AN ACT concerning the lottery.

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 Section 5-20 and by adding Section 5-372 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 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. 96-328, eff. 8-11-09; 97-464, eff. 10-15-11; 97-618, eff. 10-26-11; 97-813, eff. 7-13-12.)

(20 ILCS 5/5-372 new)

Sec. 5-372. In the Department of the Lottery. The Director of the Lottery shall receive the annual salary set by law for the Director of the Lottery.

Section 10. The Illinois Lottery Law is amended by changing Sections 3, 5, 6, 7.6, 7.8a, 7.12, 9, 10, 13, 14.4, 19, 20.1, 21, 21.5, 21.6, 21.7, 21.8, 27, and 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 the Lottery.
 - d. (Blank).
- e. "Chairman" means the Chairman of the Lottery Control Board.
 - f. "Multi-state game directors" means such persons,

including the <u>Director</u> <u>Superintendent</u>, as may be designated by an agreement between the Department and one or more additional lotteries operated under the laws of another state or states.

- q. (Blank).
- h. "Director" "Superintendent" means the <u>Director</u>

 Superintendent of the Department of the Lottery.
- 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; 97-464, eff. 8-19-11.)

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

Sec. 5. (a) The Department shall be under the supervision and direction of a <u>Director Superintendent</u>, who shall be a person qualified by training and experience to perform the duties required by this Act. The <u>Director Superintendent</u> shall be appointed by the Governor, by and with the advice and consent of the Senate. The term of office of the <u>Director Superintendent</u> 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 <u>Director Superintendent</u> is \$142,000.

Any vacancy occurring in the office of the <u>Director</u> 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 Director Superintendent, or in the case of a vacancy in the office of Director Superintendent until a successor is appointed and qualified, the Governor may designate some person as Acting <u>Director</u> <u>Superintendent</u> 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 <u>Director</u> 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 Acting Director Superintendent shall, except at the Senate's request, be designated again as an Acting Director Superintendent at the same session of that Senate, subject to the provisions of this Section. A person appointed as an Acting Director 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 <u>Director</u> <u>Superintendent</u> 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 Director Superintendent without having been nominated by the Governor to serve as Director Superintendent.

(b) The <u>Director</u> <u>Superintendent</u> 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 <u>Director</u> 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 <u>Director</u> 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 <u>Director</u> 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 Director Superintendent, or otherwise exercise the authority
of the Director Superintendent, unless the same shall have been appointed by the Governor pursuant to this Section.

(Source: P.A. 97-464, eff. 8-19-11.)

(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>Director Superintendent</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. 97-464, eff. 10-15-11.)

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

Sec. 7.6. The Board shall advise and make recommendations to the <u>Director</u> Superintendent 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. 97-464, eff. 10-15-11.)

(20 ILCS 1605/7.8a) (from Ch. 120, par. 1157.8a)

Sec. 7.8a. The Board shall establish advertising policy to ensure that advertising content and practices do not target with the intent to exploit specific groups or economic classes of people, and that its content is accurate and not misleading. The Board shall review, at least quarterly, all past advertising and proposed concepts for major media campaigns to ensure that they do not target with the intent to exploit specific groups or economic classes of people, and that their content is accurate and not misleading. If the Board finds that advertising conflicts with such policy, it shall have the authority to direct the Department to cease that advertising. The Director or his or her designee shall provide a briefing on proposed major media campaigns at any regularly scheduled meeting upon written request from any Board member. Such

written request must be received by the Director at least 10 days prior to the regularly scheduled meeting.

(Source: P.A. 85-183.)

(20 ILCS 1605/7.12)

Sec. 7.12. Internet pilot program.

- (a) 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.

(b) 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, among other things, requirements for marketing of the Lottery to infrequent players, as well as limitations on the purchases that may be made through any one individual's lottery account. 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 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, Mega Millions, and Powerball 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. Nothing in this Section shall also be construed as prohibiting the sale of Lotto, Mega Millions, and Powerball games by a lottery licensee pursuant to the Department's rules.

(c) There is created the Internet Lottery Study Committee

as an advisory body within the Department. The Department shall conduct a study to determine the impact of the Internet pilot program on lottery licensees. The Department shall also determine the feasibility of the sale of stored value cards by lottery licensees as a non-exclusive option for use by individuals 18 years of age or older who purchase tickets for authorized lottery games in the Internet pilot program. For the purposes of this study, it is anticipated that the stored value cards will have, but need not be limited to, the following characteristics: (1) the cards will be available only to individuals 18 years of age and older; (2) the cards will be rechargeable, closed-loop cards that can only be loaded with cash; (3) the cards will have unique identifying numbers to be used for on-line play; (4) the cards will have on-line play subtracted from the card's value; (5) the cards may have on-line winnings added to them; (6) the cards will be used at Lottery retailers to cash out winnings of up to \$600; and (7) the cards will meet all technological, programming, security requirements mandated by the Department and the governing bodies of both Mega Millions and Powerball.

To the fullest extent possible, but subject to available resources, the Department shall ensure that the study evaluates and analyzes at least the following issues:

(1) economic benefits to the State from Internet Lottery sales from stored value cards and from resulting sales taxes;

- (2) economic benefits to local governments from sales taxes generated from Internet Lottery sales through stored value cards;
- (3) economic benefits to Lottery retailers from Internet Lottery sales and from ancillary retail product sales in connection with the same;
- (4) enhanced player age verification from face-to-face interaction;
- (5) enhanced control of gambling addiction from face-to-face interaction;
- (6) elimination of credit card overspending through the use of stored value cards and resulting reduced debt issues;
- (7) the feasibility of the utilization of existing Lottery machines to dispense stored value cards;
- (8) the technological, programming, and security requirements to make stored value cards an appropriate sales alternative; and
- (9) the cost and project time estimates for implementation, including adaptation of existing Lottery machines, programming, and technology enhancements and impact to operations.

The Study Committee shall consist of the <u>Director</u> Superintendent or his or her designee; the chief executive officer of the Lottery's private manager or his or her designee; a representative appointed by the Governor's Office;

2 representatives of the lottery licensee community appointed by the <u>Director Superintendent;</u> one representative of a statewide association representing food retailers appointed by the <u>Director Superintendent;</u> and one representative of a statewide association representing retail merchants appointed by the <u>Director Superintendent</u>.

Members of the Study Committee shall be appointed within 30 days after the effective date of this amendatory Act of the 97th General Assembly. No later than 6 months after the effective date of this amendatory Act of the 97th General Assembly, the Department shall provide to the members of the Study Committee the proposed findings and recommendations of the study in order to solicit input from the Study Committee. Within 30 calendar days thereafter, the Study Committee shall convene a meeting of the members to discuss the proposed findings and recommendations of the study. No later than 15 calendar days after meeting, the Study Committee shall submit Department any written changes, additions, the corrections the Study Committee wishes the Department to make to the study. The Department shall consider the propriety of and respond to each change, addition, or correction offered by the Study Committee in the study. The Department shall also set forth any such change, addition, or correction offered by members of the Study Committee and the Department's responses thereto in the appendix to the study. No later than 15 calendar days after receiving the changes, additions, or corrections offered by the Study Committee, the Department shall deliver copies of the final study and appendices, if any, to the Governor, President of the Senate, Minority Leader of the Senate, Speaker of the House of Representatives, Minority Leader of the House of Representatives, and each of the members of the Study Committee.

(Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-840, eff. 12-23-09; 97-464, eff. 10-15-11; 97-1121, eff. 8-27-12.)

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

- Sec. 9. The <u>Director</u> Superintendent, as administrative head of the Department, shall direct and supervise all its administrative and technical activities. In addition to the duties imposed upon him elsewhere in this Act, it shall be the Director's 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. In addition, the <u>Director Superintendent</u> 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 <u>Director Superintendent</u> 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 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 share 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; 97-464, eff. 10-15-11.)

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

Sec. 10. The Department, upon application therefor on forms prescribed by the Department, and upon a determination by the

Department 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 <u>Director</u> 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 such 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 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 transferable assignable. Such license shall or 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. 97-464, eff. 10-15-11.)

(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 prior to the settlor's death. Following such a settlor's death and prior to any payment to such a successor trustee, the Director Superintendent shall obtain from the trustee a written agreement to indemnify and hold the Director Department and the Department harmless with respect to any claims that may be asserted against the Department 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 Department Superintendent shall be discharged of all further liability upon payment of a prize pursuant to this Section.

(Source: P.A. 97-464, eff. 10-15-11.)

(20 ILCS 1605/14.4)

Sec. 14.4. Investigators.

- (a) The Department has the power to appoint investigators to conduct investigations, searches, seizures, arrests, and other duties required to enforce the provisions of this Act and prevent the perpetration of fraud upon the Department or the public. These investigators have and may exercise all the powers of peace officers solely for the purpose of ensuring the integrity of the lottery games operated by the Department.
- (b) The <u>Director</u> <u>Superintendent</u> must authorize to each investigator employed under this Section and to any other employee of the Department exercising the powers of a peace officer a distinct badge that, on its face, (i) clearly states that the badge is authorized by the Department and (ii) contains a unique identifying number. No other badge shall be authorized by the Department.

(Source: P.A. 97-1121, eff. 8-27-12.)

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

Sec. 19. The Department 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 <u>Director Superintendent</u> 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 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. 97-464, eff. 10-15-11.)

(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 this account shall be administered by the Director Superintendent 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.

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

(Source: P.A. 97-464, eff. 10-15-11.)

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 <u>Director Superintendent</u>. 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 <u>Director Superintendent</u>.

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 Director Superintendent may require. Any discrepancies in such receipts and transactions may be resolved as provided by the rules and regulations of the Department.

If 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 may issue a Notice of Assessment. In determining amounts shown on the Notice of Assessment, the Department 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 any of the Department's records relating to an account, including, but not limited to, notices of assessment, suspension, revocation, and personal liability and any other such notice prepared in the Department's ordinary course of business and books, records, or other documents offered in the name of the Department, under certificate of the Director or any officer or employee of the Department designated in writing by the Director shall, without further proof, be admitted into evidence in any hearing before the Board or its Hearing Officers or any legal proceeding and shall be prima facie proof of the information contained therein. Reproduced copies of the Department'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 or any officer or employee of the Department designated in writing by the Superintendent shall, without further proof, be 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 $\underline{\text{Director}}$ Superintendent 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 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. 97-464, eff. 10-15-11.)

(20 ILCS 1605/21.5)

Sec. 21.5. Carolyn Adams Ticket For The Cure.

(a) The Department shall offer a special instant scratch-off game with the title of "Carolyn Adams Ticket For The Cure". The game shall commence on January 1, 2006 or as soon thereafter, in the discretion of the <u>Director Superintendent</u>, as is reasonably practical, and shall be discontinued on December 31, 2016. The operation of the game shall be governed by this Act and any rules adopted by the

Department. The Department must consult with the Carolyn Adams 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 revenue from the Carolyn Adams 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 breast cancer research, and supportive services for breast cancer survivors and those impacted by breast cancer and breast cancer education. In awarding grants, the Department of Public Health shall consider criteria that includes, but is not limited to, projects and initiatives that address disparities in incidence and mortality rates of breast cancer, based on data from the Illinois Cancer Registry, and populations facing barriers to care. The Department of Public Health shall, before grants are awarded, provide copies of all grant applications to the Carolyn Adams Ticket For The Cure Board, receive and review the Board's 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 Carolyn Adams 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; 97-92, eff. 7-11-11; 97-464, eff. 10-15-11; 97-813, eff. 7-13-12.)

(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>Director Superintendent</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;
 - (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; and

(vi) veteran employment and employment training.

In order to expend moneys from this special fund, beginning with moneys appropriated for fiscal year 2008, the Director of appoint a Veterans' Affairs shall 3-member authorization committee. The Director Superintendent 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. 97-464, eff. 10-15-11; 97-740, eff. 7-5-12.)

(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>Director Superintendent</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 <u>and prevention</u> 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, and also the prevention, 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. 97-464, eff. 10-15-11.)

(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>Director Superintendent</u>, as is reasonably practical, and shall be discontinued on December 31, 2017. 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 Health. 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 an organization's 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. 97-464, eff. 10-15-11; 97-1117, eff. 8-27-12.)

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

Sec. 27. (a) The State Treasurer may, with the consent of the <u>Director</u> Superintendent, 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 <u>Director</u> Superintendent may prescribe.

(b) All proceeds from investments made pursuant to contracts executed by the State Treasurer, with the consent of the <u>Director Superintendent</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>Director Superintendent</u>.

The <u>Director</u> Superintendent 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>Director Superintendent</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 its 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>Director</u> Superintendent 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>Director Superintendent</u> may request that the State Comptroller transfer any excess moneys in the Deferred Lottery Prize Winners Trust Fund to the <u>State</u> Lottery Fund.
- (d) This amendatory Act of 1985 shall be construed liberally to effect the purposes of the Illinois Lottery Law. (Source: P.A. 97-464, eff. 10-15-11; revised 10-17-12.)

(20 ILCS 1605/29)

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 itself or any other division or agency within 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.
- (g) Whenever reports or notices are now required to be made 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 Procedure 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 Procedure 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 or Director of the Department of the Lottery.

SB2197 Enrolled

LRB098 05665 AMC 35704 b

(Source: P.A. 97-464, eff. 10-15-11; 97-813, eff. 7-13-12.)

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

INDEX

Statutes amended in order of appearance

20	ILCS	5/5-20	was 20 ILCS 5/4	
20	ILCS	5/5-372 new		
20	ILCS	1605/3	from Ch. 120, par. 1153	
20	ILCS	1605/5	from Ch. 120, par. 1155	
20	ILCS	1605/6	from Ch. 120, par. 1156	
20	ILCS	1605/7.6	from Ch. 120, par. 1157.6	
20	ILCS	1605/7.8a	from Ch. 120, par. 1157.8a	
20	ILCS	1605/7.12		
20	ILCS	1605/9	from Ch. 120, par. 1159	
20	ILCS	1605/10	from Ch. 120, par. 1160	
20	ILCS	1605/13	from Ch. 120, par. 1163	
20	ILCS	1605/14.4		
20	ILCS	1605/19	from Ch. 120, par. 1169	
20	ILCS	1605/20.1	from Ch. 120, par. 1170.1	
20	ILCS	1605/21	from Ch. 120, par. 1171	
20	ILCS	1605/21.5		
20	ILCS	1605/21.6		
20	ILCS	1605/21.7		
20	ILCS	1605/21.8		
20	ILCS	1605/27	from Ch. 120, par. 1177	
20	ILCS	1605/29		