1 AN ACT concerning gaming.

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

- Section 5. The Illinois Horse Racing Act of 1975 is amended by changing Section 26 as follows:
- 6 (230 ILCS 5/26) (from Ch. 8, par. 37-26)
- 7 Sec. 26. Wagering.

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- (a) Any licensee may conduct and supervise the pari-mutuel 8 9 system of wagering, as defined in Section 3.12 of this Act, on 10 horse races conducted by an Illinois organization licensee or conducted at a racetrack located in another state or country 11 and televised in Illinois in accordance with subsection (g) of 12 13 Section 26 of this Act. Subject to the prior consent of the 14 Board, licensees may supplement any pari-mutuel pool in order to quarantee a minimum distribution. Such pari-mutuel method of 15 16 wagering shall not, under any circumstances if conducted under 17 the provisions of this Act, be held or construed to be unlawful, other statutes of this State to the contrary 18 19 notwithstanding. Subject to rules for advance 20 promulgated by the Board, any licensee may accept wagers in 21 advance of the day of the race wagered upon occurs.
 - (b) No other method of betting, pool making, wagering or gambling shall be used or permitted by the licensee. Each

- licensee may retain, subject to the payment of all applicable taxes and purses, an amount not to exceed 17% of all money wagered under subsection (a) of this Section, except as may
- 4 otherwise be permitted under this Act.
 - (b-5) An individual may place a wager under the pari-mutuel system from any licensed location authorized under this Act provided that wager is electronically recorded in the manner described in Section 3.12 of this Act. Any wager made electronically by an individual while physically on the premises of a licensee shall be deemed to have been made at the premises of that licensee.
 - (c) Until January 1, 2000, the sum held by any licensee for payment of outstanding pari-mutuel tickets, if unclaimed prior to December 31 of the next year, shall be retained by the licensee for payment of such tickets until that date. Within 10 days thereafter, the balance of such sum remaining unclaimed, less any uncashed supplements contributed by such licensee for the purpose of guaranteeing minimum distributions of any pari-mutuel pool, shall be paid to the Illinois Veterans' Rehabilitation Fund of the State treasury, except as provided in subsection (g) of Section 27 of this Act.
 - (c-5) Beginning January 1, 2000, the sum held by any licensee for payment of outstanding pari-mutuel tickets, if unclaimed prior to December 31 of the next year, shall be retained by the licensee for payment of such tickets until that date. Within 10 days thereafter, the balance of such sum

- remaining unclaimed, less any uncashed supplements contributed by such licensee for the purpose of guaranteeing minimum distributions of any pari-mutuel pool, shall be evenly distributed to the purse account of the organization licensee and the organization licensee.
 - (d) A pari-mutuel ticket shall be honored until December 31 of the next calendar year, and the licensee shall pay the same and may charge the amount thereof against unpaid money similarly accumulated on account of pari-mutuel tickets not presented for payment.
 - (e) No licensee shall knowingly permit any minor, other than an employee of such licensee or an owner, trainer, jockey, driver, or employee thereof, to be admitted during a racing program unless accompanied by a parent or guardian, or any minor to be a patron of the pari-mutuel system of wagering conducted or supervised by it. The admission of any unaccompanied minor, other than an employee of the licensee or an owner, trainer, jockey, driver, or employee thereof at a race track is a Class C misdemeanor.
 - organization licensee may contract with an entity in another state or country to permit any legal wagering entity in another state or country to accept wagers solely within such other state or country on races conducted by the organization licensee in this State. Beginning January 1, 2000, these wagers shall not be subject to State taxation. Until January 1, 2000,

when the out-of-State entity conducts a pari-mutuel pool separate from the organization licensee, a privilege tax equal to 7 1/2% of all monies received by the organization licensee from entities in other states or countries pursuant to such contracts is imposed on the organization licensee, and such privilege tax shall be remitted to the Department of Revenue within 48 hours of receipt of the moneys from the simulcast. When the out-of-State entity conducts a combined pari-mutuel pool with the organization licensee, the tax shall be 10% of all monies received by the organization licensee with 25% of the receipts from this 10% tax to be distributed to the county in which the race was conducted.

An organization licensee may permit one or more of its races to be utilized for pari-mutuel wagering at one or more locations in other states and may transmit audio and visual signals of races the organization licensee conducts to one or more locations outside the State or country and may also permit pari-mutuel pools in other states or countries to be combined with its gross or net wagering pools or with wagering pools established by other states.

(g) A host track may accept interstate simulcast wagers on horse races conducted in other states or countries and shall control the number of signals and types of breeds of racing in its simulcast program, subject to the disapproval of the Board. The Board may prohibit a simulcast program only if it finds that the simulcast program is clearly adverse to the integrity

of racing. The host track simulcast program shall include the 1 2 signal of live racing of all organization licensees. All 3 non-host licensees and advance deposit wagering licensees shall carry the signal of and accept wagers on live racing of 5 all organization licensees. Advance deposit wagering licensees shall not be permitted to accept out-of-state wagers on any 6 Illinois signal provided pursuant to this Section without the 7 8 approval and consent of the organization licensee providing the 9 signal. For one year after August 15, 2014 (the effective date 10 of Public Act 98-968), non-host licensees may carry the host 11 track simulcast program and shall accept wagers on all races 12 included as part of the simulcast program of horse races 13 conducted at race tracks located within North America upon 14 which wagering is permitted. For a period of one year after 15 August 15, 2014 (the effective date of Public Act 98-968), on 16 horse races conducted at race tracks located outside of North 17 America, non-host licensees may accept wagers on all races included as part of the simulcast program upon which wagering 18 is permitted. Beginning August 15, 2015 (one year after the 19 20 effective date of Public Act 98-968), non-host licensees may carry the host track simulcast program and shall accept wagers 21 22 on all races included as part of the simulcast program upon 23 which wagering is permitted. All organization licensees shall 24 provide their live signal to all advance deposit wagering 25 licensees for a simulcast commission fee not to exceed 6% of 26 the advance deposit wagering licensee's Illinois handle on the

organization licensee's signal without prior approval by the 1 2 Board. The Board may adopt rules under which it may permit simulcast commission fees in excess of 6%. The Board shall 3 adopt rules limiting the interstate commission fees charged to 5 an advance deposit wagering licensee. The Board shall adopt regarding advance deposit wagering 6 on 7 simulcast races that shall reflect, among other things, the 8 General Assembly's desire to maximize revenues to the State, 9 horsemen purses, and organizational licensees. However, 10 organization licensees providing live signals pursuant to the 11 requirements of this subsection (g) may petition the Board to 12 withhold their live signals from an advance deposit wagering 13 licensee if the organization licensee discovers and the Board 14 finds reputable or credible information that the advance 15 deposit wagering licensee is under investigation by another 16 state or federal governmental agency, the advance deposit 17 wagering licensee's license has been suspended in another state, or the advance deposit wagering licensee's license is in 18 19 revocation proceedings in another state. The organization 20 licensee's provision of their live signal to an advance deposit wagering licensee under this subsection (g) pertains to wagers 21 22 placed from within Illinois. Advance deposit wagering 23 licensees may place advance deposit wagering terminals at wagering facilities as a convenience to customers. The advance 24 25 deposit wagering licensee shall not charge or collect any fee 26 from purses for the placement of the advance deposit wagering

terminals. The costs and expenses of the host track and non-host licensees associated with interstate simulcast wagering, other than the interstate commission fee, shall be borne by the host track and all non-host licensees incurring these costs. The interstate commission fee shall not exceed 5% of Illinois handle on the interstate simulcast race or races without prior approval of the Board. The Board shall promulgate rules under which it may permit interstate commission fees in excess of 5%. The interstate commission fee and other fees charged by the sending racetrack, including, but not limited to, satellite decoder fees, shall be uniformly applied to the host track and all non-host licensees.

Notwithstanding any other provision of this Act, through December 31, 2020, an organization licensee, with the consent of the horsemen association representing the largest number of owners, trainers, jockeys, or standardbred drivers who race horses at that organization licensee's racing meeting, may maintain a system whereby advance deposit wagering may take place or an organization licensee, with the consent of the horsemen association representing the largest number of owners, trainers, jockeys, or standardbred drivers who race horses at that organization licensee's racing meeting, may contract with another person to carry out a system of advance deposit wagering. Such consent may not be unreasonably withheld. Only with respect to an appeal to the Board that consent for an organization licensee that maintains its own

deposit wagering system 1 advance is being unreasonably 2 withheld, the Board shall issue a final order within 30 days 3 after initiation of the appeal, and the organization licensee's advance deposit wagering system may remain operational during 5 that 30-day period. The actions of any organization licensee who conducts advance deposit wagering or any person who has a 6 7 contract with an organization licensee to conduct advance 8 deposit wagering who conducts advance deposit wagering on or 9 after January 1, 2013 and prior to June 7, 2013 (the effective 10 date of Public Act 98-18) taken in reliance on the changes made 11 to this subsection (g) by Public Act 98-18 are hereby 12 validated, provided payment of all applicable pari-mutuel 13 taxes are remitted to the Board. All advance deposit wagers 14 placed from within Illinois must be placed through 15 Board-approved advance deposit wagering licensee; no other 16 entity may accept an advance deposit wager from a person within 17 Illinois. All advance deposit wagering is subject to any rules adopted by the Board. The Board may adopt rules necessary to 18 regulate advance deposit wagering through the use of emergency 19 20 rulemaking in accordance with Section 5-45 of the Illinois Administrative Procedure Act. The General Assembly finds that 21 22 the adoption of rules to regulate advance deposit wagering is 23 deemed an emergency and necessary for the public interest, 24 safety, and welfare. An advance deposit wagering licensee may 25 retain all moneys as agreed to by contract with an organization 26 licensee. Any moneys retained by the organization licensee from

advance deposit wagering, not including moneys retained by the 1 2 advance deposit wagering licensee, shall be paid 50% to the organization licensee's purse account 3 and 50% to organization licensee. With the exception of any organization 5 licensee that is owned by a publicly traded company that is incorporated in a state other than Illinois and advance deposit 6 7 wagering licensees under contract with such organization 8 licensees, organization licensees that maintain advance 9 deposit wagering systems and advance deposit wagering 10 licensees that contract with organization licensees shall 11 provide sufficiently detailed monthly accountings to the 12 horsemen association representing the largest number of 13 owners, trainers, jockeys, or standardbred drivers who race 14 horses at that organization licensee's racing meeting so that 15 the horsemen association, as an interested party, can confirm 16 the accuracy of the amounts paid to the purse account at the 17 horsemen association's affiliated organization licensee from advance deposit wagering. If more than one breed races at the 18 19 same race track facility, then the 50% of the moneys to be paid to an organization licensee's purse account shall be allocated 20 among all organization licensees' purse accounts operating at 21 22 that race track facility proportionately based on the actual 23 number of host days that the Board grants to that breed at that 24 race track facility in the current calendar year. To the extent 25 any fees from advance deposit wagering conducted in Illinois 26 for wagers in Illinois or other states have been placed in

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escrow or otherwise withheld from wagers pending a determination of the legality of advance deposit wagering, no action shall be brought to declare such wagers or the disbursement of any fees previously escrowed illegal.

- (1) Between the hours of 6:30 a.m. and 6:30 p.m. an inter-track wagering licensee other than the host track may the host track simulcast supplement program additional simulcast races or race programs, provided that between January 1 and the third Friday in February of any vear, inclusive, if no live thoroughbred racing is occurring in Illinois during this period, only thoroughbred races may be used for supplemental interstate simulcast purposes. The Board shall withhold approval for a supplemental interstate simulcast only if it finds that the simulcast is clearly adverse to the integrity of racing. A supplemental interstate simulcast may be transmitted from inter-track wagering licensee to its affiliated an non-host licensees. The interstate commission fee for a supplemental interstate simulcast shall be paid by the non-host licensee and its affiliated non-host licensees receiving the simulcast.
- (2) Between the hours of 6:30 p.m. and 6:30 a.m. an inter-track wagering licensee other than the host track may receive supplemental interstate simulcasts only with the consent of the host track, except when the Board finds that the simulcast is clearly adverse to the integrity of

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racing. Consent granted under this paragraph (2) to any inter-track wagering licensee shall be deemed consent to all non-host licensees. The interstate commission fee for the supplemental interstate simulcast shall be paid by all participating non-host licensees.

- Each licensee conducting interstate simulcast wagering may retain, subject to the payment of all applicable taxes and the purses, an amount not to exceed 17% of all money wagered. If any licensee conducts the pari-mutuel system wagering on races conducted racetracks in another state or country, each such race or race program shall be considered a separate racing day for the purpose of determining the daily handle and computing the privilege tax of that daily handle as provided in subsection (a) of Section 27. Until January 1, 2000, from sums permitted to be retained pursuant to this subsection, each inter-track wagering location licensee shall pay 1% of the pari-mutuel handle wagered on simulcast wagering to the Horse Racing Tax Allocation Fund, subject to the provisions of subparagraph (B) of paragraph (11) of subsection (h) of Section 26 of this Act.
- (4) A licensee who receives an interstate simulcast may combine its gross or net pools with pools at the sending racetracks pursuant to rules established by the Board. All licensees combining their gross pools at a sending racetrack shall adopt the takeout take out percentages of

the sending racetrack. A licensee may also establish a separate pool and takeout structure for wagering purposes on races conducted at race tracks outside of the State of Illinois. The licensee may permit pari-mutuel wagers placed in other states or countries to be combined with its gross or net wagering pools or other wagering pools.

- (5) After the payment of the interstate commission fee (except for the interstate commission fee on a supplemental interstate simulcast, which shall be paid by the host track and by each non-host licensee through the host track host-track) and all applicable State and local taxes, except as provided in subsection (g) of Section 27 of this Act, the remainder of moneys retained from simulcast wagering pursuant to this subsection (g), and Section 26.2 shall be divided as follows:
 - (A) For interstate simulcast wagers made at a host track, 50% to the host track and 50% to purses at the host track.
 - (B) For wagers placed on interstate simulcast races, supplemental simulcasts as defined in subparagraphs (1) and (2), and separately pooled races conducted outside of the State of Illinois made at a non-host licensee, 25% to the host track, 25% to the non-host licensee, and 50% to the purses at the host track.
 - (6) Notwithstanding any provision in this Act to the

contrary, non-host licensees who derive their licenses from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River may receive supplemental interstate simulcast races at all times subject to Board approval, which shall be withheld only upon a finding that a supplemental interstate simulcast is clearly adverse to the integrity of racing.

- (7) Effective January 1, 2017, notwithstanding any provision of this Act to the contrary, after payment of all applicable State and local taxes and interstate commission fees, non-host licensees who derive their licenses from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River shall retain 50% of the retention from interstate simulcast wagers and shall pay 50% to purses at the track from which the non-host licensee derives its license.
- (7.1) Notwithstanding any other provision of this Act to the contrary, if no standardbred racing is conducted at a racetrack located in Madison County during any calendar year beginning on or after January 1, 2002, all moneys derived by that racetrack from simulcast wagering and inter-track wagering that (1) are to be used for purses and (2) are generated between the hours of 6:30 p.m. and 6:30 a.m. during that calendar year shall be paid as follows:
 - (A) If the licensee that conducts horse racing at that racetrack requests from the Board at least as many

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racing dates as were conducted in calendar year 2000, 80% shall be paid to its thoroughbred purse account; and

- (B) Twenty percent shall be deposited into the Illinois Colt Stakes Purse Distribution Fund and shall be paid to purses for standardbred races for Illinois conceived and foaled horses conducted at any county fairgrounds. The moneys deposited into the pursuant to this subparagraph (B) shall be deposited within 2 weeks after the day they were generated, shall be in addition to and not in lieu of any other moneys paid to standardbred purses under this Act, and shall not be commingled with other moneys paid into that Fund. moneys deposited pursuant to subparagraph (B) shall be allocated as provided by the Department of Agriculture, with the advice assistance of the Illinois Standardbred Breeders Fund Advisory Board.
- (7.2) Notwithstanding any other provision of this Act to the contrary, if no thoroughbred racing is conducted at a racetrack located in Madison County during any calendar year beginning on or after January 1, 2002, all moneys derived by that racetrack from simulcast wagering and inter-track wagering that (1) are to be used for purses and (2) are generated between the hours of 6:30 a.m. and 6:30 p.m. during that calendar year shall be deposited as

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- (A) If the licensee that conducts horse racing at that racetrack requests from the Board at least as many racing dates as were conducted in calendar year 2000, 80% shall be deposited into its standardbred purse account; and
- (B) Twenty percent shall be deposited into the Illinois Colt Stakes Purse Distribution Fund. Moneys deposited into the Illinois Colt Stakes Purse Distribution Fund pursuant to this subparagraph (B) shall be paid to Illinois conceived and foaled thoroughbred breeders' programs and to thoroughbred purses for races conducted at any county fairgrounds for Illinois conceived and foaled horses at discretion of the Department of Agriculture, with the advice and assistance of the Illinois Thoroughbred Breeders Fund Advisory Board. The moneys deposited into the Illinois Colt Stakes Purse Distribution Fund pursuant to this subparagraph (B) shall be deposited within 2 weeks after the day they were generated, shall be in addition to and not in lieu of any other moneys paid to thoroughbred purses under this Act, and shall not be commingled with other moneys deposited into that Fund.
- (7.3) (Blank).
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1 (8) Notwithstanding any provision in this Act to the 2 contrary, an organization licensee from a track located in 3 a county with a population in excess of 230,000 and that 4 borders the Mississippi River and its affiliated non-host 5 licensees shall not be entitled to share in any retention 6 generated on racing, inter-track wagering, or simulcast

wagering at any other Illinois wagering facility.

- (8.1) Notwithstanding any provisions in this Act to the contrary, if 2 organization licensees are conducting standardbred race meetings concurrently between the hours of 6:30 p.m. and 6:30 a.m., after payment of all applicable State and local taxes and interstate commission fees, the remainder of the amount retained from simulcast wagering otherwise attributable to the host track and to host track purses shall be split daily between the 2 organization licensees and the purses at the tracks of the organization licensees, respectively, based on organization licensee's share of the total live handle for that day, provided that this provision shall not apply to any non-host licensee that derives its license from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River.
 - (9) (Blank).
 - (10) (Blank).
- 25 (11) (Blank).
- 26 (12) The Board shall have authority to compel all host

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tracks to receive the simulcast of any or all races conducted at the Springfield or DuQuoin State fairgrounds and include all such races as part of their simulcast programs.

(13) Notwithstanding any other provision of this Act, in the event that the total Illinois pari-mutuel handle on Illinois horse races at all wagering facilities in any calendar year is less than 75% of the total Illinois pari-mutuel handle on Illinois horse races at all such wagering facilities for calendar year 1994, then each wagering facility that has an annual total Illinois pari-mutuel handle on Illinois horse races that is less than 75% of the total Illinois pari-mutuel handle on Illinois horse races at such wagering facility for calendar year 1994, shall be permitted to receive, from any amount otherwise payable to the purse account at the race track with which the wagering facility is affiliated in the succeeding calendar year, an amount equal to 2% of the differential in total Illinois pari-mutuel handle on Illinois horse races at the wagering facility between that calendar year in question and 1994 provided, however, that a wagering facility shall not be entitled to any such payment until the Board certifies in writing to the wagering facility the amount to which the wagering facility is entitled and a schedule for payment of the amount to the wagering facility, based on: (i) the racing dates awarded

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to the race track affiliated with the wagering facility during the succeeding year; (ii) the sums available or anticipated to be available in the purse account of the race track affiliated with the wagering facility for purses during the succeeding year; and (iii) the need to ensure reasonable purse levels during the payment period. The Board's certification shall be provided no later than January 31 of the succeeding year. In the event a wagering facility entitled to a payment under this paragraph (13) is affiliated with a race track that maintains purse accounts for both standardbred and thoroughbred racing, the amount to be paid to the wagering facility shall be divided between each purse account pro rata, based on the amount of Illinois handle on Illinois standardbred and thoroughbred racing respectively at the wagering facility during the previous calendar year. Annually, the General Assembly shall appropriate sufficient funds from the General Revenue Fund to the Department of Agriculture for payment into the thoroughbred and standardbred horse racing purse accounts at Illinois pari-mutuel tracks. The amount paid to each purse account shall be the amount certified by the Illinois Racing Board in January to be transferred from each account to each eligible racing facility in accordance with the provisions of this Section.

(h) The Board may approve and license the conduct of inter-track wagering and simulcast wagering by inter-track

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wagering licensees and inter-track wagering location licensees subject to the following terms and conditions:

(1) Any person licensed to conduct a race meeting (i) at a track where 60 or more days of racing were conducted during the immediately preceding calendar year or where over the 5 immediately preceding calendar years an average of 30 or more days of racing were conducted annually may be issued an inter-track wagering license; (ii) at a track located in a county that is bounded by the Mississippi River, which has a population of less than 150,000 according to the 1990 decennial census, and an average of at least 60 days of racing per year between 1985 and 1993 may be issued an inter-track wagering license; or (iii) at a track located in Madison County that conducted at least 100 days of live racing during the immediately preceding calendar year may be issued an inter-track wagering license, unless a lesser schedule of live racing is the result of (A) weather, unsafe track conditions, or other acts of God; (B) an agreement between the organization licensee and the associations representing the largest number of owners, trainers, jockeys, or standardbred drivers who race horses at that organization licensee's racing meeting; or (C) a finding by the Board of extraordinary circumstances and that it was in the best interest of the public and the sport to conduct fewer than 100 days of live racing. Any such person having operating

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control of the racing facility may receive inter-track wagering location licenses. An eligible race track located in a county that has a population of more than 230,000 and that is bounded by the Mississippi River may establish up to 9 inter-track wagering locations, an eligible race track located in Stickney Township in Cook County may establish up to 16 inter-track wagering locations, and an eligible race track located in Palatine Township in Cook County may establish up to 18 inter-track wagering locations. An application for said license shall be filed with the Board prior to such dates as may be fixed by the Board. With an application for an inter-track wagering location license there shall be delivered to the Board a certified check or bank draft payable to the order of the Board for an amount equal to \$500. The application shall be on forms prescribed and furnished by the Board. The application shall comply with all other rules, regulations and conditions imposed by the Board in connection therewith.

(2) The Board shall examine the applications with respect to their conformity with this Act and the rules and regulations imposed by the Board. If found to be in compliance with the Act and rules and regulations of the Board, the Board may then issue a license to conduct inter-track wagering and simulcast wagering to such applicant. All such applications shall be acted upon by the Board at a meeting to be held on such date as may be fixed

1 by the Board.

- (3) In granting licenses to conduct inter-track wagering and simulcast wagering, the Board shall give due consideration to the best interests of the public, of horse racing, and of maximizing revenue to the State.
- (4) Prior to the issuance of a license to conduct inter-track wagering and simulcast wagering, the applicant shall file with the Board a bond payable to the State of Illinois in the sum of \$50,000, executed by the applicant and a surety company or companies authorized to do business in this State, and conditioned upon (i) the payment by the licensee of all taxes due under Section 27 or 27.1 and any other monies due and payable under this Act, and (ii) distribution by the licensee, upon presentation of the winning ticket or tickets, of all sums payable to the patrons of pari-mutuel pools.
- (5) Each license to conduct inter-track wagering and simulcast wagering shall specify the person to whom it is issued, the dates on which such wagering is permitted, and the track or location where the wagering is to be conducted.
- (6) All wagering under such license is subject to this Act and to the rules and regulations from time to time prescribed by the Board, and every such license issued by the Board shall contain a recital to that effect.
 - (7) An inter-track wagering licensee or inter-track

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wagering location licensee may accept wagers at the track or location where it is licensed, or as otherwise provided under this Act.

- (8) Inter-track wagering or simulcast wagering shall not be conducted at any track less than 5 miles from a track at which a racing meeting is in progress.
- Inter-track wagering location licensees who (8.1)derive their licenses from a particular organization licensee shall conduct inter-track wagering and simulcast wagering only at locations that are within 160 miles of that race track where the particular organization licensee licensed to conduct racing. However, inter-track is wagering and simulcast wagering shall not be conducted by those licensees at any location within 5 miles of any race track at which a horse race meeting has been licensed in the current year, unless the person having operating control of such race track has given its written consent to inter-track wagering location licensees, which such consent must be filed with the Board at or prior to the time application is made. In the case of any inter-track wagering location licensee initially licensed December 31, 2013, inter-track wagering and simulcast wagering shall not be conducted by those inter-track wagering location licensees that are located outside the City of Chicago at any location within 8 miles of any race track at which a horse race meeting has been licensed in

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the current year, unless the person having operating control of such race track has given its written consent to such inter-track wagering location licensees, which consent must be filed with the Board at or prior to the time application is made.

(8.2) Inter-track wagering or simulcast wagering shall not be conducted by an inter-track wagering location licensee at any location within 100 500 feet of an existing church or existing school, nor within 500 feet of the residences of more than 50 registered voters without receiving written permission from a majority of the registered voters at such residences. Such written permission statements shall be filed with the Board. The distance of 100 $\frac{500}{100}$ feet shall be measured to the nearest part of any building used for worship services, education programs, residential purposes, or conducting inter-track wagering by an inter-track wagering location licensee, and not to property boundaries. However, inter-track wagering or simulcast wagering may be conducted at a site within 100 500 feet of a church or, school or residences of 50 or more $\frac{\text{registered voters}}{\text{registered voters}}$ if such church or $\frac{1}{2}$ school has $\frac{1}{2}$ residences have been erected or established, or such voters have been registered, after the Board issues the original inter-track wagering location license at the site in question. Inter-track wagering location licensees may conduct inter-track wagering and simulcast wagering only

in areas that are zoned for commercial or manufacturing purposes or in areas for which a special use has been approved by the local zoning authority. However, no license to conduct inter-track wagering and simulcast wagering shall be granted by the Board with respect to any inter-track wagering location within the jurisdiction of any local zoning authority which has, by ordinance or by resolution, prohibited the establishment of an inter-track wagering location within its jurisdiction. However, inter-track wagering and simulcast wagering may be conducted at a site if such ordinance or resolution is enacted after the Board licenses the original inter-track wagering location licensee for the site in question.

(9) (Blank).

(10) An inter-track wagering licensee or an inter-track wagering location licensee may retain, subject to the payment of the privilege taxes and the purses, an amount not to exceed 17% of all money wagered. Each program of racing conducted by each inter-track wagering licensee or inter-track wagering location licensee shall be considered a separate racing day for the purpose of determining the daily handle and computing the privilege tax or pari-mutuel tax on such daily handle as provided in Section 27.

(10.1) Except as provided in subsection (g) of Section 27 of this Act, inter-track wagering location licensees

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shall pay 1% of the pari-mutuel handle at each location to the municipality in which such location is situated and 1% of the pari-mutuel handle at each location to the county in which such location is situated. In the event that an inter-track wagering location licensee is situated in an unincorporated area of a county, such licensee shall pay 2% of the pari-mutuel handle from such location to such county.

- (10.2) Notwithstanding any other provision of this Act, with respect to inter-track wagering at a race track located in a county that has a population of more than 230,000 and that is bounded by the Mississippi River ("the first race track"), or at a facility operated by an inter-track wagering licensee or inter-track wagering location licensee that derives its license from the organization licensee that operates the first race track, on races conducted at the first race track or on races another Illinois conducted at race track and simultaneously televised to the first race track or to a facility operated by an inter-track wagering licensee or inter-track wagering location licensee that derives its license from the organization licensee that operates the first race track, those moneys shall be allocated as follows:
 - (A) That portion of all moneys wagered on standardbred racing that is required under this Act to

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be paid to purses shall be paid to purses for standardbred races.

- (B) That portion of all moneys wagered on thoroughbred racing that is required under this Act to be paid to purses shall be paid to purses for thoroughbred races.
- (11) (A) After payment of the privilege or pari-mutuel tax, any other applicable taxes, and the costs and expenses connection with the gathering, transmission, and dissemination of all data necessary to the conduct of inter-track wagering, the remainder of the monies retained under either Section 26 or Section 26.2 of this Act by the inter-track wagering licensee on inter-track wagering shall be allocated with 50% to be split between the 2 participating licensees and 50% to purses, except that an inter-track wagering licensee that derives its license from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River shall not divide any remaining retention with the Illinois organization licensee that provides the race or races, and an inter-track wagering licensee that accepts wagers on races conducted by an organization licensee that conducts a race meet in a county with a population in excess of 230,000 and that borders the Mississippi River shall not divide any remaining retention with that organization licensee.

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(B) From the sums permitted to be retained pursuant to this Act each inter-track wagering location licensee shall pay (i) the privilege or pari-mutuel tax to the State; (ii) 4.75% of the pari-mutuel handle on inter-track wagering at location on races as purses, except that inter-track wagering location licensee that derives its license from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River shall retain all purse moneys for its own purse account consistent with distribution set forth in this subsection (h), and inter-track wagering location licensees that accept wagers on races conducted by an organization licensee located in a county with a population in excess of 230,000 and that borders the Mississippi River shall distribute all purse moneys to purses at the operating host track; (iii) until January 1, 2000, except as provided in subsection (q) of Section 27 of this Act, 1% of the pari-mutuel handle wagered on inter-track wagering and simulcast wagering at each inter-track wagering location licensee facility to the Horse Racing Tax Allocation Fund, provided that, to the extent the total amount collected and distributed to the Horse Racing Tax Allocation Fund under this subsection (h) during any calendar year exceeds the amount collected and distributed to the Horse Racing Tax Allocation Fund during calendar year 1994, that excess amount shall be redistributed (I) to all inter-track

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wagering location licensees, based on each licensee's pro rata pro-rata share of the total handle from inter-track wagering and simulcast wagering for all inter-track wagering location licensees during the calendar year in which this provision is applicable; then (II) the amounts redistributed to each inter-track wagering licensee as described in subpart (I) shall be further redistributed as provided in subparagraph (B) of paragraph (5) of subsection (q) of this Section 26 provided first, that the shares of those amounts, which are to be redistributed to the host track or to purses at the host track under subparagraph (B) of paragraph (5) of subsection (q) of this Section 26 shall be redistributed based on each host track's pro rata share of the total inter-track wagering and simulcast wagering handle at all host tracks during the calendar year in question, and second, that any amounts redistributed as described in part (I) to an inter-track wagering location licensee that accepts wagers on races conducted by an organization licensee that conducts a race meet in a county with a population in excess of 230,000 and that borders the Mississippi River shall be further redistributed, effective January 1, 2017, as provided in paragraph (7) of subsection (g) of this Section 26, with the portion of that further redistribution allocated to purses at that organization licensee to be divided between standardbred purses and thoroughbred

1 purses based on the amounts otherwise allocated to purses 2 at that organization licensee during the calendar year in 3 question; and (iv) 8% of the pari-mutuel handle on inter-track wagering wagered at such location to satisfy all costs and expenses of conducting its wagering. The 6 remainder of the monies retained by the inter-track 7 wagering location licensee shall be allocated 40% to the 8 location licensee and 60% to the organization licensee 9 which provides the Illinois races to the location, except 10 an inter-track wagering location licensee that 11 derives its license from a track located in a county with a 12 population in excess of 230,000 and that borders the 13 Mississippi River shall not divide any remaining retention 14 with the organization licensee that provides the race or 15 races and an inter-track wagering location licensee that 16 accepts wagers on races conducted by an organization 17 licensee that conducts a race meet in a county with a population in excess of 230,000 and that borders the 18 19 Mississippi River shall not divide any remaining retention 20 with the organization licensee. Notwithstanding the provisions of clauses (ii) and (iv) of this paragraph, in 21 22 the case of the additional inter-track wagering location 23 licenses authorized under paragraph (1) of this subsection 24 (h) by Public Act 87-110, those licensees shall pay the 25 following amounts as purses: during the first 12 months the licensee is in operation, 5.25% of the pari-mutuel handle 26

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(C) There is hereby created the Horse Racing Tax Allocation Fund which shall remain in existence until December 31, 1999. Moneys remaining in the Fund after December 31, 1999 shall be paid into the General Revenue

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Fund. Until January 1, 2000, all monies paid into the Horse Racing Tax Allocation Fund pursuant to this paragraph (11) by inter-track wagering location licensees located in park districts of 500,000 population or less, or in municipality that is not included within any park district but is included within a conservation district and is the county seat of a county that (i) is contiguous to the state Indiana and (ii) has a 1990 population of 88,257 according to the United States Bureau of the Census, and operating on Mav 1, 1994 shall be allocated by appropriation as follows:

Two-sevenths to the Department of Agriculture. Fifty percent of this two-sevenths shall be used to promote the Illinois horse racing and breeding industry, and shall be distributed by the Department of Agriculture upon the advice of a 9-member committee appointed by the Governor consisting of the following members: the Director of Agriculture, who shall serve chairman; 2 representatives of organization as licensees conducting thoroughbred race meetings in this State, recommended by those licensees; 2 representatives of organization licensees conducting standardbred race meetings in this State, recommended by those licensees; a representative of the Illinois Thoroughbred Breeders and Owners Foundation, recommended by that Foundation; a representative of

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Illinois Standardbred the Owners and Breeders Association, recommended by that Association; representative of the Horsemen's Benevolent and Protective Association or any successor organization thereto established in Illinois comprised of the largest number of owners and trainers, recommended by that Association or that successor organization; and a representative of the Illinois Harness Horsemen's Association, recommended by that Association. Committee members shall serve for terms of 2 years, commencing January 1 of each even-numbered year. If a representative of any of the above-named entities has not been recommended by January 1 of any even-numbered year, the Governor shall appoint a committee member to fill that position. Committee members shall receive no compensation for their services as members but shall be reimbursed for all actual and necessary expenses and disbursements incurred in the performance of their official duties. The remaining 50% $\circ f$ two-sevenths shall be distributed to county fairs for premiums and rehabilitation as set forth in the Agricultural Fair Act;

Four-sevenths to park districts or municipalities that do not have a park district of 500,000 population or less for museum purposes (if an inter-track wagering location licensee is located in such a park district)

or to conservation districts for museum purposes (if an inter-track wagering location licensee is located in a municipality that is not included within any park district but is included within a conservation district and is the county seat of a county that (i) is contiguous to the state of Indiana and (ii) has a 1990 population of 88,257 according to the United States Bureau of the Census, except that if the conservation district does not maintain a museum, the monies shall be allocated equally between the county and the municipality in which the inter-track wagering location licensee is located for general purposes) or to a municipal recreation board for park purposes (if an inter-track wagering location licensee is located in a municipality that is not included within any park district and park maintenance is the function of the municipal recreation board and the municipality has a 1990 population of 9,302 according to the United States Bureau of the Census); provided that the monies are distributed to each park district or conservation district or municipality that does not have a park district in an amount equal to four-sevenths of the amount collected by each inter-track wagering location licensee within the park district or conservation district or municipality for the Fund. Monies that were paid into the Horse Racing Tax Allocation Fund before

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August 9, 1991 (the effective date of Public Act 87-110) by an inter-track wagering location licensee located in a municipality that is not included within any park district but is included within a conservation district as provided in this paragraph shall, as soon as practicable after August 9, 1991 (the effective date of Public Act 87-110), be allocated and paid to that conservation district as provided in this paragraph. Any park district or municipality not maintaining a museum may deposit the monies in the corporate fund of the park district or municipality where the inter-track wagering location is located, to be used for general purposes; and

One-seventh to the Agricultural Premium Fund to be used for distribution to agricultural home economics extension councils in accordance with "An Act in relation to additional support and finances for the Agricultural and Home Economic Extension Councils in the several counties of this State and making an appropriation therefor", approved July 24, 1967.

Until January 1, 2000, all other monies paid into the Horse Racing Tax Allocation Fund pursuant to this paragraph (11) shall be allocated by appropriation as follows:

Two-sevenths to the Department of Agriculture. Fifty percent of this two-sevenths shall be used to promote the Illinois horse racing and breeding

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industry, and shall be distributed by the Department of Agriculture upon the advice of a 9-member committee appointed by the Governor consisting of the following members: the Director of Agriculture, who shall serve chairman; 2 representatives of organization licensees conducting thoroughbred race meetings in recommended by those this State, licensees; representatives of organization licensees conducting standardbred race meetings in this State, recommended by those licensees; a representative of the Illinois Thoroughbred Breeders and Owners Foundation, recommended by that Foundation; a representative of Illinois Standardbred Owners the and Breeders Association, recommended by that Association; representative of the Horsemen's Benevolent and Protective Association or any successor organization thereto established in Illinois comprised of the largest number of owners and trainers, recommended by that Association or that successor organization; and a representative of the Illinois Harness Horsemen's Association, recommended by that Association. Committee members shall serve for terms of 2 years, commencing January 1 of each even-numbered year. If a representative of any of the above-named entities has not been recommended by January 1 of any even-numbered year, the Governor shall appoint a committee member to

fill that position. Committee members shall receive no compensation for their services as members but shall be reimbursed for all actual and necessary expenses and disbursements incurred in the performance of their official duties. The remaining 50% of this two-sevenths shall be distributed to county fairs for premiums and rehabilitation as set forth in the Agricultural Fair Act;

Four-sevenths to museums and aquariums located in park districts of over 500,000 population; provided that the monies are distributed in accordance with the previous year's distribution of the maintenance tax for such museums and aquariums as provided in Section 2 of the Park District Aquarium and Museum Act; and

One-seventh to the Agricultural Premium Fund to be used for distribution to agricultural home economics extension councils in accordance with "An Act in relation to additional support and finances for the Agricultural and Home Economic Extension Councils in the several counties of this State and making an appropriation therefor", approved July 24, 1967. This subparagraph (C) shall be inoperative and of no force and effect on and after January 1, 2000.

(D) Except as provided in paragraph (11) of this subsection (h), with respect to purse allocation from inter-track wagering, the monies so retained shall be

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divided as follows:

- If the inter-track wagering licensee, inter-track wagering licensee that except an derives its license from an organization licensee located in a county with a population in excess of 230,000 and bounded by the Mississippi River, is not conducting its own race meeting during the same dates, then the entire purse allocation shall be to purses at the track where the races wagered on are being conducted.
- (ii) If the inter-track wagering licensee, an inter-track wagering licensee that except derives its license from an organization licensee located in a county with a population in excess of 230,000 and bounded by the Mississippi River, is also conducting its own race meeting during the same dates, then the purse allocation shall be as follows: 50% to purses at the track where the races wagered on are being conducted; 50% to purses at the track where the inter-track wagering licensee is accepting such wagers.
- (iii) If the inter-track wagering is being conducted by an inter-track wagering location licensee, except an inter-track wagering location that derives its license from licensee organization licensee located in a county with a

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population in excess of 230,000 and bounded by the Mississippi River, the entire purse allocation for Illinois races shall be to purses at the track where the race meeting being wagered on is being held.

- (12) The Board shall have all powers necessary and proper to fully supervise and control the conduct of inter-track wagering and simulcast wagering by inter-track wagering licensees and inter-track wagering location licensees, including, but not limited to the following:
 - (A) The Board is vested with power to promulgate reasonable rules and regulations for the purpose of administering the conduct of this wagering and to prescribe reasonable rules, regulations and conditions under which such wagering shall be held and conducted. Such rules and regulations are to provide for the prevention of practices detrimental to the public interest and for the best interests of said wagering and to impose penalties for violations thereof.
 - (B) The Board, and any person or persons to whom it delegates this power, is vested with the power to enter the facilities of any licensee to determine whether there has been compliance with the provisions of this Act and the rules and regulations relating to the conduct of such wagering.
 - (C) The Board, and any person or persons to whom it

delegates this power, may eject or exclude from any licensee's facilities, any person whose conduct or reputation is such that his presence on such premises may, in the opinion of the Board, call into the question the honesty and integrity of, or interfere with the orderly conduct of such wagering; provided, however, that no person shall be excluded or ejected from such premises solely on the grounds of race, color, creed, national origin, ancestry, or sex.

- 10 (D) (Blank).
 - (E) The Board is vested with the power to appoint delegates to execute any of the powers granted to it under this Section for the purpose of administering this wagering and any rules and regulations promulgated in accordance with this Act.
 - (F) The Board shall name and appoint a State director of this wagering who shall be a representative of the Board and whose duty it shall be to supervise the conduct of inter-track wagering as may be provided for by the rules and regulations of the Board; such rules and regulation shall specify the method of appointment and the Director's powers, authority and duties.
 - (G) The Board is vested with the power to impose civil penalties of up to \$5,000 against individuals and up to \$10,000 against licensees for each violation of

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any provision of this Act relating to the conduct of this wagering, any rules adopted by the Board, any order of the Board or any other action which in the Board's discretion, is a detriment or impediment to such wagering.

The Department of Agriculture may enter into agreements with licensees authorizing such licensees to conduct inter-track wagering on races to be held at the licensed race meetings conducted by the Department of Agriculture. Such agreement shall specify the races of the Department of Agriculture's licensed race meeting upon which the licensees will conduct wagering. In the event that a licensee conducts inter-track pari-mutuel wagering on races from the Illinois State Fair or DuQuoin State Fair which are in addition to the licensee's previously approved racing program, those races shall be considered a separate racing day for the purpose of determining the daily handle and computing the privilege or pari-mutuel tax on that daily handle as provided in Sections 27 and 27.1. Such agreements shall be approved by the Board before such wagering may be conducted. In determining whether to grant approval, the Board shall give due consideration to the best interests of the public and of horse racing. The provisions of paragraphs (1), (8), (8.1), and (8.2) of subsection (h) of this Section which are not specified in this paragraph (13) shall not apply to licensed race

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- meetings conducted by the Department of Agriculture at the Illinois State Fair in Sangamon County or the DuQuoin State Fair in Perry County, or to any wagering conducted on those race meetings.
- 5 (14)An inter-track wagering location 6 authorized by the Board in 2016 that is owned and operated 7 by a race track in Rock Island County shall be transferred to a commonly owned race track in Cook County on August 12, 8 9 2016 (the effective date of Public Act 99-757). The 10 licensee shall retain its status in relation to purse 11 distribution under paragraph (11) of this subsection (h) 12 following the transfer to the new entity. The pari-mutuel tax credit under Section 32.1 shall not be applied toward 13 14 any pari-mutuel tax obligation of the inter-track wagering 15 location licensee of the license that is transferred under 16 this paragraph (14).
- (i) Notwithstanding the other provisions of this Act, the conduct of wagering at wagering facilities is authorized on all days, except as limited by subsection (b) of Section 19 of this Act.
- 21 (Source: P.A. 99-756, eff. 8-12-16; 99-757, eff. 8-12-16;
- 22 100-201, eff. 8-18-17; 100-627, eff. 7-20-18; 100-1152, eff.
- 23 12-14-18; revised 1-13-19.)
- Section 10. The Raffles and Poker Runs Act is amended by changing Sections 1, 2, 3, 4, 5, 6, and 8.1 as follows:

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Sec. 1. Definitions. For the purposes of this Act the terms defined in this Section have the meanings given them.

"Key location" means:

- (1) For a poker run, the location where the poker run concludes and the prizes are awarded.
- 7 (2) For a raffle, the location where the winning chances in the raffle are determined.

"Law enforcement agency" means an agency of this State or a unit of local government in this State that is vested by law or ordinance with the duty to maintain public order and to enforce criminal laws or ordinances.

"Net proceeds" means the gross receipts from the conduct of raffles, less reasonable sums expended for prizes, local license fees and other reasonable operating expenses incurred as a result of operating a raffle or poker run.

"Key location" means the location where the poker run concludes and the prize or prizes are awarded.

"Poker run" means a prize-awarding event organized by an organization licensed under this Act in which participants travel to multiple predetermined locations, including a key location, to play a randomized game based on an element of chance. "Poker run" includes dice runs, marble runs, or other events where the objective is to build the best hand or highest score by obtaining an item or playing a randomized game at each

1 location.

"Raffle" means a form of lottery, as defined in <u>subsection</u>
(b) of Section 28-2 28-2(b) of the Criminal Code of 2012, conducted by an organization licensed under this Act, in which:

- (1) the player pays or agrees to pay something of value for a chance, represented and differentiated by a number or by a combination of numbers or by some other medium, one or more of which chances is to be designated the winning chance; and
- (2) the winning chance is to be determined through a drawing or by some other method based on an element of chance by an act or set of acts on the part of persons conducting or connected with the lottery, except that the winning chance shall not be determined by the outcome of a publicly exhibited sporting contest.

"Raffle" does not include any game designed to simulate:

(1) gambling games as defined in the Riverboat Gambling Act,

(2) any casino game approved for play by the Illinois Gaming

Board, (3) any games provided by a video gaming terminal, as

defined in the Video Gaming Act, or (4) a savings promotion

raffle authorized under Section 5g of the Illinois Banking Act,

Section 7008 of the Savings Bank Act, Section 42.7 of the

Illinois Credit Union Act, Section 5136B of the National Bank

Act (12 U.S.C. 25a), or Section 4 of the Home Owners' Loan Act

(12 U.S.C. 1463).

(Source: P.A. 98-644, eff. 6-10-14; 99-149, eff. 1-1-16;

1 99-405, eff. 8-19-15; 99-642, eff. 7-28-16.)

- 2 (230 ILCS 15/2) (from Ch. 85, par. 2302)
- 3 Sec. 2. Licensing.
- 4 (a) The governing body of any county or municipality within 5 this State may establish a system for the licensing of 6 organizations to operate raffles. The governing bodies of a 7 county and one or more municipalities may, pursuant to a 8 written contract, jointly establish a system for the licensing 9 of organizations to operate raffles within any area of 10 contiguous territory not contained within the corporate limits 11 of a municipality which is not a party to such contract. The 12 governing bodies of two or more adjacent counties or two or more adjacent municipalities located within a county may, 1.3 14 pursuant to a written contract, jointly establish a system for 15 the licensing of organizations to operate raffles within the 16 corporate limits of such counties or municipalities. The licensing authority may establish special categories of 17 18 licenses and promulgate rules relating to the various 19 categories. The licensing system shall provide for limitations 20 the aggregate retail value of all prizes or (1)21 merchandise awarded by a licensee in a single raffle, if any, 22 (2) the maximum retail value of each prize awarded by a licensee in a single raffle, if any, (3) the maximum price 23 24 which may be charged for each raffle chance issued or sold, if 25 any and (4) the maximum number of days during which chances may

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be issued or sold, if any. The licensing system may include a fee for each license in an amount to be determined by the local governing body. Licenses issued pursuant to this Act shall be valid for one raffle or for a specified number of raffles to be conducted during a specified period not to exceed one year and may be suspended or revoked for any violation of this Act. A local governing body shall act on a license application within 30 days from the date of application. A Nothing in this Act shall be construed to prohibit a county or municipality may adopt from adopting rules or ordinances for the operation of raffles that are consistent with this Act. Raffles shall be licensed by the governing body of the municipality with jurisdiction over the key location or, if no municipality has jurisdiction over the key location, then by the governing body of the county with jurisdiction over the key location. A license shall authorize the holder of such license to sell raffle chances throughout the State, including beyond the borders of the licensing municipality or county. more restrictive than provided for in this Act. Except for raffles organized by law enforcement agencies and statewide associations that represent law enforcement officials as provided in Section 9 of this Act, the governing body of a municipality may authorize the sale of raffle chances within the borders of the municipality. Except for raffles organized by law enforcement agencies and statewide associations that represent law enforcement officials

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provided in Section 9, the governing body of the county may authorize the sale of raffle chances only in those areas which are both within the borders of the county and outside the

borders of any municipality.

- (a-5) The governing body of Cook County may and any other county within this State shall establish a system for the licensing of organizations to operate poker runs. The governing bodies of 2 or more adjacent counties may, pursuant to a written contract, jointly establish a system for the licensing of organizations to operate poker runs within the corporate limits of such counties. The licensing authority may establish special categories of licenses and adopt rules relating to the various categories. The licensing system may include a fee not to exceed \$25 for each license. Licenses issued pursuant to this Act shall be valid for one poker run or for a specified number of poker runs to be conducted during a specified period not to exceed one year and may be suspended or revoked for any violation of this Act. A local governing body shall act on a license application within 30 days after the date of application.
- (b) Raffle licenses shall be issued only to bona fide religious, charitable, labor, business, fraternal, educational, or veterans', or other bona fide not-for-profit organizations that operate without profit to their members and which have been in existence continuously for a period of 5 years immediately before making application for a raffle

license and which have had during that entire 5-year period 1 2 been a bona fide membership engaged in carrying out their 3 objects, or to a non-profit fundraising organization that the licensing authority determines is organized for the sole 4 5 purpose of providing financial assistance to an identified 6 individual or group of individuals suffering extreme financial 7 hardship as the result of an illness, disability, accident or disaster, or to any as well as law enforcement agencies and 8 9 statewide associations that represent law enforcement 10 officials as provided for in Section 9 of this Act. Poker run 11 licenses shall be issued only to bona fide religious, 12 labor, business, fraternal, charitable, educational, veterans', or other bona fide not-for-profit organizations 13 that operate without profit to their members and which have 14 15 been in existence continuously for a period of 5 years 16 immediately before making application for a poker run license 17 and which have had during that entire 5-year period been a bona fide membership engaged in carrying out their objects. Licenses 18 for poker runs shall be issued for the following purposes: (i) 19 20 providing financial assistance to an identified individual or 21 group of individuals suffering extreme financial hardship as 22 the result of an illness, disability, accident, or disaster or 23 (ii) to maintain the financial stability of the organization. A licensing authority may waive the 5-year requirement under this 24 25 subsection (b) for a bona fide religious, charitable, labor, business, fraternal, educational, or veterans' organization 26

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that applies for a license to conduct <u>a raffle or</u> a poker run if the organization is a local organization that is affiliated with and chartered by a national or State organization that meets the 5-year requirement.

For purposes of this Act, the following definitions apply. Non-profit: An organization or institution organized and conducted on a not-for-profit basis with no personal profit inuring to any one as a result of the operation. Charitable: An organization or institution organized and operated to benefit an indefinite number of the public. The service rendered to those eligible for benefits must also confer some benefit on the public. Educational: An organization or institution organized and operated to provide systematic instruction in useful branches of learning by methods common to schools and institutions of learning which compare favorably in their scope intensity with the course of study presented tax-supported schools. Religious: Any church, congregation, society, or organization founded for the purpose of religious worship. Fraternal: An organization of persons having a common interest, the primary interest of which is to both promote the welfare of its members and to provide assistance to the general public in such a way as to lessen the burdens of government by caring for those that otherwise would be cared for by the government. Veterans: An organization or association comprised of members of which substantially all are individuals who are veterans or spouses, widows, or widowers of veterans, the

interests of a community.

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primary purpose of which is to promote the welfare of its 1 2 members and to provide assistance to the general public in such a way as to confer a public benefit. Labor: An organization 3 composed of workers organized with the objective of betterment 4 5 of the conditions of those engaged in such pursuit and the development of a higher degree of efficiency in their 6 7 respective occupations. Business: A voluntary organization composed of individuals and businesses who have joined together 8 9 to advance the commercial, financial, industrial and civic

- (c) Poker runs shall be licensed by the county with jurisdiction over the key location. The license granted by the key location shall cover the entire poker run, including locations other than the key location. Each license issued shall include the name and address of each predetermined location.
- 17 (Source: P.A. 99-405, eff. 8-19-15; 99-757, eff. 8-12-16; 18 100-201, eff. 8-18-17.)
- 19 (230 ILCS 15/3) (from Ch. 85, par. 2303)
- Sec. 3. License; application; issuance; restrictions;

 persons ineligible Application Issuance Restrictions —

 Persons ineligible. Licenses issued by the governing body of any county or municipality are subject to the following restrictions:
- 25 (1) No person, firm or corporation shall conduct

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raffles or chances or poker runs without having first obtained a license therefor pursuant to this Act.

- The license and application for license must specify the location or locations at area or areas within the licensing authority in which winning raffle chances in the raffle will be determined sold or issued or a poker run will be conducted, the time period during which raffle chances will be sold or issued or a poker run will be conducted, the time or times of determination of winning chances and the location or locations at which winning chances will be determined.
- The license application must contain a sworn statement attesting to the not-for-profit character of the prospective licensee organization, signed by the presiding officer and the secretary of that organization.
- (4) The application for license shall be prepared in accordance with the ordinance of the local governmental unit.
- (5) A license authorizes the licensee to conduct raffles or poker runs as defined in this Act.
- The following are ineligible for any license under this Act:
 - (a) any person whose felony conviction will impair the person's ability to engage in the licensed position;
 - (b) any person who is or has been a professional gambler or professional gambling promoter;

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1	(c) any person who is not of good moral character;
2	(d) any <u>organization</u> firm or corporation in which a
3	person defined in (a), (b) or (c) has a proprietary,
4	equitable or credit interest, or in which such a person is
5	active or employed;
6	(e) any organization in which a person defined in (a),
7	(b) or (c) is an officer, director, or employee, whether
8	compensated or not; and
9	(f) any organization in which a person defined in (a),
10	(b) or (c) is to participate in the management or operation
11	of a raffle as defined in this Act.
12	(Source: P.A. 100-286, eff. 1-1-18.)
13	(230 ILCS 15/4) (from Ch. 85, par. 2304)
14	Sec. 4. Conduct of raffles and poker runs.
15	(a) The conducting of raffles and poker runs is subject to
16	the following restrictions:
17	(1) The entire net proceeds of any raffle or poker run

must be exclusively devoted to the lawful purposes of the

employee, or member of the sponsoring organization may

manage or participate in the management or operation of the

raffle or poker run. (3) No person may receive any

remuneration or profit for managing or participating in the

management or operation of the raffle or poker run.

(2) No person except a bona fide director, officer,

organization permitted to conduct that game.

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Sponsoring organizations may contract with third parties who, acting at the direction of and under the supervision of the sponsoring organization, provide bona fide services to the sponsoring organization in connection with the operation of a raffle and may pay reasonable compensation for such services. Such services include the following: (a) advertising, marketing and promotion, (b) legal, (c) procurement of goods, prizes, wares and merchandise for the purpose of operating the raffle, (d) rent, if the premises upon which the raffle will be held is rented, (e) accounting, auditing and bookkeeping, (f) website hosting, (g) mailing and delivery, (h) banking and payment processing, and (i) other services relating to the operation of the raffle.

(3) (4) A licensee may rent a premises on which to determine the winning chance or chances in a raffle provided that the rent is not determined as a percentage of receipts or profits from the raffle. only from organization which is also licensed under this Act. A premises where a poker run is held is not required to obtain a license if the name and location of the premises is listed as a predetermined location on the license issued for the poker run and the premises does not charge for of the premises.

(4) Raffle chances may be sold throughout the State, including beyond the borders of the licensing

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municipality or county. or issued only within the area specified on the license and winning Winning chances may be determined only at those locations specified on the license for a raffle.

- (5) (6) A person under the age of 18 years may participate in the conducting of raffles or chances or poker runs only with the permission of a parent or quardian. A person under the age of 18 years may be within the area where winning chances in a raffle or winning hands or scores in a poker run are being determined only when accompanied by his parent or guardian.
- (b) If a lessor rents a premises where a winning chance or chances on a raffle or a winning hand or score in a poker run is determined, the lessor shall not be criminally liable if the person who uses the premises for the determining of winning chances does not hold a license issued by the governing body of any county or municipality under the provisions of this Act.
- (Source: P.A. 98-644, eff. 6-10-14.) 18
- 19 (230 ILCS 15/5) (from Ch. 85, par. 2305)
 - Sec. 5. Manager; bond. All management, operation, of and the conduct of raffles shall be under the supervision of a single manager designated by the organization. The manager shall give a fidelity bond in an amount determined by the licensing authority in favor of the organization conditioned upon his honesty in the performance of his duties. Terms of the

bond shall provide that notice shall be given in writing to the 1 2 licensing authority not less than 30 days prior to its cancellation. The governing body of a local unit of government 3 may waive this bond requirement by including a waiver provision 4 5 in the license issued to an organization under this Act, 6 provided that a license containing such waiver provision shall 7 be granted only by the affirmative unanimous vote of the 8 requisite number of members of the licensed organization or, if 9 the licensed organization does not have members, of members of the governing board of the organization, to constitute an 10 11 affirmative action of the licensed organization. Nothing in 12 this Section shall be deemed to apply to poker runs.

(Source: P.A. 98-644, eff. 6-10-14; 99-405, eff. 8-19-15.)

(230 ILCS 15/6) (from Ch. 85, par. 2306)

15 Sec. 6. Records.

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(a) Each organization licensed to conduct raffles and chances or poker run events shall keep records of its gross receipts, expenses and net proceeds for each single gathering or occasion at which winning chances in a raffle or winning hands or scores in a poker run are determined. All deductions from gross receipts for each single gathering or occasion shall be documented with receipts or other records indicating the amount, a description of the purchased item or service or other reason for the deduction, and the recipient. The distribution of net proceeds shall be itemized as to payee, purpose, amount

and date of payment.

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- (b) Gross receipts from the operation of raffles programs or poker runs shall be segregated from other revenues of the organization, including bingo gross receipts, if bingo games are also conducted by the same nonprofit organization pursuant to license therefor issued by the Department of Revenue of the 7 State of Illinois, and placed in a separate account. Each organization shall have separate records of its raffles and poker runs. The person who accounts for gross receipts, expenses and net proceeds from the operation of raffles or poker runs shall not be the same person who accounts for other revenues of the organization.
 - (c) Each organization licensed to conduct raffles or poker runs shall report promptly after the conclusion of each raffle or poker run runs to its membership or, if the organization does not have members, to its governing board. organization licensed to conduct raffles shall report promptly to the licensing local unit of government its gross receipts, expenses and net proceeds from the raffle, and the distribution of net proceeds itemized as required in this Section.
 - (d) Records required by this Section shall be preserved for 3 years, and organizations shall make available their records relating to operation of raffles or poker runs for public inspection at reasonable times and places.
- 25 (Source: P.A. 98-644, eff. 6-10-14; 99-405, eff. 8-19-15.)

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- 1 (230 ILCS 15/8.1) (from Ch. 85, par. 2308.1)
- 2 Sec. 8.1. Political committees.
- 3 (a) For the purposes of this Section the terms defined in 4 this subsection have the meanings given them.

"Net Proceeds" means the gross receipts from the conduct of raffles, less reasonable sums expended for prizes, license fees and other reasonable operating expenses incurred as a result of operating a raffle.

"Raffle" means a form of lottery, as defined in Section 28-2 (b) of the Criminal Code of 2012, conducted by a political committee licensed under this Section, in which:

- (1) the player pays or agrees to pay something of value for a chance, represented and differentiated by a number or by a combination of numbers or by some other medium, one or more of which chances is to be designated the winning chance; and
- (2) the winning chance is to be determined through a drawing or by some other method based on an element of chance by an act or set of acts on the part of persons conducting or connected with the lottery, except that the winning chance shall not be determined by the outcome of a publicly exhibited sporting contest.

"Unresolved claim" means a claim for civil penalty under Sections 9-3, 9-10, and 9-23 of The Election Code which has been begun by the State Board of Elections, has been disputed by the political committee under the applicable rules of the

2 either by the State Board of Elections, or, where application

for review has been made to the Courts of Illinois, remains

4 finally undecided by the Courts.

- "Owes" means that a political committee has been finally determined under applicable rules of the State Board of Elections to be liable for a civil penalty under Sections 9-3, 9-10, and 9-23 of The Election Code.
- (b) Licenses issued pursuant to this Section shall be valid for one raffle or for a specified number of raffles to be conducted during a specified period not to exceed one year and may be suspended or revoked for any violation of this Section. The State Board of Elections shall act on a license application within 30 days from the date of application.
- (c) Licenses issued by the State Board of Elections are subject to the following restrictions:
 - (1) No political committee shall conduct raffles or chances without having first obtained a license therefor pursuant to this Section.
 - (2) The application for license shall be prepared in accordance with regulations of the State Board of Elections and must specify the area or areas within the State in which raffle chances will be sold or issued, the time period during which raffle chances will be sold or issued, the time of determination of winning chances and the location or locations at which winning chances will be

Τ	aeterminea.
2	(3) A license authorizes the licensee to conduct
3	raffles as defined in this Section.
4	The following are ineligible for any license under this
5	Section:
6	(i) any political committee which has an officer
7	who has been convicted of a felony;
8	(ii) any political committee which has an officer
9	who is or has been a professional gambler or gambling
10	promoter;
11	(iii) any political committee which has an officer
12	who is not of good moral character;
13	(iv) any political committee which has an officer
14	who is also an officer of a firm or corporation ir
15	which a person defined in (i), (ii) or (iii) has a
16	proprietary, equitable or credit interest, or in which
17	such a person is active or employed;
18	(v) any political committee in which a persor
19	defined in (i), (ii) or (iii) is an officer, director,
20	or employee, whether compensated or not;
21	(vi) any political committee in which a persor
22	defined in (i), (ii) or (iii) is to participate in the
23	management or operation of a raffle as defined in this
24	Section;
25	(wii) any committee which at the time of its

application for a license to conduct a raffle, owes the

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State Board of Elections any unpaid civil penalty authorized by Sections 9-3, 9-10, and 9-23 of The Election Code, or is the subject of an unresolved claim for a civil penalty under Sections 9-3, 9-10, and 9-23 of The Election Code;

- (viii) any political committee which, at the time of its application to conduct a raffle, has not submitted any report or document required to be filed by Article 9 of The Election Code and such report or document is more than 10 days overdue.
- (d) (1) The conducting of raffles is subject to the following restrictions:
 - (i) The entire net proceeds of any raffle must be exclusively devoted to the lawful purposes of the political committee permitted to conduct that game.
 - (ii) No person except a bona fide member of the political committee may participate in the management or operation of the raffle.
 - (iii) No person may receive any remuneration or profit for participating in the management operation of the raffle.
 - (iv) Raffle chances may be sold or issued only within the area specified on the license and winning chances may be determined only at those locations specified on the license.
 - (v) A person under the age of 18 years may

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participate in the conducting of raffles or chances only with the permission of a parent or guardian. A person under the age of 18 years may be within the area where winning chances are being determined only when accompanied by his parent or quardian.

- (2) If a lessor rents a premises where a winning chance or chances on a raffle are determined, the lessor shall not be criminally liable if the person who uses the premises for the determining of winning chances does not hold a license issued under the provisions of this Section.
- Each political committee licensed to conduct (e) raffles and chances shall keep records of its gross receipts, expenses and net proceeds for each gathering or occasion at which winning chances are determined. All deductions from gross receipts for each single gathering or occasion shall be documented with receipts or other records indicating the amount, a description of the purchased item or service or other reason for the deduction, and the recipient. distribution of net proceeds shall be itemized as to payee, purpose, amount and date of payment.
- Each political committee licensed to conduct (2) raffles shall report on the next report due to be filed under Article 9 of The Election Code its gross receipts, proceeds from raffles, and net distribution of net proceeds itemized as required in this

- 1 subsection.
- 2 Such reports shall be included in the regular reports
- 3 required of political committees by Article 9 of The Election
- 4 Code.
- 5 (3) Records required by this subsection shall be
- 6 preserved for 3 years, and political committees shall make
- 7 available their records relating to operation of raffles
- 8 for public inspection at reasonable times and places.
- 9 (f) Violation of any provision of this Section is a Class C
- 10 misdemeanor.
- 11 (g) Nothing in this Section shall be construed to authorize
- the conducting or operating of any gambling scheme, enterprise,
- activity or device other than raffles as provided for herein.
- 14 (Source: P.A. 97-1150, eff. 1-25-13; 98-756, eff. 7-16-14.)
- 15 (230 ILCS 15/9 rep.)
- Section 15. The Raffles and Poker Runs Act is amended by
- 17 repealing Section 9.
- 18 Section 20. The Criminal Code of 2012 is amended by
- 19 changing Section 28-1 as follows:
- 20 (720 ILCS 5/28-1) (from Ch. 38, par. 28-1)
- 21 Sec. 28-1. Gambling.
- 22 (a) A person commits gambling when he or she:
- 23 (1) knowingly plays a game of chance or skill for money

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or other thing of value, unless excepted in subsection (b) of this Section;

- (2) knowingly makes a wager upon the result of any game, contest, or any political nomination, appointment or election:
- (3) knowingly operates, keeps, owns, uses, purchases, exhibits, rents, sells, bargains for the sale or lease of, manufactures or distributes any gambling device;
- (4) contracts to have or give himself or herself or another the option to buy or sell, or contracts to buy or sell, at a future time, any grain or other commodity whatsoever, or any stock or security of any company, where it is at the time of making such contract intended by both parties thereto that the contract to buy or sell, or the option, whenever exercised, or the contract resulting therefrom, shall be settled, not by the receipt or delivery of such property, but by the payment only of differences in prices thereof; however, the issuance, purchase, sale, exercise, endorsement or quarantee, by or through a person registered with the Secretary of State pursuant to Section 8 of the Illinois Securities Law of 1953, or by or through a person exempt from such registration under said Section 8, of a put, call, or other option to buy or sell securities which have been registered with the Secretary of State or which are exempt from such registration under Section 3 of the Illinois Securities Law of 1953 is not

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gambling within the meaning of this paragraph (4);

- (5) knowingly owns or possesses any book, instrument or apparatus by means of which bets or wagers have been, or are, recorded or registered, or knowingly possesses any money which he has received in the course of a bet or wager;
- (6) knowingly sells pools upon the result of any game contest of skill or chance, political nomination, appointment or election;
- (7) knowingly sets up or promotes any lottery or sells, offers to sell or transfers any ticket or share for any lottery;
- (8) knowingly sets up or promotes any policy game or sells, offers to sell or knowingly possesses or transfers any policy ticket, slip, record, document or other similar device;
- (9) knowingly drafts, prints or publishes any lottery ticket or share, or any policy ticket, slip, record, document or similar device, except for such activity related to lotteries, bingo games and raffles authorized by and conducted in accordance with the laws of Illinois or any other state or foreign government;
- (10) knowingly advertises any lottery or policy game, except for such activity related to lotteries, bingo games and raffles authorized by and conducted in accordance with the laws of Illinois or any other state;

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- (11) knowingly transmits information as to wagers, betting odds, or changes in betting odds by telephone, telegraph, radio, semaphore or similar means; or knowingly installs or maintains equipment for the transmission or receipt of such information; except that nothing in this subdivision (11) prohibits transmission or receipt of such information for use in news reporting of sporting events or contests; or
- (12) knowingly establishes, maintains, or operates an Internet site that permits a person to play a game of chance or skill for money or other thing of value by means of the Internet or to make a wager upon the result of any game, contest, political nomination, appointment, or election by means of the Internet. This item (12) does not apply to activities referenced in items (6), and (6.1), (8), and (8.1) of subsection (b) of this Section.
- (b) Participants in any of the following activities shall not be convicted of gambling:
 - (1) Agreements to compensate for loss caused by the happening of chance including without limitation contracts of indemnity or guaranty and life or health or accident insurance.
 - (2) Offers of prizes, award or compensation to the actual contestants in any bona fide contest for the determination of skill, speed, strength or endurance or to the owners of animals or vehicles entered in such contest.

- (3) Pari-mutuel betting as authorized by the law of this State.
- (4) Manufacture of gambling devices, including the acquisition of essential parts therefor and the assembly thereof, for transportation in interstate or foreign commerce to any place outside this State when such transportation is not prohibited by any applicable Federal law; or the manufacture, distribution, or possession of video gaming terminals, as defined in the Video Gaming Act, by manufacturers, distributors, and terminal operators licensed to do so under the Video Gaming Act.
- (5) The game commonly known as "bingo", when conducted in accordance with the Bingo License and Tax Act.
- (6) Lotteries when conducted by the State of Illinois in accordance with the Illinois Lottery Law. This exemption includes any activity conducted by the Department of Revenue to sell lottery tickets pursuant to the provisions of the Illinois Lottery Law and its rules.
- (6.1) The purchase of lottery tickets through the Internet for a lottery conducted by the State of Illinois under the program established in Section 7.12 of the Illinois Lottery Law.
- (7) Possession of an antique slot machine that is neither used nor intended to be used in the operation or promotion of any unlawful gambling activity or enterprise. For the purpose of this subparagraph (b)(7), an antique

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- 1 slot machine is one manufactured 25 years ago or earlier.
 - (8) Raffles and poker runs when conducted in accordance with the Raffles and Poker Runs Act.
 - (8.1) The purchase of raffle chances for a raffle conducted in accordance with the Raffles and Poker Runs Act.
 - (9) Charitable games when conducted in accordance with the Charitable Games Act.
 - (10) Pull tabs and jar games when conducted under the Illinois Pull Tabs and Jar Games Act.
 - Gambling games conducted on riverboats when authorized by the Riverboat Gambling Act.
 - (12) Video gaming terminal games at a licensed establishment, licensed truck stop establishment, licensed establishment, or licensed establishment when conducted in accordance with the Video Gaming Act.
 - (13) Games of skill or chance where money or other things of value can be won but no payment or purchase is required to participate.
 - (14)Savings promotion raffles authorized under Section 5q of the Illinois Banking Act, Section 7008 of the Savings Bank Act, Section 42.7 of the Illinois Credit Union Act, Section 5136B of the National Bank Act (12 U.S.C. 25a), or Section 4 of the Home Owners' Loan Act (12 U.S.C. 1463).

- 1 (c) Sentence.
- 2 Gambling is a Class A misdemeanor. A second or subsequent
- 3 conviction under subsections (a) (3) through (a) (12), is a Class
- 4 4 felony.
- 5 (d) Circumstantial evidence.
- In prosecutions under this Section circumstantial evidence
- 7 shall have the same validity and weight as in any criminal
- 8 prosecution.
- 9 (Source: P.A. 98-644, eff. 6-10-14; 99-149, eff. 1-1-16.)
- 10 Section 99. Effective date. This Act takes effect upon
- 11 becoming law.