

1 AMENDMENT TO HOUSE BILL 148

2 AMENDMENT NO. _____. Amend House Bill 148 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Riverboat Gambling Act is amended by
5 changing Sections 7 and 13 as follows:

6 (230 ILCS 10/7) (from Ch. 120, par. 2407)

7 Sec. 7. Owners Licenses.

8 (a) The Board shall issue owners licenses to persons,
9 firms or corporations which apply for such licenses upon
10 payment to the Board of the non-refundable license fee set by
11 the Board, upon payment of a \$25,000 license fee for the
12 first year of operation and a \$5,000 license fee for each
13 succeeding year and upon a determination by the Board that
14 the applicant is eligible for an owners license pursuant to
15 this Act and the rules of the Board. A person, firm or
16 corporation is ineligible to receive an owners license if:

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

20 (2) the person has been convicted of any violation
21 of Article 28 of the Criminal Code of 1961, or
22 substantially similar laws of any other jurisdiction;

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

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

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

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

11 (7) (blank); or

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

16 (b) In determining whether to grant an owners license to
17 an applicant, the Board shall consider:

18 (1) the character, reputation, experience and
19 financial integrity of the applicants and of any other or
20 separate person that either:

21 (A) controls, directly or indirectly, such
22 applicant, or

23 (B) is controlled, directly or indirectly, by
24 such applicant or by a person which controls,
25 directly or indirectly, such applicant;

26 (2) the facilities or proposed facilities for the
27 conduct of riverboat gambling;

28 (3) the highest prospective total revenue to be
29 derived by the State from the conduct of riverboat
30 gambling;

31 (4) the good faith affirmative action plan of each
32 applicant to recruit, train and upgrade minorities in all
33 employment classifications;

34 (5) the financial ability of the applicant to

1 purchase and maintain adequate liability and casualty
2 insurance;

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

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

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

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

13 (e) In addition to any licenses authorized under
14 subsections (e-5) and (e-10), the Board may issue up to 10
15 licenses authorizing the holders of such licenses to own
16 riverboats. In the application for an owners license, the
17 applicant shall state the dock at which the riverboat is
18 based and the water on which the riverboat will be located.
19 The Board shall issue 5 licenses to become effective not
20 earlier than January 1, 1991. Three of such licenses shall
21 authorize riverboat gambling on the Mississippi River, one of
22 which shall authorize riverboat gambling from a home dock in
23 the city of East St. Louis, and one of which shall authorize
24 riverboat gambling on the Mississippi River or in a
25 municipality that (1) borders on the Mississippi River or is
26 within 5 miles of the city limits of a municipality that
27 borders on the Mississippi River and (2) on the effective
28 date of this amendatory Act of the 92nd General Assembly has
29 a riverboat conducting riverboat gambling operations pursuant
30 to a license issued under this Act. One other license shall
31 authorize riverboat gambling on the Illinois River south of
32 Marshall County. The Board shall issue one additional
33 license to become effective not earlier than March 1, 1992,
34 which shall authorize riverboat gambling on the Des Plaines

1 River in Will County. The Board may issue 4 additional
2 licenses to become effective not earlier than March 1, 1992.
3 In determining the water upon which riverboats will operate,
4 the Board shall consider the economic benefit which riverboat
5 gambling confers on the State, and shall seek to assure that
6 all regions of the State share in the economic benefits of
7 riverboat gambling.

8 In granting all licenses, the Board may give favorable
9 consideration to economically depressed areas of the State,
10 to applicants presenting plans which provide for significant
11 economic development over a large geographic area, and to
12 applicants who currently operate non-gambling riverboats in
13 Illinois. The Board shall review all applications for owners
14 licenses, and shall inform each applicant of the Board's
15 decision.

16 (e-5) In addition to licenses authorized under
17 subsections (e) and (e-10), the Board may issue one owners
18 license authorizing the conduct of riverboat gambling
19 operations from a home dock in a municipality with a
20 population of more than 500,000 inhabitants. An owners
21 license issued under this subsection (e-5) shall be issued
22 only to the governing board of the municipality in which its
23 home dock is located. No such license may be awarded to any
24 other person or entity. If a license is issued to the
25 governing board of a municipality pursuant to this subsection
26 (e-5), that governing board shall conduct an auction and
27 grant the opportunity to manage the riverboat gambling
28 operations authorized by that license to the highest
29 qualified bidder.

30 (e-10) In addition to licenses authorized under
31 subsections (e) and (e-5), the Board may issue one owners
32 license authorizing the conduct of riverboat gambling
33 operations from a home dock located outside of the City of
34 Chicago, but in Cook County and in one of the following

1 townships: Bloom, Thornton, Rich, Orland, Calumet, Worth,
2 Palos, Bremen, or Lemont Township.

3 (e-15) The Board may revoke the owners license of a
4 licensee which fails to begin conducting gambling within 15
5 months of receipt of the Board's approval of the application
6 if the Board determines that license revocation is in the
7 best interests of the State.

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

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

23 (h) An owners license shall entitle the licensee to own
24 up to 2 riverboats. A licensee, other than a licensee that
25 receives its owners license under subsection (e-5), shall
26 limit the number of gambling participants to 2,000 ~~1,200~~ for
27 any such owners license. A licensee that receives its owners
28 license under subsection (e-5) shall limit the number of
29 gambling participants to the number set by the Board, which
30 may not exceed 4,000 participants at one time. In setting
31 the number of participants that a licensee that receives its
32 license under subsection (e-5) may admit, the Board shall
33 consider the best interests of the riverboat gambling
34 industry. A licensee may operate both of its riverboats

1 concurrently, provided that the total number of gambling
2 participants on both riverboats does not exceed 1,200.
3 Riverboats licensed to operate on the Mississippi River and
4 the Illinois River south of Marshall County shall have an
5 authorized capacity of at least 500 persons. Any other
6 riverboat licensed under this Act shall have an authorized
7 capacity of at least 400 persons.

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

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

29 (Source: P.A. 91-40, eff. 6-25-99; 92-600, eff. 6-28-02.)

30 (230 ILCS 10/13) (from Ch. 120, par. 2413)

31 Sec. 13. Wagering tax; rate; distribution.

32 (a) Until January 1, 1998, a tax is imposed on the
33 adjusted gross receipts received from gambling games

1 authorized under this Act at the rate of 20%.

2 From January 1, 1998 until July 1, 2002, a privilege tax
3 is imposed on persons engaged in the business of conducting
4 riverboat gambling operations, based on the adjusted gross
5 receipts received by a licensed owner from gambling games
6 authorized under this Act at the following rates:

7 15% of annual adjusted gross receipts up to and
8 including \$25,000,000;

9 20% of annual adjusted gross receipts in excess of
10 \$25,000,000 but not exceeding \$50,000,000;

11 25% of annual adjusted gross receipts in excess of
12 \$50,000,000 but not exceeding \$75,000,000;

13 30% of annual adjusted gross receipts in excess of
14 \$75,000,000 but not exceeding \$100,000,000;

15 35% of annual adjusted gross receipts in excess of
16 \$100,000,000.

17 Beginning July 1, 2002, a privilege tax is imposed on
18 persons engaged in the business of conducting riverboat
19 gambling operations, based on the adjusted gross receipts
20 received by a licensed owner from gambling games authorized
21 under this Act at the following rates:

22 15% of annual adjusted gross receipts up to and
23 including \$25,000,000;

24 22.5% of annual adjusted gross receipts in excess of
25 \$25,000,000 but not exceeding \$50,000,000;

26 27.5% of annual adjusted gross receipts in excess of
27 \$50,000,000 but not exceeding \$75,000,000;

28 32.5% of annual adjusted gross receipts in excess of
29 \$75,000,000 but not exceeding \$100,000,000;

30 37.5% of annual adjusted gross receipts in excess of
31 \$100,000,000 but not exceeding \$150,000,000;

32 45% of annual adjusted gross receipts in excess of
33 \$150,000,000 but not exceeding \$200,000,000;

34 50% of annual adjusted gross receipts in excess of

1 \$200,000,000.

2 The taxes imposed by this Section shall be paid by the
3 licensed owner to the Board not later than 3:00 o'clock p.m.
4 of the day after the day when the wagers were made.

5 (b) Until January 1, 1998, 25% of the tax revenue
6 deposited in the State Gaming Fund under this Section shall
7 be paid, subject to appropriation by the General Assembly, to
8 the unit of local government which is designated as the home
9 dock of the riverboat. Beginning January 1, 1998, from the
10 tax revenue deposited in the State Gaming Fund under this
11 Section, an amount equal to 5% of adjusted gross receipts
12 generated by a riverboat, other than a riverboat authorized
13 under subsection (e-10) of Section 7, shall be paid monthly,
14 subject to appropriation by the General Assembly, to the unit
15 of local government that is designated as the home dock of
16 the riverboat.

17 (b-5) From the tax revenue deposited into the State
18 Gaming Fund under this Section, payments shall be made,
19 subject to appropriation by the General Assembly, as provided
20 in this subsection (b-5).

21 An amount equal to 3% of the adjusted gross receipts
22 generated by a riverboat authorized under subsection (e-10)
23 of Section 7 shall be paid to the municipality in which the
24 riverboat docks and to any other municipalities or townships
25 that enter into an intergovernmental agreement with the
26 municipality in which the riverboat docks to share that
27 revenue and shall be divided according to the terms of that
28 intergovernmental agreement.

29 An amount equal to 0.5% of the adjusted gross receipts
30 generated by a riverboat authorized under subsection (e-10)
31 of Section 7 shall be divided equally and paid to the
32 townships enumerated in subsection (e-10) of Section 7.

33 An amount equal to 1% of the adjusted gross receipts
34 generated by a riverboat authorized under subsection (e-10)

1 of Section 7 shall be divided among the school districts in
 2 the townships enumerated in subsection (e-10) of Section 7 in
 3 inverse proportion to the per-student expenditures of each of
 4 those school districts.

5 An amount equal to 0.5% of the adjusted gross receipts
 6 generated by a riverboat authorized under subsection (e-10)
 7 of Section 7 shall be paid into the South Suburban Assistance
 8 Fund, which is hereby created in the State Treasury. The
 9 South Suburban Assistance Fund shall be administered by the
 10 Department of Commerce and Community affairs, or its
 11 successor agency, and moneys in the Fund shall be used to aid
 12 economically distressed communities in the townships
 13 enumerated in subsection (e-10) of Section 7.

14 (c) Appropriations, as approved by the General Assembly,
 15 may be made from the State Gaming Fund to the Department of
 16 Revenue and the Department of State Police for the
 17 administration and enforcement of this Act.

18 (c-5) (Blank). ~~After--the--payments--required--under~~
 19 ~~subsections--(b)--and--(c)--have--been--made, an amount equal to~~
 20 ~~15% of the adjusted gross receipts of a riverboat--(1)--that~~
 21 ~~relocates--pursuant--to--Section--11.2,--or--(2)--for--which--an~~
 22 ~~owners--license--is--initially--issued--after--the--effective--date~~
 23 ~~of--this--amendatory--Act--of--1999, whichever comes first, shall~~
 24 ~~be paid from the State Gaming Fund into the Horse Racing~~
 25 ~~Equity Fund.~~

26 (c-10) (Blank). ~~Each--year--the--General--Assembly--shall~~
 27 ~~appropriate--from--the--General--Revenue--Fund--to--the--Education~~
 28 ~~Assistance--Fund--an amount equal to the amount paid into the~~
 29 ~~Horse--Racing--Equity--Fund--pursuant--to--subsection--(c-5)--in--the~~
 30 ~~prior--calendar--year.~~

31 (c-15) After the payments required under subsections
 32 (b), (c), and (c-5) have been made, an amount equal to 2% of
 33 the adjusted gross receipts of a licensee, other than a
 34 licensee that receives an owners license under subsection

1 (e-5) or (e-10) of Section 7, riverboat (1) that relocates
2 pursuant to Section 11.2, or (2) for which an owners license
3 is initially issued after the effective date of this
4 amendatory Act of 1999, whichever comes first, shall be paid,
5 subject to appropriation from the General Assembly, from the
6 State Gaming Fund to each home rule county with a population
7 of over 3,000,000 inhabitants for the purpose of enhancing
8 the county's criminal justice system.

9 (c-20) Each year the General Assembly shall appropriate
10 from the General Revenue Fund to the Education Assistance
11 Fund an amount equal to the amount paid to each home rule
12 county with a population of over 3,000,000 inhabitants
13 pursuant to subsection (c-15) in the prior calendar year.

14 (c-25) After the payments required under subsections
15 (b), (c), (c-5) and (c-15) have been made, an amount equal to
16 2% of the adjusted gross receipts of a licensee, other than a
17 licensee that receives an owners license under subsection
18 (e-5) or (e-10) of Section 7, riverboat (1) that relocates
19 pursuant to Section 11.2, or (2) for which an owners license
20 is initially issued after the effective date of this
21 amendatory Act of 1999, whichever comes first, shall be paid
22 from the State Gaming Fund into the State Universities
23 Athletic Capital Improvement Fund.

24 (d) From time to time, the Board shall transfer the
25 remainder of the funds generated by this Act into the
26 Education Assistance Fund, created by Public Act 86-0018, of
27 the State of Illinois.

28 (e) Nothing in this Act shall prohibit the unit of local
29 government designated as the home dock of the riverboat from
30 entering into agreements with other units of local government
31 in this State or in other states to share its portion of the
32 tax revenue.

33 (f) To the extent practicable, the Board shall
34 administer and collect the wagering taxes imposed by this

1 Section in a manner consistent with the provisions of
2 Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b,
3 6c, 8, 9, and 10 of the Retailers' Occupation Tax Act and
4 Section 3-7 of the Uniform Penalty and Interest Act.

5 (Source: P.A. 91-40, eff. 6-25-99; 92-595, eff. 6-28-02.)

6 Section 95. The State Finance Act is amended by adding
7 Section 5.595 as follows:

8 (30 ILCS 105/5.595 new)

9 Sec. 5.595. The South Suburban Assistance Fund.

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