333, eff. 8-12-11; 98-31, eff. 6-24-13; 98-77,
6 eff. 7-15-13; 98-112, eff. 7-26-13; 98-756, eff. 7-16-14.)

7 (230 ILCS 40/30)

8 Sec. 30. Multiple types of licenses prohibited. A video
9 gaming terminal manufacturer may not be licensed as a video
10 gaming terminal operator or own, manage, or control a licensed
11 establishment, licensed truck stop establishment, licensed
12 fraternal establishment, organization licensee location,
13 inter-track wagering location licensee location, or licensed
14 veterans establishment, and shall be licensed to sell only to
15 persons having a valid distributor's license or, if the
16 manufacturer also holds a valid distributor's license, to sell,
17 distribute, lease, or market to persons having a valid terminal
18 operator's license. A video gaming terminal distributor may not
19 be licensed as a video gaming terminal operator or own, manage,
20 or control a licensed establishment, licensed truck stop
21 establishment, licensed fraternal establishment, or licensed
22 veterans establishment, and shall only contract with a licensed
23 terminal operator. A video gaming terminal operator may not be
24 licensed as a video gaming terminal manufacturer or distributor
25 or own, manage, or control a licensed establishment, licensed

1 truck stop establishment, licensed fraternal establishment, or
2 licensed veterans establishment, and shall be licensed only to
3 contract with licensed distributors and licensed
4 establishments, licensed truck stop establishments, licensed
5 fraternal establishments, and licensed veterans
6 establishments. An owner or manager of a licensed
7 establishment, licensed truck stop establishment, licensed
8 fraternal establishment, or licensed veterans establishment
9 may not be licensed as a video gaming terminal manufacturer,
10 distributor, or operator, and shall only contract with a
11 licensed operator to place and service this equipment.

12 (Source: P.A. 96-34, eff. 7-13-09; 96-1410, eff. 7-30-10.)

13 (230 ILCS 40/35)

14 Sec. 35. Display of license; confiscation; violation as
15 felony.

16 (a) Each video gaming terminal shall be licensed by the
17 Board before placement or operation on the premises of a
18 licensed establishment, licensed truck stop establishment,
19 licensed fraternal establishment, organization licensee
20 location, inter-track wagering location licensee location, or
21 licensed veterans establishment. The license of each video
22 gaming terminal shall be maintained at the location where the
23 video gaming terminal is operated. Failure to do so is a petty
24 offense with a fine not to exceed \$100. Any licensed
25 establishment, licensed truck stop establishment, licensed

1 fraternal establishment, organization licensee location,
2 inter-track wagering location licensee location, or licensed
3 veterans establishment used for the conduct of gambling games
4 in violation of this Act shall be considered a gambling place
5 in violation of Section 28-3 of the Criminal Code of 2012.
6 Every gambling device found in a licensed establishment,
7 licensed truck stop establishment, licensed fraternal
8 establishment, organization licensee location, inter-track
9 wagering location licensee location, or licensed veterans
10 establishment operating gambling games in violation of this Act
11 shall be subject to seizure, confiscation, and destruction as
12 provided in Section 28-5 of the Criminal Code of 2012. Any
13 license issued under the Liquor Control Act of 1934 to any
14 owner or operator of a licensed establishment, licensed truck
15 stop establishment, licensed fraternal establishment,
16 organization licensee location, inter-track wagering location
17 licensee location, or licensed veterans establishment that
18 operates or permits the operation of a video gaming terminal
19 within its establishment in violation of this Act shall be
20 immediately revoked. No person may own, operate, have in his or
21 her possession or custody or under his or her control, or
22 permit to be kept in any place under his or her possession or
23 control, any device that awards credits and contains a circuit,
24 meter, or switch capable of removing and recording the removal
25 of credits when the award of credits is dependent upon chance.

26 Nothing in this Section shall be deemed to prohibit the use

1 of a game device only if the game device is used in an activity
2 that is not gambling under subsection (b) of Section 28-1 of
3 the Criminal Code of 2012.

4 A violation of this Section is a Class 4 felony. All
5 devices that are owned, operated, or possessed in violation of
6 this Section are hereby declared to be public nuisances and
7 shall be subject to seizure, confiscation, and destruction as
8 provided in Section 28-5 of the Criminal Code of 2012.

9 The provisions of this Section do not apply to devices or
10 electronic video game terminals licensed pursuant to this Act.
11 A video gaming terminal operated for amusement only and bearing
12 a valid amusement tax sticker shall not be subject to this
13 Section until 30 days after the Board establishes that the
14 central communications system is functional.

15 (b) (1) The odds of winning each video game shall be posted
16 on or near each video gaming terminal. The manner in which the
17 odds are calculated and how they are posted shall be determined
18 by the Board by rule.

19 (2) No video gaming terminal licensed under this Act may be
20 played except during the legal hours of operation allowed for
21 the consumption of alcoholic beverages at the licensed
22 establishment, licensed fraternal establishment, or licensed
23 veterans establishment. No video gaming terminal licensed
24 under this Act at a location operated by an organization
25 licensee or inter-track wagering location licensee may be
26 played except during the legal hours of operation allowed in

1 the Illinois Horse Racing Act of 1975. A licensed
2 establishment, licensed fraternal establishment, organization
3 licensee, inter-track wagering location licensee, or licensed
4 veterans establishment that violates this subsection is
5 subject to termination of its license by the Board.

6 (Source: P.A. 97-1150, eff. 1-25-13; 98-111, eff. 1-1-14.)

7 (230 ILCS 40/45)

8 Sec. 45. Issuance of license.

9 (a) The burden is upon each applicant to demonstrate his
10 suitability for licensure. Each video gaming terminal
11 manufacturer, distributor, supplier, operator, handler,
12 licensed establishment, licensed truck stop establishment,
13 licensed fraternal establishment, organization licensee,
14 inter-track wagering location licensee, and licensed veterans
15 establishment shall be licensed by the Board. The Board may
16 issue or deny a license under this Act to any person pursuant
17 to the same criteria set forth in Section 9 of the Riverboat
18 Gambling Act.

19 (a-5) The Board shall not grant a license to a person who
20 has facilitated, enabled, or participated in the use of
21 coin-operated devices for gambling purposes or who is under the
22 significant influence or control of such a person. For the
23 purposes of this Act, "facilitated, enabled, or participated in
24 the use of coin-operated amusement devices for gambling
25 purposes" means that the person has been convicted of any

1 violation of Article 28 of the Criminal Code of 1961 or the
2 Criminal Code of 2012. If there is pending legal action against
3 a person for any such violation, then the Board shall delay the
4 licensure of that person until the legal action is resolved.

5 (b) Each person seeking and possessing a license as a video
6 gaming terminal manufacturer, distributor, supplier, operator,
7 handler, licensed establishment, licensed truck stop
8 establishment, licensed fraternal establishment, organization
9 licensee, inter-track wagering location licensee, or licensed
10 veterans establishment shall submit to a background
11 investigation conducted by the Board with the assistance of the
12 State Police or other law enforcement. To the extent that the
13 corporate structure of the applicant allows, the background
14 investigation shall include any or all of the following as the
15 Board deems appropriate or as provided by rule for each
16 category of licensure: (i) each beneficiary of a trust, (ii)
17 each partner of a partnership, (iii) each member of a limited
18 liability company, (iv) each director and officer of a publicly
19 or non-publicly held corporation, (v) each stockholder of a
20 non-publicly held corporation, (vi) each stockholder of 5% or
21 more of a publicly held corporation, or (vii) each stockholder
22 of 5% or more in a parent or subsidiary corporation.

23 (c) Each person seeking and possessing a license as a video
24 gaming terminal manufacturer, distributor, supplier, operator,
25 handler, licensed establishment, licensed truck stop
26 establishment, licensed fraternal establishment, organization

1 licensee, inter-track wagering location licensee, or licensed
2 veterans establishment shall disclose the identity of every
3 person, association, trust, corporation, or limited liability
4 company having a greater than 1% direct or indirect pecuniary
5 interest in the video gaming terminal operation for which the
6 license is sought. If the disclosed entity is a trust, the
7 application shall disclose the names and addresses of the
8 beneficiaries; if a corporation, the names and addresses of all
9 stockholders and directors; if a limited liability company, the
10 names and addresses of all members; or if a partnership, the
11 names and addresses of all partners, both general and limited.

12 (d) No person may be licensed as a video gaming terminal
13 manufacturer, distributor, supplier, operator, handler,
14 licensed establishment, licensed truck stop establishment,
15 licensed fraternal establishment, organization licensee,
16 inter-track wagering location licensee, or licensed veterans
17 establishment if that person has been found by the Board to:

18 (1) have a background, including a criminal record,
19 reputation, habits, social or business associations, or
20 prior activities that pose a threat to the public interests
21 of the State or to the security and integrity of video
22 gaming;

23 (2) create or enhance the dangers of unsuitable,
24 unfair, or illegal practices, methods, and activities in
25 the conduct of video gaming; or

26 (3) present questionable business practices and

1 financial arrangements incidental to the conduct of video
2 gaming activities.

3 (e) Any applicant for any license under this Act has the
4 burden of proving his or her qualifications to the satisfaction
5 of the Board. The Board may adopt rules to establish additional
6 qualifications and requirements to preserve the integrity and
7 security of video gaming in this State.

8 (f) A non-refundable application fee shall be paid at the
9 time an application for a license is filed with the Board in
10 the following amounts:

- 11 (1) Manufacturer \$5,000
- 12 (2) Distributor..... \$5,000
- 13 (3) Terminal operator..... \$5,000
- 14 (4) Supplier \$2,500
- 15 (5) Technician \$100
- 16 (6) Terminal Handler \$50

17 (g) The Board shall establish an annual fee for each
18 license not to exceed the following:

- 19 (1) Manufacturer \$10,000
- 20 (2) Distributor..... \$10,000
- 21 (3) Terminal operator..... \$5,000
- 22 (4) Supplier \$2,000
- 23 (5) Technician \$100
- 24 (6) Licensed establishment, licensed truck stop

25 establishment, licensed fraternal establishment,
26 organization licensee, inter-track wagering location

1 licensee, or licensed veterans establishment \$100
2 (7) Video gaming terminal..... \$100
3 (8) Terminal Handler \$50
4 (h) A terminal operator and a licensed establishment,
5 licensed truck stop establishment, licensed fraternal
6 establishment, organization licensee, inter-track wagering
7 location licensee, or licensed veterans establishment shall
8 equally split the fees specified in item (7) of subsection (g).
9 (Source: P.A. 97-1150, eff. 1-25-13; 98-31, eff. 6-24-13;
10 98-587, eff. 8-27-13; 98-756, eff. 7-16-14.)

11 (230 ILCS 40/55)

12 Sec. 55. Precondition for licensed location. In all cases
13 of application for a licensed location, to operate a video
14 gaming terminal, each licensed establishment, licensed
15 fraternal establishment, or licensed veterans establishment
16 shall possess a valid liquor license issued by the Illinois
17 Liquor Control Commission in effect at the time of application
18 and at all times thereafter during which a video gaming
19 terminal is made available to the public for play at that
20 location. Video gaming terminals in a licensed location shall
21 be operated only during the same hours of operation generally
22 permitted to holders of a license under the Liquor Control Act
23 of 1934 within the unit of local government in which they are
24 located. Organization licensees and inter-track wagering
25 location licensees may operate video gaming terminals if they

1 hold an organization license or inter-track wagering location
2 license issued by the Illinois Racing Board. A licensed truck
3 stop establishment that does not hold a liquor license may
4 operate video gaming terminals on a continuous basis. A
5 licensed fraternal establishment or licensed veterans
6 establishment that does not hold a liquor license may operate
7 video gaming terminals if (i) the establishment is located in a
8 county with a population between 6,500 and 7,000, based on the
9 2000 U.S. Census, (ii) the county prohibits by ordinance the
10 sale of alcohol, and (iii) the establishment is in a portion of
11 the county where the sale of alcohol is prohibited. A licensed
12 fraternal establishment or licensed veterans establishment
13 that does not hold a liquor license may operate video gaming
14 terminals if (i) the establishment is located in a municipality
15 within a county with a population between 8,500 and 9,000 based
16 on the 2000 U.S. Census and (ii) the municipality or county
17 prohibits or limits the sale of alcohol by ordinance in a way
18 that prohibits the establishment from selling alcohol.

19 (Source: P.A. 96-34, eff. 7-13-09; 96-1410, eff. 7-30-10;
20 97-594, eff. 8-26-11.)

21 (230 ILCS 40/58)

22 Sec. 58. Location of terminals. Video gaming terminals
23 must be located in an area restricted to persons over 21 years
24 of age the entrance to which is within the view of at least one
25 employee, who is over 21 years of age, of the establishment in

1 which they are located. The placement of video gaming terminals
2 in licensed establishments, licensed truck stop
3 establishments, licensed fraternal establishments,
4 organization licensee locations, inter-track wagering location
5 licensee locations, and licensed veterans establishments shall
6 be subject to the rules promulgated by the Board pursuant to
7 the Illinois Administrative Procedure Act.

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

9 (230 ILCS 40/60)

10 Sec. 60. Imposition and distribution of tax.

11 (a) A tax of 30% is imposed on net terminal income and
12 shall be collected by the Board.

13 (b) Of the tax collected under this Section, five-sixths
14 shall be deposited into the Capital Projects Fund and one-sixth
15 shall be deposited into the Local Government Video Gaming
16 Distributive Fund.

17 (c) Revenues generated from the play of video gaming
18 terminals shall be deposited by the terminal operator, who is
19 responsible for tax payments, in a specially created, separate
20 bank account maintained by the video gaming terminal operator
21 to allow for electronic fund transfers of moneys for tax
22 payment.

23 (d) Each licensed establishment, licensed truck stop
24 establishment, licensed fraternal establishment, organization
25 licensee, inter-track wagering location licensee, and licensed

1 veterans establishment shall maintain an adequate video gaming
2 fund, with the amount to be determined by the Board.

3 (e) The State's percentage of net terminal income shall be
4 reported and remitted to the Board within 15 days after the
5 15th day of each month and within 15 days after the end of each
6 month by the video terminal operator. A video terminal operator
7 who falsely reports or fails to report the amount due required
8 by this Section is guilty of a Class 4 felony and is subject to
9 termination of his or her license by the Board. Each video
10 terminal operator shall keep a record of net terminal income in
11 such form as the Board may require. All payments not remitted
12 when due shall be paid together with a penalty assessment on
13 the unpaid balance at a rate of 1.5% per month.

14 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09.)

15 Section 10. The Criminal Code of 2012 is amended by
16 changing Section 28-1 as follows:

17 (720 ILCS 5/28-1) (from Ch. 38, par. 28-1)

18 Sec. 28-1. Gambling.

19 (a) A person commits gambling when he or she:

20 (1) knowingly plays a game of chance or skill for money
21 or other thing of value, unless excepted in subsection (b)
22 of this Section;

23 (2) knowingly makes a wager upon the result of any
24 game, contest, or any political nomination, appointment or

1 election;

2 (3) knowingly operates, keeps, owns, uses, purchases,
3 exhibits, rents, sells, bargains for the sale or lease of,
4 manufactures or distributes any gambling device;

5 (4) contracts to have or give himself or herself or
6 another the option to buy or sell, or contracts to buy or
7 sell, at a future time, any grain or other commodity
8 whatsoever, or any stock or security of any company, where
9 it is at the time of making such contract intended by both
10 parties thereto that the contract to buy or sell, or the
11 option, whenever exercised, or the contract resulting
12 therefrom, shall be settled, not by the receipt or delivery
13 of such property, but by the payment only of differences in
14 prices thereof; however, the issuance, purchase, sale,
15 exercise, endorsement or guarantee, by or through a person
16 registered with the Secretary of State pursuant to Section
17 8 of the Illinois Securities Law of 1953, or by or through
18 a person exempt from such registration under said Section
19 8, of a put, call, or other option to buy or sell
20 securities which have been registered with the Secretary of
21 State or which are exempt from such registration under
22 Section 3 of the Illinois Securities Law of 1953 is not
23 gambling within the meaning of this paragraph (4);

24 (5) knowingly owns or possesses any book, instrument or
25 apparatus by means of which bets or wagers have been, or
26 are, recorded or registered, or knowingly possesses any

1 money which he has received in the course of a bet or
2 wager;

3 (6) knowingly sells pools upon the result of any game
4 or contest of skill or chance, political nomination,
5 appointment or election;

6 (7) knowingly sets up or promotes any lottery or sells,
7 offers to sell or transfers any ticket or share for any
8 lottery;

9 (8) knowingly sets up or promotes any policy game or
10 sells, offers to sell or knowingly possesses or transfers
11 any policy ticket, slip, record, document or other similar
12 device;

13 (9) knowingly drafts, prints or publishes any lottery
14 ticket or share, or any policy ticket, slip, record,
15 document or similar device, except for such activity
16 related to lotteries, bingo games and raffles authorized by
17 and conducted in accordance with the laws of Illinois or
18 any other state or foreign government;

19 (10) knowingly advertises any lottery or policy game,
20 except for such activity related to lotteries, bingo games
21 and raffles authorized by and conducted in accordance with
22 the laws of Illinois or any other state;

23 (11) knowingly transmits information as to wagers,
24 betting odds, or changes in betting odds by telephone,
25 telegraph, radio, semaphore or similar means; or knowingly
26 installs or maintains equipment for the transmission or

1 receipt of such information; except that nothing in this
2 subdivision (11) prohibits transmission or receipt of such
3 information for use in news reporting of sporting events or
4 contests; or

5 (12) knowingly establishes, maintains, or operates an
6 Internet site that permits a person to play a game of
7 chance or skill for money or other thing of value by means
8 of the Internet or to make a wager upon the result of any
9 game, contest, political nomination, appointment, or
10 election by means of the Internet. This item (12) does not
11 apply to activities referenced in items (6) and (6.1) of
12 subsection (b) of this Section.

13 (b) Participants in any of the following activities shall
14 not be convicted of gambling:

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

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

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

25 (4) Manufacture of gambling devices, including the
26 acquisition of essential parts therefor and the assembly

1 thereof, for transportation in interstate or foreign
2 commerce to any place outside this State when such
3 transportation is not prohibited by any applicable Federal
4 law; or the manufacture, distribution, or possession of
5 video gaming terminals, as defined in the Video Gaming Act,
6 by manufacturers, distributors, and terminal operators
7 licensed to do so under the Video Gaming Act.

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

10 (6) Lotteries when conducted by the State of Illinois
11 in accordance with the Illinois Lottery Law. This exemption
12 includes any activity conducted by the Department of
13 Revenue to sell lottery tickets pursuant to the provisions
14 of the Illinois Lottery Law and its rules.

15 (6.1) The purchase of lottery tickets through the
16 Internet for a lottery conducted by the State of Illinois
17 under the program established in Section 7.12 of the
18 Illinois Lottery Law.

19 (7) Possession of an antique slot machine that is
20 neither used nor intended to be used in the operation or
21 promotion of any unlawful gambling activity or enterprise.
22 For the purpose of this subparagraph (b)(7), an antique
23 slot machine is one manufactured 25 years ago or earlier.

24 (8) Raffles and poker runs when conducted in accordance
25 with the Raffles and Poker Runs Act.

26 (9) Charitable games when conducted in accordance with

1 the Charitable Games Act.

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

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

6 (12) Video gaming terminal games at a licensed
7 establishment, licensed truck stop establishment, licensed
8 fraternal establishment, organization licensee location,
9 inter-track wagering location licensee location, or
10 licensed veterans establishment when conducted in
11 accordance with the Video Gaming Act.

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

15 (14) Savings promotion raffles authorized under
16 Section 5g of the Illinois Banking Act, Section 7008 of the
17 Savings Bank Act, Section 42.7 of the Illinois Credit Union
18 Act, Section 5136B of the National Bank Act (12 U.S.C.
19 25a), or Section 4 of the Home Owners' Loan Act (12 U.S.C.
20 1463).

21 (c) Sentence.

22 Gambling is a Class A misdemeanor. A second or subsequent
23 conviction under subsections (a) (3) through (a) (12), is a Class
24 4 felony.

25 (d) Circumstantial evidence.

26 In prosecutions under this Section circumstantial evidence

1 shall have the same validity and weight as in any criminal
2 prosecution.

3 (Source: P.A. 98-644, eff. 6-10-14; 99-149, eff. 1-1-16.)".