



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

HB4645

by Rep. Jack D. Franks

SYNOPSIS AS INTRODUCED:

230 ILCS 40/15
230 ILCS 40/35
720 ILCS 5/28-2

from Ch. 38, par. 28-2

Amends the Video Gaming Act. Removes language that exempts video gaming terminals that are operated for amusement only from the licensure requirement under the Act. Amends the Criminal Code of 1961. Includes within the definition of "gambling device" a coin-in-the-slot operated mechanical device played for amusement that plays, emulates, or simulates a casino game, slot machine, bingo, or keno. Effective immediately.

LRB096 14962 AMC 29861 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning gaming.

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

4 Section 5. The Video Gaming Act is amended by changing
5 Sections 15 and 35 as follows:

6 (230 ILCS 40/15)

7 Sec. 15. Minimum requirements for licensing and
8 registration. Every video gaming terminal offered for play
9 shall first be tested and approved pursuant to the rules of the
10 Board, and each video gaming terminal offered in this State for
11 play shall conform to an approved model. The Board may utilize
12 the services of an independent outside testing laboratory for
13 the examination of video gaming machines and associated
14 equipment as required by this Section. Every video gaming
15 terminal offered in this State for play must meet minimum
16 standards set by an independent outside testing laboratory
17 approved by the Board. Each approved model shall, at a minimum,
18 meet the following criteria:

19 (1) It must conform to all requirements of federal law
20 and regulations, including FCC Class A Emissions
21 Standards.

22 (2) It must theoretically pay out a mathematically
23 demonstrable percentage during the expected lifetime of

1 the machine of all amounts played, which must not be less
2 than 80%. Video gaming terminals that may be affected by
3 skill must meet this standard when using a method of play
4 that will provide the greatest return to the player over a
5 period of continuous play.

6 (3) It must use a random selection process to determine
7 the outcome of each play of a game. The random selection
8 process must meet 99% confidence limits using a standard
9 chi-squared test for (randomness) goodness of fit.

10 (4) It must display an accurate representation of the
11 game outcome.

12 (5) It must not automatically alter pay tables or any
13 function of the video gaming terminal based on internal
14 computation of hold percentage or have any means of
15 manipulation that affects the random selection process or
16 probabilities of winning a game.

17 (6) It must not be adversely affected by static
18 discharge or other electromagnetic interference.

19 (7) It must be capable of detecting and displaying the
20 following conditions during idle states or on demand: power
21 reset; door open; and door just closed.

22 (8) It must have the capacity to display complete play
23 history (outcome, intermediate play steps, credits
24 available, bets placed, credits paid, and credits cashed
25 out) for the most recent game played and 10 games prior
26 thereto.

1 (9) The theoretical payback percentage of a video
2 gaming terminal must not be capable of being changed
3 without making a hardware or software change in the video
4 gaming terminal.

5 (10) Video gaming terminals must be designed so that
6 replacement of parts or modules required for normal
7 maintenance does not necessitate replacement of the
8 electromechanical meters.

9 (11) It must have nonresettable meters housed in a
10 locked area of the terminal that keep a permanent record of
11 all cash inserted into the machine, all winnings made by
12 the terminal printer, credits played in for video gaming
13 terminals, and credits won by video gaming players. The
14 video gaming terminal must provide the means for on-demand
15 display of stored information as determined by the Board.

16 (12) Electronically stored meter information required
17 by this Section must be preserved for a minimum of 180 days
18 after a power loss to the service.

19 (13) It must have one or more mechanisms that accept
20 cash in the form of bills. The mechanisms shall be designed
21 to prevent obtaining credits without paying by stringing,
22 slamming, drilling, or other means. If such attempts at
23 physical tampering are made, the video gaming terminal
24 shall suspend itself from operating until reset.

25 (14) It shall have accounting software that keeps an
26 electronic record which includes, but is not limited to,

1 the following: total cash inserted into the video gaming
2 terminal; the value of winning tickets claimed by players;
3 the total credits played; the total credits awarded by a
4 video gaming terminal; and pay back percentage credited to
5 players of each video game.

6 (15) It shall be linked by a central communications
7 system to provide auditing program information as approved
8 by the Board. The central communications system shall use a
9 standard industry protocol, as defined by the Gaming
10 Standards Association, and shall have the functionality to
11 enable the Board or its designee to activate or deactivate
12 individual gaming devices from the central communications
13 system. In no event may the communications system approved
14 by the Board limit participation to only one manufacturer
15 of video gaming terminals by either the cost in
16 implementing the necessary program modifications to
17 communicate or the inability to communicate with the
18 central communications system.

19 (16) The Board, in its discretion, may require video
20 gaming terminals to display Amber Alert messages if the
21 Board makes a finding that it would be economically and
22 technically feasible and pose no risk to the integrity and
23 security of the central communications system and video
24 gaming terminals.

25 A video gaming terminal operated for amusement only may not
26 be licensed under this Act.

1 The Board may adopt rules to establish additional criteria
2 to preserve the integrity and security of video gaming in this
3 State.

4 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09.)

5 (230 ILCS 40/35)

6 Sec. 35. Display of license; confiscation; violation as
7 felony.

8 (a) Each video gaming terminal shall be licensed by the
9 Board before placement or operation on the premises of a
10 licensed establishment, licensed truck stop establishment,
11 licensed fraternal establishment, or licensed veterans
12 establishment. The license of each video gaming terminal shall
13 be maintained at the location where the video gaming terminal
14 is operated. Failure to do so is a petty offense with a fine
15 not to exceed \$100. Any licensed establishment, licensed truck
16 stop establishment, licensed fraternal establishment, or
17 licensed veterans establishment used for the conduct of
18 gambling games in violation of this Act shall be considered a
19 gambling place in violation of Section 28-3 of the Criminal
20 Code of 1961. Every gambling device found in a licensed
21 establishment, licensed truck stop establishment, licensed
22 fraternal establishment, or licensed veterans establishment
23 operating gambling games in violation of this Act shall be
24 subject to seizure, confiscation, and destruction as provided
25 in Section 28-5 of the Criminal Code of 1961. Any license

1 issued under the Liquor Control Act of 1934 to any owner or
2 operator of a licensed establishment, licensed truck stop
3 establishment, licensed fraternal establishment, or licensed
4 veterans establishment that operates or permits the operation
5 of a video gaming terminal within its establishment in
6 violation of this Act shall be immediately revoked. No person
7 may own, operate, have in his or her possession or custody or
8 under his or her control, or permit to be kept in any place
9 under his or her possession or control, any device that awards
10 credits and contains a circuit, meter, or switch capable of
11 removing and recording the removal of credits when the award of
12 credits is dependent upon chance. A violation of this Section
13 is a Class 4 felony. All devices that are owned, operated, or
14 possessed in violation of this Section are hereby declared to
15 be public nuisances and shall be subject to seizure,
16 confiscation, and destruction as provided in Section 28-5 of
17 the Criminal Code of 1961. The provisions of this Section do
18 not apply to devices or electronic video game terminals
19 licensed pursuant to this Act. ~~A video gaming terminal operated
20 for amusement only and bearing a valid amusement tax sticker
21 issued prior to the effective date of this amendatory Act of
22 the 96th General Assembly shall not be subject to this Section
23 until the sooner of (i) the expiration of the amusement tax
24 sticker or (ii) 30 days after the Board establishes that the
25 central communications system is functional.~~

26 (b) (1) The odds of winning each video game shall be posted

1 on or near each video gaming terminal. The manner in which the
2 odds are calculated and how they are posted shall be determined
3 by the Board by rule.

4 (2) No video gaming terminal licensed under this Act may be
5 played except during the legal hours of operation allowed for
6 the consumption of alcoholic beverages at the licensed
7 establishment, licensed fraternal establishment, or licensed
8 veterans establishment. A licensed establishment, licensed
9 fraternal establishment, or licensed veterans establishment
10 that violates this subsection is subject to termination of its
11 license by the Board.

12 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09.)

13 Section 10. The Criminal Code of 1961 is amended by
14 changing Sections 28-2 as follows:

15 (720 ILCS 5/28-2) (from Ch. 38, par. 28-2)

16 Sec. 28-2. Definitions.

17 (a) A "gambling device" is any clock, tape machine, slot
18 machine or other machines or device for the reception of money
19 or other thing of value on chance or skill or upon the action
20 of which money or other thing of value is staked, hazarded,
21 bet, won or lost; or any mechanism, furniture, fixture,
22 equipment or other device designed primarily for use in a
23 gambling place. A "gambling device" does not include:

24 (1) Except as otherwise provided in this subsection

1 (a), a ~~A~~ coin-in-the-slot operated mechanical device
2 played for amusement which rewards the player with the
3 right to replay such mechanical device, which device is so
4 constructed or devised as to make such result of the
5 operation thereof depend in part upon the skill of the
6 player and which returns to the player thereof no money,
7 property or right to receive money or property.

8 (2) Vending machines by which full and adequate return
9 is made for the money invested and in which there is no
10 element of chance or hazard.

11 (3) A crane game. For the purposes of this paragraph
12 (3), a "crane game" is an amusement device involving skill,
13 if it rewards the player exclusively with merchandise
14 contained within the amusement device proper and limited to
15 toys, novelties and prizes other than currency, each having
16 a wholesale value which is not more than \$25.

17 (4) A redemption machine. For the purposes of this
18 paragraph (4), a "redemption machine" is a single-player or
19 multi-player amusement device involving a game, the object
20 of which is throwing, rolling, bowling, shooting, placing,
21 or propelling a ball or other object into, upon, or against
22 a hole or other target, provided that all of the following
23 conditions are met:

24 (A) The outcome of the game is predominantly
25 determined by the skill of the player.

26 (B) The award of the prize is based solely upon the

1 player's achieving the object of the game or otherwise
2 upon the player's score.

3 (C) Only merchandise prizes are awarded.

4 (D) The wholesale value of prizes awarded in lieu
5 of tickets or tokens for single play of the device does
6 not exceed \$25.

7 (E) The redemption value of tickets, tokens, and
8 other representations of value, which may be
9 accumulated by players to redeem prizes of greater
10 value, does not exceed the amount charged for a single
11 play of the device.

12 "Gambling device" includes a coin-in-the-slot operated
13 mechanical device played for amusement that plays, emulates, or
14 simulates a casino game, slot machine, bingo, or keno.

15 (a-5) "Internet" means an interactive computer service or
16 system or an information service, system, or access software
17 provider that provides or enables computer access by multiple
18 users to a computer server, and includes, but is not limited
19 to, an information service, system, or access software provider
20 that provides access to a network system commonly known as the
21 Internet, or any comparable system or service and also
22 includes, but is not limited to, a World Wide Web page,
23 newsgroup, message board, mailing list, or chat area on any
24 interactive computer service or system or other online service.

25 (a-6) "Access" and "computer" have the meanings ascribed to
26 them in Section 16D-2 of this Code.

1 (b) A "lottery" is any scheme or procedure whereby one or
2 more prizes are distributed by chance among persons who have
3 paid or promised consideration for a chance to win such prizes,
4 whether such scheme or procedure is called a lottery, raffle,
5 gift, sale or some other name.

6 (c) A "policy game" is any scheme or procedure whereby a
7 person promises or guarantees by any instrument, bill,
8 certificate, writing, token or other device that any particular
9 number, character, ticket or certificate shall in the event of
10 any contingency in the nature of a lottery entitle the
11 purchaser or holder to receive money, property or evidence of
12 debt.

13 (Source: P.A. 95-676, eff. 6-1-08.)

14 Section 99. Effective date. This Act takes effect upon
15 becoming law.