

1 AN ACT in relation to gambling.

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

4 Section 5. The Riverboat Gambling Act is amended by
5 changing Section 5 as follows:

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

7 Sec. 5. Gaming Board.

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

18 (2) The Board shall consist of 7 5 members to be
19 appointed by the Governor with the advice and consent of the
20 Senate, one of whom shall be designated by the Governor to be
21 chairman. Each member shall have a reasonable knowledge of
22 the practice, procedure and principles of gambling
23 operations. Each member shall either be a resident of
24 Illinois or shall certify that he will become a resident of
25 Illinois before taking office. At least one member shall be
26 experienced in law enforcement and criminal investigation, at
27 least one member shall be a certified public accountant
28 experienced in accounting and auditing, and at least one
29 member shall be a lawyer licensed to practice law in
30 Illinois, and at least one member shall be a person verified
31 by the National Counsel on Problem Gambling or by its State

1 affiliate, the Illinois Counsel on Problem and Compulsive
2 Gambling, as either a person who has been in a recovery or
3 treatment program for compulsive gambling for at least 10
4 years or an individual with specialized knowledge or
5 experience in the field of pathological gambling.

6 (3) The terms of office of the Board members shall be 3
7 years, except that the terms of office of the initial Board
8 members appointed pursuant to this Act will commence from the
9 effective date of this Act and run as follows: one for a
10 term ending July 1, 1991, 2 for a term ending July 1, 1992,
11 and 2 for a term ending July 1, 1993. The terms of office of
12 the initial Board members appointed under this amendatory Act
13 of the 92nd General Assembly will commence from the effective
14 date of this amendatory Act and run until July 1, 2004. Upon
15 the expiration of the foregoing terms, the successors of such
16 members shall serve a term for 3 years and until their
17 successors are appointed and qualified for like terms.
18 Vacancies in the Board shall be filled for the unexpired term
19 in like manner as original appointments. Each member of the
20 Board shall be eligible for reappointment at the discretion
21 of the Governor with the advice and consent of the Senate.

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

27 (5) No person shall be appointed a member of the Board
28 or continue to be a member of the Board who is, or whose
29 spouse, child or parent is, a member of the board of
30 directors of, or a person financially interested in, any
31 gambling operation subject to the jurisdiction of this Board,
32 or any race track, race meeting, racing association or the
33 operations thereof subject to the jurisdiction of the
34 Illinois Racing Board. No Board member shall hold any other

1 public office for which he shall receive compensation other
2 than necessary travel or other incidental expenses. No
3 person shall be a member of the Board who is not of good
4 moral character or who has been convicted of, or is under
5 indictment for, a felony under the laws of Illinois or any
6 other state, or the United States.

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

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

29 (8) Upon the request of the Board, the Department shall
30 employ such personnel as may be necessary to carry out the
31 functions of the Board. No person shall be employed to serve
32 the Board who is, or whose spouse, parent or child is, an
33 official of, or has a financial interest in or financial
34 relation with, any operator engaged in gambling operations

1 within this State or any organization engaged in conducting
2 horse racing within this State. Any employee violating these
3 prohibitions shall be subject to termination of employment.

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

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

18 (1) To decide promptly and in reasonable order all
19 license applications. Any party aggrieved by an action of
20 the Board denying, suspending, revoking, restricting or
21 refusing to renew a license may request a hearing before
22 the Board. A request for a hearing must be made to the
23 Board in writing within 5 days after service of notice of
24 the action of the Board. Notice of the action of the
25 Board shall be served either by personal delivery or by
26 certified mail, postage prepaid, to the aggrieved party.
27 Notice served by certified mail shall be deemed complete
28 on the business day following the date of such mailing.
29 The Board shall conduct all requested hearings promptly
30 and in reasonable order;

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

34 (3) To promulgate such rules and regulations as in

1 its judgment may be necessary to protect or enhance the
2 credibility and integrity of gambling operations
3 authorized by this Act and the regulatory process
4 hereunder;

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

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

16 (6) To be present through its inspectors and agents
17 any time gambling operations are conducted on any
18 riverboat for the purpose of certifying the revenue
19 thereof, receiving complaints from the public, and
20 conducting such other investigations into the conduct of
21 the gambling games and the maintenance of the equipment
22 as from time to time the Board may deem necessary and
23 proper;

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

34 (8) To hold at least one meeting each quarter of

1 the fiscal year. In addition, special meetings may be
2 called by the Chairman or any 2 Board members upon 72
3 hours written notice to each member. All Board meetings
4 shall be subject to the Open Meetings Act. Three members
5 of the Board shall constitute a quorum, and 3 votes shall
6 be required for any final determination by the Board.
7 The Board shall keep a complete and accurate record of
8 all its meetings. A majority of the members of the Board
9 shall constitute a quorum for the transaction of any
10 business, for the performance of any duty, or for the
11 exercise of any power which this Act requires the Board
12 members to transact, perform or exercise en banc, except
13 that, upon order of the Board, one of the Board members
14 or an administrative law judge designated by the Board
15 may conduct any hearing provided for under this Act or by
16 Board rule and may recommend findings and decisions to
17 the Board. The Board member or administrative law judge
18 conducting such hearing shall have all powers and rights
19 granted to the Board in this Act. The record made at the
20 time of the hearing shall be reviewed by the Board, or a
21 majority thereof, and the findings and decision of the
22 majority of the Board shall constitute the order of the
23 Board in such case;

24 (9) To maintain records which are separate and
25 distinct from the records of any other State board or
26 commission. Such records shall be available for public
27 inspection and shall accurately reflect all Board
28 proceedings;

29 (10) To file a written annual report with the
30 Governor on or before March 1 each year and such
31 additional reports as the Governor may request. The
32 annual report shall include a statement of receipts and
33 disbursements by the Board, actions taken by the Board,
34 and any additional information and recommendations which

1 the Board may deem valuable or which the Governor may
2 request;

3 (11) (Blank); and

4 (12) To assume responsibility for the
5 administration and enforcement of the Bingo License and
6 Tax Act, the Charitable Games Act, and the Pull Tabs and
7 Jar Games Act if such responsibility is delegated to it
8 by the Director of Revenue.

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,
13 but not limited to, the following:

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

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

22 (3) To promulgate rules and regulations for the
23 purpose of administering the provisions of this Act and
24 to prescribe rules, regulations and conditions under
25 which all riverboat gambling in the State shall be
26 conducted. Such rules and regulations are to provide for
27 the prevention of practices detrimental to the public
28 interest and for the best interests of riverboat
29 gambling, including rules and regulations regarding the
30 inspection of such riverboats and the review of any
31 permits or licenses necessary to operate a riverboat
32 under any laws or regulations applicable to riverboats,
33 and to impose penalties for violations thereof.

34 (4) To enter the office, riverboats, facilities, or

1 other places of business of a licensee, where evidence of
2 the compliance or noncompliance with the provisions of
3 this Act is likely to be found.

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

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

13 (7) To adopt appropriate standards for all
14 riverboats and facilities.

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

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

1 Board rules.

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

6 (11) To revoke or suspend licenses, as the Board
7 may see fit and in compliance with applicable laws of the
8 State regarding administrative procedures, and to review
9 applications for the renewal of licenses. The Board may
10 suspend an owners license, without notice or hearing upon
11 a determination that the safety or health of patrons or
12 employees is jeopardized by continuing a riverboat's
13 operation. The suspension may remain in effect until the
14 Board determines that the cause for suspension has been
15 abated. The Board may revoke the owners license upon a
16 determination that the owner has not made satisfactory
17 progress toward abating the hazard.

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

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

34 (14) (Blank).

1 (15) To suspend, revoke or restrict licenses, to
2 require the removal of a licensee or an employee of a
3 licensee for a violation of this Act or a Board rule or
4 for engaging in a fraudulent practice, and to impose
5 civil penalties of up to \$5,000 against individuals and
6 up to \$10,000 or an amount equal to the daily gross
7 receipts, whichever is larger, against licensees for each
8 violation of any provision of the Act, any rules adopted
9 by the Board, any order of the Board or any other action
10 which, in the Board's discretion, is a detriment or
11 impediment to riverboat gambling operations.

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

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

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

33 (19) After consultation with the U.S. Army Corps of
34 Engineers, to establish binding emergency orders upon the

1 concurrence of a majority of the members of the Board
2 regarding the navigability of water, relative to
3 excursions, in the event of extreme weather conditions,
4 acts of God or other extreme circumstances.

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

9 (21) To take any other action as may be reasonable
10 or appropriate to enforce this Act and rules and
11 regulations hereunder.

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

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

26 (Source: P.A. 91-40, eff. 1-1-00; 91-239, eff. 1-1-00;
27 91-883, eff. 1-1-01.)