AN ACT concerning State government.

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

Section 5. The Civil Administrative Code of Illinois is amended by changing Sections 5-20 and 5-175 as follows:

(20 ILCS 5/5-20) (was 20 ILCS 5/4)

Sec. 5-20. Heads of departments. Each department shall have an officer as its head who shall be known as director or secretary and who shall, subject to the provisions of the Civil Administrative Code of Illinois, execute the powers and discharge the duties vested by law in his or her respective department.

The following officers are hereby created:

Director of Aging, for the Department on Aging.

Director of Agriculture, for the Department of Agriculture.

Director of Central Management Services, for the Department of Central Management Services.

Director of Children and Family Services, for the Department of Children and Family Services.

Director of Commerce and Economic Opportunity, for the Department of Commerce and Economic Opportunity.

Director of Corrections, for the Department of

Corrections.

Director of the Illinois Emergency Management Agency, for the Illinois Emergency Management Agency.

Director of Employment Security, for the Department of Employment Security.

Secretary of Financial and Professional Regulation, for the Department of Financial and Professional Regulation.

Director of Healthcare and Family Services, for the Department of Healthcare and Family Services.

Director of Human Rights, for the Department of Human Rights.

Secretary of Human Services, for the Department of Human Services.

Director of the Illinois Power Agency, for the Illinois Power Agency.

Director of Juvenile Justice, for the Department of Juvenile Justice.

Director of Labor, for the Department of Labor.

Director of the Lottery, for the Department of the Lottery.

Director of Natural Resources, for the Department of Natural Resources.

Director of Public Health, for the Department of Public Health.

Director of Revenue, for the Department of Revenue.

Director of State Police, for the Department of State Police.

Secretary of Transportation, for the Department of Transportation.

Director of Veterans' Affairs, for the Department of Veterans' Affairs.

(Source: P.A. 95-331, eff. 8-21-07; 95-481, eff. 8-28-07; 95-777, eff. 8-4-08; 96-328, eff. 8-11-09.)

(20 ILCS 5/5-175) (was 20 ILCS 5/5.12)

Sec. 5-175. In the Department of Revenue. Assistant Director of Revenue; and State Lottery Superintendent.

(Source: P.A. 91-239, eff. 1-1-00.)

Section 10. The Illinois Lottery Law is amended by changing Sections 3, 4, 5, 6, 7.1, 7.6, 7.11, 7.12, 9, 9.1, 10, 10.1, 10.1a, 10.2, 10.6, 10.7, 10.8, 12, 13, 14, 14.3, 19, 20.1, 21, 21.5, 21.6, 21.7, 21.8, 26, and 27 and by adding Section 29 as follows:

(20 ILCS 1605/3) (from Ch. 120, par. 1153)

Sec. 3. For the purposes of this Act:

- a. "Lottery" or "State Lottery" means the lottery or lotteries established and operated pursuant to this Act.
- b. "Board" means the Lottery Control Board created by this Act.
- c. "Department" means the Department of $\underline{\text{the Lottery}}$

- d. (Blank). "Director" means the Director of Revenue.
- e. "Chairman" means the Chairman of the Lottery Control Board.
- f. "Multi-state game directors" means such persons, including the Superintendent, as may be designated by an agreement between the <u>Department Division</u> and one or more additional lotteries operated under the laws of another state or states.
- g. (Blank). "Division" means the Division of the State
 Lottery of the Department of Revenue.
- h. "Superintendent" means the Superintendent of the Department Division of the State Lottery of the Department of Revenue.
- i. "Management agreement" means an agreement or contract between the Department on behalf of the State with a private manager, as an independent contractor, whereby the private manager provides management services to the Lottery in exchange for compensation that may consist of, among other things, a fee for services and a performance-based bonus of no more than 5% of Lottery profits so long as the Department continues to exercise actual control over all significant business decisions made by the private manager as set forth in Section 9.1.
- j. "Person" means any individual, firm, association, joint venture, partnership, estate, trust, syndicate, fiduciary, corporation, or other legal entity, group, or combination.

- k. "Private manager" means a person that provides management services to the Lottery on behalf of the Department under a management agreement.
- 1. "Profits" means total revenues accruing from the sale of lottery tickets or shares and related proceeds minus (1) the payment of prizes and retailer bonuses and (2) the payment of costs incurred in the operation and administration of the lottery, excluding costs of services directly rendered by a private manager.

m. "Chief Procurement Officer" means the Chief Procurement
Officer provided for under paragraph (4) of subsection (a) of
Section 10-20 of the Illinois Procurement Code.

(Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-840, eff. 12-23-09.)

(20 ILCS 1605/4) (from Ch. 120, par. 1154)

Sec. 4. The Department of the Lottery is established to implement and regulate the State Lottery in the manner provided in this Act.

In accordance with Executive Order No. 9 (2003), the Division of the State Lottery is established within the Department of Revenue. Unless otherwise provided by law, the Division of the State Lottery shall be subject to and governed by all of the laws and rules applicable to the Department.

(Source: P.A. 94-776, eff. 5-19-06.)

(20 ILCS 1605/5) (from Ch. 120, par. 1155)

Sec. 5. (a) The <u>Department Division</u> shall be under the supervision and direction of a Superintendent, who shall be a person qualified by training and experience to perform the duties required by this Act. The Superintendent shall be appointed by the Governor, by and with the advice and consent of the Senate. The term of office of the Superintendent shall expire on the third Monday of January in odd numbered years provided that he or she shall hold office until a successor is appointed and qualified. The annual salary of the Superintendent is \$142,000.

Any vacancy occurring in the office of the Superintendent shall be filled in the same manner as the original appointment. In case of a vacancy during the recess of the Senate, the Governor shall make a temporary appointment until the next meeting of the Senate, when the Governor shall nominate some person to fill the office, and any person so nominated who is confirmed by the Senate shall hold office during the remainder of the term and until his or her successor is appointed and qualified.

During the absence or inability to act of the Superintendent, or in the case of a vacancy in the office of Superintendent until a successor is appointed and qualified, the Governor may designate some person as Acting Superintendent of the Lottery to execute the powers and discharge the duties vested by law in that office. A person who is designated as an

Acting Superintendent shall not continue in office for more than 60 calendar days unless the Governor files a message with the Secretary of the Senate nominating that person to fill the office. After 60 calendar days, the office is considered vacant and shall be filled only under this Section. No person who has been appointed by the Governor to serve as Superintendent shall, except at the Senate's request, be designated again as an Acting Superintendent at the same session of that Senate, subject to the provisions of this Section. A person appointed as an Acting Superintendent is not required to meet the requirements of paragraph (1) of subsection (b) of this Section. In no case may the Governor designate a person to serve as Acting Superintendent if that person has prior to the effective date of this amendatory Act of the 97th General Assembly exercised any of the duties and functions of the office of Superintendent without having been nominated by the Governor to serve as Superintendent.

(b) The Superintendent shall devote his or her entire time and attention to the duties of the office and shall not be engaged in any other profession or occupation. The Superintendent shall receive such salary as shall be provided by law.

The Superintendent shall:

(1) be qualified by training and experience to direct a lottery, including, at a minimum, 5 years of senior executive-level experience in the successful advertising,

marketing, and selling of consumer products, 4 years of successful experience directing a lottery on behalf of a governmental entity, or 5 years of successful senior-level management experience at a lottery on behalf of a governmental entity;

- (2) have significant and meaningful management and regulatory experience; and
- (3) have a good reputation, particularly as a person of honesty, independence, and integrity.

The Superintendent shall not during his or her term of appointment: become a candidate for any elective office; hold any other elected or appointed public office; be actively involved in the affairs of any political party or political organization; advocate for the appointment of another person to an appointed or elected office or position; or actively participate in any campaign for any elective office. The Superintendent may be appointed to serve on a governmental advisory or board study commission or as otherwise expressly authorized by law.

(c) No person shall perform the duties and functions of the Superintendent, or otherwise exercise the authority of the Superintendent, unless the same shall have been appointed by the Governor pursuant to this Section.

(Source: P.A. 94-776, eff. 5-19-06.)

(20 ILCS 1605/6) (from Ch. 120, par. 1156)

Sec. 6. There is hereby created an independent board to be known as the Lottery Control Board, consisting of 5 members, all of whom shall be citizens of the United States and residents of this State and shall be appointed by the Governor with the advice and consent of the Senate. No more than 3 of the 5 members shall be members of the same political party. A chairman of the Board shall be chosen annually from the membership of the Board by a majority of the members of the Board at the first meeting of the Board each fiscal year.

Initial members shall be appointed to the Board by the Governor as follows: one member to serve until July 1, 1974, and until his successor is appointed and qualified; 2 members to serve until July 1, 1975, and until their successors are appointed and qualified; 2 members to serve until July 1, 1976, and until their successors are appointed and qualified. As terms of members so appointed expire, their successors shall be appointed for terms to expire the first day in July 3 years thereafter, and until their successors are appointed and qualified.

Any vacancy in the Board occurring for any reason other than expiration of term, shall be filled for the unexpired term in the same manner as the original appointment.

Any member of the Board may be removed by the Governor for neglect of duty, misfeasance, malfeasance, or nonfeasance in office.

Board members shall receive as compensation for their

services \$100 for each day they are in attendance at any official board meeting, but in no event shall members receive more than \$1,200 per year. They shall receive no other compensation for their services, but shall be reimbursed for necessary traveling and other reasonable expenses incurred in the performance of their official duties. Each member shall make a full financial disclosure upon appointment.

The Board shall hold at least one meeting each quarter of the fiscal year. In addition, special meetings may be called by the Chairman, any 2 Board members, or the <u>Superintendent Director</u> of the Department, upon delivery of 72 hours' written notice to the office of each member. All Board meetings shall be open to the public pursuant to the Open Meetings Act.

Three members of the Board shall constitute a quorum, and 3 votes shall be required for any final determination by the Board. The Board shall keep a complete and accurate record of all its meetings.

(Source: P.A. 84-1128.)

(20 ILCS 1605/7.1) (from Ch. 120, par. 1157.1)

Sec. 7.1. The Department shall promulgate such rules and regulations governing the establishment and operation of a State lottery as it deems necessary to carry out the purposes of this Act. Such rules and regulations shall be subject to the provisions of The Illinois Administrative Procedure Act. The Department Division shall issue written game rules, play

instructions, directives, operations manuals, brochures, or any other publications necessary to conduct specific games, as authorized by rule by the Department. Any written game rules, play instructions, directives, operations manuals, brochures, or other game publications issued by the Department Division that relate to a specific lottery game shall be maintained as a public record in the Department's Division's principal office, and made available for public inspection and copying but shall be exempt from the rulemaking procedures of the Illinois Administrative Procedure Act. However, when such written materials contain any policy of general applicability, the Department Division shall formulate and adopt such policy as a rule in accordance with the provisions of the Illinois Administrative Procedure Act. In addition, the Department Division shall publish each January in the Illinois Register a all game-specific rules, play instructions, directives, operations manuals, brochures, or other game-specific publications issued by the Department Division during the previous year and instructions concerning how the public may obtain copies of these materials from the Department Division.

(Source: P.A. 94-776, eff. 5-19-06.)

(20 ILCS 1605/7.6) (from Ch. 120, par. 1157.6)

Sec. 7.6. The Board shall advise and make recommendations to the Superintendent or the Director regarding the functions

and operations of the State Lottery. A copy of all such recommendations shall also be forwarded to the Governor, the Attorney General, the Speaker of the House, the President of the Senate and the minority leaders of both houses.

(Source: P.A. 94-776, eff. 5-19-06.)

(20 ILCS 1605/7.11) (from Ch. 120, par. 1157.11)

Sec. 7.11. The <u>Department</u> Division may establish and collect nominal charges for promotional products ("premiums") and other promotional materials produced or acquired by the <u>Department Division</u> as part of its advertising and promotion activities. Such premiums or other promotional materials may be sold to individuals, government agencies and not-for-profit organizations, but not to for-profit enterprises for the purpose of resale. Other State agencies shall be charged no more than the cost to the <u>Department Division</u> of the premium or promotional material. All proceeds from the sale of premiums or promotional materials shall be deposited in the State Lottery Fund in the State Treasury.

(Source: P.A. 94-776, eff. 5-19-06.)

(20 ILCS 1605/7.12)

Sec. 7.12. Internet pilot program. The General Assembly finds that:

(1) the consumer market in Illinois has changed since the creation of the Illinois State Lottery in 1974;

- (2) the Internet has become an integral part of everyday life for a significant number of Illinois residents not only in regards to their professional life, but also in regards to personal business and communication; and
- (3) the current practices of selling lottery tickets does not appeal to the new form of market participants who prefer to make purchases on the internet at their own convenience.

It is the intent of the General Assembly to create an Internet pilot program for the sale of lottery tickets to capture this new form of market participant.

The Department shall create a pilot program that allows an individual 18 years of age or older to purchase lottery tickets or shares on the Internet without using a Lottery retailer with on-line status, as those terms are defined by rule. The Department shall restrict the sale of lottery tickets on the Internet to transactions initiated and received or otherwise made exclusively within the State of Illinois. The Department shall adopt rules necessary for the administration of this program. These rules shall include requirements for marketing of the Lottery to infrequent players. The provisions of this Act and the rules adopted under this Act shall apply to the sale of lottery tickets or shares under this program.

Before beginning the pilot program, the Department of the Lottery Revenue must submit a request to the United States

Department of Justice for review of the State's plan to implement a pilot program for the sale of lottery tickets on the Internet and its propriety under federal law. The Department shall implement the Internet pilot program only if the Department of Justice does not object to the implementation of the program within a reasonable period of time after its review.

The Department is obligated to implement the pilot program set forth in this Section and Sections 7.15 and 7.16 only at such time, and to such extent, that the Department of Justice does not object to the implementation of the program within a reasonable period of time after its review. While the Illinois Lottery may only offer Lotto and Mega Millions games through the pilot program, the Department shall request review from the federal Department of Justice for the Illinois Lottery to sell lottery tickets on the Internet on behalf of the State of Illinois that are not limited to just these games.

The Department shall authorize the private manager to implement and administer the program pursuant to the management agreement entered into under Section 9.1 and in a manner consistent with the provisions of this Section. If a private manager has not been selected pursuant to Section 9.1 at the time the Department is obligated to implement the pilot program, then the Department shall not proceed with the pilot program until after the selection of the private manager, at which time the Department shall authorize the private manager

to implement and administer the program pursuant to the management agreement entered into under Section 9.1 and in a manner consistent with the provisions of this Section.

The pilot program shall last for not less than 36 months, but not more than 48 months from the date of its initial operation.

Nothing in this Section shall be construed as prohibiting the Department from implementing and operating a website portal whereby individuals who are 18 years of age or older with an Illinois mailing address may apply to purchase lottery tickets via subscription.

(Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-840, eff. 12-23-09.)

(20 ILCS 1605/9) (from Ch. 120, par. 1159)

- Sec. 9. The Superintendent, as administrative head of the Department Division, shall direct and supervise all its administrative and technical activities and shall report to the Director. In addition to the duties imposed upon him elsewhere in this Act, it shall be the Superintendent's duty:
- a. To supervise and administer the operation of the lottery in accordance with the provisions of this Act or such rules and regulations of the Department adopted thereunder.
- b. To attend meetings of the Board or to appoint a designee to attend in his stead.
 - c. To employ and direct such personnel in accord with the

Personnel Code, as may be necessary to carry out the purposes of this Act. The Superintendent may, subject to the approval of the Director, use the services, personnel, or facilities of the Department. In addition, the Superintendent may by agreement secure such services as he or she may deem necessary from any other department, agency, or unit of the State government, and may employ and compensate such consultants and technical assistants as may be required and is otherwise permitted by law.

- d. To license, in accordance with the provisions of Sections 10 and 10.1 of this Act and the rules and regulations of the Department adopted thereunder, as agents to sell lottery tickets such persons as in his opinion will best serve the public convenience and promote the sale of tickets or shares. The Superintendent may require a bond from every licensed agent, in such amount as provided in the rules and regulations of the Department. Every licensed agent shall prominently display his license, or a copy thereof, as provided in the rules and regulations of the Department.
- e. To suspend or revoke any license issued pursuant to this Act or the rules and regulations promulgated by the Department thereunder.
- f. To confer regularly as necessary or desirable and not less than once every month with the Lottery Control Board on the operation and administration of the Lottery; to make available for inspection by the Board or any member of the

Board, upon request, all books, records, files, and other information and documents of his office; to advise the Board and recommend such rules and regulations and such other matters as he deems necessary and advisable to improve the operation and administration of the lottery.

- g. To enter into contracts for the operation of the lottery, or any part thereof, and into contracts for the promotion of the lottery on behalf of the Department with any person, firm or corporation, to perform any of the functions provided for in this Act or the rules and regulations promulgated thereunder. The Department shall not expend State funds on a contractual basis for such functions unless those functions and expenditures are expressly authorized by the General Assembly.
- h. To enter into an agreement or agreements with the management of state lotteries operated pursuant to the laws of other states for the purpose of creating and operating a multi-state lottery game wherein a separate and distinct prize pool would be combined to award larger prizes to the public than could be offered by the several state lotteries, individually. No tickets or shares offered in connection with a multi-state lottery game shall be sold within the State of Illinois, except those offered by and through the Department. No such agreement shall purport to pledge the full faith and credit of the State of Illinois, nor shall the Department expend State funds on a contractual basis in connection with

any such game unless such expenditures are expressly authorized by the General Assembly, provided, however, that in the event of error or omission by the Illinois State Lottery in the conduct of the game, as determined by the multi-state game directors, the Department shall be authorized to pay a prize winner or winners the lesser of a disputed prize or \$1,000,000, any such payment to be made solely from funds appropriated for game prize purposes. The Department shall be authorized to share in the ordinary operating expenses of any such multi-state lottery game, from funds appropriated by the General Assembly, and in the event the multi-state game control offices are physically located within the State of Illinois, the Department is authorized to advance start-up operating costs not to exceed \$150,000, subject to proportionate reimbursement of such costs by the other participating state lotteries. The Department shall be authorized to proportionately in the costs of establishing a liability reserve fund from funds appropriated by the General Assembly. The Department is authorized to transfer prize award funds attributable to Illinois sales of multi-state lottery game tickets to the multi-state control office, or its designated depository, for deposit to such game pool account or accounts as may be established by the multi-state game directors, the records of which account or accounts shall be available at all times for inspection in an audit by the Auditor General of Illinois and any other auditors pursuant to the laws of the

State of Illinois. No multi-state game prize awarded to a nonresident of Illinois, with respect to a ticket or share purchased in a state other than the State of Illinois, shall be deemed to be a prize awarded under this Act for the purpose of taxation under the Illinois Income Tax Act. The Department shall promulgate such rules as may be appropriate to implement the provisions of this Section.

- i. To make a continuous study and investigation of (1) the operation and the administration of similar laws which may be in effect in other states or countries, (2) any literature on the subject which from time to time may be published or available, (3) any Federal laws which may affect the operation of the lottery, and (4) the reaction of Illinois citizens to existing and potential features of the lottery with a view to recommending or effecting changes that will tend to serve the purposes of this Act.
- j. To report monthly to the State Treasurer and the Lottery Control Board a full and complete statement of lottery revenues, prize disbursements and other expenses for each month and the amounts to be transferred to the Common School Fund pursuant to Section 7.2 or such other funds as are otherwise authorized by Section 21.2 of this Act, and to make an annual report, which shall include a full and complete statement of lottery revenues, prize disbursements and other expenses, to the Governor and the Board. All reports required by this subsection shall be public and copies of all such reports shall

be sent to the Speaker of the House, the President of the Senate, and the minority leaders of both houses.

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

(20 ILCS 1605/9.1)

Sec. 9.1. Private manager and management agreement.

(a) As used in this Section:

"Offeror" means a person or group of persons that responds to a request for qualifications under this Section.

"Request for qualifications" means all materials and documents prepared by the Department to solicit the following from offerors:

- (1) Statements of qualifications.
- (2) Proposals to enter into a management agreement, including the identity of any prospective vendor or vendors that the offeror intends to initially engage to assist the offeror in performing its obligations under the management agreement.

"Final offer" means the last proposal submitted by an offeror in response to the request for qualifications, including the identity of any prospective vendor or vendors that the offeror intends to initially engage to assist the offeror in performing its obligations under the management agreement.

"Final offeror" means the offeror ultimately selected by the Governor to be the private manager for the Lottery under

subsection (h) of this Section.

- (b) By September 15, 2010, the Governor shall select a private manager for the total management of the Lottery with integrated functions, such as lottery game design, supply of goods and services, and advertising and as specified in this Section.
- (c) Pursuant to the terms of this subsection, the Department shall endeavor to expeditiously terminate the existing contracts in support of the Lottery in effect on the effective date of this amendatory Act of the 96th General Assembly in connection with the selection of the private manager. As part of its obligation to terminate these contracts and select the private manager, the Department shall establish a mutually agreeable timetable to transfer the functions of existing contractors to the private manager so that existing Lottery operations are not materially diminished or impaired during the transition. To that end, the Department shall do the following:
 - (1) where such contracts contain a provision authorizing termination upon notice, the Department shall provide notice of termination to occur upon the mutually agreed timetable for transfer of functions;
 - (2) upon the expiration of any initial term or renewal term of the current Lottery contracts, the Department shall not renew such contract for a term extending beyond the mutually agreed timetable for transfer of functions; or

(3) in the event any current contract provides for termination of that contract upon the implementation of a contract with the private manager, the Department shall perform all necessary actions to terminate the contract on the date that coincides with the mutually agreed timetable for transfer of functions.

If the contracts to support the current operation of the Lottery in effect on the effective date of this amendatory Act of the 96th General Assembly are not subject to termination as provided for in this subsection (c), then the Department may include a provision in the contract with the private manager specifying a mutually agreeable methodology for incorporation.

(c-5) The Department shall include provisions in the management agreement whereby the private manager shall, for a fee, and pursuant to a contract negotiated with the Department (the "Employee Use Contract"), utilize the services of current Department employees to assist in the administration and operation of the Lottery. The Department shall be the employer of all such bargaining unit employees assigned to perform such work for the private manager, and such employees shall be State employees, as defined by the Personnel Code. Department employees shall operate under the same employment policies, rules, regulations, and procedures, as other employees of the Department. In addition, neither historical representation rights under the Illinois Public Labor Relations Act, nor existing collective bargaining agreements, shall be disturbed

by the management agreement with the private manager for the management of the Lottery.

- (d) The management agreement with the private manager shall include all of the following:
 - (1) A term not to exceed 10 years, including any renewals.
 - (2) A provision specifying that the Department:
 - (A) shall exercise actual control over all significant business decisions;
 - (A-5) has the authority to direct or countermand operating decisions by the private manager at any time;
 - (B) has ready access at any time to information regarding Lottery operations;
 - (C) has the right to demand and receive information from the private manager concerning any aspect of the Lottery operations at any time; and
 - (D) retains ownership of all trade names, trademarks, and intellectual property associated with the Lottery.
 - (3) A provision imposing an affirmative duty on the private manager to provide the Department with material information and with any information the private manager reasonably believes the Department would want to know to enable the Department to conduct the Lottery.
 - (4) A provision requiring the private manager to provide the Department with advance notice of any operating

decision that bears significantly on the public interest, including, but not limited to, decisions on the kinds of games to be offered to the public and decisions affecting the relative risk and reward of the games being offered, so the Department has a reasonable opportunity to evaluate and countermand that decision.

- (5) A provision providing for compensation of the private manager that may consist of, among other things, a fee for services and a performance based bonus as consideration for managing the Lottery, including terms that may provide the private manager with an increase in compensation if Lottery revenues grow by a specified percentage in a given year.
 - (6) (Blank).
- (7) A provision requiring the deposit of all Lottery proceeds to be deposited into the State Lottery Fund <u>except</u> as otherwise provided in Section 20 of this Act.
- (8) A provision requiring the private manager to locate its principal office within the State.
- (8-5) A provision encouraging that at least 20% of the cost of contracts entered into for goods and services by the private manager in connection with its management of the Lottery, other than contracts with sales agents or technical advisors, be awarded to businesses that are a minority owned business, a female owned business, or a business owned by a person with disability, as those terms

are defined in the Business Enterprise for Minorities, Females, and Persons with Disabilities Act.

- (9) A requirement that so long as the private manager complies with all the conditions of the agreement under the oversight of the Department, the private manager shall have the following duties and obligations with respect to the management of the Lottery:
 - (A) The right to use equipment and other assets used in the operation of the Lottery.
 - (B) The rights and obligations under contracts with retailers and vendors.
 - (C) The implementation of a comprehensive security program by the private manager.
 - (D) The implementation of a comprehensive system of internal audits.
 - (E) The implementation of a program by the private manager to curb compulsive gambling by persons playing the Lottery.
 - (F) A system for determining (i) the type of Lottery games, (ii) the method of selecting winning tickets, (iii) the manner of payment of prizes to holders of winning tickets, (iv) the frequency of drawings of winning tickets, (v) the method to be used in selling tickets, (vi) a system for verifying the validity of tickets claimed to be winning tickets, (vii) the basis upon which retailer commissions are

established by the manager, and (viii) minimum payouts.

- (10) A requirement that advertising and promotion must be consistent with Section 7.8a of this Act.
- (11) A requirement that the private manager market the Lottery to those residents who are new, infrequent, or lapsed players of the Lottery, especially those who are most likely to make regular purchases on the Internet as permitted by law.
- (12) A code of ethics for the private manager's officers and employees.
- (13) A requirement that the Department monitor and oversee the private manager's practices and take action that the Department considers appropriate to ensure that the private manager is in compliance with the terms of the management agreement, while allowing the manager, unless specifically prohibited by law or the management agreement, to negotiate and sign its own contracts with vendors.
- (14) A provision requiring the private manager to periodically file, at least on an annual basis, appropriate financial statements in a form and manner acceptable to the Department.
 - (15) Cash reserves requirements.
- (16) Procedural requirements for obtaining the prior approval of the Department when a management agreement or

an interest in a management agreement is sold, assigned, transferred, or pledged as collateral to secure financing.

- (17) Grounds for the termination of the management agreement by the Department or the private manager.
 - (18) Procedures for amendment of the agreement.
- engage in an open and competitive bidding process for any procurement having a cost in excess of \$50,000 that is not a part of the private manager's final offer. The process shall favor the selection of a vendor deemed to have submitted a proposal that provides the Lottery with the best overall value. The process shall not be subject to the provisions of the Illinois Procurement Code, unless specifically required by the management agreement.
- (20) The transition of rights and obligations, including any associated equipment or other assets used in the operation of the Lottery, from the manager to any successor manager of the lottery, including the Department, following the termination of or foreclosure upon the management agreement.
- (21) Right of use of copyrights, trademarks, and service marks held by the Department in the name of the State. The agreement must provide that any use of them by the manager shall only be for the purpose of fulfilling its obligations under the management agreement during the term of the agreement.

- (22) The disclosure of any information requested by the Department to enable it to comply with the reporting requirements and information requests provided for under subsection (p) of this Section.
- (e) Notwithstanding any other law to the contrary, the Department shall select a private manager through a competitive request for qualifications process consistent with Section 20-35 of the Illinois Procurement Code, which shall take into account:
 - (1) the offeror's ability to market the Lottery to those residents who are new, infrequent, or lapsed players of the Lottery, especially those who are most likely to make regular purchases on the Internet;
 - (2) the offeror's ability to address the State's concern with the social effects of gambling on those who can least afford to do so;
 - (3) the offeror's ability to provide the most successful management of the Lottery for the benefit of the people of the State based on current and past business practices or plans of the offeror; and
 - (4) the offeror's poor or inadequate past performance in servicing, equipping, operating or managing a lottery on behalf of Illinois, another State or foreign government and attracting persons who are not currently regular players of a lottery.
 - (f) The Department may retain the services of an advisor or

advisors with significant experience in financial services or the management, operation, and procurement of goods, services, and equipment for a government-run lottery to assist in the preparation of the terms of the request for qualifications and selection of the private manager. Any prospective advisor seeking to provide services under this subsection (f) shall disclose any material business or financial relationship during the past 3 years with any potential offeror, or with a contractor or subcontractor presently providing goods, services, or equipment to the Department to support the Lottery. The Department shall evaluate the material business or financial relationship of each prospective advisor. Department shall not select any prospective advisor with a substantial business or financial relationship that the Department deems to impair the objectivity of the services to be provided by the prospective advisor. During the course of the advisor's engagement by the Department, and for a period of one year thereafter, the advisor shall not enter into any business or financial relationship with any offeror or any vendor identified to assist an offeror in performing its obligations under the management agreement. Any advisor retained by the Department shall be disqualified from being an offeror. The Department shall not include terms in the request for qualifications that provide a material advantage whether directly or indirectly to any potential offeror, or any contractor or subcontractor presently providing

services, or equipment to the Department to support the Lottery, including terms contained in previous responses to requests for proposals or qualifications submitted to Illinois, another State or foreign government when those terms are uniquely associated with a particular potential offeror, contractor, or subcontractor. The request for proposals offered by the Department on December 22, 2008 as "LOTO8GAMESYS" and reference number "22016176" is declared void.

- (g) The Department shall select at least 2 offerors as finalists to potentially serve as the private manager no later than August 9, 2010. Upon making preliminary selections, the Department shall schedule a public hearing on the finalists' proposals and provide public notice of the hearing at least 7 calendar days before the hearing. The notice must include all of the following:
 - (1) The date, time, and place of the hearing.
 - (2) The subject matter of the hearing.
 - (3) A brief description of the management agreement to be awarded.
 - (4) The identity of the offerors that have been selected as finalists to serve as the private manager.
 - (5) The address and telephone number of the Department.
- (h) At the public hearing, the Department shall (i) provide sufficient time for each finalist to present and explain its proposal to the Department and the Governor or the Governor's

designee, including an opportunity to respond to questions posed by the Department, Governor, or designee and (ii) allow the public and non-selected offerors to comment on the presentations. The Governor or a designee shall attend the public hearing. After the public hearing, the Department shall have 14 calendar days to recommend to the Governor whether a management agreement should be entered into with a particular finalist. After reviewing the Department's recommendation, the Governor may accept or reject the Department's recommendation, and shall select a final offeror as the private manager by publication of a notice in the Illinois Procurement Bulletin on or before September 15, 2010. The Governor shall include in the notice a detailed explanation and the reasons why the final offeror is superior to other offerors and will provide management services in a manner that best achieves objectives of this Section. The Governor shall also sign the management agreement with the private manager.

- (i) Any action to contest the private manager selected by the Governor under this Section must be brought within 7 calendar days after the publication of the notice of the designation of the private manager as provided in subsection (h) of this Section.
- (j) The Lottery shall remain, for so long as a private manager manages the Lottery in accordance with provisions of this Act, a Lottery conducted by the State, and the State shall not be authorized to sell or transfer the Lottery to a third

party.

- (k) Any tangible personal property used exclusively in connection with the lottery that is owned by the Department and leased to the private manager shall be owned by the Department in the name of the State and shall be considered to be public property devoted to an essential public and governmental function.
- (1) The Department may exercise any of its powers under this Section or any other law as necessary or desirable for the execution of the Department's powers under this Section.
- (m) Neither this Section nor any management agreement entered into under this Section prohibits the General Assembly from authorizing forms of gambling that are not in direct competition with the Lottery.
- (n) The private manager shall be subject to a complete investigation in the third, seventh, and tenth years of the agreement (if the agreement is for a 10-year term) by the Department in cooperation with the Auditor General to determine whether the private manager has complied with this Section and the management agreement. The private manager shall bear the cost of an investigation or reinvestigation of the private manager under this subsection.
- (o) The powers conferred by this Section are in addition and supplemental to the powers conferred by any other law. If any other law or rule is inconsistent with this Section, including, but not limited to, provisions of the Illinois

Procurement Code, then this Section controls as to management agreement entered into under this Section. This Section and any rules adopted under this Section contain full and complete authority for a management agreement between the Department and a private manager. No law, procedure, proceeding, publication, notice, consent, approval, order, or act by the Department or any other officer, Department, agency, or instrumentality of the State or any political subdivision is required for the Department to enter into a management agreement under this Section. This Section contains full and complete authority for the Department to approve any contracts entered into by a private manager with a vendor providing goods, services, or both goods and services to the private manager under the terms of the management agreement, including subcontractors of such vendors.

Upon receipt of a written request from the Chief Procurement Officer, the Department shall provide to the Chief Procurement Officer a complete and un-redacted copy of the management agreement or any contract that is subject to the Department's approval authority under this subsection (o). The Department shall provide a copy of the agreement or contract to the Chief Procurement Officer in the time specified by the Chief Procurement Officer in his or her written request, but no later than 5 business days after the request is received by the Department. The Chief Procurement Officer must retain any portions of the management agreement or of any contract

designated by the Department as confidential, proprietary, or trade secret information in complete confidence pursuant to subsection (g) of Section 7 of the Freedom of Information Act.

The Department shall also provide the Chief Procurement Officer with reasonable advance written notice of any contract that is pending Department approval.

Notwithstanding any other provision of this Section to the contrary, the Chief Procurement Officer shall adopt administrative rules, including emergency rules, to establish a procurement process to select a successor private manager if a private management agreement has been terminated. The selection process shall at a minimum take into account the criteria set forth in items (1) through (4) of subsection (e) of this Section and may include provisions consistent with subsections (f), (g), (h), and (i) of this Section. The Chief Procurement Officer shall also implement and administer the adopted selection process upon the termination of a private management agreement. The Department, after the Chief Procurement Officer certifies that the procurement process has been followed in accordance with the rules adopted under this subsection (o), shall select a final offeror as the private manager and sign the management agreement with the private manager.

Except as provided in Sections 21.2, 21.5, 21.6, 21.7, and 21.8, the Department shall distribute all proceeds of lottery tickets and shares sold in the following priority and manner:

- (1) The payment of prizes and retailer bonuses.
- (2) The payment of costs incurred in the operation and administration of the Lottery, including the payment of sums due to the private manager under the management agreement with the Department and payment of sums due to the private vendor for lottery tickets and shares sold on the Internet via the pilot program as compensation under its contract with the Department.
- (3) On the last day of each month or as soon thereafter as possible, the State Comptroller shall direct and the State Treasurer shall transfer from the Lottery Fund to the Common School Fund an amount that is equal to the proceeds transferred in the corresponding month of fiscal year 2009, as adjusted for inflation, to the Common School Fund.
- (4) On or before the last day of each fiscal year, deposit any remaining proceeds, subject to payments under items (1), (2), and (3) into the Capital Projects Fund each fiscal year.
- (p) The Department shall be subject to the following reporting and information request requirements:
 - (1) the Department shall submit written quarterly reports to the Governor and the General Assembly on the activities and actions of the private manager selected under this Section;
 - (2) upon request of the Chief Procurement Officer, the Department shall promptly produce information related to

the procurement activities of the Department and the private manager requested by the Chief Procurement Officer; the Chief Procurement Officer must retain confidential, proprietary, or trade secret information designated by the Department in complete confidence pursuant to subsection (q) of Section 7 of the Freedom of Information Act; and

(3) at least 30 days prior to the beginning of the Department's fiscal year, the Department shall prepare an annual written report on the activities of the private manager selected under this Section and deliver that report to the Governor and General Assembly.

(Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-840, eff. 12-23-09.)

(20 ILCS 1605/10) (from Ch. 120, par. 1160)

Sec. 10. The <u>Department</u> <u>Division</u>, upon application therefor on forms prescribed by the <u>Department</u> <u>Division</u>, and upon a determination by the <u>Department</u> <u>Division</u> that the applicant meets all of the qualifications specified in this Act, shall issue a license as an agent to sell lottery tickets or shares. No license as an agent to sell lottery tickets or shares shall be issued to any person to engage in business exclusively as a lottery sales agent.

Before issuing such license the Superintendent shall consider (a) the financial responsibility and security of the

person and his business or activity, (b) the accessibility of his place of business or activity to the public, (c) the sufficiency of existing licenses to serve the public convenience, (d) the volume of expected sales, and (e) such other factors as he or she may deem appropriate.

Until September 1, 1987, the provisions of Sections 2a, 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, 10, 12 and 13.5 of the Retailers' Occupation Tax Act which are not inconsistent with this Act shall apply to the subject matter of this Act to the same extent as if such provisions were included in this Act. For purposes of this Act, references in such incorporated Sections of the Retailers' Occupation Tax Act to retailers, sellers or persons engaged in the business of selling tangible personal property mean persons engaged in selling lottery tickets or shares; references incorporated Sections to sales of tangible personal property mean the selling of lottery tickets or shares; and references in such incorporated Sections to certificates of registration mean licenses issued under this Act. The provisions of the Retailers' Occupation Tax Act as heretofore applied to the subject matter of this Act shall not apply with respect to tickets sold by or delivered to lottery sales agents on and after September 1, 1987, but such provisions shall continue to apply with respect to transactions involving the sale and delivery of tickets prior to September 1, 1987.

All licenses issued by the Department Division under this

Act shall be valid for a period not to exceed 2 years after issuance unless sooner revoked, canceled or suspended as in this Act provided. No license issued under this Act shall be transferable or assignable. Such license shall be conspicuously displayed in the place of business conducted by the licensee in Illinois where lottery tickets or shares are to be sold under such license.

For purposes of this Section, the term "person" shall be construed to mean and include an individual, association, partnership, corporation, club, trust, estate, society, company, joint stock company, receiver, trustee, referee, any other person acting in a fiduciary or representative capacity who is appointed by a court, or any combination of individuals. "Person" includes any department, commission, agency or instrumentality of the State, including any county, city, village, or township and any agency or instrumentality thereof. (Source: P.A. 94-776, eff. 5-19-06.)

- (20 ILCS 1605/10.1) (from Ch. 120, par. 1160.1)
- Sec. 10.1. The following are ineligible for any license under this Act:
 - (a) any person who has been convicted of a felony;
- (b) any person who is or has been a professional gambler or gambling promoter;
- (c) any person who has engaged in bookmaking or other forms of illegal gambling;

- (d) any person who is not of good character and reputation in the community in which he resides;
- (e) any person who has been found guilty of any fraud or misrepresentation in any connection;
- (f) any firm or corporation in which a person defined in (a), (b), (c), (d) or (e) has a proprietary, equitable or credit interest of 5% or more.
- (g) any organization in which a person defined in (a), (b),(c), (d) or (e) is an officer, director, or managing agent,whether compensated or not;
- (h) any organization in which a person defined in (a), (b),(c), (d), or (e) is to participate in the management or sales of lottery tickets or shares.

However, with respect to persons defined in (a), the Department may grant any such person a license under this Act when:

- 1) at least 10 years have elapsed since the date when the sentence for the most recent such conviction was satisfactorily completed;
- 2) the applicant has no history of criminal activity subsequent to such conviction;
- 3) the applicant has complied with all conditions of probation, conditional discharge, supervision, parole or mandatory supervised release; and
- 4) the applicant presents at least 3 letters of recommendation from responsible citizens in his community who

personally can attest that the character and attitude of the applicant indicate that he is unlikely to commit another crime.

The <u>Department</u> Division may revoke, without notice or a hearing, the license of any agent who violates this Act or any rule or regulation promulgated pursuant to this Act. However, if the <u>Department</u> Division does revoke a license without notice and an opportunity for a hearing, the <u>Department</u> Division shall, by appropriate notice, afford the person whose license has been revoked an opportunity for a hearing within 30 days after the revocation order has been issued. As a result of any such hearing, the <u>Department</u> Division may confirm its action in revoking the license, or it may order the restoration of such license.

(Source: P.A. 94-776, eff. 5-19-06.)

(20 ILCS 1605/10.1a) (from Ch. 120, par. 1160.1a)

Sec. 10.1a. In addition to other grounds specified in this Act, the <u>Department Division</u> shall refuse to issue and shall suspend the license of any lottery sales agency who fails to file a return, or to pay the tax, penalty or interest shown in a filed return, or to pay any final assessment of tax, penalty or interest, as required by any tax Act administered by the Department of Revenue, until such time as the requirements of any such tax Act are satisfied, unless the agency is contesting, in accordance with the procedures established by the appropriate revenue Act, its liability for the tax or the

amount of tax. The <u>Department</u> <u>Division</u> shall affirmatively verify the tax status of every sales agency before issuing or renewing a license. For purposes of this Section, a sales agency shall not be considered delinquent in the payment of a tax if the agency (a) has entered into an agreement with the Department of Revenue for the payment of all such taxes that are due and (b) is in compliance with the agreement.

(Source: P.A. 94-776, eff. 5-19-06.)

(20 ILCS 1605/10.2) (from Ch. 120, par. 1160.2)

Sec. 10.2. Application and other fees. Each application for a new lottery license must be accompanied by a one-time application fee of \$50; the <u>Department Division</u>, however, may waive the fee for licenses of limited duration as provided by Department rule. Each application for renewal of a lottery license must be accompanied by a renewal fee of \$25. Each lottery licensee granted on-line status pursuant to the Department's rules must pay a fee of \$10 per week as partial reimbursement for telecommunications charges incurred by the Department in providing access to the lottery's on-line gaming system. The Department, by rule, may increase or decrease the amount of these fees.

(Source: P.A. 93-840, eff. 7-30-04; 94-776, eff. 5-19-06.)

(20 ILCS 1605/10.6) (from Ch. 120, par. 1160.6)

Sec. 10.6. The Department Division shall make an effort to

more directly inform players of the odds of winning prizes. This effort shall include, at a minimum, that the <u>Department Division</u> require all ticket agents to display a placard stating the odds of winning for each game offered by that agent.

(Source: P.A. 94-776, eff. 5-19-06.)

(20 ILCS 1605/10.7)

Sec. 10.7. Compulsive gambling.

- (a) Each lottery sales agent shall post a statement regarding obtaining assistance with gambling problems and including a toll-free "800" telephone number providing crisis counseling and referral services to families experiencing difficulty as a result of problem or compulsive gambling. The text of the statement shall be determined by rule by the Department of Human Services, shall be no more than one sentence in length, and shall be posted on the placard required under Section 10.6. The signs shall be provided by the Department of Human Services.
- (b) The <u>Department</u> Division shall print a statement regarding obtaining assistance with gambling problems, the text of which shall be determined by rule by the Department of Human Services, on all paper stock it provides to the general public.
- (c) The <u>Department</u> Division shall print a statement of no more than one sentence in length regarding obtaining assistance with gambling problems and including a toll-free "800" number

providing crisis counseling and referral services to families experiencing difficulty as a result of problem or compulsive gambling on the back of all lottery tickets.

(Source: P.A. 94-776, eff. 5-19-06.)

(20 ILCS 1605/10.8)

Sec. 10.8. Specialty retailers license.

- (a) "Veterans service organization" means an organization that:
 - (1) is formed by and for United States military veterans;
 - (2) is chartered by the United States Congress and incorporated in the State of Illinois;
 - (3) maintains a state headquarters office in the State of Illinois; and
 - (4) is not funded by the State of Illinois or by any county in this State.
- (b) The <u>Department</u> <u>Division</u> shall establish a special classification of retailer license to facilitate the year-round sale of the instant scratch-off lottery game established by the General Assembly in Section 21.6. The fees set forth in Section 10.2 do not apply to a specialty retailer license.

The holder of a specialty retailer license (i) shall be a veterans service organization, (ii) may sell only specialty lottery tickets established for the benefit of the Veterans

Assistance Fund in the State treasury, (iii) is required to purchase those tickets up front at face value from the Illinois Lottery, and (iv) must sell those tickets at face value. Specialty retailers may obtain a refund from the <u>Department Division</u> for any unsold specialty tickets that they have purchased for resale, as set forth in the specialty retailer agreement.

Specialty retailers shall receive a sales commission equal to 2% of the face value of specialty game tickets purchased from the Department, less adjustments for unsold tickets returned to the Illinois Lottery for credit. Specialty retailers may not cash winning tickets, but are entitled to a 1% bonus in connection with the sale of a winning specialty game ticket having a price value of \$1,000 or more.

(Source: P.A. 96-1105, eff. 7-19-10.)

(20 ILCS 1605/12) (from Ch. 120, par. 1162)

Sec. 12. The public inspection and copying of the records and data of the <u>Department</u> Division and the Board shall be generally governed by the provisions of the Freedom of Information Act except that the following shall additionally be exempt from inspection and copying:

- (i) information privileged against introduction in judicial proceedings;
 - (ii) internal communications of the several agencies;
 - (iii) information concerning secret manufacturing

processes or confidential data submitted by any person under this Act;

(iv) any creative proposals, scripts, storyboards or other materials prepared by or for the <u>Department Division</u>, prior to the placement of the materials in the media, if the prior release of the materials would compromise the effectiveness of an advertising campaign.

(Source: P.A. 94-776, eff. 5-19-06.)

(20 ILCS 1605/13) (from Ch. 120, par. 1163)

Sec. 13. Except as otherwise provided in Section 13.1, no prize, nor any portion of a prize, nor any right of any person to a prize awarded shall be assignable. Any prize, or portion thereof remaining unpaid at the death of a prize winner, may be paid to the estate of such deceased prize winner, or to the trustee under a revocable living trust established by the deceased prize winner as settlor, provided that a copy of such a trust has been filed with the Department along with a notarized letter of direction from the settlor and no written notice of revocation has been received by the Department Division prior to the settlor's death. Following such a settlor's death and prior to any payment to such a successor trustee, the Superintendent shall obtain from the trustee a written agreement to indemnify and hold the Department and the Department Division harmless with respect to any claims that may be asserted against the Department or the Division arising from payment to or through the trust. Notwithstanding any other provision of this Section, any person pursuant to an appropriate judicial order may be paid the prize to which a winner is entitled, and all or part of any prize otherwise payable by State warrant under this Section shall be withheld upon certification to the State Comptroller from the Department of Healthcare and Family Services as provided in Section 10-17.5 of The Illinois Public Aid Code. The Director and the Superintendent shall be discharged of all further liability upon payment of a prize pursuant to this Section.

(Source: P.A. 94-776, eff. 5-19-06; 95-331, eff. 8-21-07.)

(20 ILCS 1605/14) (from Ch. 120, par. 1164)

Sec. 14. No person shall sell a ticket or share at a price greater than that fixed by rule or regulation of the Department or the Division. No person other than a licensed lottery sales agent or distributor shall sell or resell lottery tickets or shares. No person shall charge a fee to redeem a winning ticket or share.

Any person convicted of violating this Section shall be guilty of a Class B misdemeanor; provided, that if any offense under this Section is a subsequent offense, the offender shall be guilty of a Class 4 felony.

(Source: P.A. 94-776, eff. 5-19-06.)

(20 ILCS 1605/14.3)

Sec. 14.3. Misuse of proprietary material prohibited. Except as may be provided in Section 7.11, or by bona fide sale or by prior authorization from the Department or the Division, or otherwise by law, all premiums, promotional and other proprietary material produced or acquired by the <u>Department Division</u> as part of its advertising and promotional activities shall remain the property of the Department. Nothing herein shall be construed to affect the rights or obligations of the Department or any other person under federal or State trademark or copyright laws.

(Source: P.A. 94-776, eff. 5-19-06.)

(20 ILCS 1605/19) (from Ch. 120, par. 1169)

Sec. 19. The <u>Department</u> Division shall establish an appropriate period for the claiming of prizes for each lottery game offered. Each claim period shall be stated in game rules and written play instructions issued by the Superintendent in accordance with Section 7.1 of this Act. Written play instructions shall be made available to all players through sales agents licensed to sell game tickets or shares. Prizes for lottery games which involve the purchase of a physical lottery ticket may be claimed only by presentation of a valid winning lottery ticket that matches validation records on file with the Lottery; no claim may be honored which is based on the assertion that the ticket was lost or stolen. No lottery ticket which has been altered, mutilated, or fails to pass validation

tests shall be deemed to be a winning ticket.

If no claim is made for the money within the established claim period, the prize may be included in the prize pool of such special drawing or drawings as the Department Division may, from time to time, designate. Unclaimed multi-state game prize money may be included in the multi-state prize pool for such special drawing or drawings as the multi-state game directors may, from time to time, designate. Any bonuses offered by the Department to sales agents who sell winning tickets or shares shall be payable to such agents regardless of whether or not the prize money on the ticket or share is claimed, provided that the agent can be identified as the vendor of the winning ticket or share, and that the winning ticket or share was sold on or after January 1, 1984. All unclaimed prize money not included in the prize pool of a special drawing shall be transferred to the Common School Fund. (Source: P.A. 94-776, eff. 5-19-06.)

(20 ILCS 1605/20.1) (from Ch. 120, par. 1170.1)

Sec. 20.1. Department account.

(a) The Department is authorized to pay validated prizes up to \$25,000 from funds held by the Department in an account separate and apart from all public moneys of the State. Moneys in this account shall be administered by the <u>Superintendent Director</u> exclusively for the purposes of issuing payments to prize winners authorized by this Section. Moneys in this

account shall be deposited by the Department into the Public Treasurers' Investment Pool established under Section 17 of the State Treasurer Act. The Department shall submit vouchers from time to time as needed for reimbursement of this account from moneys appropriated for prizes from the State Lottery Fund. Investment income earned from this account shall be deposited monthly by the Department into the Common School Fund. The Department shall file quarterly fiscal reports specifying the activity of this account as required under Section 16 of the State Comptroller Act, and shall file quarterly with the General Assembly, the Auditor General, the Comptroller, and the State Treasurer a report indicating the costs associated with this activity.

(b) The Department is authorized to enter into an interagency agreement with the Office of the Comptroller or any other State agency to establish responsibilities, duties, and procedures for complying with the Comptroller's Offset System under Section 10.05 of the State Comptroller Act. All federal and State tax reporting and withholding requirements relating to prize winners under this Section shall be the responsibility of the Department. Moneys from this account may not be used to pay amounts to deferred prize winners. Moneys may not be transferred from the State Lottery Fund to this account for payment of prizes under this Section until procedures are implemented to comply with the Comptroller's Offset System and sufficient internal controls are in place to validate prizes.

(Source: P.A. 87-1197; 88-676, eff. 12-14-94.)

(20 ILCS 1605/21) (from Ch. 120, par. 1171)

Sec. 21. All lottery sales agents or distributors shall be liable to the Lottery for any and all tickets accepted or generated by any employee or representative of that agent or distributor, and such tickets shall be deemed to have been purchased by the agent or distributor unless returned to the Lottery within the time and in the manner prescribed by the Superintendent. All moneys received by such agents or distributors from the sale of lottery tickets or shares, less the amount retained as compensation for the sale of the tickets or shares and the amount paid out as prizes, shall be paid over to a lottery representative or deposited in a bank or savings and loan association approved by the State Treasurer, as prescribed by the Superintendent.

No bank or savings and loan association shall receive public funds as permitted by this Section, unless it has complied with the requirements established pursuant to Section 6 of the Public Funds Investment Act.

Each payment or deposit shall be accompanied by a report of the agent's receipts and transactions in the sale of lottery tickets in such form and containing such information as the Superintendent may require. Any discrepancies in such receipts and transactions may be resolved as provided by the rules and regulations of the Department.

any money due the Lottery by a sales agent or distributor is not paid when due or demanded, it shall immediately become delinquent and be billed on a subsequent monthly statement. If on the closing date for any monthly statement a delinquent amount previously billed of more than \$50 remains unpaid, interest in such amount shall be accrued at the rate of 2% per month or fraction thereof from the date when such delinquent amount becomes past due until such delinquent amount, including interest, penalty and other costs and charges that the Department may incur in collecting such amounts, is paid. In case any agent or distributor fails to pay any moneys due the Lottery within 30 days after a second bill or statement is rendered to the agent or distributor, such amount shall be deemed seriously delinquent and may be referred by the Department to a collection agency or credit bureau collection. Any contract entered into by the Department for the collection of seriously delinquent accounts with a collection agency or credit bureau may be satisfied by a commercially reasonable percentage of the delinquent account recouped, which shall be negotiated by the Department in accordance with commercially accepted standards. Any costs incurred by the Department or others authorized to act in its behalf in collecting such delinquencies may be assessed against the agent or distributor and included as a part of the delinquent account.

In case of failure of an agent or distributor to pay a

seriously delinquent amount, or any portion thereof, including interest, penalty and costs, the Department Division may issue a Notice of Assessment. In determining amounts shown on the Notice of Assessment, the Department Division shall utilize the financial information available from its records. Such Notice of Assessment shall be prima facie correct and shall be prima facie evidence of delinquent sums due under this Section at any hearing before the Board, or its Hearing Officers, or at any other legal proceeding. Reproduced copies of the Department's Division's records relating to a delinquent account or a Notice of Assessment offered in the name of the Department, under the Certificate of the Superintendent Director or any officer or employee of the Department designated in writing by the Superintendent Director shall, without further proof, admitted into evidence in any such hearing or any legal proceeding and shall be prima facie proof of the delinquency, including principal and any interest, penalties and costs, as shown thereon. The Attorney General may bring suit on behalf of the Department to collect all such delinquent amounts, or any portion thereof, including interest, penalty and costs, due the Lottery.

Any person who accepts money that is due to the Department from the sale of lottery tickets under this Act, but who wilfully fails to remit such payment to the Department when due or who purports to make such payment but wilfully fails to do so because his check or other remittance fails to clear the

bank or savings and loan association against which it is drawn, in addition to the amount due and in addition to any other penalty provided by law, shall be assessed, and shall pay, a penalty equal to 5% of the deficiency plus any costs or charges incurred by the Department in collecting such amount.

The <u>Superintendent</u> <u>Director</u> may make such arrangements for any person(s), banks, savings and loan associations or distributors, to perform such functions, activities or services in connection with the operation of the lottery as he deems advisable pursuant to this Act, the State Comptroller Act, or the rules and regulations of the Department, and such functions, activities or services shall constitute lawful functions, activities and services of such person(s), banks, savings and loan associations or distributors.

All income arising out of any activity or purpose of the Department Division shall, pursuant to the State Finance Act, be paid into the State Treasury except as otherwise provided by the rules and regulations of the Department and shall be covered into a special fund to be known as the State Lottery Fund. Banks and savings and loan associations may be compensated for services rendered based upon the activity and amount of funds on deposit.

(Source: P.A. 94-776, eff. 5-19-06.)

(20 ILCS 1605/21.5)

Sec. 21.5. Ticket For The Cure.

- (a) Department shall offer a special scratch-off game with the title of "Ticket For The Cure". The game shall commence on January 1, 2006 or as soon thereafter, in the discretion of the Superintendent Director, as is reasonably practical, and shall be discontinued on December 31, 2011. The operation of the game shall be governed by this Act and any rules adopted by the Department. The Department must consult with the Ticket For The Cure Board, which is established under Section 2310-347 of the Department of Public Health Powers and Duties Law of the Civil Administrative Code of Illinois, regarding the design and promotion of the game. If any provision of this Section is inconsistent with any other provision of this Act, then this Section governs.
- (b) The Carolyn Adams Ticket For The Cure Grant Fund is created as a special fund in the State treasury. The net from the Ticket For The Cure special instant scratch-off game shall be deposited into the Fund for appropriation by the General Assembly solely to the Department of Public Health for the purpose of making grants to public or private entities in Illinois for the purpose of funding research concerning breast cancer and for funding services for breast cancer victims. The Department must, before grants are awarded, provide copies of all grant applications to the Ticket Board, receive and The Cure review the recommendations and comments, and consult with the Board regarding the grants. For purposes of this Section, the term

"research" includes, without limitation, expenditures to develop and advance the understanding, techniques, and modalities effective in the detection, prevention, screening, and treatment of breast cancer and may include clinical trials. The grant funds may not be used for institutional, organizational, or community-based overhead costs, indirect costs, or levies.

Moneys received for the purposes of this Section, including, without limitation, net revenue from the special instant scratch-off game and gifts, grants, and awards from any public or private entity, must be deposited into the Fund. Any interest earned on moneys in the Fund must be deposited into the Fund.

For purposes of this subsection, "net revenue" means the total amount for which tickets have been sold less the sum of the amount paid out in prizes and the actual administrative expenses of the Department solely related to the Ticket For The Cure game.

- (c) During the time that tickets are sold for the Ticket For The Cure game, the Department shall not unreasonably diminish the efforts devoted to marketing any other instant scratch-off lottery game.
- (d) The Department may adopt any rules necessary to implement and administer the provisions of this Section.

 (Source: P.A. 96-1290, eff. 7-26-10.)

(20 ILCS 1605/21.6)

Sec. 21.6. Scratch-off for Illinois veterans.

- (a) The Department shall offer a special instant scratch-off game for the benefit of Illinois veterans. The game shall commence on January 1, 2006 or as soon thereafter, at the discretion of the <u>Superintendent Director</u>, as is reasonably practical. The operation of the game shall be governed by this Act and any rules adopted by the Department. If any provision of this Section is inconsistent with any other provision of this Act, then this Section governs.
- (b) The Illinois Veterans Assistance Fund is created as a special fund in the State treasury. The net revenue from the Illinois veterans scratch-off game shall be deposited into the Fund for appropriation by the General Assembly solely to the Department of Veterans Affairs for making grants, funding additional services, or conducting additional research projects relating to each of the following:
 - (i) veterans' post traumatic stress disorder;
 - (ii) veterans' homelessness;
 - (iii) the health insurance costs of veterans;
 - (iv) veterans' disability benefits, including but not limited to, disability benefits provided by veterans service organizations and veterans assistance commissions or centers; and
 - (v) the long-term care of veterans; provided that, beginning with moneys appropriated for fiscal year 2008, no

more than 20% of such moneys shall be used for health insurance costs.

In order to expend moneys from this special fund, beginning with moneys appropriated for fiscal year 2008, the Director of Veterans' Affairs shall appoint a 3-member funding authorization committee. The <u>Superintendent Director</u> shall designate one of the members as chairperson. The committee shall meet on a quarterly basis, at a minimum, and shall authorize expenditure of moneys from the special fund by a two-thirds vote. Decisions of the committee shall not take effect unless and until approved by the Director of Veterans' Affairs. Each member of the committee shall serve until a replacement is named by the Director of Veterans' Affairs. One member of the committee shall be a member of the Veterans' Advisory Council.

Moneys collected from the special instant scratch-off game shall be used only as a supplemental financial resource and shall not supplant existing moneys that the Department of Veterans Affairs may currently expend for the purposes set forth in items (i) through (v).

Moneys received for the purposes of this Section, including, without limitation, net revenue from the special instant scratch-off game and from gifts, grants, and awards from any public or private entity, must be deposited into the Fund. Any interest earned on moneys in the Fund must be deposited into the Fund.

For purposes of this subsection, "net revenue" means the total amount for which tickets have been sold less the sum of the amount paid out in the prizes and the actual administrative expenses of the Department solely related to the scratch-off game under this Section.

- (c) During the time that tickets are sold for the Illinois veterans scratch-off game, the Department shall not unreasonably diminish the efforts devoted to marketing any other instant scratch-off lottery game.
- (d) The Department may adopt any rules necessary to implement and administer the provisions of this Section. (Source: P.A. 94-585, eff. 8-15-05; 95-331, eff. 8-20-07; 95-649, eff. 10-11-07.)

(20 ILCS 1605/21.7)

Sec. 21.7. Scratch-out Multiple Sclerosis scratch-off game.

(a) The Department shall offer a special instant scratch-off game for the benefit of research pertaining to multiple sclerosis. The game shall commence on July 1, 2008 or as soon thereafter, in the discretion of the <u>Superintendent Director</u>, as is reasonably practical. The operation of the game shall be governed by this Act and any rules adopted by the Department. If any provision of this Section is inconsistent with any other provision of this Act, then this Section governs.

(b) The Multiple Sclerosis Research Fund is created as a special fund in the State treasury. The net revenue from the scratch-out multiple sclerosis scratch-off game created under this Section shall be deposited into the Fund for appropriation by the General Assembly to the Department of Public Health for the purpose of making grants to organizations in Illinois that conduct research pertaining to the repair of damage caused by an acquired demyelinating disease of the central nervous system.

Moneys received for the purposes of this Section, including, without limitation, net revenue from the special instant scratch-off game and from gifts, grants, and awards from any public or private entity, must be deposited into the Fund. Any interest earned on moneys in the Fund must be deposited into the Fund.

For purposes of this Section, the term "research" includes, without limitation, expenditures to develop and advance the understanding, techniques, and modalities effective for maintaining function, mobility, and strength through preventive physical therapy or other treatments and to develop and advance the repair of myelin, neuron, and axon damage caused by an acquired demyelinating disease of the central nervous system and the restoration of function, including but not limited to, nervous system repair or neuroregeneration.

The grant funds may not be used for institutional, organizational, or community-based overhead costs, indirect

costs, or levies.

For purposes of this subsection, "net revenue" means the total amount for which tickets have been sold less the sum of the amount paid out in the prizes and the actual administrative expenses of the Department solely related to the scratch-off game under this Section.

- (c) During the time that tickets are sold for the scratch-out multiple sclerosis scratch-off game, the Department shall not unreasonably diminish the efforts devoted to marketing any other instant scratch-off lottery game.
- (d) The Department may adopt any rules necessary to implement and administer the provisions of this Section.

 (Source: P.A. 95-673, eff. 10-11-07; 95-876, eff. 8-21-08.)

(20 ILCS 1605/21.8)

Sec. 21.8. Quality of Life scratch-off game.

(a) The Department shall offer a special instant scratch-off game with the title of "Quality of Life". The game shall commence on July 1, 2007 or as soon thereafter, in the discretion of the <u>Superintendent Director</u>, as is reasonably practical, and shall be discontinued on December 31, 2012. The operation of the game is governed by this Act and by any rules adopted by the Department. The Department must consult with the Quality of Life Board, which is established under Section 2310-348 of the Department of Public Health Powers and Duties Law of the Civil Administrative Code of Illinois, regarding the

design and promotion of the game. If any provision of this Section is inconsistent with any other provision of this Act, then this Section governs.

(b) The Quality of Life Endowment Fund is created as a special fund in the State treasury. The net revenue from the Quality of Life special instant scratch-off game must be deposited into the Fund for appropriation by the General Assembly solely to the Department of Public Health for the purpose of HIV/AIDS-prevention education and for making grants to public or private entities in Illinois for the purpose of funding organizations that serve the highest at-risk categories for contracting HIV or developing AIDS. Grants shall be targeted to serve at-risk populations in proportion to the distribution of recent reported Illinois HIV/AIDS cases among risk groups as reported by the Illinois Department of Public The recipient organizations must be engaged in HIV/AIDS-prevention education and HIV/AIDS healthcare treatment. The Department must, before grants are awarded, provide copies of all grant applications to the Quality of Life Board, receive and review the Board's recommendations and comments, and consult with the Board regarding the grants. Organizational size will determine organization's an competitive slot in the "Request for Proposal" process. Organizations with an annual budget of \$300,000 or less will compete with like size organizations for 50% of the Quality of Life annual fund. Organizations with an annual budget of

\$300,001 to \$700,000 will compete with like organizations for 25% of the Quality of Life annual fund, and organizations with an annual budget of \$700,001 and upward will compete with like organizations for 25% of the Quality of Life annual fund. The lottery may designate a percentage of proceeds for marketing purpose. The grant funds may not be used for institutional, organizational, or community-based overhead costs, indirect costs, or levies.

Grants awarded from the Fund are intended to augment the current and future State funding for the prevention and treatment of HIV/AIDS and are not intended to replace that funding.

Moneys received for the purposes of this Section, including, without limitation, net revenue from the special instant scratch-off game and gifts, grants, and awards from any public or private entity, must be deposited into the Fund. Any interest earned on moneys in the Fund must be deposited into the Fund.

For purposes of this subsection, "net revenue" means the total amount for which tickets have been sold less the sum of the amount paid out in prizes and the actual administrative expenses of the Department solely related to the Quality of Life game.

(c) During the time that tickets are sold for the Quality of Life game, the Department shall not unreasonably diminish the efforts devoted to marketing any other instant scratch-off

lottery game.

(d) The Department may adopt any rules necessary to implement and administer the provisions of this Section in consultation with the Quality of Life Board.

(Source: P.A. 95-674, eff. 10-11-07; 95-876, eff. 8-21-08.)

(20 ILCS 1605/27) (from Ch. 120, par. 1177)

Sec. 27. (a) The State Treasurer may, with the consent of the <u>Superintendent Director</u>, contract with any person or corporation, including, without limitation, a bank, banking house, trust company or investment banking firm, to perform such financial functions, activities or services in connection with operation of the lottery as the State Treasurer and the Superintendent <u>Director</u> may prescribe.

(b) All proceeds from investments made pursuant to contracts executed by the State Treasurer, with the consent of the <u>Superintendent Director</u>, to perform financial functions, activities or services in connection with operation of the lottery, shall be deposited and held by the State Treasurer as ex-officio custodian thereof, separate and apart from all public money or funds of this State in a special trust fund outside the State treasury. Such trust fund shall be known as the "Deferred Lottery Prize Winners Trust Fund", and shall be administered by the <u>Superintendent Director</u>.

The <u>Superintendent</u> Director shall, at such times and in such amounts as shall be necessary, prepare and send to the

State Comptroller vouchers requesting payment from the Deferred Lottery Prize Winners Trust Fund to deferred prize winners, in a manner that will insure the timely payment of such amounts owed.

This Act shall constitute an irrevocable appropriation of all amounts necessary for that purpose, and the irrevocable and continuing authority for and direction to the <u>Superintendent Director</u> and the State Treasurer to make the necessary payments out of such trust fund for that purpose.

(c) Moneys invested pursuant to subsection (a) of this Section may be invested only in bonds, notes, certificates of indebtedness, treasury bills, or other securities constituting direct obligations of the United States of America and all securities or obligations the prompt payment of principal and interest of which is guaranteed by a pledge of the full faith and credit of the United States of America. Interest earnings on moneys in the Deferred Lottery Prize Winners Trust Fund shall remain in such fund and be used to pay the winners of lottery prizes deferred as to payment until such obligations are discharged. Proceeds from bonds purchased and interest accumulated as a result of a grand prize multi-state game ticket that goes unclaimed will be transferred after the termination of the relevant claim period directly from the lottery's Deferred Lottery Prize Winners Trust Fund to each respective multi-state partner state according to contribution ratio.

- (c-5) If a deferred lottery prize is not claimed within the claim period established by game rule, then the securities or other instruments purchased to fund the prize shall be liquidated and the liquidated amount shall be transferred to the State Lottery Fund for disposition pursuant to Section 19 of this Act.
- (c-10) The <u>Superintendent Director</u> may use a portion of the moneys in the Deferred Lottery Prize Winners Trust Fund to purchase bonds to pay a lifetime prize if the prize duration exceeds the length of available securities. If the winner of a lifetime prize exceeds his or her life expectancy as determined using actuarial assumptions and the securities or moneys set aside to pay the prize have been exhausted, moneys in the State Lottery Fund shall be used to make payments to the winner for the duration of the winner's life.
- (c-15) From time to time, the <u>Superintendent</u> <u>Director</u> may request that the State Comptroller transfer any excess moneys in the Deferred Lottery Prize Winners Trust Fund to the Lottery Fund.
- (d) This amendatory Act of 1985 shall be construed liberally to effect the purposes of the Illinois Lottery Law. (Source: P.A. 89-466, eff. 6-13-96; 90-346, eff. 8-8-97.)
 - (20 ILCS 1605/29 new)
 - Sec. 29. The Department of the Lottery.
 - (a) Executive Order No. 2003-09 is hereby superseded by

this amendatory Act of the 97th General Assembly to the extent that Executive Order No. 2003-09 transfers the powers, duties, rights, and responsibilities of the Department of the Lottery to the Division of the Lottery within the Department of Revenue.

- (b) The Division of the Lottery within the Department of Revenue is hereby abolished and the Department of the Lottery is created as an independent department. On the effective date of this amendatory Act of the 97th General Assembly, all powers, duties, rights, and responsibilities of the Division of the Lottery within the Department of Revenue shall be transferred to the Department of the Lottery.
- (c) The personnel of the Division of the Lottery within the Department of Revenue shall be transferred to the Department of the Lottery. The status and rights of such employees under the Personnel Code shall not be affected by the transfer. The rights of the employees and the State of Illinois and its agencies under the Personnel Code and applicable collective bargaining agreements or under any pension, retirement, or annuity plan shall not be affected by this amendatory Act of the 97th General Assembly. To the extent that an employee performs duties for the Division of the Lottery within the Department of Revenue and the Department of Revenue, that employee shall be transferred at the Governor's discretion.

- (d) All books, records, papers, documents, property (real and personal), contracts, causes of action, and pending business pertaining to the powers, duties, rights, and responsibilities transferred by this amendatory Act of the 97th General Assembly from the Division of the Lottery within the Department of Revenue to the Department of the Lottery, including, but not limited to, material in electronic or magnetic format and necessary computer hardware and software, shall be transferred to the Department of the Lottery.
- (e) All unexpended appropriations and balances and other funds available for use by the Division of the Lottery within the Department of Revenue shall be transferred for use by the Department of the Lottery pursuant to the direction of the Governor. Unexpended balances so transferred shall be expended only for the purpose for which the appropriations were originally made.
- (f) The powers, duties, rights, and responsibilities transferred from the Division of the Lottery within the Department of Revenue by this amendatory Act of the 97th General Assembly shall be vested in and shall be exercised by the Department of the Lottery.
- or given or papers or documents furnished or served by any person to or upon the Division of the Lottery within the Department of Revenue in connection with any of the powers, duties, rights, and responsibilities transferred by this

amendatory Act of the 97th General Assembly, the same shall be made, given, furnished, or served in the same manner to or upon the Department of the Lottery.

- (h) This amendatory Act of the 97th General Assembly does not affect any act done, ratified, or canceled or any right occurring or established or any action or proceeding had or commenced in an administrative, civil, or criminal cause by the Division of the Lottery within the Department of Revenue before this amendatory Act of the 97th General Assembly takes effect; such actions or proceedings may be prosecuted and continued by the Department of the Lottery.
- (i) Any rules of the Division of the Lottery within the Department of Revenue, including any rules of its predecessor Department of the Lottery, that relate to its powers, duties, rights, and responsibilities and are in full force on the effective date of this amendatory Act of the 97th General Assembly shall become the rules of the recreated Department of the Lottery. This amendatory Act of the 97th General Assembly does not affect the legality of any such rules in the Illinois Administrative Code.

Any proposed rules filed with the Secretary of State by the Division of the Lottery within the Department of Revenue that are pending in the rulemaking process on the effective date of this amendatory Act of the 97th General Assembly and pertain to the powers, duties, rights, and responsibilities transferred, shall be deemed to have been filed by the Department of the

Lottery. As soon as practicable hereafter, the Department of the Lottery shall revise and clarify the rules transferred to it under this amendatory Act of the 97th General Assembly to reflect the reorganization of powers, duties, rights, and responsibilities affected by this amendatory Act, using the procedures for recodification of rules available under the Illinois Administrative Procedures Act, except that existing title, part, and section numbering for the affected rules may be retained. The Department of the Lottery may propose and adopt under the Illinois Administrative Procedures Act such other rules of the Division of the Lottery within the Department of Revenue that will now be administered by the Department of the Lottery.

To the extent that, prior to the effective date of this amendatory Act of the 97th General Assembly, the Superintendent of the Division of the Lottery within the Department of Revenue had been empowered to prescribe rules or had other rulemaking authority jointly with the Director of the Department of Revenue with regard to the powers, duties, rights, and responsibilities of the Division of the Lottery within the Department of Revenue, such duties shall be exercised from and after the effective date of this amendatory Act of the 97th General Assembly solely by the Superintendent of the Department of the Lottery.

Section 15. The Department of Public Health Powers and

Duties Law of the Civil Administrative Code of Illinois is amended by changing Section 2310-348 as follows:

(20 ILCS 2310/2310-348)

Sec. 2310-348. The Quality of Life Board.

(a) The Quality of Life Board is created as an advisory board within the Department. The Board shall consist of 11 members as follows: 2 members appointed by the President of the Senate; one member appointed by the Minority Leader of the Senate; 2 members appointed by the Speaker of the House of Representatives; one member appointed by the Minority Leader of the House of Representatives; 2 members appointed by the Governor, one of whom shall be designated as chair of the Board at the time of appointment; and 3 members appointed by the Director who represent organizations that advocate for the healthcare needs of the first and second highest HIV/AIDS risk groups, one each from the northern Illinois region, the central Illinois region, and the southern Illinois region.

The Board members shall serve one 2-year term. If a vacancy occurs in the Board membership, the vacancy shall be filled in the same manner as the initial appointment.

- (b) Board members shall serve without compensation but may be reimbursed for their reasonable travel expenses from funds appropriated for that purpose. The Department shall provide staff and administrative support services to the Board.
 - (c) The Board must:

- (i) consult with the Department of the Lottery Revenue in designing and promoting the Quality of Life special instant scratch-off lottery game; and
- (ii) review grant applications, make recommendations and comments, and consult with the Department of Public Health in making grants, from amounts appropriated from the Quality of Life Endowment Fund, to public or private entities in Illinois for the purpose of HIV/AIDS-prevention education and for making grants to public or private entities in Illinois for the purpose of funding organizations that serve the highest at-risk categories for contracting HIV or developing AIDS in accordance with Section 21.7 of the Illinois Lottery Law.
- (d) The Board is discontinued on June 30, 2013. (Source: P.A. 95-674, eff. 10-11-07.)

Section 20. The Illinois Department of Revenue Sunshine Act is amended by changing Section 2.3 as follows:

(20 ILCS 2515/2.3) (from Ch. 127, par. 2002.3)

Sec. 2.3. "Revenue laws" means any statutes, rules or regulations administered or promulgated by the Department including those concerning the Illinois Lottery Law.

(Source: P.A. 82-727.)

(20 ILCS 5/5-370 rep.)

Section 25. The Civil Administrative Code of Illinois is amended by repealing Section 5-370.

Section 99. Effective date. This Section and the changes to Sections 3, 5, and 9.1 of the Illinois Lottery Law take effect upon becoming law. The remainder of this Act takes effect on October 15, 2011.