



Sen. Dave Syverson

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1 AMENDMENT TO SENATE BILL 3387

2 AMENDMENT NO. _____. Amend Senate Bill 3387 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Riverboat Gambling Act is amended by
5 changing Sections 5, 7, and 7.6 as follows:

6 (230 ILCS 10/5) (from Ch. 120, par. 2405)

7 Sec. 5. Gaming Board.

8 (a) (1) There is hereby established the Illinois Gaming
9 Board, which shall have the powers and duties specified in this
10 Act, and all other powers necessary and proper to fully and
11 effectively execute this Act for the purpose of administering,
12 regulating, and enforcing the system of riverboat gambling
13 established by this Act. Its jurisdiction shall extend under
14 this Act to every person, association, corporation,
15 partnership and trust involved in riverboat gambling
16 operations in the State of Illinois.

1 (2) The Board shall consist of 5 members to be appointed by
2 the Governor with the advice and consent of the Senate, one of
3 whom shall be designated by the Governor to be chairman. Each
4 member shall have a reasonable knowledge of the practice,
5 procedure and principles of gambling operations. Each member
6 shall either be a resident of Illinois or shall certify that he
7 will become a resident of Illinois before taking office. At
8 least one member shall be experienced in law enforcement and
9 criminal investigation, at least one member shall be a
10 certified public accountant experienced in accounting and
11 auditing, and at least one member shall be a lawyer licensed to
12 practice law in Illinois.

13 (3) The terms of office of the Board members shall be 3
14 years, except that the terms of office of the initial Board
15 members appointed pursuant to this Act will commence from the
16 effective date of this Act and run as follows: one for a term
17 ending July 1, 1991, 2 for a term ending July 1, 1992, and 2 for
18 a term ending July 1, 1993. Upon the expiration of the
19 foregoing terms, the successors of such members shall serve a
20 term for 3 years and until their successors are appointed and
21 qualified for like terms. Vacancies in the Board shall be
22 filled for the unexpired term in like manner as original
23 appointments. Each member of the Board shall be eligible for
24 reappointment at the discretion of the Governor with the advice
25 and consent of the Senate.

26 (4) Each member of the Board shall receive \$300 for each

1 day the Board meets and for each day the member conducts any
2 hearing pursuant to this Act. Each member of the Board shall
3 also be reimbursed for all actual and necessary expenses and
4 disbursements incurred in the execution of official duties.

5 (5) No person shall be appointed a member of the Board or
6 continue to be a member of the Board who is, or whose spouse,
7 child or parent is, a member of the board of directors of, or a
8 person financially interested in, any gambling operation
9 subject to the jurisdiction of this Board, or any race track,
10 race meeting, racing association or the operations thereof
11 subject to the jurisdiction of the Illinois Racing Board. No
12 Board member shall hold any other public office. No person
13 shall be a member of the Board who is not of good moral
14 character or who has been convicted of, or is under indictment
15 for, a felony under the laws of Illinois or any other state, or
16 the United States.

17 (5.5) No member of the Board shall engage in any political
18 activity. For the purposes of this Section, "political" means
19 any activity in support of or in connection with any campaign
20 for federal, State, or local elective office or any political
21 organization, but does not include activities (i) relating to
22 the support or opposition of any executive, legislative, or
23 administrative action (as those terms are defined in Section 2
24 of the Lobbyist Registration Act), (ii) relating to collective
25 bargaining, or (iii) that are otherwise in furtherance of the
26 person's official State duties or governmental and public

1 service functions.

2 (6) Any member of the Board may be removed by the Governor
3 for neglect of duty, misfeasance, malfeasance, or nonfeasance
4 in office or for engaging in any political activity.

5 (7) Before entering upon the discharge of the duties of his
6 office, each member of the Board shall take an oath that he
7 will faithfully execute the duties of his office according to
8 the laws of the State and the rules and regulations adopted
9 therewith and shall give bond to the State of Illinois,
10 approved by the Governor, in the sum of \$25,000. Every such
11 bond, when duly executed and approved, shall be recorded in the
12 office of the Secretary of State. Whenever the Governor
13 determines that the bond of any member of the Board has become
14 or is likely to become invalid or insufficient, he shall
15 require such member forthwith to renew his bond, which is to be
16 approved by the Governor. Any member of the Board who fails to
17 take oath and give bond within 30 days from the date of his
18 appointment, or who fails to renew his bond within 30 days
19 after it is demanded by the Governor, shall be guilty of
20 neglect of duty and may be removed by the Governor. The cost of
21 any bond given by any member of the Board under this Section
22 shall be taken to be a part of the necessary expenses of the
23 Board.

24 (7.5) For the examination of all mechanical,
25 electromechanical, or electronic table games, slot machines,
26 slot accounting systems, and other electronic gaming equipment

1 for compliance with this Act, the Board may utilize the
2 services of one or more independent outside testing
3 laboratories that have been accredited by a national
4 accreditation body and that, in the judgment of the Board, are
5 qualified to perform such examinations.

6 (8) The Board shall employ such personnel as may be
7 necessary to carry out its functions and shall determine the
8 salaries of all personnel, except those personnel whose
9 salaries are determined under the terms of a collective
10 bargaining agreement. No person shall be employed to serve the
11 Board who is, or whose spouse, parent or child is, an official
12 of, or has a financial interest in or financial relation with,
13 any operator engaged in gambling operations within this State
14 or any organization engaged in conducting horse racing within
15 this State. Any employee violating these prohibitions shall be
16 subject to termination of employment.

17 (9) An Administrator shall perform any and all duties that
18 the Board shall assign him. The salary of the Administrator
19 shall be determined by the Board and, in addition, he shall be
20 reimbursed for all actual and necessary expenses incurred by
21 him in discharge of his official duties. The Administrator
22 shall keep records of all proceedings of the Board and shall
23 preserve all records, books, documents and other papers
24 belonging to the Board or entrusted to its care. The
25 Administrator shall devote his full time to the duties of the
26 office and shall not hold any other office or employment.

1 (b) The Board shall have general responsibility for the
2 implementation of this Act. Its duties include, without
3 limitation, the following:

4 (1) To decide promptly and in reasonable order all
5 license applications. Any party aggrieved by an action of
6 the Board denying, suspending, revoking, restricting or
7 refusing to renew a license may request a hearing before
8 the Board. A request for a hearing must be made to the
9 Board in writing within 5 days after service of notice of
10 the action of the Board. Notice of the action of the Board
11 shall be served either by personal delivery or by certified
12 mail, postage prepaid, to the aggrieved party. Notice
13 served by certified mail shall be deemed complete on the
14 business day following the date of such mailing. The Board
15 shall conduct all requested hearings promptly and in
16 reasonable order;

17 (2) To conduct all hearings pertaining to civil
18 violations of this Act or rules and regulations promulgated
19 hereunder;

20 (3) To promulgate such rules and regulations as in its
21 judgment may be necessary to protect or enhance the
22 credibility and integrity of gambling operations
23 authorized by this Act and the regulatory process
24 hereunder;

25 (4) To provide for the establishment and collection of
26 all license and registration fees and taxes imposed by this

1 Act and the rules and regulations issued pursuant hereto.
2 All such fees and taxes shall be deposited into the State
3 Gaming Fund;

4 (5) To provide for the levy and collection of penalties
5 and fines for the violation of provisions of this Act and
6 the rules and regulations promulgated hereunder. All such
7 fines and penalties shall be deposited into the Education
8 Assistance Fund, created by Public Act 86-0018, of the
9 State of Illinois;

10 (6) To be present through its inspectors and agents any
11 time gambling operations are conducted on any riverboat for
12 the purpose of certifying the revenue thereof, receiving
13 complaints from the public, and conducting such other
14 investigations into the conduct of the gambling games and
15 the maintenance of the equipment as from time to time the
16 Board may deem necessary and proper;

17 (7) To review and rule upon any complaint by a licensee
18 regarding any investigative procedures of the State which
19 are unnecessarily disruptive of gambling operations. The
20 need to inspect and investigate shall be presumed at all
21 times. The disruption of a licensee's operations shall be
22 proved by clear and convincing evidence, and establish
23 that: (A) the procedures had no reasonable law enforcement
24 purposes, and (B) the procedures were so disruptive as to
25 unreasonably inhibit gambling operations;

26 (8) To hold at least one meeting each quarter of the

1 fiscal year. In addition, special meetings may be called by
2 the Chairman or any 2 Board members upon 72 hours written
3 notice to each member. All Board meetings shall be subject
4 to the Open Meetings Act. Three members of the Board shall
5 constitute a quorum, and 3 votes shall be required for any
6 final determination by the Board. The Board shall keep a
7 complete and accurate record of all its meetings. A
8 majority of the members of the Board shall constitute a
9 quorum for the transaction of any business, for the
10 performance of any duty, or for the exercise of any power
11 which this Act requires the Board members to transact,
12 perform or exercise en banc, except that, upon order of the
13 Board, one of the Board members or an administrative law
14 judge designated by the Board may conduct any hearing
15 provided for under this Act or by Board rule and may
16 recommend findings and decisions to the Board. The Board
17 member or administrative law judge conducting such hearing
18 shall have all powers and rights granted to the Board in
19 this Act. The record made at the time of the hearing shall
20 be reviewed by the Board, or a majority thereof, and the
21 findings and decision of the majority of the Board shall
22 constitute the order of the Board in such case;

23 (9) To maintain records which are separate and distinct
24 from the records of any other State board or commission.
25 Such records shall be available for public inspection and
26 shall accurately reflect all Board proceedings;

1 (10) To file a written annual report with the Governor
2 on or before July 1 ~~March 1~~ each year and such additional
3 reports as the Governor may request. The annual report
4 shall include a statement of receipts and disbursements by
5 the Board, actions taken by the Board, and any additional
6 information and recommendations which the Board may deem
7 valuable or which the Governor may request;

8 (11) (Blank);

9 (12) (Blank);

10 (13) To assume responsibility for administration and
11 enforcement of the Video Gaming Act; and

12 (14) To adopt, by rule, a code of conduct governing
13 Board members and employees that ensure, to the maximum
14 extent possible, that persons subject to this Code avoid
15 situations, relationships, or associations that may
16 represent or lead to a conflict of interest.

17 (c) The Board shall have jurisdiction over and shall
18 supervise all gambling operations governed by this Act. The
19 Board shall have all powers necessary and proper to fully and
20 effectively execute the provisions of this Act, including, but
21 not limited to, the following:

22 (1) To investigate applicants and determine the
23 eligibility of applicants for licenses and to select among
24 competing applicants the applicants which best serve the
25 interests of the citizens of Illinois.

26 (2) To have jurisdiction and supervision over all

1 riverboat gambling operations in this State and all persons
2 on riverboats where gambling operations are conducted.

3 (3) To promulgate rules and regulations for the purpose
4 of administering the provisions of this Act and to
5 prescribe rules, regulations and conditions under which
6 all riverboat gambling in the State shall be conducted.
7 Such rules and regulations are to provide for the
8 prevention of practices detrimental to the public interest
9 and for the best interests of riverboat gambling, including
10 rules and regulations regarding the inspection of such
11 riverboats and the review of any permits or licenses
12 necessary to operate a riverboat under any laws or
13 regulations applicable to riverboats, and to impose
14 penalties for violations thereof.

15 (4) To enter the office, riverboats, facilities, or
16 other places of business of a licensee, where evidence of
17 the compliance or noncompliance with the provisions of this
18 Act is likely to be found.

19 (5) To investigate alleged violations of this Act or
20 the rules of the Board and to take appropriate disciplinary
21 action against a licensee or a holder of an occupational
22 license for a violation, or institute appropriate legal
23 action for enforcement, or both.

24 (6) To adopt standards for the licensing of all persons
25 under this Act, as well as for electronic or mechanical
26 gambling games, and to establish fees for such licenses.

1 (7) To adopt appropriate standards for all riverboats
2 and facilities.

3 (8) To require that the records, including financial or
4 other statements of any licensee under this Act, shall be
5 kept in such manner as prescribed by the Board and that any
6 such licensee involved in the ownership or management of
7 gambling operations submit to the Board an annual balance
8 sheet and profit and loss statement, list of the
9 stockholders or other persons having a 1% or greater
10 beneficial interest in the gambling activities of each
11 licensee, and any other information the Board deems
12 necessary in order to effectively administer this Act and
13 all rules, regulations, orders and final decisions
14 promulgated under this Act.

15 (9) To conduct hearings, issue subpoenas for the
16 attendance of witnesses and subpoenas duces tecum for the
17 production of books, records and other pertinent documents
18 in accordance with the Illinois Administrative Procedure
19 Act, and to administer oaths and affirmations to the
20 witnesses, when, in the judgment of the Board, it is
21 necessary to administer or enforce this Act or the Board
22 rules.

23 (10) To prescribe a form to be used by any licensee
24 involved in the ownership or management of gambling
25 operations as an application for employment for their
26 employees.

1 (11) To revoke or suspend licenses, as the Board may
2 see fit and in compliance with applicable laws of the State
3 regarding administrative procedures, and to review
4 applications for the renewal of licenses. The Board may
5 suspend an owners license, without notice or hearing upon a
6 determination that the safety or health of patrons or
7 employees is jeopardized by continuing a riverboat's
8 operation. The suspension may remain in effect until the
9 Board determines that the cause for suspension has been
10 abated. The Board may revoke the owners license upon a
11 determination that the owner has not made satisfactory
12 progress toward abating the hazard.

13 (12) To eject or exclude or authorize the ejection or
14 exclusion of, any person from riverboat gambling
15 facilities where such person is in violation of this Act,
16 rules and regulations thereunder, or final orders of the
17 Board, or where such person's conduct or reputation is such
18 that his presence within the riverboat gambling facilities
19 may, in the opinion of the Board, call into question the
20 honesty and integrity of the gambling operations or
21 interfere with orderly conduct thereof; provided that the
22 propriety of such ejection or exclusion is subject to
23 subsequent hearing by the Board.

24 (13) To require all licensees of gambling operations to
25 utilize a cashless wagering system whereby all players'
26 money is converted to tokens, electronic cards, or chips

1 which shall be used only for wagering in the gambling
2 establishment.

3 (14) (Blank).

4 (15) To suspend, revoke or restrict licenses, to
5 require the removal of a licensee or an employee of a
6 licensee for a violation of this Act or a Board rule or for
7 engaging in a fraudulent practice, and to impose civil
8 penalties of up to \$5,000 against individuals and up to
9 \$10,000 or an amount equal to the daily gross receipts,
10 whichever is larger, against licensees for each violation
11 of any provision of the Act, any rules adopted by the
12 Board, any order of the Board or any other action which, in
13 the Board's discretion, is a detriment or impediment to
14 riverboat gambling operations, provided that these
15 limitations on civil penalties shall not apply to civil
16 penalties assessed under the Video Gaming Act.

17 (16) To hire employees to gather information, conduct
18 investigations and carry out any other tasks contemplated
19 under this Act.

20 (17) To establish minimum levels of insurance to be
21 maintained by licensees.

22 (18) To authorize a licensee to sell or serve alcoholic
23 liquors, wine or beer as defined in the Liquor Control Act
24 of 1934 on board a riverboat and to have exclusive
25 authority to establish the hours for sale and consumption
26 of alcoholic liquor on board a riverboat, notwithstanding

1 any provision of the Liquor Control Act of 1934 or any
2 local ordinance, and regardless of whether the riverboat
3 makes excursions. The establishment of the hours for sale
4 and consumption of alcoholic liquor on board a riverboat is
5 an exclusive power and function of the State. A home rule
6 unit may not establish the hours for sale and consumption
7 of alcoholic liquor on board a riverboat. This amendatory
8 Act of 1991 is a denial and limitation of home rule powers
9 and functions under subsection (h) of Section 6 of Article
10 VII of the Illinois Constitution.

11 (19) After consultation with the U.S. Army Corps of
12 Engineers, to establish binding emergency orders upon the
13 concurrence of a majority of the members of the Board
14 regarding the navigability of water, relative to
15 excursions, in the event of extreme weather conditions,
16 acts of God or other extreme circumstances.

17 (20) To delegate the execution of any of its powers
18 under this Act for the purpose of administering and
19 enforcing this Act and its rules and regulations hereunder.

20 (20.5) To approve any contract entered into on its
21 behalf.

22 (20.6) To appoint investigators to conduct
23 investigations, searches, seizures, arrests, and other
24 duties imposed under this Act, as deemed necessary by the
25 Board. These investigators have and may exercise all of the
26 rights and powers of peace officers, provided that these

1 powers shall be limited to offenses or violations occurring
2 or committed on a riverboat or dock, as defined in
3 subsections (d) and (f) of Section 4, or as otherwise
4 provided by this Act or any other law.

5 (20.7) To contract with the Department of State Police
6 for the use of trained and qualified State police officers
7 and with the Department of Revenue for the use of trained
8 and qualified Department of Revenue investigators to
9 conduct investigations, searches, seizures, arrests, and
10 other duties imposed under this Act and to exercise all of
11 the rights and powers of peace officers, provided that the
12 powers of Department of Revenue investigators under this
13 subdivision (20.7) shall be limited to offenses or
14 violations occurring or committed on a riverboat or dock,
15 as defined in subsections (d) and (f) of Section 4, or as
16 otherwise provided by this Act or any other law. In the
17 event the Department of State Police or the Department of
18 Revenue is unable to fill contracted police or
19 investigative positions, the Board may appoint
20 investigators to fill those positions pursuant to
21 subdivision (20.6).

22 (21) To take any other action as may be reasonable or
23 appropriate to enforce this Act and rules and regulations
24 hereunder.

25 (d) The Board may seek and shall receive the cooperation of
26 the Department of State Police in conducting background

1 investigations of applicants and in fulfilling its
2 responsibilities under this Section. Costs incurred by the
3 Department of State Police as a result of such cooperation
4 shall be paid by the Board in conformance with the requirements
5 of Section 2605-400 of the Department of State Police Law (20
6 ILCS 2605/2605-400).

7 (e) The Board must authorize to each investigator and to
8 any other employee of the Board exercising the powers of a
9 peace officer a distinct badge that, on its face, (i) clearly
10 states that the badge is authorized by the Board and (ii)
11 contains a unique identifying number. No other badge shall be
12 authorized by the Board.

13 (Source: P.A. 98-377, eff. 1-1-14; 98-582, eff. 8-27-13.)

14 (230 ILCS 10/7) (from Ch. 120, par. 2407)

15 Sec. 7. Owners licenses.

16 (a) The Board shall issue owners licenses to persons, firms
17 or corporations which apply for such licenses upon payment to
18 the Board of the non-refundable license fee set by the Board,
19 upon payment of a \$25,000 license fee for the first year of
20 operation and a \$5,000 license fee for each succeeding year and
21 upon a determination by the Board that the applicant is
22 eligible for an owners license pursuant to this Act and the
23 rules of the Board. From the effective date of this amendatory
24 Act of the 95th General Assembly until (i) 3 years after the
25 effective date of this amendatory Act of the 95th General

1 Assembly, (ii) the date any organization licensee begins to
2 operate a slot machine or video game of chance under the
3 Illinois Horse Racing Act of 1975 or this Act, (iii) the date
4 that payments begin under subsection (c-5) of Section 13 of the
5 Act, or (iv) the wagering tax imposed under Section 13 of this
6 Act is increased by law to reflect a tax rate that is at least
7 as stringent or more stringent than the tax rate contained in
8 subsection (a-3) of Section 13, whichever occurs first, as a
9 condition of licensure and as an alternative source of payment
10 for those funds payable under subsection (c-5) of Section 13 of
11 the Riverboat Gambling Act, any owners licensee that holds or
12 receives its owners license on or after the effective date of
13 this amendatory Act of the 94th General Assembly, other than an
14 owners licensee operating a riverboat with adjusted gross
15 receipts in calendar year 2004 of less than \$200,000,000, must
16 pay into the Horse Racing Equity Trust Fund, in addition to any
17 other payments required under this Act, an amount equal to 3%
18 of the adjusted gross receipts received by the owners licensee.
19 The payments required under this Section shall be made by the
20 owners licensee to the State Treasurer no later than 3:00
21 o'clock p.m. of the day after the day when the adjusted gross
22 receipts were received by the owners licensee. A person, firm
23 or corporation is ineligible to receive an owners license if:

24 (1) the person has been convicted of a felony under the
25 laws of this State, any other state, or the United States;

26 (2) the person has been convicted of any violation of

1 Article 28 of the Criminal Code of 1961 or the Criminal
2 Code of 2012, or substantially similar laws of any other
3 jurisdiction;

4 (3) the person has submitted an application for a
5 license under this Act which contains false information;

6 (4) the person is a member of the Board;

7 (5) a person defined in (1), (2), (3) or (4) is an
8 officer, director or managerial employee of the firm or
9 corporation;

10 (6) the firm or corporation employs a person defined in
11 (1), (2), (3) or (4) who participates in the management or
12 operation of gambling operations authorized under this
13 Act;

14 (7) (blank); or

15 (8) a license of the person, firm or corporation issued
16 under this Act, or a license to own or operate gambling
17 facilities in any other jurisdiction, has been revoked.

18 The Board is expressly prohibited from making changes to
19 the requirement that licensees make payment into the Horse
20 Racing Equity Trust Fund without the express authority of the
21 Illinois General Assembly and making any other rule to
22 implement or interpret this amendatory Act of the 95th General
23 Assembly. For the purposes of this paragraph, "rules" is given
24 the meaning given to that term in Section 1-70 of the Illinois
25 Administrative Procedure Act.

26 (b) In determining whether to grant an owners license to an

1 applicant, the Board shall consider:

2 (1) the character, reputation, experience and
3 financial integrity of the applicants and of any other or
4 separate person that either:

5 (A) controls, directly or indirectly, such
6 applicant, or

7 (B) is controlled, directly or indirectly, by such
8 applicant or by a person which controls, directly or
9 indirectly, such applicant;

10 (2) the facilities or proposed facilities for the
11 conduct of riverboat gambling;

12 (3) the highest prospective total revenue to be derived
13 by the State from the conduct of riverboat gambling;

14 (4) the extent to which the ownership of the applicant
15 reflects the diversity of the State by including minority
16 persons, women, and persons with a disability and the good
17 faith affirmative action plan of each applicant to recruit,
18 train and upgrade minority persons, women, and persons with
19 a disability in all employment classifications;

20 (4.5) the extent to which the ownership of the
21 applicant includes veterans of service in the armed forces
22 of the United States, and the good faith affirmative action
23 plan of each applicant to recruit, train, and upgrade
24 veterans of service in the armed forces of the United
25 States in all employment classifications;

26 (5) the financial ability of the applicant to purchase

1 and maintain adequate liability and casualty insurance;

2 (6) whether the applicant has adequate capitalization
3 to provide and maintain, for the duration of a license, a
4 riverboat;

5 (7) the extent to which the applicant exceeds or meets
6 other standards for the issuance of an owners license which
7 the Board may adopt by rule; and

8 (8) The amount of the applicant's license bid.

9 (c) Each owners license shall specify the place where
10 riverboats shall operate and dock.

11 (d) Each applicant shall submit with his application, on
12 forms provided by the Board, 2 sets of his fingerprints.

13 (e) The Board may issue up to 10 licenses authorizing the
14 holders of such licenses to own riverboats. In the application
15 for an owners license, the applicant shall state the dock at
16 which the riverboat is based and the water on which the
17 riverboat will be located. The Board shall issue 5 licenses to
18 become effective not earlier than January 1, 1991. Three of
19 such licenses shall authorize riverboat gambling on the
20 Mississippi River, or, with approval by the municipality in
21 which the riverboat was docked on August 7, 2003 and with Board
22 approval, be authorized to relocate to a new location, in a
23 municipality that (1) borders on the Mississippi River or is
24 within 5 miles of the city limits of a municipality that
25 borders on the Mississippi River and (2), on August 7, 2003,
26 had a riverboat conducting riverboat gambling operations

1 pursuant to a license issued under this Act; one of which shall
2 authorize riverboat gambling from a home dock in the city of
3 East St. Louis. One other license shall authorize riverboat
4 gambling on the Illinois River south of Marshall County. The
5 Board shall issue one additional license to become effective
6 not earlier than March 1, 1992, which shall authorize riverboat
7 gambling on the Des Plaines River in Will County. The Board may
8 issue 4 additional licenses to become effective not earlier
9 than March 1, 1992. In determining the water upon which
10 riverboats will operate, the Board shall consider the economic
11 benefit which riverboat gambling confers on the State, and
12 shall seek to assure that all regions of the State share in the
13 economic benefits of riverboat gambling.

14 In granting all licenses, the Board may give favorable
15 consideration to economically depressed areas of the State, to
16 applicants presenting plans which provide for significant
17 economic development over a large geographic area, and to
18 applicants who currently operate non-gambling riverboats in
19 Illinois. The Board shall review all applications for owners
20 licenses, and shall inform each applicant of the Board's
21 decision. The Board may grant an owners license to an applicant
22 that has not submitted the highest license bid, but if it does
23 not select the highest bidder, the Board shall issue a written
24 decision explaining why another applicant was selected and
25 identifying the factors set forth in this Section that favored
26 the winning bidder.

1 In addition to any other revocation powers granted to the
2 Board under this Act, the Board may revoke the owners license
3 of a licensee which fails to begin conducting gambling within
4 15 months of receipt of the Board's approval of the application
5 if the Board determines that license revocation is in the best
6 interests of the State.

7 (f) The first 10 owners licenses issued under this Act
8 shall permit the holder to own up to 2 riverboats and equipment
9 thereon for a period of 3 years after the effective date of the
10 license. Holders of the first 10 owners licenses must pay the
11 annual license fee for each of the 3 years during which they
12 are authorized to own riverboats.

13 (g) Upon the termination, expiration, or revocation of each
14 of the first 10 licenses, which shall be issued for a 3 year
15 period, all licenses are renewable annually upon payment of the
16 fee and a determination by the Board that the licensee
17 continues to meet all of the requirements of this Act and the
18 Board's rules. However, for licenses renewed on or after May 1,
19 1998, renewal shall be for a period of 4 years, unless the
20 Board sets a shorter period.

21 (h) An owners license shall entitle the licensee to own up
22 to 2 riverboats. A licensee shall limit the number of gambling
23 participants to 1,200 for any such owners license. A licensee
24 may operate both of its riverboats concurrently, provided that
25 the total number of gambling participants on both riverboats
26 does not exceed 1,200. Riverboats licensed to operate on the

1 Mississippi River and the Illinois River south of Marshall
2 County shall have an authorized capacity of at least 500
3 persons. Any other riverboat licensed under this Act shall have
4 an authorized capacity of at least 400 persons.

5 (i) A licensed owner is authorized to apply to the Board
6 for and, if approved therefor, to receive all licenses from the
7 Board necessary for the operation of a riverboat, including a
8 liquor license, a license to prepare and serve food for human
9 consumption, and other necessary licenses. All use, occupation
10 and excise taxes which apply to the sale of food and beverages
11 in this State and all taxes imposed on the sale or use of
12 tangible personal property apply to such sales aboard the
13 riverboat.

14 (j) The Board may issue or re-issue a license authorizing a
15 riverboat to dock in a municipality or approve a relocation
16 under Section 11.2 only if, prior to the issuance or
17 re-issuance of the license or approval, the governing body of
18 the municipality in which the riverboat will dock has by a
19 majority vote approved the docking of riverboats in the
20 municipality. The Board may issue or re-issue a license
21 authorizing a riverboat to dock in areas of a county outside
22 any municipality or approve a relocation under Section 11.2
23 only if, prior to the issuance or re-issuance of the license or
24 approval, the governing body of the county has by a majority
25 vote approved of the docking of riverboats within such areas.

26 (Source: P.A. 100-391, eff. 8-25-17.)

1 (230 ILCS 10/7.6)

2 Sec. 7.6. Business enterprise program.

3 (a) For the purposes of this Section, the terms "minority",
4 "minority-owned business", "woman", "women-owned business",
5 "person with a disability", and "business owned by a person
6 with a disability" have the meanings ascribed to them in the
7 Business Enterprise for Minorities, Women, and Persons with
8 Disabilities Act.

9 (b) The Board shall, by rule, establish goals for the award
10 of contracts by each owners licensee to businesses owned by
11 minorities, women, and persons with disabilities, expressed as
12 percentages of an owners licensee's total dollar amount of
13 contracts awarded during each calendar year. Each owners
14 licensee must make every effort to meet the goals established
15 by the Board pursuant to this Section. When setting the goals
16 for the award of contracts, the Board shall not include
17 contracts where: (1) any purchasing mandates would be dependent
18 upon the availability of minority-owned businesses,
19 women-owned businesses, and businesses owned by persons with
20 disabilities ready, willing, and able with capacity to provide
21 quality goods and services to a gaming operation at reasonable
22 prices; (2) there are no or a limited number of licensed
23 suppliers as defined by this Act for the goods or services
24 provided to the licensee; (3) the licensee or its parent
25 company owns a company that provides the goods or services; or

1 (4) the goods or services are provided to the licensee by a
2 publicly traded company.

3 (c) Each owners licensee shall file with the Board an
4 annual report of its utilization of minority-owned businesses,
5 women-owned businesses, and businesses owned by persons with
6 disabilities during the preceding calendar year. The reports
7 shall include a self-evaluation of the efforts of the owners
8 licensee to meet its goals under this Section.

9 (c-5) The Board shall, by rule, establish goals for the
10 award of contracts by each owners licensee to businesses owned
11 by veterans of service in the armed forces of the United
12 States, expressed as percentages of an owners licensee's total
13 dollar amount of contracts awarded during each calendar year.
14 When setting the goals for the award of contracts, the Board
15 shall not include contracts where: (1) any purchasing mandates
16 would be dependent upon the availability of veteran-owned
17 businesses ready, willing, and able with capacity to provide
18 quality goods and services to a gaming operation at reasonable
19 prices; (2) there are no or a limited number of licensed
20 suppliers as defined in this Act for the goods or services
21 provided to the licensee: (3) the licensee or its parent
22 company owns a company that provides the goods or services; or
23 (4) the goods or services are provided to the licensee by a
24 publicly traded company.

25 Each owners licensee shall file with the Board an annual
26 report of its utilization of veteran-owned businesses during

1 the preceding calendar year. The reports shall include a
2 self-evaluation of the efforts of the owners licensee to meet
3 its goals under this Section.

4 (d) The owners licensee shall have the right to request a
5 waiver from the requirements of this Section. The Board shall
6 grant the waiver where the owners licensee demonstrates that
7 there has been made a good faith effort to comply with the
8 goals for participation by minority-owned businesses,
9 women-owned businesses, ~~and~~ businesses owned by persons with
10 disabilities, and veteran-owned businesses.

11 (e) If the Board determines that its goals and policies are
12 not being met by any owners licensee, then the Board may:

13 (1) adopt remedies for such violations; and

14 (2) recommend that the owners licensee provide
15 additional opportunities for participation by
16 minority-owned businesses, women-owned businesses, ~~and~~
17 businesses owned by persons with disabilities, and
18 veteran-owned businesses; such recommendations may
19 include, but shall not be limited to:

20 (A) assurances of stronger and better focused
21 solicitation efforts to obtain more minority-owned
22 businesses, women-owned businesses, ~~and~~ businesses
23 owned by persons with disabilities, and veteran-owned
24 businesses as potential sources of supply;

25 (B) division of job or project requirements, when
26 economically feasible, into tasks or quantities to

1 permit participation of minority-owned businesses,
2 women-owned businesses, ~~and~~ businesses owned by
3 persons with disabilities, and veteran-owned
4 businesses;

5 (C) elimination of extended experience or
6 capitalization requirements, when programmatically
7 feasible, to permit participation of minority-owned
8 businesses, women-owned businesses, ~~and~~ businesses
9 owned by persons with disabilities, and veteran-owned
10 businesses;

11 (D) identification of specific proposed contracts
12 as particularly attractive or appropriate for
13 participation by minority-owned businesses,
14 women-owned businesses, ~~and~~ businesses owned by
15 persons with disabilities, and veteran-owned
16 businesses, such identification to result from and be
17 coupled with the efforts of items (A) through (C); and

18 (E) implementation of regulations established for
19 the use of the sheltered market process.

20 (f) The Board shall file, no later than March 1 of each
21 year, an annual report that shall detail the level of
22 achievement toward the goals specified in this Section over the
23 3 most recent fiscal years. The annual report shall include,
24 but need not be limited to:

25 (1) a summary detailing expenditures subject to the
26 goals, the actual goals specified, and the goals attained

1 by each owners licensee; and

2 (2) an analysis of the level of overall goal
3 achievement concerning purchases from minority-owned
4 businesses, women-owned businesses, ~~and~~ businesses owned
5 by persons with disabilities, and veteran-owned
6 businesses.

7 (Source: P.A. 99-78, eff. 7-20-15; 100-391, eff. 8-25-17.)

8 Section 10. The Video Gaming Act is amended by changing
9 Sections 25, 45, and 80 as follows:

10 (230 ILCS 40/25)

11 Sec. 25. Restriction of licensees.

12 (a) Manufacturer. A person may not be licensed as a
13 manufacturer of a video gaming terminal in Illinois unless the
14 person has a valid manufacturer's license issued under this
15 Act. A manufacturer may only sell video gaming terminals for
16 use in Illinois to persons having a valid distributor's
17 license.

18 (b) Distributor. A person may not sell, distribute, or
19 lease or market a video gaming terminal in Illinois unless the
20 person has a valid distributor's license issued under this Act.
21 A distributor may only sell video gaming terminals for use in
22 Illinois to persons having a valid distributor's or terminal
23 operator's license.

24 (c) Terminal operator. A person may not own, maintain, or

1 place a video gaming terminal unless he has a valid terminal
2 operator's license issued under this Act. A terminal operator
3 may only place video gaming terminals for use in Illinois in
4 licensed establishments, licensed truck stop establishments,
5 licensed fraternal establishments, and licensed veterans
6 establishments. No terminal operator may give anything of
7 value, including but not limited to a loan or financing
8 arrangement, to a licensed establishment, licensed truck stop
9 establishment, licensed fraternal establishment, or licensed
10 veterans establishment as any incentive or inducement to locate
11 video terminals in that establishment. Of the after-tax profits
12 from a video gaming terminal, 50% shall be paid to the terminal
13 operator and 50% shall be paid to the licensed establishment,
14 licensed truck stop establishment, licensed fraternal
15 establishment, or licensed veterans establishment,
16 notwithstanding any agreement to the contrary. A video terminal
17 operator that violates one or more requirements of this
18 subsection is guilty of a Class 4 felony and is subject to
19 termination of his or her license by the Board.

20 (d) Licensed technician. A person may not service,
21 maintain, or repair a video gaming terminal in this State
22 unless he or she (1) has a valid technician's license issued
23 under this Act, (2) is a terminal operator, or (3) is employed
24 by a terminal operator, distributor, or manufacturer.

25 (d-5) Licensed terminal handler. No person, including, but
26 not limited to, an employee or independent contractor working

1 for a manufacturer, distributor, supplier, technician, or
2 terminal operator licensed pursuant to this Act, shall have
3 possession or control of a video gaming terminal, or access to
4 the inner workings of a video gaming terminal, unless that
5 person possesses a valid terminal handler's license issued
6 under this Act.

7 (e) Licensed establishment. No video gaming terminal may be
8 placed in any licensed establishment, licensed veterans
9 establishment, licensed truck stop establishment, or licensed
10 fraternal establishment unless the owner or agent of the owner
11 of the licensed establishment, licensed veterans
12 establishment, licensed truck stop establishment, or licensed
13 fraternal establishment has entered into a written use
14 agreement with the terminal operator for placement of the
15 terminals. A copy of the use agreement shall be on file in the
16 terminal operator's place of business and available for
17 inspection by individuals authorized by the Board. A licensed
18 establishment, licensed truck stop establishment, licensed
19 veterans establishment, or licensed fraternal establishment
20 may operate up to 5 video gaming terminals on its premises at
21 any time.

22 (f) (Blank).

23 (g) Financial interest restrictions. As used in this Act,
24 "substantial interest" in a partnership, a corporation, an
25 organization, an association, a business, or a limited
26 liability company means:

1 (A) When, with respect to a sole proprietorship, an
2 individual or his or her spouse owns, operates, manages, or
3 conducts, directly or indirectly, the organization,
4 association, or business, or any part thereof; or

5 (B) When, with respect to a partnership, the individual
6 or his or her spouse shares in any of the profits, or
7 potential profits, of the partnership activities; or

8 (C) When, with respect to a corporation, an individual
9 or his or her spouse is an officer or director, or the
10 individual or his or her spouse is a holder, directly or
11 beneficially, of 5% or more of any class of stock of the
12 corporation; or

13 (D) When, with respect to an organization not covered
14 in (A), (B) or (C) above, an individual or his or her
15 spouse is an officer or manages the business affairs, or
16 the individual or his or her spouse is the owner of or
17 otherwise controls 10% or more of the assets of the
18 organization; or

19 (E) When an individual or his or her spouse furnishes
20 5% or more of the capital, whether in cash, goods, or
21 services, for the operation of any business, association,
22 or organization during any calendar year; or

23 (F) When, with respect to a limited liability company,
24 an individual or his or her spouse is a member, or the
25 individual or his or her spouse is a holder, directly or
26 beneficially, of 5% or more of the membership interest of

1 the limited liability company.

2 For purposes of this subsection (g), "individual" includes
3 all individuals or their spouses whose combined interest would
4 qualify as a substantial interest under this subsection (g) and
5 whose activities with respect to an organization, association,
6 or business are so closely aligned or coordinated as to
7 constitute the activities of a single entity.

8 (h) Location restriction. A licensed establishment,
9 licensed truck stop establishment, licensed fraternal
10 establishment, or licensed veterans establishment that is (i)
11 located within 1,000 feet of a facility operated by an
12 organization licensee licensed under the Illinois Horse Racing
13 Act of 1975 or the home dock of a riverboat licensed under the
14 Riverboat Gambling Act or (ii) located within 100 feet of a
15 school or a place of worship under the Religious Corporation
16 Act, is ineligible to operate a video gaming terminal. The
17 location restrictions in this subsection (h) do not apply if
18 (A) a facility operated by an organization licensee, a school,
19 or a place of worship moves to or is established within the
20 restricted area after a licensed establishment, licensed truck
21 stop establishment, licensed fraternal establishment, or
22 licensed veterans establishment becomes licensed under this
23 Act or (B) a school or place of worship moves to or is
24 established within the restricted area after a licensed
25 establishment, licensed truck stop establishment, licensed
26 fraternal establishment, or licensed veterans establishment

1 obtains its original liquor license. For the purpose of this
2 subsection, "school" means an elementary or secondary public
3 school, or an elementary or secondary private school registered
4 with or recognized by the State Board of Education.

5 Notwithstanding the provisions of this subsection (h), the
6 Board may waive the requirement that a licensed establishment,
7 licensed truck stop establishment, licensed fraternal
8 establishment, or licensed veterans establishment not be
9 located within 1,000 feet from a facility operated by an
10 organization licensee licensed under the Illinois Horse Racing
11 Act of 1975 or the home dock of a riverboat licensed under the
12 Riverboat Gambling Act. The Board shall not grant such waiver
13 if there is any common ownership or control, shared business
14 activity, or contractual arrangement of any type between the
15 establishment and the organization licensee or owners licensee
16 of a riverboat. The Board shall adopt rules to implement the
17 provisions of this paragraph.

18 (h-5) Restrictions on licenses in malls. The Board shall
19 not grant an application to become a licensed video gaming
20 location if the Board determines that granting the application
21 would more likely than not cause a terminal operator,
22 individually or in combination with other terminal operators,
23 licensed video gaming location, or other person or entity, to
24 operate the video gaming terminals in 2 or more licensed video
25 gaming locations as a single video gaming operation.

26 (1) In making determinations under this subsection

1 (h-5), factors to be considered by the Board shall include,
2 but not be limited to, the following:

3 (A) the physical aspects of the location;

4 (B) the ownership, control, or management of the
5 location;

6 (C) any arrangements, understandings, or
7 agreements, written or otherwise, among or involving
8 any persons or entities that involve the conducting of
9 any video gaming business or the sharing of costs or
10 revenues; and

11 (D) the manner in which any terminal operator or
12 other related entity markets, advertises, or otherwise
13 describes any location or locations to any other person
14 or entity or to the public.

15 (2) The Board shall presume, subject to rebuttal, that
16 the granting of an application to become a licensed video
17 gaming location within a mall will cause a terminal
18 operator, individually or in combination with other
19 persons or entities, to operate the video gaming terminals
20 in 2 or more licensed video gaming locations as a single
21 video gaming operation if the Board determines that
22 granting the license would create a local concentration of
23 licensed video gaming locations.

24 For the purposes of this subsection (h-5):

25 "Mall" means a building, or adjoining or connected
26 buildings, containing 4 or more separate locations.

1 "Video gaming operation" means the conducting of video
2 gaming and all related activities.

3 "Location" means a space within a mall containing a
4 separate business, a place for a separate business, or a place
5 subject to a separate leasing arrangement by the mall owner.

6 "Licensed video gaming location" means a licensed
7 establishment, licensed fraternal establishment, licensed
8 veterans establishment, or licensed truck stop.

9 "Local concentration of licensed video gaming locations"
10 means that the combined number of licensed video gaming
11 locations within a mall exceed half of the separate locations
12 within the mall.

13 (i) Undue economic concentration. In addition to
14 considering all other requirements under this Act, in deciding
15 whether to approve the operation of video gaming terminals by a
16 terminal operator in a location, the Board shall consider the
17 impact of any economic concentration of such operation of video
18 gaming terminals. The Board shall not allow a terminal operator
19 to operate video gaming terminals if the Board determines such
20 operation will result in undue economic concentration. For
21 purposes of this Section, "undue economic concentration" means
22 that a terminal operator would have such actual or potential
23 influence over video gaming terminals in Illinois as to:

24 (1) substantially impede or suppress competition among
25 terminal operators;

26 (2) adversely impact the economic stability of the

1 video gaming industry in Illinois; or

2 (3) negatively impact the purposes of the Video Gaming
3 Act.

4 The Board shall adopt rules concerning undue economic
5 concentration with respect to the operation of video gaming
6 terminals in Illinois. The rules shall include, but not be
7 limited to, (i) limitations on the number of video gaming
8 terminals operated by any terminal operator within a defined
9 geographic radius and (ii) guidelines on the discontinuation of
10 operation of any such video gaming terminals the Board
11 determines will cause undue economic concentration.

12 (j) The provisions of the Illinois Antitrust Act are fully
13 and equally applicable to the activities of any licensee under
14 this Act.

15 (Source: P.A. 97-333, eff. 8-12-11; 98-31, eff. 6-24-13; 98-77,
16 eff. 7-15-13; 98-112, eff. 7-26-13; 98-756, eff. 7-16-14.)

17 (230 ILCS 40/45)

18 Sec. 45. Issuance of license.

19 (a) The burden is upon each applicant to demonstrate his
20 suitability for licensure. Each video gaming terminal
21 manufacturer, distributor, supplier, operator, handler,
22 licensed establishment, licensed truck stop establishment,
23 licensed fraternal establishment, and licensed veterans
24 establishment shall be licensed by the Board. The Board may
25 issue or deny a license under this Act to any person pursuant

1 to the same criteria set forth in Section 9 of the Riverboat
2 Gambling Act.

3 (a-5) The Board shall not grant a license to a person who
4 has facilitated, enabled, or participated in the use of
5 coin-operated devices for gambling purposes or who is under the
6 significant influence or control of such a person. For the
7 purposes of this Act, "facilitated, enabled, or participated in
8 the use of coin-operated amusement devices for gambling
9 purposes" means that the person has been convicted of any
10 violation of Article 28 of the Criminal Code of 1961 or the
11 Criminal Code of 2012. If there is pending legal action against
12 a person for any such violation, then the Board shall delay the
13 licensure of that person until the legal action is resolved.

14 (b) Each person seeking and possessing a license as a video
15 gaming terminal manufacturer, distributor, supplier, operator,
16 handler, licensed establishment, licensed truck stop
17 establishment, licensed fraternal establishment, or licensed
18 veterans establishment shall submit to a background
19 investigation conducted by the Board with the assistance of the
20 State Police or other law enforcement. To the extent that the
21 corporate structure of the applicant allows, the background
22 investigation shall include any or all of the following as the
23 Board deems appropriate or as provided by rule for each
24 category of licensure: (i) each beneficiary of a trust, (ii)
25 each partner of a partnership, (iii) each member of a limited
26 liability company, (iv) each director and officer of a publicly

1 or non-publicly held corporation, (v) each stockholder of a
2 non-publicly held corporation, (vi) each stockholder of 5% or
3 more of a publicly held corporation, or (vii) each stockholder
4 of 5% or more in a parent or subsidiary corporation.

5 (c) Each person seeking and possessing a license as a video
6 gaming terminal manufacturer, distributor, supplier, operator,
7 handler, licensed establishment, licensed truck stop
8 establishment, licensed fraternal establishment, or licensed
9 veterans establishment shall disclose the identity of every
10 person, association, trust, corporation, or limited liability
11 company having a greater than 1% direct or indirect pecuniary
12 interest in the video gaming terminal operation for which the
13 license is sought. If the disclosed entity is a trust, the
14 application shall disclose the names and addresses of the
15 beneficiaries; if a corporation, the names and addresses of all
16 stockholders and directors; if a limited liability company, the
17 names and addresses of all members; or if a partnership, the
18 names and addresses of all partners, both general and limited.

19 (d) No person may be licensed as a video gaming terminal
20 manufacturer, distributor, supplier, operator, handler,
21 licensed establishment, licensed truck stop establishment,
22 licensed fraternal establishment, or licensed veterans
23 establishment if that person has been found by the Board to:

24 (1) have a background, including a criminal record,
25 reputation, habits, social or business associations, or
26 prior activities that pose a threat to the public interests

1 of the State or to the security and integrity of video
2 gaming;

3 (2) create or enhance the dangers of unsuitable,
4 unfair, or illegal practices, methods, and activities in
5 the conduct of video gaming; or

6 (3) present questionable business practices and
7 financial arrangements incidental to the conduct of video
8 gaming activities.

9 (e) Any applicant for any license under this Act has the
10 burden of proving his or her qualifications to the satisfaction
11 of the Board. The Board may adopt rules to establish additional
12 qualifications and requirements to preserve the integrity and
13 security of video gaming in this State.

14 (f) A non-refundable application fee shall be paid at the
15 time an application for a license is filed with the Board in
16 the following amounts:

- 17 (1) Manufacturer \$5,000
- 18 (2) Distributor..... \$5,000
- 19 (3) Terminal operator..... \$5,000
- 20 (4) Supplier \$2,500
- 21 (5) Technician \$100
- 22 (6) Terminal Handler \$100 ~~\$50~~
- 23 (7) Licensed establishment, licensed truck stop
- 24 establishment, licensed fraternal establishment,
- 25 or licensed veterans establishment \$100

26 (g) The Board shall establish an annual fee for each

1 license not to exceed the following:

- 2 (1) Manufacturer \$10,000
- 3 (2) Distributor..... \$10,000
- 4 (3) Terminal operator..... \$5,000
- 5 (4) Supplier \$2,000
- 6 (5) Technician \$100
- 7 (6) Licensed establishment, licensed truck stop
- 8 establishment, licensed fraternal establishment,
- 9 or licensed veterans establishment \$100
- 10 (7) Video gaming terminal..... \$100
- 11 (8) Terminal Handler \$100 ~~\$50~~

12 (h) A terminal operator and a licensed establishment,
 13 licensed truck stop establishment, licensed fraternal
 14 establishment, or licensed veterans establishment shall
 15 equally split the fees specified in item (7) of subsection (g).
 16 (Source: P.A. 97-1150, eff. 1-25-13; 98-31, eff. 6-24-13;
 17 98-587, eff. 8-27-13; 98-756, eff. 7-16-14.)

18 (230 ILCS 40/80)

19 Sec. 80. Applicability of Illinois Riverboat Gambling Act.
 20 The provisions of the Illinois Riverboat Gambling Act, and all
 21 rules promulgated thereunder, shall apply to the Video Gaming
 22 Act, except where there is a conflict between the 2 Acts. All
 23 current supplier licensees under the Riverboat Gambling Act
 24 shall be entitled to licensure under the Video Gaming Act as
 25 manufacturers, distributors, or suppliers without additional

1 Board investigation or approval, except by vote of the Board;
2 however, they are required to pay application and annual fees
3 under this Act. All provisions of the Uniform Penalty and
4 Interest Act shall apply, as far as practicable, to the subject
5 matter of this Act to the same extent as if such provisions
6 were included herein.
7 (Source: P.A. 96-37, eff. 7-13-09.)".