



## 100TH GENERAL ASSEMBLY

### State of Illinois

2017 and 2018

HB4204

by Rep. Thaddeus Jones

#### SYNOPSIS AS INTRODUCED:

20 ILCS 1605/2	from Ch. 120, par. 1152
20 ILCS 1605/9.1	
20 ILCS 1605/20	from Ch. 120, par. 1170
20 ILCS 1605/21.10 new	
30 ILCS 105/5.886 new	

Amends the Illinois Lottery Law. Requires the Department of the Lottery, beginning on July 1, 2019 or as soon thereafter as is practical, to offer a special instant scratch-off game to benefit homeless shelters. Requires the net revenue from that game to be deposited into the Homeless Shelter Revenue Fund. Provides that moneys deposited into the Homeless Shelter Revenue Fund shall be used by the Department of Human Services to fund grants to homeless shelters. Authorizes the Department to adopt rules necessary to implement and administer the game. Defines "net revenue". Amends the State Finance Act to create the Homeless Shelter Revenue Fund as a special fund in the State treasury. Effective immediately.

LRB100 16292 MJP 31415 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning State government.

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

4 Section 1. This Act may be referred to as the Illinois  
5 Homeless Veterans and Working Families Lottery Law.

6 Section 5. The Illinois Lottery Law is amended by changing  
7 Sections 2, 9.1, and 20 and by adding Section 21.10 as follows:

8 (20 ILCS 1605/2) (from Ch. 120, par. 1152)

9 (Text of Section before amendment by P.A. 100-466)

10 Sec. 2. This Act is enacted to implement and establish  
11 within the State a lottery to be conducted by the State through  
12 the Department. The entire net proceeds of the Lottery are to  
13 be used for the support of the State's Common School Fund,  
14 except as provided in subsection (o) of Section 9.1 and  
15 Sections 21.5, 21.6, 21.7, 21.8, ~~and 21.9,~~ and 21.10. The  
16 General Assembly finds that it is in the public interest for  
17 the Department to conduct the functions of the Lottery with the  
18 assistance of a private manager under a management agreement  
19 overseen by the Department. The Department shall be accountable  
20 to the General Assembly and the people of the State through a  
21 comprehensive system of regulation, audits, reports, and  
22 enduring operational oversight. The Department's ongoing

1 conduct of the Lottery through a management agreement with a  
2 private manager shall act to promote and ensure the integrity,  
3 security, honesty, and fairness of the Lottery's operation and  
4 administration. It is the intent of the General Assembly that  
5 the Department shall conduct the Lottery with the assistance of  
6 a private manager under a management agreement at all times in  
7 a manner consistent with 18 U.S.C. 1307(a)(1), 1307(b)(1),  
8 1953(b)(4).

9 (Source: P.A. 98-649, eff. 6-16-14; 99-933, eff. 1-27-17.)

10 (Text of Section after amendment by P.A. 100-466)

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12 within the State a lottery to be conducted by the State through  
13 the Department. The entire net proceeds of the Lottery are to  
14 be used for the support of the State's Common School Fund,  
15 except as provided in subsection (o) of Section 9.1 and  
16 Sections 21.5, 21.6, 21.7, 21.8, ~~and 21.9,~~ and 21.10. The  
17 General Assembly finds that it is in the public interest for  
18 the Department to conduct the functions of the Lottery with the  
19 assistance of a private manager under a management agreement  
20 overseen by the Department. The Department shall be accountable  
21 to the General Assembly and the people of the State through a  
22 comprehensive system of regulation, audits, reports, and  
23 enduring operational oversight. The Department's ongoing  
24 conduct of the Lottery through a management agreement with a  
25 private manager shall act to promote and ensure the integrity,

1 security, honesty, and fairness of the Lottery's operation and  
2 administration. It is the intent of the General Assembly that  
3 the Department shall conduct the Lottery with the assistance of  
4 a private manager under a management agreement at all times in  
5 a manner consistent with 18 U.S.C. 1307(a)(1), 1307(b)(1),  
6 1953(b)(4).

7 Beginning with Fiscal Year 2018 and every year thereafter,  
8 any moneys transferred from the State Lottery Fund to the  
9 Common School Fund shall be supplemental to, and not in lieu  
10 of, any other money due to be transferred to the Common School  
11 Fund by law or appropriation.

12 (Source: P.A. 99-933, eff. 1-27-17; 100-466, eff. 6-1-18.)

13 (20 ILCS 1605/9.1)

14 Sec. 9.1. Private manager and management agreement.

15 (a) As used in this Section:

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

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

21 (1) Statements of qualifications.

22 (2) Proposals to enter into a management agreement,  
23 including the identity of any prospective vendor or vendors  
24 that the offeror intends to initially engage to assist the  
25 offeror in performing its obligations under the management

1 agreement.

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

8 "Final offeror" means the offeror ultimately selected by  
9 the Governor to be the private manager for the Lottery under  
10 subsection (h) of this Section.

11 (b) By September 15, 2010, the Governor shall select a  
12 private manager for the total management of the Lottery with  
13 integrated functions, such as lottery game design, supply of  
14 goods and services, and advertising and as specified in this  
15 Section.

16 (c) Pursuant to the terms of this subsection, the  
17 Department shall endeavor to expeditiously terminate the  
18 existing contracts in support of the Lottery in effect on the  
19 effective date of this amendatory Act of the 96th General  
20 Assembly in connection with the selection of the private  
21 manager. As part of its obligation to terminate these contracts  
22 and select the private manager, the Department shall establish  
23 a mutually agreeable timetable to transfer the functions of  
24 existing contractors to the private manager so that existing  
25 Lottery operations are not materially diminished or impaired  
26 during the transition. To that end, the Department shall do the

1 following:

2 (1) where such contracts contain a provision  
3 authorizing termination upon notice, the Department shall  
4 provide notice of termination to occur upon the mutually  
5 agreed timetable for transfer of functions;

6 (2) upon the expiration of any initial term or renewal  
7 term of the current Lottery contracts, the Department shall  
8 not renew such contract for a term extending beyond the  
9 mutually agreed timetable for transfer of functions; or

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

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

22 (c-5) The Department shall include provisions in the  
23 management agreement whereby the private manager shall, for a  
24 fee, and pursuant to a contract negotiated with the Department  
25 (the "Employee Use Contract"), utilize the services of current  
26 Department employees to assist in the administration and

1 operation of the Lottery. The Department shall be the employer  
2 of all such bargaining unit employees assigned to perform such  
3 work for the private manager, and such employees shall be State  
4 employees, as defined by the Personnel Code. Department  
5 employees shall operate under the same employment policies,  
6 rules, regulations, and procedures, as other employees of the  
7 Department. In addition, neither historical representation  
8 rights under the Illinois Public Labor Relations Act, nor  
9 existing collective bargaining agreements, shall be disturbed  
10 by the management agreement with the private manager for the  
11 management of the Lottery.

12 (d) The management agreement with the private manager shall  
13 include all of the following:

14 (1) A term not to exceed 10 years, including any  
15 renewals.

16 (2) A provision specifying that the Department:

17 (A) shall exercise actual control over all  
18 significant business decisions;

19 (A-5) has the authority to direct or countermand  
20 operating decisions by the private manager at any time;

21 (B) has ready access at any time to information  
22 regarding Lottery operations;

23 (C) has the right to demand and receive information  
24 from the private manager concerning any aspect of the  
25 Lottery operations at any time; and

26 (D) retains ownership of all trade names,

1 trademarks, and intellectual property associated with  
2 the Lottery.

3 (3) A provision imposing an affirmative duty on the  
4 private manager to provide the Department with material  
5 information and with any information the private manager  
6 reasonably believes the Department would want to know to  
7 enable the Department to conduct the Lottery.

8 (4) A provision requiring the private manager to  
9 provide the Department with advance notice of any operating  
10 decision that bears significantly on the public interest,  
11 including, but not limited to, decisions on the kinds of  
12 games to be offered to the public and decisions affecting  
13 the relative risk and reward of the games being offered, so  
14 the Department has a reasonable opportunity to evaluate and  
15 countermand that decision.

16 (5) A provision providing for compensation of the  
17 private manager that may consist of, among other things, a  
18 fee for services and a performance based bonus as  
19 consideration for managing the Lottery, including terms  
20 that may provide the private manager with an increase in  
21 compensation if Lottery revenues grow by a specified  
22 percentage in a given year.

23 (6) (Blank).

24 (7) A provision requiring the deposit of all Lottery  
25 proceeds to be deposited into the State Lottery Fund except  
26 as otherwise provided in Section 20 of this Act.



1           (8) A provision requiring the private manager to locate  
2           its principal office within the State.

3           (8-5) A provision encouraging that at least 20% of the  
4           cost of contracts entered into for goods and services by  
5           the private manager in connection with its management of  
6           the Lottery, other than contracts with sales agents or  
7           technical advisors, be awarded to businesses that are a  
8           minority-owned business, a women-owned business, or a  
9           business owned by a person with disability, as those terms  
10          are defined in the Business Enterprise for Minorities,  
11          Women, and Persons with Disabilities Act.

12          (9) A requirement that so long as the private manager  
13          complies with all the conditions of the agreement under the  
14          oversight of the Department, the private manager shall have  
15          the following duties and obligations with respect to the  
16          management of the Lottery:

17                 (A) The right to use equipment and other assets  
18                 used in the operation of the Lottery.

19                 (B) The rights and obligations under contracts  
20                 with retailers and vendors.

21                 (C) The implementation of a comprehensive security  
22                 program by the private manager.

23                 (D) The implementation of a comprehensive system  
24                 of internal audits.

25                 (E) The implementation of a program by the private  
26                 manager to curb compulsive gambling by persons playing

1 the Lottery.

2 (F) A system for determining (i) the type of  
3 Lottery games, (ii) the method of selecting winning  
4 tickets, (iii) the manner of payment of prizes to  
5 holders of winning tickets, (iv) the frequency of  
6 drawings of winning tickets, (v) the method to be used  
7 in selling tickets, (vi) a system for verifying the  
8 validity of tickets claimed to be winning tickets,  
9 (vii) the basis upon which retailer commissions are  
10 established by the manager, and (viii) minimum  
11 payouts.

12 (10) A requirement that advertising and promotion must  
13 be consistent with Section 7.8a of this Act.

14 (11) A requirement that the private manager market the  
15 Lottery to those residents who are new, infrequent, or  
16 lapsed players of the Lottery, especially those who are  
17 most likely to make regular purchases on the Internet as  
18 permitted by law.

19 (12) A code of ethics for the private manager's  
20 officers and employees.

21 (13) A requirement that the Department monitor and  
22 oversee the private manager's practices and take action  
23 that the Department considers appropriate to ensure that  
24 the private manager is in compliance with the terms of the  
25 management agreement, while allowing the manager, unless  
26 specifically prohibited by law or the management

1 agreement, to negotiate and sign its own contracts with  
2 vendors.

3 (14) A provision requiring the private manager to  
4 periodically file, at least on an annual basis, appropriate  
5 financial statements in a form and manner acceptable to the  
6 Department.

7 (15) Cash reserves requirements.

8 (16) Procedural requirements for obtaining the prior  
9 approval of the Department when a management agreement or  
10 an interest in a management agreement is sold, assigned,  
11 transferred, or pledged as collateral to secure financing.

12 (17) Grounds for the termination of the management  
13 agreement by the Department or the private manager.

14 (18) Procedures for amendment of the agreement.

15 (19) A provision requiring the private manager to  
16 engage in an open and competitive bidding process for any  
17 procurement having a cost in excess of \$50,000 that is not  
18 a part of the private manager's final offer. The process  
19 shall favor the selection of a vendor deemed to have  
20 submitted a proposal that provides the Lottery with the  
21 best overall value. The process shall not be subject to the  
22 provisions of the Illinois Procurement Code, unless  
23 specifically required by the management agreement.

24 (20) The transition of rights and obligations,  
25 including any associated equipment or other assets used in  
26 the operation of the Lottery, from the manager to any

1 successor manager of the lottery, including the  
2 Department, following the termination of or foreclosure  
3 upon the management agreement.

4 (21) Right of use of copyrights, trademarks, and  
5 service marks held by the Department in the name of the  
6 State. The agreement must provide that any use of them by  
7 the manager shall only be for the purpose of fulfilling its  
8 obligations under the management agreement during the term  
9 of the agreement.

10 (22) The disclosure of any information requested by the  
11 Department to enable it to comply with the reporting  
12 requirements and information requests provided for under  
13 subsection (p) of this Section.

14 (e) Notwithstanding any other law to the contrary, the  
15 Department shall select a private manager through a competitive  
16 request for qualifications process consistent with Section  
17 20-35 of the Illinois Procurement Code, which shall take into  
18 account:

19 (1) the offeror's ability to market the Lottery to  
20 those residents who are new, infrequent, or lapsed players  
21 of the Lottery, especially those who are most likely to  
22 make regular purchases on the Internet;

23 (2) the offeror's ability to address the State's  
24 concern with the social effects of gambling on those who  
25 can least afford to do so;

26 (3) the offeror's ability to provide the most

1           successful management of the Lottery for the benefit of the  
2           people of the State based on current and past business  
3           practices or plans of the offeror; and

4           (4) the offeror's poor or inadequate past performance  
5           in servicing, equipping, operating or managing a lottery on  
6           behalf of Illinois, another State or foreign government and  
7           attracting persons who are not currently regular players of  
8           a lottery.

9           (f) The Department may retain the services of an advisor or  
10          advisors with significant experience in financial services or  
11          the management, operation, and procurement of goods, services,  
12          and equipment for a government-run lottery to assist in the  
13          preparation of the terms of the request for qualifications and  
14          selection of the private manager. Any prospective advisor  
15          seeking to provide services under this subsection (f) shall  
16          disclose any material business or financial relationship  
17          during the past 3 years with any potential offeror, or with a  
18          contractor or subcontractor presently providing goods,  
19          services, or equipment to the Department to support the  
20          Lottery. The Department shall evaluate the material business or  
21          financial relationship of each prospective advisor. The  
22          Department shall not select any prospective advisor with a  
23          substantial business or financial relationship that the  
24          Department deems to impair the objectivity of the services to  
25          be provided by the prospective advisor. During the course of  
26          the advisor's engagement by the Department, and for a period of

1 one year thereafter, the advisor shall not enter into any  
2 business or financial relationship with any offeror or any  
3 vendor identified to assist an offeror in performing its  
4 obligations under the management agreement. Any advisor  
5 retained by the Department shall be disqualified from being an  
6 offeror. The Department shall not include terms in the request  
7 for qualifications that provide a material advantage whether  
8 directly or indirectly to any potential offeror, or any  
9 contractor or subcontractor presently providing goods,  
10 services, or equipment to the Department to support the  
11 Lottery, including terms contained in previous responses to  
12 requests for proposals or qualifications submitted to  
13 Illinois, another State or foreign government when those terms  
14 are uniquely associated with a particular potential offeror,  
15 contractor, or subcontractor. The request for proposals  
16 offered by the Department on December 22, 2008 as  
17 "LOT08GAMESYS" and reference number "22016176" is declared  
18 void.

19 (g) The Department shall select at least 2 offerors as  
20 finalists to potentially serve as the private manager no later  
21 than August 9, 2010. Upon making preliminary selections, the  
22 Department shall schedule a public hearing on the finalists'  
23 proposals and provide public notice of the hearing at least 7  
24 calendar days before the hearing. The notice must include all  
25 of the following:

- 26 (1) The date, time, and place of the hearing.

1 (2) The subject matter of the hearing.

2 (3) A brief description of the management agreement to  
3 be awarded.

4 (4) The identity of the offerors that have been  
5 selected as finalists to serve as the private manager.

6 (5) The address and telephone number of the Department.

7 (h) At the public hearing, the Department shall (i) provide  
8 sufficient time for each finalist to present and explain its  
9 proposal to the Department and the Governor or the Governor's  
10 designee, including an opportunity to respond to questions  
11 posed by the Department, Governor, or designee and (ii) allow  
12 the public and non-selected offerors to comment on the  
13 presentations. The Governor or a designee shall attend the  
14 public hearing. After the public hearing, the Department shall  
15 have 14 calendar days to recommend to the Governor whether a  
16 management agreement should be entered into with a particular  
17 finalist. After reviewing the Department's recommendation, the  
18 Governor may accept or reject the Department's recommendation,  
19 and shall select a final offeror as the private manager by  
20 publication of a notice in the Illinois Procurement Bulletin on  
21 or before September 15, 2010. The Governor shall include in the  
22 notice a detailed explanation and the reasons why the final  
23 offeror is superior to other offerors and will provide  
24 management services in a manner that best achieves the  
25 objectives of this Section. The Governor shall also sign the  
26 management agreement with the private manager.

1           (i) Any action to contest the private manager selected by  
2 the Governor under this Section must be brought within 7  
3 calendar days after the publication of the notice of the  
4 designation of the private manager as provided in subsection  
5 (h) of this Section.

6           (j) The Lottery shall remain, for so long as a private  
7 manager manages the Lottery in accordance with provisions of  
8 this Act, a Lottery conducted by the State, and the State shall  
9 not be authorized to sell or transfer the Lottery to a third  
10 party.

11           (k) Any tangible personal property used exclusively in  
12 connection with the lottery that is owned by the Department and  
13 leased to the private manager shall be owned by the Department  
14 in the name of the State and shall be considered to be public  
15 property devoted to an essential public and governmental  
16 function.

17           (l) The Department may exercise any of its powers under  
18 this Section or any other law as necessary or desirable for the  
19 execution of the Department's powers under this Section.

20           (m) Neither this Section nor any management agreement  
21 entered into under this Section prohibits the General Assembly  
22 from authorizing forms of gambling that are not in direct  
23 competition with the Lottery.

24           (n) The private manager shall be subject to a complete  
25 investigation in the third, seventh, and tenth years of the  
26 agreement (if the agreement is for a 10-year term) by the



1 Department in cooperation with the Auditor General to determine  
2 whether the private manager has complied with this Section and  
3 the management agreement. The private manager shall bear the  
4 cost of an investigation or reinvestigation of the private  
5 manager under this subsection.

6 (o) The powers conferred by this Section are in addition  
7 and supplemental to the powers conferred by any other law. If  
8 any other law or rule is inconsistent with this Section,  
9 including, but not limited to, provisions of the Illinois  
10 Procurement Code, then this Section controls as to any  
11 management agreement entered into under this Section. This  
12 Section and any rules adopted under this Section contain full  
13 and complete authority for a management agreement between the  
14 Department and a private manager. No law, procedure,  
15 proceeding, publication, notice, consent, approval, order, or  
16 act by the Department or any other officer, Department, agency,  
17 or instrumentality of the State or any political subdivision is  
18 required for the Department to enter into a management  
19 agreement under this Section. This Section contains full and  
20 complete authority for the Department to approve any contracts  
21 entered into by a private manager with a vendor providing  
22 goods, services, or both goods and services to the private  
23 manager under the terms of the management agreement, including  
24 subcontractors of such vendors.

25 Upon receipt of a written request from the Chief  
26 Procurement Officer, the Department shall provide to the Chief

1 Procurement Officer a complete and un-redacted copy of the  
2 management agreement or any contract that is subject to the  
3 Department's approval authority under this subsection (o). The  
4 Department shall provide a copy of the agreement or contract to  
5 the Chief Procurement Officer in the time specified by the  
6 Chief Procurement Officer in his or her written request, but no  
7 later than 5 business days after the request is received by the  
8 Department. The Chief Procurement Officer must retain any  
9 portions of the management agreement or of any contract  
10 designated by the Department as confidential, proprietary, or  
11 trade secret information in complete confidence pursuant to  
12 subsection (g) of Section 7 of the Freedom of Information Act.  
13 The Department shall also provide the Chief Procurement Officer  
14 with reasonable advance written notice of any contract that is  
15 pending Department approval.

16 Notwithstanding any other provision of this Section to the  
17 contrary, the Chief Procurement Officer shall adopt  
18 administrative rules, including emergency rules, to establish  
19 a procurement process to select a successor private manager if  
20 a private management agreement has been terminated. The  
21 selection process shall at a minimum take into account the  
22 criteria set forth in items (1) through (4) of subsection (e)  
23 of this Section and may include provisions consistent with  
24 subsections (f), (g), (h), and (i) of this Section. The Chief  
25 Procurement Officer shall also implement and administer the  
26 adopted selection process upon the termination of a private

1 management agreement. The Department, after the Chief  
2 Procurement Officer certifies that the procurement process has  
3 been followed in accordance with the rules adopted under this  
4 subsection (o), shall select a final offeror as the private  
5 manager and sign the management agreement with the private  
6 manager.

7 Except as provided in Sections 21.5, 21.6, 21.7, 21.8, ~~and~~  
8 21.9, and 21.10, the Department shall distribute all proceeds  
9 of lottery tickets and shares sold in the following priority  
10 and manner:

11 (1) The payment of prizes and retailer bonuses.

12 (2) The payment of costs incurred in the operation and  
13 administration of the Lottery, including the payment of  
14 sums due to the private manager under the management  
15 agreement with the Department.

16 (3) On the last day of each month or as soon thereafter  
17 as possible, the State Comptroller shall direct and the  
18 State Treasurer shall transfer from the State Lottery Fund  
19 to the Common School Fund an amount that is equal to the  
20 proceeds transferred in the corresponding month of fiscal  
21 year 2009, as adjusted for inflation, to the Common School  
22 Fund.

23 (4) On or before the last day of each fiscal year,  
24 deposit any remaining proceeds, subject to payments under  
25 items (1), (2), and (3) into the Capital Projects Fund each  
26 fiscal year.

1           (p) The Department shall be subject to the following  
2 reporting and information request requirements:

3           (1) the Department shall submit written quarterly  
4 reports to the Governor and the General Assembly on the  
5 activities and actions of the private manager selected  
6 under this Section;

7           (2) upon request of the Chief Procurement Officer, the  
8 Department shall promptly produce information related to  
9 the procurement activities of the Department and the  
10 private manager requested by the Chief Procurement  
11 Officer; the Chief Procurement Officer must retain  
12 confidential, proprietary, or trade secret information  
13 designated by the Department in complete confidence  
14 pursuant to subsection (g) of Section 7 of the Freedom of  
15 Information Act; and

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

21 (Source: P.A. 99-933, eff. 1-27-17; 100-391, eff. 8-25-17.)

22           (20 ILCS 1605/20) (from Ch. 120, par. 1170)

23           Sec. 20. State Lottery Fund.

24           (a) There is created in the State Treasury a special fund  
25 to be known as the "State Lottery Fund". Such fund shall

1 consist of all revenues received from (1) the sale of lottery  
2 tickets or shares, (net of commissions, fees representing those  
3 expenses that are directly proportionate to the sale of tickets  
4 or shares at the agent location, and prizes of less than \$600  
5 which have been validly paid at the agent level), (2)  
6 application fees, and (3) all other sources including moneys  
7 credited or transferred thereto from any other fund or source  
8 pursuant to law. Interest earnings of the State Lottery Fund  
9 shall be credited to the Common School Fund.

10 (b) The receipt and distribution of moneys under Section  
11 21.5 of this Act shall be in accordance with Section 21.5.

12 (c) The receipt and distribution of moneys under Section  
13 21.6 of this Act shall be in accordance with Section 21.6.

14 (d) The receipt and distribution of moneys under Section  
15 21.7 of this Act shall be in accordance with Section 21.7.

16 (e) The receipt and distribution of moneys under Section  
17 21.8 of this Act shall be in accordance with Section 21.8.

18 (f) The receipt and distribution of moneys under Section  
19 21.9 of this Act shall be in accordance with Section 21.9.

20 (g) The receipt and distribution of moneys under Section  
21 21.10 of this Act shall be in accordance with Section 21.10.

22 (Source: P.A. 98-649, eff. 6-16-14.)

23 (20 ILCS 1605/21.10 new)

24 Sec. 21.10. Scratch-off for homeless shelters.

25 (a) The Department shall offer a special instant

1 scratch-off game to benefit homeless shelters. The game shall  
2 commence on July 1, 2019 or as soon thereafter, at the  
3 discretion of the Director, as is reasonably practical. The  
4 operation of the game shall be governed by this Act and any  
5 rules adopted by the Department. If any provision of this  
6 Section is inconsistent with any other provision of this Act,  
7 then this Section governs.

8 (b) The Homeless Shelter Revenue Fund is created as a  
9 special fund in the State treasury. The net revenue from the  
10 scratch-off game to benefit homeless shelters shall be  
11 deposited into the Homeless Shelter Revenue Fund. Moneys  
12 deposited into the Homeless Shelter Revenue Fund under this  
13 Section shall be used, subject to appropriation, by the  
14 Department of Human Services to fund grants to homeless  
15 shelters. Grants awarded under this Section shall be awarded to  
16 a homeless shelter based upon the revenue generated from the  
17 scratch-off game to benefit homeless shelters in the  
18 municipality in which the homeless shelter is located, except  
19 that:

20 (1) revenue generated in municipalities in which there  
21 are no homeless shelters shall be awarded to homeless  
22 shelters in that county;

23 (2) revenue generated in unincorporated areas of a  
24 county in which there are homeless shelters only in  
25 municipalities shall be awarded to homeless shelters in  
26 those municipalities; and

1           (3) revenue generated in a county in which there are no  
2           homeless shelters shall be awarded to homeless shelters in  
3           adjoining counties.

4           A homeless shelter in municipality that has a program to  
5           reduce homelessness is not eligible to receive a grant under  
6           this Section unless the homeless shelter is recommended for the  
7           grant by the municipal agency with jurisdiction and is approved  
8           by the Department of Human Services.

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

14          (c) During the time that tickets are sold for the  
15          scratch-off game to benefit homeless shelters, the Department  
16          shall not unreasonably diminish the efforts devoted to  
17          marketing any other instant scratch-off lottery game.

18          (d) The Department may adopt any rules necessary to  
19          implement and administer the provisions of this Section.

20           Section 10. The State Finance Act is amended by adding  
21           Section 5.886 as follows:

22           (30 ILCS 105/5.886 new)

23           Sec. 5.886. The Homeless Shelter Revenue Fund.

1           Section 95. No acceleration or delay. Where this Act makes  
2 changes in a statute that is represented in this Act by text  
3 that is not yet or no longer in effect (for example, a Section  
4 represented by multiple versions), the use of that text does  
5 not accelerate or delay the taking effect of (i) the changes  
6 made by this Act or (ii) provisions derived from any other  
7 Public Act.

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