



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB2145

Introduced 2/7/2025, by Sen. Bill Cunningham

SYNOPSIS AS INTRODUCED:

See Index

Amends the Sports Wagering Act. Allows a licensee to offer pool sports wagering to State patrons where State patrons compete against patrons located outside of the State. Allows the Illinois Gaming Board to issue master sports wagering licenses to persons to conduct sports wagering over the Internet or through a mobile application (rather than issue 3 master sports wagering licenses to online sports wagering operators for a nonrefundable license fee of \$20,000,000 pursuant to an open and competitive selection process). Provides that the application fee for a master sports wagering license is \$250,000 while the initial fee for a master sports wagering license issued to an online sports wagering operator is \$15,000,000. Provides that a master sports wagering license is valid for 4 years and may be renewed for another 4 years by paying a \$1,000,000 renewal fee. Allows the Board to regulate the conduct of fantasy contest operators under the Act. Sets forth rulemaking authority, fees, surcharges, civil penalties, and monthly taxes, Board powers, and cooperation with law enforcement investigations. Prohibits a person from offering fantasy contests in the State unless the person is licensed by the Board as a fantasy contest operator for an application fee of \$50,000. Sets forth applicant requirements. Prohibits a person from participating in a fantasy contest if the person is not at least 21 years of age. Sets forth the duties of fantasy contest licensees. Provides that, beginning July 1, 2025, the State shall impose a privilege tax on the fantasy contest operator licensee's adjusted gross fantasy contest receipts based on the following rates: (1) 20% of annual adjusted gross fantasy contest receipts to and including \$1,000,000; (2) 25% of annual adjusted gross fantasy contest receipts of \$3,000,000 but not exceeding \$5,000,000; (3) 30% of annual adjusted gross fantasy contest receipts of \$5,000,000 but not exceeding \$10,000,000; (4) 35% of annual adjusted gross fantasy contest receipts \$10,000,000 but not exceeding \$20,000,000; and (5) 40% of annual adjusted gross fantasy contest receipts in excess of \$20,000,000. Makes other changes. Makes conforming changes in the Illinois Administrative Procedures Act and the Criminal Code of 2012. Effective immediately.

LRB104 08583 LNS 18635 b

A BILL FOR

1 AN ACT concerning gaming.

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

4 Section 5. The Illinois Administrative Procedure Act is
5 amended by adding Section 5-45.65 as follows:

6 (5 ILCS 100/5-45.65 new)

7 Sec. 5-45.65. Emergency rulemaking; Illinois Gaming Board.

8 To provide for the expeditious and timely implementation of
9 Sections 120 through 120.8 of the Sports Wagering Act,
10 emergency rules implementing the Sections 120 through 120.8 of
11 the Sports Wagering Act may be adopted in accordance with
12 Section 5-45 by the Illinois Gaming Board. The adoption of
13 emergency rules authorized by Section 5-45 and this Section is
14 deemed to be necessary for the public interest, safety, and
15 welfare.

16 This Section is repealed one year after the effective date
17 of this amendatory Act of the 104th General Assembly.

18 Section 10. The Sports Wagering Act is amended by changing
19 Sections 25-10, 25-25, 25-45, 25-95, and 25-100 and by adding
20 Sections 25-120, 25-120.1, 25-120.2, 25-120.3, 25-120.4,
21 25-120.5, 25-120.6, 25-120.7, and 25-120.8 as follows:

1 (230 ILCS 45/25-10)

2 Sec. 25-10. Definitions. As used in this Act:

3 "Adjusted gross sports wagering receipts" means a master
4 sports wagering licensee's gross sports wagering receipts,
5 less winnings paid to wagerers in such games.

6 "Athlete" means any current or former professional athlete
7 or collegiate athlete.

8 "Board" means the Illinois Gaming Board.

9 "Covered persons" includes athletes; umpires, referees,
10 and officials; personnel associated with clubs, teams,
11 leagues, and athletic associations; medical professionals
12 (including athletic trainers) who provide services to athletes
13 and players; and the family members and associates of these
14 persons where required to serve the purposes of this Act.

15 "Department" means the Department of the Lottery.

16 "Gaming facility" means a facility at which gambling
17 operations are conducted under the Illinois Gambling Act,
18 pari-mutuel wagering is conducted under the Illinois Horse
19 Racing Act of 1975, or sports wagering is conducted under this
20 Act.

21 "Official league data" means statistics, results,
22 outcomes, and other data related to a sports event obtained
23 pursuant to an agreement with the relevant sports governing
24 body, or an entity expressly authorized by the sports
25 governing body to provide such information to licensees, that
26 authorizes the use of such data for determining the outcome of

1 tier 2 sports wagers on such sports events.

2 "Organization licensee" has the meaning given to that term
3 in the Illinois Horse Racing Act of 1975.

4 "Owners licensee" means the holder of an owners license
5 under the Illinois Gambling Act.

6 "Person" means an individual, partnership, committee,
7 association, corporation, or any other organization or group
8 of persons.

9 "Personal biometric data" means an athlete's information
10 derived from DNA, heart rate, blood pressure, perspiration
11 rate, internal or external body temperature, hormone levels,
12 glucose levels, hydration levels, vitamin levels, bone
13 density, muscle density, and sleep patterns.

14 "Prohibited conduct" includes any statement, action, and
15 other communication intended to influence, manipulate, or
16 control a betting outcome of a sporting contest or of any
17 individual occurrence or performance in a sporting contest in
18 exchange for financial gain or to avoid financial or physical
19 harm. "Prohibited conduct" includes statements, actions, and
20 communications made to a covered person by a third party, such
21 as a family member or through social media. "Prohibited
22 conduct" does not include statements, actions, or
23 communications made or sanctioned by a team or sports
24 governing body.

25 "Qualified applicant" means an applicant for a license
26 under this Act whose application meets the mandatory minimum

1 qualification criteria as required by the Board.

2 "Sporting contest" means a sports event or game on which
3 the State allows sports wagering to occur under this Act.

4 "Sports event" means a professional sport or athletic
5 event, a collegiate sport or athletic event, a motor race
6 event, or any other event or competition of relative skill
7 authorized by the Board under this Act.

8 "Sports facility" means a facility that hosts sports
9 events and holds a seating capacity greater than 17,000
10 persons, except in a municipality with a population of more
11 than 1,000,000, a seating capacity greater than 10,000
12 persons.

13 "Sports governing body" means the organization that
14 prescribes final rules and enforces codes of conduct with
15 respect to a sports event and participants therein.

16 "Sports wagering" means accepting wagers on sports events
17 or portions of sports events, or on the individual performance
18 statistics of athletes in a sports event or combination of
19 sports events, by any system or method of wagering, including,
20 but not limited to, in person or over the Internet through
21 websites and on mobile devices. "Sports wagering" includes,
22 but is not limited to, single-game bets, teaser bets, parlays,
23 over-under, moneyline, pools, exchange wagering, in-game
24 wagering, in-play bets, proposition bets, and straight bets.
25 "Sports wagering" does not include fantasy contests as that
26 term is defined in Section 25-120.1.

1 "Sports wagering account" means a financial record
2 established by a master sports wagering licensee for an
3 individual patron in which the patron may deposit and withdraw
4 funds for sports wagering and other authorized purchases and
5 to which the master sports wagering licensee may credit
6 winnings or other amounts due to that patron or authorized by
7 that patron.

8 "Tier 1 sports wager" means a sports wager that is
9 determined solely by the final score or final outcome of the
10 sports event and is placed before the sports event has begun.

11 "Tier 2 sports wager" means a sports wager that is not a
12 tier 1 sports wager.

13 "Wager" means a sum of money or thing of value risked on an
14 uncertain occurrence.

15 ~~"Winning bidder" means a qualified applicant for a master~~
16 ~~sports wagering license chosen through the competitive~~
17 ~~selection process under Section 25-45.~~

18 (Source: P.A. 101-31, eff. 6-28-19; 102-689, eff. 12-17-21.)

19 (230 ILCS 45/25-25)

20 Sec. 25-25. Sports wagering authorized.

21 (a) Notwithstanding any provision of law to the contrary,
22 the operation of sports wagering is only lawful when conducted
23 in accordance with the provisions of this Act and the rules of
24 the Illinois Gaming Board and the Department of the Lottery.

25 (b) A person placing a wager under this Act shall be at

1 least 21 years of age.

2 (c) A licensee under this Act may not accept a wager on a
3 minor league sports event.

4 (d) Except as otherwise provided in this Section, a
5 licensee under this Act may not accept a wager for a sports
6 event involving an Illinois collegiate team.

7 (d-5) Beginning on the effective date of this amendatory
8 Act of the 102nd General Assembly until July 1, 2024, a
9 licensee under this Act may accept a wager for a sports event
10 involving an Illinois collegiate team if:

11 (1) the wager is a tier 1 wager;

12 (2) the wager is not related to an individual
13 athlete's performance; and

14 (3) the wager is made in person instead of over the
15 Internet or through a mobile application.

16 (e) A licensee under this Act may only accept a wager from
17 a person physically located in the State.

18 (f) Master sports wagering licensees may use any data
19 source for determining the results of all tier 1 sports
20 wagers.

21 (g) A sports governing body headquartered in the United
22 States may notify the Board that it desires to supply official
23 league data to master sports wagering licensees for
24 determining the results of tier 2 sports wagers. Such
25 notification shall be made in the form and manner as the Board
26 may require. If a sports governing body does not notify the

1 Board of its desire to supply official league data, a master
2 sports wagering licensee may use any data source for
3 determining the results of any and all tier 2 sports wagers on
4 sports contests for that sports governing body.

5 Within 30 days of a sports governing body notifying the
6 Board, master sports wagering licensees shall use only
7 official league data to determine the results of tier 2 sports
8 wagers on sports events sanctioned by that sports governing
9 body, unless: (1) the sports governing body or designee cannot
10 provide a feed of official league data to determine the
11 results of a particular type of tier 2 sports wager, in which
12 case master sports wagering licensees may use any data source
13 for determining the results of the applicable tier 2 sports
14 wager until such time as such data feed becomes available on
15 commercially reasonable terms; or (2) a master sports wagering
16 licensee can demonstrate to the Board that the sports
17 governing body or its designee cannot provide a feed of
18 official league data to the master sports wagering licensee on
19 commercially reasonable terms. During the pendency of the
20 Board's determination, such master sports wagering licensee
21 may use any data source for determining the results of any and
22 all tier 2 sports wagers.

23 (h) A licensee under this Act may not accept wagers on a
24 kindergarten through 12th grade sports event.

25 (i) A licensee may offer pool sports wagering to State
26 patrons where State patrons compete against patrons located

1 outside of the State. In such cases, the pool must be expressly
2 permitted in all jurisdictions in which it is offered and must
3 comply with all laws, rules, and regulations in all
4 jurisdictions in which it is offered. The adjusted gross
5 sports wagering receipts of an interstate pool shall be
6 determined by the total value of all wagers placed in the State
7 less the proportional pro rata value of all winnings paid to
8 patrons. The pro rata value of all winnings shall be
9 determined by the ratio of the total value of all wagers placed
10 in the State divided by the total value of all wagers placed in
11 the pool, to the nearest .01%.

12 (Source: P.A. 102-689, eff. 12-17-21; 103-4, eff. 5-31-23.)

13 (230 ILCS 45/25-45)

14 Sec. 25-45. Master sports wagering license issued to an
15 online sports wagering operator.

16 (a) The Board may issue master sports wagering licenses to
17 persons to conduct sports wagering over the Internet or
18 through a mobile application. ~~The Board shall issue 3 master~~
19 ~~sports wagering licenses to online sports wagering operators~~
20 ~~for a nonrefundable license fee of \$20,000,000 pursuant to an~~
21 ~~open and competitive selection process. The master sports~~
22 ~~wagering license issued under this Section may be renewed~~
23 ~~every 4 years upon payment of a \$1,000,000 renewal fee.~~ To the
24 extent permitted by federal and State law, the Board shall
25 actively seek to achieve racial, ethnic, and geographic

1 diversity when issuing master sports wagering licenses under
2 this Section and encourage minority-owned businesses,
3 women-owned businesses, veteran-owned businesses, and
4 businesses owned by persons with disabilities to apply for
5 licensure.

6 For the purposes of this subsection (a), "minority-owned
7 business", "women-owned business", and "business owned by
8 persons with disabilities" have the meanings given to those
9 terms in Section 2 of the Business Enterprise for Minorities,
10 Women, and Persons with Disabilities Act.

11 (b) Applicants shall pay to the Board a nonrefundable
12 application fee in the amount of \$250,000. The initial license
13 fee for a master sports wagering license issued to an online
14 sports wagering operator is \$15,000,000. The master sports
15 wagering license is valid for 4 years. ~~Applications for the~~
16 ~~initial competitive selection occurring after the effective~~
17 ~~date of this Act shall be received by the Board within 540 days~~
18 ~~after the first license is issued under this Act to qualify.~~
19 ~~The Board shall announce the winning bidders for the initial~~
20 ~~competitive selection within 630 days after the first license~~
21 ~~is issued under this Act, and this time frame may be extended~~
22 ~~at the discretion of the Board.~~

23 (c) A licensee may renew the master sports wagering
24 license for a period of 4 years by paying a \$1,000,000 renewal
25 fee to the Board. ~~The Board shall provide public notice of its~~
26 ~~intent to solicit applications for master sports wagering~~

1 ~~licenses under this Section by posting the notice, application~~
2 ~~instructions, and materials on its website for at least 30~~
3 ~~calendar days before the applications are due. Failure by an~~
4 ~~applicant to submit all required information may result in the~~
5 ~~application being disqualified. The Board may notify an~~
6 ~~applicant that its application is incomplete and provide an~~
7 ~~opportunity to cure by rule. Application instructions shall~~
8 ~~include a brief overview of the selection process and how~~
9 ~~applications are scored.~~

10 (d) A master sports wagering licensee may conduct sports
11 wagering over the Internet or through a mobile application. ~~To~~
12 ~~be eligible for a master sports wagering license under this~~
13 ~~Section, an applicant must: (1) be at least 21 years of age;~~
14 ~~(2) not have been convicted of a felony offense or a violation~~
15 ~~of Article 28 of the Criminal Code of 1961 or the Criminal Code~~
16 ~~of 2012 or a similar statute of any other jurisdiction; (3) not~~
17 ~~have been convicted of a crime involving dishonesty or moral~~
18 ~~turpitude; (4) have demonstrated a level of skill or knowledge~~
19 ~~that the Board determines to be necessary in order to operate~~
20 ~~sports wagering; and (5) have met standards for the holding of~~
21 ~~a license as adopted by rules of the Board.~~

22 ~~The Board may adopt rules to establish additional~~
23 ~~qualifications and requirements to preserve the integrity and~~
24 ~~security of sports wagering in this State and to promote and~~
25 ~~maintain a competitive sports wagering market. After the close~~
26 ~~of the application period, the Board shall determine whether~~

1 ~~the applications meet the mandatory minimum qualification~~
2 ~~criteria and conduct a comprehensive, fair, and impartial~~
3 ~~evaluation of all qualified applications.~~

4 (e) (Blank). ~~The Board shall open all qualified~~
5 ~~applications in a public forum and disclose the applicants'~~
6 ~~names. The Board shall summarize the terms of the proposals~~
7 ~~and make the summaries available to the public on its website.~~

8 (f) (Blank). ~~Not more than 90 days after the publication~~
9 ~~of the qualified applications, the Board shall identify the~~
10 ~~winning bidders. In granting the licenses, the Board may give~~
11 ~~favorable consideration to qualified applicants presenting~~
12 ~~plans that provide for economic development and community~~
13 ~~engagement. To the extent permitted by federal and State law,~~
14 ~~the Board may give favorable consideration to qualified~~
15 ~~applicants demonstrating commitment to diversity in the~~
16 ~~workplace.~~

17 (g) (Blank). ~~Upon selection of the winning bidders, the~~
18 ~~Board shall have a reasonable period of time to ensure~~
19 ~~compliance with all applicable statutory and regulatory~~
20 ~~criteria before issuing the licenses. If the Board determines~~
21 ~~a winning bidder does not satisfy all applicable statutory and~~
22 ~~regulatory criteria, the Board shall select another bidder~~
23 ~~from the remaining qualified applicants.~~

24 (h) (Blank). ~~Nothing in this Section is intended to confer~~
25 ~~a property or other right, duty, privilege, or interest~~
26 ~~entitling an applicant to an administrative hearing upon~~

1 ~~denial of an application.~~

2 (i) (Blank). ~~Upon issuance of a master sports wagering~~
3 ~~license to a winning bidder, the information and plans~~
4 ~~provided in the application become a condition of the license.~~
5 ~~A master sports wagering licensee under this Section has a~~
6 ~~duty to disclose any material changes to the application.~~
7 ~~Failure to comply with the conditions or requirements in the~~
8 ~~application may subject the master sports wagering licensee~~
9 ~~under this Section to discipline, including, but not limited~~
10 ~~to, fines, suspension, and revocation of its license, pursuant~~
11 ~~to rules adopted by the Board.~~

12 (j) (Blank). ~~The Board shall disseminate information about~~
13 ~~the licensing process through media demonstrated to reach~~
14 ~~large numbers of business owners and entrepreneurs who are~~
15 ~~minorities, women, veterans, and persons with disabilities.~~

16 (k) (Blank). ~~The Department of Commerce and Economic~~
17 ~~Opportunity, in conjunction with the Board, shall conduct~~
18 ~~ongoing, thorough, and comprehensive outreach to businesses~~
19 ~~owned by minorities, women, veterans, and persons with~~
20 ~~disabilities about contracting and entrepreneurial~~
21 ~~opportunities in sports wagering. This outreach shall include,~~
22 ~~but not be limited to:~~

23 ~~(1) cooperating and collaborating with other State~~
24 ~~boards, commissions, and agencies; public and private~~
25 ~~universities and community colleges; and local governments~~
26 ~~to target outreach efforts; and~~

1 ~~(2) working with organizations serving minorities,~~
2 ~~women, and persons with disabilities to establish and~~
3 ~~conduct training for employment in sports wagering.~~

4 (1) (Blank). ~~The Board shall partner with the Department~~
5 ~~of Labor, the Department of Financial and Professional~~
6 ~~Regulation, and the Department of Commerce and Economic~~
7 ~~Opportunity to identify employment opportunities within the~~
8 ~~sports wagering industry for job seekers and dislocated~~
9 ~~workers.~~

10 (m) By March 1, 2020, the Board shall prepare a request for
11 proposals to conduct a study of the online sports wagering
12 industry and market to determine whether there is a compelling
13 interest in implementing remedial measures, including the
14 application of the Business Enterprise Program under the
15 Business Enterprise for Minorities, Women, and Persons with
16 Disabilities Act or a similar program to assist minorities,
17 women, and persons with disabilities in the sports wagering
18 industry.

19 As a part of the study, the Board shall evaluate race and
20 gender-neutral programs or other methods that may be used to
21 address the needs of minority and women applicants and
22 minority-owned and women-owned businesses seeking to
23 participate in the sports wagering industry. The Board shall
24 submit to the General Assembly and publish on its website the
25 results of this study by August 1, 2020.

26 ~~If, as a result of the study conducted under this~~

1 ~~subsection (m), the Board finds that there is a compelling~~
2 ~~interest in implementing remedial measures, the Board may~~
3 ~~adopt rules, including emergency rules, to implement remedial~~
4 ~~measures, if necessary and to the extent permitted by State~~
5 ~~and federal law, based on the findings of the study conducted~~
6 ~~under this subsection (m).~~

7 (Source: P.A. 101-31, eff. 6-28-19.)

8 (230 ILCS 45/25-95)

9 Sec. 25-95. Compulsive gambling. Each master sports
10 wagering licensee and fantasy contest operator licensee shall
11 include a statement regarding obtaining assistance with
12 gambling problems, the text of which shall be determined by
13 rule by the Department of Human Services, on the ~~master sports~~
14 ~~wagering~~ licensee's portal, Internet website, or computer or
15 mobile application.

16 (Source: P.A. 101-31, eff. 6-28-19.)

17 (230 ILCS 45/25-100)

18 Sec. 25-100. Voluntary self-exclusion program for sports
19 wagering and fantasy contests. Any resident, or non-resident
20 if allowed to participate in sports wagering or fantasy
21 contests, may voluntarily prohibit himself or herself from
22 establishing a sports wagering account or fantasy contest
23 account with a licensee under this Act. The Board and
24 Department shall incorporate the voluntary self-exclusion

1 program for sports wagering and fantasy contests into any
2 existing self-exclusion program that it operates on the
3 effective date of this Act.

4 (Source: P.A. 101-31, eff. 6-28-19.)

5 (230 ILCS 45/25-120 new)

6 Sec. 25-120. Fantasy contests; legislative intent. Fantasy
7 contests are sufficiently similar to sports wagering to
8 necessitate regulation by the State. The State seeks to ensure
9 both public confidence and trust in the credibility and
10 integrity of fantasy contests, as well as to protect the
11 public health and general welfare of the people of the State.
12 Therefore, regulatory provisions of this Act are designed to
13 strictly regulate the facilities, persons, associations, and
14 practices related to fantasy contest operations pursuant to
15 the police powers of the State, including comprehensive law
16 enforcement supervision.

17 (230 ILCS 45/25-120.1 new)

18 Sec. 25-120.1. Definitions. As used in Sections 120
19 through 120.8:

20 "Adjusted gross fantasy contest receipts" means the amount
21 equal to intrastate gross fantasy contest receipts plus
22 interstate gross fantasy contest receipts.

23 "Entry fee" means a nonrefundable cash or cash equivalent
24 that is paid by or on behalf of a participant and set in

1 advance by a fantasy contest operator granting the participant
2 the right to participate in a fantasy contest.

3 "Fantasy contest" means an online contest of skill between
4 2 or more participants with an entry fee where:

5 (1) the values of all prizes offered to a winning
6 participant are established and made known to the
7 participant in advance of the contest;

8 (2) all winning outcomes reflect the relative
9 knowledge and skill of the participant;

10 (3) the participant assembles, owns, or manages a
11 fictional entry or roster of actual professional or
12 amateur athletes, in real-world sports events, or other
13 event or competition of relative skill authorized by the
14 Board;

15 (4) a participant competes for prizes awarded by a
16 fantasy contest operator based on terms and conditions
17 published by the fantasy contest operator and made known
18 to the participant in advance of the contest;

19 (5) winning outcomes are determined solely by clearly
20 preestablished, objective scoring criteria based on one or
21 more statistical results of the performance of an
22 individual athlete, including, but not limited to, a
23 fantasy score; and

24 (6) no winning outcome is entirely based on the score,
25 point spread, or any performance of any single actual team
26 or combination of teams or solely on any single

1 performance of an individual athlete or player in any
2 single actual event.

3 "Fantasy contest" does not include contests wherein only a
4 single participant competes against a target score set by the
5 fantasy contest operator. "Fantasy contest" does not include
6 any fantasy contest without an entry fee.

7 "Fantasy contest operator" means a person or entity that
8 offers fantasy contests to members of the public. "Fantasy
9 contest operator" does not include an Internet service
10 provider or a provider of mobile data services merely as a
11 result of that entity's transporting general traffic that may
12 include a fantasy contest.

13 "Interstate gross fantasy contest receipts" means the
14 amount equal to the total of all entry fees that a fantasy
15 contest operator collects from all participants in contests
16 where all participants are located in this State less the
17 total of all prizes paid out to participants in those
18 contests.

19 "Intrastate gross fantasy contest receipts" means, in
20 contests which include both State and non-State participants,
21 the amount equal to the total of all entry fees that a fantasy
22 contest operator collects from all participants less the total
23 of all prizes paid out to participants in those contests
24 multiplied by the location percentage for the State.

25 "Location percentage" means the percentage, rounded to the
26 nearest 0.1%, of the total entry fees collected from players

1 located in this State in any fantasy contest which includes
2 both State and non-State participants divided by the total
3 entry fees collected from all players in those contests.

4 "Participant" means an individual who participates in a
5 fantasy contest offered by a fantasy contest operator.

6 (230 ILCS 45/25-120.2 new)

7 Sec. 25-120.2. Board powers.

8 (a) The Board may regulate the conduct of fantasy contest
9 operators under this Act.

10 (b) The Board shall adopt any rules the Board considers
11 necessary for the successful implementation, administration,
12 and enforcement of this Act. Rules proposed by the Board may be
13 adopted as emergency rules under Section 5-45 of the Illinois
14 Administrative Procedure Act.

15 (c) The Board shall levy and collect all fees, surcharges,
16 civil penalties, and, on adjusted gross fantasy contest
17 receipts imposed under this Act, monthly taxes as follows:

18 (1) All application, licensing, and renewal fees
19 collected under this Act shall be deposited in the State
20 Gaming Fund.

21 (2) All taxes collected under Section 25-120.6 shall
22 be deposited into the State Gaming Fund.

23 (3) All civil penalties or fines levied under this
24 Section shall be deposited in accordance with the Illinois
25 Gambling Act.

1 (d) The Board may exercise any other powers necessary to
2 enforce the provisions of this Act that it regulates and the
3 rules of the Board.

4 (e) The Board and fantasy contest operator licensees may
5 cooperate with investigations conducted by law enforcement
6 agencies, including, but not limited to, providing and
7 facilitating the provision of account-level entry and
8 participation information.

9 (230 ILCS 45/25-120.3 new)

10 Sec. 25-120.3. Licensure required.

11 (a) Except as otherwise provided in this Section, a person
12 may not offer fantasy contests in this State unless the person
13 is licensed by the Board as a fantasy contest operator. No
14 party other than an owner or key person of a licensee may
15 receive revenue share from the operation of fantasy contests
16 without holding a fantasy contest operator license.

17 (b) A fantasy contest operator that was offering contests
18 to persons located in the State before the effective date of
19 this amendatory Act of the 104th General Assembly may continue
20 to offer contests to persons located in the State until 90 days
21 after the effective date of rules implementing this amendatory
22 Act of the 104th General Assembly. The Board shall issue a
23 temporary operating permit to a fantasy contest operator that
24 was offering contests to persons located in this State before
25 the effective date of this amendatory Act of the 104th General

1 Assembly if the fantasy contest operator files an application
2 for licensure with the Board and pays the required license
3 application fee within 90 days of the effective date of rules
4 implementing this amendatory Act of the 104th General
5 Assembly, subject to Board rules.

6 (c) The burden is upon each applicant to demonstrate the
7 applicant's suitability for licensure. An applicant for a
8 license issued under this Act shall submit an application to
9 the Board in the form the Board requires. Each person seeking
10 licensure shall submit to a background investigation conducted
11 by the Board with the assistance of the Illinois State Police
12 or other law enforcement.

13 (1) To the extent that the corporate structure of the
14 applicant allows, the background investigation shall
15 include any or all of the following as the Board deems
16 appropriate or as provided by rule for each category of
17 licensure:

18 (A) each beneficiary of a trust;

19 (B) each partner of a partnership;

20 (C) each member of a limited liability company;

21 (D) each director and officer of a publicly or
22 nonpublicly held corporation;

23 (E) each stockholder of a nonpublicly held
24 corporation;

25 (F) each stockholder of 5% or more of a publicly
26 held corporation; or

1 (G) each stockholder of 5% or more in a parent or
2 subsidiary corporation.

3 (2) Each applicant shall disclose the identity of
4 every person, association, trust, corporation, or limited
5 liability company having a greater than 1% direct or
6 indirect pecuniary interest in the fantasy contest for
7 which the license is sought. If the disclosed entity is a
8 trust, the application shall disclose the names and
9 addresses of the beneficiaries; if a corporation, the
10 names and addresses of all stockholders and directors; if
11 a limited liability company, the names and addresses of
12 all members; or if a partnership, the names and addresses
13 of all partners, both general and limited.

14 (d) To be eligible for a fantasy contest operator license
15 under this Section, an applicant and its key persons must at
16 minimum:

17 (1) be at least 21 years of age;

18 (2) not have been convicted of a felony offense or a
19 violation of Article 28 of the Criminal Code of 1961 or the
20 Criminal Code of 2012 or a similar statute of any other
21 jurisdiction;

22 (3) not have been convicted of a crime involving
23 dishonesty or moral turpitude;

24 (4) have demonstrated a level of skill or knowledge
25 that the Board determines to be necessary in order to
26 operate fantasy contests; and

1 (5) have met standards for the holding of a license as
2 adopted by rules of the Board.

3 (e) No person may be licensed if that person has been found
4 by the Board to:

5 (1) have a background, including a criminal record,
6 reputation, habits, social or business associations, or
7 prior activities that pose a threat to the public
8 interests of the State or to the security and integrity of
9 fantasy contest operations;

10 (2) create or enhance the dangers of unsuitable,
11 unfair, or illegal practices, methods, and activities in
12 the conduct of fantasy contest operations; or

13 (3) present questionable business practices and
14 financial arrangements incidental to the conduct of
15 fantasy contest operations.

16 (f) The Board may adopt rules to establish additional
17 qualifications and requirements to preserve the integrity and
18 security of fantasy contests in this State and to promote and
19 maintain a competitive fantasy sports market.

20 (g) On receipt of a completed application and the required
21 fee, the Board shall conduct the necessary background
22 investigation to determine if the applicant meets the
23 qualifications for licensure. On completion of the necessary
24 background investigation, the Board shall either issue a
25 license or deny the application. The Board shall establish
26 procedures to conduct hearings for any person denied

1 licensure.

2 (h) A nonrefundable application fee of \$50,000 shall be
3 paid at the time of application.

4 (i) A license fee of \$500,000 shall be paid within 30 days
5 of the issuance of an initial license. The term of the initial
6 license shall be for 4 years.

7 (j) A license renewal fee of \$50,000 shall be paid 30 days
8 of the renewal of a license.

9 (230 ILCS 45/25-120.4 new)

10 Sec. 25-120.4. Conduct of contests.

11 (a) Any fantasy contest conducted under this Act does not
12 constitute gambling for any purpose, including under Article
13 28 of the Criminal Code of 1961 or the Criminal Code of 2012.

14 (b) Notwithstanding any provision of law to the contrary,
15 the operation of fantasy contests is only lawful when
16 conducted in accordance with the provisions of this Act.

17 (c) A person participating in a fantasy contest under this
18 Act shall be at least 21 years of age.

19 (d) A licensee under this Act may only accept an entry from
20 a person physically located in the State. A fantasy contest
21 operator must use a geolocation system to ensure that a
22 participant is physically present in the State when
23 participating in the fantasy contest unless otherwise
24 authorized by the Board.

25 (e) When offering interstate fantasy contests to State

1 participants, such contests may only be offered in the State
2 if the contest is affirmatively legal in each other state in
3 which it is offered.

4 (f) No athlete, competitor, referee, official, coach,
5 manager, medical professional, or athletic trainer or employee
6 or contractor of a team or athletic organization who has
7 access to nonpublic information concerning an athlete or team
8 may engage in fantasy contests involving an event or the
9 performance of an individual in an event in which the person is
10 participating or otherwise has access to nonpublic or
11 exclusive information.

12 (g) No key person or employee of a fantasy contest
13 operator licensee may participate in fantasy contests offered
14 by licensee.

15 (230 ILCS 45/25-120.5 new)

16 Sec. 25-120.5. Duties of licensees.

17 (a) Licensees shall comply with all applicable anti-money
18 laundering standards, as defined by the federal Bank Secrecy
19 Act of 1970 and the Anti-Money Laundering Act of 2020.

20 (b) Licensees have an affirmative duty to prevent underage
21 participation in fantasy contents. Licensees shall establish
22 technical and operational measures to prevent underage
23 participation in a fantasy contest.

24 (c) Licensees shall implement identity verification
25 procedures, consistent with modern best practices, to verify

1 an individual's personally identifiable information and can
2 detect potential prohibited participants.

3 (d) Licensees shall employ mechanisms on the operator's
4 platform that are designed to detect and prevent unauthorized
5 accounts and to detect and prevent fraud, money laundering,
6 and collusion.

7 (e) Licensees shall implement geolocation technology to
8 verify that a participant is not accessing the platform from a
9 restricted jurisdiction.

10 (f) Licensees shall make all reasonable efforts to
11 promptly notify the Board of any information relating to:

12 (1) a confirmed breach of the relevant sport's
13 governing body's internal rules and codes of conduct
14 pertaining to participation in real-money fantasy
15 contests;

16 (2) any conduct that corrupts any outcome related to a
17 sports event or sports events for purposes of financial
18 gain, including match fixing; and

19 (3) suspected illegal activities, including use of
20 funds derived from illegal activity, entries to conceal or
21 launder funds derived from illegal activity,
22 multi-accounting, and using false identification.

23 (230 ILCS 45/25-120.6 new)

24 Sec. 25-120.6. Audits and record keeping.

25 (a) Licensees shall contract with a certified public

1 accountant to conduct an annual independent audit consistent
2 with generally accepted accounting principles and any
3 additional standards adopted by the Board.

4 (b) A licensee's fantasy contest platform must be tested
5 and certified by an independent outside testing laboratory
6 approved by the Board prior to commencement of fantasy
7 contests under this Act. The licensee shall have the fantasy
8 contest platform re-tested and certified on an annual basis.

9 (c) Each licensee shall maintain in a place, secure from
10 theft, loss, or destruction, adequate records of business
11 operations that shall be made available to the Board upon
12 request. These records shall be held for at least as long as
13 prescribed by the records retention schedule published by the
14 Board, or longer if otherwise prescribed by general accounting
15 and auditing procedures, litigation needs, or State or federal
16 law. These records shall be maintained in a manner accessible
17 to the Board or in a digital format prescribed by the Board.

18 (230 ILCS 45/25-120.7 new)

19 Sec. 25-120.7. Tax. Beginning on July 1, 2025, and for
20 each 12-month period thereafter, for the privilege of holding
21 a license to operate fantasy contests under this Act, this
22 State shall impose a privilege tax on the fantasy contest
23 operator licensee's adjusted gross fantasy contest receipts
24 based on the following rates:

25 (1) 20% of annual adjusted gross fantasy contest

1 receipts to and including \$1,000,000.

2 (2) 25% of annual adjusted gross fantasy contest
3 receipts of \$3,000,000 but not exceeding \$5,000,000.

4 (3) 30% of annual adjusted gross fantasy contest
5 receipts of \$5,000,000 but not exceeding \$10,000,000.

6 (4) 35% of annual adjusted gross fantasy contest
7 receipts \$10,000,000 but not exceeding \$20,000,000.

8 (5) 40% of annual adjusted gross fantasy contest
9 receipts in excess of \$20,000,000.

10 (230 ILCS 45/25-120.8 new)

11 Sec. 25-120.8. Responsible gaming.

12 (a) Each fantasy contest operator shall include a
13 statement regarding obtaining assistance with gambling
14 problems, the text of which shall be determined by rule by the
15 Department of Human Services, on the licensee's portal,
16 Internet website, or computer or mobile application.

17 (b) Any resident, or nonresident if allowed to participate
18 in fantasy contests, may voluntarily prohibit themselves from
19 establishing an account with a licensee under this Act. The
20 Board shall incorporate the voluntary self-exclusion program
21 for fantasy contests into any existing self-exclusion program
22 that it operates on the effective date of this amendatory Act
23 of the 104th General Assembly.

24 Section 15. The Criminal Code of 2012 is amended by

1 changing Section 28-1 as follows:

2 (720 ILCS 5/28-1) (from Ch. 38, par. 28-1)

3 Sec. 28-1. Gambling.

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

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

8 (2) knowingly makes a wager upon the result of any
9 game, contest, or any political nomination, appointment or
10 election;

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

14 (4) contracts to have or give himself or herself or
15 another the option to buy or sell, or contracts to buy or
16 sell, at a future time, any grain or other commodity
17 whatsoever, or any stock or security of any company, where
18 it is at the time of making such contract intended by both
19 parties thereto that the contract to buy or sell, or the
20 option, whenever exercised, or the contract resulting
21 therefrom, shall be settled, not by the receipt or
22 delivery of such property, but by the payment only of
23 differences in prices thereof; however, the issuance,
24 purchase, sale, exercise, endorsement or guarantee, by or
25 through a person registered with the Secretary of State

1 pursuant to Section 8 of the Illinois Securities Law of
2 1953, or by or through a person exempt from such
3 registration under said Section 8, of a put, call, or
4 other option to buy or sell securities which have been
5 registered with the Secretary of State or which are exempt
6 from such registration under Section 3 of the Illinois
7 Securities Law of 1953 is not gambling within the meaning
8 of this paragraph (4);

9 (5) knowingly owns or possesses any book, instrument
10 or apparatus by means of which bets or wagers have been, or
11 are, recorded or registered, or knowingly possesses any
12 money which he has received in the course of a bet or
13 wager;

14 (6) knowingly sells pools upon the result of any game
15 or contest of skill or chance, political nomination,
16 appointment or election;

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

20 (8) knowingly sets up or promotes any policy game or
21 sells, offers to sell or knowingly possesses or transfers
22 any policy ticket, slip, record, document or other similar
23 device;

24 (9) knowingly drafts, prints or publishes any lottery
25 ticket or share, or any policy ticket, slip, record,
26 document or similar device, except for such activity

1 related to lotteries, bingo games and raffles authorized
2 by and conducted in accordance with the laws of Illinois
3 or any other state or foreign government;

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

8 (11) knowingly transmits information as to wagers,
9 betting odds, or changes in betting odds by telephone,
10 telegraph, radio, semaphore or similar means; or knowingly
11 installs or maintains equipment for the transmission or
12 receipt of such information; except that nothing in this
13 subdivision (11) prohibits transmission or receipt of such
14 information for use in news reporting of sporting events
15 or contests; or

16 (12) knowingly establishes, maintains, or operates an
17 Internet site that permits a person to play a game of
18 chance or skill for money or other thing of value by means
19 of the Internet or to make a wager upon the result of any
20 game, contest, political nomination, appointment, or
21 election by means of the Internet. This item (12) does not
22 apply to activities referenced in items (6), (6.1), (8),
23 (8.1), and (15) of subsection (b) of this Section.

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

26 (1) Agreements to compensate for loss caused by the

1 happening of chance including without limitation contracts
2 of indemnity or guaranty and life or health or accident
3 insurance.

4 (2) Offers of prizes, award or compensation to the
5 actual contestants in any bona fide contest for the
6 determination of skill, speed, strength or endurance or to
7 the owners of animals or vehicles entered in such contest,
8 except fantasy contests as defined by the Sports Wagering
9 Act.

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

12 (4) Manufacture of gambling devices, including the
13 acquisition of essential parts therefor and the assembly
14 thereof, for transportation in interstate or foreign
15 commerce to any place outside this State when such
16 transportation is not prohibited by any applicable Federal
17 law; or the manufacture, distribution, or possession of
18 video gaming terminals, as defined in the Video Gaming
19 Act, by manufacturers, distributors, and terminal
20 operators licensed to do so under the Video Gaming Act.

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

23 (6) Lotteries when conducted by the State of Illinois
24 in accordance with the Illinois Lottery Law. This
25 exemption includes any activity conducted by the
26 Department of Revenue to sell lottery tickets pursuant to

1 the provisions of the Illinois Lottery Law and its rules.

2 (6.1) The purchase of lottery tickets through the
3 Internet for a lottery conducted by the State of Illinois
4 under the program established in Section 7.12 of the
5 Illinois Lottery Law.

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

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

13 (8.1) The purchase of raffle chances for a raffle
14 conducted in accordance with the Raffles and Poker Runs
15 Act.

16 (9) Charitable games when conducted in accordance with
17 the Charitable Games Act.

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

20 (11) Gambling games when authorized by the Illinois
21 Gambling Act.

22 (12) Video gaming terminal games at a licensed
23 establishment, licensed truck stop establishment, licensed
24 large truck stop establishment, licensed fraternal
25 establishment, or licensed veterans establishment when
26 conducted in accordance with the Video Gaming Act.

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

4 (14) Savings promotion raffles authorized under
5 Section 5g of the Illinois Banking Act, Section 7008 of
6 the Savings Bank Act, Section 42.7 of the Illinois Credit
7 Union Act, Section 5136B of the National Bank Act (12
8 U.S.C. 25a), or Section 4 of the Home Owners' Loan Act (12
9 U.S.C. 1463).

10 (15) Sports wagering when conducted in accordance with
11 the Sports Wagering Act.

12 (c) Sentence.

13 Gambling is a Class A misdemeanor. A second or subsequent
14 conviction under subsections (a)(3) through (a)(12), is a
15 Class 4 felony.

16 (d) Circumstantial evidence.

17 In prosecutions under this Section circumstantial evidence
18 shall have the same validity and weight as in any criminal
19 prosecution.

20 (Source: P.A. 101-31, Article 25, Section 25-915, eff.
21 6-28-19; 101-31, Article 35, Section 35-80, eff. 6-28-19;
22 101-109, eff. 7-19-19; 102-558, eff. 8-20-21.)

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

1 INDEX

2 Statutes amended in order of appearance

3 5 ILCS 100/5-45.65 new

4 230 ILCS 45/25-10

5 230 ILCS 45/25-25

6 230 ILCS 45/25-45

7 230 ILCS 45/25-95

8 230 ILCS 45/25-100

9 230 ILCS 45/25-120 new

10 230 ILCS 45/25-120.1 new

11 230 ILCS 45/25-120.2 new

12 230 ILCS 45/25-120.3 new

13 230 ILCS 45/25-120.4 new

14 230 ILCS 45/25-120.5 new

15 230 ILCS 45/25-120.6 new

16 230 ILCS 45/25-120.7 new

17 230 ILCS 45/25-120.8 new

18 720 ILCS 5/28-1 from Ch. 38, par. 28-1