

104TH GENERAL ASSEMBLY**State of Illinois****2025 and 2026****SB3733**

Introduced 2/5/2026, 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 specified renewal fee. Allows the Board to regulate the conduct of fantasy contest operators under the Act. Sets forth rulemaking authority, fees, surcharges, civil penalties, 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 \$500 for a fantasy contest operator that had 7,500 or fewer active patrons over the preceding 365-day period and \$7,500 for a fantasy contest operator that had more than 7,500 patrons over the preceding 365-day period. 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, 2026, the State shall impose a privilege tax of 15% on the fantasy contest operator licensee's adjusted gross fantasy contest receipts. Makes other changes. Makes conforming changes in the Illinois Administrative Procedures Act and the Criminal Code of 2012. Effective immediately.

LRB104 20098 LNS 33549 b

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 5-45.71 as follows:

6 (5 ILCS 100/5-45.71 new)

7 Sec. 5-45.71. Emergency rulemaking; Illinois Gaming Board.

8 To provide for the expeditious and timely implementation of
9 Sections 25-120 through 25-120.8 of the Sports Wagering Act,
10 emergency rules implementing Sections 25-120 through 25-120.8
11 of 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, 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 45/25-100)

9 Sec. 25-100. Voluntary self-exclusion program for sports
10 wagering and fantasy contests. Any resident, or non-resident
11 if allowed to participate in sports wagering or fantasy
12 contests, may voluntarily prohibit himself or herself from
13 establishing a sports wagering account or fantasy contest
14 account with a licensee under this Act. The Board and
15 Department shall incorporate the voluntary self-exclusion
16 program for sports wagering and fantasy contests into any
17 existing self-exclusion program that it operates on the
18 effective date of this Act.

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

20 (230 ILCS 45/25-120 new)

21 Sec. 25-120. Fantasy contests; legislative intent. Fantasy
22 contests are legally distinct from sports wagering.
23 Nonetheless, the State seeks to ensure both public confidence
24 and trust in the credibility and integrity of fantasy

1 contests, as well as to protect the public health and general
2 welfare of the people of the State. Therefore, regulatory
3 provisions of this Act are designed to strictly regulate the
4 facilities, persons, associations, and practices related to
5 fantasy contest operations pursuant to the police powers of
6 the State, including comprehensive law enforcement
7 supervision.

8 (230 ILCS 45/25-120.1 new)

9 Sec. 25-120.1. Definitions. As used in Sections 25-120
10 through 25-120.8:

11 "Adjusted gross fantasy contest receipts" means the total
12 gross entry fees collected from fantasy contest participants
13 in the State, less the in-state participant pro rata share of
14 the total cash prizes paid to any participants in those
15 contests.

16 "Entry fee" means a nonrefundable cash fee that is paid by
17 or on behalf of a participant, or any other entry method
18 obtained for monetary consideration by the participant and set
19 in advance by a fantasy contest operator granting the
20 participant the right to participate in a fantasy contest.

21 "Fantasy contest" means an online contest of skill between
22 2 or more participants with an entry fee where:

23 (1) the values of all prizes offered to a winning
24 participant are established and made known to the
25 participant in advance of the contest;

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

3 (3) the participant assembles, owns, or manages a
4 fictional entry or roster of actual professional or
5 amateur athletes, in real-world sports events, or other
6 event or competition of relative skill authorized by the
7 Board;

8 (4) a participant competes for prizes awarded by a
9 fantasy contest operator based on terms and conditions
10 published by the fantasy contest operator and made known
11 to the participant in advance of the contest;

12 (5) winning outcomes are determined solely by clearly
13 preestablished, objective scoring criteria based on one or
14 more statistical results of the performance of an
15 individual athlete, including, but not limited to, a
16 fantasy score; and

17 (6) no winning outcome is entirely based on the score,
18 point spread, or any performance of any single actual team
19 or combination of teams or solely on any single
20 performance of an individual athlete or player in any
21 single actual event.

22 "Fantasy contest" does not include pool sports wagering
23 conducted in accordance with subsection (i) of Section 25-25
24 of the Sports Wagering Act, single-participant contests played
25 against a fantasy contest operator, or contests without an
26 entry fee.

1 "Fantasy contest operator" means a person or entity that
2 offers fantasy contests to members of the public. "Fantasy
3 contest operator" does not include an Internet service
4 provider or a provider of mobile data services merely as a
5 result of that entity's transporting general traffic that may
6 include a fantasy contest.

7 "Large fantasy contest operator" means a fantasy contest
8 operator that had more than 7,500 patrons over the preceding
9 365-day period.

10 "Participant" means an individual who participates in a
11 fantasy contest offered by a fantasy contest operator.

12 "Small fantasy contest operator" means a fantasy contest
13 operator that had 7,500 or fewer patrons over the preceding
14 365-day period.

15 (230 ILCS 45/25-120.2 new)

16 Sec. 25-120.2. Board powers.

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

19 (b) The Board shall adopt any rules the Board considers
20 necessary for the successful implementation, administration,
21 and enforcement of this Act. Rules proposed by the Board may be
22 adopted as emergency rules under Section 5-45 of the Illinois
23 Administrative Procedure Act.

24 (c) The Board shall levy and collect all fees, surcharges,
25 civil penalties, and, on adjusted gross fantasy contest

1 receipts imposed under this Act, monthly taxes as follows:

2 (1) All application, licensing, and renewal fees
3 collected under this Act shall be deposited in the State
4 Gaming Fund.

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

7 (3) All civil penalties or fines levied under this
8 Section shall be deposited in accordance with the Illinois
9 Gambling Act.

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

13 (e) The Board and fantasy contest operator licensees may
14 cooperate with investigations conducted by law enforcement
15 agencies, including, but not limited to, providing and
16 facilitating the provision of account-level entry and
17 participation information.

18 (230 ILCS 45/25-120.3 new)

19 Sec. 25-120.3. Licensure required.

20 (a) Except as otherwise provided in this Section, a person
21 may not offer fantasy contests in this State unless the person
22 is licensed by the Board as a fantasy contest operator. No
23 party other than an owner or key person of a licensee may
24 receive revenue share from the operation of fantasy contests
25 without holding a fantasy contest operator license. A person

1 that knowingly offers fantasy contests in violation of this
2 subsection is guilty of a Class 4 felony.

3 (b) A fantasy contest operator that was offering contests
4 to persons located in the State before the effective date of
5 this amendatory Act of the 104th General Assembly may continue
6 to offer contests to persons located in the State until 90 days
7 after the effective date of rules implementing this amendatory
8 Act of the 104th General Assembly. The Board shall issue a
9 temporary operating permit to a fantasy contest operator that
10 was offering contests to persons located in this State before
11 the effective date of this amendatory Act of the 104th General
12 Assembly if the fantasy contest operator files an application
13 for licensure with the Board and pays the required license
14 application fee within 90 days of the effective date of rules
15 implementing this amendatory Act of the 104th General
16 Assembly, subject to Board rules. A holder of a temporary
17 operating permit may continue to offer fantasy sports contests
18 until a final licensing decision is made by the Board.

19 (c) The burden is upon each applicant to demonstrate the
20 applicant's suitability for licensure. An applicant for a
21 license issued under this Act shall submit an application to
22 the Board in the form the Board requires. Each person seeking
23 licensure shall submit to a background investigation conducted
24 by the Board with the assistance of the Illinois State Police
25 or other law enforcement.

26 (1) To the extent that the corporate structure of the

1 applicant allows, the background investigation shall
2 include any or all of the following as the Board deems
3 appropriate or as provided by rule for each category of
4 licensure:

5 (A) each beneficiary of a trust;

6 (B) each partner of a partnership;

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

8 (D) each director and officer of a publicly or
9 nonpublicly held corporation;

10 (E) each stockholder of a nonpublicly held
11 corporation;

12 (F) each stockholder of 5% or more of a publicly
13 held corporation; or

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

16 (2) Each applicant shall disclose the identity of
17 every person, association, trust, corporation, or limited
18 liability company having a greater than 1% direct or
19 indirect pecuniary interest in the fantasy contest for
20 which the license is sought. If the disclosed entity is a
21 trust, the application shall disclose the names and
22 addresses of the beneficiaries; if a corporation, the
23 names and addresses of all stockholders and directors; if
24 a limited liability company, the names and addresses of
25 all members; or if a partnership, the names and addresses
26 of all partners, both general and limited.

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

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

5 (2) not have been convicted of a felony offense or a
6 violation of Article 28 of the Criminal Code of 1961 or the
7 Criminal Code of 2012 or a similar statute of any other
8 jurisdiction;

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

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

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

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

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

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

26 (3) present questionable business practices and

1 financial arrangements incidental to the conduct of
2 fantasy contest operations.

3 (f) An applicant shall not be denied licensure on the
4 basis of having previously offered or conducted single-player
5 contests against the operator, so long as no such contests
6 were offered by the applicant after the effective date of this
7 amendatory Act of the 104th General Assembly.

8 (g) On receipt of a completed application and the required
9 fee, the Board shall conduct the necessary background
10 investigation to determine if the applicant meets the
11 qualifications for licensure. On completion of the necessary
12 background investigation, the Board shall either issue a
13 license or deny the application. The Board shall establish
14 procedures to conduct hearings for any person denied
15 licensure.

16 (h) The Board has designated 2 categories of fantasy
17 contest operator, a large fantasy contest operator and a small
18 fantasy contest operator. A small fantasy contest operator
19 shall pay an application and initial license fee of \$500 at the
20 time of application. A large fantasy contest operator shall
21 pay an application and initial license fee of \$7,500 at the
22 time of application.

23 (i) The term of an initial license shall be 2 years.

24 (j) A large fantasy contest operator shall pay a fantasy
25 contest operator license renewal fee of \$5,000 within 30 days
26 of the renewal of a license. A small fantasy contest operator

1 shall pay a fantasy contest operator license renewal fee of
2 \$300 within 30 days of the renewal of a license. The license
3 shall be renewed every 2 years.

4 (230 ILCS 45/25-120.4 new)

5 Sec. 25-120.4. Conduct of contests.

6 (a) Any fantasy contest conducted under this Act does not
7 constitute gambling for any purpose, including under Article
8 28 of the Criminal Code of 1961 or the Criminal Code of 2012.

9 (b) A person participating in a fantasy contest under this
10 Act shall be at least 21 years of age.

11 (c) A licensee under this Act may only accept an entry from
12 a person physically located in the State. A fantasy contest
13 operator must use a geolocation system to ensure that a
14 participant is physically present in the State when
15 participating in the fantasy contest unless otherwise
16 authorized by the Board.

17 (e) No athlete, competitor, referee, official, coach,
18 manager, medical professional, or athletic trainer or employee
19 or contractor of a team or athletic organization who has
20 access to nonpublic information concerning an athlete or team
21 may engage in fantasy contests involving an event or the
22 performance of an individual in an event in which the person is
23 participating or otherwise has access to nonpublic or
24 exclusive information.

25 (f) No key person or employee of a fantasy contest

1 operator licensee may participate in fantasy contests offered
2 by licensee.

3 (230 ILCS 45/25-120.5 new)

4 Sec. 25-120.5. Duties of licensees.

5 (a) Licensees shall comply with all applicable anti-money
6 laundering standards.

7 (b) Licensees have an affirmative duty to prevent underage
8 participation in fantasy contents. Licensees shall establish
9 technical and operational measures to prevent underage
10 participation in a fantasy contest.

11 (c) Licensees shall implement identity verification
12 procedures, consistent with modern best practices, to verify
13 an individual's personally identifiable information and can
14 detect potential prohibited participants.

15 (d) Licensees shall employ mechanisms on the operator's
16 platform that are designed to detect and prevent unauthorized
17 accounts and to detect and prevent fraud, money laundering,
18 and collusion.

19 (e) Licensees shall implement geolocation technology to
20 verify that a participant is not accessing the platform from a
21 restricted jurisdiction.

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

24 (1) a confirmed breach of the relevant sport's
25 governing body's internal rules and codes of conduct

1 pertaining to participation in real-money fantasy
2 contests;

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

6 (3) suspected illegal activities, including use of
7 funds derived from illegal activity, entries to conceal or
8 launder funds derived from illegal activity,
9 multi-accounting, and using false identification.

10 (230 ILCS 45/25-120.6 new)

11 Sec. 25-120.6. Audits and recordkeeping.

12 (a) Licensees shall contract with a certified public
13 accountant to conduct an annual independent audit consistent
14 with generally accepted accounting principles and any
15 additional standards adopted by the Board.

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

21 (c) Each licensee shall maintain in a place, secure from
22 theft, loss, or destruction, adequate records of business
23 operations that shall be made available to the Board upon
24 request. These records shall be held for at least as long as
25 prescribed by the records retention schedule published by the

1 Board, or longer if otherwise prescribed by general accounting
2 and auditing procedures, litigation needs, or State or federal
3 law. These records shall be maintained in a manner accessible
4 to the Board or in a digital format prescribed by the Board.

5 (230 ILCS 45/25-120.7 new)

6 Sec. 25-120.7. Tax. Beginning on July 1, 2026, and for
7 each 12-month period thereafter, for the privilege of holding
8 a license to operate fantasy contests under this Act, this
9 State shall impose a privilege tax of 15% on the fantasy
10 contest operator licensee's adjusted gross fantasy contest
11 receipts.

12 (230 ILCS 45/25-120.8 new)

13 Sec. 25-120.8. Responsible gaming.

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

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

1 of the 104th General Assembly.

2 Section 15. The Criminal Code of 2012 is amended by
3 changing Section 28-1 and 28-8 as follows:

4 (720 ILCS 5/28-1) (from Ch. 38, par. 28-1)

5 Sec. 28-1. Gambling.

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

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

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

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

16 (4) contracts to have or give himself or herself or
17 another the option to buy or sell, or contracts to buy or
18 sell, at a future time, any grain or other commodity
19 whatsoever, or any stock or security of any company, where
20 it is at the time of making such contract intended by both
21 parties thereto that the contract to buy or sell, or the
22 option, whenever exercised, or the contract resulting
23 therefrom, shall be settled, not by the receipt or
24 delivery of such property, but by the payment only of

1 differences in prices thereof; however, the issuance,
2 purchase, sale, exercise, endorsement or guarantee, by or
3 through a person registered with the Secretary of State
4 pursuant to Section 8 of the Illinois Securities Law of
5 1953, or by or through a person exempt from such
6 registration under said Section 8, of a put, call, or
7 other option to buy or sell securities which have been
8 registered with the Secretary of State or which are exempt
9 from such registration under Section 3 of the Illinois
10 Securities Law of 1953 is not gambling within the meaning
11 of this paragraph (4);

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

17 (6) knowingly sells pools upon the result of any game
18 or contest of skill or chance, political nomination,
19 appointment or election;

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

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

1 (9) knowingly drafts, prints or publishes any lottery
2 ticket or share, or any policy ticket, slip, record,
3 document or similar device, except for such activity
4 related to lotteries, bingo games and raffles authorized
5 by and conducted in accordance with the laws of Illinois
6 or any other state or foreign government;

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

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

19 (12) knowingly establishes, maintains, or operates an
20 Internet site that permits a person to play a game of
21 chance or skill for money or other thing of value by means
22 of the Internet or to make a wager upon the result of any
23 game, contest, political nomination, appointment, or
24 election by means of the Internet. This item (12) does not
25 apply to activities referenced in items (6), (6.1), (8),
26 (8.1), and (15) of subsection (b) of this Section.

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

3 (1) Agreements to compensate for loss caused by the
4 happening of chance including without limitation contracts
5 of indemnity or guaranty and life or health or accident
6 insurance.

7 (2) Offers of prizes, award or compensation to the
8 actual contestants in any bona fide contest for the
9 determination of skill, speed, strength or endurance or to
10 the owners of animals or vehicles entered in such contest.

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

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

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

24 (6) Lotteries when conducted by the State of Illinois
25 in accordance with the Illinois Lottery Law. This
26 exemption includes any activity conducted by the

1 Department of Revenue to sell lottery tickets pursuant to
2 the provisions of the Illinois Lottery Law and its rules.

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

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

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

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

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

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

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

23 (12) Video gaming terminal games at a licensed
24 establishment, licensed truck stop establishment, licensed
25 large truck stop establishment, licensed fraternal
26 establishment, or licensed veterans establishment when

1 conducted in accordance with the Video Gaming Act.

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

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

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

13 (16) Fantasy contests conducted in accordance with
14 Sections 25-120 through 25-120.8 of the Sports Wagering
15 Act.

16 (c) Sentence.

17 Gambling is a Class A misdemeanor. A second or subsequent
18 conviction under subsections (a)(3) through (a)(12), is a
19 Class 4 felony.

20 (d) Circumstantial evidence.

21 In prosecutions under this Section circumstantial evidence
22 shall have the same validity and weight as in any criminal
23 prosecution.

24 (Source: P.A. 101-31, Article 25, Section 25-915, eff.
25 6-28-19; 101-31, Article 35, Section 35-80, eff. 6-28-19;
26 101-109, eff. 7-19-19; 102-558, eff. 8-20-21.)

1 (720 ILCS 5/28-8) (from Ch. 38, par. 28-8)

2 Sec. 28-8. Gambling losses recoverable.

3 (a) Any person who by gambling shall lose to any other
4 person, any sum of money or thing of value, amounting to the
5 sum of \$50 or more and shall pay or deliver the same or any
6 part thereof, may sue for and recover the money or other thing
7 of value, so lost and paid or delivered, in a civil action
8 against the winner thereof, with costs, in the circuit court.
9 No person who accepts from another person for transmission,
10 and transmits, either in his own name or in the name of such
11 other person, any order for any transaction to be made upon, or
12 who executes any order given to him by another person, or who
13 executes any transaction for his own account on, any regular
14 board of trade or commercial, commodity or stock exchange,
15 shall, under any circumstances, be deemed a "winner" of any
16 moneys lost by such other person in or through any such
17 transactions.

18 (b) If within 6 months, such person who under the terms of
19 Subsection 28-8(a) is entitled to initiate action to recover
20 his losses does not in fact pursue his remedy, any person may
21 initiate a civil action against the winner. The court or the
22 jury, as the case may be, shall determine the amount of the
23 loss. After such determination, the court shall enter a
24 judgment of triple the amount so determined.

25 (c) Gambling losses as a result of gambling conducted on a

1 video gaming terminal licensed under the Video Gaming Act are
2 not recoverable under this Section.

3 (d) Losses as a result of participation in single-player
4 fantasy contests against a fantasy contest operator prior to
5 the effective date of this amendatory Act of the 104th General
6 Assembly are not recoverable under this Section.

7 (e) Losses as a result of participation in fantasy
8 contests conducted under Sections 25-120 through 25-120.8 of
9 the Sports Wagering Act are not recoverable under this Section
10 (Source: P.A. 98-31, eff. 6-24-13.)

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

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