



Sen. Terry Link

**Filed: 5/5/2010**

09600HB4927sam002

LRB096 17755 AMC 41230 a

1 AMENDMENT TO HOUSE BILL 4927

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 4927, AS AMENDED, by  
3 replacing everything after the enacting clause with the  
4 following:

5 "Section 5. The Video Gaming Act is amended by changing  
6 Sections 5, 15, 20, 25, 30, 35, 45, 55, 57, and 78 as follows:

7 (230 ILCS 40/5)

8 Sec. 5. Definitions. As used in this Act:

9 "Board" means the Illinois Gaming Board.

10 "Credit" means one, 5, 10, or 25 cents either won or  
11 purchased by a player.

12 "Distributor" means an individual, partnership, ~~or~~  
13 corporation, or limited liability company licensed under this  
14 Act to buy, sell, lease, or distribute video gaming terminals  
15 or major components or parts of video gaming terminals to or  
16 from terminal operators.

1 "Terminal operator" means an individual, partnership, ~~or~~  
2 corporation, or limited liability company that is licensed  
3 under this Act and that owns, services, and maintains video  
4 gaming terminals for placement in licensed establishments,  
5 licensed truck stop establishments, licensed fraternal  
6 establishments, or licensed veterans establishments.

7 "Licensed technician" means an individual who is licensed  
8 under this Act to repair, service, and maintain video gaming  
9 terminals.

10 "Licensed terminal handler" means a person, including but  
11 not limited to an employee or independent contractor working  
12 for a manufacturer, distributor, supplier, technician, or  
13 terminal operator, who is licensed under this Act to possess or  
14 control a video gaming terminal or to have access to the inner  
15 workings of a video gaming terminal. A licensed terminal  
16 handler does not include an individual, partnership, ~~or~~  
17 corporation, or limited liability company defined as a  
18 manufacturer, distributor, supplier, technician, or terminal  
19 operator under this Act.

20 "Manufacturer" means an individual, partnership, ~~or~~  
21 corporation, or limited liability company that is licensed  
22 under this Act and that manufactures or assembles video gaming  
23 terminals.

24 "Supplier" means an individual, partnership, ~~or~~  
25 corporation, or limited liability company that is licensed  
26 under this Act to supply major components or parts to video

1 gaming terminals to licensed terminal operators.

2 "Net terminal income" means money put into a video gaming  
3 terminal minus credits paid out to players.

4 "Video gaming terminal" means any electronic video game  
5 machine that, upon insertion of cash, is available to play or  
6 simulate the play of a video game, including but not limited to  
7 video poker, line up, and blackjack, as authorized by the Board  
8 utilizing a video display and microprocessors in which the  
9 player may receive free games or credits that can be redeemed  
10 for cash. The term does not include a machine that directly  
11 dispenses coins, cash, or tokens or is for amusement purposes  
12 only.

13 "Licensed establishment" means any licensed retail  
14 establishment where alcoholic liquor is drawn, poured, mixed,  
15 or otherwise served for consumption on the premises. "Licensed  
16 establishment" does not include a facility operated by an  
17 organization licensee, an intertrack wagering licensee, or an  
18 intertrack wagering location licensee licensed under the  
19 Illinois Horse Racing Act of 1975 or a riverboat licensed under  
20 the Riverboat Gambling Act.

21 "Licensed fraternal establishment" means the location  
22 where a qualified fraternal organization that derives its  
23 charter from a national fraternal organization regularly  
24 meets.

25 "Licensed veterans establishment" means the location where  
26 a qualified veterans organization that derives its charter from

1 a national veterans organization regularly meets.

2 "Licensed truck stop establishment" means a facility (i)  
3 that is at least a 3-acre facility with a convenience store,  
4 (ii) ~~and~~ with separate diesel islands for fueling commercial  
5 motor vehicles, (iii) that sells at retail more than 10,000  
6 gallons of diesel or biodiesel fuel per month, and (iv) with  
7 ~~and~~ parking spaces for commercial motor vehicles. "Commercial  
8 motor vehicles" has the same meaning as defined in Section  
9 18b-101 of the Illinois Vehicle Code. The requirement of item  
10 (iii) of this paragraph may be met by showing that estimated  
11 future sales or past sales average at least 10,000 gallons per  
12 month.

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

14 (230 ILCS 40/15)

15 Sec. 15. Minimum requirements for licensing and  
16 registration. Every video gaming terminal offered for play  
17 shall first be tested and approved pursuant to the rules of the  
18 Board, and each video gaming terminal offered in this State for  
19 play shall conform to an approved model. The Board may utilize  
20 the services of an independent outside testing laboratory for  
21 the examination of video gaming machines and associated  
22 equipment as required by this Section. Every video gaming  
23 terminal offered in this State for play must meet minimum  
24 standards set by an independent outside testing laboratory  
25 approved by the Board. Each approved model shall, at a minimum,

1 meet the following criteria:

2 (1) It must conform to all requirements of federal law  
3 and regulations, including FCC Class A Emissions  
4 Standards.

5 (2) It must theoretically pay out a mathematically  
6 demonstrable percentage during the expected lifetime of  
7 the machine of all amounts played, which must not be less  
8 than 80%. The Board shall establish a maximum payout  
9 percentage for approved models by rule. Video gaming  
10 terminals that may be affected by skill must meet this  
11 standard when using a method of play that will provide the  
12 greatest return to the player over a period of continuous  
13 play.

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

18 (4) It must display an accurate representation of the  
19 game outcome.

20 (5) It must not automatically alter pay tables or any  
21 function of the video gaming terminal based on internal  
22 computation of hold percentage or have any means of  
23 manipulation that affects the random selection process or  
24 probabilities of winning a game.

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

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

4           (8) It must have the capacity to display complete play  
5 history (outcome, intermediate play steps, credits  
6 available, bets placed, credits paid, and credits cashed  
7 out) for the most recent game played and 10 games prior  
8 thereto.

9           (9) The theoretical payback percentage of a video  
10 gaming terminal must not be capable of being changed  
11 without making a hardware or software change in the video  
12 gaming terminal, either on site or via the central  
13 communications system.

14           (10) Video gaming terminals must be designed so that  
15 replacement of parts or modules required for normal  
16 maintenance does not necessitate replacement of the  
17 electromechanical meters.

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

25           (12) Electronically stored meter information required  
26 by this Section must be preserved for a minimum of 180 days

1 after a power loss to the service.

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

8 (14) It shall have accounting software that keeps an  
9 electronic record which includes, but is not limited to,  
10 the following: total cash inserted into the video gaming  
11 terminal; the value of winning tickets claimed by players;  
12 the total credits played; the total credits awarded by a  
13 video gaming terminal; and pay back percentage credited to  
14 players of each video game.

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

1 central communications system.

2 (16) The Board, in its discretion, may require video  
3 gaming terminals to display Amber Alert messages if the  
4 Board makes a finding that it would be economically and  
5 technically feasible and pose no risk to the integrity and  
6 security of the central communications system and video  
7 gaming terminals.

8 The Board may adopt rules to establish additional criteria  
9 to preserve the integrity and security of video gaming in this  
10 State. The central communications system vendor may not hold  
11 any license issued by the Board under this Act.

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

13 (230 ILCS 40/20)

14 Sec. 20. Direct dispensing of receipt tickets only. A video  
15 gaming terminal may not directly dispense coins, cash, tokens,  
16 or any other article of exchange or value except for receipt  
17 tickets. Tickets shall be dispensed by pressing the ticket  
18 dispensing button on the video gaming terminal at the end of  
19 one's turn or play. The ticket shall indicate the total amount  
20 of credits and the cash award, the time of day in a 24-hour  
21 format showing hours and minutes, the date, the terminal serial  
22 number, the sequential number of the ticket, and an encrypted  
23 validation number from which the validity of the prize may be  
24 determined. The player shall turn in this ticket to the  
25 appropriate person at the licensed establishment, licensed



1 truck stop establishment, licensed fraternal establishment, or  
2 licensed veterans establishment to receive the cash award. The  
3 cost of the credit shall be one cent, 5 cents, 10 cents, or 25  
4 cents, and the maximum wager played per hand shall not exceed  
5 \$2. No cash award for the maximum wager on any individual hand  
6 shall exceed \$500.

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

8 (230 ILCS 40/25)

9 Sec. 25. Restriction of licensees.

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

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

22 (c) Terminal operator. A person may not own, maintain, or  
23 place a video gaming terminal unless he has a valid terminal  
24 operator's license issued under this Act. A terminal operator  
25 may only place video gaming terminals for use in Illinois in

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

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

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

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

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

22 (f) (Blank).

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

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

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

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

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

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

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

1       the limited liability company.

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

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

1 subsection, "school" means an elementary or secondary public  
2 school, or an elementary or secondary private school registered  
3 with or recognized by the State Board of Education. "School"  
4 does not include a day care center or a home school.

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

21 (i) Undue economic concentration. In addition to  
22 considering all other requirements under this Act, in deciding  
23 whether to approve the operation of video gaming terminals by a  
24 terminal operator in a location, the Board shall consider the  
25 impact of any economic concentration of such operation of video  
26 gaming terminals. The Board shall not allow a terminal operator

1 to operate video gaming terminals if the Board determines such  
2 operation will result in undue economic concentration. For  
3 purposes of this Section, "undue economic concentration" means  
4 that a terminal operator would have such actual or potential  
5 influence over video gaming terminals in Illinois as to:

6 (1) substantially impede or suppress competition among  
7 terminal operators;

8 (2) adversely impact the economic stability of the  
9 video gaming industry in Illinois; or

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

12 The Board shall adopt rules concerning undue economic  
13 concentration with respect to the operation of video gaming  
14 terminals in Illinois. The rules shall include, but not be  
15 limited to, (i) limitations on the number of video gaming  
16 terminals operated by any terminal operator within a defined  
17 geographic radius and (ii) guidelines on the discontinuation of  
18 operation of any such video gaming terminals the Board  
19 determines will cause undue economic concentration.

20 (j) ~~(i)~~ The provisions of the Illinois Antitrust Act are  
21 fully and equally applicable to the activities of any licensee  
22 under this Act.

23 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,  
24 eff. 7-13-09; revised 8-17-09.)

1           Sec. 30. Multiple types of licenses prohibited. A video  
2 gaming terminal manufacturer may not be licensed as a video  
3 gaming terminal operator or own, manage, or control a licensed  
4 establishment, licensed truck stop establishment, licensed  
5 fraternal establishment, or licensed veterans establishment,  
6 and shall be licensed to sell only to persons having a valid  
7 distributor's license or, if the manufacturer also holds a  
8 valid distributor's license, to sell, distribute, lease, or  
9 market to persons having a valid terminal operator's license  
10 ~~only to sell to distributors~~. A video gaming terminal  
11 distributor may not be licensed as a video gaming terminal  
12 operator or own, manage, or control a licensed establishment,  
13 licensed truck stop establishment, licensed fraternal  
14 establishment, or licensed veterans establishment, and shall  
15 only contract with a licensed terminal operator. A video gaming  
16 terminal operator may not be licensed as a video gaming  
17 terminal manufacturer or distributor or own, manage, or control  
18 a licensed establishment, licensed truck stop establishment,  
19 licensed fraternal establishment, or licensed veterans  
20 establishment, and shall be licensed only to contract with  
21 licensed distributors and licensed establishments, licensed  
22 truck stop establishments, licensed fraternal establishments,  
23 and licensed veterans establishments. An owner or manager of a  
24 licensed establishment, licensed truck stop establishment,  
25 licensed fraternal establishment, or licensed veterans  
26 establishment may not be licensed as a video gaming terminal



1 manufacturer, distributor, or operator, and shall only  
2 contract with a licensed operator to place and service this  
3 equipment.

4 (Source: P.A. 96-34, 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 July 13, 2009 (the effective date of Public Act  
22 96-37) ~~this amendatory Act of the 96th General Assembly~~ shall  
23 not be subject to this Section until ~~the sooner of (i) the~~  
24 ~~expiration of the amusement tax sticker or (ii)~~ 30 days after  
25 the Board establishes that the central communications system is  
26 functional.

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

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

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

14 (230 ILCS 40/45)

15 Sec. 45. Issuance of license.

16 (a) The burden is upon each applicant to demonstrate his  
17 suitability for licensure. Each video gaming terminal  
18 manufacturer, distributor, supplier, operator, handler,  
19 licensed establishment, licensed truck stop establishment,  
20 licensed fraternal establishment, and licensed veterans  
21 establishment shall be licensed by the Board. The Board may  
22 issue or deny a license under this Act to any person pursuant  
23 to the same criteria set forth in Section 9 of the Riverboat  
24 Gambling Act.

25 (a-5) The Board shall not grant a license to a person who

1 has facilitated, enabled, or participated in the use of  
2 coin-operated devices for gambling purposes or who is under the  
3 significant influence or control of such a person. For the  
4 purposes of this Act, "facilitated, enabled, or participated in  
5 the use of coin-operated amusement devices for gambling  
6 purposes" means that the person has been convicted of any  
7 violation of Article 28 of the Criminal Code of 1961. If there  
8 is pending legal action against a person for any such  
9 violation, then the Board shall delay the licensure of that  
10 person until the legal action is resolved.

11 (b) Each person seeking and possessing a license as a video  
12 gaming terminal manufacturer, distributor, supplier, operator,  
13 handler, licensed establishment, licensed truck stop  
14 establishment, licensed fraternal establishment, or licensed  
15 veterans establishment shall submit to a background  
16 investigation conducted by the Board with the assistance of the  
17 State Police or other law enforcement. The background  
18 investigation shall include each beneficiary of a trust, each  
19 partner of a partnership, and each director and officer and all  
20 stockholders of 5% or more in a parent or subsidiary  
21 corporation of a video gaming terminal manufacturer,  
22 distributor, supplier, operator, or licensed establishment,  
23 licensed truck stop establishment, licensed fraternal  
24 establishment, or licensed veterans establishment.

25 (c) Each person seeking and possessing a license as a video  
26 gaming terminal manufacturer, distributor, supplier, operator,

1 handler, licensed establishment, licensed truck stop  
2 establishment, licensed fraternal establishment, or licensed  
3 veterans establishment shall disclose the identity of every  
4 person, association, trust, ~~or~~ corporation, or limited  
5 liability company having a greater than 1% direct or indirect  
6 pecuniary interest in the video gaming terminal operation for  
7 ~~to~~ which the license is sought. If the disclosed entity is a  
8 trust, the application shall disclose the names and addresses  
9 of the beneficiaries; if a corporation, the names and addresses  
10 of all stockholders and directors; if a limited liability  
11 company, the names and addresses of all members; or if a  
12 partnership, the names and addresses of all partners, both  
13 general and limited.

14 (d) No person may be licensed as a video gaming terminal  
15 manufacturer, distributor, supplier, operator, handler,  
16 licensed establishment, licensed truck stop establishment,  
17 licensed fraternal establishment, or licensed veterans  
18 establishment if that person has been found by the Board to:

19 (1) have a background, including a criminal record,  
20 reputation, habits, social or business associations, or  
21 prior activities that pose a threat to the public interests  
22 of the State or to the security and integrity of video  
23 gaming;

24 (2) create or enhance the dangers of unsuitable,  
25 unfair, or illegal practices, methods, and activities in  
26 the conduct of video gaming; or

1 (3) present questionable business practices and  
2 financial arrangements incidental to the conduct of video  
3 gaming activities.

4 (e) Any applicant for any license under this Act has the  
5 burden of proving his or her qualifications to the satisfaction  
6 of the Board. The Board may adopt rules to establish additional  
7 qualifications and requirements to preserve the integrity and  
8 security of video gaming in this State.

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

- 12 (1) Manufacturer ..... \$5,000
- 13 (2) Distributor..... \$5,000
- 14 (3) Terminal operator..... \$5,000
- 15 (4) Supplier ..... \$2,500
- 16 (5) Technician ..... \$100
- 17 (6) Terminal Handler ..... \$50

18 (g) The Board shall establish an annual fee for each  
19 license not to exceed the following:

- 20 (1) Manufacturer ..... \$10,000
- 21 (2) Distributor..... \$10,000
- 22 (3) Terminal operator..... \$5,000
- 23 (4) Supplier ..... \$2,000
- 24 (5) Technician ..... \$100
- 25 (6) Licensed establishment, licensed truck stop  
26 establishment, licensed fraternal establishment,

- 1 or licensed veterans establishment ..... \$100
- 2 (7) Video gaming terminal..... \$100
- 3 (8) Terminal Handler ..... \$50

4 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,  
5 eff. 7-13-09; revised 8-17-09.)

6 (230 ILCS 40/55)

7 Sec. 55. Precondition for licensed location establishment.  
8 In all cases of application for a licensed location  
9 ~~establishment~~, to operate a video gaming terminal, each  
10 licensed establishment ~~licensed truck stop establishment~~,  
11 licensed fraternal establishment, or licensed veterans  
12 establishment shall possess a valid liquor license issued by  
13 the Illinois Liquor Control Commission in effect at the time of  
14 application and at all times thereafter during which a video  
15 gaming terminal is made available to the public for play at  
16 that location. Video gaming terminals in a licensed location  
17 shall be operated only during the same hours of operation  
18 generally permitted to holders of a license under the Liquor  
19 Control Act of 1934 within the unit of local government in  
20 which they are located. A licensed truck stop establishment  
21 that does not hold a liquor license may operate video gaming  
22 terminals on a continuous basis.

23 (Source: P.A. 96-34, eff. 7-13-09.)

24 (230 ILCS 40/57)

1           Sec. 57. Insurance. Each terminal operator ~~licensed~~  
2 ~~establishment, licensed truck stop establishment, licensed~~  
3 ~~fraternal establishment, and licensed veterans establishment~~  
4 shall maintain liability insurance on any gaming device that it  
5 places in a licensed video gaming location ~~on its premises~~ in  
6 an amount set by the Board.

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

8 (230 ILCS 40/78)

9           Sec. 78. Authority of the Illinois Gaming Board.

10           (a) The Board shall have jurisdiction over and shall  
11 supervise all gaming operations governed by this Act. The Board  
12 shall have all powers necessary and proper to fully and  
13 effectively execute the provisions of this Act, including, but  
14 not limited to, the following:

15           (1) To investigate applicants and determine the  
16 eligibility of applicants for licenses and to select among  
17 competing applicants the applicants which best serve the  
18 interests of the citizens of Illinois.

19           (2) To have jurisdiction and supervision over all video  
20 gaming operations in this State and all persons in  
21 establishments where video gaming operations are  
22 conducted.

23           (3) To adopt rules for the purpose of administering the  
24 provisions of this Act and to prescribe rules, regulations,  
25 and conditions under which all video gaming in the State



1 shall be conducted. Such rules and regulations are to  
2 provide for the prevention of practices detrimental to the  
3 public interest and for the best interests of video gaming,  
4 including rules and regulations regarding the inspection  
5 of such establishments and the review of any permits or  
6 licenses necessary to operate an establishment under any  
7 laws or regulations applicable to establishments and to  
8 impose penalties for violations of this Act and its rules.

9 (b) ~~The~~ Within 60 days after the effective date of this  
10 ~~amendatory Act of the 96th General Assembly,~~ the Board shall  
11 adopt emergency rules to administer this Act in accordance with  
12 Section 5-45 of the Illinois Administrative Procedure Act. For  
13 the purposes of the Illinois Administrative Procedure Act, the  
14 General Assembly finds that the adoption of rules to implement  
15 this Act is deemed an emergency and necessary to the public  
16 interest, safety, and welfare.

17 (Source: P.A. 96-38, eff. 7-13-09.)

18 Section 97. Severability. The provisions of this Act are  
19 severable under Section 1.31 of the Statute on Statutes.

20 Section 99. Effective date. This Act takes effect upon  
21 becoming law."