

101ST GENERAL ASSEMBLY State of Illinois 2019 and 2020 HB3661

by Rep. Emanuel Chris Welch

SYNOPSIS AS INTRODUCED:

20 ILCS 1605/7.12

Amends the Illinois Lottery Law. Removes obsolete provisions requiring the Department of the Lottery to submit a request to the United States Department of Justice to review the State's plan for an Internet program. Provides that Lotto, Lucky Day Lotto, Mega Millions, Powerball, Pick 3, Pick 4, and other draw games that are offered at retail locations may be offered by the Department of the Lottery through its Internet program. Requires the private manager to obtain the Director of the Lottery's approval before providing any draw games. Provides that any game tickets that are approved for sale by lottery licensees are automatically approved for sale through the Internet program. Requires the Department of the Lottery to maintain responsible gaming controls in its policies. Provides that nothing in the provisions shall be construed as prohibiting lottery tickets authorized for sale through the Internet program from also continuing to be sold at retail locations. Extends the repeal date of the Department of the Lottery's Internet program from July 1, 2019 to July 1, 2028. Effective immediately.

LRB101 07628 SMS 52675 b

FISCAL NOTE ACT
MAY APPLY

1 AN ACT concerning gaming.

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

- 4 Section 5. The Illinois Lottery Law is amended by changing
- 5 Section 7.12 as follows:
- 6 (20 ILCS 1605/7.12)

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- 7 (Section scheduled to be repealed on July 1, 2019)
- 8 Sec. 7.12. Internet program.
- 9 (a) The General Assembly finds that:
- 10 (1) the consumer market in Illinois has changed since 11 the creation of the Illinois State Lottery in 1974;
 - (2) the Internet has become an integral part of everyday life for a significant number of Illinois residents not only in regards to their professional life, but also in regards to personal business and communication; and
- 17 (3) the current practices of selling lottery tickets
 18 does not appeal to the new form of market participants who
 19 prefer to make purchases on the Internet at their own
 20 convenience.
- It is the intent of the General Assembly to create an Internet program for the sale of lottery tickets to capture this new form of market participant.

(b) The Department shall create a program that allows an individual 18 years of age or older to purchase lottery tickets or shares on the Internet without using a Lottery retailer with on-line status, as those terms are defined by rule. The Department shall restrict the sale of lottery tickets on the Internet to transactions initiated and received or otherwise made exclusively within the State of Illinois. The Department shall adopt rules necessary for the administration of this program. These rules shall include, among other things, requirements for marketing of the Lottery to infrequent players, as well as limitations on the purchases that may be made through any one individual's lottery account. The provisions of this Act and the rules adopted under this Act shall apply to the sale of lottery tickets or shares under this program.

Before beginning the program, the Department of the Lottery must submit a request to the United States Department of Justice for review of the State's plan to implement a program for the sale of lottery tickets on the Internet and its propriety under federal law. The Department shall implement the Internet program only if the Department of Justice does not object to the implementation of the program within a reasonable period of time after its review.

The Department is obligated to implement the program set forth in this Section and Sections 7.15 and 7.16. The Department may offer Lotto, Lucky Day Lotto, Mega Millions,

Powerball, Pick 3, Pick 4, and other draw games that are offered at retail locations through the Internet program. The private manager shall obtain the Director's approval before providing any draw games. Any game tickets that are approved for sale by lottery licensees are automatically approved for sale through the Internet program. The Department shall maintain responsible gaming controls in its policies. only at such time, and to such extent, that the Department of Justice does not object to the implementation of the program within a reasonable period of time after its review. While the Illinois Lottery may only offer Lotto, Mega Millions, and Powerball games through the program, the Department shall request review from the federal Department of Justice for the Illinois Lottery to sell lottery tickets on the Internet on behalf of the State of Illinois that are not limited to just these games.

The Department shall authorize the private manager to implement and administer the program pursuant to the management agreement entered into under Section 9.1 and in a manner consistent with the provisions of this Section. If a private manager has not been selected pursuant to Section 9.1 at the time the Department is obligated to implement the program, then the Department shall not proceed with the program until after the selection of the private manager, at which time the Department shall authorize the private manager to implement and administer the program pursuant to the management agreement entered into under Section 9.1 and in a manner consistent with

- 1 the provisions of this Section.
- 2 Nothing in this Section shall be construed as prohibiting
- 3 the Department from implementing and operating a website portal
- 4 whereby individuals who are 18 years of age or older with an
- 5 Illinois mailing address may apply to purchase lottery tickets
- 6 via subscription. Nothing in this Section shall also be
- 7 construed as prohibiting the <u>Lottery tickets authorized for</u>
- 8 sale through the Internet program under this Section from also
- 9 continuing to be sold at retail locations sale of Lotto, Mega
- 10 Millions, and Powerball games by a lottery licensee pursuant to
- 11 the Department's rules.
- 12 (c) (Blank).
- 13 (d) This Section is repealed on July 1, 2028 2019.
- 14 (Source: P.A. 99-523, eff. 6-30-16; 100-23, eff. 7-6-17;
- 15 100-587, eff. 6-4-18.)
- 16 Section 99. Effective date. This Act takes effect upon
- 17 becoming law.