



Sen. Terry Link

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LRB096 06805 ASK 44267 a

1 AMENDMENT TO SENATE BILL 737

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 737 by replacing  
3 everything after the enacting clause with the following:

4 "ARTICLE 1.

5 Section 1-1. Short title. This Article may be cited as the  
6 Chicago Casino Development Authority Act.

7 Section 1-5. Definitions. As used in this Act:

8 "Authority" means the Chicago Casino Development Authority  
9 created by this Act.

10 "Board" means the board appointed pursuant to this Act to  
11 govern and control the Authority.

12 "Casino" means one temporary land-based or water-based  
13 facility and a permanent land-based or water-based facility, at  
14 each of which lawful gambling is authorized and licensed as  
15 provided in the Illinois Gambling Act.

1 "City" means the City of Chicago.

2 "Casino operator licensee" means any person or entity  
3 selected by the Authority and approved and licensed by the  
4 Gaming Board to manage and operate a casino within the City of  
5 Chicago pursuant to a casino management contract.

6 "Casino management contract" means a legally binding  
7 agreement between the Authority and a casino operator licensee  
8 to operate or manage a casino.

9 "Executive director" means the person appointed by the  
10 Board to oversee the daily operations of the Authority.

11 "Gaming Board" means the Illinois Gaming Board created by  
12 the Illinois Gambling Act.

13 "Mayor" means the Mayor of the City.

14 Section 1-12. Creation of the Authority. There is hereby  
15 created a political subdivision, unit of local government with  
16 only the powers authorized by law, body politic, and municipal  
17 corporation, by the name and style of the Chicago Casino  
18 Development Authority.

19 Section 1-13. Duties of the Authority. It shall be the duty  
20 of the Authority, as a casino licensee under the Illinois  
21 Gambling Act, to promote and maintain a casino in the City. The  
22 Authority shall construct, equip, and maintain grounds,  
23 buildings, and facilities for that purpose. The Authority shall  
24 contract with a casino operator licensee to manage and operate

1 the casino and in no event shall the Authority or City manage  
2 or operate the casino. The Authority may contract with other  
3 third parties in order to fulfill its purpose. The Authority is  
4 responsible for the payment of any fees required of a casino  
5 operator under subsection (a) of Section 7.8 of the Illinois  
6 Gambling Act if the casino operator licensee is late in paying  
7 any such fees. The Authority is granted all rights and powers  
8 necessary to perform such duties.

9 Section 1-15. Board.

10 (a) The governing and administrative powers of the  
11 Authority shall be vested in a body known as the Chicago Casino  
12 Development Board. The Board shall consist of 3 members  
13 appointed by the Mayor. All appointees shall be subject to  
14 background investigation and approval by the Gaming Board. One  
15 of these members shall be designated by the Mayor to serve as  
16 chairperson. All of the members appointed by the Mayor shall be  
17 residents of the City.

18 (b) Board members shall receive \$300 for each day the  
19 Authority meets and shall be entitled to reimbursement of  
20 reasonable expenses incurred in the performance of their  
21 official duties. A Board member who serves in the office of  
22 secretary-treasurer may also receive compensation for services  
23 provided as that officer.

24 Section 1-20. Terms of appointments; resignation and

1 removal.

2 (a) The Mayor shall appoint one member of the Board for an  
3 initial term expiring July 1 of the year following approval by  
4 the Gaming Board, one member for an initial term expiring July  
5 1 three years following approval by the Gaming Board, and one  
6 member for an initial term expiring July 1 five years following  
7 approval by the Gaming Board.

8 (b) All successors shall hold office for a term of 5 years  
9 from the first day of July of the year in which they are  
10 appointed, except in the case of an appointment to fill a  
11 vacancy. Each member, including the chairperson, shall hold  
12 office until the expiration of his or her term and until his or  
13 her successor is appointed and qualified. Nothing shall  
14 preclude a member from serving consecutive terms. Any member  
15 may resign from office, to take effect when a successor has  
16 been appointed and qualified. A vacancy in office shall occur  
17 in the case of a member's death or indictment, conviction, or  
18 plea of guilty to a felony. A vacancy shall be filled for the  
19 unexpired term by the Mayor with the approval of the Gaming  
20 Board.

21 (c) The Mayor or the Gaming Board may remove any member of  
22 the Board upon a finding of incompetence, neglect of duty, or  
23 misfeasance or malfeasance in office or for a violation of this  
24 Act. The Gaming Board may remove any member of the Board for  
25 any violation of the Illinois Gambling Act or the rules and  
26 regulations of the Gaming Board.

1           Section 1-25. Organization of Board; meetings. After  
2 appointment by the Mayor and approval of the Gaming Board, the  
3 Board shall organize for the transaction of business. The Board  
4 shall prescribe the time and place for meetings, the manner in  
5 which special meetings may be called, and the notice that must  
6 be given to members. All actions and meetings of the Board  
7 shall be subject to the provisions of the Open Meetings Act.  
8 Two members of the Board shall constitute a quorum. All  
9 substantive action of the Board shall be by resolution with an  
10 affirmative vote of a majority of the members.

11           Section 1-30. Executive director; officers.

12           (a) The Board shall appoint an executive director, subject  
13 to completion of a background investigation and approval by the  
14 Gaming Board, who shall be the chief executive officer of the  
15 Authority. The Board shall fix the compensation of the  
16 executive director. Subject to the general control of the  
17 Board, the executive director shall be responsible for the  
18 management of the business, properties, and employees of the  
19 Authority. The executive director shall direct the enforcement  
20 of all resolutions, rules, and regulations of the Board, and  
21 shall perform such other duties as may be prescribed from time  
22 to time by the Board. All employees and independent  
23 contractors, consultants, engineers, architects, accountants,  
24 attorneys, financial experts, construction experts and

1 personnel, superintendents, managers, and other personnel  
2 appointed or employed pursuant to this Act shall report to the  
3 executive director. In addition to any other duties set forth  
4 in this Act, the executive director shall do all of the  
5 following:

6 (1) Direct and supervise the administrative affairs  
7 and activities of the Authority in accordance with its  
8 rules, regulations, and policies.

9 (2) Attend meetings of the Board.

10 (3) Keep minutes of all proceedings of the Board.

11 (4) Approve all accounts for salaries, per diem  
12 payments, and allowable expenses of the Board and its  
13 employees and consultants.

14 (5) Report and make recommendations to the Board  
15 concerning the terms and conditions of any casino  
16 management contract.

17 (6) Perform any other duty that the Board requires for  
18 carrying out the provisions of this Act.

19 (7) Devote his or her full time to the duties of the  
20 office and not hold any other office or employment.

21 (b) The Board may select a secretary-treasurer to hold  
22 office at the pleasure of the Board. The Board shall fix the  
23 duties of such officer.

24 Section 1-31. General rights and powers of the Authority.  
25 In addition to the duties and powers set forth in this Act, the

1 Authority shall have the following rights and powers:

2 (1) Adopt and alter an official seal.

3 (2) Establish and change its fiscal year.

4 (3) Sue and be sued, plead and be impleaded, all in its  
5 own name, and agree to binding arbitration of any dispute  
6 to which it is a party.

7 (4) Adopt, amend, and repeal by-laws, rules, and  
8 regulations consistent with the furtherance of the powers  
9 and duties provided for.

10 (5) Maintain its principal office within the City and  
11 such other offices as the Board may designate.

12 (6) Select locations in the City for a temporary and a  
13 permanent casino, subject to final approval by the Gaming  
14 Board.

15 (7) Conduct background investigations of potential  
16 casino operator licensees, including its principals or  
17 shareholders, and Authority staff.

18 (8) Employ, either as regular employees or independent  
19 contractors, consultants, engineers, architects,  
20 accountants, attorneys, financial experts, construction  
21 experts and personnel, superintendents, managers and other  
22 professional personnel, and such other personnel as may be  
23 necessary in the judgment of the Board, and fix their  
24 compensation.

25 (9) Own, acquire, construct, equip, lease, operate,  
26 and maintain grounds, buildings, and facilities to carry

1 out its corporate purposes and duties.

2 (10) Enter into, revoke, and modify contracts in  
3 accordance with the rules of the Gaming Board.

4 (11) Enter into a casino management contract subject to  
5 the final approval of the Gaming Board.

6 (12) Develop, or cause to be developed by a third  
7 party, a master plan for the design, planning, and  
8 development of a casino.

9 (13) Negotiate and enter into intergovernmental  
10 agreements with the State and its agencies, the City, and  
11 other units of local government, in furtherance of the  
12 powers and duties of the Board. However, the Authority may  
13 not enter into an agreement with the State Police.

14 (14) Receive and disburse funds for its own corporate  
15 purposes or as otherwise specified in this Act.

16 (15) Borrow money from any source, public or private,  
17 for any corporate purpose, including, without limitation,  
18 working capital for its operations, reserve funds, or  
19 payment of interest, and to mortgage, pledge, or otherwise  
20 encumber the property or funds of the Authority and to  
21 contract with or engage the services of any person in  
22 connection with any financing, including financial  
23 institutions, issuers of letters of credit, or insurers and  
24 enter into reimbursement agreements with this person or  
25 entity which may be secured as if money were borrowed from  
26 the person or entity.



1           (16) Issue bonds as provided for under this Act.

2           (17) Receive and accept from any source, private or  
3 public, contributions, gifts, or grants of money or  
4 property to the Authority.

5           (18) Provide for the insurance of any property,  
6 operations, officers, members, agents, or employees of the  
7 Authority against any risk or hazard, to self-insure or  
8 participate in joint self-insurance pools or entities to  
9 insure against such risk or hazard, and to provide for the  
10 indemnification of its officers, members, employees,  
11 contractors, or agents against any and all risks.

12           (19) Exercise all the corporate powers granted  
13 Illinois corporations under the Business Corporation Act  
14 of 1983, except to the extent that powers are inconsistent  
15 with those of a body politic and corporate of the State.

16           (20) Do all things necessary or convenient to carry out  
17 the powers granted by this Act.

18           Section 1-32. Ethical Conduct.

19           (a) Board members and employees of the Authority must carry  
20 out their duties and responsibilities in such a manner as to  
21 promote and preserve public trust and confidence in the  
22 integrity and conduct of gaming.

23           (b) Except as may be required in the conduct of official  
24 duties, Board members and employees of the Authority shall not  
25 engage in gambling on any riverboat, in any casino, or in an

1 electronic gaming facility licensed by the Illinois Gaming  
2 Board or engage in legalized gambling in any establishment  
3 identified by Board action that, in the judgment of the Board,  
4 could represent a potential for a conflict of interest.

5 (c) A Board member or employee of the Authority shall not  
6 use or attempt to use his or her official position to secure or  
7 attempt to secure any privilege, advantage, favor, or influence  
8 for himself or herself or others.

9 (d) Board members and employees of the Authority shall not  
10 hold or pursue employment, office, position, business, or  
11 occupation that may conflict with his or her official duties.  
12 Employees may engage in other gainful employment so long as  
13 that employment does not interfere or conflict with their  
14 duties. Such employment must be disclosed to the Executive  
15 Director and approved by the Board.

16 (e) Board members and employees of the Authority may not  
17 engage in employment, communications, or any activity that may  
18 be deemed a conflict of interest. This prohibition shall extend  
19 to any act identified by Board action or Gaming Board action  
20 that, in the judgment of either entity, could represent the  
21 potential for or the appearance of a conflict of interest.

22 (f) Board members and employees of the Authority may not  
23 have a financial interest, directly or indirectly, in his or  
24 her own name or in the name of any other person, partnership,  
25 association, trust, corporation, or other entity in any  
26 contract or subcontract for the performance of any work for the

1 Authority. This prohibition shall extend to the holding or  
2 acquisition of an interest in any entity identified by Board  
3 action or Gaming Board action that, in the judgment of either  
4 entity, could represent the potential for or the appearance of  
5 a financial interest. The holding or acquisition of an interest  
6 in such entities through an indirect means, such as through a  
7 mutual fund, shall not be prohibited, except that the Gaming  
8 Board may identify specific investments or funds that, in its  
9 judgment, are so influenced by gaming holdings as to represent  
10 the potential for or the appearance of a conflict of interest.

11 (g) Board members and employees of the Authority may not  
12 accept any gift, gratuity, service, compensation, travel,  
13 lodging, or thing of value, with the exception of unsolicited  
14 items of an incidental nature, from any person, corporation, or  
15 entity doing business with the Authority.

16 (h) No Board member or employee of the Authority may,  
17 during employment or within a period of 2 years immediately  
18 after termination of employment, knowingly accept employment  
19 or receive compensation or fees for services from a person or  
20 entity, or its parent or affiliate, that has engaged in  
21 business with the Authority that resulted in contracts with an  
22 aggregate value of at least \$25,000 or if that Board member or  
23 employee has made a decision that directly applied to the  
24 person or entity, or its parent or affiliate.

25 (i) A spouse, child, or parent of a Board member or  
26 employee of the Authority may not have a financial interest,

1 directly or indirectly, in his or her own name or in the name  
2 of any other person, partnership, association, trust,  
3 corporation, or other entity in any contract or subcontract for  
4 the performance of any work for the Authority. This prohibition  
5 shall extend to the holding or acquisition of an interest in  
6 any entity identified by Board action or Gaming Board action  
7 that, in the judgment of either entity, could represent the  
8 potential for or the appearance of a conflict of interest. The  
9 holding or acquisition of an interest in such entities through  
10 an indirect means, such as through a mutual fund, shall not be  
11 prohibited, except that the Gaming Board may identify specific  
12 investments or funds that, in its judgment, are so influenced  
13 by gaming holdings as to represent the potential for or the  
14 appearance of a conflict of interest.

15 (j) A spouse, child, or parent of a Board member or  
16 employee of the Authority may not accept any gift, gratuity,  
17 service, compensation, travel, lodging, or thing of value, with  
18 the exception of unsolicited items of an incidental nature,  
19 from any person, corporation, or entity doing business with the  
20 Authority.

21 (k) A spouse, child, or parent of a Board member or  
22 employee of the Authority may not, while the person is a Board  
23 member or employee of the spouse or within a period of 2 years  
24 immediately after termination of employment, knowingly accept  
25 employment or receive compensation or fees for services from a  
26 person or entity, or its parent or affiliate, that has engaged

1 in business with the Authority that resulted in contracts with  
2 an aggregate value of at least \$25,000 or if that Board member  
3 or employee has made a decision that directly applied to the  
4 person or entity, or its parent or affiliate.

5 (l) No Board member or employee of the Authority may  
6 attempt, in any way, to influence any person or corporation  
7 doing business with the Authority or any officer, agent, or  
8 employee thereof to hire or contract with any person or  
9 corporation for any compensated work.

10 (m) Any communication between an elected official of the  
11 City and any applicant for or party to a casino management  
12 contract with the Authority, or an officer, director, or  
13 employee thereof, concerning any manner relating in any way to  
14 gaming or the Authority shall be disclosed to the Board and the  
15 Gaming Board. Such disclosure shall be in writing by the  
16 official within 30 days of the communication and shall be filed  
17 with the Board. Disclosure must consist of the date of the  
18 communication, the identity and job title of the person with  
19 whom the communication was made, a brief summary of the  
20 communication, the action requested or recommended, all  
21 responses made, the identity and job title of the person making  
22 the response, and any other pertinent information.

23 Public disclosure of the written summary provided to the  
24 Board and the Gaming Board shall be subject to the exemptions  
25 provided under Section 7 of the Freedom of Information Act.

26 (n) Any Board member or employee of the Authority who

1 violates any provision of this Section is guilty of a Class 4  
2 felony.

3 Section 1-45. Casino management contracts.

4 (a) The Board shall develop and administer a competitive  
5 sealed bidding process for the selection of a potential casino  
6 operator licensee to develop or operate a casino within the  
7 City. The Board shall issue one or more requests for proposals.  
8 The Board may establish minimum financial and investment  
9 requirements to determine the eligibility of persons to respond  
10 to the Board's requests for proposal, and may establish and  
11 consider such other criteria as it deems appropriate. The Board  
12 may impose a fee upon persons who respond to requests for  
13 proposal, in order to reimburse the Board for its costs in  
14 preparing and issuing the requests and reviewing the proposals.

15 (b) Within 5 days after the time limit for submitting bids  
16 and proposals has passed, the Board shall make all bids and  
17 proposals public, provided, however, the Board shall not be  
18 required to disclose any information which would be exempt from  
19 disclosure under Section 7 of the Freedom of Information Act.  
20 Thereafter, the Board shall evaluate the responses to its  
21 requests for proposal and the ability of all persons or  
22 entities responding to its request for proposal to meet the  
23 requirements of this Act and to undertake and perform the  
24 obligations set forth in its requests for proposal.

25 (c) After reviewing proposals and subject to Gaming Board

1 approval, the Board shall enter into a casino management  
2 contract authorizing the development, construction, or  
3 operation of a casino. Validity of the casino management  
4 contract is contingent upon the issuance of a casino operator  
5 license to the successful bidder. If the Gaming Board approves  
6 the contract and grants a casino operator license, the Board  
7 shall transmit a copy of the executed casino management  
8 contract to the Gaming Board.

9 (d) After the Authority has been issued a casino license,  
10 the Gaming Board has issued a casino operator license, and the  
11 Gaming Board has approved the location of a temporary facility,  
12 the Authority may conduct gaming operations at a temporary  
13 facility for no longer than 24 months after gaming operations  
14 begin. The Gaming Board may, after holding a public hearing,  
15 grant an extension so long as a permanent facility is not  
16 operational and the Authority is working in good faith to  
17 complete the permanent facility. The Gaming Board may grant  
18 additional extensions following a public hearing. Each  
19 extension may be for a period of no longer than 6 months.

20 (e) Fifty percent of the total amount received by the  
21 Authority pursuant to a bid for a casino management contract or  
22 an executed casino management contract must be transmitted to  
23 the State and deposited into the Capital Projects Fund.

24 Section 1-50. Transfer of funds. The revenues received by  
25 the Authority (other than amounts required to be paid pursuant

1 to the Illinois Gambling Act and amounts required to pay the  
2 operating expenses of the Authority, to pay amounts due the  
3 casino operator licensee pursuant to a casino management  
4 contract, to repay any borrowing of the Authority made pursuant  
5 to Section 1-31, to pay debt service on any bonds issued under  
6 Section 1-75, and to pay any expenses in connection with the  
7 issuance of such bonds pursuant to Section 1-75 or derivative  
8 products pursuant to Section 1-85) shall be transferred to the  
9 City by the Authority.

10 Section 1-55. Municipal distributions of proceeds from a  
11 casino; gaming endowment funds. At least 70% of the moneys that  
12 a municipality in which a casino is located receives pursuant  
13 to Section 1-50 of this Act shall be described as "gaming  
14 endowment funds" and be expended or obligated by the  
15 municipality for the following purposes and in the following  
16 amounts:

17 (1) 40% of such gaming endowment funds shall be used  
18 for or pledged for the construction and maintenance of  
19 infrastructure within the municipality, including but not  
20 limited to roads, bridges, transit infrastructure, and  
21 municipal facilities.

22 (2) 60% of such gaming endowment funds shall be used  
23 for or pledged for the construction and maintenance of  
24 schools, parks and cultural institution facilities, and  
25 museums within the municipality.



1 Section 1-60. Auditor General.

2 (a) Prior to the issuance of bonds under this Act, the  
3 Authority shall submit to the Auditor General a certification  
4 that:

5 (1) it is legally authorized to issue bonds;

6 (2) scheduled annual payments of principal and  
7 interest on the bonds to be issued meet the requirements of  
8 Section 1-75 of this Act;

9 (3) no bond shall mature later than 30 years; and

10 (4) after payment of costs of issuance and necessary  
11 deposits to funds and accounts established with respect to  
12 debt service on the bonds, the net bond proceeds (exclusive  
13 of any proceeds to be used to refund outstanding bonds)  
14 will be used only for the purposes set forth in this Act.

15 The Authority also shall submit to the Auditor General its  
16 projections on revenues to be generated and pledged to  
17 repayment of the bonds as scheduled and such other information  
18 as the Auditor General may reasonably request.

19 The Auditor General shall examine the certifications and  
20 information submitted and submit a report to the Authority and  
21 the Gaming Board indicating whether the required  
22 certifications, projections, and other information have been  
23 submitted by the Authority and that the assumptions underlying  
24 the projections are not unreasonable in the aggregate. The  
25 Auditor General shall submit the report no later than 60 days

1 after receiving the information required to be submitted by the  
2 Authority.

3 The Authority shall not issue bonds until it receives the  
4 report from the Auditor General indicating the requirements of  
5 this Section have been met. The Auditor General's report shall  
6 not be in the nature of a post-audit or examination and shall  
7 not lead to the issuance of an opinion, as that term is defined  
8 in generally accepted government auditing standards. The  
9 Auditor General shall submit a bill to the Authority for costs  
10 associated with the examinations and report required under this  
11 Section. The Authority shall reimburse in a timely manner.

12 (b) The Authority shall enter into an intergovernmental  
13 agreement with the Auditor General authorizing the Auditor  
14 General to, every 2 years, (i) review the financial audit of  
15 the Authority performed by the Authority's certified public  
16 accountants, (ii) perform a management audit of the Authority,  
17 and (iii) perform a management audit of the casino operator  
18 licensee. The Auditor General shall provide the Authority and  
19 the General Assembly with the audits and shall post a copy on  
20 his or her website. The Auditor General shall submit a bill to  
21 the Authority for costs associated with the review and the  
22 audit required under this Section, which costs shall not exceed  
23 \$100,000, and the Authority shall reimburse the Auditor General  
24 for such costs in a timely manner.

25 Section 1-62. Advisory committee. An Advisory Committee is

1 established to monitor, review, and report on (1) the  
2 Authority's utilization of minority-owned business enterprises  
3 and female-owned business enterprises, (2) employment of  
4 females, and (3) employment of minorities with regard to the  
5 development and construction of the casino as authorized under  
6 Section 7 of the Illinois Gambling Act. The Authority shall  
7 work with the Advisory Committee in accumulating necessary  
8 information for the Committee to submit reports, as necessary,  
9 to the General Assembly and to the City of Chicago.

10 The Committee shall consist of 15 members as provided in  
11 this Section. Seven members shall be selected by the Mayor of  
12 the City of Chicago; 2 members shall be selected by the  
13 President of the Illinois Senate; 2 members shall be selected  
14 by the Speaker of the House of Representatives; 2 members shall  
15 be selected by the Minority Leader of the Senate; and 2 members  
16 shall be selected by the Minority Leader of the House of  
17 Representatives. The Advisory Committee shall meet  
18 periodically and shall report the information to the Mayor of  
19 the City and to the General Assembly by December 31st of every  
20 year.

21 The Advisory Committee shall be dissolved on the date that  
22 casino gambling operations are first conducted under the  
23 license authorized under Section 7 of the Illinois Gambling  
24 Act, other than at a temporary facility.

25 For the purposes of this Section, the terms "female" and  
26 "minority person" have the meanings provided in Section 2 of

1 the Business Enterprise for Minorities, Females, and Persons  
2 with Disabilities Act.

3 Section 1-65. Acquisition of property; eminent domain  
4 proceedings. For the lawful purposes of this Act, the City may  
5 acquire by eminent domain or by condemnation proceedings in the  
6 manner provided by the Eminent Domain Act, real or personal  
7 property or interests in real or personal property located in  
8 the City, and the City may convey to the Authority property so  
9 acquired. The acquisition of property under this Section is  
10 declared to be for a public use.

11 Section 1-70. Local regulation. The casino facilities and  
12 operations therein shall be subject to all ordinances and  
13 regulations of the City. The construction, development, and  
14 operation of the casino shall comply with all ordinances,  
15 regulations, rules, and controls of the City, including but not  
16 limited to those relating to zoning and planned development,  
17 building, fire prevention, and land use. However, the  
18 regulation of gaming operations is subject to the exclusive  
19 jurisdiction of the Gaming Board.

20 Section 1-75. Borrowing.

21 (a) The Authority may borrow money and issue bonds as  
22 provided in this Section. Bonds of the Authority may be issued  
23 to provide funds for land acquisition, site assembly and

1 preparation, and the design and construction of the casino, as  
2 defined in the Illinois Gambling Act, all ancillary and related  
3 facilities comprising the casino complex, and all on-site and  
4 off-site infrastructure improvements required in connection  
5 with the development of the casino; to refund (at the time or  
6 in advance of any maturity or redemption) or redeem any bonds  
7 of the Authority; to provide or increase a debt service reserve  
8 fund or other reserves with respect to any or all of its bonds;  
9 or to pay the legal, financial, administrative, bond insurance,  
10 credit enhancement, and other legal expenses of the  
11 authorization, issuance, or delivery of bonds. In this Act, the  
12 term "bonds" also includes notes of any kind, interim  
13 certificates, refunding bonds, or any other evidence of  
14 obligation for borrowed money issued under this Section. Bonds  
15 may be issued in one or more series and may be payable and  
16 secured either on a parity with or separately from other bonds.

17 (b) The bonds of the Authority shall be payable from one or  
18 more of the following sources: (i) the property or revenues of  
19 the Authority; (ii) revenues derived from the casino; (iii)  
20 revenues derived from any casino operator licensee; (iv) fees,  
21 bid proceeds, charges, lease payments, payments required  
22 pursuant to any casino management contract or other revenues  
23 payable to the Authority, or any receipts of the Authority; (v)  
24 payments by financial institutions, insurance companies, or  
25 others pursuant to letters or lines of credit, policies of  
26 insurance, or purchase agreements; (vi) investment earnings

1 from funds or accounts maintained pursuant to a bond resolution  
2 or trust indenture; (vii) proceeds of refunding bonds; (viii)  
3 any other revenues derived from or payments by the City; and  
4 (ix) any payments by any casino operator licensee or others  
5 pursuant to any guaranty agreement.

6 (c) Bonds shall be authorized by a resolution of the  
7 Authority and may be secured by a trust indenture by and  
8 between the Authority and a corporate trustee or trustees,  
9 which may be any trust company or bank having the powers of a  
10 trust company within or without the State. Bonds shall meet the  
11 following requirements:

12 (1) Bonds shall bear interest at a rate not to exceed  
13 the maximum rate authorized by the Bond Authorization Act.

14 (2) Bonds issued pursuant to this Section may be  
15 payable on such dates and times as may be provided for by  
16 the resolution or indenture authorizing the issuance of  
17 such bonds; provided, however, that such bonds shall mature  
18 no later than 30 years from the date of issuance.

19 (3) At least 25%, based on total principal amount, of  
20 all bonds issued pursuant to this Section shall be sold  
21 pursuant to notice of sale and public bid. No more than  
22 75%, based on total principal amount, of all bonds issued  
23 pursuant to this Section shall be sold by negotiated sale.

24 (4) Bonds shall be payable at a time or times, in the  
25 denominations and form, including book entry form, either  
26 coupon, registered, or both, and carry the registration and

1 privileges as to exchange, transfer or conversion, and  
2 replacement of mutilated, lost, or destroyed bonds as the  
3 resolution or trust indenture may provide.

4 (5) Bonds shall be payable in lawful money of the  
5 United States at a designated place.

6 (6) Bonds shall be subject to the terms of purchase,  
7 payment, redemption, refunding, or refinancing that the  
8 resolution or trust indenture provides.

9 (7) Bonds shall be executed by the manual or facsimile  
10 signatures of the officers of the Authority designated by  
11 the Board, which signatures shall be valid at delivery even  
12 for one who has ceased to hold office.

13 (8) Bonds shall be sold at public or private sale in  
14 the manner and upon the terms determined by the Authority.

15 (9) Bonds shall be issued in accordance with the  
16 provisions of the Local Government Debt Reform Act.

17 (d) The Authority shall adopt a procurement program with  
18 respect to contracts relating to underwriters, bond counsel,  
19 financial advisors, and accountants. The program shall include  
20 goals for the payment of not less than 30% of the total dollar  
21 value of the fees from these contracts to minority-owned  
22 businesses and female-owned businesses as defined in the  
23 Business Enterprise for Minorities, Females, and Persons with  
24 Disabilities Act. The Authority shall conduct outreach to  
25 minority-owned businesses and female-owned businesses.  
26 Outreach shall include, but is not limited to, advertisements

1 in periodicals and newspapers, mailings, and other appropriate  
2 media. The Authority shall submit to the General Assembly a  
3 comprehensive report that shall include, at a minimum, the  
4 details of the procurement plan, outreach efforts, and the  
5 results of the efforts to achieve goals for the payment of  
6 fees.

7 (e) Subject to the Illinois Gambling Act and rules of the  
8 Gaming Board regarding pledging of interests in holders of  
9 owners licenses, any resolution or trust indenture may contain  
10 provisions that may be a part of the contract with the holders  
11 of the bonds as to the following:

12 (1) Pledging, assigning, or directing the use,  
13 investment, or disposition of revenues of the Authority or  
14 proceeds or benefits of any contract, including without  
15 limitation, any rights in any casino management contract.

16 (2) The setting aside of loan funding deposits, debt  
17 service reserves, replacement or operating reserves, cost  
18 of issuance accounts and sinking funds, and the regulation,  
19 investment, and disposition thereof.

20 (3) Limitations on the purposes to which or the  
21 investments in which the proceeds of sale of any issue of  
22 bonds or the Authority's revenues and receipts may be  
23 applied or made.

24 (4) Limitations on the issue of additional bonds, the  
25 terms upon which additional bonds may be issued and  
26 secured, the terms upon which additional bonds may rank on



1 a parity with, or be subordinate or superior to, other  
2 bonds.

3 (5) The refunding, advance refunding, or refinancing  
4 of outstanding bonds.

5 (6) The procedure, if any, by which the terms of any  
6 contract with bondholders may be altered or amended and the  
7 amount of bonds and holders of which must consent thereto  
8 and the manner in which consent shall be given.

9 (7) Defining the acts or omissions which shall  
10 constitute a default in the duties of the Authority to  
11 holders of bonds and providing the rights or remedies of  
12 such holders in the event of a default, which may include  
13 provisions restricting individual rights of action by  
14 bondholders.

15 (8) Providing for guarantees, pledges of property,  
16 letters of credit, or other security, or insurance for the  
17 benefit of bondholders.

18 (f) No member of the Board, nor any person executing the  
19 bonds, shall be liable personally on the bonds or subject to  
20 any personal liability by reason of the issuance of the bonds.

21 (g) The Authority may issue and secure bonds in accordance  
22 with the provisions of the Local Government Credit Enhancement  
23 Act.

24 (h) A pledge by the Authority of revenues and receipts as  
25 security for an issue of bonds or for the performance of its  
26 obligations under any casino management contract shall be valid

1 and binding from the time when the pledge is made. The revenues  
2 and receipts pledged shall immediately be subject to the lien  
3 of the pledge without any physical delivery or further act, and  
4 the lien of any pledge shall be valid and binding against any  
5 person having any claim of any kind in tort, contract, or  
6 otherwise against the Authority, irrespective of whether the  
7 person has notice. No resolution, trust indenture, management  
8 agreement or financing statement, continuation statement, or  
9 other instrument adopted or entered into by the Authority need  
10 be filed or recorded in any public record other than the  
11 records of the Authority in order to perfect the lien against  
12 third persons, regardless of any contrary provision of law.

13 (i) Bonds that are being paid or retired by issuance, sale,  
14 or delivery of bonds, and bonds for which sufficient funds have  
15 been deposited with the paying agent or trustee to provide for  
16 payment of principal and interest thereon, and any redemption  
17 premium, as provided in the authorizing resolution, shall not  
18 be considered outstanding for the purposes of this subsection.

19 (j) The bonds of the Authority shall not be indebtedness of  
20 the State. The bonds of the Authority are not general  
21 obligations of the State and are not secured by a pledge of the  
22 full faith and credit of the State and the holders of bonds of  
23 the Authority may not require, except as provided in this Act,  
24 the application of State revenues or funds to the payment of  
25 bonds of the Authority.

26 (k) The State of Illinois pledges and agrees with the

1 owners of the bonds that it will not limit or alter the rights  
2 and powers vested in the Authority by this Act so as to impair  
3 the terms of any contract made by the Authority with the owners  
4 or in any way impair the rights and remedies of the owners  
5 until the bonds, together with interest on them, and all costs  
6 and expenses in connection with any action or proceedings by or  
7 on behalf of the owners, are fully met and discharged. The  
8 Authority is authorized to include this pledge and agreement in  
9 any contract with the owners of bonds issued under this  
10 Section.

11 (1) No person holding an elective office in this State,  
12 holding a seat in the General Assembly, or serving as a board  
13 member, trustee, officer, or employee of the Authority,  
14 including the spouse of that person, may receive a legal,  
15 banking, consulting, or other fee related to the issuance of  
16 bonds.

17 Section 1-85. Derivative products. With respect to all or  
18 part of any issue of its bonds, the Authority may enter into  
19 agreements or contracts with any necessary or appropriate  
20 person, which will have the benefit of providing to the  
21 Authority an interest rate basis, cash flow basis, or other  
22 basis different from that provided in the bonds for the payment  
23 of interest. Such agreements or contracts may include, without  
24 limitation, agreements or contracts commonly known as  
25 "interest rate swap agreements", "forward payment conversion

1 agreements", "futures", "options", "puts", or "calls" and  
2 agreements or contracts providing for payments based on levels  
3 of or changes in interest rates, agreements or contracts to  
4 exchange cash flows or a series of payments, or to hedge  
5 payment, rate spread, or similar exposure.

6 Section 1-90. Legality for investment. The State of  
7 Illinois, all governmental entities, all public officers,  
8 banks, bankers, trust companies, savings banks and  
9 institutions, building and loan associations, savings and loan  
10 associations, investment companies, and other persons carrying  
11 on a banking business, insurance companies, insurance  
12 associations, and other persons carrying on an insurance  
13 business, and all executors, administrators, guardians,  
14 trustees, and other fiduciaries may legally invest any sinking  
15 funds, moneys, or other funds belonging to them or within their  
16 control in any bonds issued under this Act. However, nothing in  
17 this Section shall be construed as relieving any person, firm,  
18 or corporation from any duty of exercising reasonable care in  
19 selecting securities for purchase or investment.

20 Section 1-105. Budgets and reporting.

21 (a) The Board shall annually adopt a budget for each fiscal  
22 year. The budget may be modified from time to time in the same  
23 manner and upon the same vote as it may be adopted. The budget  
24 shall include the Authority's available funds and estimated

1 revenues and shall provide for payment of its obligations and  
2 estimated expenditures for the fiscal year, including, without  
3 limitation, expenditures for administration, operation,  
4 maintenance and repairs, debt service, and deposits into  
5 reserve and other funds and capital projects.

6 (b) The Board shall annually cause the finances of the  
7 Authority to be audited by a firm of certified public  
8 accountants selected by the Board in accordance with the rules  
9 of the Gaming Board and post the firm's audits of the Authority  
10 on the Authority's Internet website.

11 (c) The Board shall, for each fiscal year, prepare an  
12 annual report setting forth information concerning its  
13 activities in the fiscal year and the status of the development  
14 of the casino. The annual report shall include the audited  
15 financial statements of the Authority for the fiscal year, the  
16 budget for the succeeding fiscal year, and the current capital  
17 plan as of the date of the report. Copies of the annual report  
18 shall be made available to persons who request them and shall  
19 be submitted not later than 120 days after the end of the  
20 Authority's fiscal year or, if the audit of the Authority's  
21 financial statements is not completed within 120 days after the  
22 end of the Authority's fiscal year, as soon as practical after  
23 completion of the audit, to the Governor, the Mayor, the  
24 General Assembly, and the Commission on Government Forecasting  
25 and Accountability.

1 Section 1-110. Deposit and withdrawal of funds.

2 (a) All funds deposited by the Authority in any bank or  
3 savings and loan association shall be placed in the name of the  
4 Authority and shall be withdrawn or paid out only by check or  
5 draft upon the bank or savings and loan association, signed by  
6 2 officers or employees designated by the Board.  
7 Notwithstanding any other provision of this Section, the Board  
8 may designate any of its members or any officer or employee of  
9 the Authority to authorize the wire transfer of funds deposited  
10 by the secretary-treasurer of funds in a bank or savings and  
11 loan association for the payment of payroll and employee  
12 benefits-related expenses.

13 No bank or savings and loan association shall receive  
14 public funds as permitted by this Section unless it has  
15 complied with the requirements established pursuant to Section  
16 6 of the Public Funds Investment Act.

17 (b) If any officer or employee whose signature appears upon  
18 any check or draft issued pursuant to this Act ceases (after  
19 attaching his signature) to hold his or her office before the  
20 delivery of such a check or draft to the payee, his or her  
21 signature shall nevertheless be valid and sufficient for all  
22 purposes with the same effect as if he or she had remained in  
23 office until delivery thereof.

24 Section 1-112. Contracts with the Authority or casino  
25 operator licensee; disclosure requirements.

1 (a) A bidder, respondent, offeror, or contractor for  
2 contracts with the Authority or casino operator licensee shall  
3 disclose the identity of all officers and directors and every  
4 owner, beneficiary, or person with beneficial interest of more  
5 than 1% or shareholder entitled to receive more than 1% of the  
6 total distributable income of any corporation having any  
7 interest in the contract or in the bidder, respondent, offeror,  
8 or contractor. The disclosure shall be in writing and attested  
9 to by an owner, trustee, corporate official, or agent. If stock  
10 in a corporation is publicly traded and there is no readily  
11 known individual having greater than a 1% interest, then a  
12 statement to that effect attested to by an officer or agent of  
13 the corporation shall fulfill the disclosure statement  
14 requirement of this Section. A bidder, respondent, offeror, or  
15 contractor shall notify the Authority of any changes in  
16 officers, directors, ownership, or individuals having a  
17 beneficial interest of more than 1%.

18 (b) A bidder, respondent, offeror, or contractor for  
19 contracts with an annual value of \$10,000 or more or for a  
20 period to exceed one year shall disclose all political  
21 contributions of the bidder, respondent, offeror, or  
22 contractor and any affiliated person or entity. Disclosure  
23 shall include at least the names and addresses of the  
24 contributors and the dollar amounts of any contributions to any  
25 political committee made within the previous 2 years. The  
26 disclosure must be submitted to the Gaming Board with a copy of

1 the contract.

2 (c) As used in this Section:

3 "Contribution" means contribution as defined in Section  
4 9-1.4 of the Election Code.

5 "Affiliated person" means (i) any person with any ownership  
6 interest or distributive share of the bidding, responding, or  
7 contracting entity in excess of 1%, (ii) executive employees of  
8 the bidding, responding, or contracting entity, and (iii) the  
9 spouse and minor children of any such persons.

10 "Affiliated entity" means (i) any parent or subsidiary of  
11 the bidding or contracting entity, (ii) any member of the same  
12 unitary business group, or (iii) any political committee for  
13 which the bidding, responding, or contracting entity is the  
14 sponsoring entity.

15 (d) The Gaming Board may direct the Authority or a casino  
16 operator licensee to void a contract if a violation of this  
17 Section occurs. The Authority may direct a casino operator  
18 licensee to void a contract if a violation of this Section  
19 occurs.

20 Section 1-115. Purchasing.

21 (a) All construction contracts and contracts for supplies,  
22 materials, equipment, and services, when the cost thereof to  
23 the Authority exceeds \$25,000, shall be let by a competitive  
24 selection process to the lowest responsible proposer, after  
25 advertising for proposals, except for the following:



1           (1) When repair parts, accessories, equipment, or  
2 services are required for equipment or services previously  
3 furnished or contracted for;

4           (2) Professional services;

5           (3) When services such as water, light, heat, power,  
6 telephone (other than long-distance service), or telegraph  
7 are required;

8           (4) When contracts for the use, purchase, delivery,  
9 movement, or installation of data processing equipment,  
10 software, or services and telecommunications equipment,  
11 software, and services are required;

12           (5) Casino management contracts, which shall be  
13 awarded as set forth in Section 1-45 of this Act;

14           (6) Contracts where there is only one economically  
15 feasible source; and

16           (7) When a purchase is needed on an immediate,  
17 emergency basis because there exists a threat to public  
18 health or public safety, or when immediate expenditure is  
19 necessary for repairs to Authority property in order to  
20 protect against further loss of or damage to Authority  
21 property, to prevent or minimize serious disruption in  
22 Authority services or to ensure the integrity of Authority  
23 records.

24           (b) All contracts involving less than \$25,000 shall be let  
25 by competitive selection process whenever possible, and in any  
26 event in a manner calculated to ensure the best interests of

1 the public.

2 (c) In determining the responsibility of any proposer, the  
3 Authority may take into account the proposer's (or an  
4 individual having a beneficial interest, directly or  
5 indirectly, of more than 1% in such proposing entity) past  
6 record of dealings with the Authority, the proposer's  
7 experience, adequacy of equipment, and ability to complete  
8 performance within the time set, and other factors besides  
9 financial responsibility. No such contract shall be awarded to  
10 any proposer other than the lowest proposer (in case of  
11 purchase or expenditure) unless authorized or approved by a  
12 vote of at least 2 members of the Board and such action is  
13 accompanied by a written statement setting forth the reasons  
14 for not awarding the contract to the highest or lowest  
15 proposer, as the case may be. The statement shall be kept on  
16 file in the principal office of the Authority and open to  
17 public inspection.

18 (d) The Authority shall have the right to reject all  
19 proposals and to re-advertise for proposals. If after any such  
20 re-advertisement, no responsible and satisfactory proposals,  
21 within the terms of the re-advertisement, is received, the  
22 Authority may award such contract without competitive  
23 selection, provided that the Gaming Board must approve the  
24 contract prior to its execution. The contract must not be less  
25 advantageous to the Authority than any valid proposal received  
26 pursuant to advertisement.

1           (e) Advertisements for proposals and re-proposals shall be  
2 published at least once in a daily newspaper of general  
3 circulation published in the City at least 10 calendar days  
4 before the time for receiving proposals and in an online  
5 bulletin published on the Authority's website. Such  
6 advertisements shall state the time and place for receiving and  
7 opening of proposals and, by reference to plans and  
8 specifications on file at the time of the first publication or  
9 in the advertisement itself, shall describe the character of  
10 the proposed contract in sufficient detail to fully advise  
11 prospective proposers of their obligations and to ensure free  
12 and open competitive selection.

13           (f) All proposals in response to advertisements shall be  
14 sealed and shall be publicly opened by the Authority. All  
15 proposers shall be entitled to be present in person or by  
16 representatives. Cash or a certified or satisfactory cashier's  
17 check, as a deposit of good faith, in a reasonable amount to be  
18 fixed by the Authority before advertising for proposals, shall  
19 be required with the proposal. A bond for faithful performance  
20 of the contract with surety or sureties satisfactory to the  
21 Authority and adequate insurance may be required in reasonable  
22 amounts to be fixed by the Authority before advertising for  
23 proposals.

24           (g) The contract shall be awarded as promptly as possible  
25 after the opening of proposals. The proposal of the successful  
26 proposer, as well as the bids of the unsuccessful proposers,

1 shall be placed on file and be open to public inspection  
2 subject to the exemptions from disclosure provided under  
3 Section 7 of the Freedom of Information Act. All proposals  
4 shall be void if any disclosure of the terms of any proposals  
5 in response to an advertisement is made or permitted to be made  
6 by the Authority before the time fixed for opening proposals.

7 (h) Notice of each and every contract that is offered,  
8 including renegotiated contracts and change orders, shall be  
9 published in an online bulletin. The online bulletin must  
10 include at least the date first offered, the date submission of  
11 offers is due, the location that offers are to be submitted to,  
12 a brief purchase description, the method of source selection,  
13 information of how to obtain a comprehensive purchase  
14 description and any disclosure and contract forms, and  
15 encouragement to prospective vendors to hire qualified  
16 veterans, as defined by Section 45-67 of the Illinois  
17 Procurement Code, and Illinois residents discharged from any  
18 Illinois adult correctional center subject to Gaming Board  
19 licensing and eligibility rules. Notice of each and every  
20 contract that is let or awarded, including renegotiated  
21 contracts and change orders, shall be published in the online  
22 bulletin and must include at least all of the information  
23 specified in this item (h), as well as the name of the  
24 successful responsible proposer or offeror, the contract  
25 price, and the number of unsuccessful responsive proposers and  
26 any other disclosure specified in this Section. This notice

1 must be posted in the online electronic bulletin prior to  
2 execution of the contract.

3 Section 1-130. Affirmative action and equal opportunity  
4 obligations of Authority.

5 (a) The Authority is subject to the requirements of Article  
6 IV of 2-92 (Sections 2-92-650 through 2-92-720 inclusive) of  
7 the Chicago Municipal Code, as now or hereafter amended,  
8 renumbered, or succeeded, concerning a Minority-Owned and  
9 Women-Owned Business Enterprise Procurement Program for  
10 construction contracts, and 2-92-420 et seq. of the Chicago  
11 Municipal Code, as now or hereafter amended, renumbered, or  
12 succeeded, concerning a Minority-Owned and Women-Owned  
13 Business Enterprise Procurement Program to determine the  
14 status of a firm as a Minority Business Enterprise for city  
15 procurement purposes.

16 (b) The Authority is authorized to enter into agreements  
17 with contractors' associations, labor unions, and the  
18 contractors working on the development of the casino to  
19 establish an apprenticeship preparedness training program to  
20 provide for an increase in the number of minority and female  
21 journeymen and apprentices in the building trades and to enter  
22 into agreements with community college districts or other  
23 public or private institutions to provide readiness training.  
24 The Authority is further authorized to enter into contracts  
25 with public and private educational institutions and persons in

1 the gaming, entertainment, hospitality, and tourism industries  
2 to provide training for employment in those industries.

3 Section 1-140. Home rule. The regulation and licensing of  
4 casinos and casino gaming, casino gaming facilities, and casino  
5 operator licensees under this Act are exclusive powers and  
6 functions of the State. A home rule unit may not regulate or  
7 license casinos, casino gaming, casino gaming facilities, or  
8 casino operator licensees under this Act, except as provided  
9 under this Act. This Section is a denial and limitation of home  
10 rule powers and functions under subsection (h) of Section 6 of  
11 Article VII of the Illinois Constitution.

12 ARTICLE 90.

13 Section 90-1. Findings. The General Assembly makes all of  
14 the following findings:

15 (1) That more than 50 municipalities and 5 counties  
16 have opted out of video gaming legislation that was enacted  
17 by the 96th General Assembly as Public Act 96-34, and  
18 revenues for the State's newly approved capital  
19 construction program are on track to fall short of  
20 projections.

21 (2) That these shortfalls could postpone much-needed  
22 road construction, school construction, and other  
23 infrastructure improvements.

1           (3) That the State likely will wait a year or more,  
2           until video gaming is licensed, organized, and online, to  
3           realize meaningful revenue from the program.

4           (4) That a significant infusion of new revenue is  
5           necessary to ensure that those projects, which are  
6           fundamental to the State's economic recovery, proceed as  
7           planned.

8           (5) That the decline of the Illinois horse racing and  
9           breeding program, a \$2.5 billion industry, would be  
10          reversed if this amendatory Act of the 96th General  
11          Assembly would be enacted.

12          (6) That the Illinois horse racing industry is on the  
13          verge of extinction due to fierce competition from fully  
14          developed horse racing and gaming operations in other  
15          states.

16          (7) That Illinois lawmakers agreed in 1999 to earmark  
17          15% of the forthcoming 10th casino's revenue for horse  
18          racing; the State's horse racing industry has never seen a  
19          penny of that revenue because the 10th casino has yet to  
20          open.

21          (8) That allowing the State's horse racing venues,  
22          currently licensed gaming destinations, to maximize their  
23          capacities with gaming machines, would generate up to \$120  
24          million to \$200 million for the State in the form of extra  
25          licensing fees, plus an additional \$100 million to \$300  
26          million in recurring annual tax revenue for the State to

1 help ensure that school, road, and other building projects  
2 promised under the capital plan occur on schedule.

3 (8) That Illinois agriculture and other businesses  
4 that support and supply the horse racing industry, already  
5 a sector that employs over 37,000 Illinoisans, also stand  
6 to substantially benefit and would be much more likely to  
7 create additional jobs should Illinois horse racing once  
8 again become competitive with other states.

9 (9) That by keeping these projects on track, the State  
10 can be sure that significant job and economic growth will  
11 in fact result from the previously enacted legislation.

12 (10) That gaming machines at Illinois horse racing  
13 tracks would create an estimated 1,200 to 1,500 permanent  
14 jobs, and an estimated capital investment of up to \$200  
15 million to \$400 million at these race tracks would prompt  
16 additional trade organization jobs necessary to construct  
17 new facilities or remodel race tracks to operate electronic  
18 gaming.

19 Section 90-5. The Alcoholism and Other Drug Abuse and  
20 Dependency Act is amended by changing Section 5-20 as follows:

21 (20 ILCS 301/5-20)

22 Sec. 5-20. Compulsive gambling program.

23 (a) Subject to appropriation, the Department shall  
24 establish a program for public education, research, and



1 training regarding problem and compulsive gambling and the  
2 treatment and prevention of problem and compulsive gambling.  
3 Subject to specific appropriation for these stated purposes,  
4 the program must include all of the following:

5 (1) Establishment and maintenance of a toll-free "800"  
6 telephone number to provide crisis counseling and referral  
7 services to families experiencing difficulty as a result of  
8 problem or compulsive gambling.

9 (2) Promotion of public awareness regarding the  
10 recognition and prevention of problem and compulsive  
11 gambling.

12 (3) Facilitation, through in-service training and  
13 other means, of the availability of effective assistance  
14 programs for problem and compulsive gamblers.

15 (4) Conducting studies to identify adults and  
16 juveniles in this State who are, or who are at risk of  
17 becoming, problem or compulsive gamblers.

18 (b) Subject to appropriation, the Department shall either  
19 establish and maintain the program or contract with a private  
20 or public entity for the establishment and maintenance of the  
21 program. Subject to appropriation, either the Department or the  
22 private or public entity shall implement the toll-free  
23 telephone number, promote public awareness, and conduct  
24 in-service training concerning problem and compulsive  
25 gambling.

26 (c) Subject to appropriation, the Department shall produce

1 and supply the signs specified in Section 10.7 of the Illinois  
2 Lottery Law, Section 34.1 of the Illinois Horse Racing Act of  
3 1975, Section 4.3 of the Bingo License and Tax Act, Section 8.1  
4 of the Charitable Games Act, and Section 13.1 of the Illinois  
5 ~~Riverboat~~ Gambling Act.

6 (Source: P.A. 89-374, eff. 1-1-96; 89-626, eff. 8-9-96.)

7 Section 90-7. The Department of Commerce and Economic  
8 Opportunity Law of the Civil Administrative Code of Illinois is  
9 amended by adding Section 605-530 as follows:

10 (20 ILCS 605/605-530 new)

11 Sec. 605-530. The Depressed Communities Economic  
12 Development Board.

13 (a) The Depressed Communities Economic Development Board  
14 is created as an advisory board within the Department of  
15 Commerce and Economic Opportunity. The Board shall consist of  
16 10 members as follows:

17 (1) Two members appointed by the President of the  
18 Senate, one of whom is appointed to serve an initial term  
19 of one year and one of whom is appointed to serve an  
20 initial term of 2 years.

21 (2) Two members appointed by the Minority Leader of the  
22 Senate, one of whom is appointed to serve an initial term  
23 of one year and one of whom is appointed to serve an  
24 initial term of 2 years.

1           (3) Two members appointed by the Speaker of the House  
2           of Representatives, one of whom is appointed to serve an  
3           initial term of one year and one of whom is appointed to  
4           serve an initial term of 2 years.

5           (4) Two members appointed by the Minority Leader of the  
6           House of Representatives, one of whom is appointed to serve  
7           an initial term of one year and one of whom is appointed to  
8           serve an initial term of 2 years.

9           (5) Two members appointed by the Governor with the  
10           advice and consent of the Senate, one of whom is appointed  
11           to serve an initial term of one year and one of whom is  
12           appointed to serve an initial term of 2 years as chair of  
13           the Board at the time of appointment.

14           After the initial terms, each member shall be appointed to  
15           serve a term of 2 years and until his or her successor has been  
16           appointed and assumes office. If a vacancy occurs in the Board  
17           membership, then the vacancy shall be filled in the same manner  
18           as the initial appointment.

19           (b) Board members shall serve without compensation, but may  
20           be reimbursed for their reasonable travel expenses from funds  
21           available for that purpose. The Department of Commerce and  
22           Economic Opportunity shall provide staff and administrative  
23           support services to the Board.

24           (c) The Board must make recommendations to the Department  
25           of Commerce and Economic Opportunity concerning the award of  
26           grants from amounts appropriated to the Department from the

1 Depressed Communities Economic Development Fund, a special  
2 fund created in the State treasury. The Department must make  
3 grants to public or private entities submitting proposals to  
4 the Board to revitalize an Illinois depressed community. Grants  
5 may be used by these entities only for those purposes  
6 conditioned with the grant. For the purposes of this subsection  
7 (c), plans for revitalizing an Illinois depressed community  
8 include plans intended to curb high levels of poverty,  
9 unemployment, job and population loss, and general distress. An  
10 Illinois depressed community is an area where the poverty rate,  
11 as determined by using the most recent data released by the  
12 United States Census Bureau, is at least 3% greater than the  
13 State poverty rate as determined by using the most recent data  
14 released by the United States Census Bureau.

15 Section 90-10. The Department of Revenue Law of the Civil  
16 Administrative Code of Illinois is amended by changing Section  
17 2505-305 as follows:

18 (20 ILCS 2505/2505-305) (was 20 ILCS 2505/39b15.1)

19 Sec. 2505-305. Investigators.

20 (a) The Department has the power to appoint investigators  
21 to conduct all investigations, searches, seizures, arrests,  
22 and other duties imposed under the provisions of any law  
23 administered by the Department. Except as provided in  
24 subsection (c), these investigators have and may exercise all

1 the powers of peace officers solely for the purpose of  
2 enforcing taxing measures administered by the Department.

3 (b) The Director must authorize to each investigator  
4 employed under this Section and to any other employee of the  
5 Department exercising the powers of a peace officer a distinct  
6 badge that, on its face, (i) clearly states that the badge is  
7 authorized by the Department and (ii) contains a unique  
8 identifying number. No other badge shall be authorized by the  
9 Department.

10 (c) The Department may enter into agreements with the  
11 Illinois Gaming Board providing that investigators appointed  
12 under this Section shall exercise the peace officer powers set  
13 forth in paragraph (20.6) of subsection (c) of Section 5 of the  
14 Illinois Riverboat Gambling Act.

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

16 Section 90-12. The Illinois State Auditing Act is amended  
17 by changing Section 3-1 as follows:

18 (30 ILCS 5/3-1) (from Ch. 15, par. 303-1)

19 Sec. 3-1. Jurisdiction of Auditor General. The Auditor  
20 General has jurisdiction over all State agencies to make post  
21 audits and investigations authorized by or under this Act or  
22 the Constitution.

23 The Auditor General has jurisdiction over local government  
24 agencies and private agencies only:

1           (a) to make such post audits authorized by or under  
2 this Act as are necessary and incidental to a post audit of  
3 a State agency or of a program administered by a State  
4 agency involving public funds of the State, but this  
5 jurisdiction does not include any authority to review local  
6 governmental agencies in the obligation, receipt,  
7 expenditure or use of public funds of the State that are  
8 granted without limitation or condition imposed by law,  
9 other than the general limitation that such funds be used  
10 for public purposes;

11           (b) to make investigations authorized by or under this  
12 Act or the Constitution; and

13           (c) to make audits of the records of local government  
14 agencies to verify actual costs of state-mandated programs  
15 when directed to do so by the Legislative Audit Commission  
16 at the request of the State Board of Appeals under the  
17 State Mandates Act.

18           In addition to the foregoing, the Auditor General may  
19 conduct an audit of the Metropolitan Pier and Exposition  
20 Authority, the Regional Transportation Authority, the Suburban  
21 Bus Division, the Commuter Rail Division and the Chicago  
22 Transit Authority and any other subsidized carrier when  
23 authorized by the Legislative Audit Commission. Such audit may  
24 be a financial, management or program audit, or any combination  
25 thereof.

26           The audit shall determine whether they are operating in

1 accordance with all applicable laws and regulations. Subject to  
2 the limitations of this Act, the Legislative Audit Commission  
3 may by resolution specify additional determinations to be  
4 included in the scope of the audit.

5 In addition to the foregoing, the Auditor General must also  
6 conduct a financial audit of the Illinois Sports Facilities  
7 Authority's expenditures of public funds in connection with the  
8 reconstruction, renovation, remodeling, extension, or  
9 improvement of all or substantially all of any existing  
10 "facility", as that term is defined in the Illinois Sports  
11 Facilities Authority Act.

12 The Auditor General may also conduct an audit, when  
13 authorized by the Legislative Audit Commission, of any hospital  
14 which receives 10% or more of its gross revenues from payments  
15 from the State of Illinois, Department of Healthcare and Family  
16 Services (formerly Department of Public Aid), Medical  
17 Assistance Program.

18 The Auditor General is authorized to conduct financial and  
19 compliance audits of the Illinois Distance Learning Foundation  
20 and the Illinois Conservation Foundation.

21 As soon as practical after the effective date of this  
22 amendatory Act of 1995, the Auditor General shall conduct a  
23 compliance and management audit of the City of Chicago and any  
24 other entity with regard to the operation of Chicago O'Hare  
25 International Airport, Chicago Midway Airport and Merrill C.  
26 Meigs Field. The audit shall include, but not be limited to, an

1 examination of revenues, expenses, and transfers of funds;  
2 purchasing and contracting policies and practices; staffing  
3 levels; and hiring practices and procedures. When completed,  
4 the audit required by this paragraph shall be distributed in  
5 accordance with Section 3-14.

6 The Auditor General shall conduct a financial and  
7 compliance and program audit of distributions from the  
8 Municipal Economic Development Fund during the immediately  
9 preceding calendar year pursuant to Section 8-403.1 of the  
10 Public Utilities Act at no cost to the city, village, or  
11 incorporated town that received the distributions.

12 The Auditor General must conduct an audit of the Health  
13 Facilities and Services Review Board pursuant to Section 19.5  
14 of the Illinois Health Facilities Planning Act.

15 The Auditor General must conduct an audit of the Chicago  
16 Casino Development Authority pursuant to Section 1-60 of the  
17 Chicago Casino Development Authority Act.

18 The Auditor General of the State of Illinois shall annually  
19 conduct or cause to be conducted a financial and compliance  
20 audit of the books and records of any county water commission  
21 organized pursuant to the Water Commission Act of 1985 and  
22 shall file a copy of the report of that audit with the Governor  
23 and the Legislative Audit Commission. The filed audit shall be  
24 open to the public for inspection. The cost of the audit shall  
25 be charged to the county water commission in accordance with  
26 Section 6z-27 of the State Finance Act. The county water



1 commission shall make available to the Auditor General its  
2 books and records and any other documentation, whether in the  
3 possession of its trustees or other parties, necessary to  
4 conduct the audit required. These audit requirements apply only  
5 through July 1, 2007.

6 The Auditor General must conduct audits of the Rend Lake  
7 Conservancy District as provided in Section 25.5 of the River  
8 Conservancy Districts Act.

9 The Auditor General must conduct financial audits of the  
10 Southeastern Illinois Economic Development Authority as  
11 provided in Section 70 of the Southeastern Illinois Economic  
12 Development Authority Act.

13 The Auditor General shall conduct a compliance audit in  
14 accordance with subsections (d) and (f) of Section 30 of the  
15 Innovation Development and Economy Act.

16 (Source: P.A. 95-331, eff. 8-21-07; 96-31, eff. 6-30-09;  
17 96-939, eff. 6-24-10.)

18 Section 90-15. The State Finance Act is amended by adding  
19 Sections 5.786, 5.787, 5.788, and 6z-79 and by changing Section  
20 6z-77 as follows:

21 (30 ILCS 105/5.786 new)

22 Sec. 5.786. The State and County Fair Assistance Fund.

23 (30 ILCS 105/5.787 new)

1           Sec. 5.787. The Depressed Communities Economic Development  
2 Fund.

3           (30 ILCS 105/5.788 new)

4           Sec. 5.788. The Gaming Facilities Fee Revenue Fund.

5           (30 ILCS 105/6z-77)

6           Sec. 6z-77. The Capital Projects Fund.

7           (a) The Capital Projects Fund is created as a special fund  
8 in the State Treasury. The State Comptroller and State  
9 Treasurer shall transfer from the Capital Projects Fund to the  
10 General Revenue Fund \$61,294,550 on October 1, 2009,  
11 \$122,589,100 on January 1, 2010, and \$61,294,550 on April 1,  
12 2010. Beginning on July 1, 2010, and on July 1 and January 1 of  
13 each year thereafter, the State Comptroller and State Treasurer  
14 shall transfer the sum of \$122,589,100 from the Capital  
15 Projects Fund to the General Revenue Fund.

16           (b) Subject to appropriation, the Capital Projects Fund may  
17 be used only for capital projects and the payment of debt  
18 service on bonds issued for capital projects. All interest  
19 earned on moneys in the Fund shall be deposited into the Fund.  
20 The Fund shall not be subject to administrative charges or  
21 chargebacks, such as but not limited to those authorized under  
22 Section 8h.

23           (c) Annually, the Governor's Office of Management and  
24 Budget shall determine if revenues deposited into the Fund in

1 the fiscal year are expected to exceed the amount needed in the  
2 fiscal year for capital projects and the payment of debt  
3 service on bonds issued for capital projects. If any such  
4 excess amount exists, then on April 1 or as soon thereafter as  
5 practical, the Governor's Office of Management and Budget shall  
6 certify such amount, accompanied by a description of the  
7 process by which the amount was calculated, to the State  
8 Comptroller and the State Treasurer. Within 15 days after the  
9 receipt of the certification required by this subsection (c),  
10 the State Comptroller and the State Treasurer shall transfer  
11 that amount from the Capital Projects Fund to the Education  
12 Assistance Fund, except that the amount transferred to the  
13 Education Assistance Fund pursuant to this subsection (c) shall  
14 not exceed the estimated amount of revenues that will be  
15 deposited into the Fund pursuant to Sections 12 and 13 of the  
16 Illinois Gambling Act in the fiscal year.

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

18 (30 ILCS 105/6z-79 new)

19 Sec. 6z-79. The Gaming Facilities Fee Revenue Fund.

20 (a) The Gaming Facilities Fee Revenue Fund is created as a  
21 special fund in the State Treasury.

22 (b) Fifty percent of revenues in the Fund shall be  
23 transferred to the Capital Projects Fund for capital projects.  
24 The remaining fifty percent of revenues in the Fund shall be  
25 used, subject to appropriation, by the Comptroller solely for

1 the purpose of payment of vouchers that are outstanding for  
2 more than 60 days. Whenever practical, the Comptroller must  
3 prioritize voucher payments for expenses related to medical  
4 assistance under the Illinois Public Aid Code, the Children's  
5 Health Insurance Program Act, the Covering ALL KIDS Health  
6 Insurance Act, and the Senior Citizens and Disabled Persons  
7 Property Tax Relief and Pharmaceutical Assistance Act.

8 (c) The Fund shall consist of fee revenues received  
9 pursuant to subsections (e-5) and (e-10) of Section 7 and  
10 subsections (b) and (c) of Section 7.6 of the Illinois Gambling  
11 Act. All interest earned on moneys in the Fund shall be  
12 deposited into the Fund.

13 (d) The Fund shall not be subject to administrative charges  
14 or chargebacks, including, but not limited to, those authorized  
15 under subsection (h) of Section 8 of this Act.

16 Section 90-20. The Illinois Income Tax Act is amended by  
17 changing Section 201 as follows:

18 (35 ILCS 5/201) (from Ch. 120, par. 2-201)

19 Sec. 201. Tax Imposed.

20 (a) In general. A tax measured by net income is hereby  
21 imposed on every individual, corporation, trust and estate for  
22 each taxable year ending after July 31, 1969 on the privilege  
23 of earning or receiving income in or as a resident of this  
24 State. Such tax shall be in addition to all other occupation or

1 privilege taxes imposed by this State or by any municipal  
2 corporation or political subdivision thereof.

3 (b) Rates. The tax imposed by subsection (a) of this  
4 Section shall be determined as follows, except as adjusted by  
5 subsection (d-1):

6 (1) In the case of an individual, trust or estate, for  
7 taxable years ending prior to July 1, 1989, an amount equal  
8 to 2 1/2% of the taxpayer's net income for the taxable  
9 year.

10 (2) In the case of an individual, trust or estate, for  
11 taxable years beginning prior to July 1, 1989 and ending  
12 after June 30, 1989, an amount equal to the sum of (i) 2  
13 1/2% of the taxpayer's net income for the period prior to  
14 July 1, 1989, as calculated under Section 202.3, and (ii)  
15 3% of the taxpayer's net income for the period after June  
16 30, 1989, as calculated under Section 202.3.

17 (3) In the case of an individual, trust or estate, for  
18 taxable years beginning after June 30, 1989, an amount  
19 equal to 3% of the taxpayer's net income for the taxable  
20 year.

21 (4) (Blank).

22 (5) (Blank).

23 (6) In the case of a corporation, for taxable years  
24 ending prior to July 1, 1989, an amount equal to 4% of the  
25 taxpayer's net income for the taxable year.

26 (7) In the case of a corporation, for taxable years

1 beginning prior to July 1, 1989 and ending after June 30,  
2 1989, an amount equal to the sum of (i) 4% of the  
3 taxpayer's net income for the period prior to July 1, 1989,  
4 as calculated under Section 202.3, and (ii) 4.8% of the  
5 taxpayer's net income for the period after June 30, 1989,  
6 as calculated under Section 202.3.

7 (8) In the case of a corporation, for taxable years  
8 beginning after June 30, 1989, an amount equal to 4.8% of  
9 the taxpayer's net income for the taxable year.

10 (b-5) Surcharge; sale or exchange of assets, properties,  
11 and intangibles of gaming licensees. For each of taxable years  
12 2010 through 2019, a surcharge is imposed on all taxpayers on  
13 income arising from the sale or exchange of capital assets,  
14 depreciable business property, real property used in the trade  
15 or business, and Section 197 intangibles (i) of an organization  
16 licensee under the Illinois Horse Racing Act of 1975 and (ii)  
17 of an owners licensee or an electronic gaming licensee under  
18 the Illinois Gambling Act. The amount of the surcharge is equal  
19 to the amount of federal income tax liability for the taxable  
20 year attributable to those sales and exchanges. The surcharge  
21 imposed shall not apply if:

22 (1) the owners license, electronic gaming license,  
23 organization license, or race track property is  
24 transferred as a result of any of the following:

25 (A) bankruptcy, a receivership, or a debt  
26 adjustment initiated by or against the initial

1           licensee or the substantial owners of the initial  
2           licensee;

3           (B) cancellation, revocation, or termination of  
4           any such license by the Illinois Gaming Board or the  
5           Illinois Racing Board;

6           (C) a determination by the Illinois Gaming Board  
7           that transfer of the license is in the best interests  
8           of Illinois gaming;

9           (D) the death of an owner of the equity interest in  
10          a licensee;

11          (E) the acquisition of a controlling interest in  
12          the stock or substantially all of the assets of a  
13          publicly traded company;

14          (F) a transfer by a parent company to a wholly  
15          owned subsidiary; or

16          (G) the transfer or sale to or by one person to  
17          another person where both persons were initial owners  
18          of the license when the license was issued; or

19          (2) the controlling interest in the owners license,  
20          electronic gaming license, organization license, or race  
21          track property is transferred in a transaction to lineal  
22          descendants in which no gain or loss is recognized or as a  
23          result of a transaction in accordance with Section 351 of  
24          the Internal Revenue Code in which no gain or loss is  
25          recognized.

26          (3) the owners license, electronic gaming license,

1       organization license, or race track property is  
2       transferred, sold, or exchanged pursuant to an executed  
3       purchase agreement initially submitted to the Illinois  
4       Gaming Board for consideration on or before October 1,  
5       2010, regardless of whether such purchase agreement is  
6       subsequently amended or modified.

7       The transfer of an electronic gaming license, organization  
8       license, or race track property by a person other than the  
9       initial licensee to receive the electronic gaming license is  
10       not subject to a surcharge. The Department shall adopt rules  
11       necessary to implement and administer this subsection.

12       (c) Personal Property Tax Replacement Income Tax.  
13       Beginning on July 1, 1979 and thereafter, in addition to such  
14       income tax, there is also hereby imposed the Personal Property  
15       Tax Replacement Income Tax measured by net income on every  
16       corporation (including Subchapter S corporations), partnership  
17       and trust, for each taxable year ending after June 30, 1979.  
18       Such taxes are imposed on the privilege of earning or receiving  
19       income in or as a resident of this State. The Personal Property  
20       Tax Replacement Income Tax shall be in addition to the income  
21       tax imposed by subsections (a) and (b) of this Section and in  
22       addition to all other occupation or privilege taxes imposed by  
23       this State or by any municipal corporation or political  
24       subdivision thereof.

25       (d) Additional Personal Property Tax Replacement Income  
26       Tax Rates. The personal property tax replacement income tax



1 imposed by this subsection and subsection (c) of this Section  
2 in the case of a corporation, other than a Subchapter S  
3 corporation and except as adjusted by subsection (d-1), shall  
4 be an additional amount equal to 2.85% of such taxpayer's net  
5 income for the taxable year, except that beginning on January  
6 1, 1981, and thereafter, the rate of 2.85% specified in this  
7 subsection shall be reduced to 2.5%, and in the case of a  
8 partnership, trust or a Subchapter S corporation shall be an  
9 additional amount equal to 1.5% of such taxpayer's net income  
10 for the taxable year.

11 (d-1) Rate reduction for certain foreign insurers. In the  
12 case of a foreign insurer, as defined by Section 35A-5 of the  
13 Illinois Insurance Code, whose state or country of domicile  
14 imposes on insurers domiciled in Illinois a retaliatory tax  
15 (excluding any insurer whose premiums from reinsurance assumed  
16 are 50% or more of its total insurance premiums as determined  
17 under paragraph (2) of subsection (b) of Section 304, except  
18 that for purposes of this determination premiums from  
19 reinsurance do not include premiums from inter-affiliate  
20 reinsurance arrangements), beginning with taxable years ending  
21 on or after December 31, 1999, the sum of the rates of tax  
22 imposed by subsections (b) and (d) shall be reduced (but not  
23 increased) to the rate at which the total amount of tax imposed  
24 under this Act, net of all credits allowed under this Act,  
25 shall equal (i) the total amount of tax that would be imposed  
26 on the foreign insurer's net income allocable to Illinois for

1 the taxable year by such foreign insurer's state or country of  
2 domicile if that net income were subject to all income taxes  
3 and taxes measured by net income imposed by such foreign  
4 insurer's state or country of domicile, net of all credits  
5 allowed or (ii) a rate of zero if no such tax is imposed on such  
6 income by the foreign insurer's state of domicile. For the  
7 purposes of this subsection (d-1), an inter-affiliate includes  
8 a mutual insurer under common management.

9 (1) For the purposes of subsection (d-1), in no event  
10 shall the sum of the rates of tax imposed by subsections  
11 (b) and (d) be reduced below the rate at which the sum of:

12 (A) the total amount of tax imposed on such foreign  
13 insurer under this Act for a taxable year, net of all  
14 credits allowed under this Act, plus

15 (B) the privilege tax imposed by Section 409 of the  
16 Illinois Insurance Code, the fire insurance company  
17 tax imposed by Section 12 of the Fire Investigation  
18 Act, and the fire department taxes imposed under  
19 Section 11-10-1 of the Illinois Municipal Code,  
20 equals 1.25% for taxable years ending prior to December 31,  
21 2003, or 1.75% for taxable years ending on or after  
22 December 31, 2003, of the net taxable premiums written for  
23 the taxable year, as described by subsection (1) of Section  
24 409 of the Illinois Insurance Code. This paragraph will in  
25 no event increase the rates imposed under subsections (b)  
26 and (d).

1           (2) Any reduction in the rates of tax imposed by this  
2 subsection shall be applied first against the rates imposed  
3 by subsection (b) and only after the tax imposed by  
4 subsection (a) net of all credits allowed under this  
5 Section other than the credit allowed under subsection (i)  
6 has been reduced to zero, against the rates imposed by  
7 subsection (d).

8           This subsection (d-1) is exempt from the provisions of  
9 Section 250.

10          (e) Investment credit. A taxpayer shall be allowed a credit  
11 against the Personal Property Tax Replacement Income Tax for  
12 investment in qualified property.

13           (1) A taxpayer shall be allowed a credit equal to .5%  
14 of the basis of qualified property placed in service during  
15 the taxable year, provided such property is placed in  
16 service on or after July 1, 1984. There shall be allowed an  
17 additional credit equal to .5% of the basis of qualified  
18 property placed in service during the taxable year,  
19 provided such property is placed in service on or after  
20 July 1, 1986, and the taxpayer's base employment within  
21 Illinois has increased by 1% or more over the preceding  
22 year as determined by the taxpayer's employment records  
23 filed with the Illinois Department of Employment Security.  
24 Taxpayers who are new to Illinois shall be deemed to have  
25 met the 1% growth in base employment for the first year in  
26 which they file employment records with the Illinois

1 Department of Employment Security. The provisions added to  
2 this Section by Public Act 85-1200 (and restored by Public  
3 Act 87-895) shall be construed as declaratory of existing  
4 law and not as a new enactment. If, in any year, the  
5 increase in base employment within Illinois over the  
6 preceding year is less than 1%, the additional credit shall  
7 be limited to that percentage times a fraction, the  
8 numerator of which is .5% and the denominator of which is  
9 1%, but shall not exceed .5%. The investment credit shall  
10 not be allowed to the extent that it would reduce a  
11 taxpayer's liability in any tax year below zero, nor may  
12 any credit for qualified property be allowed for any year  
13 other than the year in which the property was placed in  
14 service in Illinois. For tax years ending on or after  
15 December 31, 1987, and on or before December 31, 1988, the  
16 credit shall be allowed for the tax year in which the  
17 property is placed in service, or, if the amount of the  
18 credit exceeds the tax liability for that year, whether it  
19 exceeds the original liability or the liability as later  
20 amended, such excess may be carried forward and applied to  
21 the tax liability of the 5 taxable years following the  
22 excess credit years if the taxpayer (i) makes investments  
23 which cause the creation of a minimum of 2,000 full-time  
24 equivalent jobs in Illinois, (ii) is located in an  
25 enterprise zone established pursuant to the Illinois  
26 Enterprise Zone Act and (iii) is certified by the

1 Department of Commerce and Community Affairs (now  
2 Department of Commerce and Economic Opportunity) as  
3 complying with the requirements specified in clause (i) and  
4 (ii) by July 1, 1986. The Department of Commerce and  
5 Community Affairs (now Department of Commerce and Economic  
6 Opportunity) shall notify the Department of Revenue of all  
7 such certifications immediately. For tax years ending  
8 after December 31, 1988, the credit shall be allowed for  
9 the tax year in which the property is placed in service,  
10 or, if the amount of the credit exceeds the tax liability  
11 for that year, whether it exceeds the original liability or  
12 the liability as later amended, such excess may be carried  
13 forward and applied to the tax liability of the 5 taxable  
14 years following the excess credit years. The credit shall  
15 be applied to the earliest year for which there is a  
16 liability. If there is credit from more than one tax year  
17 that is available to offset a liability, earlier credit  
18 shall be applied first.

19 (2) The term "qualified property" means property  
20 which:

21 (A) is tangible, whether new or used, including  
22 buildings and structural components of buildings and  
23 signs that are real property, but not including land or  
24 improvements to real property that are not a structural  
25 component of a building such as landscaping, sewer  
26 lines, local access roads, fencing, parking lots, and

1 other appurtenances;

2 (B) is depreciable pursuant to Section 167 of the  
3 Internal Revenue Code, except that "3-year property"  
4 as defined in Section 168(c)(2)(A) of that Code is not  
5 eligible for the credit provided by this subsection  
6 (e);

7 (C) is acquired by purchase as defined in Section  
8 179(d) of the Internal Revenue Code;

9 (D) is used in Illinois by a taxpayer who is  
10 primarily engaged in manufacturing, or in mining coal  
11 or fluorite, or in retailing, or was placed in service  
12 on or after July 1, 2006 in a River Edge Redevelopment  
13 Zone established pursuant to the River Edge  
14 Redevelopment Zone Act; and

15 (E) has not previously been used in Illinois in  
16 such a manner and by such a person as would qualify for  
17 the credit provided by this subsection (e) or  
18 subsection (f).

19 (3) For purposes of this subsection (e),  
20 "manufacturing" means the material staging and production  
21 of tangible personal property by procedures commonly  
22 regarded as manufacturing, processing, fabrication, or  
23 assembling which changes some existing material into new  
24 shapes, new qualities, or new combinations. For purposes of  
25 this subsection (e) the term "mining" shall have the same  
26 meaning as the term "mining" in Section 613(c) of the

1 Internal Revenue Code. For purposes of this subsection (e),  
2 the term "retailing" means the sale of tangible personal  
3 property for use or consumption and not for resale, or  
4 services rendered in conjunction with the sale of tangible  
5 personal property for use or consumption and not for  
6 resale. For purposes of this subsection (e), "tangible  
7 personal property" has the same meaning as when that term  
8 is used in the Retailers' Occupation Tax Act, and, for  
9 taxable years ending after December 31, 2008, does not  
10 include the generation, transmission, or distribution of  
11 electricity.

12 (4) The basis of qualified property shall be the basis  
13 used to compute the depreciation deduction for federal  
14 income tax purposes.

15 (5) If the basis of the property for federal income tax  
16 depreciation purposes is increased after it has been placed  
17 in service in Illinois by the taxpayer, the amount of such  
18 increase shall be deemed property placed in service on the  
19 date of such increase in basis.

20 (6) The term "placed in service" shall have the same  
21 meaning as under Section 46 of the Internal Revenue Code.

22 (7) If during any taxable year, any property ceases to  
23 be qualified property in the hands of the taxpayer within  
24 48 months after being placed in service, or the situs of  
25 any qualified property is moved outside Illinois within 48  
26 months after being placed in service, the Personal Property

1 Tax Replacement Income Tax for such taxable year shall be  
2 increased. Such increase shall be determined by (i)  
3 recomputing the investment credit which would have been  
4 allowed for the year in which credit for such property was  
5 originally allowed by eliminating such property from such  
6 computation and, (ii) subtracting such recomputed credit  
7 from the amount of credit previously allowed. For the  
8 purposes of this paragraph (7), a reduction of the basis of  
9 qualified property resulting from a redetermination of the  
10 purchase price shall be deemed a disposition of qualified  
11 property to the extent of such reduction.

12 (8) Unless the investment credit is extended by law,  
13 the basis of qualified property shall not include costs  
14 incurred after December 31, 2013, except for costs incurred  
15 pursuant to a binding contract entered into on or before  
16 December 31, 2013.

17 (9) Each taxable year ending before December 31, 2000,  
18 a partnership may elect to pass through to its partners the  
19 credits to which the partnership is entitled under this  
20 subsection (e) for the taxable year. A partner may use the  
21 credit allocated to him or her under this paragraph only  
22 against the tax imposed in subsections (c) and (d) of this  
23 Section. If the partnership makes that election, those  
24 credits shall be allocated among the partners in the  
25 partnership in accordance with the rules set forth in  
26 Section 704(b) of the Internal Revenue Code, and the rules



1 promulgated under that Section, and the allocated amount of  
2 the credits shall be allowed to the partners for that  
3 taxable year. The partnership shall make this election on  
4 its Personal Property Tax Replacement Income Tax return for  
5 that taxable year. The election to pass through the credits  
6 shall be irrevocable.

7 For taxable years ending on or after December 31, 2000,  
8 a partner that qualifies its partnership for a subtraction  
9 under subparagraph (I) of paragraph (2) of subsection (d)  
10 of Section 203 or a shareholder that qualifies a Subchapter  
11 S corporation for a subtraction under subparagraph (S) of  
12 paragraph (2) of subsection (b) of Section 203 shall be  
13 allowed a credit under this subsection (e) equal to its  
14 share of the credit earned under this subsection (e) during  
15 the taxable year by the partnership or Subchapter S  
16 corporation, determined in accordance with the  
17 determination of income and distributive share of income  
18 under Sections 702 and 704 and Subchapter S of the Internal  
19 Revenue Code. This paragraph is exempt from the provisions  
20 of Section 250.

21 (f) Investment credit; Enterprise Zone; River Edge  
22 Redevelopment Zone.

23 (1) A taxpayer shall be allowed a credit against the  
24 tax imposed by subsections (a) and (b) of this Section for  
25 investment in qualified property which is placed in service  
26 in an Enterprise Zone created pursuant to the Illinois

1 Enterprise Zone Act or, for property placed in service on  
2 or after July 1, 2006, a River Edge Redevelopment Zone  
3 established pursuant to the River Edge Redevelopment Zone  
4 Act. For partners, shareholders of Subchapter S  
5 corporations, and owners of limited liability companies,  
6 if the liability company is treated as a partnership for  
7 purposes of federal and State income taxation, there shall  
8 be allowed a credit under this subsection (f) to be  
9 determined in accordance with the determination of income  
10 and distributive share of income under Sections 702 and 704  
11 and Subchapter S of the Internal Revenue Code. The credit  
12 shall be .5% of the basis for such property. The credit  
13 shall be available only in the taxable year in which the  
14 property is placed in service in the Enterprise Zone or  
15 River Edge Redevelopment Zone and shall not be allowed to  
16 the extent that it would reduce a taxpayer's liability for  
17 the tax imposed by subsections (a) and (b) of this Section  
18 to below zero. For tax years ending on or after December  
19 31, 1985, the credit shall be allowed for the tax year in  
20 which the property is placed in service, or, if the amount  
21 of the credit exceeds the tax liability for that year,  
22 whether it exceeds the original liability or the liability  
23 as later amended, such excess may be carried forward and  
24 applied to the tax liability of the 5 taxable years  
25 following the excess credit year. The credit shall be  
26 applied to the earliest year for which there is a

1 liability. If there is credit from more than one tax year  
2 that is available to offset a liability, the credit  
3 accruing first in time shall be applied first.

4 (2) The term qualified property means property which:

5 (A) is tangible, whether new or used, including  
6 buildings and structural components of buildings;

7 (B) is depreciable pursuant to Section 167 of the  
8 Internal Revenue Code, except that "3-year property"  
9 as defined in Section 168(c)(2)(A) of that Code is not  
10 eligible for the credit provided by this subsection  
11 (f);

12 (C) is acquired by purchase as defined in Section  
13 179(d) of the Internal Revenue Code;

14 (D) is used in the Enterprise Zone or River Edge  
15 Redevelopment Zone by the taxpayer; and

16 (E) has not been previously used in Illinois in  
17 such a manner and by such a person as would qualify for  
18 the credit provided by this subsection (f) or  
19 subsection (e).

20 (3) The basis of qualified property shall be the basis  
21 used to compute the depreciation deduction for federal  
22 income tax purposes.

23 (4) If the basis of the property for federal income tax  
24 depreciation purposes is increased after it has been placed  
25 in service in the Enterprise Zone or River Edge  
26 Redevelopment Zone by the taxpayer, the amount of such

1 increase shall be deemed property placed in service on the  
2 date of such increase in basis.

3 (5) The term "placed in service" shall have the same  
4 meaning as under Section 46 of the Internal Revenue Code.

5 (6) If during any taxable year, any property ceases to  
6 be qualified property in the hands of the taxpayer within  
7 48 months after being placed in service, or the situs of  
8 any qualified property is moved outside the Enterprise Zone  
9 or River Edge Redevelopment Zone within 48 months after  
10 being placed in service, the tax imposed under subsections  
11 (a) and (b) of this Section for such taxable year shall be  
12 increased. Such increase shall be determined by (i)  
13 recomputing the investment credit which would have been  
14 allowed for the year in which credit for such property was  
15 originally allowed by eliminating such property from such  
16 computation, and (ii) subtracting such recomputed credit  
17 from the amount of credit previously allowed. For the  
18 purposes of this paragraph (6), a reduction of the basis of  
19 qualified property resulting from a redetermination of the  
20 purchase price shall be deemed a disposition of qualified  
21 property to the extent of such reduction.

22 (7) There shall be allowed an additional credit equal  
23 to 0.5% of the basis of qualified property placed in  
24 service during the taxable year in a River Edge  
25 Redevelopment Zone, provided such property is placed in  
26 service on or after July 1, 2006, and the taxpayer's base

1 employment within Illinois has increased by 1% or more over  
2 the preceding year as determined by the taxpayer's  
3 employment records filed with the Illinois Department of  
4 Employment Security. Taxpayers who are new to Illinois  
5 shall be deemed to have met the 1% growth in base  
6 employment for the first year in which they file employment  
7 records with the Illinois Department of Employment  
8 Security. If, in any year, the increase in base employment  
9 within Illinois over the preceding year is less than 1%,  
10 the additional credit shall be limited to that percentage  
11 times a fraction, the numerator of which is 0.5% and the  
12 denominator of which is 1%, but shall not exceed 0.5%.

13 (g) Jobs Tax Credit; Enterprise Zone, River Edge  
14 Redevelopment Zone, and Foreign Trade Zone or Sub-Zone.

15 (1) A taxpayer conducting a trade or business in an  
16 enterprise zone or a High Impact Business designated by the  
17 Department of Commerce and Economic Opportunity or for  
18 taxable years ending on or after December 31, 2006, in a  
19 River Edge Redevelopment Zone conducting a trade or  
20 business in a federally designated Foreign Trade Zone or  
21 Sub-Zone shall be allowed a credit against the tax imposed  
22 by subsections (a) and (b) of this Section in the amount of  
23 \$500 per eligible employee hired to work in the zone during  
24 the taxable year.

25 (2) To qualify for the credit:

26 (A) the taxpayer must hire 5 or more eligible

1 employees to work in an enterprise zone, River Edge  
2 Redevelopment Zone, or federally designated Foreign  
3 Trade Zone or Sub-Zone during the taxable year;

4 (B) the taxpayer's total employment within the  
5 enterprise zone, River Edge Redevelopment Zone, or  
6 federally designated Foreign Trade Zone or Sub-Zone  
7 must increase by 5 or more full-time employees beyond  
8 the total employed in that zone at the end of the  
9 previous tax year for which a jobs tax credit under  
10 this Section was taken, or beyond the total employed by  
11 the taxpayer as of December 31, 1985, whichever is  
12 later; and

13 (C) the eligible employees must be employed 180  
14 consecutive days in order to be deemed hired for  
15 purposes of this subsection.

16 (3) An "eligible employee" means an employee who is:

17 (A) Certified by the Department of Commerce and  
18 Economic Opportunity as "eligible for services"  
19 pursuant to regulations promulgated in accordance with  
20 Title II of the Job Training Partnership Act, Training  
21 Services for the Disadvantaged or Title III of the Job  
22 Training Partnership Act, Employment and Training  
23 Assistance for Dislocated Workers Program.

24 (B) Hired after the enterprise zone, River Edge  
25 Redevelopment Zone, or federally designated Foreign  
26 Trade Zone or Sub-Zone was designated or the trade or

1 business was located in that zone, whichever is later.

2 (C) Employed in the enterprise zone, River Edge  
3 Redevelopment Zone, or Foreign Trade Zone or Sub-Zone.  
4 An employee is employed in an enterprise zone or  
5 federally designated Foreign Trade Zone or Sub-Zone if  
6 his services are rendered there or it is the base of  
7 operations for the services performed.

8 (D) A full-time employee working 30 or more hours  
9 per week.

10 (4) For tax years ending on or after December 31, 1985  
11 and prior to December 31, 1988, the credit shall be allowed  
12 for the tax year in which the eligible employees are hired.  
13 For tax years ending on or after December 31, 1988, the  
14 credit shall be allowed for the tax year immediately  
15 following the tax year in which the eligible employees are  
16 hired. If the amount of the credit exceeds the tax  
17 liability for that year, whether it exceeds the original  
18 liability or the liability as later amended, such excess  
19 may be carried forward and applied to the tax liability of  
20 the 5 taxable years following the excess credit year. The  
21 credit shall be applied to the earliest year for which  
22 there is a liability. If there is credit from more than one  
23 tax year that is available to offset a liability, earlier  
24 credit shall be applied first.

25 (5) The Department of Revenue shall promulgate such  
26 rules and regulations as may be deemed necessary to carry

1 out the purposes of this subsection (g).

2 (6) The credit shall be available for eligible  
3 employees hired on or after January 1, 1986.

4 (h) Investment credit; High Impact Business.

5 (1) Subject to subsections (b) and (b-5) of Section 5.5  
6 of the Illinois Enterprise Zone Act, a taxpayer shall be  
7 allowed a credit against the tax imposed by subsections (a)  
8 and (b) of this Section for investment in qualified  
9 property which is placed in service by a Department of  
10 Commerce and Economic Opportunity designated High Impact  
11 Business. The credit shall be .5% of the basis for such  
12 property. The credit shall not be available (i) until the  
13 minimum investments in qualified property set forth in  
14 subdivision (a)(3)(A) of Section 5.5 of the Illinois  
15 Enterprise Zone Act have been satisfied or (ii) until the  
16 time authorized in subsection (b-5) of the Illinois  
17 Enterprise Zone Act for entities designated as High Impact  
18 Businesses under subdivisions (a)(3)(B), (a)(3)(C), and  
19 (a)(3)(D) of Section 5.5 of the Illinois Enterprise Zone  
20 Act, and shall not be allowed to the extent that it would  
21 reduce a taxpayer's liability for the tax imposed by  
22 subsections (a) and (b) of this Section to below zero. The  
23 credit applicable to such investments shall be taken in the  
24 taxable year in which such investments have been completed.  
25 The credit for additional investments beyond the minimum  
26 investment by a designated high impact business authorized



1 under subdivision (a) (3) (A) of Section 5.5 of the Illinois  
2 Enterprise Zone Act shall be available only in the taxable  
3 year in which the property is placed in service and shall  
4 not be allowed to the extent that it would reduce a  
5 taxpayer's liability for the tax imposed by subsections (a)  
6 and (b) of this Section to below zero. For tax years ending  
7 on or after December 31, 1987, the credit shall be allowed  
8 for the tax year in which the property is placed in  
9 service, or, if the amount of the credit exceeds the tax  
10 liability for that year, whether it exceeds the original  
11 liability or the liability as later amended, such excess  
12 may be carried forward and applied to the tax liability of  
13 the 5 taxable years following the excess credit year. The  
14 credit shall be applied to the earliest year for which  
15 there is a liability. If there is credit from more than one  
16 tax year that is available to offset a liability, the  
17 credit accruing first in time shall be applied first.

18 Changes made in this subdivision (h) (1) by Public Act  
19 88-670 restore changes made by Public Act 85-1182 and  
20 reflect existing law.

21 (2) The term qualified property means property which:

22 (A) is tangible, whether new or used, including  
23 buildings and structural components of buildings;

24 (B) is depreciable pursuant to Section 167 of the  
25 Internal Revenue Code, except that "3-year property"  
26 as defined in Section 168(c) (2) (A) of that Code is not

1 eligible for the credit provided by this subsection  
2 (h);

3 (C) is acquired by purchase as defined in Section  
4 179(d) of the Internal Revenue Code; and

5 (D) is not eligible for the Enterprise Zone  
6 Investment Credit provided by subsection (f) of this  
7 Section.

8 (3) The basis of qualified property shall be the basis  
9 used to compute the depreciation deduction for federal  
10 income tax purposes.

11 (4) If the basis of the property for federal income tax  
12 depreciation purposes is increased after it has been placed  
13 in service in a federally designated Foreign Trade Zone or  
14 Sub-Zone located in Illinois by the taxpayer, the amount of  
15 such increase shall be deemed property placed in service on  
16 the date of such increase in basis.

17 (5) The term "placed in service" shall have the same  
18 meaning as under Section 46 of the Internal Revenue Code.

19 (6) If during any taxable year ending on or before  
20 December 31, 1996, any property ceases to be qualified  
21 property in the hands of the taxpayer within 48 months  
22 after being placed in service, or the situs of any  
23 qualified property is moved outside Illinois within 48  
24 months after being placed in service, the tax imposed under  
25 subsections (a) and (b) of this Section for such taxable  
26 year shall be increased. Such increase shall be determined

1 by (i) recomputing the investment credit which would have  
2 been allowed for the year in which credit for such property  
3 was originally allowed by eliminating such property from  
4 such computation, and (ii) subtracting such recomputed  
5 credit from the amount of credit previously allowed. For  
6 the purposes of this paragraph (6), a reduction of the  
7 basis of qualified property resulting from a  
8 redetermination of the purchase price shall be deemed a  
9 disposition of qualified property to the extent of such  
10 reduction.

11 (7) Beginning with tax years ending after December 31,  
12 1996, if a taxpayer qualifies for the credit under this  
13 subsection (h) and thereby is granted a tax abatement and  
14 the taxpayer relocates its entire facility in violation of  
15 the explicit terms and length of the contract under Section  
16 18-183 of the Property Tax Code, the tax imposed under  
17 subsections (a) and (b) of this Section shall be increased  
18 for the taxable year in which the taxpayer relocated its  
19 facility by an amount equal to the amount of credit  
20 received by the taxpayer under this subsection (h).

21 (i) Credit for Personal Property Tax Replacement Income  
22 Tax. For tax years ending prior to December 31, 2003, a credit  
23 shall be allowed against the tax imposed by subsections (a) and  
24 (b) of this Section for the tax imposed by subsections (c) and  
25 (d) of this Section. This credit shall be computed by  
26 multiplying the tax imposed by subsections (c) and (d) of this

1 Section by a fraction, the numerator of which is base income  
2 allocable to Illinois and the denominator of which is Illinois  
3 base income, and further multiplying the product by the tax  
4 rate imposed by subsections (a) and (b) of this Section.

5 Any credit earned on or after December 31, 1986 under this  
6 subsection which is unused in the year the credit is computed  
7 because it exceeds the tax liability imposed by subsections (a)  
8 and (b) for that year (whether it exceeds the original  
9 liability or the liability as later amended) may be carried  
10 forward and applied to the tax liability imposed by subsections  
11 (a) and (b) of the 5 taxable years following the excess credit  
12 year, provided that no credit may be carried forward to any  
13 year ending on or after December 31, 2003. This credit shall be  
14 applied first to the earliest year for which there is a  
15 liability. If there is a credit under this subsection from more  
16 than one tax year that is available to offset a liability the  
17 earliest credit arising under this subsection shall be applied  
18 first.

19 If, during any taxable year ending on or after December 31,  
20 1986, the tax imposed by subsections (c) and (d) of this  
21 Section for which a taxpayer has claimed a credit under this  
22 subsection (i) is reduced, the amount of credit for such tax  
23 shall also be reduced. Such reduction shall be determined by  
24 recomputing the credit to take into account the reduced tax  
25 imposed by subsections (c) and (d). If any portion of the  
26 reduced amount of credit has been carried to a different

1 taxable year, an amended return shall be filed for such taxable  
2 year to reduce the amount of credit claimed.

3 (j) Training expense credit. Beginning with tax years  
4 ending on or after December 31, 1986 and prior to December 31,  
5 2003, a taxpayer shall be allowed a credit against the tax  
6 imposed by subsections (a) and (b) under this Section for all  
7 amounts paid or accrued, on behalf of all persons employed by  
8 the taxpayer in Illinois or Illinois residents employed outside  
9 of Illinois by a taxpayer, for educational or vocational  
10 training in semi-technical or technical fields or semi-skilled  
11 or skilled fields, which were deducted from gross income in the  
12 computation of taxable income. The credit against the tax  
13 imposed by subsections (a) and (b) shall be 1.6% of such  
14 training expenses. For partners, shareholders of subchapter S  
15 corporations, and owners of limited liability companies, if the  
16 liability company is treated as a partnership for purposes of  
17 federal and State income taxation, there shall be allowed a  
18 credit under this subsection (j) to be determined in accordance  
19 with the determination of income and distributive share of  
20 income under Sections 702 and 704 and subchapter S of the  
21 Internal Revenue Code.

22 Any credit allowed under this subsection which is unused in  
23 the year the credit is earned may be carried forward to each of  
24 the 5 taxable years following the year for which the credit is  
25 first computed until it is used. This credit shall be applied  
26 first to the earliest year for which there is a liability. If

1 there is a credit under this subsection from more than one tax  
2 year that is available to offset a liability the earliest  
3 credit arising under this subsection shall be applied first. No  
4 carryforward credit may be claimed in any tax year ending on or  
5 after December 31, 2003.

6 (k) Research and development credit.

7 For tax years ending after July 1, 1990 and prior to  
8 December 31, 2003, and beginning again for tax years ending on  
9 or after December 31, 2004, and ending prior to January 1,  
10 2011, a taxpayer shall be allowed a credit against the tax  
11 imposed by subsections (a) and (b) of this Section for  
12 increasing research activities in this State. The credit  
13 allowed against the tax imposed by subsections (a) and (b)  
14 shall be equal to 6 1/2% of the qualifying expenditures for  
15 increasing research activities in this State. For partners,  
16 shareholders of subchapter S corporations, and owners of  
17 limited liability companies, if the liability company is  
18 treated as a partnership for purposes of federal and State  
19 income taxation, there shall be allowed a credit under this  
20 subsection to be determined in accordance with the  
21 determination of income and distributive share of income under  
22 Sections 702 and 704 and subchapter S of the Internal Revenue  
23 Code.

24 For purposes of this subsection, "qualifying expenditures"  
25 means the qualifying expenditures as defined for the federal  
26 credit for increasing research activities which would be

1 allowable under Section 41 of the Internal Revenue Code and  
2 which are conducted in this State, "qualifying expenditures for  
3 increasing research activities in this State" means the excess  
4 of qualifying expenditures for the taxable year in which  
5 incurred over qualifying expenditures for the base period,  
6 "qualifying expenditures for the base period" means the average  
7 of the qualifying expenditures for each year in the base  
8 period, and "base period" means the 3 taxable years immediately  
9 preceding the taxable year for which the determination is being  
10 made.

11 Any credit in excess of the tax liability for the taxable  
12 year may be carried forward. A taxpayer may elect to have the  
13 unused credit shown on its final completed return carried over  
14 as a credit against the tax liability for the following 5  
15 taxable years or until it has been fully used, whichever occurs  
16 first; provided that no credit earned in a tax year ending  
17 prior to December 31, 2003 may be carried forward to any year  
18 ending on or after December 31, 2003, and no credit may be  
19 carried forward to any taxable year ending on or after January  
20 1, 2011.

21 If an unused credit is carried forward to a given year from  
22 2 or more earlier years, that credit arising in the earliest  
23 year will be applied first against the tax liability for the  
24 given year. If a tax liability for the given year still  
25 remains, the credit from the next earliest year will then be  
26 applied, and so on, until all credits have been used or no tax

1 liability for the given year remains. Any remaining unused  
2 credit or credits then will be carried forward to the next  
3 following year in which a tax liability is incurred, except  
4 that no credit can be carried forward to a year which is more  
5 than 5 years after the year in which the expense for which the  
6 credit is given was incurred.

7 No inference shall be drawn from this amendatory Act of the  
8 91st General Assembly in construing this Section for taxable  
9 years beginning before January 1, 1999.

10 (1) Environmental Remediation Tax Credit.

11 (i) For tax years ending after December 31, 1997 and on  
12 or before December 31, 2001, a taxpayer shall be allowed a  
13 credit against the tax imposed by subsections (a) and (b)  
14 of this Section for certain amounts paid for unreimbursed  
15 eligible remediation costs, as specified in this  
16 subsection. For purposes of this Section, "unreimbursed  
17 eligible remediation costs" means costs approved by the  
18 Illinois Environmental Protection Agency ("Agency") under  
19 Section 58.14 of the Environmental Protection Act that were  
20 paid in performing environmental remediation at a site for  
21 which a No Further Remediation Letter was issued by the  
22 Agency and recorded under Section 58.10 of the  
23 Environmental Protection Act. The credit must be claimed  
24 for the taxable year in which Agency approval of the  
25 eligible remediation costs is granted. The credit is not  
26 available to any taxpayer if the taxpayer or any related



1 party caused or contributed to, in any material respect, a  
2 release of regulated substances on, in, or under the site  
3 that was identified and addressed by the remedial action  
4 pursuant to the Site Remediation Program of the  
5 Environmental Protection Act. After the Pollution Control  
6 Board rules are adopted pursuant to the Illinois  
7 Administrative Procedure Act for the administration and  
8 enforcement of Section 58.9 of the Environmental  
9 Protection Act, determinations as to credit availability  
10 for purposes of this Section shall be made consistent with  
11 those rules. For purposes of this Section, "taxpayer"  
12 includes a person whose tax attributes the taxpayer has  
13 succeeded to under Section 381 of the Internal Revenue Code  
14 and "related party" includes the persons disallowed a  
15 deduction for losses by paragraphs (b), (c), and (f)(1) of  
16 Section 267 of the Internal Revenue Code by virtue of being  
17 a related taxpayer, as well as any of its partners. The  
18 credit allowed against the tax imposed by subsections (a)  
19 and (b) shall be equal to 25% of the unreimbursed eligible  
20 remediation costs in excess of \$100,000 per site, except  
21 that the \$100,000 threshold shall not apply to any site  
22 contained in an enterprise zone as determined by the  
23 Department of Commerce and Community Affairs (now  
24 Department of Commerce and Economic Opportunity). The  
25 total credit allowed shall not exceed \$40,000 per year with  
26 a maximum total of \$150,000 per site. For partners and

1 shareholders of subchapter S corporations, there shall be  
2 allowed a credit under this subsection to be determined in  
3 accordance with the determination of income and  
4 distributive share of income under Sections 702 and 704 and  
5 subchapter S of the Internal Revenue Code.

6 (ii) A credit allowed under this subsection that is  
7 unused in the year the credit is earned may be carried  
8 forward to each of the 5 taxable years following the year  
9 for which the credit is first earned until it is used. The  
10 term "unused credit" does not include any amounts of  
11 unreimbursed eligible remediation costs in excess of the  
12 maximum credit per site authorized under paragraph (i).  
13 This credit shall be applied first to the earliest year for  
14 which there is a liability. If there is a credit under this  
15 subsection from more than one tax year that is available to  
16 offset a liability, the earliest credit arising under this  
17 subsection shall be applied first. A credit allowed under  
18 this subsection may be sold to a buyer as part of a sale of  
19 all or part of the remediation site for which the credit  
20 was granted. The purchaser of a remediation site and the  
21 tax credit shall succeed to the unused credit and remaining  
22 carry-forward period of the seller. To perfect the  
23 transfer, the assignor shall record the transfer in the  
24 chain of title for the site and provide written notice to  
25 the Director of the Illinois Department of Revenue of the  
26 assignor's intent to sell the remediation site and the

1 amount of the tax credit to be transferred as a portion of  
2 the sale. In no event may a credit be transferred to any  
3 taxpayer if the taxpayer or a related party would not be  
4 eligible under the provisions of subsection (i).

5 (iii) For purposes of this Section, the term "site"  
6 shall have the same meaning as under Section 58.2 of the  
7 Environmental Protection Act.

8 (m) Education expense credit. Beginning with tax years  
9 ending after December 31, 1999, a taxpayer who is the custodian  
10 of one or more qualifying pupils shall be allowed a credit  
11 against the tax imposed by subsections (a) and (b) of this  
12 Section for qualified education expenses incurred on behalf of  
13 the qualifying pupils. The credit shall be equal to 25% of  
14 qualified education expenses, but in no event may the total  
15 credit under this subsection claimed by a family that is the  
16 custodian of qualifying pupils exceed \$500. In no event shall a  
17 credit under this subsection reduce the taxpayer's liability  
18 under this Act to less than zero. This subsection is exempt  
19 from the provisions of Section 250 of this Act.

20 For purposes of this subsection:

21 "Qualifying pupils" means individuals who (i) are  
22 residents of the State of Illinois, (ii) are under the age of  
23 21 at the close of the school year for which a credit is  
24 sought, and (iii) during the school year for which a credit is  
25 sought were full-time pupils enrolled in a kindergarten through  
26 twelfth grade education program at any school, as defined in

1 this subsection.

2 "Qualified education expense" means the amount incurred on  
3 behalf of a qualifying pupil in excess of \$250 for tuition,  
4 book fees, and lab fees at the school in which the pupil is  
5 enrolled during the regular school year.

6 "School" means any public or nonpublic elementary or  
7 secondary school in Illinois that is in compliance with Title  
8 VI of the Civil Rights Act of 1964 and attendance at which  
9 satisfies the requirements of Section 26-1 of the School Code,  
10 except that nothing shall be construed to require a child to  
11 attend any particular public or nonpublic school to qualify for  
12 the credit under this Section.

13 "Custodian" means, with respect to qualifying pupils, an  
14 Illinois resident who is a parent, the parents, a legal  
15 guardian, or the legal guardians of the qualifying pupils.

16 (n) River Edge Redevelopment Zone site remediation tax  
17 credit.

18 (i) For tax years ending on or after December 31, 2006,  
19 a taxpayer shall be allowed a credit against the tax  
20 imposed by subsections (a) and (b) of this Section for  
21 certain amounts paid for unreimbursed eligible remediation  
22 costs, as specified in this subsection. For purposes of  
23 this Section, "unreimbursed eligible remediation costs"  
24 means costs approved by the Illinois Environmental  
25 Protection Agency ("Agency") under Section 58.14a of the  
26 Environmental Protection Act that were paid in performing

1 environmental remediation at a site within a River Edge  
2 Redevelopment Zone for which a No Further Remediation  
3 Letter was issued by the Agency and recorded under Section  
4 58.10 of the Environmental Protection Act. The credit must  
5 be claimed for the taxable year in which Agency approval of  
6 the eligible remediation costs is granted. The credit is  
7 not available to any taxpayer if the taxpayer or any  
8 related party caused or contributed to, in any material  
9 respect, a release of regulated substances on, in, or under  
10 the site that was identified and addressed by the remedial  
11 action pursuant to the Site Remediation Program of the  
12 Environmental Protection Act. Determinations as to credit  
13 availability for purposes of this Section shall be made  
14 consistent with rules adopted by the Pollution Control  
15 Board pursuant to the Illinois Administrative Procedure  
16 Act for the administration and enforcement of Section 58.9  
17 of the Environmental Protection Act. For purposes of this  
18 Section, "taxpayer" includes a person whose tax attributes  
19 the taxpayer has succeeded to under Section 381 of the  
20 Internal Revenue Code and "related party" includes the  
21 persons disallowed a deduction for losses by paragraphs  
22 (b), (c), and (f) (1) of Section 267 of the Internal Revenue  
23 Code by virtue of being a related taxpayer, as well as any  
24 of its partners. The credit allowed against the tax imposed  
25 by subsections (a) and (b) shall be equal to 25% of the  
26 unreimbursed eligible remediation costs in excess of

1           \$100,000 per site.

2           (ii) A credit allowed under this subsection that is  
3 unused in the year the credit is earned may be carried  
4 forward to each of the 5 taxable years following the year  
5 for which the credit is first earned until it is used. This  
6 credit shall be applied first to the earliest year for  
7 which there is a liability. If there is a credit under this  
8 subsection from more than one tax year that is available to  
9 offset a liability, the earliest credit arising under this  
10 subsection shall be applied first. A credit allowed under  
11 this subsection may be sold to a buyer as part of a sale of  
12 all or part of the remediation site for which the credit  
13 was granted. The purchaser of a remediation site and the  
14 tax credit shall succeed to the unused credit and remaining  
15 carry-forward period of the seller. To perfect the  
16 transfer, the assignor shall record the transfer in the  
17 chain of title for the site and provide written notice to  
18 the Director of the Illinois Department of Revenue of the  
19 assignor's intent to sell the remediation site and the  
20 amount of the tax credit to be transferred as a portion of  
21 the sale. In no event may a credit be transferred to any  
22 taxpayer if the taxpayer or a related party would not be  
23 eligible under the provisions of subsection (i).

24           (iii) For purposes of this Section, the term "site"  
25 shall have the same meaning as under Section 58.2 of the  
26 Environmental Protection Act.

1 (iv) This subsection is exempt from the provisions of  
2 Section 250.

3 (Source: P.A. 95-454, eff. 8-27-07; 96-115, eff. 7-31-09;  
4 96-116, eff. 7-31-09; 96-937, eff. 6-23-10; 96-1000, eff.  
5 7-2-10.)

6 Section 90-23. The Property Tax Code is amended by adding  
7 Section 15-144 as follows:

8 (35 ILCS 200/15-144 new)

9 Sec. 15-144. Chicago Casino Development Authority. All  
10 property owned by the Chicago Casino Development Authority is  
11 exempt. Any property owned by the Chicago Casino Development  
12 Authority and leased to an entity that is not exempt shall  
13 remain exempt so long as it is used for a public purpose.

14 Section 90-25. The Joliet Regional Port District Act is  
15 amended by changing Section 5.1 as follows:

16 (70 ILCS 1825/5.1) (from Ch. 19, par. 255.1)

17 Sec. 5.1. Riverboat and casino gambling. Notwithstanding  
18 any other provision of this Act, the District may not regulate  
19 the operation, conduct, or navigation of any riverboat gambling  
20 casino licensed under the Illinois Riverboat Gambling Act, and  
21 the District may not license, tax, or otherwise levy any  
22 assessment of any kind on any riverboat gambling casino

1 licensed under the Illinois ~~Riverboat~~ Gambling Act. The General  
2 Assembly declares that the powers to regulate the operation,  
3 conduct, and navigation of riverboat gambling casinos and to  
4 license, tax, and levy assessments upon riverboat gambling  
5 casinos are exclusive powers of the State of Illinois and the  
6 Illinois Gaming Board as provided in the Illinois ~~Riverboat~~  
7 Gambling Act.

8 (Source: P.A. 87-1175.)

9 Section 90-30. The Consumer Installment Loan Act is amended  
10 by changing Section 12.5 as follows:

11 (205 ILCS 670/12.5)

12 Sec. 12.5. Limited purpose branch.

13 (a) Upon the written approval of the Director, a licensee  
14 may maintain a limited purpose branch for the sole purpose of  
15 making loans as permitted by this Act. A limited purpose branch  
16 may include an automatic loan machine. No other activity shall  
17 be conducted at the site, including but not limited to,  
18 accepting payments, servicing the accounts, or collections.

19 (b) The licensee must submit an application for a limited  
20 purpose branch to the Director on forms prescribed by the  
21 Director with an application fee of \$300. The approval for the  
22 limited purpose branch must be renewed concurrently with the  
23 renewal of the licensee's license along with a renewal fee of  
24 \$300 for the limited purpose branch.



1 (c) The books, accounts, records, and files of the limited  
2 purpose branch's transactions shall be maintained at the  
3 licensee's licensed location. The licensee shall notify the  
4 Director of the licensed location at which the books, accounts,  
5 records, and files shall be maintained.

6 (d) The licensee shall prominently display at the limited  
7 purpose branch the address and telephone number of the  
8 licensee's licensed location.

9 (e) No other business shall be conducted at the site of the  
10 limited purpose branch unless authorized by the Director.

11 (f) The Director shall make and enforce reasonable rules  
12 for the conduct of a limited purpose branch.

13 (g) A limited purpose branch may not be located within  
14 1,000 feet of a facility operated by an inter-track wagering  
15 licensee or an organization licensee subject to the Illinois  
16 Horse Racing Act of 1975, on a riverboat or in a casino subject  
17 to the Illinois Riverboat Gambling Act, or within 1,000 feet of  
18 the location at which the riverboat docks or within 1,000 feet  
19 of a casino.

20 (Source: P.A. 90-437, eff. 1-1-98.)

21 Section 90-35. The Illinois Horse Racing Act of 1975 is  
22 amended by changing Sections 1.2, 3.11, 3.12, 6, 9, 15, 15.1,  
23 18, 19, 20, 24, 26, 27, 28, 28.1, 30, 30.5, 31, 31.1, 32.1, 36,  
24 and 40 and by adding Sections 3.31, 3.32, 3.33, 3.35, 3.36,  
25 34.3, and 56 as follows:

1 (230 ILCS 5/1.2)

2 Sec. 1.2. Legislative intent. This Act is intended to  
3 benefit the people of the State of Illinois by encouraging the  
4 breeding and production of race horses, assisting economic  
5 development and promoting Illinois tourism. The General  
6 Assembly finds and declares it to be the public policy of the  
7 State of Illinois to:

8 (a) support and enhance Illinois' horse racing industry,  
9 which is a significant component within the agribusiness  
10 industry;

11 (b) ensure that Illinois' horse racing industry remains  
12 competitive with neighboring states;

13 (c) stimulate growth within Illinois' horse racing  
14 industry, thereby encouraging new investment and development  
15 to produce additional tax revenues and to create additional  
16 jobs;

17 (d) promote the further growth of tourism;

18 (e) encourage the breeding of thoroughbred and  
19 standardbred horses in this State; and

20 (f) ensure that public confidence and trust in the  
21 credibility and integrity of racing operations and the  
22 regulatory process is maintained.

23 (Source: P.A. 91-40, eff. 6-25-99.)

24 (230 ILCS 5/3.11) (from Ch. 8, par. 37-3.11)

1           Sec. 3.11. "Organization Licensee" means any person  
2 receiving an organization license from the Board to conduct a  
3 race meeting or meetings. With respect only to electronic  
4 gaming, "organization licensee" includes the authorization for  
5 an electronic gaming license under subsection (a) of Section 56  
6 of this Act.

7 (Source: P.A. 79-1185.)

8           (230 ILCS 5/3.12) (from Ch. 8, par. 37-3.12)

9           Sec. 3.12. Pari-mutuel system of wagering. "Pari-mutuel  
10 system of wagering" means a form of wagering on the outcome of  
11 horse races in which wagers are made in various denominations  
12 on a horse or horses and all wagers for each race are pooled  
13 and held by a licensee for distribution in a manner approved by  
14 the Board. "Pari-mutuel system of wagering" shall not include  
15 wagering on historic races. Wagers may be placed via any method  
16 or at any location authorized under this Act.

17 (Source: P.A. 96-762, eff. 8-25-09.)

18           (230 ILCS 5/3.31 new)

19           Sec. 3.31. Adjusted gross receipts. "Adjusted gross  
20 receipts" means the gross receipts less winnings paid to  
21 wagerers.

22           (230 ILCS 5/3.32 new)

23           Sec. 3.32. Gross receipts. "Gross receipts" means the total

1 amount of money exchanged for the purchase of chips, tokens, or  
2 electronic cards by riverboat or casino patrons or electronic  
3 gaming patrons.

4 (230 ILCS 5/3.33 new)

5 Sec. 3.33. Electronic gaming. "Electronic gaming" means  
6 slot machine gambling, video game of chance gambling, or  
7 gambling with electronic gambling games as defined in the  
8 Illinois Gambling Act or defined by the Illinois Gaming Board  
9 that is conducted at a race track pursuant to an electronic  
10 gaming license.

11 (230 ILCS 5/3.35 new)

12 Sec. 3.35. Electronic gaming license. "Electronic gaming  
13 license" means a license issued by the Illinois Gaming Board  
14 under Section 7.6 of the Illinois Gambling Act authorizing  
15 electronic gaming at an electronic gaming facility.

16 (230 ILCS 5/3.36 new)

17 Sec. 3.36. Electronic gaming facility. "Electronic gaming  
18 facility" means that portion of an organization licensee's race  
19 track facility at which electronic gaming is conducted.

20 (230 ILCS 5/6) (from Ch. 8, par. 37-6)

21 Sec. 6. Restrictions on Board members.

22 (a) No person shall be appointed a member of the Board or

1 continue to be a member of the Board if the person or any  
2 member of their immediate family is a member of the Board of  
3 Directors, employee, or financially interested in any of the  
4 following: (i) any licensee or other person who has applied for  
5 racing dates to the Board, or the operations thereof including,  
6 but not limited to, concessions, data processing, track  
7 maintenance, track security, and pari-mutuel operations,  
8 located, scheduled or doing business within the State of  
9 Illinois, (ii) any licensee or other person in any race horse  
10 competing at a meeting under the Board's jurisdiction, or (iii)  
11 any licensee under the Illinois Gambling Act. No person shall  
12 be appointed a member of the Board or continue to be a member  
13 of the Board who is (or any member of whose family is) a member  
14 of the Board of Directors of, or who is a person financially  
15 interested in, any licensee or other person who has applied for  
16 racing dates to the Board, or the operations thereof including,  
17 but not limited to, concessions, data processing, track  
18 maintenance, track security and pari mutuel operations,  
19 located, scheduled or doing business within the State of  
20 Illinois, or in any race horse competing at a meeting under the  
21 Board's jurisdiction. No Board member shall hold any other  
22 public office for which he shall receive compensation other  
23 than necessary travel or other incidental expenses.

24 (b) No person shall be a member of the Board who is not of  
25 good moral character or who has been convicted of, or is under  
26 indictment for, a felony under the laws of Illinois or any

1 other state, or the United States.

2 (c) No member of the Board or employee shall engage in any  
3 political activity. For the purposes of this Section,  
4 "political" means any activity in support of or in connection  
5 with any campaign for State or local elective office or any  
6 political organization, but does not include activities (i)  
7 relating to the support or opposition of any executive,  
8 legislative, or administrative action (as those terms are  
9 defined in Section 2 of the Lobbyist Registration Act), (ii)  
10 relating to collective bargaining, or (iii) that are otherwise  
11 in furtherance of the person's official State duties or  
12 governmental and public service functions.

13 (d) Board members and employees may not engage in  
14 communications or any activity that may cause or have the  
15 appearance of causing a conflict of interest. A conflict of  
16 interest exists if a situation influences or creates the  
17 appearance that it may influence judgment or performance of  
18 regulatory duties and responsibilities. This prohibition shall  
19 extend to any act identified by Board action that, in the  
20 judgment of the Board, could represent the potential for or the  
21 appearance of a conflict of interest.

22 (e) Board members and employees may not accept any gift,  
23 gratuity, service, compensation, travel, lodging, or thing of  
24 value, with the exception of unsolicited items of an incidental  
25 nature, from any person, corporation, or entity doing business  
26 with the Board.

1       (f) A Board member or employee shall not use or attempt to  
2 use his or her official position to secure, or attempt to  
3 secure, any privilege, advantage, favor, or influence for  
4 himself or herself or others. No Board member or employee,  
5 within a period of one year immediately preceding nomination by  
6 the Governor or employment, shall have been employed or  
7 received compensation or fees for services from a person or  
8 entity, or its parent or affiliate, that has engaged in  
9 business with the Board, a licensee or a licensee under the  
10 Illinois Gambling Act. In addition, no Board member or employee  
11 shall for one year after the expiration of his or her term or  
12 separation from the Board be employed or receive compensation  
13 or fees from the before mentioned persons or entities.

14       (Source: P.A. 89-16, eff. 5-30-95.)

15       (230 ILCS 5/9) (from Ch. 8, par. 37-9)

16       Sec. 9. The Board shall have all powers necessary and  
17 proper to fully and effectively execute the provisions of this  
18 Act, including, but not limited to, the following:

19       (a) The Board is vested with jurisdiction and supervision  
20 over all race meetings in this State, over all licensees doing  
21 business in this State, over all occupation licensees, and over  
22 all persons on the facilities of any licensee. Such  
23 jurisdiction shall include the power to issue licenses to the  
24 Illinois Department of Agriculture authorizing the pari-mutuel  
25 system of wagering on harness and Quarter Horse races held (1)

1 at the Illinois State Fair in Sangamon County, and (2) at the  
2 DuQuoin State Fair in Perry County. The jurisdiction of the  
3 Board shall also include the power to issue licenses to county  
4 fairs which are eligible to receive funds pursuant to the  
5 Agricultural Fair Act, as now or hereafter amended, or their  
6 agents, authorizing the pari-mutuel system of wagering on horse  
7 races conducted at the county fairs receiving such licenses.  
8 Such licenses shall be governed by subsection (n) of this  
9 Section.

10 Upon application, the Board shall issue a license to the  
11 Illinois Department of Agriculture to conduct harness and  
12 Quarter Horse races at the Illinois State Fair and at the  
13 DuQuoin State Fairgrounds during the scheduled dates of each  
14 fair. The Board shall not require and the Department of  
15 Agriculture shall be exempt from the requirements of Sections  
16 15.3, 18 and 19, paragraphs (a)(2), (b), (c), (d), (e), (e-5),  
17 (e-10), (f), (g), and (h) of Section 20, and Sections 21, 24  
18 and 25. The Board and the Department of Agriculture may extend  
19 any or all of these exemptions to any contractor or agent  
20 engaged by the Department of Agriculture to conduct its race  
21 meetings when the Board determines that this would best serve  
22 the public interest and the interest of horse racing.

23 Notwithstanding any provision of law to the contrary, it  
24 shall be lawful for any licensee to operate pari-mutuel  
25 wagering or contract with the Department of Agriculture to  
26 operate pari-mutuel wagering at the DuQuoin State Fairgrounds



1 or for the Department to enter into contracts with a licensee,  
2 employ its owners, employees or agents and employ such other  
3 occupation licensees as the Department deems necessary in  
4 connection with race meetings and wagerings.

5 (b) The Board is vested with the full power to promulgate  
6 reasonable rules and regulations for the purpose of  
7 administering the provisions of this Act and to prescribe  
8 reasonable rules, regulations and conditions under which all  
9 horse race meetings or wagering in the State shall be  
10 conducted. Such reasonable rules and regulations are to provide  
11 for the prevention of practices detrimental to the public  
12 interest and to promote the best interests of horse racing and  
13 to impose penalties for violations thereof.

14 (c) The Board, and any person or persons to whom it  
15 delegates this power, is vested with the power to enter the  
16 facilities and other places of business of any licensee to  
17 determine whether there has been compliance with the provisions  
18 of this Act and its rules and regulations.

19 (d) The Board, and any person or persons to whom it  
20 delegates this power, is vested with the authority to  
21 investigate alleged violations of the provisions of this Act,  
22 its reasonable rules and regulations, orders and final  
23 decisions; the Board shall take appropriate disciplinary  
24 action against any licensee or occupation licensee for  
25 violation thereof or institute appropriate legal action for the  
26 enforcement thereof.

1           (e) The Board, and any person or persons to whom it  
2 delegates this power, may eject or exclude from any race  
3 meeting or the facilities of any licensee, or any part thereof,  
4 any occupation licensee or any other individual whose conduct  
5 or reputation is such that his presence on those facilities  
6 may, in the opinion of the Board, call into question the  
7 honesty and integrity of horse racing or wagering or interfere  
8 with the orderly conduct of horse racing or wagering; provided,  
9 however, that no person shall be excluded or ejected from the  
10 facilities of any licensee solely on the grounds of race,  
11 color, creed, national origin, ancestry, or sex. The power to  
12 eject or exclude an occupation licensee or other individual may  
13 be exercised for just cause by the licensee or the Board,  
14 subject to subsequent hearing by the Board as to the propriety  
15 of said exclusion.

16           (f) The Board is vested with the power to acquire,  
17 establish, maintain and operate (or provide by contract to  
18 maintain and operate) testing laboratories and related  
19 facilities, for the purpose of conducting saliva, blood, urine  
20 and other tests on the horses run or to be run in any horse race  
21 meeting, including races run at county fairs, and to purchase  
22 all equipment and supplies deemed necessary or desirable in  
23 connection with any such testing laboratories and related  
24 facilities and all such tests.

25           (g) The Board may require that the records, including  
26 financial or other statements of any licensee or any person

1 affiliated with the licensee who is involved directly or  
2 indirectly in the activities of any licensee as regulated under  
3 this Act to the extent that those financial or other statements  
4 relate to such activities be kept in such manner as prescribed  
5 by the Board, and that Board employees shall have access to  
6 those records during reasonable business hours. Within 120 days  
7 of the end of its fiscal year, each licensee shall transmit to  
8 the Board an audit of the financial transactions and condition  
9 of the licensee's total operations. All audits shall be  
10 conducted by certified public accountants. Each certified  
11 public accountant must be registered in the State of Illinois  
12 under the Illinois Public Accounting Act. The compensation for  
13 each certified public accountant shall be paid directly by the  
14 licensee to the certified public accountant. A licensee shall  
15 also submit any other financial or related information the  
16 Board deems necessary to effectively administer this Act and  
17 all rules, regulations, and final decisions promulgated under  
18 this Act.

19 (h) The Board shall name and appoint in the manner provided  
20 by the rules and regulations of the Board: an Executive  
21 Director; a State director of mutuels; State veterinarians and  
22 representatives to take saliva, blood, urine and other tests on  
23 horses; licensing personnel; revenue inspectors; and State  
24 seasonal employees (excluding admission ticket sellers and  
25 mutuel clerks). All of those named and appointed as provided in  
26 this subsection shall serve during the pleasure of the Board;

1 their compensation shall be determined by the Board and be paid  
2 in the same manner as other employees of the Board under this  
3 Act.

4 (i) The Board shall require that there shall be 3 stewards  
5 at each horse race meeting, at least 2 of whom shall be named  
6 and appointed by the Board. Stewards appointed or approved by  
7 the Board, while performing duties required by this Act or by  
8 the Board, shall be entitled to the same rights and immunities  
9 as granted to Board members and Board employees in Section 10  
10 of this Act.

11 (j) The Board may discharge any Board employee who fails or  
12 refuses for any reason to comply with the rules and regulations  
13 of the Board, or who, in the opinion of the Board, is guilty of  
14 fraud, dishonesty or who is proven to be incompetent. The Board  
15 shall have no right or power to determine who shall be  
16 officers, directors or employees of any licensee, or their  
17 salaries except the Board may, by rule, require that all or any  
18 officials or employees in charge of or whose duties relate to  
19 the actual running of races be approved by the Board.

20 (k) The Board is vested with the power to appoint delegates  
21 to execute any of the powers granted to it under this Section  
22 for the purpose of administering this Act and any rules or  
23 regulations promulgated in accordance with this Act.

24 (l) The Board is vested with the power to impose civil  
25 penalties of up to \$5,000 against an individual and up to  
26 \$10,000 against a licensee for each violation of any provision

1 of this Act, any rules adopted by the Board, any order of the  
2 Board or any other action which, in the Board's discretion, is  
3 a detriment or impediment to horse racing or wagering. All such  
4 civil penalties shall be deposited into the Horse Racing Fund.

5 (m) The Board is vested with the power to prescribe a form  
6 to be used by licensees as an application for employment for  
7 employees of each licensee.

8 (n) The Board shall have the power to issue a license to  
9 any county fair, or its agent, authorizing the conduct of the  
10 pari-mutuel system of wagering. The Board is vested with the  
11 full power to promulgate reasonable rules, regulations and  
12 conditions under which all horse race meetings licensed  
13 pursuant to this subsection shall be held and conducted,  
14 including rules, regulations and conditions for the conduct of  
15 the pari-mutuel system of wagering. The rules, regulations and  
16 conditions shall provide for the prevention of practices  
17 detrimental to the public interest and for the best interests  
18 of horse racing, and shall prescribe penalties for violations  
19 thereof. Any authority granted the Board under this Act shall  
20 extend to its jurisdiction and supervision over county fairs,  
21 or their agents, licensed pursuant to this subsection. However,  
22 the Board may waive any provision of this Act or its rules or  
23 regulations which would otherwise apply to such county fairs or  
24 their agents.

25 (o) Whenever the Board is authorized or required by law to  
26 consider some aspect of criminal history record information for

1 the purpose of carrying out its statutory powers and  
2 responsibilities, then, upon request and payment of fees in  
3 conformance with the requirements of Section 2605-400 of the  
4 Department of State Police Law (20 ILCS 2605/2605-400), the  
5 Department of State Police is authorized to furnish, pursuant  
6 to positive identification, such information contained in  
7 State files as is necessary to fulfill the request.

8 (p) To insure the convenience, comfort, and wagering  
9 accessibility of race track patrons, to provide for the  
10 maximization of State revenue, and to generate increases in  
11 purse allotments to the horsemen, the Board shall require any  
12 licensee to staff the pari-mutuel department with adequate  
13 personnel.

14 (Source: P.A. 91-239, eff. 1-1-00.)

15 (230 ILCS 5/15) (from Ch. 8, par. 37-15)

16 Sec. 15. (a) The Board shall, in its discretion, issue  
17 occupation licenses to horse owners, trainers, harness  
18 drivers, jockeys, agents, apprentices, grooms, stable foremen,  
19 exercise persons, veterinarians, valets, blacksmiths,  
20 concessionaires and others designated by the Board whose work,  
21 in whole or in part, is conducted upon facilities within the  
22 State. Such occupation licenses will be obtained prior to the  
23 persons engaging in their vocation upon such facilities. The  
24 Board shall not license pari-mutuel clerks, parking  
25 attendants, security guards and employees of concessionaires.

1 No occupation license shall be required of any person who works  
2 at facilities within this State as a pari-mutuel clerk, parking  
3 attendant, security guard or as an employee of a  
4 concessionaire. Concessionaires of the Illinois State Fair and  
5 DuQuoin State Fair and employees of the Illinois Department of  
6 Agriculture shall not be required to obtain an occupation  
7 license by the Board.

8 (b) Each application for an occupation license shall be on  
9 forms prescribed by the Board. Such license, when issued, shall  
10 be for the period ending December 31 of each year, except that  
11 the Board in its discretion may grant 3-year licenses. The  
12 application shall be accompanied by a fee of not more than \$25  
13 per year or, in the case of 3-year occupation license  
14 applications, a fee of not more than \$60. Each applicant shall  
15 set forth in the application his full name and address, and if  
16 he had been issued prior occupation licenses or has been  
17 licensed in any other state under any other name, such name,  
18 his age, whether or not a permit or license issued to him in  
19 any other state has been suspended or revoked and if so whether  
20 such suspension or revocation is in effect at the time of the  
21 application, and such other information as the Board may  
22 require. Fees for registration of stable names shall not exceed  
23 \$50.00.

24 (c) The Board may in its discretion refuse an occupation  
25 license to any person:

26 (1) who has been convicted of a crime;

1           (2) who is unqualified to perform the duties required  
2 of such applicant;

3           (3) who fails to disclose or states falsely any  
4 information called for in the application;

5           (4) who has been found guilty of a violation of this  
6 Act or of the rules and regulations of the Board; or

7           (5) whose license or permit has been suspended, revoked  
8 or denied for just cause in any other state.

9           (d) The Board may suspend or revoke any occupation license:

10           (1) for violation of any of the provisions of this Act;  
11 or

12           (2) for violation of any of the rules or regulations of  
13 the Board; or

14           (3) for any cause which, if known to the Board, would  
15 have justified the Board in refusing to issue such  
16 occupation license; or

17           (4) for any other just cause.

18           (e) Each applicant shall submit his or her fingerprints  
19 to the Department of State Police in the form and manner  
20 prescribed by the Department of State Police. These  
21 fingerprints shall be checked against the fingerprint records  
22 now and hereafter filed in the Department of State Police and  
23 Federal Bureau of Investigation criminal history records  
24 databases. The Department of State Police shall charge a fee  
25 for conducting the criminal history records check, which shall  
26 be deposited in the State Police Services Fund and shall not



1 exceed the actual cost of the records check. The Department of  
2 State Police shall furnish, pursuant to positive  
3 identification, records of conviction to the Board. Each  
4 applicant for licensure shall submit with his occupation  
5 license application, on forms provided by the Board, 2 sets of  
6 his fingerprints. All such applicants shall appear in person at  
7 the location designated by the Board for the purpose of  
8 submitting such sets of fingerprints; however, with the prior  
9 approval of a State steward, an applicant may have such sets of  
10 fingerprints taken by an official law enforcement agency and  
11 submitted to the Board.

12 (f) The Board may, in its discretion, issue an occupation  
13 license without submission of fingerprints ~~if an applicant has~~  
14 ~~been duly licensed in another recognized racing jurisdiction~~  
15 ~~after submitting fingerprints that were subjected to a Federal~~  
16 ~~Bureau of Investigation criminal history background check in~~  
17 ~~that jurisdiction.~~

18 (Source: P.A. 93-418, eff. 1-1-04.)

19 (230 ILCS 5/15.1) (from Ch. 8, par. 37-15.1)

20 Sec. 15.1. Upon collection of the fee accompanying the  
21 application for an occupation license, the Board shall be  
22 authorized to make daily temporary deposits of the fees, for a  
23 period not to exceed 7 days, with the horsemen's bookkeeper at  
24 a race meeting. The horsemen's bookkeeper shall issue a check,  
25 payable to the order of the Illinois Racing Board, for monies

1 deposited under this Section within 24 hours of receipt of the  
2 monies. Provided however, upon the issuance of the check by the  
3 horsemen's bookkeeper the check shall be deposited into the  
4 Horse Racing Fund ~~in the State Treasury in accordance with the~~  
5 ~~provisions of the "State Officers and Employees Money~~  
6 ~~Disposition Act", approved June 9, 1911, as amended.~~

7 (Source: P.A. 84-432.)

8 (230 ILCS 5/18) (from Ch. 8, par. 37-18)

9 Sec. 18. (a) Together with its application, each applicant  
10 for racing dates shall deliver to the Board a certified check  
11 or bank draft payable to the order of the Board for \$1,000. In  
12 the event the applicant applies for racing dates in 2 or 3  
13 successive calendar years as provided in subsection (b) of  
14 Section 21, the fee shall be \$2,000. Filing fees shall not be  
15 refunded in the event the application is denied. All filing  
16 fees shall be deposited into the Horse Racing Fund.

17 (b) In addition to the filing fee of \$1000 and the fees  
18 provided in subsection (j) of Section 20, each organization  
19 licensee shall pay a license fee of \$100 for each racing  
20 program on which its daily pari-mutuel handle is \$400,000 or  
21 more but less than \$700,000, and a license fee of \$200 for each  
22 racing program on which its daily pari-mutuel handle is  
23 \$700,000 or more. The additional fees required to be paid under  
24 this Section by this amendatory Act of 1982 shall be remitted  
25 by the organization licensee to the Illinois Racing Board with

1 each day's graduated privilege tax or pari-mutuel tax and  
2 breakage as provided under Section 27.

3 (c) Sections 11-42-1, 11-42-5, and 11-54-1 of the "Illinois  
4 Municipal Code," approved May 29, 1961, as now or hereafter  
5 amended, shall not apply to any license under this Act.

6 (Source: P.A. 91-40, eff. 6-25-99.)

7 (230 ILCS 5/19) (from Ch. 8, par. 37-19)

8 Sec. 19. (a) No organization license may be granted to  
9 conduct a horse race meeting:

10 (1) except as provided in subsection (c) of Section 21  
11 of this Act, to any person at any place within 35 miles of  
12 any other place licensed by the Board to hold a race  
13 meeting on the same date during the same hours, the mileage  
14 measurement used in this subsection (a) shall be certified  
15 to the Board by the Bureau of Systems and Services in the  
16 Illinois Department of Transportation as the most commonly  
17 used public way of vehicular travel;

18 (2) to any person in default in the payment of any  
19 obligation or debt due the State under this Act, provided  
20 no applicant shall be deemed in default in the payment of  
21 any obligation or debt due to the State under this Act as  
22 long as there is pending a hearing of any kind relevant to  
23 such matter;

24 (3) to any person who has been convicted of the  
25 violation of any law of the United States or any State law

1 which provided as all or part of its penalty imprisonment  
2 in any penal institution; to any person against whom there  
3 is pending a Federal or State criminal charge; to any  
4 person who is or has been connected with or engaged in the  
5 operation of any illegal business; to any person who does  
6 not enjoy a general reputation in his community of being an  
7 honest, upright, law-abiding person; provided that none of  
8 the matters set forth in this subparagraph (3) shall make  
9 any person ineligible to be granted an organization license  
10 if the Board determines, based on circumstances of any such  
11 case, that the granting of a license would not be  
12 detrimental to the interests of horse racing and of the  
13 public;

14 (4) to any person who does not at the time of  
15 application for the organization license own or have a  
16 contract or lease for the possession of a finished race  
17 track suitable for the type of racing intended to be held  
18 by the applicant and for the accommodation of the public.

19 (b) (Blank) ~~Horse racing on Sunday shall be prohibited~~  
20 ~~unless authorized by ordinance or referendum of the~~  
21 ~~municipality in which a race track or any of its appurtenances~~  
22 ~~or facilities are located, or utilized.~~

23 (c) If any person is ineligible to receive an organization  
24 license because of any of the matters set forth in subsection  
25 (a) (2) or subsection (a) (3) of this Section, any other or  
26 separate person that either (i) controls, directly or

1 indirectly, such ineligible person or (ii) is controlled,  
2 directly or indirectly, by such ineligible person or by a  
3 person which controls, directly or indirectly, such ineligible  
4 person shall also be ineligible.

5 (Source: P.A. 88-495; 89-16, eff. 5-30-95.)

6 (230 ILCS 5/20) (from Ch. 8, par. 37-20)

7 Sec. 20. (a) Any person desiring to conduct a horse race  
8 meeting may apply to the Board for an organization license. The  
9 application shall be made on a form prescribed and furnished by  
10 the Board. The application shall specify:

11 (1) the dates on which it intends to conduct the horse  
12 race meeting, which dates shall be provided under Section  
13 21;

14 (2) the hours of each racing day between which it  
15 intends to hold or conduct horse racing at such meeting;

16 (3) the location where it proposes to conduct the  
17 meeting; and

18 (4) any other information the Board may reasonably  
19 require.

20 (b) A separate application for an organization license  
21 shall be filed for each horse race meeting which such person  
22 proposes to hold. Any such application, if made by an  
23 individual, or by any individual as trustee, shall be signed  
24 and verified under oath by such individual. If made by  
25 individuals or a partnership, it shall be signed and verified

1 under oath by at least 2 of such individuals or members of such  
2 partnership as the case may be. If made by an association,  
3 corporation, corporate trustee or any other entity, it shall be  
4 signed by the president and attested by the secretary or  
5 assistant secretary under the seal of such association, trust  
6 or corporation if it has a seal, and shall also be verified  
7 under oath by one of the signing officers.

8 (c) The application shall specify the name of the persons,  
9 association, trust, or corporation making such application and  
10 the post office address of the applicant; if the applicant is a  
11 trustee, the names and addresses of the beneficiaries; if a  
12 corporation, the names and post office addresses of all  
13 officers, stockholders and directors; or if such stockholders  
14 hold stock as a nominee or fiduciary, the names and post office  
15 addresses of these persons, partnerships, corporations, or  
16 trusts who are the beneficial owners thereof or who are  
17 beneficially interested therein; and if a partnership, the  
18 names and post office addresses of all partners, general or  
19 limited; if the applicant is a corporation, the name of the  
20 state of its incorporation shall be specified.

21 (d) The applicant shall execute and file with the Board a  
22 good faith affirmative action plan to recruit, train, and  
23 upgrade minorities in all classifications within the  
24 association.

25 (e) With such application there shall be delivered to the  
26 Board a certified check or bank draft payable to the order of

1 the Board for an amount equal to \$1,000. All applications for  
2 the issuance of an organization license shall be filed with the  
3 Board before August 1 of the year prior to the year for which  
4 application is made and shall be acted upon by the Board at a  
5 meeting to be held on such date as shall be fixed by the Board  
6 during the last 15 days of September of such prior year. At  
7 such meeting, the Board shall announce the award of the racing  
8 meets, live racing schedule, and designation of host track to  
9 the applicants and its approval or disapproval of each  
10 application. No announcement shall be considered binding until  
11 a formal order is executed by the Board, which shall be  
12 executed no later than October 15 of that prior year. Absent  
13 the agreement of the affected organization licensees, the Board  
14 shall not grant overlapping race meetings to 2 or more tracks  
15 that are within 100 miles of each other to conduct the  
16 thoroughbred racing.

17 (e-1) In awarding standardbred racing dates for calendar  
18 year 2012 and thereafter, the Board shall award at least 310  
19 racing days, and each organization licensees shall average at  
20 least 12 races for each racing day awarded. The Board shall  
21 have the discretion to allocate those racing days among  
22 organization licensees requesting standardbred race dates.  
23 Once awarded by the Board, organization licensees awarded  
24 standardbred dates shall run at least 3,500 races in total  
25 during that calendar year.

26 (e-2) In awarding racing dates for calendar year 2012 and

1 thereafter, the Board shall award racing dates and the  
2 organization licensees shall run at least 2,500 thoroughbred  
3 races at Cook County race tracks and 700 thoroughbred races at  
4 a race track in Madison County each year. In awarding racing  
5 dates under this subsection (e-2), the Board shall have the  
6 discretion to allocate those racing dates among organization  
7 licensees.

8 (e-3) The Board shall ensure that each organization  
9 licensee shall individually run a sufficient number of races  
10 per year to qualify for an electronic gaming license under  
11 Section 7.6 of the Illinois Gambling Act.

12 (e-4) Notwithstanding the provisions of Section 7.6 of the  
13 Illinois Gambling Act, for each calendar year for which an  
14 electronic gaming licensee requests a number of live racing  
15 days under its organization license that is less than the  
16 number of days of live racing awarded in 2009 for its race  
17 track facility, the electronic gaming licensee may not conduct  
18 electronic gaming for the calendar year of such requested  
19 racing days. The number of days of live racing may be adjusted,  
20 on a year-by-year basis, because of weather or unsafe track  
21 conditions due to acts of God or an agreement between the  
22 organization licensee and the association representing the  
23 largest number of owners, trainers, or standardbred drivers who  
24 race horses at that organization licensee's racing meeting.

25 (e-5) In reviewing an application for the purpose of  
26 granting an organization license consistent with the best



1 interests of the public and the sport of horse racing, the  
2 Board shall consider:

3 (1) the character, reputation, experience, and  
4 financial integrity of the applicant and of any other  
5 separate person that either:

6 (i) controls the applicant, directly or  
7 indirectly, or

8 (ii) is controlled, directly or indirectly, by  
9 that applicant or by a person who controls, directly or  
10 indirectly, that applicant;

11 (2) the applicant's facilities or proposed facilities  
12 for conducting horse racing;

13 (3) the total revenue without regard to Section 32.1 to  
14 be derived by the State and horsemen from the applicant's  
15 conducting a race meeting;

16 (4) the applicant's good faith affirmative action plan  
17 to recruit, train, and upgrade minorities in all employment  
18 classifications;

19 (5) the applicant's financial ability to purchase and  
20 maintain adequate liability and casualty insurance;

21 (6) the applicant's proposed and prior year's  
22 promotional and marketing activities and expenditures of  
23 the applicant associated with those activities;

24 (7) an agreement, if any, among organization licensees  
25 as provided in subsection (b) of Section 21 of this Act;  
26 and

1           (8) the extent to which the applicant exceeds or meets  
2           other standards for the issuance of an organization license  
3           that the Board shall adopt by rule.

4           In granting organization licenses and allocating dates for  
5           horse race meetings, the Board shall have discretion to  
6           determine an overall schedule, including required simulcasts  
7           of Illinois races by host tracks that will, in its judgment, be  
8           conducive to the best interests of the public and the sport of  
9           horse racing.

10          (e-10) The Illinois Administrative Procedure Act shall  
11          apply to administrative procedures of the Board under this Act  
12          for the granting of an organization license, except that (1)  
13          notwithstanding the provisions of subsection (b) of Section  
14          10-40 of the Illinois Administrative Procedure Act regarding  
15          cross-examination, the Board may prescribe rules limiting the  
16          right of an applicant or participant in any proceeding to award  
17          an organization license to conduct cross-examination of  
18          witnesses at that proceeding where that cross-examination  
19          would unduly obstruct the timely award of an organization  
20          license under subsection (e) of Section 20 of this Act; (2) the  
21          provisions of Section 10-45 of the Illinois Administrative  
22          Procedure Act regarding proposals for decision are excluded  
23          under this Act; (3) notwithstanding the provisions of  
24          subsection (a) of Section 10-60 of the Illinois Administrative  
25          Procedure Act regarding ex parte communications, the Board may  
26          prescribe rules allowing ex parte communications with

1 applicants or participants in a proceeding to award an  
2 organization license where conducting those communications  
3 would be in the best interest of racing, provided all those  
4 communications are made part of the record of that proceeding  
5 pursuant to subsection (c) of Section 10-60 of the Illinois  
6 Administrative Procedure Act; (4) the provisions of Section 14a  
7 of this Act and the rules of the Board promulgated under that  
8 Section shall apply instead of the provisions of Article 10 of  
9 the Illinois Administrative Procedure Act regarding  
10 administrative law judges; and (5) the provisions of subsection  
11 (d) of Section 10-65 of the Illinois Administrative Procedure  
12 Act that prevent summary suspension of a license pending  
13 revocation or other action shall not apply.

14 (f) The Board may allot racing dates to an organization  
15 licensee for more than one calendar year but for no more than 3  
16 successive calendar years in advance, provided that the Board  
17 shall review such allotment for more than one calendar year  
18 prior to each year for which such allotment has been made. The  
19 granting of an organization license to a person constitutes a  
20 privilege to conduct a horse race meeting under the provisions  
21 of this Act, and no person granted an organization license  
22 shall be deemed to have a vested interest, property right, or  
23 future expectation to receive an organization license in any  
24 subsequent year as a result of the granting of an organization  
25 license. Organization licenses shall be subject to revocation  
26 if the organization licensee has violated any provision of this

1 Act or the rules and regulations promulgated under this Act or  
2 has been convicted of a crime or has failed to disclose or has  
3 stated falsely any information called for in the application  
4 for an organization license. Any organization license  
5 revocation proceeding shall be in accordance with Section 16  
6 regarding suspension and revocation of occupation licenses.

7 (f-5) If, (i) an applicant does not file an acceptance of  
8 the racing dates awarded by the Board as required under part  
9 (1) of subsection (h) of this Section 20, or (ii) an  
10 organization licensee has its license suspended or revoked  
11 under this Act, the Board, upon conducting an emergency hearing  
12 as provided for in this Act, may reaward on an emergency basis  
13 pursuant to rules established by the Board, racing dates not  
14 accepted or the racing dates associated with any suspension or  
15 revocation period to one or more organization licensees, new  
16 applicants, or any combination thereof, upon terms and  
17 conditions that the Board determines are in the best interest  
18 of racing, provided, the organization licensees or new  
19 applicants receiving the awarded racing dates file an  
20 acceptance of those reawarded racing dates as required under  
21 paragraph (1) of subsection (h) of this Section 20 and comply  
22 with the other provisions of this Act. The Illinois  
23 Administrative Procedure ~~Procedures~~ Act shall not apply to the  
24 administrative procedures of the Board in conducting the  
25 emergency hearing and the reallocation of racing dates on an  
26 emergency basis.

1 (g) (Blank).

2 (h) The Board shall send the applicant a copy of its  
3 formally executed order by certified mail addressed to the  
4 applicant at the address stated in his application, which  
5 notice shall be mailed within 5 days of the date the formal  
6 order is executed.

7 Each applicant notified shall, within 10 days after receipt  
8 of the final executed order of the Board awarding racing dates:

9 (1) file with the Board an acceptance of such award in  
10 the form prescribed by the Board;

11 (2) pay to the Board an additional amount equal to \$110  
12 for each racing date awarded; and

13 (3) file with the Board the bonds required in Sections  
14 21 and 25 at least 20 days prior to the first day of each  
15 race meeting.

16 Upon compliance with the provisions of paragraphs (1), (2), and  
17 (3) of this subsection (h), the applicant shall be issued an  
18 organization license.

19 If any applicant fails to comply with this Section or fails  
20 to pay the organization license fees herein provided, no  
21 organization license shall be issued to such applicant.

22 (Source: P.A. 91-40, eff. 6-25-99; revised 9-16-10.)

23 (230 ILCS 5/24) (from Ch. 8, par. 37-24)

24 Sec. 24. (a) No license shall be issued to or held by an  
25 organization licensee unless all of its officers, directors,

1 and holders of ownership interests of at least 5% are first  
2 approved by the Board. The Board shall not give approval of an  
3 organization license application to any person who has been  
4 convicted of or is under an indictment for a crime of moral  
5 turpitude or has violated any provision of the racing law of  
6 this State or any rules of the Board.

7 (b) An organization licensee must notify the Board within  
8 10 days of any change in the holders of a direct or indirect  
9 interest in the ownership of the organization licensee. The  
10 Board may, after hearing, revoke the organization license of  
11 any person who registers on its books or knowingly permits a  
12 direct or indirect interest in the ownership of that person  
13 without notifying the Board of the name of the holder in  
14 interest within this period.

15 (c) In addition to the provisions of subsection (a) of this  
16 Section, no person shall be granted an organization license if  
17 any public official of the State or member of his or her family  
18 holds any ownership or financial interest, directly or  
19 indirectly, in the person.

20 (d) No person which has been granted an organization  
21 license to hold a race meeting shall give to any public  
22 official or member of his family, directly or indirectly, for  
23 or without consideration, any interest in the person. The Board  
24 shall, after hearing, revoke the organization license granted  
25 to a person which has violated this subsection.

26 (e) (Blank).

1 (f) No organization licensee or concessionaire or officer,  
2 director or holder or controller of 5% or more legal or  
3 beneficial interest in any organization licensee or concession  
4 shall make any sort of gift or contribution that is prohibited  
5 under Article 10 of the State Officials and Employees Ethics  
6 Act ~~of any kind~~ or pay or give any money or other thing of value  
7 to any person who is a public official, or a candidate or  
8 nominee for public office if that payment or gift is prohibited  
9 under Article 10 of the State Officials and Employees Ethics  
10 Act.

11 (Source: P.A. 89-16, eff. 5-30-95.)

12 (230 ILCS 5/26) (from Ch. 8, par. 37-26)

13 Sec. 26. Wagering.

14 (a) Any licensee may conduct and supervise the pari-mutuel  
15 system of wagering, as defined in Section 3.12 of this Act, on  
16 horse races conducted by an Illinois organization licensee or  
17 conducted at a racetrack located in another state or country  
18 ~~and televised in Illinois~~ in accordance with subsection (g) of  
19 Section 26 of this Act. Subject to the prior consent of the  
20 Board, licensees may supplement any pari-mutuel pool in order  
21 to guarantee a minimum distribution. Such pari-mutuel method of  
22 wagering shall not, under any circumstances if conducted under  
23 the provisions of this Act, be held or construed to be  
24 unlawful, other statutes of this State to the contrary  
25 notwithstanding. Subject to rules for advance wagering

1 promulgated by the Board, any licensee may accept wagers in  
2 advance of the day of the race wagered upon occurs.

3 (b) Except for those gaming activities for which a license  
4 is obtained and authorized under the Illinois Lottery Act, the  
5 Charitable Games Act, the Raffles Act, or the Illinois Gambling  
6 Act, no ~~No~~ other method of betting, pool making, wagering or  
7 gambling shall be used or permitted by the licensee. Each  
8 licensee may retain, subject to the payment of all applicable  
9 taxes and purses, an amount not to exceed 17% of all money  
10 wagered under subsection (a) of this Section, except as may  
11 otherwise be permitted under this Act.

12 (b-5) An individual may place a wager under the pari-mutuel  
13 system from any licensed location authorized under this Act  
14 provided that wager is electronically recorded in the manner  
15 described in Section 3.12 of this Act. Any wager made  
16 electronically by an individual while physically on the  
17 premises of a licensee shall be deemed to have been made at the  
18 premises of that licensee.

19 (c) Until January 1, 2000, the sum held by any licensee for  
20 payment of outstanding pari-mutuel tickets, if unclaimed prior  
21 to December 31 of the next year, shall be retained by the  
22 licensee for payment of such tickets until that date. Within 10  
23 days thereafter, the balance of such sum remaining unclaimed,  
24 less any uncashed supplements contributed by such licensee for  
25 the purpose of guaranteeing minimum distributions of any  
26 pari-mutuel pool, shall be paid to the Illinois Veterans'



1 Rehabilitation Fund of the State treasury, except as provided  
2 in subsection (g) of Section 27 of this Act.

3 (c-5) Beginning January 1, 2000, the sum held by any  
4 licensee for payment of outstanding pari-mutuel tickets, if  
5 unclaimed prior to December 31 of the next year, shall be  
6 retained by the licensee for payment of such tickets until that  
7 date. Within 10 days thereafter, the balance of such sum  
8 remaining unclaimed, less any uncashed supplements contributed  
9 by such licensee for the purpose of guaranteeing minimum  
10 distributions of any pari-mutuel pool, shall be evenly  
11 distributed to the purse account of the organization licensee  
12 and the organization licensee.

13 (d) A pari-mutuel ticket shall be honored until December 31  
14 of the next calendar year, and the licensee shall pay the same  
15 and may charge the amount thereof against unpaid money  
16 similarly accumulated on account of pari-mutuel tickets not  
17 presented for payment.

18 (e) No licensee shall knowingly permit any minor, other  
19 than an employee of such licensee or an owner, trainer, jockey,  
20 driver, or employee thereof, to be admitted during a racing  
21 program unless accompanied by a parent or guardian, or any  
22 minor to be a patron of the pari-mutuel system of wagering  
23 conducted or supervised by it. The admission of any  
24 unaccompanied minor, other than an employee of the licensee or  
25 an owner, trainer, jockey, driver, or employee thereof at a  
26 race track is a Class C misdemeanor.

1 (f) Notwithstanding the other provisions of this Act, an  
2 organization licensee may contract with an entity in another  
3 state or country to permit any legal wagering entity in another  
4 state or country to accept wagers solely within such other  
5 state or country on races conducted by the organization  
6 licensee in this State. Beginning January 1, 2000, these wagers  
7 shall not be subject to State taxation. Until January 1, 2000,  
8 when the out-of-State entity conducts a pari-mutuel pool  
9 separate from the organization licensee, a privilege tax equal  
10 to 7 1/2% of all monies received by the organization licensee  
11 from entities in other states or countries pursuant to such  
12 contracts is imposed on the organization licensee, and such  
13 privilege tax shall be remitted to the Department of Revenue  
14 within 48 hours of receipt of the moneys from the simulcast.  
15 When the out-of-State entity conducts a combined pari-mutuel  
16 pool with the organization licensee, the tax shall be 10% of  
17 all monies received by the organization licensee with 25% of  
18 the receipts from this 10% tax to be distributed to the county  
19 in which the race was conducted.

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

1 established by other states.

2 (g) A host track may accept interstate simulcast wagers on  
3 horse races conducted in other states or countries and shall  
4 control the number of signals and types of breeds of racing in  
5 its simulcast program, subject to the disapproval of the Board.  
6 The Board may prohibit a simulcast program only if it finds  
7 that the simulcast program is clearly adverse to the integrity  
8 of racing. The host track simulcast program shall include the  
9 signal of live racing of all organization licensees. All  
10 non-host licensees and advance deposit wagering licensees  
11 shall carry the signal of and accept wagers on live racing of  
12 all organization licensees. Advance deposit wagering licensees  
13 shall not be permitted to accept out-of-state wagers on any  
14 Illinois signal provided pursuant to this Section without the  
15 approval and consent of the organization licensee providing the  
16 signal. Non-host licensees may carry the host track simulcast  
17 program and shall accept wagers on all races included as part  
18 of the simulcast program upon which wagering is permitted. All  
19 organization licensees shall provide their live signal to all  
20 advance deposit wagering licensees for a simulcast commission  
21 fee not to exceed 6% of the advance deposit wagering licensee's  
22 Illinois handle on the organization licensee's signal without  
23 prior approval by the Board. The Board may adopt rules under  
24 which it may permit simulcast commission fees in excess of 6%.  
25 The Board shall adopt rules limiting the interstate commission  
26 fees charged to an advance deposit wagering licensee. The Board

1 shall adopt rules regarding advance deposit wagering on  
2 interstate simulcast races that shall reflect, among other  
3 things, the General Assembly's desire to maximize revenues to  
4 the State, horsemen purses, and organizational licensees.  
5 However, organization licensees providing live signals  
6 pursuant to the requirements of this subsection (g) may  
7 petition the Board to withhold their live signals from an  
8 advance deposit wagering licensee if the organization licensee  
9 discovers and the Board finds reputable or credible information  
10 that the advance deposit wagering licensee is under  
11 investigation by another state or federal governmental agency,  
12 the advance deposit wagering licensee's license has been  
13 suspended in another state, or the advance deposit wagering  
14 licensee's license is in revocation proceedings in another  
15 state. The organization licensee's provision of their live  
16 signal to an advance deposit wagering licensee under this  
17 subsection (g) pertains to wagers placed from within Illinois.  
18 Advance deposit wagering licensees may place advance deposit  
19 wagering terminals at wagering facilities as a convenience to  
20 customers. The advance deposit wagering licensee shall not  
21 charge or collect any fee from purses for the placement of the  
22 advance deposit wagering terminals. The costs and expenses of  
23 the host track and non-host licensees associated with  
24 interstate simulcast wagering, other than the interstate  
25 commission fee, shall be borne by the host track and all  
26 non-host licensees incurring these costs. The interstate

1 commission fee shall not exceed 5% of Illinois handle on the  
2 interstate simulcast race or races without prior approval of  
3 the Board. The Board shall promulgate rules under which it may  
4 permit interstate commission fees in excess of 5%. The  
5 interstate commission fee and other fees charged by the sending  
6 racetrack, including, but not limited to, satellite decoder  
7 fees, shall be uniformly applied to the host track and all  
8 non-host licensees.

9 Notwithstanding any other provision of this Act, for a  
10 period of 3 years after the effective date of this amendatory  
11 Act of the 96th General Assembly, an organization licensee may  
12 maintain a system whereby advance deposit wagering may take  
13 place or an organization licensee, with the consent of the  
14 horsemen association representing the largest number of  
15 owners, trainers, jockeys, or standardbred drivers who race  
16 horses at that organization licensee's racing meeting, may  
17 contract with another person to carry out a system of advance  
18 deposit wagering. Such consent may not be unreasonably  
19 withheld. All advance deposit wagers placed from within  
20 Illinois must be placed through a Board-approved advance  
21 deposit wagering licensee; no other entity may accept an  
22 advance deposit wager from a person within Illinois. All  
23 advance deposit wagering is subject to any rules adopted by the  
24 Board. The Board may adopt rules necessary to regulate advance  
25 deposit wagering through the use of emergency rulemaking in  
26 accordance with Section 5-45 of the Illinois Administrative

1 Procedure Act. The General Assembly finds that the adoption of  
2 rules to regulate advance deposit wagering is deemed an  
3 emergency and necessary for the public interest, safety, and  
4 welfare. An advance deposit wagering licensee may retain all  
5 moneys as agreed to by contract with an organization licensee.  
6 Any moneys retained by the organization licensee from advance  
7 deposit wagering, not including moneys retained by the advance  
8 deposit wagering licensee, shall be paid 50% to the  
9 organization licensee's purse account and 50% to the  
10 organization licensee. If more than one breed races at the same  
11 race track facility, then the 50% of the moneys to be paid to  
12 an organization licensee's purse account shall be allocated  
13 among all organization licensees' purse accounts operating at  
14 that race track facility proportionately based on the actual  
15 number of host days that the Board grants to that breed at that  
16 race track facility in the current calendar year. To the extent  
17 any fees from advance deposit wagering conducted in Illinois  
18 for wagers in Illinois or other states have been placed in  
19 escrow or otherwise withheld from wagers pending a  
20 determination of the legality of advance deposit wagering, no  
21 action shall be brought to declare such wagers or the  
22 disbursement of any fees previously escrowed illegal.

23 (1) Between the hours of 6:30 a.m. and 6:30 p.m. an  
24 intertrack wagering licensee other than the host track may  
25 supplement the host track simulcast program with  
26 additional simulcast races or race programs, provided that

1           between January 1 and the third Friday in February of any  
2           year, inclusive, if no live thoroughbred racing is  
3           occurring in Illinois during this period, only  
4           thoroughbred races may be used for supplemental interstate  
5           simulcast purposes. The Board shall withhold approval for a  
6           supplemental interstate simulcast only if it finds that the  
7           simulcast is clearly adverse to the integrity of racing. A  
8           supplemental interstate simulcast may be transmitted from  
9           an intertrack wagering licensee to its affiliated non-host  
10          licensees. The interstate commission fee for a  
11          supplemental interstate simulcast shall be paid by the  
12          non-host licensee and its affiliated non-host licensees  
13          receiving the simulcast.

14           (2) Between the hours of 6:30 p.m. and 6:30 a.m. an  
15          intertrack wagering licensee other than the host track may  
16          receive supplemental interstate simulcasts only with the  
17          consent of the host track, except when the Board finds that  
18          the simulcast is clearly adverse to the integrity of  
19          racing. Consent granted under this paragraph (2) to any  
20          intertrack wagering licensee shall be deemed consent to all  
21          non-host licensees. The interstate commission fee for the  
22          supplemental interstate simulcast shall be paid by all  
23          participating non-host licensees.

24           (3) Each licensee conducting interstate simulcast  
25          wagering may retain, subject to the payment of all  
26          applicable taxes and the purses, an amount not to exceed

1 17% of all money wagered. If any licensee conducts the  
2 pari-mutuel system wagering on races conducted at  
3 racetracks in another state or country, each such race or  
4 race program shall be considered a separate racing day for  
5 the purpose of determining the daily handle and computing  
6 the privilege tax of that daily handle as provided in  
7 subsection (a) of Section 27. Until January 1, 2000, from  
8 the sums permitted to be retained pursuant to this  
9 subsection, each intertrack wagering location licensee  
10 shall pay 1% of the pari-mutuel handle wagered on simulcast  
11 wagering to the Horse Racing Tax Allocation Fund, subject  
12 to the provisions of subparagraph (B) of paragraph (11) of  
13 subsection (h) of Section 26 of this Act.

14 (4) A licensee who receives an interstate simulcast may  
15 combine its gross or net pools with pools at the sending  
16 racetracks pursuant to rules established by the Board. All  
17 licensees combining their gross pools at a sending  
18 racetrack shall adopt the take-out percentages of the  
19 sending racetrack. A licensee may also establish a separate  
20 pool and takeout structure for wagering purposes on races  
21 conducted at race tracks outside of the State of Illinois.  
22 The licensee may permit pari-mutuel wagers placed in other  
23 states or countries to be combined with its gross or net  
24 wagering pools or other wagering pools.

25 (5) After the payment of the interstate commission fee  
26 (except for the interstate commission fee on a supplemental



1 interstate simulcast, which shall be paid by the host track  
2 and by each non-host licensee through the host-track) and  
3 all applicable State and local taxes, except as provided in  
4 subsection (g) of Section 27 of this Act, the remainder of  
5 moneys retained from simulcast wagering pursuant to this  
6 subsection (g), and Section 26.2 shall be divided as  
7 follows:

8 (A) For interstate simulcast wagers made at a host  
9 track, 50% to the host track and 50% to purses at the  
10 host track.

11 (B) For wagers placed on interstate simulcast  
12 races, supplemental simulcasts as defined in  
13 subparagraphs (1) and (2), and separately pooled races  
14 conducted outside of the State of Illinois made at a  
15 non-host licensee, 25% to the host track, 25% to the  
16 non-host licensee, and 50% to the purses at the host  
17 track.

18 (6) Notwithstanding any provision in this Act to the  
19 contrary, non-host licensees who derive their licenses  
20 from a track located in a county with a population in  
21 excess of 230,000 and that borders the Mississippi River  
22 may receive supplemental interstate simulcast races at all  
23 times subject to Board approval, which shall be withheld  
24 only upon a finding that a supplemental interstate  
25 simulcast is clearly adverse to the integrity of racing.

26 (7) Notwithstanding any provision of this Act to the

1           contrary, after payment of all applicable State and local  
2           taxes and interstate commission fees, non-host licensees  
3           who derive their licenses from a track located in a county  
4           with a population in excess of 230,000 and that borders the  
5           Mississippi River shall retain 50% of the retention from  
6           interstate simulcast wagers and shall pay 50% to purses at  
7           the track from which the non-host licensee derives its  
8           license as follows:

9                   (A) Between January 1 and the third Friday in  
10           February, inclusive, if no live thoroughbred racing is  
11           occurring in Illinois during this period, when the  
12           interstate simulcast is a standardbred race, the purse  
13           share to its standardbred purse account;

14                   (B) Between January 1 and the third Friday in  
15           February, inclusive, if no live thoroughbred racing is  
16           occurring in Illinois during this period, and the  
17           interstate simulcast is a thoroughbred race, the purse  
18           share to its interstate simulcast purse pool to be  
19           distributed under paragraph (10) of this subsection  
20           (g);

21                   (C) Between January 1 and the third Friday in  
22           February, inclusive, if live thoroughbred racing is  
23           occurring in Illinois, between 6:30 a.m. and 6:30 p.m.  
24           the purse share from wagers made during this time  
25           period to its thoroughbred purse account and between  
26           6:30 p.m. and 6:30 a.m. the purse share from wagers

1           made during this time period to its standardbred purse  
2           accounts;

3           (D) Between the third Saturday in February and  
4           December 31, when the interstate simulcast occurs  
5           between the hours of 6:30 a.m. and 6:30 p.m., the purse  
6           share to its thoroughbred purse account;

7           (E) Between the third Saturday in February and  
8           December 31, when the interstate simulcast occurs  
9           between the hours of 6:30 p.m. and 6:30 a.m., the purse  
10          share to its standardbred purse account.

11          (7.1) Notwithstanding any other provision of this Act  
12          to the contrary, if no standardbred racing is conducted at  
13          a racetrack located in Madison County during any calendar  
14          year beginning on or after January 1, 2002, all moneys  
15          derived by that racetrack from simulcast wagering and  
16          inter-track wagering that (1) are to be used for purses and  
17          (2) are generated between the hours of 6:30 p.m. and 6:30  
18          a.m. during that calendar year shall be paid as follows:

19                (A) If the licensee that conducts horse racing at  
20                that racetrack requests from the Board at least as many  
21                racing dates as were conducted in calendar year 2000,  
22                80% shall be paid to its thoroughbred purse account;  
23                and

24                (B) Twenty percent shall be deposited into the  
25                Illinois Colt Stakes Purse Distribution Fund and shall  
26                be paid to purses for standardbred races for Illinois

1           conceived and foaled horses conducted at any county  
2           fairgrounds. The moneys deposited into the Fund  
3           pursuant to this subparagraph (B) shall be deposited  
4           within 2 weeks after the day they were generated, shall  
5           be in addition to and not in lieu of any other moneys  
6           paid to standardbred purses under this Act, and shall  
7           not be commingled with other moneys paid into that  
8           Fund. The moneys deposited pursuant to this  
9           subparagraph (B) shall be allocated as provided by the  
10          Department of Agriculture, with the advice and  
11          assistance of the Illinois Standardbred Breeders Fund  
12          Advisory Board.

13           (7.2) Notwithstanding any other provision of this Act  
14          to the contrary, if no thoroughbred racing is conducted at  
15          a racetrack located in Madison County during any calendar  
16          year beginning on or after January 1, 2002, all moneys  
17          derived by that racetrack from simulcast wagering and  
18          inter-track wagering that (1) are to be used for purses and  
19          (2) are generated between the hours of 6:30 a.m. and 6:30  
20          p.m. during that calendar year shall be deposited as  
21          follows:

22           (A) If the licensee that conducts horse racing at  
23          that racetrack requests from the Board at least as many  
24          racing dates as were conducted in calendar year 2000,  
25          80% shall be deposited into its standardbred purse  
26          account; and

1           (B) Twenty percent shall be deposited into the  
2 Illinois Colt Stakes Purse Distribution Fund. Moneys  
3 deposited into the Illinois Colt Stakes Purse  
4 Distribution Fund pursuant to this subparagraph (B)  
5 shall be paid to Illinois conceived and foaled  
6 thoroughbred breeders' programs and to thoroughbred  
7 purses for races conducted at any county fairgrounds  
8 for Illinois conceived and foaled horses at the  
9 discretion of the Department of Agriculture, with the  
10 advice and assistance of the Illinois Thoroughbred  
11 Breeders Fund Advisory Board. The moneys deposited  
12 into the Illinois Colt Stakes Purse Distribution Fund  
13 pursuant to this subparagraph (B) shall be deposited  
14 within 2 weeks after the day they were generated, shall  
15 be in addition to and not in lieu of any other moneys  
16 paid to thoroughbred purses under this Act, and shall  
17 not be commingled with other moneys deposited into that  
18 Fund.

19           (7.3) If no live standardbred racing is conducted at a  
20 racetrack located in Madison County in calendar year 2000  
21 or 2001, an organization licensee who is licensed to  
22 conduct horse racing at that racetrack shall, before  
23 January 1, 2002, pay all moneys derived from simulcast  
24 wagering and inter-track wagering in calendar years 2000  
25 and 2001 and paid into the licensee's standardbred purse  
26 account as follows:

1           (A) Eighty percent to that licensee's thoroughbred  
2           purse account to be used for thoroughbred purses; and

3           (B) Twenty percent to the Illinois Colt Stakes  
4           Purse Distribution Fund.

5           Failure to make the payment to the Illinois Colt Stakes  
6           Purse Distribution Fund before January 1, 2002 shall result  
7           in the immediate revocation of the licensee's organization  
8           license, inter-track wagering license, and inter-track  
9           wagering location license.

10          Moneys paid into the Illinois Colt Stakes Purse  
11          Distribution Fund pursuant to this paragraph (7.3) shall be  
12          paid to purses for standardbred races for Illinois  
13          conceived and foaled horses conducted at any county  
14          fairgrounds. Moneys paid into the Illinois Colt Stakes  
15          Purse Distribution Fund pursuant to this paragraph (7.3)  
16          shall be used as determined by the Department of  
17          Agriculture, with the advice and assistance of the Illinois  
18          Standardbred Breeders Fund Advisory Board, shall be in  
19          addition to and not in lieu of any other moneys paid to  
20          standardbred purses under this Act, and shall not be  
21          commingled with any other moneys paid into that Fund.

22          (7.4) If live standardbred racing is conducted at a  
23          racetrack located in Madison County at any time in calendar  
24          year 2001 before the payment required under paragraph (7.3)  
25          has been made, the organization licensee who is licensed to  
26          conduct racing at that racetrack shall pay all moneys

1 derived by that racetrack from simulcast wagering and  
2 inter-track wagering during calendar years 2000 and 2001  
3 that (1) are to be used for purses and (2) are generated  
4 between the hours of 6:30 p.m. and 6:30 a.m. during 2000 or  
5 2001 to the standardbred purse account at that racetrack to  
6 be used for standardbred purses.

7 (8) Notwithstanding any provision in this Act to the  
8 contrary, an organization licensee from a track located in  
9 a county with a population in excess of 230,000 and that  
10 borders the Mississippi River and its affiliated non-host  
11 licensees shall not be entitled to share in any retention  
12 generated on racing, inter-track wagering, or simulcast  
13 wagering at any other Illinois wagering facility.

14 (8.1) Notwithstanding any provisions in this Act to the  
15 contrary, if 2 organization licensees are conducting  
16 standardbred race meetings concurrently between the hours  
17 of 6:30 p.m. and 6:30 a.m., after payment of all applicable  
18 State and local taxes and interstate commission fees, the  
19 remainder of the amount retained from simulcast wagering  
20 otherwise attributable to the host track and to host track  
21 purses shall be split daily between the 2 organization  
22 licensees and the purses at the tracks of the 2  
23 organization licensees, respectively, based on each  
24 organization licensee's share of the total live handle for  
25 that day, provided that this provision shall not apply to  
26 any non-host licensee that derives its license from a track

1 located in a county with a population in excess of 230,000  
2 and that borders the Mississippi River.

3 (9) (Blank).

4 (10) (Blank).

5 (11) (Blank).

6 (12) The Board shall have authority to compel all host  
7 tracks to receive the simulcast of any or all races  
8 conducted at the Springfield or DuQuoin State fairgrounds  
9 and include all such races as part of their simulcast  
10 programs.

11 (13) Notwithstanding any other provision of this Act,  
12 in the event that the total Illinois pari-mutuel handle on  
13 Illinois horse races at all wagering facilities in any  
14 calendar year is less than 75% of the total Illinois  
15 pari-mutuel handle on Illinois horse races at all such  
16 wagering facilities for calendar year 1994, then each  
17 wagering facility that has an annual total Illinois  
18 pari-mutuel handle on Illinois horse races that is less  
19 than 75% of the total Illinois pari-mutuel handle on  
20 Illinois horse races at such wagering facility for calendar  
21 year 1994, shall be permitted to receive, from any amount  
22 otherwise payable to the purse account at the race track  
23 with which the wagering facility is affiliated in the  
24 succeeding calendar year, an amount equal to 2% of the  
25 differential in total Illinois pari-mutuel handle on  
26 Illinois horse races at the wagering facility between that



1 calendar year in question and 1994 provided, however, that  
2 a wagering facility shall not be entitled to any such  
3 payment until the Board certifies in writing to the  
4 wagering facility the amount to which the wagering facility  
5 is entitled and a schedule for payment of the amount to the  
6 wagering facility, based on: (i) the racing dates awarded  
7 to the race track affiliated with the wagering facility  
8 during the succeeding year; (ii) the sums available or  
9 anticipated to be available in the purse account of the  
10 race track affiliated with the wagering facility for purses  
11 during the succeeding year; and (iii) the need to ensure  
12 reasonable purse levels during the payment period. The  
13 Board's certification shall be provided no later than  
14 January 31 of the succeeding year. In the event a wagering  
15 facility entitled to a payment under this paragraph (13) is  
16 affiliated with a race track that maintains purse accounts  
17 for both standardbred and thoroughbred racing, the amount  
18 to be paid to the wagering facility shall be divided  
19 between each purse account pro rata, based on the amount of  
20 Illinois handle on Illinois standardbred and thoroughbred  
21 racing respectively at the wagering facility during the  
22 previous calendar year. Annually, the General Assembly  
23 shall appropriate sufficient funds from the General  
24 Revenue Fund to the Department of Agriculture for payment  
25 into the thoroughbred and standardbred horse racing purse  
26 accounts at Illinois pari-mutuel tracks. The amount paid to

1 each purse account shall be the amount certified by the  
2 Illinois Racing Board in January to be transferred from  
3 each account to each eligible racing facility in accordance  
4 with the provisions of this Section. Beginning in the  
5 calendar year in which an organization licensee that is  
6 eligible to receive payment under this paragraph (13)  
7 begins to receive funds from electronic gaming, the amount  
8 of the payment due to all wagering facilities licensed  
9 under that organization licensee under this paragraph (13)  
10 shall be the amount certified by the Board in January of  
11 that year. An organization licensee and its related  
12 wagering facilities shall no longer be able to receive  
13 payments under this paragraph (13) beginning in the year  
14 subsequent to the first year in which the organization  
15 licensee begins to receive funds from electronic gaming.

16 (h) The Board may approve and license the conduct of  
17 inter-track wagering and simulcast wagering by inter-track  
18 wagering licensees and inter-track wagering location licensees  
19 subject to the following terms and conditions:

20 (1) Any person licensed to conduct a race meeting (i)  
21 at a track where 60 or more days of racing were conducted  
22 during the immediately preceding calendar year or where  
23 over the 5 immediately preceding calendar years an average  
24 of 30 or more days of racing were conducted annually may be  
25 issued an inter-track wagering license; (ii) at a track  
26 located in a county that is bounded by the Mississippi

1 River, which has a population of less than 150,000  
2 according to the 1990 decennial census, and an average of  
3 at least 60 days of racing per year between 1985 and 1993  
4 may be issued an inter-track wagering license; or (iii) at  
5 a track located in Madison County that conducted at least  
6 100 days of live racing during the immediately preceding  
7 calendar year may be issued an inter-track wagering  
8 license, unless a lesser schedule of live racing is the  
9 result of (A) weather, unsafe track conditions, or other  
10 acts of God; (B) an agreement between the organization  
11 licensee and the associations representing the largest  
12 number of owners, trainers, jockeys, or standardbred  
13 drivers who race horses at that organization licensee's  
14 racing meeting; or (C) a finding by the Board of  
15 extraordinary circumstances and that it was in the best  
16 interest of the public and the sport to conduct fewer than  
17 100 days of live racing. Any such person having operating  
18 control of the racing facility may also receive up to 6  
19 inter-track wagering location licenses. In no event shall  
20 more than 6 inter-track wagering locations be established  
21 for each eligible race track, except that an eligible race  
22 track located in a county that has a population of more  
23 than 230,000 and that is bounded by the Mississippi River  
24 may establish up to 7 inter-track wagering locations. An  
25 application for said license shall be filed with the Board  
26 prior to such dates as may be fixed by the Board. With an

1 application for an inter-track wagering location license  
2 there shall be delivered to the Board a certified check or  
3 bank draft payable to the order of the Board for an amount  
4 equal to \$500. The application shall be on forms prescribed  
5 and furnished by the Board. The application shall comply  
6 with all other rules, regulations and conditions imposed by  
7 the Board in connection therewith.

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

17 (3) In granting licenses to conduct inter-track  
18 wagering and simulcast wagering, the Board shall give due  
19 consideration to the best interests of the public, of horse  
20 racing, and of maximizing revenue to the State.

21 (4) Prior to the issuance of a license to conduct  
22 inter-track wagering and simulcast wagering, the applicant  
23 shall file with the Board a bond payable to the State of  
24 Illinois in the sum of \$50,000, executed by the applicant  
25 and a surety company or companies authorized to do business  
26 in this State, and conditioned upon (i) the payment by the

1 licensee of all taxes due under Section 27 or 27.1 and any  
2 other monies due and payable under this Act, and (ii)  
3 distribution by the licensee, upon presentation of the  
4 winning ticket or tickets, of all sums payable to the  
5 patrons of pari-mutuel pools.

6 (5) Each license to conduct inter-track wagering and  
7 simulcast wagering shall specify the person to whom it is  
8 issued, the dates on which such wagering is permitted, and  
9 the track or location where the wagering is to be  
10 conducted.

11 (6) All wagering under such license is subject to this  
12 Act and to the rules and regulations from time to time  
13 prescribed by the Board, and every such license issued by  
14 the Board shall contain a recital to that effect.

15 (7) An inter-track wagering licensee or inter-track  
16 wagering location licensee may accept wagers at the track  
17 or location where it is licensed, or as otherwise provided  
18 under this Act.

19 (8) Inter-track wagering or simulcast wagering shall  
20 not be conducted at any track less than 4 ~~5~~ miles from a  
21 track at which a racing meeting is in progress.

22 (8.1) Inter-track wagering location licensees who  
23 derive their licenses from a particular organization  
24 licensee shall conduct inter-track wagering and simulcast  
25 wagering only at locations which are either within 90 miles  
26 of that race track where the particular organization

1 licensee is licensed to conduct racing, or within 135 miles  
2 of that race track where the particular organization  
3 licensee is licensed to conduct racing in the case of race  
4 tracks in counties of less than 400,000 that were operating  
5 on or before June 1, 1986. However, inter-track wagering  
6 and simulcast wagering shall not be conducted by those  
7 licensees at any location within 5 miles of any race track  
8 at which a horse race meeting has been licensed in the  
9 current year, unless the person having operating control of  
10 such race track has given its written consent to such  
11 inter-track wagering location licensees, which consent  
12 must be filed with the Board at or prior to the time  
13 application is made.

14 (8.2) Inter-track wagering or simulcast wagering shall  
15 not be conducted by an inter-track wagering location  
16 licensee at any location within 500 feet of an existing  
17 church, an ~~or~~ existing elementary or secondary public  
18 school, or an existing elementary or secondary private  
19 school registered with or recognized by the State Board of  
20 Education ~~school~~, nor within 500 feet of the residences of  
21 more than 50 registered voters without receiving written  
22 permission from a majority of the registered voters at such  
23 residences. Such written permission statements shall be  
24 filed with the Board. The distance of 500 feet shall be  
25 measured to the nearest part of any building used for  
26 worship services, education programs, residential

1 purposes, or conducting inter-track wagering by an  
2 inter-track wagering location licensee, and not to  
3 property boundaries. However, inter-track wagering or  
4 simulcast wagering may be conducted at a site within 500  
5 feet of a church, school or residences of 50 or more  
6 registered voters if such church, school or residences have  
7 been erected or established, or such voters have been  
8 registered, after the Board issues the original  
9 inter-track wagering location license at the site in  
10 question. Inter-track wagering location licensees may  
11 conduct inter-track wagering and simulcast wagering only  
12 in areas that are zoned for commercial or manufacturing  
13 purposes or in areas for which a special use has been  
14 approved by the local zoning authority. However, no license  
15 to conduct inter-track wagering and simulcast wagering  
16 shall be granted by the Board with respect to any  
17 inter-track wagering location within the jurisdiction of  
18 any local zoning authority which has, by ordinance or by  
19 resolution, prohibited the establishment of an inter-track  
20 wagering location within its jurisdiction. However,  
21 inter-track wagering and simulcast wagering may be  
22 conducted at a site if such ordinance or resolution is  
23 enacted after the Board licenses the original inter-track  
24 wagering location licensee for the site in question.

25 (9) (Blank).

26 (10) An inter-track wagering licensee or an

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

10 (10.1) Except as provided in subsection (g) of Section  
11 27 of this Act, inter-track wagering location licensees  
12 shall pay 1% of the pari-mutuel handle at each location to  
13 the municipality in which such location is situated and 1%  
14 of the pari-mutuel handle at each location to the county in  
15 which such location is situated. In the event that an  
16 inter-track wagering location licensee is situated in an  
17 unincorporated area of a county, such licensee shall pay 2%  
18 of the pari-mutuel handle from such location to such  
19 county.

20 (10.2) Notwithstanding any other provision of this  
21 Act, with respect to intertrack wagering at a race track  
22 located in a county that has a population of more than  
23 230,000 and that is bounded by the Mississippi River ("the  
24 first race track"), or at a facility operated by an  
25 inter-track wagering licensee or inter-track wagering  
26 location licensee that derives its license from the



1 organization licensee that operates the first race track,  
2 on races conducted at the first race track or on races  
3 conducted at another Illinois race track and  
4 simultaneously televised to the first race track or to a  
5 facility operated by an inter-track wagering licensee or  
6 inter-track wagering location licensee that derives its  
7 license from the organization licensee that operates the  
8 first race track, those moneys shall be allocated as  
9 follows:

10 (A) That portion of all moneys wagered on  
11 standardbred racing that is required under this Act to  
12 be paid to purses shall be paid to purses for  
13 standardbred races.

14 (B) That portion of all moneys wagered on  
15 thoroughbred racing that is required under this Act to  
16 be paid to purses shall be paid to purses for  
17 thoroughbred races.

18 (11) (A) After payment of the privilege or pari-mutuel  
19 tax, any other applicable taxes, and the costs and expenses  
20 in connection with the gathering, transmission, and  
21 dissemination of all data necessary to the conduct of  
22 inter-track wagering, the remainder of the monies retained  
23 under either Section 26 or Section 26.2 of this Act by the  
24 inter-track wagering licensee on inter-track wagering  
25 shall be allocated with 50% to be split between the 2  
26 participating licensees and 50% to purses, except that an

1 intertrack wagering licensee that derives its license from  
2 a track located in a county with a population in excess of  
3 230,000 and that borders the Mississippi River shall not  
4 divide any remaining retention with the Illinois  
5 organization licensee that provides the race or races, and  
6 an intertrack wagering licensee that accepts wagers on  
7 races conducted by an organization licensee that conducts a  
8 race meet in a county with a population in excess of  
9 230,000 and that borders the Mississippi River shall not  
10 divide any remaining retention with that organization  
11 licensee.

12 (B) From the sums permitted to be retained pursuant to  
13 this Act each inter-track wagering location licensee shall  
14 pay (i) the privilege or pari-mutuel tax to the State; (ii)  
15 4.75% of the pari-mutuel handle on intertrack wagering at  
16 such location on races as purses, except that an intertrack  
17 wagering location licensee that derives its license from a  
18 track located in a county with a population in excess of  
19 230,000 and that borders the Mississippi River shall retain  
20 all purse moneys for its own purse account consistent with  
21 distribution set forth in this subsection (h), and  
22 intertrack wagering location licensees that accept wagers  
23 on races conducted by an organization licensee located in a  
24 county with a population in excess of 230,000 and that  
25 borders the Mississippi River shall distribute all purse  
26 moneys to purses at the operating host track; (iii) until

1       January 1, 2000, except as provided in subsection (g) of  
2       Section 27 of this Act, 1% of the pari-mutuel handle  
3       wagered on inter-track wagering and simulcast wagering at  
4       each inter-track wagering location licensee facility to  
5       the Horse Racing Tax Allocation Fund, provided that, to the  
6       extent the total amount collected and distributed to the  
7       Horse Racing Tax Allocation Fund under this subsection (h)  
8       during any calendar year exceeds the amount collected and  
9       distributed to the Horse Racing Tax Allocation Fund during  
10      calendar year 1994, that excess amount shall be  
11      redistributed (I) to all inter-track wagering location  
12      licensees, based on each licensee's pro-rata share of the  
13      total handle from inter-track wagering and simulcast  
14      wagering for all inter-track wagering location licensees  
15      during the calendar year in which this provision is  
16      applicable; then (II) the amounts redistributed to each  
17      inter-track wagering location licensee as described in  
18      subpart (I) shall be further redistributed as provided in  
19      subparagraph (B) of paragraph (5) of subsection (g) of this  
20      Section 26 provided first, that the shares of those  
21      amounts, which are to be redistributed to the host track or  
22      to purses at the host track under subparagraph (B) of  
23      paragraph (5) of subsection (g) of this Section 26 shall be  
24      redistributed based on each host track's pro rata share of  
25      the total inter-track wagering and simulcast wagering  
26      handle at all host tracks during the calendar year in

1 question, and second, that any amounts redistributed as  
2 described in part (I) to an inter-track wagering location  
3 licensee that accepts wagers on races conducted by an  
4 organization licensee that conducts a race meet in a county  
5 with a population in excess of 230,000 and that borders the  
6 Mississippi River shall be further redistributed as  
7 provided in subparagraphs (D) and (E) of paragraph (7) of  
8 subsection (g) of this Section 26, with the portion of that  
9 further redistribution allocated to purses at that  
10 organization licensee to be divided between standardbred  
11 purses and thoroughbred purses based on the amounts  
12 otherwise allocated to purses at that organization  
13 licensee during the calendar year in question; and (iv) 8%  
14 of the pari-mutuel handle on inter-track wagering wagered  
15 at such location to satisfy all costs and expenses of  
16 conducting its wagering. The remainder of the monies  
17 retained by the inter-track wagering location licensee  
18 shall be allocated 40% to the location licensee and 60% to  
19 the organization licensee which provides the Illinois  
20 races to the location, except that an intertrack wagering  
21 location licensee that derives its license from a track  
22 located in a county with a population in excess of 230,000  
23 and that borders the Mississippi River shall not divide any  
24 remaining retention with the organization licensee that  
25 provides the race or races and an intertrack wagering  
26 location licensee that accepts wagers on races conducted by

1 an organization licensee that conducts a race meet in a  
2 county with a population in excess of 230,000 and that  
3 borders the Mississippi River shall not divide any  
4 remaining retention with the organization licensee.  
5 Notwithstanding the provisions of clauses (ii) and (iv) of  
6 this paragraph, in the case of the additional inter-track  
7 wagering location licenses authorized under paragraph (1)  
8 of this subsection (h) by this amendatory Act of 1991,  
9 those licensees shall pay the following amounts as purses:  
10 during the first 12 months the licensee is in operation,  
11 5.25% of the pari-mutuel handle wagered at the location on  
12 races; during the second 12 months, 5.25%; during the third  
13 12 months, 5.75%; during the fourth 12 months, 6.25%; and  
14 during the fifth 12 months and thereafter, 6.75%. The  
15 following amounts shall be retained by the licensee to  
16 satisfy all costs and expenses of conducting its wagering:  
17 during the first 12 months the licensee is in operation,  
18 8.25% of the pari-mutuel handle wagered at the location;  
19 during the second 12 months, 8.25%; during the third 12  
20 months, 7.75%; during the fourth 12 months, 7.25%; and  
21 during the fifth 12 months and thereafter, 6.75%. For  
22 additional intertrack wagering location licensees  
23 authorized under this amendatory Act of 1995, purses for  
24 the first 12 months the licensee is in operation shall be  
25 5.75% of the pari-mutuel wagered at the location, purses  
26 for the second 12 months the licensee is in operation shall

1 be 6.25%, and purses thereafter shall be 6.75%. For  
2 additional intertrack location licensees authorized under  
3 this amendatory Act of 1995, the licensee shall be allowed  
4 to retain to satisfy all costs and expenses: 7.75% of the  
5 pari-mutuel handle wagered at the location during its first  
6 12 months of operation, 7.25% during its second 12 months  
7 of operation, and 6.75% thereafter.

8 (C) There is hereby created the Horse Racing Tax  
9 Allocation Fund which shall remain in existence until  
10 December 31, 1999. Moneys remaining in the Fund after  
11 December 31, 1999 shall be paid into the General Revenue  
12 Fund. Until January 1, 2000, all monies paid into the Horse  
13 Racing Tax Allocation Fund pursuant to this paragraph (11)  
14 by inter-track wagering location licensees located in park  
15 districts of 500,000 population or less, or in a  
16 municipality that is not included within any park district  
17 but is included within a conservation district and is the  
18 county seat of a county that (i) is contiguous to the state  
19 of Indiana and (ii) has a 1990 population of 88,257  
20 according to the United States Bureau of the Census, and  
21 operating on May 1, 1994 shall be allocated by  
22 appropriation as follows:

23 Two-sevenths to the Department of Agriculture.

24 Fifty percent of this two-sevenths shall be used to  
25 promote the Illinois horse racing and breeding  
26 industry, and shall be distributed by the Department of

1 Agriculture upon the advice of a 9-member committee  
2 appointed by the Governor consisting of the following  
3 members: the Director of Agriculture, who shall serve  
4 as chairman; 2 representatives of organization  
5 licensees conducting thoroughbred race meetings in  
6 this State, recommended by those licensees; 2  
7 representatives of organization licensees conducting  
8 standardbred race meetings in this State, recommended  
9 by those licensees; a representative of the Illinois  
10 Thoroughbred Breeders and Owners Foundation,  
11 recommended by that Foundation; a representative of  
12 the Illinois Standardbred Owners and Breeders  
13 Association, recommended by that Association; a  
14 representative of the Horsemen's Benevolent and  
15 Protective Association or any successor organization  
16 thereto established in Illinois comprised of the  
17 largest number of owners and trainers, recommended by  
18 that Association or that successor organization; and a  
19 representative of the Illinois Harness Horsemen's  
20 Association, recommended by that Association.  
21 Committee members shall serve for terms of 2 years,  
22 commencing January 1 of each even-numbered year. If a  
23 representative of any of the above-named entities has  
24 not been recommended by January 1 of any even-numbered  
25 year, the Governor shall appoint a committee member to  
26 fill that position. Committee members shall receive no

1 compensation for their services as members but shall be  
2 reimbursed for all actual and necessary expenses and  
3 disbursements incurred in the performance of their  
4 official duties. The remaining 50% of this  
5 two-sevenths shall be distributed to county fairs for  
6 premiums and rehabilitation as set forth in the  
7 Agricultural Fair Act;

8 Four-sevenths to park districts or municipalities  
9 that do not have a park district of 500,000 population  
10 or less for museum purposes (if an inter-track wagering  
11 location licensee is located in such a park district)  
12 or to conservation districts for museum purposes (if an  
13 inter-track wagering location licensee is located in a  
14 municipality that is not included within any park  
15 district but is included within a conservation  
16 district and is the county seat of a county that (i) is  
17 contiguous to the state of Indiana and (ii) has a 1990  
18 population of 88,257 according to the United States  
19 Bureau of the Census, except that if the conservation  
20 district does not maintain a museum, the monies shall  
21 be allocated equally between the county and the  
22 municipality in which the inter-track wagering  
23 location licensee is located for general purposes) or  
24 to a municipal recreation board for park purposes (if  
25 an inter-track wagering location licensee is located  
26 in a municipality that is not included within any park



1 district and park maintenance is the function of the  
2 municipal recreation board and the municipality has a  
3 1990 population of 9,302 according to the United States  
4 Bureau of the Census); provided that the monies are  
5 distributed to each park district or conservation  
6 district or municipality that does not have a park  
7 district in an amount equal to four-sevenths of the  
8 amount collected by each inter-track wagering location  
9 licensee within the park district or conservation  
10 district or municipality for the Fund. Monies that were  
11 paid into the Horse Racing Tax Allocation Fund before  
12 the effective date of this amendatory Act of 1991 by an  
13 inter-track wagering location licensee located in a  
14 municipality that is not included within any park  
15 district but is included within a conservation  
16 district as provided in this paragraph shall, as soon  
17 as practicable after the effective date of this  
18 amendatory Act of 1991, be allocated and paid to that  
19 conservation district as provided in this paragraph.  
20 Any park district or municipality not maintaining a  
21 museum may deposit the monies in the corporate fund of  
22 the park district or municipality where the  
23 inter-track wagering location is located, to be used  
24 for general purposes; and

25 One-seventh to the Agricultural Premium Fund to be  
26 used for distribution to agricultural home economics

1 extension councils in accordance with "An Act in  
2 relation to additional support and finances for the  
3 Agricultural and Home Economic Extension Councils in  
4 the several counties of this State and making an  
5 appropriation therefor", approved July 24, 1967.

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

9 Two-sevenths to the Department of Agriculture.  
10 Fifty percent of this two-sevenths shall be used to  
11 promote the Illinois horse racing and breeding  
12 industry, and shall be distributed by the Department of  
13 Agriculture upon the advice of a 9-member committee  
14 appointed by the Governor consisting of the following  
15 members: the Director of Agriculture, who shall serve  
16 as chairman; 2 representatives of organization  
17 licensees conducting thoroughbred race meetings in  
18 this State, recommended by those licensees; 2  
19 representatives of organization licensees conducting  
20 standardbred race meetings in this State, recommended  
21 by those licensees; a representative of the Illinois  
22 Thoroughbred Breeders and Owners Foundation,  
23 recommended by that Foundation; a representative of  
24 the Illinois Standardbred Owners and Breeders  
25 Association, recommended by that Association; a  
26 representative of the Horsemen's Benevolent and

1 Protective Association or any successor organization  
2 thereto established in Illinois comprised of the  
3 largest number of owners and trainers, recommended by  
4 that Association or that successor organization; and a  
5 representative of the Illinois Harness Horsemen's  
6 Association, recommended by that Association.  
7 Committee members shall serve for terms of 2 years,  
8 commencing January 1 of each even-numbered year. If a  
9 representative of any of the above-named entities has  
10 not been recommended by January 1 of any even-numbered  
11 year, the Governor shall appoint a committee member to  
12 fill that position. Committee members shall receive no  
13 compensation for their services as members but shall be  
14 reimbursed for all actual and necessary expenses and  
15 disbursements incurred in the performance of their  
16 official duties. The remaining 50% of this  
17 two-sevenths shall be distributed to county fairs for  
18 premiums and rehabilitation as set forth in the  
19 Agricultural Fair Act;

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

26 One-seventh to the Agricultural Premium Fund to be

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

9           (D) Except as provided in paragraph (11) of this  
10          subsection (h), with respect to purse allocation from  
11          intertrack wagering, the monies so retained shall be  
12          divided as follows:

13                 (i) If the inter-track wagering licensee,  
14                 except an intertrack wagering licensee that  
15                 derives its license from an organization licensee  
16                 located in a county with a population in excess of  
17                 230,000 and bounded by the Mississippi River, is  
18                 not conducting its own race meeting during the same  
19                 dates, then the entire purse allocation shall be to  
20                 purses at the track where the races wagered on are  
21                 being conducted.

22                 (ii) If the inter-track wagering licensee,  
23                 except an intertrack wagering licensee that  
24                 derives its license from an organization licensee  
25                 located in a county with a population in excess of  
26                 230,000 and bounded by the Mississippi River, is

1           also conducting its own race meeting during the  
2           same dates, then the purse allocation shall be as  
3           follows: 50% to purses at the track where the races  
4           wagered on are being conducted; 50% to purses at  
5           the track where the inter-track wagering licensee  
6           is accepting such wagers.

7           (iii) If the inter-track wagering is being  
8           conducted by an inter-track wagering location  
9           licensee, except an intertrack wagering location  
10          licensee that derives its license from an  
11          organization licensee located in a county with a  
12          population in excess of 230,000 and bounded by the  
13          Mississippi River, the entire purse allocation for  
14          Illinois races shall be to purses at the track  
15          where the race meeting being wagered on is being  
16          held.

17          (12) The Board shall have all powers necessary and  
18          proper to fully supervise and control the conduct of  
19          inter-track wagering and simulcast wagering by inter-track  
20          wagering licensees and inter-track wagering location  
21          licensees, including, but not limited to the following:

22                (A) The Board is vested with power to promulgate  
23                reasonable rules and regulations for the purpose of  
24                administering the conduct of this wagering and to  
25                prescribe reasonable rules, regulations and conditions  
26                under which such wagering shall be held and conducted.

1           Such rules and regulations are to provide for the  
2           prevention of practices detrimental to the public  
3           interest and for the best interests of said wagering  
4           and to impose penalties for violations thereof.

5           (B) The Board, and any person or persons to whom it  
6           delegates this power, is vested with the power to enter  
7           the facilities of any licensee to determine whether  
8           there has been compliance with the provisions of this  
9           Act and the rules and regulations relating to the  
10          conduct of such wagering.

11          (C) The Board, and any person or persons to whom it  
12          delegates this power, may eject or exclude from any  
13          licensee's facilities, any person whose conduct or  
14          reputation is such that his presence on such premises  
15          may, in the opinion of the Board, call into the  
16          question the honesty and integrity of, or interfere  
17          with the orderly conduct of such wagering; provided,  
18          however, that no person shall be excluded or ejected  
19          from such premises solely on the grounds of race,  
20          color, creed, national origin, ancestry, or sex.

21          (D) (Blank).

22          (E) The Board is vested with the power to appoint  
23          delegates to execute any of the powers granted to it  
24          under this Section for the purpose of administering  
25          this wagering and any rules and regulations  
26          promulgated in accordance with this Act.

1           (F) The Board shall name and appoint a State  
2           director of this wagering who shall be a representative  
3           of the Board and whose duty it shall be to supervise  
4           the conduct of inter-track wagering as may be provided  
5           for by the rules and regulations of the Board; such  
6           rules and regulation shall specify the method of  
7           appointment and the Director's powers, authority and  
8           duties.

9           (G) The Board is vested with the power to impose  
10          civil penalties of up to \$5,000 against individuals and  
11          up to \$10,000 against licensees for each violation of  
12          any provision of this Act relating to the conduct of  
13          this wagering, any rules adopted by the Board, any  
14          order of the Board or any other action which in the  
15          Board's discretion, is a detriment or impediment to  
16          such wagering.

17          (13) The Department of Agriculture may enter into  
18          agreements with licensees authorizing such licensees to  
19          conduct inter-track wagering on races to be held at the  
20          licensed race meetings conducted by the Department of  
21          Agriculture. Such agreement shall specify the races of the  
22          Department of Agriculture's licensed race meeting upon  
23          which the licensees will conduct wagering. In the event  
24          that a licensee conducts inter-track pari-mutuel wagering  
25          on races from the Illinois State Fair or DuQuoin State Fair  
26          which are in addition to the licensee's previously approved

1 racing program, those races shall be considered a separate  
2 racing day for the purpose of determining the daily handle  
3 and computing the privilege or pari-mutuel tax on that  
4 daily handle as provided in Sections 27 and 27.1. Such  
5 agreements shall be approved by the Board before such  
6 wagering may be conducted. In determining whether to grant  
7 approval, the Board shall give due consideration to the  
8 best interests of the public and of horse racing. The  
9 provisions of paragraphs (1), (8), (8.1), and (8.2) of  
10 subsection (h) of this Section which are not specified in  
11 this paragraph (13) shall not apply to licensed race  
12 meetings conducted by the Department of Agriculture at the  
13 Illinois State Fair in Sangamon County or the DuQuoin State  
14 Fair in Perry County, or to any wagering conducted on those  
15 race meetings.

16 (i) Notwithstanding the other provisions of this Act, the  
17 conduct of wagering at wagering facilities is authorized on all  
18 days, except as limited by subsection (b) of Section 19 of this  
19 Act.

20 (Source: P.A. 96-762, eff. 8-25-09.)

21 (230 ILCS 5/27) (from Ch. 8, par. 37-27)

22 Sec. 27. (a) In addition to the organization license fee  
23 provided by this Act, until January 1, 2000, a graduated  
24 privilege tax is hereby imposed for conducting the pari-mutuel  
25 system of wagering permitted under this Act. Until January 1,



1 2000, except as provided in subsection (g) of Section 27 of  
2 this Act, all of the breakage of each racing day held by any  
3 licensee in the State shall be paid to the State. Until January  
4 1, 2000, such daily graduated privilege tax shall be paid by  
5 the licensee from the amount permitted to be retained under  
6 this Act. Until January 1, 2000, each day's graduated privilege  
7 tax, breakage, and Horse Racing Tax Allocation funds shall be  
8 remitted to the Department of Revenue within 48 hours after the  
9 close of the racing day upon which it is assessed or within  
10 such other time as the Board prescribes. The privilege tax  
11 hereby imposed, until January 1, 2000, shall be a flat tax at  
12 the rate of 2% of the daily pari-mutuel handle except as  
13 provided in Section 27.1.

14 In addition, every organization licensee, except as  
15 provided in Section 27.1 of this Act, which conducts multiple  
16 wagering shall pay, until January 1, 2000, as a privilege tax  
17 on multiple wagers an amount equal to 1.25% of all moneys  
18 wagered each day on such multiple wagers, plus an additional  
19 amount equal to 3.5% of the amount wagered each day on any  
20 other multiple wager which involves a single betting interest  
21 on 3 or more horses. The licensee shall remit the amount of  
22 such taxes to the Department of Revenue within 48 hours after  
23 the close of the racing day on which it is assessed or within  
24 such other time as the Board prescribes.

25 This subsection (a) shall be inoperative and of no force  
26 and effect on and after January 1, 2000.

1 (a-5) Beginning on January 1, 2000, a flat pari-mutuel tax  
2 at the rate of 1.5% of the daily pari-mutuel handle is imposed  
3 at all pari-mutuel wagering facilities and on advance deposit  
4 wagering from a location other than a wagering facility, except  
5 as otherwise provided for in this subsection (a-5). In addition  
6 to the pari-mutuel tax imposed on advance deposit wagering  
7 pursuant to this subsection (a-5), an additional pari-mutuel  
8 tax at the rate of 0.25% shall be imposed on advance deposit  
9 wagering, the amount of which shall not exceed \$250,000 in each  
10 calendar year. The additional 0.25% pari-mutuel tax imposed on  
11 advance deposit wagering by this amendatory Act of the 96th  
12 General Assembly shall be deposited into the Quarter Horse  
13 Purse Fund, which shall be created as a non-appropriated trust  
14 fund administered by the Board for grants to thoroughbred  
15 organization licensees for payment of purses for quarter horse  
16 races conducted by the organization licensee. Thoroughbred  
17 organization licensees may petition the Board to conduct  
18 quarter horse racing and receive purse grants from the Quarter  
19 Horse Purse Fund. The Board shall have complete discretion in  
20 distributing the Quarter Horse Purse Fund to the petitioning  
21 organization licensees. Beginning on the effective date of this  
22 amendatory Act of the 96th General Assembly and until moneys  
23 deposited pursuant to Section 54 are distributed and received,  
24 a pari-mutuel tax at the rate of 0.75% of the daily pari-mutuel  
25 handle is imposed at a pari-mutuel facility whose license is  
26 derived from a track located in a county that borders the

1 Mississippi River and conducted live racing in the previous  
2 year. After moneys deposited pursuant to Section 54 are  
3 distributed and received, a pari-mutuel tax at the rate of 1.5%  
4 of the daily pari-mutuel handle is imposed at a pari-mutuel  
5 facility whose license is derived from a track located in a  
6 county that borders the Mississippi River and conducted live  
7 racing in the previous year. The pari-mutuel tax imposed by  
8 this subsection (a-5) shall be remitted to the Department of  
9 Revenue within 48 hours after the close of the racing day upon  
10 which it is assessed or within such other time as the Board  
11 prescribes.

12 (a-10) Beginning on the date when an organization licensee  
13 begins conducting electronic gaming pursuant to an electronic  
14 gaming license, the following pari-mutuel tax is imposed upon  
15 an organization licensee on Illinois races at the licensee's  
16 race track:

17 1.5% of the pari-mutuel handle at or below the average  
18 daily pari-mutuel handle for 2010.

19 2% of the pari-mutuel handle above the average daily  
20 pari-mutuel handle for 2010 up to 125% of the average daily  
21 pari-mutuel handle for 2010.

22 2.5% of the pari-mutuel handle 125% or more above the  
23 average daily pari-mutuel handle for 2010 up to 150% of the  
24 average daily pari-mutuel handle for 2010.

25 3% of the pari-mutuel handle 150% or more above the  
26 average daily pari-mutuel handle for 2010 up to 175% of the

1       average daily pari-mutuel handle for 2010.

2             3.5% of the pari-mutuel handle 175% or more above the  
3       average daily pari-mutuel handle for 2010.

4       The pari-mutuel tax imposed by this subsection (a-10) shall  
5       be remitted to the Board within 48 hours after the close of the  
6       racing day upon which it is assessed or within such other time  
7       as the Board prescribes.

8             (b) On or before December 31, 1999, in the event that any  
9       organization licensee conducts 2 separate programs of races on  
10      any day, each such program shall be considered a separate  
11      racing day for purposes of determining the daily handle and  
12      computing the privilege tax on such daily handle as provided in  
13      subsection (a) of this Section.

14            (c) Licensees shall at all times keep accurate books and  
15      records of all monies wagered on each day of a race meeting and  
16      of the taxes paid to the Department of Revenue under the  
17      provisions of this Section. The Board or its duly authorized  
18      representative or representatives shall at all reasonable  
19      times have access to such records for the purpose of examining  
20      and checking the same and ascertaining whether the proper  
21      amount of taxes is being paid as provided. The Board shall  
22      require verified reports and a statement of the total of all  
23      monies wagered daily at each wagering facility upon which the  
24      taxes are assessed and may prescribe forms upon which such  
25      reports and statement shall be made.

26            (d) Any licensee failing or refusing to pay the amount of

1 any tax due under this Section shall be guilty of a business  
2 offense and upon conviction shall be fined not more than \$5,000  
3 in addition to the amount found due as tax under this Section.  
4 Each day's violation shall constitute a separate offense. All  
5 fines paid into Court by a licensee hereunder shall be  
6 transmitted and paid over by the Clerk of the Court to the  
7 Board.

8 (e) No other license fee, privilege tax, excise tax, or  
9 racing fee, except as provided in this Act, shall be assessed  
10 or collected from any such licensee by the State.

11 (f) No other license fee, privilege tax, excise tax or  
12 racing fee shall be assessed or collected from any such  
13 licensee by units of local government except as provided in  
14 paragraph 10.1 of subsection (h) and subsection (f) of Section  
15 26 of this Act. However, any municipality that has a Board  
16 licensed horse race meeting at a race track wholly within its  
17 corporate boundaries or a township that has a Board licensed  
18 horse race meeting at a race track wholly within the  
19 unincorporated area of the township may charge a local  
20 amusement tax not to exceed 10¢ per admission to such horse  
21 race meeting by the enactment of an ordinance. However, any  
22 municipality or county that has a Board licensed inter-track  
23 wagering location facility wholly within its corporate  
24 boundaries may each impose an admission fee not to exceed \$1.00  
25 per admission to such inter-track wagering location facility,  
26 so that a total of not more than \$2.00 per admission may be

1 imposed. Except as provided in subparagraph (g) of Section 27  
2 of this Act, the inter-track wagering location licensee shall  
3 collect any and all such fees and within 48 hours remit the  
4 fees to the Board, which shall, pursuant to rule, cause the  
5 fees to be distributed to the county or municipality.

6 (g) Notwithstanding any provision in this Act to the  
7 contrary, if in any calendar year the total taxes and fees from  
8 wagering on live racing and from inter-track wagering required  
9 to be collected from licensees and distributed under this Act  
10 to all State and local governmental authorities exceeds the  
11 amount of such taxes and fees distributed to each State and  
12 local governmental authority to which each State and local  
13 governmental authority was entitled under this Act for calendar  
14 year 1994, then the first \$11 million of that excess amount  
15 shall be allocated at the earliest possible date for  
16 distribution as purse money for the succeeding calendar year.  
17 Upon reaching the 1994 level, and until the excess amount of  
18 taxes and fees exceeds \$11 million, the Board shall direct all  
19 licensees to cease paying the subject taxes and fees and the  
20 Board shall direct all licensees to allocate any such excess  
21 amount for purses as follows:

22 (i) the excess amount shall be initially divided  
23 between thoroughbred and standardbred purses based on the  
24 thoroughbred's and standardbred's respective percentages  
25 of total Illinois live wagering in calendar year 1994;

26 (ii) each thoroughbred and standardbred organization

1        licensee issued an organization licensee in that  
2        succeeding allocation year shall be allocated an amount  
3        equal to the product of its percentage of total Illinois  
4        live thoroughbred or standardbred wagering in calendar  
5        year 1994 (the total to be determined based on the sum of  
6        1994 on-track wagering for all organization licensees  
7        issued organization licenses in both the allocation year  
8        and the preceding year) multiplied by the total amount  
9        allocated for standardbred or thoroughbred purses,  
10       provided that the first \$1,500,000 of the amount allocated  
11       to standardbred purses under item (i) shall be allocated to  
12       the Department of Agriculture to be expended with the  
13       assistance and advice of the Illinois Standardbred  
14       Breeders Funds Advisory Board for the purposes listed in  
15       subsection (g) of Section 31 of this Act, before the amount  
16       allocated to standardbred purses under item (i) is  
17       allocated to standardbred organization licensees in the  
18       succeeding allocation year.

19       To the extent the excess amount of taxes and fees to be  
20       collected and distributed to State and local governmental  
21       authorities exceeds \$11 million, that excess amount shall be  
22       collected and distributed to State and local authorities as  
23       provided for under this Act.

24       (Source: P.A. 96-762, eff. 8-25-09; 96-1287, eff. 7-26-10.)

1           Sec. 28. Except as provided in subsection (g) of Section 27  
2 of this Act, moneys collected shall be distributed according to  
3 the provisions of this Section 28.

4           (a) Thirty per cent of the total of all monies received by  
5 the State as privilege taxes shall be paid into the  
6 Metropolitan Exposition Auditorium and Office Building Fund in  
7 the State Treasury.

8           (b) In addition, 4.5% of the total of all monies received  
9 by the State as privilege taxes shall be paid into the State  
10 treasury into a special Fund to be known as the Metropolitan  
11 Exposition, Auditorium, and Office Building Fund.

12           (c) Fifty per cent of the total of all monies received by  
13 the State as privilege taxes under the provisions of this Act  
14 shall be paid into the Agricultural Premium Fund.

15           (d) Seven per cent of the total of all monies received by  
16 the State as privilege taxes shall be paid into the Fair and  
17 Exposition Fund in the State treasury; provided, however, that  
18 when all bonds issued prior to July 1, 1984 by the Metropolitan  
19 Fair and Exposition Authority shall have been paid or payment  
20 shall have been provided for upon a refunding of those bonds,  
21 thereafter 1/12 of \$1,665,662 of such monies shall be paid each  
22 month into the Build Illinois Fund, and the remainder into the  
23 Fair and Exposition Fund. All excess monies shall be allocated  
24 to the Department of Agriculture for distribution to county  
25 fairs for premiums and rehabilitation as set forth in the  
26 Agricultural Fair Act.



1 (e) The monies provided for in Section 30 shall be paid  
2 into the Illinois Thoroughbred Breeders Fund.

3 (f) The monies provided for in Section 31 shall be paid  
4 into the Illinois Standardbred Breeders Fund.

5 (g) Until January 1, 2000, that part representing 1/2 of  
6 the total breakage in Thoroughbred, Harness, Appaloosa,  
7 Arabian, and Quarter Horse racing in the State shall be paid  
8 into the Illinois Race Track Improvement Fund as established in  
9 Section 32.

10 (h) All other monies received by the Board under this Act  
11 shall be paid into the Horse Racing Fund ~~General Revenue Fund~~  
12 ~~of the State~~.

13 (i) The salaries of the Board members, secretary, stewards,  
14 directors of mutuels, veterinarians, representatives,  
15 accountants, clerks, stenographers, inspectors and other  
16 employees of the Board, and all expenses of the Board incident  
17 to the administration of this Act, including, but not limited  
18 to, all expenses and salaries incident to the taking of saliva  
19 and urine samples in accordance with the rules and regulations  
20 of the Board shall be paid out of the Agricultural Premium  
21 Fund.

22 (j) The Agricultural Premium Fund shall also be used:

23 (1) for the expenses of operating the Illinois State  
24 Fair and the DuQuoin State Fair, including the payment of  
25 prize money or premiums;

26 (2) for the distribution to county fairs, vocational

1 agriculture section fairs, agricultural societies, and  
2 agricultural extension clubs in accordance with the  
3 Agricultural Fair Act, as amended;

4 (3) for payment of prize monies and premiums awarded  
5 and for expenses incurred in connection with the  
6 International Livestock Exposition and the Mid-Continent  
7 Livestock Exposition held in Illinois, which premiums, and  
8 awards must be approved, and paid by the Illinois  
9 Department of Agriculture;

10 (4) for personal service of county agricultural  
11 advisors and county home advisors;

12 (5) for distribution to agricultural home economic  
13 extension councils in accordance with "An Act in relation  
14 to additional support and finance for the Agricultural and  
15 Home Economic Extension Councils in the several counties in  
16 this State and making an appropriation therefor", approved  
17 July 24, 1967, as amended;

18 (6) for research on equine disease, including a  
19 development center therefor;

20 (7) for training scholarships for study on equine  
21 diseases to students at the University of Illinois College  
22 of Veterinary Medicine;

23 (8) for the rehabilitation, repair and maintenance of  
24 the Illinois and DuQuoin State Fair Grounds and the  
25 structures and facilities thereon and the construction of  
26 permanent improvements on such Fair Grounds, including

1 such structures, facilities and property located on such  
2 State Fair Grounds which are under the custody and control  
3 of the Department of Agriculture;

4 (9) for the expenses of the Department of Agriculture  
5 under Section 5-530 of the Departments of State Government  
6 Law (20 ILCS 5/5-530);

7 (10) for the expenses of the Department of Commerce and  
8 Economic Opportunity under Sections 605-620, 605-625, and  
9 605-630 of the Department of Commerce and Economic  
10 Opportunity Law (20 ILCS 605/605-620, 605/605-625, and  
11 605/605-630);

12 (11) for remodeling, expanding, and reconstructing  
13 facilities destroyed by fire of any Fair and Exposition  
14 Authority in counties with a population of 1,000,000 or  
15 more inhabitants;

16 (12) for the purpose of assisting in the care and  
17 general rehabilitation of disabled veterans of any war and  
18 their surviving spouses and orphans;

19 (13) for expenses of the Department of State Police for  
20 duties performed under this Act;

21 (14) for the Department of Agriculture for soil surveys  
22 and soil and water conservation purposes;

23 (15) for the Department of Agriculture for grants to  
24 the City of Chicago for conducting the Chicagofest;

25 (16) for the State Comptroller for grants and operating  
26 expenses authorized by the Illinois Global Partnership

1 Act.

2 (k) To the extent that monies paid by the Board to the  
3 Agricultural Premium Fund are in the opinion of the Governor in  
4 excess of the amount necessary for the purposes herein stated,  
5 the Governor shall notify the Comptroller and the State  
6 Treasurer of such fact, who, upon receipt of such notification,  
7 shall transfer such excess monies from the Agricultural Premium  
8 Fund to the General Revenue Fund.

9 (Source: P.A. 94-91, Sections 55-135 and 90-10, eff. 7-1-05.)

10 (230 ILCS 5/28.1)

11 Sec. 28.1. Payments.

12 (a) Beginning on January 1, 2000, moneys collected by the  
13 Department of Revenue and the Racing Board pursuant to Section  
14 26 or Section 27 of this Act shall be deposited into the Horse  
15 Racing Fund, which is hereby created as a special fund in the  
16 State Treasury.

17 (b) Appropriations, as approved by the General Assembly,  
18 may be made from the Horse Racing Fund to the Board to pay the  
19 salaries of the Board members, secretary, stewards, directors  
20 of mutuels, veterinarians, representatives, accountants,  
21 clerks, stenographers, inspectors and other employees of the  
22 Board, and all expenses of the Board incident to the  
23 administration of this Act, including, but not limited to, all  
24 expenses and salaries incident to the taking of saliva and  
25 urine samples in accordance with the rules and regulations of

1 the Board.

2 (c) Beginning on January 1, 2000, the Board shall transfer  
3 the remainder of the funds generated pursuant to Sections 26  
4 and 27 from the Horse Racing Fund into the General Revenue  
5 Fund.

6 In the event that in any fiscal year, the amount of total  
7 funds in the Horse Racing Fund is insufficient to meet the  
8 annual operating expenses of the Board, as appropriated by the  
9 General Assembly for that fiscal year, the Board shall invoice  
10 the organization licensees for the amount of the deficit. The  
11 amount of the invoice shall be allocated in a proportionate  
12 amount of pari-mutuel wagering handled by the organization  
13 licensee in the year preceding assessment and divided by the  
14 total pari-mutuel wagering handled by all Illinois  
15 organization licensees. The payments shall be made 50% from the  
16 organization licensee's account and 50% from the organization  
17 licensee's purse account.

18 (d) Beginning January 1, 2000, payments to all programs in  
19 existence on the effective date of this amendatory Act of 1999  
20 that are identified in Sections 26(c), 26(f), 26(h)(11)(C), and  
21 28, subsections (a), (b), (c), (d), (e), (f), (g), and (h) of  
22 Section 30, and subsections (a), (b), (c), (d), (e), (f), (g),  
23 and (h) of Section 31 shall be made from the General Revenue  
24 Fund at the funding levels determined by amounts paid under  
25 this Act in calendar year 1998. Beginning on the effective date  
26 of this amendatory Act of the 93rd General Assembly, payments

1 to the Peoria Park District shall be made from the General  
2 Revenue Fund at the funding level determined by amounts paid to  
3 that park district for museum purposes under this Act in  
4 calendar year 1994.

5 If an inter-track wagering location licensee's facility  
6 changes its location, then the payments associated with that  
7 facility under this subsection (d) for museum purposes shall be  
8 paid to the park district in the area where the facility  
9 relocates, and the payments shall be used for museum purposes.  
10 If the facility does not relocate to a park district, then the  
11 payments shall be paid to the taxing district that is  
12 responsible for park or museum expenditures.

13 (e) Beginning July 1, 2006, the payment authorized under  
14 subsection (d) to museums and aquariums located in park  
15 districts of over 500,000 population shall be paid to museums,  
16 aquariums, and zoos in amounts determined by Museums in the  
17 Park, an association of museums, aquariums, and zoos located on  
18 Chicago Park District property.

19 (f) Beginning July 1, 2007, the Children's Discovery Museum  
20 in Normal, Illinois shall receive payments from the General  
21 Revenue Fund at the funding level determined by the amounts  
22 paid to the Miller Park Zoo in Bloomington, Illinois under this  
23 Section in calendar year 2006.

24 (Source: P.A. 95-222, eff. 8-16-07; 96-562, eff. 8-18-09.)

25 (230 ILCS 5/30) (from Ch. 8, par. 37-30)

1           Sec. 30. (a) The General Assembly declares that it is the  
2 policy of this State to encourage the breeding of thoroughbred  
3 horses in this State and the ownership of such horses by  
4 residents of this State in order to provide for: sufficient  
5 numbers of high quality thoroughbred horses to participate in  
6 thoroughbred racing meetings in this State, and to establish  
7 and preserve the agricultural and commercial benefits of such  
8 breeding and racing industries to the State of Illinois. It is  
9 the intent of the General Assembly to further this policy by  
10 the provisions of this Act.

11           (b) Each organization licensee conducting a thoroughbred  
12 racing meeting pursuant to this Act shall provide at least two  
13 races each day limited to Illinois conceived and foaled horses  
14 or Illinois foaled horses or both. A minimum of 6 races shall  
15 be conducted each week limited to Illinois conceived and foaled  
16 or Illinois foaled horses or both. No horses shall be permitted  
17 to start in such races unless duly registered under the rules  
18 of the Department of Agriculture.

19           (c) Conditions of races under subsection (b) shall be  
20 commensurate with past performance, quality, and class of  
21 Illinois conceived and foaled and Illinois foaled horses  
22 available. If, however, sufficient competition cannot be had  
23 among horses of that class on any day, the races may, with  
24 consent of the Board, be eliminated for that day and substitute  
25 races provided.

26           (d) There is hereby created a special fund of the State

1 Treasury to be known as the Illinois Thoroughbred Breeders  
2 Fund.

3 Beginning on the effective date of this amendatory Act of  
4 the 96th General Assembly, the Illinois Thoroughbred Breeders  
5 Fund shall become a non-appropriated trust fund held separate  
6 and apart from State moneys. Expenditures from this fund shall  
7 no longer be subject to appropriation.

8 Except as provided in subsection (g) of Section 27 of this  
9 Act, 8.5% of all the monies received by the State as privilege  
10 taxes on Thoroughbred racing meetings shall be paid into the  
11 Illinois Thoroughbred Breeders Fund.

12 Notwithstanding any provision of law to the contrary,  
13 amounts deposited into the Illinois Thoroughbred Breeders Fund  
14 from revenues generated by electronic gaming after the  
15 effective date of this amendatory Act of the 96th General  
16 Assembly shall be in addition to tax and fee amounts paid under  
17 this Section for calendar year 2010 and thereafter.

18 (e) The Illinois Thoroughbred Breeders Fund shall be  
19 administered by the Department of Agriculture with the advice  
20 and assistance of the Advisory Board created in subsection (f)  
21 of this Section.

22 (f) The Illinois Thoroughbred Breeders Fund Advisory Board  
23 shall consist of the Director of the Department of Agriculture,  
24 who shall serve as Chairman; a member of the Illinois Racing  
25 Board, designated by it; 2 representatives of the organization  
26 licensees conducting thoroughbred racing meetings, recommended



1 by them; 2 representatives of the Illinois Thoroughbred  
2 Breeders and Owners Foundation, recommended by it; one  
3 representative ~~and 2 representatives~~ of the Horsemen's  
4 Benevolent Protective Association; and one representative from  
5 the Illinois Thoroughbred Horsemen's Association ~~or any~~  
6 ~~successor organization established in Illinois comprised of~~  
7 ~~the largest number of owners and trainers, recommended by it,~~  
8 ~~with one representative of the Horsemen's Benevolent and~~  
9 ~~Protective Association to come from its Illinois Division, and~~  
10 ~~one from its Chicago Division.~~ Advisory Board members shall  
11 serve for 2 years commencing January 1 of each odd numbered  
12 year. If representatives of the organization licensees  
13 conducting thoroughbred racing meetings, the Illinois  
14 Thoroughbred Breeders and Owners Foundation, ~~and~~ the  
15 Horsemen's Benevolent Protection Association, and the Illinois  
16 Thoroughbred Horsemen's Association have not been recommended  
17 by January 1, of each odd numbered year, the Director of the  
18 Department of Agriculture shall make an appointment for the  
19 organization failing to so recommend a member of the Advisory  
20 Board. Advisory Board members shall receive no compensation for  
21 their services as members but shall be reimbursed for all  
22 actual and necessary expenses and disbursements incurred in the  
23 execution of their official duties.

24 (g) ~~No monies shall be expended from the Illinois~~  
25 ~~Thoroughbred Breeders Fund except as appropriated by the~~  
26 ~~General Assembly.~~ Monies expended ~~appropriated~~ from the

1 Illinois Thoroughbred Breeders Fund shall be expended by the  
2 Department of Agriculture, with the advice and assistance of  
3 the Illinois Thoroughbred Breeders Fund Advisory Board, for the  
4 following purposes only:

5 (1) To provide purse supplements to owners of horses  
6 participating in races limited to Illinois conceived and  
7 foaled and Illinois foaled horses. Any such purse  
8 supplements shall not be included in and shall be paid in  
9 addition to any purses, stakes, or breeders' awards offered  
10 by each organization licensee as determined by agreement  
11 between such organization licensee and an organization  
12 representing the horsemen. No monies from the Illinois  
13 Thoroughbred Breeders Fund shall be used to provide purse  
14 supplements for claiming races in which the minimum  
15 claiming price is less than \$7,500.

16 (2) To provide stakes and awards to be paid to the  
17 owners of the winning horses in certain races limited to  
18 Illinois conceived and foaled and Illinois foaled horses  
19 designated as stakes races.

20 (2.5) To provide an award to the owner or owners of an  
21 Illinois conceived and foaled or Illinois foaled horse that  
22 wins a maiden special weight, an allowance, overnight  
23 handicap race, or claiming race with claiming price of  
24 \$10,000 or more providing the race is not restricted to  
25 Illinois conceived and foaled or Illinois foaled horses.  
26 Awards shall also be provided to the owner or owners of

1 Illinois conceived and foaled and Illinois foaled horses  
2 that place second or third in those races. To the extent  
3 that additional moneys are required to pay the minimum  
4 additional awards of 40% of the purse the horse earns for  
5 placing first, second or third in those races for Illinois  
6 foaled horses and of 60% of the purse the horse earns for  
7 placing first, second or third in those races for Illinois  
8 conceived and foaled horses, those moneys shall be provided  
9 from the purse account at the track where earned.

10 (3) To provide stallion awards to the owner or owners  
11 of any stallion that is duly registered with the Illinois  
12 Thoroughbred Breeders Fund Program ~~prior to the effective~~  
13 ~~date of this amendatory Act of 1995~~ whose duly registered  
14 Illinois conceived and foaled offspring wins a race  
15 conducted at an Illinois thoroughbred racing meeting other  
16 than a claiming race, provided that the stallion stood  
17 service within Illinois at the time the offspring was  
18 conceived and that the stallion did not stand for service  
19 outside of Illinois at any time during the year in which  
20 the offspring was conceived. ~~Such award shall not be paid~~  
21 ~~to the owner or owners of an Illinois stallion that served~~  
22 ~~outside this State at any time during the calendar year in~~  
23 ~~which such race was conducted.~~

24 (4) To provide \$75,000 annually for purses to be  
25 distributed to county fairs that provide for the running of  
26 races during each county fair exclusively for the

1 thoroughbreds conceived and foaled in Illinois. The  
2 conditions of the races shall be developed by the county  
3 fair association and reviewed by the Department with the  
4 advice and assistance of the Illinois Thoroughbred  
5 Breeders Fund Advisory Board. There shall be no wagering of  
6 any kind on the running of Illinois conceived and foaled  
7 races at county fairs.

8 (4.1) To provide purse money for an Illinois stallion  
9 stakes program.

10 (5) No less than 90% ~~80%~~ of all monies appropriated  
11 from the Illinois Thoroughbred Breeders Fund shall be  
12 expended for the purposes in (1), (2), (2.5), (3), (4),  
13 (4.1), and (5) as shown above.

14 (6) To provide for educational programs regarding the  
15 thoroughbred breeding industry.

16 (7) To provide for research programs concerning the  
17 health, development and care of the thoroughbred horse.

18 (8) To provide for a scholarship and training program  
19 for students of equine veterinary medicine.

20 (9) To provide for dissemination of public information  
21 designed to promote the breeding of thoroughbred horses in  
22 Illinois.

23 (10) To provide for all expenses incurred in the  
24 administration of the Illinois Thoroughbred Breeders Fund.

25 (h) The Illinois Thoroughbred Breeders Fund is not subject  
26 to administrative charges or charge-backs, including, but not

1 limited to, those authorized under Section 8h of the State  
2 Finance Act. ~~Whenever the Governor finds that the amount in the~~  
3 ~~Illinois Thoroughbred Breeders Fund is more than the total of~~  
4 ~~the outstanding appropriations from such fund, the Governor~~  
5 ~~shall notify the State Comptroller and the State Treasurer of~~  
6 ~~such fact. The Comptroller and the State Treasurer, upon~~  
7 ~~receipt of such notification, shall transfer such excess amount~~  
8 ~~from the Illinois Thoroughbred Breeders Fund to the General~~  
9 ~~Revenue Fund.~~

10 (i) A sum equal to 13% ~~12 1/2%~~ of the first prize money of  
11 every purse won by an Illinois foaled or an Illinois conceived  
12 and foaled horse in races not limited to Illinois foaled horses  
13 or Illinois conceived and foaled horses, or both, shall be paid  
14 by the organization licensee conducting the horse race meeting.  
15 Such sum shall be paid 50% from the organization licensee's  
16 account and 50% from the purse account of the licensee ~~share of~~  
17 ~~the money wagered~~ as follows: 11 1/2% to the breeder of the  
18 winning horse and 1 1/2% ~~1%~~ to the organization representing  
19 thoroughbred breeders and owners whose representative serves  
20 on the Illinois Thoroughbred Breeders Fund Advisory Board for  
21 verifying the amounts of breeders' awards earned, assuring  
22 their distribution in accordance with this Act, and servicing  
23 and promoting the Illinois thoroughbred horse racing industry.  
24 The organization representing thoroughbred breeders and owners  
25 shall cause all expenditures of monies received under this  
26 subsection (i) to be audited at least annually by a registered

1 public accountant. The organization shall file copies of each  
2 annual audit with the Racing Board, the Clerk of the House of  
3 Representatives and the Secretary of the Senate, and shall make  
4 copies of each annual audit available to the public upon  
5 request and upon payment of the reasonable cost of photocopying  
6 the requested number of copies. Such payments shall not reduce  
7 any award to the owner of the horse or reduce the taxes payable  
8 under this Act. Upon completion of its racing meet, each  
9 organization licensee shall deliver to the organization  
10 representing thoroughbred breeders and owners whose  
11 representative serves on the Illinois Thoroughbred Breeders  
12 Fund Advisory Board a listing of all the Illinois foaled and  
13 the Illinois conceived and foaled horses which won breeders'  
14 awards and the amount of such breeders' awards under this  
15 subsection to verify accuracy of payments and assure proper  
16 distribution of breeders' awards in accordance with the  
17 provisions of this Act. Such payments shall be delivered by the  
18 organization licensee within 30 days of the end of each race  
19 meeting.

20 (j) A sum equal to 13% ~~12 1/2%~~ of the first prize money won  
21 in each race limited to Illinois foaled horses or Illinois  
22 conceived and foaled horses, or both, shall be paid in the  
23 following manner by the organization licensee conducting the  
24 horse race meeting, 50% from the organization licensee's  
25 account and 50% from the purse account of the licensee ~~share of~~  
26 ~~the money wagered~~: 11 1/2% to the breeders of the horses in

1 each such race which are the official first, second, third and  
2 fourth finishers and 1 1/2% ~~1%~~ to the organization representing  
3 thoroughbred breeders and owners whose representative serves  
4 on the Illinois Thoroughbred Breeders Fund Advisory Board for  
5 verifying the amounts of breeders' awards earned, assuring  
6 their proper distribution in accordance with this Act, and  
7 servicing and promoting the Illinois thoroughbred horse racing  
8 industry. The organization representing thoroughbred breeders  
9 and owners shall cause all expenditures of monies received  
10 under this subsection (j) to be audited at least annually by a  
11 registered public accountant. The organization shall file  
12 copies of each annual audit with the Racing Board, the Clerk of  
13 the House of Representatives and the Secretary of the Senate,  
14 and shall make copies of each annual audit available to the  
15 public upon request and upon payment of the reasonable cost of  
16 photocopying the requested number of copies.

17 The 11 1/2% paid to the breeders in accordance with this  
18 subsection shall be distributed as follows:

19 (1) 60% of such sum shall be paid to the breeder of the  
20 horse which finishes in the official first position;

21 (2) 20% of such sum shall be paid to the breeder of the  
22 horse which finishes in the official second position;

23 (3) 15% of such sum shall be paid to the breeder of the  
24 horse which finishes in the official third position; and

25 (4) 5% of such sum shall be paid to the breeder of the  
26 horse which finishes in the official fourth position.

1           Such payments shall not reduce any award to the owners of a  
2 horse or reduce the taxes payable under this Act. Upon  
3 completion of its racing meet, each organization licensee shall  
4 deliver to the organization representing thoroughbred breeders  
5 and owners whose representative serves on the Illinois  
6 Thoroughbred Breeders Fund Advisory Board a listing of all the  
7 Illinois foaled and the Illinois conceived and foaled horses  
8 which won breeders' awards and the amount of such breeders'  
9 awards in accordance with the provisions of this Act. Such  
10 payments shall be delivered by the organization licensee within  
11 30 days of the end of each race meeting.

12           (k) The term "breeder", as used herein, means the owner of  
13 the mare at the time the foal is dropped. An "Illinois foaled  
14 horse" is a foal dropped by a mare which enters this State on  
15 or before December 1, in the year in which the horse is bred,  
16 provided the mare remains continuously in this State until its  
17 foal is born. An "Illinois foaled horse" also means a foal born  
18 of a mare in the same year as the mare enters this State on or  
19 before March 1, and remains in this State at least 30 days  
20 after foaling, is bred back during the season of the foaling to  
21 an Illinois Registered Stallion (unless a veterinarian  
22 certifies that the mare should not be bred for health reasons),  
23 and is not bred to a stallion standing in any other state  
24 during the season of foaling. An "Illinois foaled horse" also  
25 means a foal born in Illinois of a mare purchased at public  
26 auction subsequent to the mare entering this State on or before



1 March 1 ~~prior to February 1~~ of the foaling year providing the  
2 mare is owned solely by one or more Illinois residents or an  
3 Illinois entity that is entirely owned by one or more Illinois  
4 residents.

5 (1) The Department of Agriculture shall, by rule, with the  
6 advice and assistance of the Illinois Thoroughbred Breeders  
7 Fund Advisory Board:

8 (1) Qualify stallions for Illinois breeding; such  
9 stallions to stand for service within the State of Illinois  
10 at the time of a foal's conception. Such stallion must not  
11 stand for service at any place outside the State of  
12 Illinois during the calendar year in which the foal is  
13 conceived. The Department of Agriculture may assess and  
14 collect an application fee of up to \$500 ~~fees~~ for the  
15 registration of Illinois-eligible stallions. All fees  
16 collected are to be held in trust accounts for the purposes  
17 set forth in this Act and in accordance with Section 205-15  
18 of the Department of Agriculture Law ~~paid into the Illinois~~  
19 ~~Thoroughbred Breeders Fund.~~

20 (2) Provide for the registration of Illinois conceived  
21 and foaled horses and Illinois foaled horses. No such horse  
22 shall compete in the races limited to Illinois conceived  
23 and foaled horses or Illinois foaled horses or both unless  
24 registered with the Department of Agriculture. The  
25 Department of Agriculture may prescribe such forms as are  
26 necessary to determine the eligibility of such horses. The

1 Department of Agriculture may assess and collect  
2 application fees for the registration of Illinois-eligible  
3 foals. All fees collected are to be held in trust accounts  
4 for the purposes set forth in this Act and in accordance  
5 with Section 205-15 of the Department of Agriculture Law  
6 ~~paid into the Illinois Thoroughbred Breeders Fund.~~ No  
7 person shall knowingly prepare or cause preparation of an  
8 application for registration of such foals containing  
9 false information.

10 (m) The Department of Agriculture, with the advice and  
11 assistance of the Illinois Thoroughbred Breeders Fund Advisory  
12 Board, shall provide that certain races limited to Illinois  
13 conceived and foaled and Illinois foaled horses be stakes races  
14 and determine the total amount of stakes and awards to be paid  
15 to the owners of the winning horses in such races.

16 In determining the stakes races and the amount of awards  
17 for such races, the Department of Agriculture shall consider  
18 factors, including but not limited to, the amount of money  
19 appropriated for the Illinois Thoroughbred Breeders Fund  
20 program, organization licensees' contributions, availability  
21 of stakes caliber horses as demonstrated by past performances,  
22 whether the race can be coordinated into the proposed racing  
23 dates within organization licensees' racing dates, opportunity  
24 for colts and fillies and various age groups to race, public  
25 wagering on such races, and the previous racing schedule.

26 (n) The Board and the organizational licensee shall notify

1 the Department of the conditions and minimum purses for races  
2 limited to Illinois conceived and foaled and Illinois foaled  
3 horses conducted for each organizational licensee conducting a  
4 thoroughbred racing meeting. The Department of Agriculture  
5 with the advice and assistance of the Illinois Thoroughbred  
6 Breeders Fund Advisory Board may allocate monies for purse  
7 supplements for such races. In determining whether to allocate  
8 money and the amount, the Department of Agriculture shall  
9 consider factors, including but not limited to, the amount of  
10 money appropriated for the Illinois Thoroughbred Breeders Fund  
11 program, the number of races that may occur, and the  
12 organizational licensee's purse structure.

13 (o) In order to improve the breeding quality of  
14 thoroughbred horses in the State, the General Assembly  
15 recognizes that existing provisions of this Section to  
16 encourage such quality breeding need to be revised and  
17 strengthened. As such, a Thoroughbred Breeder's Program Task  
18 Force is to be appointed by the Governor by September 1, 1999  
19 to make recommendations to the General Assembly by no later  
20 than March 1, 2000. This task force is to be composed of 2  
21 representatives from the Illinois Thoroughbred Breeders and  
22 Owners Foundation, 2 from the Illinois Thoroughbred Horsemen's  
23 Association, 3 from Illinois race tracks operating  
24 thoroughbred race meets for an average of at least 30 days in  
25 the past 3 years, the Director of Agriculture, the Executive  
26 Director of the Racing Board, who shall serve as Chairman.

1 (Source: P.A. 91-40, eff. 6-25-99.)

2 (230 ILCS 5/30.5)

3 Sec. 30.5. Illinois Quarter Horse Breeders Fund.

4 (a) The General Assembly declares that it is the policy of  
5 this State to encourage the breeding of racing quarter horses  
6 in this State and the ownership of such horses by residents of  
7 this State in order to provide for sufficient numbers of high  
8 quality racing quarter horses in this State and to establish  
9 and preserve the agricultural and commercial benefits of such  
10 breeding and racing industries to the State of Illinois. It is  
11 the intent of the General Assembly to further this policy by  
12 the provisions of this Act.

13 (b) There is hereby created a non-appropriated trust  
14 ~~special fund in the State Treasury~~ to be known as the Illinois  
15 Racing Quarter Horse Breeders Fund, which is held separate and  
16 apart from State moneys. Except as provided in subsection (g)  
17 of Section 27 of this Act, 8.5% of all the moneys received by  
18 the State as pari-mutuel taxes on quarter horse racing shall be  
19 paid into the Illinois Racing Quarter Horse Breeders Fund. The  
20 Illinois Racing Quarter Horse Breeders Fund shall not be  
21 subject to administrative charges or charge backs, including,  
22 but not limited to, those authorized under Section 8h of the  
23 State Finance Act.

24 (c) The Illinois Racing Quarter Horse Breeders Fund shall  
25 be administered by the Department of Agriculture with the

1 advice and assistance of the Advisory Board created in  
2 subsection (d) of this Section.

3 (d) The Illinois Racing Quarter Horse Breeders Fund  
4 Advisory Board shall consist of the Director of the Department  
5 of Agriculture, who shall serve as Chairman; a member of the  
6 Illinois Racing Board, designated by it; one representative of  
7 the organization licensees conducting pari-mutuel quarter  
8 horse racing meetings, recommended by them; 2 representatives  
9 of the Illinois Running Quarter Horse Association, recommended  
10 by it; and the Superintendent of Fairs and Promotions from the  
11 Department of Agriculture. Advisory Board members shall serve  
12 for 2 years commencing January 1 of each odd numbered year. If  
13 representatives have not been recommended by January 1 of each  
14 odd numbered year, the Director of the Department of  
15 Agriculture may make an appointment for the organization  
16 failing to so recommend a member of the Advisory Board.  
17 Advisory Board members shall receive no compensation for their  
18 services as members but may be reimbursed for all actual and  
19 necessary expenses and disbursements incurred in the execution  
20 of their official duties.

21 (e) Moneys in ~~No moneys shall be expended from the Illinois~~  
22 ~~Racing Quarter Horse Breeders Fund except as appropriated by~~  
23 ~~the General Assembly. Moneys appropriated from~~ the Illinois  
24 Racing Quarter Horse Breeders Fund shall be expended by the  
25 Department of Agriculture, with the advice and assistance of  
26 the Illinois Racing Quarter Horse Breeders Fund Advisory Board,

1 for the following purposes only:

2 (1) To provide stakes and awards to be paid to the  
3 owners of the winning horses in certain races. This  
4 provision is limited to Illinois conceived and foaled  
5 horses.

6 (2) To provide an award to the owner or owners of an  
7 Illinois conceived and foaled horse that wins a race when  
8 pari-mutuel wagering is conducted; providing the race is  
9 not restricted to Illinois conceived and foaled horses.

10 (3) To provide purse money for an Illinois stallion  
11 stakes program.

12 (4) To provide for purses to be distributed for the  
13 running of races during the Illinois State Fair and the  
14 DuQuoin State Fair exclusively for quarter horses  
15 conceived and foaled in Illinois.

16 (5) To provide for purses to be distributed for the  
17 running of races at Illinois county fairs exclusively for  
18 quarter horses conceived and foaled in Illinois.

19 (6) To provide for purses to be distributed for running  
20 races exclusively for quarter horses conceived and foaled  
21 in Illinois at locations in Illinois determined by the  
22 Department of Agriculture with advice and consent of the  
23 Racing Quarter Horse Breeders Fund Advisory Board.

24 (7) No less than 90% of all moneys appropriated from  
25 the Illinois Racing Quarter Horse Breeders Fund shall be  
26 expended for the purposes in items (1), (2), (3), (4), and

1 (5) of this subsection (e).

2 (8) To provide for research programs concerning the  
3 health, development, and care of racing quarter horses.

4 (9) To provide for dissemination of public information  
5 designed to promote the breeding of racing quarter horses  
6 in Illinois.

7 (10) To provide for expenses incurred in the  
8 administration of the Illinois Racing Quarter Horse  
9 Breeders Fund.

10 (f) The Department of Agriculture shall, by rule, with the  
11 advice and assistance of the Illinois Racing Quarter Horse  
12 Breeders Fund Advisory Board:

13 (1) Qualify stallions for Illinois breeding; such  
14 stallions to stand for service within the State of  
15 Illinois, at the time of a foal's conception. Such stallion  
16 must not stand for service at any place outside the State  
17 of Illinois during the calendar year in which the foal is  
18 conceived. The Department of Agriculture may assess and  
19 collect application fees for the registration of  
20 Illinois-eligible stallions. All fees collected are to be  
21 paid into the Illinois Racing Quarter Horse Breeders Fund.

22 (2) Provide for the registration of Illinois conceived  
23 and foaled horses. No such horse shall compete in the races  
24 limited to Illinois conceived and foaled horses unless it  
25 is registered with the Department of Agriculture. The  
26 Department of Agriculture may prescribe such forms as are

1 necessary to determine the eligibility of such horses. The  
2 Department of Agriculture may assess and collect  
3 application fees for the registration of Illinois-eligible  
4 foals. All fees collected are to be paid into the Illinois  
5 Racing Quarter Horse Breeders Fund. No person shall  
6 knowingly prepare or cause preparation of an application  
7 for registration of such foals that contains false  
8 information.

9 (g) The Department of Agriculture, with the advice and  
10 assistance of the Illinois Racing Quarter Horse Breeders Fund  
11 Advisory Board, shall provide that certain races limited to  
12 Illinois conceived and foaled be stakes races and determine the  
13 total amount of stakes and awards to be paid to the owners of  
14 the winning horses in such races.

15 (Source: P.A. 91-40, eff. 6-25-99.)

16 (230 ILCS 5/31) (from Ch. 8, par. 37-31)

17 Sec. 31. (a) The General Assembly declares that it is the  
18 policy of this State to encourage the breeding of standardbred  
19 horses in this State and the ownership of such horses by  
20 residents of this State in order to provide for: sufficient  
21 numbers of high quality standardbred horses to participate in  
22 harness racing meetings in this State, and to establish and  
23 preserve the agricultural and commercial benefits of such  
24 breeding and racing industries to the State of Illinois. It is  
25 the intent of the General Assembly to further this policy by



1 the provisions of this Section of this Act.

2 (b) Each organization licensee conducting a harness racing  
3 meeting pursuant to this Act shall provide for at least two  
4 races each race program limited to Illinois conceived and  
5 foaled horses. A minimum of 6 races shall be conducted each  
6 week limited to Illinois conceived and foaled horses. No horses  
7 shall be permitted to start in such races unless duly  
8 registered under the rules of the Department of Agriculture.

9 (b-5) Organization licensees, not including the Illinois  
10 State Fair or the DuQuoin State Fair, shall provide stake races  
11 and early closer races for Illinois conceived and foaled horses  
12 so that purses distributed for such races shall be no less than  
13 17% of total purses distributed for harness racing in that  
14 calendar year in addition to any stakes payments and starting  
15 fees contributed by horse owners.

16 (b-10) Each organization licensee conducting a harness  
17 racing meeting pursuant to this Act shall provide an owner  
18 award to be paid from the purse account equal to 25% of the  
19 amount earned by Illinois conceived and foaled horses in races  
20 that are not restricted to Illinois conceived and foaled  
21 horses. The owner awards shall not be paid on races below the  
22 \$10,000 claiming class.

23 (c) Conditions of races under subsection (b) shall be  
24 commensurate with past performance, quality and class of  
25 Illinois conceived and foaled horses available. If, however,  
26 sufficient competition cannot be had among horses of that class

1 on any day, the races may, with consent of the Board, be  
2 eliminated for that day and substitute races provided.

3 (d) There is hereby created a special fund of the State  
4 Treasury to be known as the Illinois Standardbred Breeders  
5 Fund.

6 During the calendar year 1981, and each year thereafter,  
7 except as provided in subsection (g) of Section 27 of this Act,  
8 eight and one-half per cent of all the monies received by the  
9 State as privilege taxes on harness racing meetings shall be  
10 paid into the Illinois Standardbred Breeders Fund.

11 (e) The Illinois Standardbred Breeders Fund shall be  
12 administered by the Department of Agriculture with the  
13 assistance and advice of the Advisory Board created in  
14 subsection (f) of this Section.

15 (f) The Illinois Standardbred Breeders Fund Advisory Board  
16 is hereby created. The Advisory Board shall consist of the  
17 Director of the Department of Agriculture, who shall serve as  
18 Chairman; the Superintendent of the Illinois State Fair; a  
19 member of the Illinois Racing Board, designated by it; a  
20 representative of the Illinois Standardbred Owners and  
21 Breeders Association, recommended by it; a representative of  
22 the Illinois Association of Agricultural Fairs, recommended by  
23 it, such representative to be from a fair at which Illinois  
24 conceived and foaled racing is conducted; a representative of  
25 the organization licensees conducting harness racing meetings,  
26 recommended by them and a representative of the Illinois

1 Harness Horsemen's Association, recommended by it. Advisory  
2 Board members shall serve for 2 years commencing January 1, of  
3 each odd numbered year. If representatives of the Illinois  
4 Standardbred Owners and Breeders Associations, the Illinois  
5 Association of Agricultural Fairs, the Illinois Harness  
6 Horsemen's Association, and the organization licensees  
7 conducting harness racing meetings have not been recommended by  
8 January 1, of each odd numbered year, the Director of the  
9 Department of Agriculture shall make an appointment for the  
10 organization failing to so recommend a member of the Advisory  
11 Board. Advisory Board members shall receive no compensation for  
12 their services as members but shall be reimbursed for all  
13 actual and necessary expenses and disbursements incurred in the  
14 execution of their official duties.

15 (g) No monies shall be expended from the Illinois  
16 Standardbred Breeders Fund except as appropriated by the  
17 General Assembly. Monies appropriated from the Illinois  
18 Standardbred Breeders Fund shall be expended by the Department  
19 of Agriculture, with the assistance and advice of the Illinois  
20 Standardbred Breeders Fund Advisory Board for the following  
21 purposes only:

22 1. To provide purses for races limited to Illinois  
23 conceived and foaled horses at the State Fair and the  
24 DuQuoin State Fair.

25 2. To provide purses for races limited to Illinois  
26 conceived and foaled horses at county fairs.

1           3. To provide purse supplements for races limited to  
2 Illinois conceived and foaled horses conducted by  
3 associations conducting harness racing meetings.

4           4. No less than 75% of all monies in the Illinois  
5 Standardbred Breeders Fund shall be expended for purses in  
6 1, 2 and 3 as shown above.

7           5. In the discretion of the Department of Agriculture  
8 to provide awards to harness breeders of Illinois conceived  
9 and foaled horses which win races conducted by organization  
10 licensees conducting harness racing meetings. A breeder is  
11 the owner of a mare at the time of conception. No more than  
12 10% of all monies appropriated from the Illinois  
13 Standardbred Breeders Fund shall be expended for such  
14 harness breeders awards. No more than 25% of the amount  
15 expended for harness breeders awards shall be expended for  
16 expenses incurred in the administration of such harness  
17 breeders awards.

18           6. To pay for the improvement of racing facilities  
19 located at the State Fair and County fairs.

20           7. To pay the expenses incurred in the administration  
21 of the Illinois Standardbred Breeders Fund.

22           8. To promote the sport of harness racing, including  
23 grants up to a maximum of \$7,500 per fair per year for  
24 conducting pari-mutuel wagering during the advertised  
25 dates of a county fair.

26           9. To pay up to \$50,000 annually for the Department of

1       Agriculture to conduct drug testing at county fairs racing  
2       standardbred horses.

3       10. To pay up to \$100,000 annually for distribution to  
4       Illinois county fairs to supplement premiums offered in  
5       junior classes.

6       11. To pay up to \$100,000 annually for division and  
7       equal distribution to each Illinois public university  
8       system engaged in equine research and education on or  
9       before the effective date of this amendatory Act of the  
10      96th General Assembly for equine research and education.

11      (h) (Blank) ~~Whenever the Governor finds that the amount in~~  
12 ~~the Illinois Standardbred Breeders Fund is more than the total~~  
13 ~~of the outstanding appropriations from such fund, the Governor~~  
14 ~~shall notify the State Comptroller and the State Treasurer of~~  
15 ~~such fact. The Comptroller and the State Treasurer, upon~~  
16 ~~receipt of such notification, shall transfer such excess amount~~  
17 ~~from the Illinois Standardbred Breeders Fund to the General~~  
18 ~~Revenue Fund.~~

19      (i) A sum equal to 13% ~~12-1/2%~~ of the first prize money of  
20 the gross ~~every~~ purse won by an Illinois conceived and foaled  
21 horse shall be paid 50% by the organization licensee conducting  
22 the horse race meeting to the breeder of such winning horse  
23 from the organization licensee's account and 50% from the purse  
24 account of the licensee ~~share of the money wagered~~. Such  
25 payment shall not reduce any award to the owner of the horse or  
26 reduce the taxes payable under this Act. Such payment shall be

1 delivered by the organization licensee at the end of each  
2 quarter race meeting.

3 (j) The Department of Agriculture shall, by rule, with the  
4 assistance and advice of the Illinois Standardbred Breeders  
5 Fund Advisory Board:

6 1. Qualify stallions for Illinois Standardbred  
7 Breeders Fund breeding; ~~such stallion shall be owned by a~~  
8 ~~resident of the State of Illinois or by an Illinois~~  
9 ~~corporation all of whose shareholders, directors, officers~~  
10 ~~and incorporators are residents of the State of Illinois.~~

11 Such stallion shall stand for service at and within the  
12 State of Illinois at the time of a foal's conception, and  
13 such stallion must not stand for service at any place, ~~nor~~

14 ~~may semen from such stallion be transported,~~ outside the  
15 State of Illinois during that calendar year in which the  
16 foal is conceived ~~and that the owner of the stallion was~~  
17 ~~for the 12 months prior, a resident of Illinois. Foals~~

18 conceived outside the State of Illinois from shipped semen  
19 from a stallion qualified for breeders' awards under this  
20 Section are not eligible to participate in the Illinois  
21 conceived and foaled program. ~~The articles of agreement of~~

22 ~~any partnership, joint venture, limited partnership,~~  
23 ~~syndicate, association or corporation and any bylaws and~~

24 ~~stock certificates must contain a restriction that~~  
25 ~~provides that the ownership or transfer of interest by any~~

26 ~~one of the persons a party to the agreement can only be~~

1 ~~made to a person who qualifies as an Illinois resident.~~

2 2. Provide for the registration of Illinois conceived  
3 and foaled horses and no such horse shall compete in the  
4 races limited to Illinois conceived and foaled horses  
5 unless registered with the Department of Agriculture. The  
6 Department of Agriculture may prescribe such forms as may  
7 be necessary to determine the eligibility of such horses.  
8 No person shall knowingly prepare or cause preparation of  
9 an application for registration of such foals containing  
10 false information. A mare (dam) must be in the state at  
11 least 30 days prior to foaling or remain in the State at  
12 least 30 days at the time of foaling. Beginning with the  
13 1996 breeding season and for foals of 1997 and thereafter,  
14 a foal conceived in the State of Illinois by transported  
15 fresh semen may be eligible for Illinois conceived and  
16 foaled registration provided all breeding and foaling  
17 requirements are met. The stallion must be qualified for  
18 Illinois Standardbred Breeders Fund breeding at the time of  
19 conception and the mare must be inseminated within the  
20 State of Illinois. The foal must be dropped in Illinois and  
21 properly registered with the Department of Agriculture in  
22 accordance with this Act.

23 3. Provide that at least a 5 day racing program shall  
24 be conducted at the State Fair each year, which program  
25 shall include at least the following races limited to  
26 Illinois conceived and foaled horses: (a) a two year old

1 Trot and Pace, and Filly Division of each; (b) a three year  
2 old Trot and Pace, and Filly Division of each; (c) an aged  
3 Trot and Pace, and Mare Division of each.

4 4. Provide for the payment of nominating, sustaining  
5 and starting fees for races promoting the sport of harness  
6 racing and for the races to be conducted at the State Fair  
7 as provided in subsection (j) 3 of this Section provided  
8 that the nominating, sustaining and starting payment  
9 required from an entrant shall not exceed 2% of the purse  
10 of such race. All nominating, sustaining and starting  
11 payments shall be held for the benefit of entrants and  
12 shall be paid out as part of the respective purses for such  
13 races. Nominating, sustaining and starting fees shall be  
14 held in trust accounts for the purposes as set forth in  
15 this Act and in accordance with Section 205-15 of the  
16 Department of Agriculture Law (20 ILCS 205/205-15).

17 5. Provide for the registration with the Department of  
18 Agriculture of Colt Associations or county fairs desiring  
19 to sponsor races at county fairs.

20 6. Provide for the promotion of producing standardbred  
21 racehorses by providing a bonus award program for owners of  
22 2-year-old horses that win multiple major stakes races that  
23 are limited to Illinois conceived and foaled horses.

24 (k) The Department of Agriculture, with the advice and  
25 assistance of the Illinois Standardbred Breeders Fund Advisory  
26 Board, may allocate monies for purse supplements for such



1 races. In determining whether to allocate money and the amount,  
2 the Department of Agriculture shall consider factors,  
3 including but not limited to, the amount of money appropriated  
4 for the Illinois Standardbred Breeders Fund program, the number  
5 of races that may occur, and an organizational licensee's purse  
6 structure. The organizational licensee shall notify the  
7 Department of Agriculture of the conditions and minimum purses  
8 for races limited to Illinois conceived and foaled horses to be  
9 conducted by each organizational licensee conducting a harness  
10 racing meeting for which purse supplements have been  
11 negotiated.

12 (l) All races held at county fairs and the State Fair which  
13 receive funds from the Illinois Standardbred Breeders Fund  
14 shall be conducted in accordance with the rules of the United  
15 States Trotting Association unless otherwise modified by the  
16 Department of Agriculture.

17 (m) At all standardbred race meetings held or conducted  
18 under authority of a license granted by the Board, and at all  
19 standardbred races held at county fairs which are approved by  
20 the Department of Agriculture or at the Illinois or DuQuoin  
21 State Fairs, no one shall jog, train, warm up or drive a  
22 standardbred horse unless he or she is wearing a protective  
23 safety helmet, with the chin strap fastened and in place, which  
24 meets the standards and requirements as set forth in the 1984  
25 Standard for Protective Headgear for Use in Harness Racing and  
26 Other Equestrian Sports published by the Snell Memorial

1 Foundation, or any standards and requirements for headgear the  
2 Illinois Racing Board may approve. Any other standards and  
3 requirements so approved by the Board shall equal or exceed  
4 those published by the Snell Memorial Foundation. Any  
5 equestrian helmet bearing the Snell label shall be deemed to  
6 have met those standards and requirements.

7 (Source: P.A. 91-239, eff. 1-1-00.)

8 (230 ILCS 5/31.1) (from Ch. 8, par. 37-31.1)

9 Sec. 31.1. (a) Organization licensees collectively shall  
10 contribute annually to charity the sum of \$1,000,000 ~~\$750,000~~  
11 to non-profit organizations that provide medical and family,  
12 counseling, and similar services to persons who reside or work  
13 on the backstretch of Illinois racetracks. These contributions  
14 shall be collected as follows: (i) no later than July 1st of  
15 each year the Board shall assess each organization licensee,  
16 except those tracks which are not within 100 miles of each  
17 other which tracks shall pay \$40,000 ~~\$30,000~~ annually apiece  
18 into the Board charity fund, that amount which equals \$920,000  
19 ~~\$690,000~~ multiplied by the amount of pari-mutuel wagering  
20 handled by the organization licensee in the year preceding  
21 assessment and divided by the total pari-mutuel wagering  
22 handled by all Illinois organization licensees, except those  
23 tracks which are not within 100 miles of each other, in the  
24 year preceding assessment; (ii) notice of the assessed  
25 contribution shall be mailed to each organization licensee;

1 (iii) within thirty days of its receipt of such notice, each  
2 organization licensee shall remit the assessed contribution to  
3 the Board. If an organization licensee wilfully fails to so  
4 remit the contribution, the Board may revoke its license to  
5 conduct horse racing.

6 (b) No later than October 1st of each year, any qualified  
7 charitable organization seeking an allotment of contributed  
8 funds shall submit to the Board an application for those funds,  
9 using the Board's approved form. No later than December 31st of  
10 each year, the Board shall distribute all such amounts  
11 collected that year to such charitable organization  
12 applicants.

13 (Source: P.A. 87-110.)

14 (230 ILCS 5/32.1)

15 Sec. 32.1. Pari-mutuel tax credit; statewide racetrack  
16 real estate equalization.

17 (a) In order to encourage new investment in Illinois  
18 racetrack facilities and mitigate differing real estate tax  
19 burdens among all racetracks, the licensees affiliated or  
20 associated with each racetrack that has been awarded live  
21 racing dates in the current year shall receive an immediate  
22 pari-mutuel tax credit in an amount equal to the greater of (i)  
23 50% of the amount of the real estate taxes paid in the prior  
24 year attributable to that racetrack, or (ii) the amount by  
25 which the real estate taxes paid in the prior year attributable

1 to that racetrack exceeds 60% of the average real estate taxes  
2 paid in the prior year for all racetracks awarded live horse  
3 racing meets in the current year.

4 Each year, regardless of whether the organization licensee  
5 conducted live racing in the year of certification, the Board  
6 shall certify in writing, prior to December 31, the real estate  
7 taxes paid in that year for each racetrack and the amount of  
8 the pari-mutuel tax credit that each organization licensee,  
9 intertrack wagering licensee, and intertrack wagering location  
10 licensee that derives its license from such racetrack is  
11 entitled in the succeeding calendar year. The real estate taxes  
12 considered under this Section for any racetrack shall be those  
13 taxes on the real estate parcels and related facilities used to  
14 conduct a horse race meeting and inter-track wagering at such  
15 racetrack under this Act. In no event shall the amount of the  
16 tax credit under this Section exceed the amount of pari-mutuel  
17 taxes otherwise calculated under this Act. The amount of the  
18 tax credit under this Section shall be retained by each  
19 licensee and shall not be subject to any reallocation or  
20 further distribution under this Act. The Board may promulgate  
21 emergency rules to implement this Section.

22 (b) Beginning on January 1 following the first 12-month  
23 period that an organization licensee begins conducting  
24 electronic gaming operations pursuant to Section 56 of this  
25 Act, an organization licensee shall be ineligible to receive  
26 the pari-mutuel tax credit provided in subsection (a).

1 (Source: P.A. 91-40, eff. 6-25-99.)

2 (230 ILCS 5/34.3 new)

3 Sec. 34.3. Drug testing. The Illinois Racing Board and the  
4 Department of Agriculture shall jointly establish a program for  
5 the purpose of conducting drug testing of horses at county  
6 fairs and shall adopt any rules necessary for enforcement of  
7 the program. The rules shall include appropriate penalties for  
8 violations.

9 (230 ILCS 5/36) (from Ch. 8, par. 37-36)

10 Sec. 36. (a) Whoever administers or conspires to administer  
11 to any horse a hypnotic, narcotic, stimulant, depressant or any  
12 chemical substance which may affect the speed of a horse at any  
13 time in any race where the purse or any part of the purse is  
14 made of money authorized by any Section of this Act, except  
15 those chemical substances permitted by ruling of the Board,  
16 internally, externally or by hypodermic method in a race or  
17 prior thereto, or whoever knowingly enters a horse in any race  
18 within a period of 24 hours after any hypnotic, narcotic,  
19 stimulant, depressant or any other chemical substance which may  
20 affect the speed of a horse at any time, except those chemical  
21 substances permitted by ruling of the Board, has been  
22 administered to such horse either internally or externally or  
23 by hypodermic method for the purpose of increasing or retarding  
24 the speed of such horse shall be guilty of a Class 4 felony.

1 The Board shall suspend or revoke such violator's license.

2 (b) The term "hypnotic" as used in this Section includes  
3 all barbituric acid preparations and derivatives.

4 (c) The term "narcotic" as used in this Section includes  
5 opium and all its alkaloids, salts, preparations and  
6 derivatives, cocaine and all its salts, preparations and  
7 derivatives and substitutes.

8 (d) The provisions of this Section 36 and the treatment  
9 authorized herein apply to horses entered in and competing in  
10 race meetings as defined in Section 3.47 of this Act and to  
11 horses entered in and competing at any county fair.

12 (Source: P.A. 79-1185.)

13 (230 ILCS 5/40) (from Ch. 8, par. 37-40)

14 Sec. 40. (a) The imposition of any fine or penalty provided  
15 in this Act shall not preclude the Board in its rules and  
16 regulations from imposing a fine or penalty for any other  
17 action which, in the Board's discretion, is a detriment or  
18 impediment to horse racing.

19 (b) The Director of Agriculture or his or her authorized  
20 representative shall impose the following monetary penalties  
21 and hold administrative hearings as required for failure to  
22 submit the following applications, lists, or reports within the  
23 time period, date or manner required by statute or rule or for  
24 removing a foal from Illinois prior to inspection:

25 (1) late filing of a renewal application for offering

1 or standing stallion for service:

2 (A) if an application is submitted no more than 30  
3 days late, \$50;

4 (B) if an application is submitted no more than 45  
5 days late, \$150; or

6 (C) if an application is submitted more than 45  
7 days late, if filing of the application is allowed  
8 under an administrative hearing, \$250;

9 (2) late filing of list or report of mares bred:

10 (A) if a list or report is submitted no more than  
11 30 days late, \$50;

12 (B) if a list or report is submitted no more than  
13 60 days late \$150; or

14 (C) if a list or report is submitted more than 60  
15 days late, if filing of the list or report is allowed  
16 under an administrative hearing, \$250;

17 (3) filing an Illinois foaled thoroughbred mare status  
18 report after the statutory deadline as provided in  
19 subsection (k) of Section 30 of this Act ~~December 31:~~

20 (A) if a report is submitted no more than 30 days  
21 late, \$50;

22 (B) if a report is submitted no more than 90 days  
23 late, \$150;

24 (C) if a report is submitted no more than 150 days  
25 late, \$250; or

26 (D) if a report is submitted more than 150 days

1 late, if filing of the report is allowed under an  
2 administrative hearing, \$500;

3 (4) late filing of application for foal eligibility  
4 certificate:

5 (A) if an application is submitted no more than 30  
6 days late, \$50;

7 (B) if an application is submitted no more than 90  
8 days late, \$150;

9 (C) if an application is submitted no more than 150  
10 days late, \$250; or

11 (D) if an application is submitted more than 150  
12 days late, if filing of the application is allowed  
13 under an administrative hearing, \$500;

14 (5) failure to report the intent to remove a foal from  
15 Illinois prior to inspection, identification and  
16 certification by a Department of Agriculture investigator,  
17 \$50; and

18 (6) if a list or report of mares bred is incomplete,  
19 \$50 per mare not included on the list or report.

20 Any person upon whom monetary penalties are imposed under  
21 this Section 3 times within a 5 year period shall have any  
22 further monetary penalties imposed at double the amounts set  
23 forth above. All monies assessed and collected for violations  
24 relating to thoroughbreds shall be paid into the Thoroughbred  
25 Breeders Fund. All monies assessed and collected for violations  
26 relating to standardbreds shall be paid into the Standardbred



1 Breeders Fund.

2 (Source: P.A. 87-397.)

3 (230 ILCS 5/56 new)

4 Sec. 56. Electronic gaming.

5 (a) A person, firm, or corporation having operating control  
6 of a race track may apply to the Gaming Board for an electronic  
7 gaming license. An electronic gaming license shall authorize  
8 its holder to conduct electronic gaming on the grounds of the  
9 race track controlled by the licensee's race track. Only one  
10 electronic gaming license may be awarded for any race track.  
11 Each license shall specify the number of gaming positions that  
12 its holder may operate.

13 An electronic gaming licensee may not permit persons under  
14 21 years of age to be present in its electronic gaming  
15 facility, but the licensee may accept wagers on live racing and  
16 inter-track wagers at its electronic gaming facility.

17 (b) The adjusted gross receipts by an electronic gaming  
18 licensee from electronic gaming remaining after the payment of  
19 taxes under Section 13 of the Illinois Gambling Act shall be  
20 distributed as follows:

21 (1) Amounts shall be paid to the purse account at the  
22 track at which the organization licensee is conducting  
23 racing equal to the following:

24 12.75% of annual adjusted gross receipts up to and  
25 including \$75,000,000;

1           20% of annual adjusted gross receipts in excess of  
2           \$75,000,000 but not exceeding \$100,000,000;

3           26.5% of annual adjusted gross receipts in excess  
4           of \$100,000,000 but not exceeding \$125,000,000; and

5           20.5% of annual adjusted gross receipts in excess  
6           of \$125,000,000.

7           (2) The remainder shall be retained by the electronic  
8           gaming licensee.

9           (c) Electronic gaming receipts placed into the purse  
10          account of an organization licensee racing thoroughbred horses  
11          shall be used for purses, for health care services and worker's  
12          compensation for racing industry workers, for equine research,  
13          for programs to care for and transition injured and retired  
14          thoroughbred horses that race at the race track, or for horse  
15          ownership promotion, in accordance with the agreement of the  
16          horsemen's association representing the largest number of  
17          owners or trainers who race at that organization licensee's  
18          race meeting. Annually, from the purse account of an  
19          organization licensee racing thoroughbred horses, an amount  
20          equal to 12% of the electronic gaming receipts placed into the  
21          purse accounts shall be paid to the Illinois Thoroughbred  
22          Breeders Fund and shall be used for owner awards; a stallion  
23          program pursuant to paragraph (3) of subsection (g) of Section  
24          30 of this Act; and Illinois conceived and foaled stakes races  
25          pursuant to paragraph (2) of subsection (g) of Section 30 of  
26          this Act, as specifically designated by the horsemen's

1 association representing the largest number of owners or  
2 trainers who race at the organization licensee's race meeting.  
3 Annually, from the purse account of an organization licensee  
4 conducting thoroughbred races at a race track in Madison  
5 County, an amount equal to 1% of the electronic gaming receipts  
6 distributed to purses per subsection (b) of this Section 56  
7 shall be paid to Southern Illinois University Department of  
8 Animal Sciences for equine research and education, an amount  
9 equal to 0.33 1/3% of the electronic gaming receipts shall be  
10 used to operate laundry facilities for backstretch workers at  
11 that race track, and an amount equal to 0.33 1/3% of the  
12 electronic gaming receipts shall be paid to programs to care  
13 for injured and unwanted horses that race at that race track.

14 Annually, from the purse account of organization licensees  
15 conducting thoroughbred races at race tracks in Cook County,  
16 \$100,000 shall be paid for division and equal distribution to  
17 each Illinois public university system engaged in equine  
18 research and education on or before the effective date of this  
19 amendatory Act of the 96th General Assembly for equine research  
20 and education.

21 (d) Annually, from the purse account of an organization  
22 licensee racing standardbred horses, an amount equal to 15% of  
23 the electronic gaming receipts placed into that purse account  
24 shall be paid to the Illinois Colt Stakes Purse Distribution  
25 Fund. Moneys deposited into the Illinois Colt Stakes Purse  
26 Distribution Fund shall be used for standardbred racing as

1 authorized in paragraphs 1, 2, 3, 8, 9, 10, and 11 of  
2 subsection (g) of Section 31 of this Act and for bonus awards  
3 as authorized under paragraph 6 of subsection (j) of Section 31  
4 of this Act.

5 (e) As a requirement for continued eligibility to conduct  
6 electronic gaming, each organization licensee must promote  
7 live racing and horse ownership through marketing and  
8 promotional efforts. To meet this requirement, all  
9 organization licensees operating at each race track facility  
10 must collectively expend the amount of the pari-mutuel tax  
11 credit that was certified by the Illinois Racing Board in the  
12 prior calendar year pursuant to Section 32.1 of this Act for  
13 that race track facility, in addition to the amount that was  
14 expended by each organizational licensee for such efforts in  
15 calendar year 2009. Such incremental expenditures must be  
16 directed to assure that all marketing expenditures, including  
17 those for the organization licensee's electronic gaming  
18 facility, advertise, market, and promote horse racing or horse  
19 ownership. The amount spent by the organization licensee for  
20 such marketing and promotional efforts in 2009 shall be  
21 certified by the Board no later than 90 days after the  
22 effective date of this Section.

23 Beginning on January 1 following the first 12-month period  
24 that an organization licensee begins conducting electronic  
25 gaming operations pursuant to Section 56 of this Act, an  
26 organization licensee shall not be subject to the provisions of

1 this subsection (e).

2 Section 90-40. The Riverboat Gambling Act is amended by  
3 changing Sections 1, 2, 3, 4, 5, 5.1, 6, 7, 7.1, 7.3, 8, 9, 11,  
4 11.1, 12, 13, 14, 18, 19, 20, and 23 and by adding Sections  
5 7.6, 7.7, 7.8, 7.9, and 7.10 as follows:

6 (230 ILCS 10/1) (from Ch. 120, par. 2401)

7 Sec. 1. Short title. This Act shall be known and may be  
8 cited as the Illinois ~~Riverboat~~ Gambling Act.

9 (Source: P.A. 86-1029.)

10 (230 ILCS 10/2) (from Ch. 120, par. 2402)

11 Sec. 2. Legislative Intent.

12 (a) This Act is intended to benefit the people of the State  
13 of Illinois by assisting economic development and promoting  
14 Illinois tourism and by increasing the amount of revenues  
15 available to the State to assist and support education.

16 (b) While authorization of riverboat and casino gambling  
17 will enhance investment, development and tourism in Illinois,  
18 it is recognized that it will do so successfully only if public  
19 confidence and trust in the credibility and integrity of the  
20 gambling operations and the regulatory process is maintained.  
21 Therefore, regulatory provisions of this Act are designed to  
22 strictly regulate the facilities, persons, associations and  
23 practices related to gambling operations pursuant to the police

1 powers of the State, including comprehensive law enforcement  
2 supervision.

3 (c) The Illinois Gaming Board established under this Act  
4 should, as soon as possible, inform each applicant for an  
5 owners license of the Board's intent to grant or deny a  
6 license.

7 (Source: P.A. 93-28, eff. 6-20-03.)

8 (230 ILCS 10/3) (from Ch. 120, par. 2403)

9 Sec. 3. ~~Riverboat~~ Gambling Authorized.

10 (a) Riverboat and casino gambling operations and  
11 electronic gaming operations ~~and the system of wagering~~  
12 ~~incorporated therein~~, as defined in this Act, are hereby  
13 authorized to the extent that they are carried out in  
14 accordance with the provisions of this Act.

15 (b) This Act does not apply to the pari-mutuel system of  
16 wagering used or intended to be used in connection with the  
17 horse-race meetings as authorized under the Illinois Horse  
18 Racing Act of 1975, lottery games authorized under the Illinois  
19 Lottery Law, bingo authorized under the Bingo License and Tax  
20 Act, charitable games authorized under the Charitable Games Act  
21 or pull tabs and jar games conducted under the Illinois Pull  
22 Tabs and Jar Games Act. This Act applies to electronic gaming  
23 authorized under the Illinois Horse Racing Act of 1975 to the  
24 extent provided in that Act and in this Act.

25 (c) Riverboat gambling conducted pursuant to this Act may

1 be authorized upon any water within the State of Illinois or  
2 any water other than Lake Michigan which constitutes a boundary  
3 of the State of Illinois. Notwithstanding any provision in this  
4 subsection (c) to the contrary, a licensee that receives its  
5 license pursuant to subsection (e-5) of Section 7 may conduct  
6 riverboat gambling on Lake Michigan from a home dock located on  
7 Lake Michigan subject to any limitations contained in Section  
8 7. Notwithstanding any provision in this subsection (c) to the  
9 contrary, a licensee may conduct gambling at its home dock  
10 facility as provided in Sections 7 and 11. A licensee may  
11 conduct riverboat gambling authorized under this Act  
12 regardless of whether it conducts excursion cruises. A licensee  
13 may permit the continuous ingress and egress of passengers for  
14 the purpose of gambling.

15 (d) Gambling that is conducted in accordance with this Act  
16 using slot machines and video games of chance and other  
17 electronic gambling games as defined in both the Illinois  
18 Gambling Act and the Horse Racing Act of 1975.

19 (Source: P.A. 91-40, eff. 6-25-99.)

20 (230 ILCS 10/4) (from Ch. 120, par. 2404)

21 Sec. 4. Definitions. As used in this Act:

22 ~~(a)~~ "Board" means the Illinois Gaming Board.

23 ~~(b)~~ "Occupational license" means a license issued by the  
24 Board to a person or entity to perform an occupation which the  
25 Board has identified as requiring a license to engage in

1 riverboat gambling in Illinois.

2 ~~(e)~~ "Gambling game" includes, but is not limited to,  
3 baccarat, twenty-one, poker, craps, slot machine, video game of  
4 chance, roulette wheel, klondike table, punchboard, faro  
5 layout, keno layout, numbers ticket, push card, jar ticket, or  
6 pull tab which is authorized by the Board as a wagering device  
7 under this Act.

8 ~~(d)~~ "Riverboat" means a self-propelled excursion boat, a  
9 permanently moored barge, or permanently moored barges that are  
10 permanently fixed together to operate as one vessel, on which  
11 lawful gambling is authorized and licensed as provided in this  
12 Act.

13 "Slot machine" means any mechanical, electrical, or other  
14 device, contrivance, or machine that is authorized by the Board  
15 as a wagering device under this Act which, upon insertion of a  
16 coin, currency, token or similar object therein, or upon  
17 payment of any consideration whatsoever, is available to play  
18 or operate, the play or operation of which may deliver or  
19 entitle the person playing or operating the machine to receive  
20 cash, premiums, merchandise, tokens, or anything of value  
21 whatsoever, whether the payoff is made automatically from the  
22 machine or in any other manner whatsoever. A slot machine:

23 (1) May utilize spinning reels or video displays or  
24 both.

25 (2) May or may not dispense coins, tickets or tokens to  
26 winning patrons.



1           (3) May use an electronic credit system for receiving  
2           wagers and making payouts.

3           "Slot machine" does not include table games, including, but  
4           not limited to, roulette wheel, craps, baccarat, blackjack,  
5           poker, craps, twenty-one, or other similar table games that are  
6           authorized by the Board as a wagering device under this Act.

7           ~~(e)~~ "Managers license" means a license issued by the Board  
8           to a person or entity to manage gambling operations conducted  
9           by the State pursuant to Section 7.3.

10          ~~(f)~~ "Dock" means the location where a riverboat moors for  
11          the purpose of embarking passengers for and disembarking  
12          passengers from the riverboat.

13          ~~(g)~~ "Gross receipts" means the total amount of money  
14          exchanged for the purchase of chips, tokens, or electronic  
15          cards by riverboat patrons.

16          ~~(h)~~ "Adjusted gross receipts" means the gross receipts less  
17          winnings paid to wagerers.

18          ~~(i)~~ "Cheat" means to alter the selection of criteria which  
19          determine the result of a gambling game or the amount or  
20          frequency of payment in a gambling game.

21          ~~(j) (Blank).~~

22          ~~(k)~~ "Gambling operation" means the conduct of ~~authorized~~  
23          gambling games authorized under this Act upon a riverboat or in  
24          a casino or authorized under this Act and the Illinois Horse  
25          Racing Act of 1975 at an electronic gaming facility.

26          ~~(l)~~ "License bid" means the lump sum amount of money that

1 an applicant bids and agrees to pay the State in return for an  
2 owners license that is re-issued on or after July 1, 2003.

3 "Table game" means baccarat, twenty-one, blackjack, poker,  
4 craps, roulette wheel, klondike table, punchboard, faro  
5 layout, keno layout, numbers ticket, push card, jar ticket,  
6 pull tab, or other similar games that are authorized by the  
7 Board as a wagering device under this Act. "Table game" does  
8 not include slot machines or video games of chance.

9 ~~(m)~~ The terms "minority person", "female", and "person with  
10 a disability" shall have the same meaning as defined in Section  
11 2 of the Business Enterprise for Minorities, Females, and  
12 Persons with Disabilities Act.

13 "Casino" means a land-based facility at which lawful  
14 gambling is authorized as provided in this Act.

15 "Owners license" means a license to conduct riverboat  
16 gambling operations, but does not include an electronic gaming  
17 license.

18 "Licensed owner" means a person who holds an owners  
19 license.

20 "Electronic gaming" means slot machine gambling, video  
21 game of chance gambling, or gambling with electronic gambling  
22 games as defined in the Illinois Gambling Act or defined by the  
23 Board that is conducted at a race track pursuant to an  
24 electronic gaming license.

25 "Electronic gaming facility" means the area where the Board  
26 has authorized electronic gaming at a race track of an

1 organization licensee under the Illinois Horse Racing Act of  
2 1975 that holds an electronic gaming license.

3 "Electronic gaming license" means a license issued by the  
4 Board under Section 7.6 of this Act authorizing electronic  
5 gaming at an electronic gaming facility.

6 "Electronic gaming licensee" means an entity that holds an  
7 electronic gaming license.

8 "Organization licensee" means an entity authorized by the  
9 Illinois Racing Board to conduct pari-mutuel wagering in  
10 accordance with the Illinois Horse Racing Act of 1975. With  
11 respect only to electronic gaming, "organization licensee"  
12 includes the authorization for electronic gaming created under  
13 subsection (a) of Section 56 of the Illinois Horse Racing Act  
14 of 1975.

15 "Casino operator license" means the license held by the  
16 person or entity selected by the Chicago Casino Development  
17 Authority to manage and operate a riverboat or casino within  
18 the geographic area of the authorized municipality pursuant to  
19 this Act and the Chicago Casino Development Authority Act.

20 (Source: P.A. 95-331, eff. 8-21-07; 96-1392, eff. 1-1-11.)

21 (230 ILCS 10/5) (from Ch. 120, par. 2405)

22 Sec. 5. Gaming Board.

23 (a) (1) There is hereby established the Illinois Gaming  
24 Board, which shall have the powers and duties specified in this  
25 Act, and all other powers necessary and proper to fully and

1 effectively execute this Act for the purpose of administering,  
2 regulating, and enforcing the system of riverboat and casino  
3 gambling and electronic gaming established by this Act. Its  
4 jurisdiction shall extend under this Act to every person,  
5 association, corporation, partnership and trust involved in  
6 riverboat and casino gambling operations and electronic gaming  
7 in the State of Illinois.

8 (2) The Board shall consist of 5 members to be appointed by  
9 the Governor with the advice and consent of the Senate, one of  
10 whom shall be designated by the Governor to be chairperson  
11 ~~chairman~~. Each member shall have a reasonable knowledge of the  
12 practice, procedure and principles of gambling operations.  
13 Each member shall either be a resident of Illinois or shall  
14 certify that he or she will become a resident of Illinois  
15 before taking office.

16 The Board must include the following:

17 (A) One member who has received, at a minimum, a  
18 bachelor's degree from an accredited school and at least 10  
19 years of verifiable training and experience in the fields  
20 of investigation and law enforcement.

21 (B) One member who is a certified public accountant  
22 with experience in auditing and with knowledge of complex  
23 corporate structures and transactions.

24 (C) One member who has 5 years' experience as a  
25 principal, senior officer, or director of a company or  
26 business with either material responsibility for the daily

1       operations and management of the overall company or  
2       business or material responsibility for the policy making  
3       of the company or business.

4       (D) One member who is a lawyer licensed to practice law  
5       in Illinois.

6       No more than 3 members of the Board may be from the same  
7       political party. The Board should reflect the ethnic, cultural,  
8       and geographic diversity of the State. No Board member shall,  
9       within a period of one year immediately preceding nomination,  
10       have been employed or received compensation or fees for  
11       services from a person or entity, or its parent or affiliate,  
12       that has engaged in business with the Board, a licensee, or a  
13       licensee under the Horse Racing Act of 1975. Board members must  
14       publicly disclose all prior affiliations with gaming  
15       interests, including any compensation, fees, bonuses,  
16       salaries, and other reimbursement received from a person or  
17       entity, or its parent or affiliate, that has engaged in  
18       business with the Board, a licensee, or a licensee under the  
19       Illinois Horse Racing Act of 1975. This disclosure must be made  
20       within 30 days after nomination but prior to confirmation by  
21       the Senate and must be made available to the members of the  
22       Senate. At least one member shall be experienced in law  
23       enforcement and criminal investigation, at least one member  
24       shall be a certified public accountant experienced in  
25       accounting and auditing, and at least one member shall be a  
26       lawyer licensed to practice law in Illinois.

1           (3) The terms of office of the Board members shall be 3  
2 years, except that the terms of office of the initial Board  
3 members appointed pursuant to this Act will commence from the  
4 effective date of this Act and run as follows: one for a term  
5 ending July 1, 1991, 2 for a term ending July 1, 1992, and 2 for  
6 a term ending July 1, 1993. Upon the expiration of the  
7 foregoing terms, the successors of such members shall serve a  
8 term for 3 years and until their successors are appointed and  
9 qualified for like terms. Vacancies in the Board shall be  
10 filled for the unexpired term in like manner as original  
11 appointments. Each member of the Board shall be eligible for  
12 reappointment at the discretion of the Governor with the advice  
13 and consent of the Senate.

14           (4) Each member of the Board shall receive \$300 for each  
15 day the Board meets and for each day the member conducts any  
16 hearing pursuant to this Act. Each member of the Board shall  
17 also be reimbursed for all actual and necessary expenses and  
18 disbursements incurred in the execution of official duties.

19           (5) No person shall be appointed a member of the Board or  
20 continue to be a member of the Board who is, or whose spouse,  
21 child or parent is, a member of the board of directors of, or a  
22 person financially interested in, any gambling operation  
23 subject to the jurisdiction of this Board, or any race track,  
24 race meeting, racing association or the operations thereof  
25 subject to the jurisdiction of the Illinois Racing Board. No  
26 Board member shall hold any other public office. No person

1 shall be a member of the Board who is not of good moral  
2 character or who has been convicted of, or is under indictment  
3 for, a felony under the laws of Illinois or any other state, or  
4 the United States.

5 (5.5) No member of the Board shall engage in any political  
6 activity. For the purposes of this Section, "political" means  
7 any activity in support of or in connection with any campaign  
8 for federal, State, or local elective office or any political  
9 organization, but does not include activities (i) relating to  
10 the support or opposition of any executive, legislative, or  
11 administrative action (as those terms are defined in Section 2  
12 of the Lobbyist Registration Act), (ii) relating to collective  
13 bargaining, or (iii) that are otherwise in furtherance of the  
14 person's official State duties or governmental and public  
15 service functions.

16 (6) Any member of the Board may be removed by the Governor  
17 for neglect of duty, misfeasance, malfeasance, or nonfeasance  
18 in office or for engaging in any political activity.

19 (7) Before entering upon the discharge of the duties of his  
20 office, each member of the Board shall take an oath that he  
21 will faithfully execute the duties of his office according to  
22 the laws of the State and the rules and regulations adopted  
23 therewith and shall give bond to the State of Illinois,  
24 approved by the Governor, in the sum of \$25,000. Every such  
25 bond, when duly executed and approved, shall be recorded in the  
26 office of the Secretary of State. Whenever the Governor

1 determines that the bond of any member of the Board has become  
2 or is likely to become invalid or insufficient, he shall  
3 require such member forthwith to renew his bond, which is to be  
4 approved by the Governor. Any member of the Board who fails to  
5 take oath and give bond within 30 days from the date of his  
6 appointment, or who fails to renew his bond within 30 days  
7 after it is demanded by the Governor, shall be guilty of  
8 neglect of duty and may be removed by the Governor. The cost of  
9 any bond given by any member of the Board under this Section  
10 shall be taken to be a part of the necessary expenses of the  
11 Board.

12 (8) The Board shall employ such personnel as may be  
13 necessary to carry out its functions and shall determine the  
14 salaries of all personnel, except those personnel whose  
15 salaries are determined under the terms of a collective  
16 bargaining agreement. No person shall be employed to serve the  
17 Board who is, or whose spouse, parent or child is, an official  
18 of, or has a financial interest in or financial relation with,  
19 any operator engaged in gambling operations within this State  
20 or any organization engaged in conducting horse racing within  
21 this State. For the one year immediately preceding employment,  
22 an employee shall not have been employed or received  
23 compensation or fees for services from a person or entity, or  
24 its parent or affiliate, that has engaged in business with the  
25 Board, a licensee, or a licensee under the Illinois Horse  
26 Racing Act of 1975. Any employee violating these prohibitions



1 shall be subject to termination of employment.In addition, no  
2 employee shall for one year after separation from the Board be  
3 employed or receive compensation or fees from the before  
4 mentioned persons or entities.

5 (9) An Administrator shall be appointed by the Governor  
6 with the advice and consent of the Senate. An Administrator  
7 shall perform any and all duties that the Board shall assign  
8 him. The salary of the Administrator shall be determined by the  
9 Board and, in addition, he shall be reimbursed for all actual  
10 and necessary expenses incurred by him in discharge of his  
11 official duties. The Administrator shall keep records of all  
12 proceedings of the Board and shall preserve all records, books,  
13 documents and other papers belonging to the Board or entrusted  
14 to its care. The Administrator shall devote his full time to  
15 the duties of the office and shall not hold any other office or  
16 employment. In addition to other prescribed duties, the  
17 Administrator shall establish a system by which personnel  
18 assisting the Board regarding the issuance of owner's licenses,  
19 whether it be relocation, re-issuance, or the initial issuance,  
20 shall be assigned specific duties in each instance, thereby  
21 preventing a conflict of interest in regards to the  
22 decision-making process. A conflict of interest exists if a  
23 situation influences or creates the appearance that it may  
24 influence judgment or performance of duties or  
25 responsibilities.

26 (b) The Board shall have general responsibility for the

1 implementation of this Act. Its duties include, without  
2 limitation, the following:

3 (1) To decide promptly and in reasonable order all  
4 license applications. Any party aggrieved by an action of  
5 the Board denying, suspending, revoking, restricting or  
6 refusing to renew a license may request a hearing before  
7 the Board. A request for a hearing must be made to the  
8 Board in writing within 5 days after service of notice of  
9 the action of the Board. Notice of the action of the Board  
10 shall be served either by personal delivery or by certified  
11 mail, postage prepaid, to the aggrieved party. Notice  
12 served by certified mail shall be deemed complete on the  
13 business day following the date of such mailing. The Board  
14 shall conduct all requested hearings promptly and in  
15 reasonable order;

16 (2) To conduct all hearings pertaining to civil  
17 violations of this Act or rules and regulations promulgated  
18 hereunder;

19 (3) To promulgate such rules and regulations as in its  
20 judgment may be necessary to protect or enhance the  
21 credibility and integrity of gambling operations  
22 authorized by this Act and the regulatory process  
23 hereunder;

24 (4) To provide for the establishment and collection of  
25 all license and registration fees and taxes imposed by this  
26 Act and the rules and regulations issued pursuant hereto.

1 All such fees and taxes shall be deposited into the State  
2 Gaming Fund;

3 (5) To provide for the levy and collection of penalties  
4 and fines for the violation of provisions of this Act and  
5 the rules and regulations promulgated hereunder. All such  
6 fines and penalties shall be deposited into the Education  
7 Assistance Fund, created by Public Act 86-0018, of the  
8 State of Illinois;

9 (6) To be present through its inspectors and agents any  
10 time gambling operations are conducted on any riverboat, in  
11 any casino, or at any electronic gaming facility for the  
12 purpose of certifying the revenue thereof, receiving  
13 complaints from the public, and conducting such other  
14 investigations into the conduct of the gambling games and  
15 the maintenance of the equipment as from time to time the  
16 Board may deem necessary and proper;

17 (7) To review and rule upon any complaint by a licensee  
18 regarding any investigative procedures of the State which  
19 are unnecessarily disruptive of gambling operations. The  
20 need to inspect and investigate shall be presumed at all  
21 times. The disruption of a licensee's operations shall be  
22 proved by clear and convincing evidence, and establish  
23 that: (A) the procedures had no reasonable law enforcement  
24 purposes, and (B) the procedures were so disruptive as to  
25 unreasonably inhibit gambling operations;

26 (8) To hold at least one meeting each quarter of the

1 fiscal year. In addition, special meetings may be called by  
2 the Chairman or any 2 Board members upon 72 hours written  
3 notice to each member. All Board meetings shall be subject  
4 to the Open Meetings Act. Three members of the Board shall  
5 constitute a quorum, and 3 votes shall be required for any  
6 final determination by the Board. The Board shall keep a  
7 complete and accurate record of all its meetings. A  
8 majority of the members of the Board shall constitute a  
9 quorum for the transaction of any business, for the  
10 performance of any duty, or for the exercise of any power  
11 which this Act requires the Board members to transact,  
12 perform or exercise en banc, except that, upon order of the  
13 Board, one of the Board members or an administrative law  
14 judge designated by the Board may conduct any hearing  
15 provided for under this Act or by Board rule and may  
16 recommend findings and decisions to the Board. The Board  
17 member or administrative law judge conducting such hearing  
18 shall have all powers and rights granted to the Board in  
19 this Act. The record made at the time of the hearing shall  
20 be reviewed by the Board, or a majority thereof, and the  
21 findings and decision of the majority of the Board shall  
22 constitute the order of the Board in such case;

23 (9) To maintain records which are separate and distinct  
24 from the records of any other State board or commission.  
25 Such records shall be available for public inspection and  
26 shall accurately reflect all Board proceedings;

1           (10) To file a written annual report with the Governor  
2           on or before March 1 each year and such additional reports  
3           as the Governor may request. The annual report shall  
4           include a statement of receipts and disbursements by the  
5           Board, actions taken by the Board, and any additional  
6           information and recommendations which the Board may deem  
7           valuable or which the Governor may request;

8           (11) (Blank);

9           (12) (Blank);

10          (13) To assume responsibility for administration and  
11          enforcement of the Video Gaming Act; ~~and~~

12          (13.5) To assume responsibility for the administration  
13          and enforcement of operations at electronic gaming  
14          facilities pursuant to this Act and the Illinois Horse  
15          Racing Act of 1975; and

16          (14) To adopt, by rule, a code of conduct governing  
17          Board members and employees that ensure, to the maximum  
18          extent possible, that persons subject to this Code avoid  
19          situations, relationships, or associations that may  
20          represent or lead to a conflict of interest.

21          Any action by the Board or staff of the Board, including,  
22          but not limited to, denying a renewal, approving procedures  
23          (including internal controls), levying a fine or penalty,  
24          promotions, or other activities by an applicant for licensure  
25          or a licensee, may at the discretion of the applicant or  
26          licensee be appealed to an administrative law judge in

1 accordance with subsection (b) of Section 17.1.

2 Internal controls and changes submitted by licensees must  
3 be reviewed and either approved or denied with cause within 60  
4 days after receipt by the Illinois Gaming Board. In the event  
5 an internal control submission or change does not meet the  
6 standards set by the Board, staff of the Board must provide  
7 technical assistance to the licensee to rectify such  
8 deficiencies within 60 days after the initial submission and  
9 the revised submission must be reviewed and approved or denied  
10 with cause within 60 days. For the purposes of this paragraph,  
11 "with cause" means that the approval of the submission would  
12 jeopardize the integrity of gaming. In the event the Board  
13 staff has not acted within the timeframe, the submission shall  
14 be deemed approved.

15 (c) The Board shall have jurisdiction over and shall  
16 supervise all gambling operations governed by this Act. The  
17 Board shall have all powers necessary and proper to fully and  
18 effectively execute the provisions of this Act, including, but  
19 not limited to, the following:

20 (1) To investigate applicants and determine the  
21 eligibility of applicants for licenses and to select among  
22 competing applicants the applicants which best serve the  
23 interests of the citizens of Illinois.

24 (2) To have jurisdiction and supervision over all  
25 ~~riverboat~~ gambling operations authorized under this Act in  
26 ~~this State~~ and all persons in places ~~on riverboats~~ where

1 gambling operations are conducted.

2 (3) To promulgate rules and regulations for the purpose  
3 of administering the provisions of this Act and to  
4 prescribe rules, regulations and conditions under which  
5 all ~~riverboat~~ gambling operations subject to this Act in  
6 ~~the State~~ shall be conducted. Such rules and regulations  
7 are to provide for the prevention of practices detrimental  
8 to the public interest and for the best interests of  
9 ~~riverboat~~ gambling, including rules and regulations  
10 regarding the inspection of electronic gaming facilities,  
11 casinos, and such riverboats and the review of any permits  
12 or licenses necessary to operate a riverboat , casino, or  
13 electronic gaming facilities under any laws or regulations  
14 applicable to riverboats, casinos, or electronic gaming  
15 facilities and to impose penalties for violations thereof.

16 (4) To enter the office, riverboats, casinos,  
17 electronic gaming facilities, and other facilities, or  
18 other places of business of a licensee, where evidence of  
19 the compliance or noncompliance with the provisions of this  
20 Act is likely to be found.

21 (5) To investigate alleged violations of this Act or  
22 the rules of the Board and to take appropriate disciplinary  
23 action against a licensee or a holder of an occupational  
24 license for a violation, or institute appropriate legal  
25 action for enforcement, or both.

26 (6) To adopt standards for the licensing of all persons

1 under this Act, as well as for electronic or mechanical  
2 gambling games, and to establish fees for such licenses.

3 (7) To adopt appropriate standards for all electronic  
4 gaming facilities, riverboats, casinos, and other  
5 facilities authorized under this Act.

6 (8) To require that the records, including financial or  
7 other statements of any licensee under this Act, shall be  
8 kept in such manner as prescribed by the Board and that any  
9 such licensee involved in the ownership or management of  
10 gambling operations submit to the Board an annual balance  
11 sheet and profit and loss statement, list of the  
12 stockholders or other persons having a 1% or greater  
13 beneficial interest in the gambling activities of each  
14 licensee, and any other information the Board deems  
15 necessary in order to effectively administer this Act and  
16 all rules, regulations, orders and final decisions  
17 promulgated under this Act.

18 (9) To conduct hearings, issue subpoenas for the  
19 attendance of witnesses and subpoenas duces tecum for the  
20 production of books, records and other pertinent documents  
21 in accordance with the Illinois Administrative Procedure  
22 Act, and to administer oaths and affirmations to the  
23 witnesses, when, in the judgment of the Board, it is  
24 necessary to administer or enforce this Act or the Board  
25 rules.

26 (10) To prescribe a form to be used by any licensee



1 involved in the ownership or management of gambling  
2 operations as an application for employment for their  
3 employees.

4 (11) To revoke or suspend licenses, as the Board may  
5 see fit and in compliance with applicable laws of the State  
6 regarding administrative procedures, and to review  
7 applications for the renewal of licenses. The Board may  
8 suspend an owners license, electronic gaming license, or  
9 casino operator license, without notice or hearing upon a  
10 determination that the safety or health of patrons or  
11 employees is jeopardized by continuing a a gambling  
12 operation conducted under that license ~~riverboat's~~  
13 ~~operation~~. The suspension may remain in effect until the  
14 Board determines that the cause for suspension has been  
15 abated. The Board may revoke the owners license, electronic  
16 gaming license, or casino operator license upon a  
17 determination that the licensee ~~owner~~ has not made  
18 satisfactory progress toward abating the hazard.

19 (12) To eject or exclude or authorize the ejection or  
20 exclusion of, any person from ~~riverboat~~ gambling  
21 facilities where that ~~such~~ person is in violation of this  
22 Act, rules and regulations thereunder, or final orders of  
23 the Board, or where such person's conduct or reputation is  
24 such that his or her presence within the ~~riverboat~~ gambling  
25 facilities may, in the opinion of the Board, call into  
26 question the honesty and integrity of the gambling

1 operations or interfere with the orderly conduct thereof;  
2 provided that the propriety of such ejection or exclusion  
3 is subject to subsequent hearing by the Board.

4 (13) To require all licensees of gambling operations to  
5 utilize a cashless wagering system whereby all players'  
6 money is converted to tokens, electronic cards, or chips  
7 which shall be used only for wagering in the gambling  
8 establishment.

9 (14) (Blank).

10 (15) To suspend, revoke or restrict licenses, to  
11 require the removal of a licensee or an employee of a  
12 licensee for a violation of this Act or a Board rule or for  
13 engaging in a fraudulent practice, and to impose civil  
14 penalties of up to \$5,000 against individuals and up to  
15 \$10,000 or an amount equal to the daily gross receipts,  
16 whichever is larger, against licensees for each violation  
17 of any provision of the Act, any rules adopted by the  
18 Board, any order of the Board or any other action which, in  
19 the Board's discretion, is a detriment or impediment to  
20 ~~riverboat~~ gambling operations.

21 (16) To hire employees to gather information, conduct  
22 investigations and carry out any other tasks contemplated  
23 under this Act.

24 (17) To establish minimum levels of insurance to be  
25 maintained by licensees.

26 (18) To authorize a licensee to sell or serve alcoholic

1 liquors, wine or beer as defined in the Liquor Control Act  
2 of 1934 on board a riverboat or in a casino and to have  
3 exclusive authority to establish the hours for sale and  
4 consumption of alcoholic liquor on board a riverboat or in  
5 a casino, notwithstanding any provision of the Liquor  
6 Control Act of 1934 or any local ordinance, and regardless  
7 of whether the riverboat makes excursions. The  
8 establishment of the hours for sale and consumption of  
9 alcoholic liquor on board a riverboat or in a casino is an  
10 exclusive power and function of the State. A home rule unit  
11 may not establish the hours for sale and consumption of  
12 alcoholic liquor on board a riverboat or in a casino. This  
13 subdivision (18) amendatory Act of 1991 is a denial and  
14 limitation of home rule powers and functions under  
15 subsection (h) of Section 6 of Article VII of the Illinois  
16 Constitution.

17 (19) After consultation with the U.S. Army Corps of  
18 Engineers, to establish binding emergency orders upon the  
19 concurrence of a majority of the members of the Board  
20 regarding the navigability of water, relative to  
21 excursions, in the event of extreme weather conditions,  
22 acts of God or other extreme circumstances.

23 (20) To delegate the execution of any of its powers  
24 under this Act for the purpose of administering and  
25 enforcing this Act and its rules and regulations hereunder.

26 (20.5) To approve any contract entered into on its

1           behalf.

2           (20.6) To appoint investigators to conduct  
3 investigations, searches, seizures, arrests, and other  
4 duties imposed under this Act, as deemed necessary by the  
5 Board. These investigators have and may exercise all of the  
6 rights and powers of peace officers, provided that these  
7 powers shall be limited to offenses or violations occurring  
8 or committed on a riverboat or dock, as defined in  
9 subsections (d) and (f) of Section 4, or as otherwise  
10 provided by this Act or any other law.

11           (20.7) To contract with the Department of State Police  
12 for the use of trained and qualified State police officers  
13 and with the Department of Revenue for the use of trained  
14 and qualified Department of Revenue investigators to  
15 conduct investigations, searches, seizures, arrests, and  
16 other duties imposed under this Act and to exercise all of  
17 the rights and powers of peace officers, provided that the  
18 powers of Department of Revenue investigators under this  
19 subdivision (20.7) shall be limited to offenses or  
20 violations occurring or committed on a riverboat or dock,  
21 as defined in subsections (d) and (f) of Section 4, or as  
22 otherwise provided by this Act or any other law. In the  
23 event the Department of State Police or the Department of  
24 Revenue is unable to fill contracted police or  
25 investigative positions, the Board may appoint  
26 investigators to fill those positions pursuant to

1 subdivision (20.6).

2 (21) To make rules concerning the conduct of electronic  
3 gaming.

4 (22) ~~(21)~~ To take any other action as may be reasonable  
5 or appropriate to enforce this Act and rules and  
6 regulations hereunder.

7 (d) The Board may seek and shall receive the cooperation of  
8 the Department of State Police in conducting background  
9 investigations of applicants and in fulfilling its  
10 responsibilities under this Section. Costs incurred by the  
11 Department of State Police as a result of such cooperation  
12 shall be paid by the Board in conformance with the requirements  
13 of Section 2605-400 of the Department of State Police Law (20  
14 ILCS 2605/2605-400).

15 (e) The Board must authorize to each investigator and to  
16 any other employee of the Board exercising the powers of a  
17 peace officer a distinct badge that, on its face, (i) clearly  
18 states that the badge is authorized by the Board and (ii)  
19 contains a unique identifying number. No other badge shall be  
20 authorized by the Board.

21 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09;  
22 96-1000, eff. 7-2-10; 96-1392, eff. 1-1-11.)

23 (230 ILCS 10/5.1) (from Ch. 120, par. 2405.1)

24 Sec. 5.1. Disclosure of records.

25 (a) Notwithstanding any applicable statutory provision to

1 the contrary, the Board shall, on written request from any  
2 person, provide information furnished by an applicant or  
3 licensee concerning the applicant or licensee, his products,  
4 services or gambling enterprises and his business holdings, as  
5 follows:

6 (1) The name, business address and business telephone  
7 number of any applicant or licensee.

8 (2) An identification of any applicant or licensee  
9 including, if an applicant or licensee is not an  
10 individual, the state of incorporation or registration,  
11 the corporate officers, and the identity of all  
12 shareholders or participants. If an applicant or licensee  
13 has a pending registration statement filed with the  
14 Securities and Exchange Commission, only the names of those  
15 persons or entities holding interest of 5% or more must be  
16 provided.

17 (3) An identification of any business, including, if  
18 applicable, the state of incorporation or registration, in  
19 which an applicant or licensee or an applicant's or  
20 licensee's spouse or children has an equity interest of  
21 more than 1%. If an applicant or licensee is a corporation,  
22 partnership or other business entity, the applicant or  
23 licensee shall identify any other corporation, partnership  
24 or business entity in which it has an equity interest of 1%  
25 or more, including, if applicable, the state of  
26 incorporation or registration. This information need not

1 be provided by a corporation, partnership or other business  
2 entity that has a pending registration statement filed with  
3 the Securities and Exchange Commission.

4 (4) Whether an applicant or licensee has been indicted,  
5 convicted, pleaded guilty or nolo contendere, or forfeited  
6 bail concerning any criminal offense under the laws of any  
7 jurisdiction, either felony or misdemeanor (except for  
8 traffic violations), including the date, the name and  
9 location of the court, arresting agency and prosecuting  
10 agency, the case number, the offense, the disposition and  
11 the location and length of incarceration.

12 (5) Whether an applicant or licensee has had any  
13 license or certificate issued by a licensing authority in  
14 Illinois or any other jurisdiction denied, restricted,  
15 suspended, revoked or not renewed and a statement  
16 describing the facts and circumstances concerning the  
17 denial, restriction, suspension, revocation or  
18 non-renewal, including the licensing authority, the date  
19 each such action was taken, and the reason for each such  
20 action.

21 (6) Whether an applicant or licensee has ever filed or  
22 had filed against it a proceeding in bankruptcy or has ever  
23 been involved in any formal process to adjust, defer,  
24 suspend or otherwise work out the payment of any debt  
25 including the date of filing, the name and location of the  
26 court, the case and number of the disposition.

1           (7) Whether an applicant or licensee has filed, or been  
2 served with a complaint or other notice filed with any  
3 public body, regarding the delinquency in the payment of,  
4 or a dispute over the filings concerning the payment of,  
5 any tax required under federal, State or local law,  
6 including the amount, type of tax, the taxing agency and  
7 time periods involved.

8           (8) A statement listing the names and titles of all  
9 public officials or officers of any unit of government, and  
10 relatives of said public officials or officers who,  
11 directly or indirectly, own any financial interest in, have  
12 any beneficial interest in, are the creditors of or hold  
13 any debt instrument issued by, or hold or have any interest  
14 in any contractual or service relationship with, an  
15 applicant or licensee.

16           (9) Whether an applicant or licensee has made, directly  
17 or indirectly, any political contribution, or any loans,  
18 donations or other payments, to any candidate or office  
19 holder, within 5 years from the date of filing the  
20 application, including the amount and the method of  
21 payment.

22           (10) The name and business telephone number of the  
23 counsel representing an applicant or licensee in matters  
24 before the Board.

25           (11) A description of any proposed or approved  
26 riverboat or casino gaming or electronic gaming operation,



1 including the type of boat, home dock or casino or  
2 electronic gaming location, expected economic benefit to  
3 the community, anticipated or actual number of employees,  
4 any statement from an applicant or licensee regarding  
5 compliance with federal and State affirmative action  
6 guidelines, projected or actual admissions and projected  
7 or actual adjusted gross gaming receipts.

8 (12) A description of the product or service to be  
9 supplied by an applicant for a supplier's license.

10 (b) Notwithstanding any applicable statutory provision to  
11 the contrary, the Board shall, on written request from any  
12 person, also provide the following information:

13 (1) The amount of the wagering tax and admission tax  
14 paid daily to the State of Illinois by the holder of an  
15 owner's license.

16 (2) Whenever the Board finds an applicant for an  
17 owner's license unsuitable for licensing, a copy of the  
18 written letter outlining the reasons for the denial.

19 (3) Whenever the Board has refused to grant leave for  
20 an applicant to withdraw his application, a copy of the  
21 letter outlining the reasons for the refusal.

22 (c) Subject to the above provisions, the Board shall not  
23 disclose any information which would be barred by:

24 (1) Section 7 of the Freedom of Information Act; or

25 (2) The statutes, rules, regulations or  
26 intergovernmental agreements of any jurisdiction.

1 (d) The Board may assess fees for the copying of  
2 information in accordance with Section 6 of the Freedom of  
3 Information Act.

4 (Source: P.A. 96-1392, eff. 1-1-11.)

5 (230 ILCS 10/6) (from Ch. 120, par. 2406)

6 Sec. 6. Application for Owners License.

7 (a) A qualified person may apply to the Board for an owners  
8 license to conduct a riverboat gambling operation as provided  
9 in this Act. The application shall be made on forms provided by  
10 the Board and shall contain such information as the Board  
11 prescribes, including but not limited to the identity of the  
12 riverboat on which such gambling operation is to be conducted,  
13 if applicable, and the exact location where such riverboat or  
14 casino or electronic gaming operation will be located ~~docked~~, a  
15 certification that the riverboat will be registered under this  
16 Act at all times during which gambling operations are conducted  
17 on board, detailed information regarding the ownership and  
18 management of the applicant, and detailed personal information  
19 regarding the applicant. Any application for an owners license  
20 to be re-issued on or after June 1, 2003 shall also include the  
21 applicant's license bid in a form prescribed by the Board.  
22 Information provided on the application shall be used as a  
23 basis for a thorough background investigation which the Board  
24 shall conduct with respect to each applicant. An incomplete  
25 application shall be cause for denial of a license by the

1 Board.

2 (a-5) In addition to any other information required under  
3 this Section, each application for an owners license must  
4 include the following information:

5 (1) The history and success of the applicant and each  
6 person and entity disclosed under subsection (c) of this  
7 Section in developing tourism facilities ancillary to  
8 gaming, if applicable.

9 (2) The likelihood that granting a license to the  
10 applicant will lead to the creation of quality, living wage  
11 jobs and permanent, full-time jobs for residents of the  
12 State and residents of the unit of local government that is  
13 designated as the home dock of the proposed facility where  
14 gambling is to be conducted by the applicant.

15 (3) The projected number of jobs that would be created  
16 if the license is granted and the projected number of new  
17 employees at the proposed facility where gambling is to be  
18 conducted by the applicant.

19 (4) The record of the applicant and its developer in  
20 meeting commitments to local agencies, community-based  
21 organizations, and employees at other locations where the  
22 applicant or its developer has performed similar functions  
23 as they would perform if the applicant were granted a  
24 license.

25 (5) Identification of adverse effects that might be  
26 caused by the proposed facility where gambling is to be

1       conducted by the applicant, including the costs of meeting  
2       increased demand for public health care, child care, public  
3       transportation, affordable housing, and social services,  
4       and a plan to mitigate those adverse effects.

5       (6) The record of the applicant and its developer  
6       regarding compliance with:

7               (A) federal, state, and local discrimination, wage  
8               and hour, disability, and occupational and  
9               environmental health and safety laws; and

10              (B) state and local labor relations and employment  
11              laws.

12       (7) The applicant's record in dealing with its  
13       employees and their representatives at other locations.

14       (8) A plan concerning the utilization of minority  
15       person-owned and female-owned businesses and concerning  
16       the hiring of minorities and females.

17       (b) Applicants shall submit with their application all  
18 documents, resolutions, and letters of support from the  
19 governing body that represents the municipality or county  
20 wherein the licensee will be located ~~dock~~.

21       (c) Each applicant shall disclose the identity of every  
22 person, association, trust or corporation having a greater than  
23 1% direct or indirect pecuniary interest in the ~~riverboat~~  
24 gambling operation with respect to which the license is sought.  
25 If the disclosed entity is a trust, the application shall  
26 disclose the names and addresses of the beneficiaries; if a

1 corporation, the names and addresses of all stockholders and  
2 directors; if a partnership, the names and addresses of all  
3 partners, both general and limited.

4 (d) An application shall be filed and considered in  
5 accordance with the rules of the Board. An application fee of  
6 \$50,000 shall be paid at the time of filing to defray the costs  
7 associated with the background investigation conducted by the  
8 Board. If the costs of the investigation exceed \$50,000, the  
9 applicant shall pay the additional amount to the Board. If the  
10 costs of the investigation are less than \$50,000, the applicant  
11 shall receive a refund of the remaining amount. All  
12 information, records, interviews, reports, statements,  
13 memoranda or other data supplied to or used by the Board in the  
14 course of its review or investigation of an application for a  
15 license or a renewal under this Act shall be privileged,  
16 strictly confidential and shall be used only for the purpose of  
17 evaluating an applicant for a license or a renewal. Such  
18 information, records, interviews, reports, statements,  
19 memoranda or other data shall not be admissible as evidence,  
20 nor discoverable in any action of any kind in any court or  
21 before any tribunal, board, agency or person, except for any  
22 action deemed necessary by the Board.

23 (e) The Board shall charge each applicant a fee set by the  
24 Department of State Police to defray the costs associated with  
25 the search and classification of fingerprints obtained by the  
26 Board with respect to the applicant's application. These fees

1 shall be paid into the State Police Services Fund.

2 (f) The licensed owner shall be the person primarily  
3 responsible for the boat or casino or electronic gaming  
4 operation itself. Only one ~~riverboat~~ gambling operation may be  
5 authorized by the Board on any riverboat or in any casino or  
6 electronic gaming operation. The applicant must identify the  
7 ~~each~~ riverboat or premises it intends to use and certify that  
8 the riverboat or premises: (1) has the authorized capacity  
9 required in this Act; (2) is accessible to disabled persons;  
10 and (3) is fully registered and licensed in accordance with any  
11 applicable laws.

12 (g) A person who knowingly makes a false statement on an  
13 application is guilty of a Class A misdemeanor.

14 (Source: P.A. 96-1392, eff. 1-1-11.)

15 (230 ILCS 10/7) (from Ch. 120, par. 2407)

16 Sec. 7. Owners Licenses.

17 (a) The Board shall issue owners licenses to persons, firms  
18 or corporations which apply for such licenses upon payment to  
19 the Board of the non-refundable license fee set by the Board,  
20 upon payment of a \$25,000 license fee for the first year of  
21 operation and a \$5,000 license fee for each succeeding year and  
22 upon a determination by the Board that the applicant is  
23 eligible for an owners license pursuant to this Act and the  
24 rules of the Board. From the effective date of this amendatory  
25 Act of the 95th General Assembly until (i) 3 years after the

1 effective date of this amendatory Act of the 95th General  
2 Assembly, (ii) the date any organization licensee begins to  
3 operate a slot machine or video game of chance under the  
4 Illinois Horse Racing Act of 1975 or this Act, (iii) the date  
5 that payments begin under subsection (c-5) of Section 13 of the  
6 Act, ~~or~~ (iv) the wagering tax imposed under Section 13 of this  
7 Act is increased by law to reflect a tax rate that is at least  
8 as stringent or more stringent than the tax rate contained in  
9 subsection (a-3) of Section 13, or (v) when the first  
10 electronic gaming licensee begins conducting electronic gaming  
11 operations, whichever occurs first, as a condition of licensure  
12 and as an alternative source of payment for those funds payable  
13 under subsection (c-5) of Section 13 of this ~~the Riverboat~~  
14 ~~Gambling~~ Act, any owners licensee that holds or receives its  
15 owners license on or after the effective date of this  
16 amendatory Act of the 94th General Assembly, other than an  
17 owners licensee operating a riverboat with adjusted gross  
18 receipts in calendar year 2004 of less than \$200,000,000, must  
19 pay into the Horse Racing Equity Trust Fund, in addition to any  
20 other payments required under this Act, an amount equal to 3%  
21 of the adjusted gross receipts received by the owners licensee.  
22 The payments required under this Section shall be made by the  
23 owners licensee to the State Treasurer no later than 3:00  
24 o'clock p.m. of the day after the day when the adjusted gross  
25 receipts were received by the owners licensee. A person, firm  
26 or corporation is ineligible to receive an owners license if:

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

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

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

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

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

12           (6) the firm or corporation employs a person defined in  
13 (1), (2), (3) or (4) who participates in the management or  
14 operation of gambling operations authorized under this  
15 Act;

16           (7) (blank); or

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

20           The Board is expressly prohibited from making changes to  
21 the requirement that licensees make payment into the Horse  
22 Racing Equity Trust Fund without the express authority of the  
23 Illinois General Assembly and making any other rule to  
24 implement or interpret this amendatory Act of the 95th General  
25 Assembly. For the purposes of this paragraph, "rules" is given  
26 the meaning given to that term in Section 1-70 of the Illinois



1 Administrative Procedure Act.

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

4 (1) the character, reputation, experience and  
5 financial integrity of the applicants and of any other or  
6 separate person that either:

7 (A) controls, directly or indirectly, such  
8 applicant, or

9 (B) is controlled, directly or indirectly, by such  
10 applicant or by a person which controls, directly or  
11 indirectly, such applicant;

12 (2) the facilities or proposed facilities for the  
13 conduct of ~~riverboat~~ gambling;

14 (3) the highest prospective total revenue to be derived  
15 by the State from the conduct of ~~riverboat~~ gambling;

16 (4) the extent to which the ownership of the applicant  
17 reflects the diversity of the State by including minority  
18 persons, females, and persons with a disability and the  
19 good faith affirmative action plan of each applicant to  
20 recruit, train and upgrade minority persons, females, and  
21 persons with a disability in all employment  
22 classifications;

23 (5) the financial ability of the applicant to purchase  
24 and maintain adequate liability and casualty insurance;

25 (6) whether the applicant has adequate capitalization  
26 to provide and maintain, for the duration of a license, a

1           riverboat or casino;

2           (7) the extent to which the applicant exceeds or meets  
3 other standards for the issuance of an owners license which  
4 the Board may adopt by rule; ~~and~~

5           (8) the ~~The~~ amount of the applicant's license bid;~~;~~

6           (9) the extent to which the applicant plans to enter  
7 into revenue sharing agreements with communities other  
8 than the host municipality and the terms of those  
9 agreements; and

10           (10) the extent to which a riverboat authorized in item  
11 (3) of subsection (e-10) includes the most qualified number  
12 of minority persons, females, and persons with a  
13 disability.

14           (c) Each owners license shall specify the place where the  
15 casino shall operate or the riverboat ~~riverboats~~ shall operate  
16 and dock.

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

19           (e) In addition to any licenses authorized under  
20 subsections (e-5) and (e-10), the ~~The~~ Board may issue up to 10  
21 licenses authorizing the holders of such licenses to own  
22 riverboats. In the application for an owners license, the  
23 applicant shall state the dock at which the riverboat is based  
24 and the water on which the riverboat will be located. The Board  
25 shall issue 5 licenses to become effective not earlier than  
26 January 1, 1991. Three of such licenses shall authorize

1 riverboat gambling on the Mississippi River, or, with approval  
2 by the municipality in which the riverboat was docked on August  
3 7, 2003 and with Board approval, be authorized to relocate to a  
4 new location, in a municipality that (1) borders on the  
5 Mississippi River or is within 5 miles of the city limits of a  
6 municipality that borders on the Mississippi River and (2), on  
7 August 7, 2003, had a riverboat conducting riverboat gambling  
8 operations pursuant to a license issued under this Act; one of  
9 which shall authorize riverboat gambling from a home dock in  
10 the city of East St. Louis. One other license shall authorize  
11 riverboat gambling on the Illinois River in Tazewell County,  
12 or, with approval by a municipality in which such riverboat was  
13 docked on January 1, 2010 and with Board approval, be  
14 authorized to relocate to a new location, in a municipality  
15 that (1) borders on the Illinois River or is within 5 miles of  
16 the city limits of a municipality that borders on the Illinois  
17 River and (2), on January 1, 2010, had a riverboat conducting  
18 riverboat gambling operations pursuant to a license issued  
19 under this Act ~~south of Marshall County~~. The Board shall issue  
20 one additional license to become effective not earlier than  
21 March 1, 1992, which shall authorize riverboat gambling on the  
22 Des Plaines River in Will County. The Board may issue 4  
23 additional licenses to become effective not earlier than March  
24 1, 1992. In determining the water upon which riverboats will  
25 operate, the Board shall consider the economic benefit which  
26 riverboat gambling confers on the State, and shall seek to

1 assure that all regions of the State share in the economic  
2 benefits of riverboat gambling.

3 In granting all licenses, the Board may give favorable  
4 consideration to economically depressed areas of the State, to  
5 applicants presenting plans which provide for significant  
6 economic development over a large geographic area, and to  
7 applicants who currently operate non-gambling riverboats in  
8 Illinois. The Board shall review all applications for owners  
9 licenses, and shall inform each applicant of the Board's  
10 decision. The Board may grant an owners license to an applicant  
11 that has not submitted the highest license bid, but if it does  
12 not select the highest bidder, the Board shall issue a written  
13 decision explaining why another applicant was selected and  
14 identifying the factors set forth in this Section that favored  
15 the winning bidder.

16 (e-5) In addition to licenses authorized under subsections  
17 (e) and (e-10), the Board may issue one owners license  
18 authorizing either the conduct of riverboat gambling  
19 operations from a home dock located in the City of Chicago or  
20 the conduct of gambling operations in a casino located in the  
21 City of Chicago.

22 The license authorized under this subsection (e-5) shall be  
23 awarded to the Chicago Casino Development Authority for a term  
24 of 20 years.

25 The license authorized under this subsection (e-5) may  
26 authorize the conduct of riverboat gambling on Lake Michigan or

1 at a land-based facility.

2 Additionally, the license authorized under this subsection  
3 (e-5) shall be issued within 12 months after the effective date  
4 of this amendatory Act of the 96th General Assembly. The fee  
5 for the issuance or renewal of a license authorized under this  
6 subsection (e-5) shall be \$100,000. Additionally, the licensee  
7 shall pay an initial fee of \$25,000 per gaming position, which  
8 shall be deposited into the Gaming Facilities Fee Revenue Fund.

9 (e-10) In addition to licenses authorized under  
10 subsections (e) and (e-5), the Board may issue the following  
11 owners licenses:

12 (1) One owners license authorizing the conduct of  
13 riverboat gambling from a home dock located in the City of  
14 Park City.

15 (2) One owners license authorizing the conduct of  
16 riverboat gambling in the City of Danville.

17 (3) One owners license authorizing the conduct of  
18 riverboat gambling in one of one of the following townships  
19 located in Cook County: Bloom, Bremen, Calumet, Rich,  
20 Thornton, or Worth Township.

21 (4) One owners license authorizing the conduct of  
22 riverboat gambling in the City of Rockford.

23 The city council of the municipality in which the home dock  
24 of the riverboat is located may make recommendations regarding  
25 the location, proposal for ownership, licensee, and any other  
26 decisions made in connection with the license issued under this

1 subsection (e-10).

2 The licenses authorized under this subsection (e-10) shall  
3 be issued within 12 months after the effective date of this  
4 amendatory Act of the 96th General Assembly. The fee for the  
5 issuance or renewal of a license issued pursuant to this  
6 subsection (e-10) shall be \$100,000. Additionally, a licensee  
7 located outside of Cook County shall pay an initial fee of  
8 \$12,500 per gaming position, and a licensee located in Cook  
9 County shall pay \$25,000 per gaming position. The initial fees  
10 payable under this subsection shall be deposited into the  
11 Gaming Facilities Fee Revenue Fund.

12 (e-12) Each owners licensee of a license authorized under  
13 subsection (e-5) or (e-10) shall make a reconciliation payment  
14 4 years after the date the owners licensee begins operating in  
15 an amount equal to 75% of the amount for which privilege tax  
16 was paid under subsection (a-5) of Section 13 of this Act for  
17 the most lucrative 12-month period of operations, minus an  
18 amount equal to the initial \$12,500 or \$25,000 initial payment  
19 per gaming position, whichever was the initial amount paid by  
20 the specific licensee. If this calculation results in a  
21 negative amount, then the owners licensee is not entitled to  
22 any reimbursement of fees previously paid. This reconciliation  
23 payment may be made in installments over a period of no more  
24 than 5 years, subject to Board approval. Any installment  
25 payments shall include an annual market interest rate as  
26 determined by the Board. All payments by licensees under this

1 subsection shall be deposited into the Capital Projects Fund.

2 (e-15) In addition to any other revocation powers granted  
3 to the Board under this Act, the Board may revoke the owners  
4 license of a licensee which fails to begin conducting gambling  
5 within 15 months of receipt of the Board's approval of the  
6 application if the Board determines that license revocation is  
7 in the best interests of the State.

8 (e-16) The provisions of this subsection (e-16) apply only  
9 to an owners licensee of a license issued pursuant to Section  
10 7.1 of this Act. The owners licensee shall pay (i) a \$100,000  
11 fee for the issuance or renewal of its license and (ii) an  
12 initial fee of \$25,000 per gaming position. Additionally, the  
13 owners licensee shall make a reconciliation payment on July 1,  
14 2016 in an amount equal to 75% of the amount for which  
15 privilege tax was paid under subsection (a-5) of Section 13 of  
16 this Act for the most lucrative 12-month period of operations  
17 beginning on July 1, 2012, minus an amount equal to the \$25,000  
18 initial payment per gaming position. If this calculation  
19 results in a negative amount, then the owners licensee is not  
20 entitled to any reimbursement of fees previously paid. This  
21 reconciliation payment may be made in installments over a  
22 period of no more than 5 years, subject to Board approval. Any  
23 installment payments shall include an annual market interest  
24 rate as determined by the Board. All payments by licensees  
25 under this subsection shall be deposited into the Capital  
26 Projects Fund. For any payments required under this subsection,

1 the owners licensee shall receive (i) a credit for any amounts  
2 that the owners licensee has paid to the State or the Board  
3 prior to November 1, 2010 for consultants, licensing fees,  
4 up-front fees, or other items, not to exceed \$53,000,000 and  
5 (ii) a credit for any payments that the local unit of  
6 government has pledged to remit to the State, which shall be  
7 equal to the present-day value of such payments as determined  
8 by the Board but in no event shall the credit exceed  
9 \$147,000,000, provided however that the owners licensee shall  
10 reimburse the State if the unit of local government fails to  
11 make timely payments. An owners licensee of a license issued  
12 pursuant to Section 7.1 of this Act shall only pay the initial  
13 fees required pursuant to this subsection and shall not have to  
14 pay any initial fees or payments that were ordered by the Board  
15 prior to November 1, 2010. However, any payments that have been  
16 made by the owners licensee of a license issued pursuant to  
17 Section 7.1 of this Act shall remain with the State and the  
18 owners licensee shall receive a credit as specified in this  
19 subsection.

20 (f) The ~~first 10 owners~~ licenses issued under this Act  
21 shall permit the holder to own up to 2 riverboats and equipment  
22 thereon for a period of 3 years after the effective date of the  
23 license. Holders of the first 10 owners licenses must pay the  
24 annual license fee for each of the 3 years during which they  
25 are authorized to own riverboats.

26 (g) Upon the termination, expiration, or revocation owners



1 ~~license of each of the first 10 licenses~~, which shall be issued  
2 for a 3 year period, all licenses are renewable annually upon  
3 payment of the fee and a determination by the Board that the  
4 licensee continues to meet all of the requirements of this Act  
5 and the Board's rules. However, for licenses renewed on or  
6 after May 1, 1998, renewal shall be for a period of 4 years,  
7 unless the Board sets a shorter period.

8 (h) An owners license, except for an owners license issued  
9 under subsection (e-5) or (e-10), shall entitle the licensee to  
10 own up to 2 riverboats.

11 An owners licensee that acquired its license under  
12 subsection (e-5) shall limit the number of gambling  
13 participants to 4,000 for such owners.

14 All other licensees ~~A licensee~~ shall limit the number of  
15 gambling participants to 1,600 ~~1,200~~ for any such owners  
16 license prior to January 1, 2013. On or after January 1, 2013,  
17 a licensee shall limit the number of gambling participants to  
18 2,000 for any such owners license. The initial fee for each  
19 gaming position obtained on or after January 1, 2013 shall be  
20 \$12,500 for licensees not located in Cook County and \$25,000  
21 for licensees located in Cook County. A licensee may operate  
22 both of its riverboats concurrently, provided that the total  
23 number of gambling participants on both riverboats does not  
24 exceed 1,600 prior to January 1, 2013 and 2,000 on or after  
25 January 1, 2013. The initial fee for each gaming position  
26 obtained on or after January 1, 2013 shall be \$12,500 for

1 licensees not located in Cook County and \$25,000 for licensees  
2 located in Cook County ~~1,200~~. Riverboats licensed to operate on  
3 the Mississippi River and the Illinois River south of Marshall  
4 County shall have an authorized capacity of at least 500  
5 persons. Any other riverboat licensed under this Act shall have  
6 an authorized capacity of at least 400 persons.

7 (h-5) An owners licensee who purchases positions under  
8 subsection (h) that are in addition to the initial positions  
9 that were purchased must pay an initial fee of \$12,500 per  
10 gaming position if the licensee is located outside Cook County  
11 and an initial fee of \$25,000 per gaming position if the  
12 licensee is located in Cook County, as stated in subsection  
13 (h). Additionally, the owners licensee shall make a  
14 reconciliation payment 4 years after any additional gaming  
15 positions authorized by subsection (h) begin operating in an  
16 amount equal to 75% of the owner licensee's average gross  
17 receipts for the most lucrative 12-month period of operations  
18 minus an amount equal to \$12,500 or \$25,000 that the owners  
19 licensee paid per additional gaming position. For purposes of  
20 this subsection, "average gross receipts" means (i) the average  
21 adjusted gross receipts for the most lucrative 12-month period  
22 of operations for each gaming position, minus (ii) the average  
23 adjusted gross receipts for each gaming position in 2012 or the  
24 first year of operations for the owners licensee, whichever is  
25 later, multiplied (iii) by the number of additional gaming  
26 positions that an owners licensee is purchasing pursuant to

1 subsection (h). If this calculation results in a negative  
2 amount, then the owners licensee is not entitled to any  
3 reimbursement of fees previously paid. This reconciliation  
4 payment may be made in installments over a period of no more  
5 than 5 years, subject to Board approval. Any installment  
6 payments shall include an annual market interest rate as  
7 determined by the Board. All payments by licensees under this  
8 subsection shall be deposited into the Capital Projects Fund.

9 (h-10) Any positions that are not obtained by a licensed  
10 owner shall be retained by the Board and shall be offered in  
11 equal amounts to licensed owners who have purchased all of the  
12 positions that were offered. This process shall continue until  
13 all positions have been purchased. All positions obtained  
14 pursuant to this process must be in operation within 18 months  
15 after they were obtained or the licensed owner forfeits the  
16 right to operate all of the positions, but is not entitled to a  
17 refund of any fees paid. The Board may, after holding a public  
18 hearing, grant extensions so long as a licensed owner is  
19 working in good faith to make the positions operational. The  
20 extension may be for a period of 6 months. If, after the period  
21 of the extension, a licensed owner has not made the positions  
22 operational, another public hearing must be held by the Board  
23 before it may grant another extension.

24 (i) A licensed owner is authorized to apply to the Board  
25 for and, if approved therefor, to receive all licenses from the  
26 Board necessary for the operation of a riverboat or a casino,

1 including a liquor license, a license to prepare and serve food  
2 for human consumption, and other necessary licenses. All use,  
3 occupation and excise taxes which apply to the sale of food and  
4 beverages in this State and all taxes imposed on the sale or  
5 use of tangible personal property apply to such sales aboard  
6 the riverboat or in a casino.

7 (j) The Board may issue or re-issue a license authorizing a  
8 riverboat to dock in a municipality or approve a relocation  
9 under Section 11.2 only if, prior to the issuance or  
10 re-issuance of the license or approval, the governing body of  
11 the municipality in which the riverboat will dock has by a  
12 majority vote approved the docking of riverboats in the  
13 municipality. The Board may issue or re-issue a license  
14 authorizing a riverboat to dock in areas of a county outside  
15 any municipality or approve a relocation under Section 11.2  
16 only if, prior to the issuance or re-issuance of the license or  
17 approval, the governing body of the county has by a majority  
18 vote approved of the docking of riverboats within such areas.

19 (k) An owners licensee may conduct land-based gambling  
20 operations upon approval by the Board.

21 (Source: P.A. 95-1008, eff. 12-15-08; 96-1392, eff. 1-1-11.)

22 (230 ILCS 10/7.1)

23 Sec. 7.1. Issuance or re-issuance ~~Re-issuance of revoked or~~  
24 ~~non-renewed~~ owners licenses.

25 (a) If an owners license is newly authorized, or if an

1 owners license terminates or expires without renewal or the  
2 Board revokes or determines not to renew an owners license  
3 (including, without limitation, an owners license for a  
4 licensee that was not conducting riverboat gambling operations  
5 on January 1, 1998) and that revocation or determination is  
6 final, then the Board may issue or re-issue the ~~such~~ license to  
7 a qualified applicant pursuant to an open and competitive  
8 bidding process, as set forth in Section 7.5, and subject to  
9 the maximum number of authorized licenses set forth in  
10 subsections (e), (e-5), and (e-10) of Section 7 ~~Section 7(e)~~.

11 (b) To be a qualified applicant, a person, firm, or  
12 corporation cannot be ineligible to receive an owners license  
13 under Section 7(a) and must submit an application for an owners  
14 license that complies with Section 6. Each such applicant must  
15 also submit evidence to the Board that minority persons and  
16 females hold ownership interests in the applicant of at least  
17 16% and 4% respectively.

18 (c) Notwithstanding anything to the contrary in Section  
19 7(e), an applicant may apply to the Board for approval of  
20 relocation of a re-issued license to a new home dock location  
21 authorized under Section 3(c) upon receipt of the approval from  
22 the municipality or county, as the case may be, pursuant to  
23 Section 7(j).

24 (d) In determining whether to grant a new or re-issued  
25 owners license to an applicant, the Board shall consider all of  
26 the factors set forth in Section ~~Sections~~ 7(b) and in Section

1 7(e), (e-5), or (e-10), whichever is applicable, ~~(e)~~ as well as  
2 the amount of the applicant's license bid. The Board may grant  
3 the new or re-issued owners license to an applicant that has  
4 not submitted the highest license bid, but if it does not  
5 select the highest bidder, the Board shall issue a written  
6 decision explaining why another applicant was selected and  
7 identifying the factors set forth in Section ~~Sections~~ 7(b) and  
8 in Section 7(e), (e-5), or (e-10), whichever is applicable, ~~(e)~~  
9 that favored the winning bidder.

10 (e) Re-issued owners licenses shall be subject to annual  
11 license fees as provided for in Section 7(a) and shall be  
12 governed by the provisions of Sections 7(f), (g), (h), and (i).  
13 (Source: P.A. 93-28, eff. 6-20-03.)

14 (230 ILCS 10/7.3)

15 Sec. 7.3. State conduct of gambling operations.

16 (a) If, after reviewing each application for a re-issued  
17 license, the Board determines that the highest prospective  
18 total revenue to the State would be derived from State conduct  
19 of the gambling operation in lieu of re-issuing the license,  
20 the Board shall inform each applicant of its decision. The  
21 Board shall thereafter have the authority, without obtaining an  
22 owners license, to conduct riverboat gambling operations as  
23 previously authorized by the terminated, expired, revoked, or  
24 nonrenewed license through a licensed manager selected  
25 pursuant to an open and competitive bidding process as set

1 forth in Section 7.5 and as provided in Section 7.4.

2 (b) The Board may locate any riverboat on which a gambling  
3 operation is conducted by the State in any home dock location  
4 authorized by Section 3(c) upon receipt of approval from a  
5 majority vote of the governing body of the municipality or  
6 county, as the case may be, in which the riverboat will dock.

7 (c) The Board shall have jurisdiction over and shall  
8 supervise all gambling operations conducted by the State  
9 provided for in this Act and shall have all powers necessary  
10 and proper to fully and effectively execute the provisions of  
11 this Act relating to gambling operations conducted by the  
12 State.

13 (d) The maximum number of owners licenses authorized under  
14 Section 7 ~~7(e)~~ shall be reduced by one for each instance in  
15 which the Board authorizes the State to conduct a riverboat  
16 gambling operation under subsection (a) in lieu of re-issuing a  
17 license to an applicant under Section 7.1.

18 (Source: P.A. 93-28, eff. 6-20-03.)

19 (230 ILCS 10/7.6 new)

20 Sec. 7.6. Electronic gaming.

21 (a) The General Assembly finds that the horse racing and  
22 riverboat gambling industries share many similarities and  
23 collectively comprise the bulk of the State's gaming industry.  
24 One feature common to both industries is that each is highly  
25 regulated by the State of Illinois. The General Assembly

1 further finds, however, that despite their shared features each  
2 industry is distinct from the other in that horse racing is and  
3 continues to be intimately tied to Illinois' agricultural  
4 economy and is, at its core, a spectator sport. This  
5 distinction requires the General Assembly to utilize different  
6 methods to regulate and promote the horse racing industry  
7 throughout the State. The General Assembly finds that in order  
8 to promote live horse racing as a spectator sport in Illinois  
9 and the agricultural economy of this State, it is necessary to  
10 allow electronic gaming at Illinois race tracks as an ancillary  
11 use given the success of other states in increasing live racing  
12 purse accounts and improving the quality of horses  
13 participating in horse race meetings.

14 (b) The Illinois Gaming Board shall award one electronic  
15 gaming license to each person, firm, or corporation having  
16 operating control of a race track that applies under Section 56  
17 of the Illinois Horse Racing Act of 1975, subject to the  
18 application and eligibility requirements of this Section.  
19 Within 60 days after the effective date of this amendatory Act  
20 of the 96th General Assembly, a person, firm, or corporation  
21 having operating control of a race track may submit an  
22 application for an electronic gaming license. The application  
23 shall specify the number of gaming positions the applicant  
24 intends to use and the place where the electronic gaming  
25 facility will operate.

26 The Board shall determine within 120 days after receiving



1 an application for an electronic gaming license, whether to  
2 grant an electronic gaming license to the applicant. If the  
3 Board does not make a determination within 120 days, the Board  
4 shall give a written explanation to the applicant as to why it  
5 has not reached a determination and when it reasonably expects  
6 to make a determination.

7 The electronic gaming licensee shall purchase up to the  
8 amount of electronic gaming positions authorized under this Act  
9 within 120 days after receiving its electronic gaming license.  
10 If an electronic gaming licensee is prepared to purchase the  
11 electronic gaming positions, but is temporarily prohibited  
12 from doing so by order of a court of competent jurisdiction or  
13 the Board, then the 120-day period is tolled until a resolution  
14 is reached.

15 An electronic gaming license shall authorize its holder to  
16 conduct electronic gaming at its race track at the following  
17 times:

18 (1) On days when it conducts live racing at the track  
19 where its electronic gaming facility is located, from 8:00  
20 a.m. until 3:00 a.m. on the following day.

21 (2) On days when it is scheduled to conduct simulcast  
22 wagering on races run in the United States, from 8:00 a.m.  
23 until 3:00 a.m. on the following day.

24 Additionally, the Board may extend these days of operation  
25 and hours upon request by an organization licensee as the Board  
26 sees fit.

1       A license to conduct electronic gaming and any renewal of  
2 an electronic gaming license shall authorize electronic gaming  
3 for a period of 4 years. The fee for the issuance or renewal of  
4 an electronic gaming license shall be \$100,000.

5       (c) To be eligible to conduct electronic gaming, a person,  
6 firm, or corporation having operating control of a race track  
7 must (i) obtain an electronic gaming license, (ii) hold an  
8 organization license under the Illinois Horse Racing Act of  
9 1975, (iii) hold an inter-track wagering license, (iv) pay an  
10 initial fee of \$25,000 per gaming position from electronic  
11 gaming licensees where electronic gaming is conducted in Cook  
12 County and \$12,500 for electronic gaming licensees where  
13 electronic gaming is located outside of Cook County before  
14 beginning to conduct electronic gaming plus make the  
15 reconciliation payment required under subsection (h), (v)  
16 conduct at least 240 live races per year, (vi) meet the  
17 requirements of subsection (a) of Section 56 of the Illinois  
18 Horse Racing Act of 1975, (vii) for organization licensees  
19 conducting standardbred race meetings that had an open  
20 backstretch in 2009, keep backstretch barns and dormitories  
21 open and operational year-round unless a lesser schedule is  
22 mutually agreed to by the organization licensee and the  
23 horsemen's association racing at that organization licensee's  
24 race meeting, (viii) for organization licensees conducting  
25 thoroughbred race meetings, the organization licensee must  
26 maintain accident medical expense liability insurance coverage

1 of \$1,000,000 for jockeys, and (ix) meet all other requirements  
2 of this Act that apply to owners licensees. Only those persons,  
3 firms, or corporations (or its successors or assigns) that had  
4 operating control of a race track and held an inter-track  
5 wagering license authorized by the Illinois Racing Board in  
6 2009 are eligible.

7 All payments by licensees under this subsection (c) shall  
8 be deposited into the Gaming Facilities Fee Revenue Fund.

9 (d) The Board may approve electronic gaming positions  
10 statewide as provided in this Section. The authority to operate  
11 electronic gaming positions under this Section shall be  
12 allocated as follows: up to 1,200 gaming positions for any  
13 electronic gaming licensee in Cook County and up to 900 gaming  
14 positions for any electronic gaming licensee outside of Cook  
15 County.

16 (e) Any positions that are not obtained by an organization  
17 licensee shall be retained by the Gaming Board and shall be  
18 offered in equal amounts to organization licensees who have  
19 purchased all of the positions that were offered. This process  
20 shall continue until all positions have been purchased. All  
21 positions obtained pursuant to this process must be in  
22 operation within 18 months after they were obtained or the  
23 organization licensee forfeits the right to operate all of the  
24 positions, but is not entitled to a refund of any fees paid.  
25 The Board may, after holding a public hearing, grant extensions  
26 so long as an organization licensee is working in good faith to

1 begin conducting electronic gaming. The extension may be for a  
2 period of 6 months. If, after the period of the extension, a  
3 licensee has not begun to conduct electronic gaming, another  
4 public hearing must be held by the Board before it may grant  
5 another extension.

6 (f) Subject to the approval of the Illinois Gaming Board,  
7 an electronic gaming licensee may make modification or  
8 additions to any existing buildings and structures to comply  
9 with the requirements of this Act. The Illinois Gaming Board  
10 shall make its decision after consulting with the Illinois  
11 Racing Board. In no case, however, shall the Illinois Gaming  
12 Board approve any modification or addition that alters the  
13 grounds of the organizational licensee such that the act of  
14 live racing is an ancillary activity to electronic gaming.  
15 Electronic gaming may take place in existing structures where  
16 inter-track wagering is conducted at the race track or a  
17 facility within 300 yards of the race track in accordance with  
18 the provisions of this Act and the Illinois Horse Racing Act of  
19 1975.

20 (g) An electronic gaming licensee may conduct electronic  
21 gaming at a temporary facility pending the construction of a  
22 permanent facility or the remodeling of an existing facility to  
23 accommodate electronic gaming participants for up to 24 months  
24 after the temporary facility begins to conduct electronic  
25 gaming. Upon request by an electronic gaming licensee and upon  
26 a showing of good cause by the electronic gaming licensee, the

1 Board shall extend the period during which the licensee may  
2 conduct electronic gaming at a temporary facility by up to 12  
3 months. The Board shall make rules concerning the conduct of  
4 electronic gaming from temporary facilities.

5 Electronic gaming may take place in existing structures  
6 where inter-track wagering is conducted at the race track or a  
7 facility within 300 yards of the race track in accordance with  
8 the provisions of this Act and the Illinois Horse Racing Act of  
9 1975. Any electronic gaming conducted at a permanent facility  
10 within 300 yards of the race track in accordance with this Act  
11 and the Illinois Horse Racing Act of 1975 shall have an  
12 all-weather egress connecting the electronic gaming facility  
13 and the race track facility.

14 (h) The Illinois Gaming Board must adopt emergency rules in  
15 accordance with Section 5-45 of the Illinois Administrative  
16 Procedure Act as necessary to ensure compliance with the  
17 provisions of this amendatory Act of the 96th General Assembly  
18 concerning electronic gaming. The adoption of emergency rules  
19 authorized by this subsection (h) shall be deemed to be  
20 necessary for the public interest, safety, and welfare.

21 (i) Each electronic gaming licensee who obtains electronic  
22 gaming positions must make a reconciliation payment 4 years  
23 after the date the electronic gaming licensee begins operating  
24 the positions in an amount equal to 75% of the amount for which  
25 privilege tax was paid under subsection (a-5) of Section 13 of  
26 this Act from electronic gaming for the most lucrative 12-month

1 period of operations, minus an amount equal to the initial  
2 \$25,000 or \$12,500 per electronic gaming position initial  
3 payment. If this calculation results in a negative amount, then  
4 the electronic gaming licensee is not entitled to any  
5 reimbursement of fees previously paid. This reconciliation  
6 payment may be made in installments over a period of no more  
7 than 5 years, subject to Board approval. Any installment  
8 payments shall include an annual market interest rate as  
9 determined by the Board.

10 All payments by licensees under this subsection (i) shall  
11 be deposited into the Capital Projects Fund.

12 (j) As soon as practical after a request is made by the  
13 Illinois Gaming Board, to minimize duplicate submissions by the  
14 applicant, the Illinois Racing Board must provide information  
15 on an applicant for an electronic gaming license to the  
16 Illinois Gaming Board.

17 (230 ILCS 10/7.7 new)

18 Sec. 7.7. Home rule. The regulation and licensing of  
19 electronic gaming and electronic gaming licensees are  
20 exclusive powers and functions of the State. A home rule unit  
21 may not regulate or license electronic gaming or electronic  
22 gaming licensees. This Section is a denial and limitation of  
23 home rule powers and functions under subsection (h) of Section  
24 6 of Article VII of the Illinois Constitution.

1 (230 ILCS 10/7.8 new)

2 Sec. 7.8. Casino operator license.

3 (a) A qualified person may apply to the Board for a casino  
4 operator license to operate and manage any gambling operation  
5 conducted by an Authority. The application shall be made on  
6 forms provided by the Board and shall contain such information  
7 as the Board prescribes, including but not limited to  
8 information required in Sections 6(a), (b), and (c) and  
9 information relating to the applicant's proposed price to  
10 manage the Authority's gambling operations and to provide the  
11 casino, gambling equipment, and supplies necessary to conduct  
12 Authority gambling operations.

13 (b) A person, firm, or corporation is ineligible to receive  
14 a casino operator license if:

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

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

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

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

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

26 (6) the firm or corporation employs a person defined in

1 (1), (2), (3), or (4) who participates in the management or  
2 operation of gambling operations authorized under this  
3 Act; or

4 (7) a license of the person, firm, or corporation  
5 issued under this Act, or a license to own or operate  
6 gambling facilities in any other jurisdiction, has been  
7 revoked.

8 (c) In determining whether to grant a casino operator  
9 license, the Board shall consider:

10 (1) the character, reputation, experience and  
11 financial integrity of the applicants and of any other or  
12 separate person that either:

13 (A) controls, directly or indirectly, such  
14 applicant, or

15 (B) is controlled, directly or indirectly, by such  
16 applicant or by a person which controls, directly or  
17 indirectly, such applicant;

18 (2) the facilities or proposed facilities for the  
19 conduct of gambling;

20 (3) the preference of the municipality in which the  
21 licensee will operate;

22 (4) the extent to which the ownership of the applicant  
23 reflects the diversity of the State by including minority  
24 persons and females and the good faith affirmative action  
25 plan of each applicant to recruit, train, and upgrade  
26 minority persons and females in all employment



1 classifications;

2 (5) the financial ability of the applicant to purchase  
3 and maintain adequate liability and casualty insurance;

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

7 (7) the extent to which the applicant exceeds or meets  
8 other standards for the issuance of a managers license that  
9 the Board may adopt by rule.

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

13 (e) The Board shall charge each applicant a fee, set by the  
14 Board, to defray the costs associated with the background  
15 investigation conducted by the Board.

16 (f) A person who knowingly makes a false statement on an  
17 application is guilty of a Class A misdemeanor.

18 (g) The casino operator license shall be issued only upon  
19 proof that it has entered into a labor peace agreement with  
20 each labor organization that is actively engaged in  
21 representing and attempting to represent casino and  
22 hospitality industry workers in this State. The labor peace  
23 agreement must be a valid and enforceable agreement under 29  
24 U.S.C. 185 that protects the city's and State's revenues from  
25 the operation of the casino facility by prohibiting the labor  
26 organization and its members from engaging in any picketing,

1 work stoppages, boycotts, or any other economic interference  
2 with the casino facility for at least the first 5 years of the  
3 casino license and must cover all operations at the casino  
4 facility that are conducted by lessees or tenants or under  
5 management agreements.

6 (h) The casino operator license shall be for a term of 4  
7 years, shall be renewable at the Board's option, and shall  
8 contain such terms and provisions as the Board deems necessary  
9 to protect or enhance the credibility and integrity of State  
10 gambling operations, achieve the highest prospective total  
11 revenue to the State, and otherwise serve the interests of the  
12 citizens of Illinois. The Board may revoke the license:

13 (1) for violation of any provision of this Act;

14 (2) for violation of any rules of the Board;

15 (3) for any cause which, if known to the Board, would  
16 have disqualified the applicant from receiving the  
17 license; or

18 (4) for any other just cause.

19 (230 ILCS 10/7.9 new)

20 Sec. 7.9. Diversity program.

21 (a) Each owners licensee, electronic gaming licensee,  
22 casino operator licensee, and suppliers licensee shall  
23 establish and maintain a diversity program to ensure  
24 non-discrimination in the award and administration of  
25 contracts. The programs shall establish goals of awarding not

1 less than 20% of the annual dollar value of all contracts,  
2 purchase orders, or other agreements to minority owned  
3 businesses and 5% of the annual dollar value of all contracts  
4 to female owned businesses.

5 (b) Each owners licensee, electronic gaming licensee,  
6 casino operator licensee, and suppliers licensee shall  
7 establish and maintain a diversity program designed to promote  
8 equal opportunity for employment. The program shall establish  
9 hiring goals as the Board and each licensee determines  
10 appropriate. The Board shall monitor the progress of the gaming  
11 licensee's progress with respect to the program's goals.

12 (c) No later than May 31 of each year each licensee shall  
13 report to the Board the number of respective employees and the  
14 number of their respective employees who have designated  
15 themselves as members of a minority group and gender. In  
16 addition, all licensees shall submit a report with respect to  
17 the minority owned and female owned businesses program created  
18 in this Section to the Board.

19 (230 ILCS 10/7.10 new)

20 Sec. 7.10. Annual report on diversity.

21 (a) Each licensee that receives a license under Sections 7,  
22 7.1, and 7.6 shall execute and file a report with the Board no  
23 later than December 31 of each year that shall contain, but not  
24 be limited to, the following information:

25 (i) a good faith affirmative action plan to recruit,

1       train, and upgrade minority persons, females, and persons  
2       with a disability in all employment classifications;

3           (ii) the total dollar amount of contracts that were  
4       awarded to businesses owned by minority persons, females,  
5       and persons with a disability;

6           (iii) the total number of businesses owned by minority  
7       persons, females, and persons with a disability that were  
8       utilized by the licensee;

9           (iv) the utilization of businesses owned by minority  
10       persons, females, and persons with disabilities during the  
11       preceding year; and

12           (v) the outreach efforts used by the licensee to  
13       attract investors and businesses consisting of minority  
14       persons, females, and persons with a disability.

15       (b) The Board shall forward a copy of each licensee's  
16       annual reports to the General Assembly no later than February 1  
17       of each year.

18           (230 ILCS 10/8) (from Ch. 120, par. 2408)

19           Sec. 8. Suppliers licenses.

20           (a) The Board may issue a suppliers license to such  
21       persons, firms or corporations which apply therefor upon the  
22       payment of a non-refundable application fee set by the Board,  
23       upon a determination by the Board that the applicant is  
24       eligible for a suppliers license and upon payment of a \$5,000  
25       annual license fee.

1           (b) The holder of a suppliers license is authorized to sell  
2 or lease, and to contract to sell or lease, gambling equipment  
3 and supplies to any licensee involved in the ownership or  
4 management of gambling operations.

5           (c) Gambling supplies and equipment may not be distributed  
6 unless supplies and equipment conform to standards adopted by  
7 rules of the Board.

8           (d) A person, firm or corporation is ineligible to receive  
9 a suppliers license if:

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

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

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

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

18           (5) the firm or corporation is one in which a person  
19 defined in (1), (2), (3) or (4), is an officer, director or  
20 managerial employee;

21           (6) the firm or corporation employs a person who  
22 participates in the management or operation of riverboat  
23 gambling authorized under this Act;

24           (7) the license of the person, firm or corporation  
25 issued under this Act, or a license to own or operate  
26 gambling facilities in any other jurisdiction, has been

1           revoked.

2           (e) Any person that supplies any equipment, devices, or  
3           supplies to a licensed riverboat gambling operation or casino  
4           or electronic gaming operation must first obtain a suppliers  
5           license. A supplier shall furnish to the Board a list of all  
6           equipment, devices and supplies offered for sale or lease in  
7           connection with gambling games authorized under this Act. A  
8           supplier shall keep books and records for the furnishing of  
9           equipment, devices and supplies to gambling operations  
10          separate and distinct from any other business that the supplier  
11          might operate. A supplier shall file a quarterly return with  
12          the Board listing all sales and leases. A supplier shall  
13          permanently affix its name to all its equipment, devices, and  
14          supplies for gambling operations. Any supplier's equipment,  
15          devices or supplies which are used by any person in an  
16          unauthorized gambling operation shall be forfeited to the  
17          State. A holder of an owners license or an electronic gaming  
18          license ~~A licensed owner~~ may own its own equipment, devices and  
19          supplies. Each holder of an owners license or an electronic  
20          gaming license under the Act shall file an annual report  
21          listing its inventories of gambling equipment, devices and  
22          supplies.

23          (f) Any person who knowingly makes a false statement on an  
24          application is guilty of a Class A misdemeanor.

25          (g) Any gambling equipment, devices and supplies provided  
26          by any licensed supplier may either be repaired on the

1 riverboat, in the casino, or at the electronic gaming facility  
2 or removed from the riverboat, casino, or electronic gaming  
3 facility to a ~~an on-shore~~ facility owned by the holder of an  
4 owners license or electronic gaming license for repair.

5 (Source: P.A. 86-1029; 87-826.)

6 (230 ILCS 10/9) (from Ch. 120, par. 2409)

7 Sec. 9. Occupational licenses.

8 (a) The Board may issue an occupational license to an  
9 applicant upon the payment of a non-refundable fee set by the  
10 Board, upon a determination by the Board that the applicant is  
11 eligible for an occupational license and upon payment of an  
12 annual license fee in an amount to be established. To be  
13 eligible for an occupational license, an applicant must:

14 (1) be at least 21 years of age if the applicant will  
15 perform any function involved in gaming by patrons. Any  
16 applicant seeking an occupational license for a non-gaming  
17 function shall be at least 18 years of age;

18 (2) not have been convicted of a felony offense, a  
19 violation of Article 28 of the Criminal Code of 1961, or a  
20 similar statute of any other jurisdiction;

21 (2.5) not have been convicted of a crime, other than a  
22 crime described in item (2) of this subsection (a),  
23 involving dishonesty or moral turpitude, except that the  
24 Board may, in its discretion, issue an occupational license  
25 to a person who has been convicted of a crime described in

1           this item (2.5) more than 10 years prior to his or her  
2           application and has not subsequently been convicted of any  
3           other crime;

4           (3) have demonstrated a level of skill or knowledge  
5           which the Board determines to be necessary in order to  
6           operate gambling aboard a riverboat , in a casino, or at an  
7           electronic gaming facility; and

8           (4) have met standards for the holding of an  
9           occupational license as adopted by rules of the Board. Such  
10          rules shall provide that any person or entity seeking an  
11          occupational license to manage gambling operations  
12          hereunder shall be subject to background inquiries and  
13          further requirements similar to those required of  
14          applicants for an owners license. Furthermore, such rules  
15          shall provide that each such entity shall be permitted to  
16          manage gambling operations for only one licensed owner.

17          (b) Each application for an occupational license shall be  
18          on forms prescribed by the Board and shall contain all  
19          information required by the Board. The applicant shall set  
20          forth in the application: whether he has been issued prior  
21          gambling related licenses; whether he has been licensed in any  
22          other state under any other name, and, if so, such name and his  
23          age; and whether or not a permit or license issued to him in  
24          any other state has been suspended, restricted or revoked, and,  
25          if so, for what period of time.

26          (c) Each applicant shall submit with his application, on



1 forms provided by the Board, 2 sets of his fingerprints. The  
2 Board shall charge each applicant a fee set by the Department  
3 of State Police to defray the costs associated with the search  
4 and classification of fingerprints obtained by the Board with  
5 respect to the applicant's application. These fees shall be  
6 paid into the State Police Services Fund.

7 (d) The Board may in its discretion refuse an occupational  
8 license to any person: (1) who is unqualified to perform the  
9 duties required of such applicant; (2) who fails to disclose or  
10 states falsely any information called for in the application;  
11 (3) who has been found guilty of a violation of this Act or  
12 whose prior gambling related license or application therefor  
13 has been suspended, restricted, revoked or denied for just  
14 cause in any other state; or (4) for any other just cause.

15 (e) The Board may suspend, revoke or restrict any  
16 occupational licensee: (1) for violation of any provision of  
17 this Act; (2) for violation of any of the rules and regulations  
18 of the Board; (3) for any cause which, if known to the Board,  
19 would have disqualified the applicant from receiving such  
20 license; or (4) for default in the payment of any obligation or  
21 debt due to the State of Illinois; or (5) for any other just  
22 cause.

23 (f) A person who knowingly makes a false statement on an  
24 application is guilty of a Class A misdemeanor.

25 (g) Any license issued pursuant to this Section shall be  
26 valid for a period of one year from the date of issuance.

1 (h) Nothing in this Act shall be interpreted to prohibit a  
2 licensed owner or electronic gaming licensee from entering into  
3 an agreement with a public community college or a school  
4 approved under the Private Business and Vocational Schools Act  
5 for the training of any occupational licensee. Any training  
6 offered by such a school shall be in accordance with a written  
7 agreement between the licensed owner or electronic gaming  
8 licensee and the school.

9 (i) Any training provided for occupational licensees may be  
10 conducted either at the site of the gambling facility on the  
11 riverboat or at a school with which a licensed owner or  
12 electronic gaming licensee has entered into an agreement  
13 pursuant to subsection (h).

14 (Source: P.A. 96-1392, eff. 1-1-11.)

15 (230 ILCS 10/11) (from Ch. 120, par. 2411)

16 Sec. 11. Conduct of gambling. Gambling may be conducted by  
17 licensed owners or licensed managers on behalf of the State  
18 aboard riverboats. Gambling may be conducted by electronic  
19 gaming licensees at electronic gaming facilities. Gambling  
20 authorized under this Section shall be, subject to the  
21 following standards:

22 (1) A licensee may conduct riverboat gambling  
23 authorized under this Act regardless of whether it conducts  
24 excursion cruises. A licensee may permit the continuous  
25 ingress and egress of patrons ~~passengers~~ on a riverboat not

1 used for excursion cruises for the purpose of gambling.  
2 Excursion cruises shall not exceed 4 hours for a round  
3 trip. However, the Board may grant express approval for an  
4 extended cruise on a case-by-case basis.

5 (2) (Blank).

6 (3) Minimum and maximum wagers on games shall be set by  
7 the licensee.

8 (4) Agents of the Board and the Department of State  
9 Police may board and inspect any riverboat, enter and  
10 inspect any portion of a casino, or enter and inspect any  
11 portion of an electronic gaming facility at any time for  
12 the purpose of determining whether this Act is being  
13 complied with. Every riverboat, if under way and being  
14 hailed by a law enforcement officer or agent of the Board,  
15 must stop immediately and lay to.

16 (5) Employees of the Board shall have the right to be  
17 present on the riverboat or in the casino or on adjacent  
18 facilities under the control of the licensee and at the  
19 electronic gaming facility under the control of the  
20 electronic gaming licensee.

21 (6) Gambling equipment and supplies customarily used  
22 in conducting riverboat or casino gambling or electronic  
23 gaming must be purchased or leased only from suppliers  
24 licensed for such purpose under this Act. The Board may  
25 approve the transfer, sale, or lease of gambling equipment  
26 and supplies by a licensed owner from or to an affiliate of

1 the licensed owner as long as the gambling equipment and  
2 supplies were initially acquired from a supplier licensed  
3 in Illinois.

4 (7) Persons licensed under this Act shall permit no  
5 form of wagering on gambling games except as permitted by  
6 this Act.

7 (8) Wagers may be received only from a person present  
8 on a licensed riverboat, in a casino, or at an electronic  
9 gaming facility. No person present on a licensed riverboat,  
10 in a casino, or at an electronic gaming facility shall  
11 place or attempt to place a wager on behalf of another  
12 person who is not present on the riverboat, in a casino,  
13 or at the electronic gaming facility.

14 (9) Wagering, including electronic gaming, shall not  
15 be conducted with money or other negotiable currency.

16 (10) A person under age 21 shall not be permitted on an  
17 area of a riverboat or casino where gambling is being  
18 conducted or at an electronic gaming facility where  
19 gambling is being conducted, except for a person at least  
20 18 years of age who is an employee of the riverboat or  
21 casinogambling operation or electronic gaming operation.  
22 No employee under age 21 shall perform any function  
23 involved in gambling by the patrons. No person under age 21  
24 shall be permitted to make a wager under this Act, and any  
25 winnings that are a result of a wager by a person under age  
26 21, whether or not paid by a licensee, shall be treated as

1           winnings for the privilege tax purposes, confiscated, and  
2           forfeited to the State and deposited into the Education  
3           Assistance Fund.

4           (11) Gambling excursion cruises are permitted only  
5           when the waterway for which the riverboat is licensed is  
6           navigable, as determined by the Board in consultation with  
7           the U.S. Army Corps of Engineers. This paragraph (11) does  
8           not limit the ability of a licensee to conduct gambling  
9           authorized under this Act when gambling excursion cruises  
10          are not permitted.

11          (12) All tokens, chips or electronic cards used to make  
12          wagers must be purchased (i) from a licensed owner or  
13          manager, in the case of a riverboat, either aboard a  
14          riverboat or at an onshore facility which has been approved  
15          by the Board and which is located where the riverboat  
16          docks, (ii) in the case of a casino, from a licensed owner  
17          at the casino, or (iii) from an electronic gaming licensee  
18          at the electronic gaming facility. The tokens, chips or  
19          electronic cards may be purchased by means of an agreement  
20          under which the owner or manager extends credit to the  
21          patron. Such tokens, chips or electronic cards may be used  
22          while aboard the riverboat, in the casino, or at the  
23          electronic gaming facility only for the purpose of making  
24          wagers on gambling games.

25          (13) Notwithstanding any other Section of this Act, in  
26          addition to the other licenses authorized under this Act,

1 the Board may issue special event licenses allowing persons  
2 who are not otherwise licensed to conduct riverboat  
3 gambling to conduct such gambling on a specified date or  
4 series of dates. Riverboat gambling under such a license  
5 may take place on a riverboat not normally used for  
6 riverboat gambling. The Board shall establish standards,  
7 fees and fines for, and limitations upon, such licenses,  
8 which may differ from the standards, fees, fines and  
9 limitations otherwise applicable under this Act. All such  
10 fees shall be deposited into the State Gaming Fund. All  
11 such fines shall be deposited into the Education Assistance  
12 Fund, created by Public Act 86-0018, of the State of  
13 Illinois.

14 (14) In addition to the above, gambling must be  
15 conducted in accordance with all rules adopted by the  
16 Board.

17 (Source: P.A. 96-1392, eff. 1-1-11.)

18 (230 ILCS 10/11.1) (from Ch. 120, par. 2411.1)

19 Sec. 11.1. Collection of amounts owing under credit  
20 agreements. Notwithstanding any applicable statutory provision  
21 to the contrary, a licensed owner, ~~or~~ manager, or electronic  
22 gaming licensee who extends credit to a ~~riverboat~~ gambling  
23 patron or an electronic gaming patron pursuant to Section 11  
24 (a) (12) of this Act is expressly authorized to institute a  
25 cause of action to collect any amounts due and owing under the

1 extension of credit, as well as the owner's or manager's costs,  
2 expenses and reasonable attorney's fees incurred in  
3 collection.

4 (Source: P.A. 93-28, eff. 6-20-03.)

5 (230 ILCS 10/12) (from Ch. 120, par. 2412)

6 Sec. 12. Admission tax; fees.

7 (a) A tax is hereby imposed upon admissions to riverboat  
8 and casino gambling facilities ~~riverboats~~ operated by licensed  
9 owners authorized pursuant to this Act. Until July 1, 2002, the  
10 rate is \$2 per person admitted. From July 1, 2002 until July 1,  
11 2003, the rate is \$3 per person admitted. From July 1, 2003  
12 until August 23, 2005 (the effective date of Public Act  
13 94-673), for a licensee that admitted 1,000,000 persons or  
14 fewer in the previous calendar year, the rate is \$3 per person  
15 admitted; for a licensee that admitted more than 1,000,000 but  
16 no more than 2,300,000 persons in the previous calendar year,  
17 the rate is \$4 per person admitted; and for a licensee that  
18 admitted more than 2,300,000 persons in the previous calendar  
19 year, the rate is \$5 per person admitted. Beginning on August  
20 23, 2005 (the effective date of Public Act 94-673), for a  
21 licensee that admitted 1,000,000 persons or fewer in calendar  
22 year 2004, the rate is \$2 per person admitted, and for all  
23 other licensees, including licensees that were not conducting  
24 gambling operations in 2004, the rate is \$3 per person  
25 admitted. This admission tax is imposed upon the licensed owner

1 conducting gambling.

2 (1) The admission tax shall be paid for each admission,  
3 except that a person who exits a riverboat gambling  
4 facility and reenters that riverboat gambling facility  
5 within the same gaming day shall be subject only to the  
6 initial admission tax.

7 (2) (Blank).

8 (3) The riverboat licensee may issue tax-free passes to  
9 actual and necessary officials and employees of the  
10 licensee or other persons actually working on the  
11 riverboat.

12 (4) The number and issuance of tax-free passes is  
13 subject to the rules of the Board, and a list of all  
14 persons to whom the tax-free passes are issued shall be  
15 filed with the Board.

16 (a-5) A fee is hereby imposed upon admissions operated by  
17 licensed managers on behalf of the State pursuant to Section  
18 7.3 at the rates provided in this subsection (a-5). For a  
19 licensee that admitted 1,000,000 persons or fewer in the  
20 previous calendar year, the rate is \$3 per person admitted; for  
21 a licensee that admitted more than 1,000,000 but no more than  
22 2,300,000 persons in the previous calendar year, the rate is \$4  
23 per person admitted; and for a licensee that admitted more than  
24 2,300,000 persons in the previous calendar year, the rate is \$5  
25 per person admitted.

26 (1) The admission fee shall be paid for each admission.



1 (2) (Blank).

2 (3) The licensed manager may issue fee-free passes to  
3 actual and necessary officials and employees of the manager  
4 or other persons actually working on the riverboat.

5 (4) The number and issuance of fee-free passes is  
6 subject to the rules of the Board, and a list of all  
7 persons to whom the fee-free passes are issued shall be  
8 filed with the Board.

9 (b) From the tax imposed under subsection (a) and the fee  
10 imposed under subsection (a-5), a municipality shall receive  
11 from the State \$1 for each person embarking on a riverboat  
12 docked within the municipality or entering a casino located  
13 within the municipality, and a county shall receive \$1 for each  
14 person entering a casino or embarking on a riverboat docked  
15 within the county but outside the boundaries of any  
16 municipality. The municipality's or county's share shall be  
17 collected by the Board on behalf of the State and remitted  
18 quarterly by the State, subject to appropriation, to the  
19 treasurer of the unit of local government for deposit in the  
20 general fund.

21 (c) The licensed owner shall pay the entire admission tax  
22 to the Board and the licensed manager or the casino operator  
23 licensee shall pay the entire admission fee to the Board. Such  
24 payments shall be made daily. Accompanying each payment shall  
25 be a return on forms provided by the Board which shall include  
26 other information regarding admissions as the Board may

1 require. Failure to submit either the payment or the return  
2 within the specified time may result in suspension or  
3 revocation of the owners or managers license.

4 (c-5) A tax is imposed on admissions to electronic gaming  
5 facilities at the rate of \$3 per person admitted by an  
6 electronic gaming licensee. The tax is imposed upon the  
7 electronic gaming licensee.

8 (1) The admission tax shall be paid for each admission,  
9 except that a person who exits an electronic gaming  
10 facility and reenters that electronic gaming facility  
11 within the same gaming day, as the term "gaming day" is  
12 defined by the Board by rule, shall be subject only to the  
13 initial admission tax. The Board shall establish, by rule,  
14 a procedure to determine whether a person admitted to an  
15 electronic gaming facility has paid the admission tax.

16 (2) An electronic gaming licensee may issue tax-free  
17 passes to actual and necessary officials and employees of  
18 the licensee and other persons associated with electronic  
19 gaming operations.

20 (3) The number and issuance of tax-free passes is  
21 subject to the rules of the Board, and a list of all  
22 persons to whom the tax-free passes are issued shall be  
23 filed with the Board.

24 (4) The electronic gaming licensee shall pay the entire  
25 admission tax to the Board.

26 Such payments shall be made daily. Accompanying each

1 payment shall be a return on forms provided by the Board, which  
2 shall include other information regarding admission as the  
3 Board may require. Failure to submit either the payment or the  
4 return within the specified time may result in suspension or  
5 revocation of the electronic gaming license.

6 From the tax imposed under this subsection (c-5), a  
7 municipality other than the Village of Stickney or the City of  
8 Collinsville in which an electronic gaming facility is located,  
9 or if the electronic gaming facility is not located within a  
10 municipality, then the county in which the electronic gaming  
11 facility is located, shall receive, subject to appropriation,  
12 \$1 for each person who enters the electronic gaming facility.

13 From the tax imposed under this subsection (c-5) or an  
14 electronic gaming facility located in the Village of Stickney,  
15 \$1 for each person who enters the electronic gaming facility  
16 shall be distributed as follows, subject to appropriation:  
17 \$0.25 to the Village of Stickney, \$.50 to the Town of Cicero,  
18 and \$0.25 to the Stickney Public Health District. For each  
19 admission to the electronic gaming facility in excess of  
20 1,500,000 in a year, from the tax imposed under this subsection  
21 (c-5), the county in which the electronic gaming facility is  
22 located shall receive, subject to appropriation, \$0.30, which  
23 shall be in addition to any other moneys paid to the county  
24 under this Section.

25 From the tax imposed under this subsection (c-5) on an  
26 electronic gaming facility located in the City of Collinsville,

1 the \$1 for each person who enters the electronic gaming  
2 facility shall be distributed as follows, subject to  
3 appropriation: \$0.45 to the City of Alton, \$0.45 to the City of  
4 East St. Louis, and \$0.10 to the City of Collinsville.

5 After payments required under this subsection (c-5) have  
6 been made, all remaining amounts shall be deposited into the  
7 Capital Projects Fund.

8 (d) The Board shall administer and collect the admission  
9 tax imposed by this Section, to the extent practicable, in a  
10 manner consistent with the provisions of Sections 4, 5, 5a, 5b,  
11 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9 and 10 of the  
12 Retailers' Occupation Tax Act and Section 3-7 of the Uniform  
13 Penalty and Interest Act.

14 (Source: P.A. 95-663, eff. 10-11-07; 96-1392, eff. 1-1-11.)

15 (230 ILCS 10/13) (from Ch. 120, par. 2413)

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

17 (a) Until January 1, 1998, a tax is imposed on the adjusted  
18 gross receipts received from gambling games authorized under  
19 this Act at the rate of 20%.

20 (a-1) From January 1, 1998 until July 1, 2002, a privilege  
21 tax is imposed on persons engaged in the business of conducting  
22 riverboat gambling operations, based on the adjusted gross  
23 receipts received by a licensed owner from gambling games  
24 authorized under this Act at the following rates:

25 15% of annual adjusted gross receipts up to and

1 including \$25,000,000;

2 20% of annual adjusted gross receipts in excess of  
3 \$25,000,000 but not exceeding \$50,000,000;

4 25% of annual adjusted gross receipts in excess of  
5 \$50,000,000 but not exceeding \$75,000,000;

6 30% of annual adjusted gross receipts in excess of  
7 \$75,000,000 but not exceeding \$100,000,000;

8 35% of annual adjusted gross receipts in excess of  
9 \$100,000,000.

10 (a-2) From July 1, 2002 until July 1, 2003, a privilege tax  
11 is imposed on persons engaged in the business of conducting  
12 riverboat gambling operations, other than licensed managers  
13 conducting riverboat gambling operations on behalf of the  
14 State, based on the adjusted gross receipts received by a  
15 licensed owner from gambling games authorized under this Act at  
16 the following rates:

17 15% of annual adjusted gross receipts up to and  
18 including \$25,000,000;

19 22.5% of annual adjusted gross receipts in excess of  
20 \$25,000,000 but not exceeding \$50,000,000;

21 27.5% of annual adjusted gross receipts in excess of  
22 \$50,000,000 but not exceeding \$75,000,000;

23 32.5% of annual adjusted gross receipts in excess of  
24 \$75,000,000 but not exceeding \$100,000,000;

25 37.5% of annual adjusted gross receipts in excess of  
26 \$100,000,000 but not exceeding \$150,000,000;

1           45% of annual adjusted gross receipts in excess of  
2           \$150,000,000 but not exceeding \$200,000,000;

3           50% of annual adjusted gross receipts in excess of  
4           \$200,000,000.

5           (a-3) Beginning July 1, 2003, a privilege tax is imposed on  
6 persons engaged in the business of conducting riverboat  
7 gambling operations, other than licensed managers conducting  
8 riverboat gambling operations on behalf of the State, based on  
9 the adjusted gross receipts received by a licensed owner from  
10 gambling games authorized under this Act at the following  
11 rates:

12           15% of annual adjusted gross receipts up to and  
13           including \$25,000,000;

14           27.5% of annual adjusted gross receipts in excess of  
15           \$25,000,000 but not exceeding \$37,500,000;

16           32.5% of annual adjusted gross receipts in excess of  
17           \$37,500,000 but not exceeding \$50,000,000;

18           37.5% of annual adjusted gross receipts in excess of  
19           \$50,000,000 but not exceeding \$75,000,000;

20           45% of annual adjusted gross receipts in excess of  
21           \$75,000,000 but not exceeding \$100,000,000;

22           50% of annual adjusted gross receipts in excess of  
23           \$100,000,000 but not exceeding \$250,000,000;

24           70% of annual adjusted gross receipts in excess of  
25           \$250,000,000.

26           An amount equal to the amount of wagering taxes collected

1 under this subsection (a-3) that are in addition to the amount  
2 of wagering taxes that would have been collected if the  
3 wagering tax rates under subsection (a-2) were in effect shall  
4 be paid into the Common School Fund.

5 The privilege tax imposed under this subsection (a-3) shall  
6 no longer be imposed beginning on the earlier of (i) July 1,  
7 2005; (ii) the first date after June 20, 2003 that riverboat  
8 gambling operations are conducted pursuant to a dormant  
9 license; or (iii) the first day that riverboat gambling  
10 operations are conducted under the authority of an owners  
11 license that is in addition to the 10 owners licenses initially  
12 authorized under this Act. For the purposes of this subsection  
13 (a-3), the term "dormant license" means an owners license that  
14 is authorized by this Act under which no riverboat gambling  
15 operations are being conducted on June 20, 2003.

16 (a-4) Beginning on the first day on which the tax imposed  
17 under subsection (a-3) is no longer imposed, a privilege tax is  
18 imposed on persons engaged in the business of conducting  
19 riverboat or casino gambling or electronic gaming operations,  
20 other than licensed managers conducting riverboat gambling  
21 operations on behalf of the State, based on the adjusted gross  
22 receipts received by a licensed owner from gambling games  
23 authorized under this Act at the following rates:

24 15% of annual adjusted gross receipts up to and  
25 including \$25,000,000;

26 22.5% of annual adjusted gross receipts in excess of

1           \$25,000,000 but not exceeding \$50,000,000;

2           27.5% of annual adjusted gross receipts in excess of  
3           \$50,000,000 but not exceeding \$75,000,000;

4           32.5% of annual adjusted gross receipts in excess of  
5           \$75,000,000 but not exceeding \$100,000,000;

6           37.5% of annual adjusted gross receipts in excess of  
7           \$100,000,000 but not exceeding \$150,000,000;

8           45% of annual adjusted gross receipts in excess of  
9           \$150,000,000 but not exceeding \$200,000,000;

10          50% of annual adjusted gross receipts in excess of  
11          \$200,000,000.

12          (a-5) Beginning on January 1, 2012, a privilege tax is  
13          imposed on persons engaged in the business of conducting  
14          riverboat or casino gambling or electronic gaming operations,  
15          other than licensed managers conducting riverboat gambling  
16          operations on behalf of the State, based on the adjusted gross  
17          receipts received by a licensed owner from the gambling games  
18          authorized under this Act. The privilege tax for all gambling  
19          games other than table games, including, but not limited to,  
20          slot machines, video game of chance gambling, and electronic  
21          gambling games shall be at the following rates:

22                 12% of annual adjusted gross receipts up to and  
23                 including \$25,000,000;

24                 19.5% of annual adjusted gross receipts in excess of  
25                 \$25,000,000 but not exceeding \$50,000,000;

26                 24.5% of annual adjusted gross receipts in excess of



1 \$50,000,000 but not exceeding \$75,000,000;

2 29.5% of annual adjusted gross receipts in excess of  
3 \$75,000,000 but not exceeding \$100,000,000;

4 34.5% of annual adjusted gross receipts in excess of  
5 \$100,000,000 but not exceeding \$150,000,000;

6 39% of annual adjusted gross receipts in excess of  
7 \$150,000,000 but not exceeding \$200,000,000;

8 44% of annual adjusted gross receipts in excess of  
9 \$200,000,000.

10 The privilege tax for table games shall be at the following  
11 rates:

12 12% of annual adjusted gross receipts up to and  
13 including \$25,000,000;

14 19.5% of annual adjusted gross receipts in excess of  
15 \$25,000,000 but not exceeding \$50,000,000;

16 24.5% of annual adjusted gross receipts in excess of  
17 \$50,000,000 but not exceeding \$75,000,000;

18 29.5% of annual adjusted gross receipts in excess of  
19 \$75,000,000 but not exceeding \$100,000,000;

20 34.5% of annual adjusted gross receipts in excess of  
21 \$100,000,000.

22 For the imposition of the privilege tax in this subsection  
23 (a-5), amounts paid pursuant to item (1) of subsection (b) of  
24 Section 56 of the Illinois Horse Racing Act of 1975 shall not  
25 be included in the determination of adjusted gross receipts.

26 From July 1, 2012 until June 30, 2015, if the total

1 obligation imposed pursuant to this subsection (a-5) will  
2 result in an owners licensee receiving less after-tax adjusted  
3 gross receipts than it received in calendar year 2011, the  
4 Board must reduce the total amount of privilege taxes that an  
5 owners licensee is required to pay for that calendar year  
6 pursuant to this subsection by 3%. For purposes of this  
7 subsection, "after-tax adjusted gross receipts" means the  
8 adjusted gross receipts less privilege taxes paid to the State.

9 From the effective date of this amendatory Act of the 96th  
10 General Assembly until June 30, 2015, an owners licensee that  
11 (i) is located within 5 miles of the Missouri border and (ii)  
12 has at least 4 riverboats, casinos, or their equivalent within  
13 a 15 mile radius, shall receive a dollar-for-dollar credit by  
14 the Board for any renovation or construction costs paid by the  
15 owners licensee, but in no event shall the credit exceed  
16 \$2,000,000.

17 (a-6) Beginning on July 1, 2013, a privilege tax is imposed  
18 on persons engaged in the business of conducting riverboat or  
19 casino gambling or electronic gaming operations, other than  
20 licensed managers conducting riverboat gambling operations on  
21 behalf of the State, based on the adjusted gross receipts  
22 received by a licensed owner from the gambling games authorized  
23 under this Act. The privilege tax for all gambling games other  
24 than table games, including, but not limited to, slot machines,  
25 video game of chance gambling, and electronic gambling games  
26 shall be at the following rates:

1           10% of annual adjusted gross receipts up to and  
2           including \$25,000,000;

3           17.5% of annual adjusted gross receipts in excess of  
4           \$25,000,000 but not exceeding \$50,000,000;

5           22.5% of annual adjusted gross receipts in excess of  
6           \$50,000,000 but not exceeding \$75,000,000;

7           27.5% of annual adjusted gross receipts in excess of  
8           \$75,000,000 but not exceeding \$100,000,000;

9           32.5% of annual adjusted gross receipts in excess of  
10           \$100,000,000 but not exceeding \$150,000,000;

11           35% of annual adjusted gross receipts in excess of  
12           \$150,000,000 but not exceeding \$200,000,000;

13           40% of annual adjusted gross receipts in excess of  
14           \$200,000,000.

15           The privilege tax for table games shall be at the following  
16           rates:

17           10% of annual adjusted gross receipts up to and  
18           including \$25,000,000;

19           17.5% of annual adjusted gross receipts in excess of  
20           \$25,000,000 but not exceeding \$50,000,000;

21           22.5% of annual adjusted gross receipts in excess of  
22           \$50,000,000 but not exceeding \$75,000,000;

23           27.5% of annual adjusted gross receipts in excess of  
24           \$75,000,000 but not exceeding \$100,000,000;

25           32.5% of annual adjusted gross receipts in excess of  
26           \$100,000,000.

1       For the imposition of the privilege tax in this subsection  
2       (a-6), amounts paid pursuant to item (1) of subsection (b) of  
3       Section 56 of the Illinois Horse Racing Act of 1975 shall not  
4       be included in the determination of adjusted gross receipts.

5       From July 1, 2012 until June 30, 2015, if the total  
6       obligation imposed pursuant to this subsection (a-6) will  
7       result in an owners licensee receiving less after-tax adjusted  
8       gross receipts than it received in calendar year 2011, the  
9       Board must reduce the total amount of privilege taxes that an  
10       owners licensee is required to pay for that calendar year  
11       pursuant to this subsection by 3%. For purposes of this  
12       subsection, "after-tax adjusted gross receipts" means the  
13       adjusted gross receipts less privilege taxes paid to the State.

14       (a-8) Riverboat gambling operations conducted by a  
15       licensed manager on behalf of the State are not subject to the  
16       tax imposed under this Section.

17       (a-10) The taxes imposed by this Section shall be paid by  
18       the licensed owner or the electronic gaming licensee to the  
19       Board not later than 5:00 o'clock p.m. of the day after the day  
20       when the wagers were made.

21       (a-15) If the privilege tax imposed under subsection (a-3)  
22       is no longer imposed pursuant to item (i) of the last paragraph  
23       of subsection (a-3), then by June 15 of each year, each owners  
24       licensee, other than an owners licensee that admitted 1,000,000  
25       persons or fewer in calendar year 2004, must, in addition to  
26       the payment of all amounts otherwise due under this Section,

1 pay to the Board a reconciliation payment in the amount, if  
2 any, by which the licensed owner's base amount exceeds the  
3 amount of net privilege tax paid by the licensed owner to the  
4 Board in the then current State fiscal year. A licensed owner's  
5 net privilege tax obligation due for the balance of the State  
6 fiscal year shall be reduced up to the total of the amount paid  
7 by the licensed owner in its June 15 reconciliation payment.  
8 The obligation imposed by this subsection (a-15) is binding on  
9 any person, firm, corporation, or other entity that acquires an  
10 ownership interest in any such owners license. The obligation  
11 imposed under this subsection (a-15) terminates on the earliest  
12 of: (i) July 1, 2007, (ii) the first day after the effective  
13 date of this amendatory Act of the 94th General Assembly that  
14 riverboat gambling operations are conducted pursuant to a  
15 dormant license, (iii) the first day that riverboat gambling  
16 operations are conducted under the authority of an owners  
17 license that is in addition to the 10 owners licenses initially  
18 authorized under this Act, or (iv) the first day that a  
19 licensee under the Illinois Horse Racing Act of 1975 conducts  
20 gaming operations with slot machines or other electronic gaming  
21 devices. The Board must reduce the obligation imposed under  
22 this subsection (a-15) by an amount the Board deems reasonable  
23 for any of the following reasons: (A) an act or acts of God,  
24 (B) an act of bioterrorism or terrorism or a bioterrorism or  
25 terrorism threat that was investigated by a law enforcement  
26 agency, or (C) a condition beyond the control of the owners

1 licensee that does not result from any act or omission by the  
2 owners licensee or any of its agents and that poses a hazardous  
3 threat to the health and safety of patrons. If an owners  
4 licensee pays an amount in excess of its liability under this  
5 Section, the Board shall apply the overpayment to future  
6 payments required under this Section.

7 For purposes of this subsection (a-15):

8 "Act of God" means an incident caused by the operation of  
9 an extraordinary force that cannot be foreseen, that cannot be  
10 avoided by the exercise of due care, and for which no person  
11 can be held liable.

12 "Base amount" means the following:

13 For a riverboat in Alton, \$31,000,000.

14 For a riverboat in East Peoria, \$43,000,000.

15 For the Empress riverboat in Joliet, \$86,000,000.

16 For a riverboat in Metropolis, \$45,000,000.

17 For the Harrah's riverboat in Joliet, \$114,000,000.

18 For a riverboat in Aurora, \$86,000,000.

19 For a riverboat in East St. Louis, \$48,500,000.

20 For a riverboat in Elgin, \$198,000,000.

21 "Dormant license" has the meaning ascribed to it in  
22 subsection (a-3).

23 "Net privilege tax" means all privilege taxes paid by a  
24 licensed owner to the Board under this Section, less all  
25 payments made from the State Gaming Fund pursuant to subsection  
26 (b) of this Section.

1           The changes made to this subsection (a-15) by Public Act  
2 94-839 are intended to restate and clarify the intent of Public  
3 Act 94-673 with respect to the amount of the payments required  
4 to be made under this subsection by an owners licensee to the  
5 Board.

6           (b) Until January 1, 1998, 25% of the tax revenue deposited  
7 in the State Gaming Fund under this Section shall be paid,  
8 subject to appropriation by the General Assembly, to the unit  
9 of local government which is designated as the home dock of the  
10 riverboat. Beginning January 1, 1998, from the tax revenue from  
11 riverboat or casino gambling deposited in the State Gaming Fund  
12 under this Section, an amount equal to 5% of adjusted gross  
13 receipts generated by a riverboat or a casino shall be paid  
14 monthly, subject to appropriation by the General Assembly, to  
15 the unit of local government that is designated as the home  
16 dock of the riverboat. From the tax revenue deposited in the  
17 State Gaming Fund pursuant to riverboat or casino gambling  
18 operations conducted by a licensed manager on behalf of the  
19 State, an amount equal to 5% of adjusted gross receipts  
20 generated pursuant to those riverboat or casino gambling  
21 operations shall be paid monthly, subject to appropriation by  
22 the General Assembly, to the unit of local government that is  
23 designated as the home dock of the riverboat upon which those  
24 riverboat gambling operations are conducted or in which the  
25 casino is located. Units of local government may refund any  
26 portion of the payment that they receive pursuant to this

1 subsection (b) to the riverboat or casino.

2 (b-5) Beginning on the effective date of this amendatory  
3 Act of the 96th General Assembly, from the tax revenue  
4 deposited in the State Gaming Fund under this Section, an  
5 amount equal to 3% of adjusted gross receipts generated by each  
6 electronic gaming facility located outside Madison County  
7 shall be paid monthly, subject to appropriation by the General  
8 Assembly, to a municipality outside of Madison County other  
9 than the Village of Stickney or the City of Collinsville in  
10 which each electronic gaming facility is located or, if the  
11 electronic gaming facility is not located within a  
12 municipality, to the county in which the electronic gaming  
13 facility is located. From the tax revenue deposited in the  
14 State Gaming Fund under this Section, an amount equal to 3% of  
15 adjusted gross receipts generated by each electronic gaming  
16 facility located in the Village of Collinsville shall be paid  
17 monthly, subject to appropriation by the General Assembly, as  
18 follows: 45% to the City of Alton, 45% to the City of East St.  
19 Louis, and 10% to the City of Collinsville. From the tax  
20 revenue deposited in the State Gaming Fund under this Section,  
21 an amount equal to 3% of adjusted gross receipts generated by  
22 each electronic gaming facility located in the Village of  
23 Stickney shall be paid monthly, subject to appropriation by the  
24 General Assembly, as follows: 25% to the Village of Stickney,  
25 50% to the Town of Cicero, and 25% to the Stickney Public  
26 Health District.



1        Beginning on the effective date of this amendatory Act of  
2 the 96th General Assembly, from the tax revenue deposited in  
3 the State Gaming Fund under this Section, an amount equal to  
4 (i) 3% of adjusted gross receipts generated by an electronic  
5 gaming facility located in Madison County shall be paid  
6 monthly, subject to appropriation by the General Assembly, to  
7 the unit of local government in which the electronic gaming  
8 facility is located in Madison County, (ii) 1% of adjusted  
9 gross receipts generated by an electronic gaming facility  
10 located in Madison County shall be paid monthly, subject to  
11 appropriation by the General Assembly, to Madison County for  
12 the purposes of infrastructure improvements, and (iii) 1% of  
13 adjusted gross receipts generated by an electronic gaming  
14 facility located in Madison County shall be paid monthly,  
15 subject to appropriation by the General Assembly, to St. Clair  
16 County for the purposes of infrastructure improvements.

17        Municipalities and counties may refund any portion of the  
18 payment that they receive pursuant to this subsection (b-5) to  
19 the electronic gaming facility.

20        (b-6) Beginning on the effective date of this amendatory  
21 Act of the 96th General Assembly, from the tax revenue  
22 deposited in the State Gaming Fund under this Section, an  
23 amount equal to 2% of adjusted gross receipts generated by an  
24 electronic gaming facility located outside Madison County  
25 shall be paid monthly, subject to appropriation by the General  
26 Assembly, to the county in which the electronic gaming facility

1 is located for the purposes of its criminal justice system or  
2 health care system.

3 Counties may refund any portion of the payment that they  
4 receive pursuant to this subsection (b-6) to the electronic  
5 gaming facility.

6 (b-7) The State and County Fair Assistance Fund is created  
7 as a special fund in the State treasury. The Fund shall be  
8 administered by the Department of Agriculture. Beginning on the  
9 effective date of this amendatory Act of the 96th General  
10 Assembly, from the tax revenue deposited in the State Gaming  
11 Fund under this Section, an amount equal to 2% of adjusted  
12 gross receipts, not to exceed \$1,000,000, shall be paid into  
13 the State and County Fair Assistance Fund annually. No moneys  
14 shall be expended from the State and County Fair Assistance  
15 Fund except as appropriated by the General Assembly.

16 The Department of Agriculture is authorized to award grants  
17 from moneys appropriated from the State and County Fair  
18 Assistance Fund to counties for the development, expansion, or  
19 support of county fairs that showcase Illinois agriculture  
20 products or by products. No grant may exceed \$20,000. Not more  
21 than one grant under this Section may be made to any one county  
22 except for Sangamon County and Perry County, which shall be  
23 entitled to an additional grant for the Illinois State Fair and  
24 the DuQuoin State Fair, respectively.

25 (b-8) Beginning on the effective date of this amendatory  
26 Act of the 96th General Assembly, from the tax revenue

1 deposited in the State Gaming Fund under this Section, \$250,000  
2 shall be deposited annually into the Illinois Racing Quarter  
3 Horse Breeders Fund.

4 (b-10) Beginning on the effective date of this amendatory  
5 Act of the 96th General Assembly, from the tax revenue  
6 deposited in the State Gaming Fund under this Section, an  
7 amount equal to 10% of the wagering taxes paid by the  
8 riverboats and casino created pursuant to subsections (e-5) and  
9 (e-10) of Section 7 shall be paid into the Depressed  
10 Communities Economic Development Fund annually.

11 (c) Appropriations, as approved by the General Assembly,  
12 may be made from the State Gaming Fund to the Board (i) for the  
13 administration and enforcement of this Act and the Video Gaming  
14 Act, (ii) for distribution to the Department of State Police  
15 and to the Department of Revenue for the enforcement of this  
16 Act, and (iii) to the Department of Human Services for the  
17 administration of programs to treat problem gambling. From the  
18 tax revenue deposited in the State Gaming Fund under this  
19 Section, \$10,000,000 shall be paid annually to the Department  
20 of Human Services for the administration of programs to treat  
21 problem gambling. The Board's annual appropriations request  
22 must separately state its funding needs for the regulation of  
23 electronic gaming, riverboat gaming, casino gaming within the  
24 City of Chicago, and video gaming.

25 (c-3) Appropriations, as approved by the General Assembly,  
26 may be made from the tax revenue deposited into the State

1 Gaming Fund from electronic gaming pursuant to this Section for  
2 the administration and enforcement of this Act.

3 (c-4) After payments required under subsection (b-5),  
4 (b-6), (b-7), (b-8), (c), and (c-3) have been made from the tax  
5 revenue from electronic gaming deposited into the State Gaming  
6 Fund under this Section, all remaining amounts from electronic  
7 gaming shall be deposited into the Capital Projects Fund.

8 (c-5) (Blank). ~~Before May 26, 2006 (the effective date of~~  
9 ~~Public Act 94-804) and beginning on the effective date of this~~  
10 ~~amendatory Act of the 95th General Assembly, unless any~~  
11 ~~organization licensee under the Illinois Horse Racing Act of~~  
12 ~~1975 begins to operate a slot machine or video game of chance~~  
13 ~~under the Illinois Horse Racing Act of 1975 or this Act, after~~  
14 ~~the payments required under subsections (b) and (c) have been~~  
15 ~~made, an amount equal to 15% of the adjusted gross receipts of~~  
16 ~~(1) an owners licensee that relocates pursuant to Section 11.2,~~  
17 ~~(2) an owners licensee conducting riverboat gambling~~  
18 ~~operations pursuant to an owners license that is initially~~  
19 ~~issued after June 25, 1999, or (3) the first riverboat gambling~~  
20 ~~operations conducted by a licensed manager on behalf of the~~  
21 ~~State under Section 7.3, whichever comes first, shall be paid~~  
22 ~~from the State Gaming Fund into the Horse Racing Equity Fund.~~

23 (c-10) (Blank). ~~Each year the General Assembly shall~~  
24 ~~appropriate from the General Revenue Fund to the Education~~  
25 ~~Assistance Fund an amount equal to the amount paid into the~~  
26 ~~Horse Racing Equity Fund pursuant to subsection (c-5) in the~~

1 ~~prior calendar year.~~

2 (c-15) After the payments required under subsections (b),  
3 (b-5), (b-6), (b-7), (b-8), and (c), ~~and (e-5)~~ have been made,  
4 an amount equal to 2% of the adjusted gross receipts of (1) an  
5 owners licensee that relocates pursuant to Section 11.2, (2) an  
6 owners licensee conducting riverboat gambling operations  
7 pursuant to an owners license that is initially issued after  
8 June 25, 1999 and before the effective date of this amendatory  
9 Act of the 96th General Assembly, or (3) the first riverboat  
10 gambling operations conducted by a licensed manager on behalf  
11 of the State under Section 7.3, whichever comes first, shall be  
12 paid, subject to appropriation from the General Assembly, from  
13 the State Gaming Fund to each home rule county with a  
14 population of over 3,000,000 inhabitants for the purpose of  
15 enhancing the county's criminal justice system.

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

21 (c-25) After the payments required under subsections (b),  
22 (b-5), (b-6), (b-7), (b-8), (c), ~~(e-5)~~ and (c-15) have been  
23 made, an amount equal to 2% of the adjusted gross receipts of  
24 (1) an owners licensee that relocates pursuant to Section 11.2,  
25 (2) an owners licensee conducting riverboat gambling  
26 operations pursuant to an owners license that is initially

1 issued after June 25, 1999 and before the effective date of  
2 this amendatory Act of the 96th General Assembly, or (3) the  
3 first riverboat gambling operations conducted by a licensed  
4 manager on behalf of the State under Section 7.3, whichever  
5 comes first, shall be paid from the State Gaming Fund to  
6 Chicago State University.

7 (d) From time to time, the Board shall transfer the  
8 remainder of the funds generated by this Act into the Education  
9 Assistance Fund, created by Public Act 86-0018, of the State of  
10 Illinois.

11 (e) Nothing in this Act shall prohibit the unit of local  
12 government designated as the home dock of the riverboat from  
13 entering into agreements with other units of local government  
14 in this State or in other states to share its portion of the  
15 tax revenue.

16 (f) To the extent practicable, the Board shall administer  
17 and collect the wagering taxes imposed by this Section in a  
18 manner consistent with the provisions of Sections 4, 5, 5a, 5b,  
19 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, and 10 of the  
20 Retailers' Occupation Tax Act and Section 3-7 of the Uniform  
21 Penalty and Interest Act.

22 (Source: P.A. 95-331, eff. 8-21-07; 95-1008, eff. 12-15-08;  
23 96-37, eff. 7-13-09; 96-1392, eff. 1-1-11.)

24 (230 ILCS 10/14) (from Ch. 120, par. 2414)

25 Sec. 14. Licensees - Records - Reports - Supervision.

1           (a) Licensed owners and electronic gaming licensees ~~A~~  
2 ~~licensed owner~~ shall keep ~~his~~ books and records so as to  
3 clearly show the following:

4           (1) The amount received daily from admission fees.

5           (2) The total amount of gross receipts.

6           (3) The total amount of the adjusted gross receipts.

7           (b) Licensed owners and electronic gaming licensees ~~The~~  
8 ~~licensed owner~~ shall furnish to the Board reports and  
9 information as the Board may require with respect to its  
10 activities on forms designed and supplied for such purpose by  
11 the Board.

12           (c) The books and records kept by a licensed owner as  
13 provided by this Section are public records and the  
14 examination, publication, and dissemination of the books and  
15 records are governed by the provisions of The Freedom of  
16 Information Act.

17           (Source: P.A. 86-1029.)

18           (230 ILCS 10/18) (from Ch. 120, par. 2418)

19           Sec. 18. Prohibited Activities - Penalty.

20           (a) A person is guilty of a Class A misdemeanor for doing  
21 any of the following:

22           (1) Conducting gambling where wagering is used or to be  
23 used without a license issued by the Board.

24           (2) Conducting gambling where wagering is permitted  
25 other than in the manner specified by Section 11.

1 (b) A person is guilty of a Class B misdemeanor for doing  
2 any of the following:

3 (1) permitting a person under 21 years to make a wager;  
4 or

5 (2) violating paragraph (12) of subsection (a) of  
6 Section 11 of this Act.

7 (c) A person wagering or accepting a wager at any location  
8 outside the riverboat, casino, or electronic gaming facility in  
9 violation of paragraph ~~is subject to the penalties in~~  
10 ~~paragraphs~~ (1) or (2) of subsection (a) of Section 28-1 of the  
11 Criminal Code of 1961 is subject to the penalties provided in  
12 that Section.

13 (d) A person commits a Class 4 felony and, in addition,  
14 shall be barred for life from gambling operations ~~riverboats~~  
15 under the jurisdiction of the Board, if the person does any of  
16 the following:

17 (1) Offers, promises, or gives anything of value or  
18 benefit to a person who is connected with a riverboat or  
19 casino owner or electronic gaming licensee including, but  
20 not limited to, an officer or employee of a licensed owner  
21 or electronic gaming licensee or holder of an occupational  
22 license pursuant to an agreement or arrangement or with the  
23 intent that the promise or thing of value or benefit will  
24 influence the actions of the person to whom the offer,  
25 promise, or gift was made in order to affect or attempt to  
26 affect the outcome of a gambling game, or to influence



1 official action of a member of the Board.

2 (2) Solicits or knowingly accepts or receives a promise  
3 of anything of value or benefit while the person is  
4 connected with a riverboat, or casino, or electronic gaming  
5 facility, including, but not limited to, an officer or  
6 employee of a licensed owner or electronic gaming licensee,  
7 or the holder of an occupational license, pursuant to an  
8 understanding or arrangement or with the intent that the  
9 promise or thing of value or benefit will influence the  
10 actions of the person to affect or attempt to affect the  
11 outcome of a gambling game, or to influence official action  
12 of a member of the Board.

13 (3) Uses or possesses with the intent to use a device  
14 to assist:

15 (i) In projecting the outcome of the game.

16 (ii) In keeping track of the cards played.

17 (iii) In analyzing the probability of the  
18 occurrence of an event relating to the gambling game.

19 (iv) In analyzing the strategy for playing or  
20 betting to be used in the game except as permitted by  
21 the Board.

22 (4) Cheats at a gambling game.

23 (5) Manufactures, sells, or distributes any cards,  
24 chips, dice, game or device which is intended to be used to  
25 violate any provision of this Act.

26 (6) Alters or misrepresents the outcome of a gambling

1 game on which wagers have been made after the outcome is  
2 made sure but before it is revealed to the players.

3 (7) Places a bet after acquiring knowledge, not  
4 available to all players, of the outcome of the gambling  
5 game which is subject of the bet or to aid a person in  
6 acquiring the knowledge for the purpose of placing a bet  
7 contingent on that outcome.

8 (8) Claims, collects, or takes, or attempts to claim,  
9 collect, or take, money or anything of value in or from the  
10 gambling games, with intent to defraud, without having made  
11 a wager contingent on winning a gambling game, or claims,  
12 collects, or takes an amount of money or thing of value of  
13 greater value than the amount won.

14 (9) Uses counterfeit chips or tokens in a gambling  
15 game.

16 (10) Possesses any key or device designed for the  
17 purpose of opening, entering, or affecting the operation of  
18 a gambling game, drop box, or an electronic or mechanical  
19 device connected with the gambling game or for removing  
20 coins, tokens, chips or other contents of a gambling game.  
21 This paragraph (10) does not apply to a gambling licensee  
22 or employee of a gambling licensee acting in furtherance of  
23 the employee's employment.

24 (e) The possession of more than one of the devices  
25 described in subsection (d), paragraphs (3), (5), or (10)  
26 permits a rebuttable presumption that the possessor intended to

1 use the devices for cheating.

2 (f) A person under the age of 21 who, except as authorized  
3 under paragraph (10) of Section 11, enters upon a riverboat  
4 commits a petty offense and is subject to a fine of not less  
5 than \$100 or more than \$250 for a first offense and of not less  
6 than \$200 or more than \$500 for a second or subsequent offense.

7 An action to prosecute any crime occurring on a riverboat  
8 shall be tried in the county of the dock at which the riverboat  
9 is based.

10 (Source: P.A. 96-1392, eff. 1-1-11.)

11 (230 ILCS 10/19) (from Ch. 120, par. 2419)

12 Sec. 19. Forfeiture of property. (a) Except as provided in  
13 subsection (b), any riverboat, casino, or electronic gaming  
14 facility used for the conduct of gambling games in violation of  
15 this Act shall be considered a gambling place in violation of  
16 Section 28-3 of the Criminal Code of 1961, as now or hereafter  
17 amended. Every gambling device found on a riverboat, in a  
18 casino, or at an electronic gaming facility operating gambling  
19 games in violation of this Act and every slot machine and video  
20 game of chance found at an electronic gaming facility operating  
21 gambling games in violation of this Act shall be subject to  
22 seizure, confiscation and destruction as provided in Section  
23 28-5 of the Criminal Code of 1961, as now or hereafter amended.

24 (b) It is not a violation of this Act for a riverboat or  
25 other watercraft which is licensed for gaming by a contiguous

1 state to dock on the shores of this State if the municipality  
2 having jurisdiction of the shores, or the county in the case of  
3 unincorporated areas, has granted permission for docking and no  
4 gaming is conducted on the riverboat or other watercraft while  
5 it is docked on the shores of this State. No gambling device  
6 shall be subject to seizure, confiscation or destruction if the  
7 gambling device is located on a riverboat or other watercraft  
8 which is licensed for gaming by a contiguous state and which is  
9 docked on the shores of this State if the municipality having  
10 jurisdiction of the shores, or the county in the case of  
11 unincorporated areas, has granted permission for docking and no  
12 gaming is conducted on the riverboat or other watercraft while  
13 it is docked on the shores of this State.

14 (Source: P.A. 86-1029.)

15 (230 ILCS 10/20) (from Ch. 120, par. 2420)

16 Sec. 20. Prohibited activities - civil penalties. Any  
17 person who conducts a gambling operation without first  
18 obtaining a license to do so, or who continues to conduct such  
19 games after revocation of his license, or any licensee who  
20 conducts or allows to be conducted any unauthorized gambling  
21 games on a riverboat, in a casino, or at an electronic gaming  
22 facility where it is authorized to conduct its ~~riverboat~~  
23 gambling operation, in addition to other penalties provided,  
24 shall be subject to a civil penalty equal to the amount of  
25 gross receipts derived from wagering on the gambling games,

1 whether unauthorized or authorized, conducted on that day as  
2 well as confiscation and forfeiture of all gambling game  
3 equipment used in the conduct of unauthorized gambling games.

4 (Source: P.A. 86-1029.)

5 (230 ILCS 10/23) (from Ch. 120, par. 2423)

6 Sec. 23. The State Gaming Fund. On or after the effective  
7 date of this Act, except as provided for payments into the  
8 Horse Racing Equity Trust Fund under subsection (a) of Section  
9 7, all of the fees and taxes collected pursuant to this Act  
10 shall be deposited into the State Gaming Fund, a special fund  
11 in the State Treasury, which is hereby created. The adjusted  
12 gross receipts of any riverboat gambling operations conducted  
13 by a licensed manager on behalf of the State remaining after  
14 the payment of the fees and expenses of the licensed manager  
15 shall be deposited into the State Gaming Fund. Fines and  
16 penalties collected pursuant to this Act shall be deposited  
17 into the Education Assistance Fund, created by Public Act  
18 86-0018, of the State of Illinois.

19 (Source: P.A. 93-28, eff. 6-20-03; 94-804, eff. 5-26-06.)

20 Section 90-45. The Liquor Control Act of 1934 is amended by  
21 changing Sections 5-1 and 6-30 as follows:

22 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

23 Sec. 5-1. Licenses issued by the Illinois Liquor Control

1 Commission shall be of the following classes:

2 (a) Manufacturer's license - Class 1. Distiller, Class 2.  
3 Rectifier, Class 3. Brewer, Class 4. First Class Wine  
4 Manufacturer, Class 5. Second Class Wine Manufacturer, Class 6.  
5 First Class Winemaker, Class 7. Second Class Winemaker, Class  
6 8. Limited Wine Manufacturer, Class 9. Craft Distiller,

7 (b) Distributor's license,

8 (c) Importing Distributor's license,

9 (d) Retailer's license,

10 (e) Special Event Retailer's license (not-for-profit),

11 (f) Railroad license,

12 (g) Boat license,

13 (h) Non-Beverage User's license,

14 (i) Wine-maker's premises license,

15 (j) Airplane license,

16 (k) Foreign importer's license,

17 (l) Broker's license,

18 (m) Non-resident dealer's license,

19 (n) Brew Pub license,

20 (o) Auction liquor license,

21 (p) Caterer retailer license,

22 (q) Special use permit license,

23 (r) Winery shipper's license.

24 No person, firm, partnership, corporation, or other legal  
25 business entity that is engaged in the manufacturing of wine  
26 may concurrently obtain and hold a wine-maker's license and a

1 wine manufacturer's license.

2 (a) A manufacturer's license shall allow the manufacture,  
3 importation in bulk, storage, distribution and sale of  
4 alcoholic liquor to persons without the State, as may be  
5 permitted by law and to licensees in this State as follows:

6 Class 1. A Distiller may make sales and deliveries of  
7 alcoholic liquor to distillers, rectifiers, importing  
8 distributors, distributors and non-beverage users and to no  
9 other licensees.

10 Class 2. A Rectifier, who is not a distiller, as defined  
11 herein, may make sales and deliveries of alcoholic liquor to  
12 rectifiers, importing distributors, distributors, retailers  
13 and non-beverage users and to no other licensees.

14 Class 3. A Brewer may make sales and deliveries of beer to  
15 importing distributors, distributors, and to non-licensees,  
16 and to retailers provided the brewer obtains an importing  
17 distributor's license or distributor's license in accordance  
18 with the provisions of this Act.

19 Class 4. A first class wine-manufacturer may make sales and  
20 deliveries of up to 50,000 gallons of wine to manufacturers,  
21 importing distributors and distributors, and to no other  
22 licensees.

23 Class 5. A second class Wine manufacturer may make sales  
24 and deliveries of more than 50,000 gallons of wine to  
25 manufacturers, importing distributors and distributors and to  
26 no other licensees.

1           Class 6. A first-class wine-maker's license shall allow the  
2 manufacture of up to 50,000 gallons of wine per year, and the  
3 storage and sale of such wine to distributors in the State and  
4 to persons without the State, as may be permitted by law. A  
5 person who, prior to the effective date of this amendatory Act  
6 of the 95th General Assembly, is a holder of a first-class  
7 wine-maker's license and annually produces more than 25,000  
8 gallons of its own wine and who distributes its wine to  
9 licensed retailers shall cease this practice on or before July  
10 1, 2008 in compliance with this amendatory Act of the 95th  
11 General Assembly.

12           Class 7. A second-class wine-maker's license shall allow  
13 the manufacture of between 50,000 and 150,000 gallons of wine  
14 per year, and the storage and sale of such wine to distributors  
15 in this State and to persons without the State, as may be  
16 permitted by law. A person who, prior to the effective date of  
17 this amendatory Act of the 95th General Assembly, is a holder  
18 of a second-class wine-maker's license and annually produces  
19 more than 25,000 gallons of its own wine and who distributes  
20 its wine to licensed retailers shall cease this practice on or  
21 before July 1, 2008 in compliance with this amendatory Act of  
22 the 95th General Assembly.

23           Class 8. A limited wine-manufacturer may make sales and  
24 deliveries not to exceed 40,000 gallons of wine per year to  
25 distributors, and to non-licensees in accordance with the  
26 provisions of this Act.



1           Class 9. A craft distiller license shall allow the  
2 manufacture of up to 5,000 gallons of spirits by distillation  
3 per year and the storage of such spirits. If a craft distiller  
4 licensee is not affiliated with any other manufacturer, then  
5 the craft distiller licensee may sell such spirits to  
6 distributors in this State and non-licensees to the extent  
7 permitted by any exemption approved by the Commission pursuant  
8 to Section 6-4 of this Act.

9           Any craft distiller licensed under this Act who on the  
10 effective date of this amendatory Act of the 96th General  
11 Assembly was licensed as a distiller and manufactured no more  
12 spirits than permitted by this Section shall not be required to  
13 pay the initial licensing fee.

14           (a-1) A manufacturer which is licensed in this State to  
15 make sales or deliveries of alcoholic liquor and which enlists  
16 agents, representatives, or individuals acting on its behalf  
17 who contact licensed retailers on a regular and continual basis  
18 in this State must register those agents, representatives, or  
19 persons acting on its behalf with the State Commission.

20           Registration of agents, representatives, or persons acting  
21 on behalf of a manufacturer is fulfilled by submitting a form  
22 to the Commission. The form shall be developed by the  
23 Commission and shall include the name and address of the  
24 applicant, the name and address of the manufacturer he or she  
25 represents, the territory or areas assigned to sell to or  
26 discuss pricing terms of alcoholic liquor, and any other

1 questions deemed appropriate and necessary. All statements in  
2 the forms required to be made by law or by rule shall be deemed  
3 material, and any person who knowingly misstates any material  
4 fact under oath in an application is guilty of a Class B  
5 misdemeanor. Fraud, misrepresentation, false statements,  
6 misleading statements, evasions, or suppression of material  
7 facts in the securing of a registration are grounds for  
8 suspension or revocation of the registration.

9 (b) A distributor's license shall allow the wholesale  
10 purchase and storage of alcoholic liquors and sale of alcoholic  
11 liquors to licensees in this State and to persons without the  
12 State, as may be permitted by law.

13 (c) An importing distributor's license may be issued to and  
14 held by those only who are duly licensed distributors, upon the  
15 filing of an application by a duly licensed distributor, with  
16 the Commission and the Commission shall, without the payment of  
17 any fee, immediately issue such importing distributor's  
18 license to the applicant, which shall allow the importation of  
19 alcoholic liquor by the licensee into this State from any point  
20 in the United States outside this State, and the purchase of  
21 alcoholic liquor in barrels, casks or other bulk containers and  
22 the bottling of such alcoholic liquors before resale thereof,  
23 but all bottles or containers so filled shall be sealed,  
24 labeled, stamped and otherwise made to comply with all  
25 provisions, rules and regulations governing manufacturers in  
26 the preparation and bottling of alcoholic liquors. The

1 importing distributor's license shall permit such licensee to  
2 purchase alcoholic liquor from Illinois licensed non-resident  
3 dealers and foreign importers only.

4 (d) A retailer's license shall allow the licensee to sell  
5 and offer for sale at retail, only in the premises specified in  
6 the license, alcoholic liquor for use or consumption, but not  
7 for resale in any form. Nothing in this amendatory Act of the  
8 95th General Assembly shall deny, limit, remove, or restrict  
9 the ability of a holder of a retailer's license to transfer,  
10 deliver, or ship alcoholic liquor to the purchaser for use or  
11 consumption subject to any applicable local law or ordinance.  
12 Any retail license issued to a manufacturer shall only permit  
13 the manufacturer to sell beer at retail on the premises  
14 actually occupied by the manufacturer. For the purpose of  
15 further describing the type of business conducted at a retail  
16 licensed premises, a retailer's licensee may be designated by  
17 the State Commission as (i) an on premise consumption retailer,  
18 (ii) an off premise sale retailer, or (iii) a combined on  
19 premise consumption and off premise sale retailer.

20 Notwithstanding any other provision of this subsection  
21 (d), a retail licensee may sell alcoholic liquors to a special  
22 event retailer licensee for resale to the extent permitted  
23 under subsection (e).

24 (e) A special event retailer's license (not-for-profit)  
25 shall permit the licensee to purchase alcoholic liquors from an  
26 Illinois licensed distributor (unless the licensee purchases

1 less than \$500 of alcoholic liquors for the special event, in  
2 which case the licensee may purchase the alcoholic liquors from  
3 a licensed retailer) and shall allow the licensee to sell and  
4 offer for sale, at retail, alcoholic liquors for use or  
5 consumption, but not for resale in any form and only at the  
6 location and on the specific dates designated for the special  
7 event in the license. An applicant for a special event retailer  
8 license must (i) furnish with the application: (A) a resale  
9 number issued under Section 2c of the Retailers' Occupation Tax  
10 Act or evidence that the applicant is registered under Section  
11 2a of the Retailers' Occupation Tax Act, (B) a current, valid  
12 exemption identification number issued under Section 1g of the  
13 Retailers' Occupation Tax Act, and a certification to the  
14 Commission that the purchase of alcoholic liquors will be a  
15 tax-exempt purchase, or (C) a statement that the applicant is  
16 not registered under Section 2a of the Retailers' Occupation  
17 Tax Act, does not hold a resale number under Section 2c of the  
18 Retailers' Occupation Tax Act, and does not hold an exemption  
19 number under Section 1g of the Retailers' Occupation Tax Act,  
20 in which event the Commission shall set forth on the special  
21 event retailer's license a statement to that effect; (ii)  
22 submit with the application proof satisfactory to the State  
23 Commission that the applicant will provide dram shop liability  
24 insurance in the maximum limits; and (iii) show proof  
25 satisfactory to the State Commission that the applicant has  
26 obtained local authority approval.

1 (f) A railroad license shall permit the licensee to import  
2 alcoholic liquors into this State from any point in the United  
3 States outside this State and to store such alcoholic liquors  
4 in this State; to make wholesale purchases of alcoholic liquors  
5 directly from manufacturers, foreign importers, distributors  
6 and importing distributors from within or outside this State;  
7 and to store such alcoholic liquors in this State; provided  
8 that the above powers may be exercised only in connection with  
9 the importation, purchase or storage of alcoholic liquors to be  
10 sold or dispensed on a club, buffet, lounge or dining car  
11 operated on an electric, gas or steam railway in this State;  
12 and provided further, that railroad licensees exercising the  
13 above powers shall be subject to all provisions of Article VIII  
14 of this Act as applied to importing distributors. A railroad  
15 license shall also permit the licensee to sell or dispense  
16 alcoholic liquors on any club, buffet, lounge or dining car  
17 operated on an electric, gas or steam railway regularly  
18 operated by a common carrier in this State, but shall not  
19 permit the sale for resale of any alcoholic liquors to any  
20 licensee within this State. A license shall be obtained for  
21 each car in which such sales are made.

22 (g) A boat license shall allow the sale of alcoholic liquor  
23 in individual drinks, on any passenger boat regularly operated  
24 as a common carrier on navigable waters in this State or on any  
25 riverboat operated under the Illinois Riverboat ~~Riverboat~~ Gambling Act,  
26 which boat or riverboat maintains a public dining room or

1 restaurant thereon.

2 (h) A non-beverage user's license shall allow the licensee  
3 to purchase alcoholic liquor from a licensed manufacturer or  
4 importing distributor, without the imposition of any tax upon  
5 the business of such licensed manufacturer or importing  
6 distributor as to such alcoholic liquor to be used by such  
7 licensee solely for the non-beverage purposes set forth in  
8 subsection (a) of Section 8-1 of this Act, and such licenses  
9 shall be divided and classified and shall permit the purchase,  
10 possession and use of limited and stated quantities of  
11 alcoholic liquor as follows:

- 12 Class 1, not to exceed ..... 500 gallons
- 13 Class 2, not to exceed ..... 1,000 gallons
- 14 Class 3, not to exceed ..... 5,000 gallons
- 15 Class 4, not to exceed ..... 10,000 gallons
- 16 Class 5, not to exceed ..... 50,000 gallons

17 (i) A wine-maker's premises license shall allow a licensee  
18 that concurrently holds a first-class wine-maker's license to  
19 sell and offer for sale at retail in the premises specified in  
20 such license not more than 50,000 gallons of the first-class  
21 wine-maker's wine that is made at the first-class wine-maker's  
22 licensed premises per year for use or consumption, but not for  
23 resale in any form. A wine-maker's premises license shall allow  
24 a licensee who concurrently holds a second-class wine-maker's  
25 license to sell and offer for sale at retail in the premises  
26 specified in such license up to 100,000 gallons of the

1 second-class wine-maker's wine that is made at the second-class  
2 wine-maker's licensed premises per year for use or consumption  
3 but not for resale in any form. A wine-maker's premises license  
4 shall allow a licensee that concurrently holds a first-class  
5 wine-maker's license or a second-class wine-maker's license to  
6 sell and offer for sale at retail at the premises specified in  
7 the wine-maker's premises license, for use or consumption but  
8 not for resale in any form, any beer, wine, and spirits  
9 purchased from a licensed distributor. Upon approval from the  
10 State Commission, a wine-maker's premises license shall allow  
11 the licensee to sell and offer for sale at (i) the wine-maker's  
12 licensed premises and (ii) at up to 2 additional locations for  
13 use and consumption and not for resale. Each location shall  
14 require additional licensing per location as specified in  
15 Section 5-3 of this Act. A wine-maker's premises licensee shall  
16 secure liquor liability insurance coverage in an amount at  
17 least equal to the maximum liability amounts set forth in  
18 subsection (a) of Section 6-21 of this Act.

19 (j) An airplane license shall permit the licensee to import  
20 alcoholic liquors into this State from any point in the United  
21 States outside this State and to store such alcoholic liquors  
22 in this State; to make wholesale purchases of alcoholic liquors  
23 directly from manufacturers, foreign importers, distributors  
24 and importing distributors from within or outside this State;  
25 and to store such alcoholic liquors in this State; provided  
26 that the above powers may be exercised only in connection with

1 the importation, purchase or storage of alcoholic liquors to be  
2 sold or dispensed on an airplane; and provided further, that  
3 airplane licensees exercising the above powers shall be subject  
4 to all provisions of Article VIII of this Act as applied to  
5 importing distributors. An airplane licensee shall also permit  
6 the sale or dispensing of alcoholic liquors on any passenger  
7 airplane regularly operated by a common carrier in this State,  
8 but shall not permit the sale for resale of any alcoholic  
9 liquors to any licensee within this State. A single airplane  
10 license shall be required of an airline company if liquor  
11 service is provided on board aircraft in this State. The annual  
12 fee for such license shall be as determined in Section 5-3.

13 (k) A foreign importer's license shall permit such licensee  
14 to purchase alcoholic liquor from Illinois licensed  
15 non-resident dealers only, and to import alcoholic liquor other  
16 than in bulk from any point outside the United States and to  
17 sell such alcoholic liquor to Illinois licensed importing  
18 distributors and to no one else in Illinois; provided that (i)  
19 the foreign importer registers with the State Commission every  
20 brand of alcoholic liquor that it proposes to sell to Illinois  
21 licensees during the license period, (ii) the foreign importer  
22 complies with all of the provisions of Section 6-9 of this Act  
23 with respect to registration of such Illinois licensees as may  
24 be granted the right to sell such brands at wholesale, and  
25 (iii) the foreign importer complies with the provisions of  
26 Sections 6-5 and 6-6 of this Act to the same extent that these



1 provisions apply to manufacturers.

2 (1) (i) A broker's license shall be required of all persons  
3 who solicit orders for, offer to sell or offer to supply  
4 alcoholic liquor to retailers in the State of Illinois, or who  
5 offer to retailers to ship or cause to be shipped or to make  
6 contact with distillers, rectifiers, brewers or manufacturers  
7 or any other party within or without the State of Illinois in  
8 order that alcoholic liquors be shipped to a distributor,  
9 importing distributor or foreign importer, whether such  
10 solicitation or offer is consummated within or without the  
11 State of Illinois.

12 No holder of a retailer's license issued by the Illinois  
13 Liquor Control Commission shall purchase or receive any  
14 alcoholic liquor, the order for which was solicited or offered  
15 for sale to such retailer by a broker unless the broker is the  
16 holder of a valid broker's license.

17 The broker shall, upon the acceptance by a retailer of the  
18 broker's solicitation of an order or offer to sell or supply or  
19 deliver or have delivered alcoholic liquors, promptly forward  
20 to the Illinois Liquor Control Commission a notification of  
21 said transaction in such form as the Commission may by  
22 regulations prescribe.

23 (ii) A broker's license shall be required of a person  
24 within this State, other than a retail licensee, who, for a fee  
25 or commission, promotes, solicits, or accepts orders for  
26 alcoholic liquor, for use or consumption and not for resale, to

1 be shipped from this State and delivered to residents outside  
2 of this State by an express company, common carrier, or  
3 contract carrier. This Section does not apply to any person who  
4 promotes, solicits, or accepts orders for wine as specifically  
5 authorized in Section 6-29 of this Act.

6 A broker's license under this subsection (1) shall not  
7 entitle the holder to buy or sell any alcoholic liquors for his  
8 own account or to take or deliver title to such alcoholic  
9 liquors.

10 This subsection (1) shall not apply to distributors,  
11 employees of distributors, or employees of a manufacturer who  
12 has registered the trademark, brand or name of the alcoholic  
13 liquor pursuant to Section 6-9 of this Act, and who regularly  
14 sells such alcoholic liquor in the State of Illinois only to  
15 its registrants thereunder.

16 Any agent, representative, or person subject to  
17 registration pursuant to subsection (a-1) of this Section shall  
18 not be eligible to receive a broker's license.

19 (m) A non-resident dealer's license shall permit such  
20 licensee to ship into and warehouse alcoholic liquor into this  
21 State from any point outside of this State, and to sell such  
22 alcoholic liquor to Illinois licensed foreign importers and  
23 importing distributors and to no one else in this State;  
24 provided that (i) said non-resident dealer shall register with  
25 the Illinois Liquor Control Commission each and every brand of  
26 alcoholic liquor which it proposes to sell to Illinois

1 licensees during the license period, (ii) it shall comply with  
2 all of the provisions of Section 6-9 hereof with respect to  
3 registration of such Illinois licensees as may be granted the  
4 right to sell such brands at wholesale, and (iii) the  
5 non-resident dealer shall comply with the provisions of  
6 Sections 6-5 and 6-6 of this Act to the same extent that these  
7 provisions apply to manufacturers.

8 (n) A brew pub license shall allow the licensee to  
9 manufacture beer only on the premises specified in the license,  
10 to make sales of the beer manufactured on the premises to  
11 importing distributors, distributors, and to non-licensees for  
12 use and consumption, to store the beer upon the premises, and  
13 to sell and offer for sale at retail from the licensed  
14 premises, provided that a brew pub licensee shall not sell for  
15 off-premises consumption more than 50,000 gallons per year.

16 (o) A caterer retailer license shall allow the holder to  
17 serve alcoholic liquors as an incidental part of a food service  
18 that serves prepared meals which excludes the serving of snacks  
19 as the primary meal, either on or off-site whether licensed or  
20 unlicensed.

21 (p) An auction liquor license shall allow the licensee to  
22 sell and offer for sale at auction wine and spirits for use or  
23 consumption, or for resale by an Illinois liquor licensee in  
24 accordance with provisions of this Act. An auction liquor  
25 license will be issued to a person and it will permit the  
26 auction liquor licensee to hold the auction anywhere in the

1 State. An auction liquor license must be obtained for each  
2 auction at least 14 days in advance of the auction date.

3 (q) A special use permit license shall allow an Illinois  
4 licensed retailer to transfer a portion of its alcoholic liquor  
5 inventory from its retail licensed premises to the premises  
6 specified in the license hereby created, and to sell or offer  
7 for sale at retail, only in the premises specified in the  
8 license hereby created, the transferred alcoholic liquor for  
9 use or consumption, but not for resale in any form. A special  
10 use permit license may be granted for the following time  
11 periods: one day or less; 2 or more days to a maximum of 15 days  
12 per location in any 12 month period. An applicant for the  
13 special use permit license must also submit with the  
14 application proof satisfactory to the State Commission that the  
15 applicant will provide dram shop liability insurance to the  
16 maximum limits and have local authority approval.

17 (r) A winery shipper's license shall allow a person with a  
18 first-class or second-class wine manufacturer's license, a  
19 first-class or second-class wine-maker's license, or a limited  
20 wine manufacturer's license or who is licensed to make wine  
21 under the laws of another state to ship wine made by that  
22 licensee directly to a resident of this State who is 21 years  
23 of age or older for that resident's personal use and not for  
24 resale. Prior to receiving a winery shipper's license, an  
25 applicant for the license must provide the Commission with a  
26 true copy of its current license in any state in which it is

1 licensed as a manufacturer of wine. An applicant for a winery  
2 shipper's license must also complete an application form that  
3 provides any other information the Commission deems necessary.  
4 The application form shall include an acknowledgement  
5 consenting to the jurisdiction of the Commission, the Illinois  
6 Department of Revenue, and the courts of this State concerning  
7 the enforcement of this Act and any related laws, rules, and  
8 regulations, including authorizing the Department of Revenue  
9 and the Commission to conduct audits for the purpose of  
10 ensuring compliance with this amendatory Act.

11 A winery shipper licensee must pay to the Department of  
12 Revenue the State liquor gallonage tax under Section 8-1 for  
13 all wine that is sold by the licensee and shipped to a person  
14 in this State. For the purposes of Section 8-1, a winery  
15 shipper licensee shall be taxed in the same manner as a  
16 manufacturer of wine. A licensee who is not otherwise required  
17 to register under the Retailers' Occupation Tax Act must  
18 register under the Use Tax Act to collect and remit use tax to  
19 the Department of Revenue for all gallons of wine that are sold  
20 by the licensee and shipped to persons in this State. If a  
21 licensee fails to remit the tax imposed under this Act in  
22 accordance with the provisions of Article VIII of this Act, the  
23 winery shipper's license shall be revoked in accordance with  
24 the provisions of Article VII of this Act. If a licensee fails  
25 to properly register and remit tax under the Use Tax Act or the  
26 Retailers' Occupation Tax Act for all wine that is sold by the

1 winery shipper and shipped to persons in this State, the winery  
2 shipper's license shall be revoked in accordance with the  
3 provisions of Article VII of this Act.

4 A winery shipper licensee must collect, maintain, and  
5 submit to the Commission on a semi-annual basis the total  
6 number of cases per resident of wine shipped to residents of  
7 this State. A winery shipper licensed under this subsection (r)  
8 must comply with the requirements of Section 6-29 of this  
9 amendatory Act.

10 (Source: P.A. 95-331, eff. 8-21-07; 95-634, eff. 6-1-08;  
11 95-769, eff. 7-29-08; 96-1367, eff. 7-28-10.)

12 (235 ILCS 5/6-30) (from Ch. 43, par. 144f)

13 Sec. 6-30. Notwithstanding any other provision of this Act,  
14 the Illinois Gaming Board shall have exclusive authority to  
15 establish the hours for sale and consumption of alcoholic  
16 liquor on board a riverboat during riverboat gambling  
17 excursions and in a casino conducted in accordance with the  
18 Illinois Riverboat Gambling Act.

19 (Source: P.A. 87-826.)

20 Section 90-50. The Criminal Code of 1961 is amended by  
21 changing Sections 28-1, 28-1.1, 28-3, 28-5, and 28-7 as  
22 follows:

23 (720 ILCS 5/28-1) (from Ch. 38, par. 28-1)

1           Sec. 28-1. Gambling.

2           (a) A person commits gambling when he:

3                 (1) Plays a game of chance or skill for money or other  
4                 thing of value, unless excepted in subsection (b) of this  
5                 Section; or

6                 (2) Makes a wager upon the result of any game, contest,  
7                 or any political nomination, appointment or election; or

8                 (3) Operates, keeps, owns, uses, purchases, exhibits,  
9                 rents, sells, bargains for the sale or lease of,  
10                manufactures or distributes any gambling device; or

11                (4) Contracts to have or give himself or another the  
12                option to buy or sell, or contracts to buy or sell, at a  
13                future time, any grain or other commodity whatsoever, or  
14                any stock or security of any company, where it is at the  
15                time of making such contract intended by both parties  
16                thereto that the contract to buy or sell, or the option,  
17                whenever exercised, or the contract resulting therefrom,  
18                shall be settled, not by the receipt or delivery of such  
19                property, but by the payment only of differences in prices  
20                thereof; however, the issuance, purchase, sale, exercise,  
21                endorsement or guarantee, by or through a person registered  
22                with the Secretary of State pursuant to Section 8 of the  
23                Illinois Securities Law of 1953, or by or through a person  
24                exempt from such registration under said Section 8, of a  
25                put, call, or other option to buy or sell securities which  
26                have been registered with the Secretary of State or which

1 are exempt from such registration under Section 3 of the  
2 Illinois Securities Law of 1953 is not gambling within the  
3 meaning of this paragraph (4); or

4 (5) Knowingly owns or possesses any book, instrument or  
5 apparatus by means of which bets or wagers have been, or  
6 are, recorded or registered, or knowingly possesses any  
7 money which he has received in the course of a bet or  
8 wager; or

9 (6) Sells pools upon the result of any game or contest  
10 of skill or chance, political nomination, appointment or  
11 election; or

12 (7) Sets up or promotes any lottery or sells, offers to  
13 sell or transfers any ticket or share for any lottery; or

14 (8) Sets up or promotes any policy game or sells,  
15 offers to sell or knowingly possesses or transfers any  
16 policy ticket, slip, record, document or other similar  
17 device; or

18 (9) Knowingly drafts, prints or publishes any lottery  
19 ticket or share, or any policy ticket, slip, record,  
20 document or similar device, except for such activity  
21 related to lotteries, bingo games and raffles authorized by  
22 and conducted in accordance with the laws of Illinois or  
23 any other state or foreign government; or

24 (10) Knowingly advertises any lottery or policy game,  
25 except for such activity related to lotteries, bingo games  
26 and raffles authorized by and conducted in accordance with



1 the laws of Illinois or any other state; or

2 (11) Knowingly transmits information as to wagers,  
3 betting odds, or changes in betting odds by telephone,  
4 telegraph, radio, semaphore or similar means; or knowingly  
5 installs or maintains equipment for the transmission or  
6 receipt of such information; except that nothing in this  
7 subdivision (11) prohibits transmission or receipt of such  
8 information for use in news reporting of sporting events or  
9 contests; or

10 (12) Knowingly establishes, maintains, or operates an  
11 Internet site that permits a person to play a game of  
12 chance or skill for money or other thing of value by means  
13 of the Internet or to make a wager upon the result of any  
14 game, contest, political nomination, appointment, or  
15 election by means of the Internet. This item (12) does not  
16 apply to activities referenced in items (6) and (6.1) of  
17 subsection (b) of this Section.

18 (b) Participants in any of the following activities shall  
19 not be convicted of gambling therefor:

20 (1) Agreements to compensate for loss caused by the  
21 happening of chance including without limitation contracts  
22 of indemnity or guaranty and life or health or accident  
23 insurance.

24 (2) Offers of prizes, award or compensation to the  
25 actual contestants in any bona fide contest for the  
26 determination of skill, speed, strength or endurance or to

1 the owners of animals or vehicles entered in such contest.

2 (3) Pari-mutuel betting as authorized by the law of  
3 this State.

4 (4) Manufacture of gambling devices, including the  
5 acquisition of essential parts therefor and the assembly  
6 thereof, for transportation in interstate or foreign  
7 commerce to any place outside this State when such  
8 transportation is not prohibited by any applicable Federal  
9 law; or the manufacture, distribution, or possession of  
10 video gaming terminals, as defined in the Video Gaming Act,  
11 by manufacturers, distributors, and terminal operators  
12 licensed to do so under the Video Gaming Act.

13 (5) The game commonly known as "bingo", when conducted  
14 in accordance with the Bingo License and Tax Act.

15 (6) Lotteries when conducted by the State of Illinois  
16 in accordance with the Illinois Lottery Law. This exemption  
17 includes any activity conducted by the Department of  
18 Revenue to sell lottery tickets pursuant to the provisions  
19 of the Illinois Lottery Law and its rules.

20 (6.1) The purchase of lottery tickets through the  
21 Internet for a lottery conducted by the State of Illinois  
22 under the program established in Section 7.12 of the  
23 Illinois Lottery Law.

24 (7) Possession of an antique slot machine that is  
25 neither used nor intended to be used in the operation or  
26 promotion of any unlawful gambling activity or enterprise.

1 For the purpose of this subparagraph (b) (7), an antique  
2 slot machine is one manufactured 25 years ago or earlier.

3 (8) Raffles when conducted in accordance with the  
4 Raffles Act.

5 (9) Charitable games when conducted in accordance with  
6 the Charitable Games Act.

7 (10) Pull tabs and jar games when conducted under the  
8 Illinois Pull Tabs and Jar Games Act.

9 (11) Gambling games ~~conducted on riverboats~~ when  
10 authorized by the Illinois Riverboat Gambling Act.

11 (12) Video gaming terminal games at a licensed  
12 establishment, licensed truck stop establishment, licensed  
13 fraternal establishment, or licensed veterans  
14 establishment when conducted in accordance with the Video  
15 Gaming Act.

16 (13) Games of skill or chance where money or other  
17 things of value can be won but no payment or purchase is  
18 required to participate.

19 (c) Sentence.

20 Gambling under subsection (a) (1) or (a) (2) of this Section  
21 is a Class A misdemeanor. Gambling under any of subsections  
22 (a) (3) through (a) (11) of this Section is a Class A  
23 misdemeanor. A second or subsequent conviction under any of  
24 subsections (a) (3) through (a) (11), is a Class 4 felony.  
25 Gambling under subsection (a) (12) of this Section is a Class A  
26 misdemeanor. A second or subsequent conviction under

1 subsection (a) (12) is a Class 4 felony.

2 (d) Circumstantial evidence.

3 In prosecutions under subsection (a) (1) through (a) (12) of  
4 this Section circumstantial evidence shall have the same  
5 validity and weight as in any criminal prosecution.

6 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09;  
7 96-1203, eff. 7-22-10.)

8 (720 ILCS 5/28-1.1) (from Ch. 38, par. 28-1.1)

9 Sec. 28-1.1. Syndicated gambling.

10 (a) Declaration of Purpose. Recognizing the close  
11 relationship between professional gambling and other organized  
12 crime, it is declared to be the policy of the legislature to  
13 restrain persons from engaging in the business of gambling for  
14 profit in this State. This Section shall be liberally construed  
15 and administered with a view to carrying out this policy.

16 (b) A person commits syndicated gambling when he operates a  
17 "policy game" or engages in the business of bookmaking.

18 (c) A person "operates a policy game" when he knowingly  
19 uses any premises or property for the purpose of receiving or  
20 knowingly does receive from what is commonly called "policy":

21 (1) money from a person other than the better or player  
22 whose bets or plays are represented by such money; or

23 (2) written "policy game" records, made or used over  
24 any period of time, from a person other than the better or  
25 player whose bets or plays are represented by such written

1 record.

2 (d) A person engages in bookmaking when he receives or  
3 accepts more than five bets or wagers upon the result of any  
4 trials or contests of skill, speed or power of endurance or  
5 upon any lot, chance, casualty, unknown or contingent event  
6 whatsoever, which bets or wagers shall be of such size that the  
7 total of the amounts of money paid or promised to be paid to  
8 such bookmaker on account thereof shall exceed \$2,000.  
9 Bookmaking is the receiving or accepting of such bets or wagers  
10 regardless of the form or manner in which the bookmaker records  
11 them.

12 (e) Participants in any of the following activities shall  
13 not be convicted of syndicated gambling:

14 (1) Agreements to compensate for loss caused by the  
15 happening of chance including without limitation contracts  
16 of indemnity or guaranty and life or health or accident  
17 insurance; and

18 (2) Offers of prizes, award or compensation to the  
19 actual contestants in any bona fide contest for the  
20 determination of skill, speed, strength or endurance or to  
21 the owners of animals or vehicles entered in such contest;  
22 and

23 (3) Pari-mutuel betting as authorized by law of this  
24 State; and

25 (4) Manufacture of gambling devices, including the  
26 acquisition of essential parts therefor and the assembly

1           thereof, for transportation in interstate or foreign  
2           commerce to any place outside this State when such  
3           transportation is not prohibited by any applicable Federal  
4           law; and

5           (5) Raffles when conducted in accordance with the  
6           Raffles Act; and

7           (6) Gambling games conducted on riverboats, in  
8           casinos, or at electronic gaming facilities when  
9           authorized by the Illinois Riverboat Gambling Act; and

10          (7) Video gaming terminal games at a licensed  
11          establishment, licensed truck stop establishment, licensed  
12          fraternal establishment, or licensed veterans  
13          establishment when conducted in accordance with the Video  
14          Gaming Act.

15          (f) Sentence. Syndicated gambling is a Class 3 felony.

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

17          (720 ILCS 5/28-3) (from Ch. 38, par. 28-3)

18          Sec. 28-3. Keeping a Gambling Place. A "gambling place" is  
19          any real estate, vehicle, boat or any other property whatsoever  
20          used for the purposes of gambling other than gambling conducted  
21          in the manner authorized by the Illinois Riverboat Gambling Act  
22          or the Video Gaming Act. Any person who knowingly permits any  
23          premises or property owned or occupied by him or under his  
24          control to be used as a gambling place commits a Class A  
25          misdemeanor. Each subsequent offense is a Class 4 felony. When

1 any premises is determined by the circuit court to be a  
2 gambling place:

3 (a) Such premises is a public nuisance and may be proceeded  
4 against as such, and

5 (b) All licenses, permits or certificates issued by the  
6 State of Illinois or any subdivision or public agency thereof  
7 authorizing the serving of food or liquor on such premises  
8 shall be void; and no license, permit or certificate so  
9 cancelled shall be reissued for such premises for a period of  
10 60 days thereafter; nor shall any person convicted of keeping a  
11 gambling place be reissued such license for one year from his  
12 conviction and, after a second conviction of keeping a gambling  
13 place, any such person shall not be reissued such license, and

14 (c) Such premises of any person who knowingly permits  
15 thereon a violation of any Section of this Article shall be  
16 held liable for, and may be sold to pay any unsatisfied  
17 judgment that may be recovered and any unsatisfied fine that  
18 may be levied under any Section of this Article.

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

20 (720 ILCS 5/28-5) (from Ch. 38, par. 28-5)

21 Sec. 28-5. Seizure of gambling devices and gambling funds.

22 (a) Every device designed for gambling which is incapable  
23 of lawful use or every device used unlawfully for gambling  
24 shall be considered a "gambling device", and shall be subject  
25 to seizure, confiscation and destruction by the Department of

1 State Police or by any municipal, or other local authority,  
2 within whose jurisdiction the same may be found. As used in  
3 this Section, a "gambling device" includes any slot machine,  
4 and includes any machine or device constructed for the  
5 reception of money or other thing of value and so constructed  
6 as to return, or to cause someone to return, on chance to the  
7 player thereof money, property or a right to receive money or  
8 property. With the exception of any device designed for  
9 gambling which is incapable of lawful use, no gambling device  
10 shall be forfeited or destroyed unless an individual with a  
11 property interest in said device knows of the unlawful use of  
12 the device.

13 (b) Every gambling device shall be seized and forfeited to  
14 the county wherein such seizure occurs. Any money or other  
15 thing of value integrally related to acts of gambling shall be  
16 seized and forfeited to the county wherein such seizure occurs.

17 (c) If, within 60 days after any seizure pursuant to  
18 subparagraph (b) of this Section, a person having any property  
19 interest in the seized property is charged with an offense, the  
20 court which renders judgment upon such charge shall, within 30  
21 days after such judgment, conduct a forfeiture hearing to  
22 determine whether such property was a gambling device at the  
23 time of seizure. Such hearing shall be commenced by a written  
24 petition by the State, including material allegations of fact,  
25 the name and address of every person determined by the State to  
26 have any property interest in the seized property, a



1 representation that written notice of the date, time and place  
2 of such hearing has been mailed to every such person by  
3 certified mail at least 10 days before such date, and a request  
4 for forfeiture. Every such person may appear as a party and  
5 present evidence at such hearing. The quantum of proof required  
6 shall be a preponderance of the evidence, and the burden of  
7 proof shall be on the State. If the court determines that the  
8 seized property was a gambling device at the time of seizure,  
9 an order of forfeiture and disposition of the seized property  
10 shall be entered: a gambling device shall be received by the  
11 State's Attorney, who shall effect its destruction, except that  
12 valuable parts thereof may be liquidated and the resultant  
13 money shall be deposited in the general fund of the county  
14 wherein such seizure occurred; money and other things of value  
15 shall be received by the State's Attorney and, upon  
16 liquidation, shall be deposited in the general fund of the  
17 county wherein such seizure occurred. However, in the event  
18 that a defendant raises the defense that the seized slot  
19 machine is an antique slot machine described in subparagraph  
20 (b) (7) of Section 28-1 of this Code and therefore he is exempt  
21 from the charge of a gambling activity participant, the seized  
22 antique slot machine shall not be destroyed or otherwise  
23 altered until a final determination is made by the Court as to  
24 whether it is such an antique slot machine. Upon a final  
25 determination by the Court of this question in favor of the  
26 defendant, such slot machine shall be immediately returned to

1 the defendant. Such order of forfeiture and disposition shall,  
2 for the purposes of appeal, be a final order and judgment in a  
3 civil proceeding.

4 (d) If a seizure pursuant to subparagraph (b) of this  
5 Section is not followed by a charge pursuant to subparagraph  
6 (c) of this Section, or if the prosecution of such charge is  
7 permanently terminated or indefinitely discontinued without  
8 any judgment of conviction or acquittal (1) the State's  
9 Attorney shall commence an in rem proceeding for the forfeiture  
10 and destruction of a gambling device, or for the forfeiture and  
11 deposit in the general fund of the county of any seized money  
12 or other things of value, or both, in the circuit court and (2)  
13 any person having any property interest in such seized gambling  
14 device, money or other thing of value may commence separate  
15 civil proceedings in the manner provided by law.

16 (e) Any gambling device displayed for sale to a riverboat  
17 gambling operation, casino gambling operation, or electronic  
18 gaming facility or used to train occupational licensees of a  
19 riverboat gambling operation, casino gambling operation, or  
20 electronic gaming facility as authorized under the Illinois  
21 ~~Riverboat~~ Gambling Act is exempt from seizure under this  
22 Section.

23 (f) Any gambling equipment, devices and supplies provided  
24 by a licensed supplier in accordance with the Illinois  
25 ~~Riverboat~~ Gambling Act which are removed from a the riverboat,  
26 casino, or electronic gaming facility for repair are exempt

1 from seizure under this Section.

2 (Source: P.A. 87-826.)

3 (720 ILCS 5/28-7) (from Ch. 38, par. 28-7)

4 Sec. 28-7. Gambling contracts void.

5 (a) All promises, notes, bills, bonds, covenants,  
6 contracts, agreements, judgments, mortgages, or other  
7 securities or conveyances made, given, granted, drawn, or  
8 entered into, or executed by any person whatsoever, where the  
9 whole or any part of the consideration thereof is for any money  
10 or thing of value, won or obtained in violation of any Section  
11 of this Article are null and void.

12 (b) Any obligation void under this Section may be set aside  
13 and vacated by any court of competent jurisdiction, upon a  
14 complaint filed for that purpose, by the person so granting,  
15 giving, entering into, or executing the same, or by his  
16 executors or administrators, or by any creditor, heir, legatee,  
17 purchaser or other person interested therein; or if a judgment,  
18 the same may be set aside on motion of any person stated above,  
19 on due notice thereof given.

20 (c) No assignment of any obligation void under this Section  
21 may in any manner affect the defense of the person giving,  
22 granting, drawing, entering into or executing such obligation,  
23 or the remedies of any person interested therein.

24 (d) This Section shall not prevent a licensed owner of a  
25 riverboat gambling operation, casino gambling operation, or an

1 electronic gaming licensee under the Illinois Gambling Act and  
2 the Illinois Horse Racing Act of 1975 from instituting a cause  
3 of action to collect any amount due and owing under an  
4 extension of credit to a ~~riverboat~~ gambling patron as  
5 authorized under Section 11.1 of the Illinois Riverboat  
6 Gambling Act.

7 (Source: P.A. 87-826.)

8 Section 90-55. The Eminent Domain Act is amended by adding  
9 Section 15-5-50 as follows:

10 (735 ILCS 30/15-5-50 new)

11 Sec. 15-5-50. Eminent domain powers in New Acts. The  
12 following provisions of law may include express grants of the  
13 power to acquire property by condemnation or eminent domain:

14 Chicago Casino Development Authority Act; City of Chicago; for  
15 the purposes of the Act.

16 Section 90-60. The Payday Loan Reform Act is amended by  
17 changing Section 3-5 as follows:

18 (815 ILCS 122/3-5)

19 (Text of Section before amendment by P.A. 96-936)

20 Sec. 3-5. Licensure.

21 (a) A license to make a payday loan shall state the

1 address, including city and state, at which the business is to  
2 be conducted and shall state fully the name of the licensee.  
3 The license shall be conspicuously posted in the place of  
4 business of the licensee and shall not be transferable or  
5 assignable.

6 (b) An application for a license shall be in writing and in  
7 a form prescribed by the Secretary. The Secretary may not issue  
8 a payday loan license unless and until the following findings  
9 are made:

10 (1) that the financial responsibility, experience,  
11 character, and general fitness of the applicant are such as  
12 to command the confidence of the public and to warrant the  
13 belief that the business will be operated lawfully and  
14 fairly and within the provisions and purposes of this Act;  
15 and

16 (2) that the applicant has submitted such other  
17 information as the Secretary may deem necessary.

18 (c) A license shall be issued for no longer than one year,  
19 and no renewal of a license may be provided if a licensee has  
20 substantially violated this Act and has not cured the violation  
21 to the satisfaction of the Department.

22 (d) A licensee shall appoint, in writing, the Secretary as  
23 attorney-in-fact upon whom all lawful process against the  
24 licensee may be served with the same legal force and validity  
25 as if served on the licensee. A copy of the written  
26 appointment, duly certified, shall be filed in the office of

1 the Secretary, and a copy thereof certified by the Secretary  
2 shall be sufficient evidence to subject a licensee to  
3 jurisdiction in a court of law. This appointment shall remain  
4 in effect while any liability remains outstanding in this State  
5 against the licensee. When summons is served upon the Secretary  
6 as attorney-in-fact for a licensee, the Secretary shall  
7 immediately notify the licensee by registered mail, enclosing  
8 the summons and specifying the hour and day of service.

9 (e) A licensee must pay an annual fee of \$1,000. In  
10 addition to the license fee, the reasonable expense of any  
11 examination or hearing by the Secretary under any provisions of  
12 this Act shall be borne by the licensee. If a licensee fails to  
13 renew its license by December 31, its license shall  
14 automatically expire; however, the Secretary, in his or her  
15 discretion, may reinstate an expired license upon:

16 (1) payment of the annual fee within 30 days of the  
17 date of expiration; and

18 (2) proof of good cause for failure to renew.

19 (f) Not more than one place of business shall be maintained  
20 under the same license, but the Secretary may issue more than  
21 one license to the same licensee upon compliance with all the  
22 provisions of this Act governing issuance of a single license.  
23 The location, except those locations already in existence as of  
24 June 1, 2005, may not be within one mile of a horse race track  
25 subject to the Illinois Horse Racing Act of 1975, within one  
26 mile of a facility at which gambling is conducted under the

1 Illinois ~~Riverboat~~ Gambling Act, within one mile of the  
2 location at which a riverboat subject to the Illinois ~~Riverboat~~  
3 Gambling Act docks, or within one mile of any State of Illinois  
4 or United States military base or naval installation.

5 (g) No licensee shall conduct the business of making loans  
6 under this Act within any office, suite, room, or place of  
7 business in which any other business is solicited or engaged in  
8 unless the other business is licensed by the Department or, in  
9 the opinion of the Secretary, the other business would not be  
10 contrary to the best interests of consumers and is authorized  
11 by the Secretary in writing.

12 (h) The Secretary shall maintain a list of licensees that  
13 shall be available to interested consumers and lenders and the  
14 public. The Secretary shall maintain a toll-free number whereby  
15 consumers may obtain information about licensees. The  
16 Secretary shall also establish a complaint process under which  
17 an aggrieved consumer may file a complaint against a licensee  
18 or non-licensee who violates any provision of this Act.

19 (Source: P.A. 94-13, eff. 12-6-05.)

20 (Text of Section after amendment by P.A. 96-936)

21 Sec. 3-5. Licensure.

22 (a) A license to make a payday loan shall state the  
23 address, including city and state, at which the business is to  
24 be conducted and shall state fully the name of the licensee.  
25 The license shall be conspicuously posted in the place of

1 business of the licensee and shall not be transferable or  
2 assignable.

3 (b) An application for a license shall be in writing and in  
4 a form prescribed by the Secretary. The Secretary may not issue  
5 a payday loan license unless and until the following findings  
6 are made:

7 (1) that the financial responsibility, experience,  
8 character, and general fitness of the applicant are such as  
9 to command the confidence of the public and to warrant the  
10 belief that the business will be operated lawfully and  
11 fairly and within the provisions and purposes of this Act;  
12 and

13 (2) that the applicant has submitted such other  
14 information as the Secretary may deem necessary.

15 (c) A license shall be issued for no longer than one year,  
16 and no renewal of a license may be provided if a licensee has  
17 substantially violated this Act and has not cured the violation  
18 to the satisfaction of the Department.

19 (d) A licensee shall appoint, in writing, the Secretary as  
20 attorney-in-fact upon whom all lawful process against the  
21 licensee may be served with the same legal force and validity  
22 as if served on the licensee. A copy of the written  
23 appointment, duly certified, shall be filed in the office of  
24 the Secretary, and a copy thereof certified by the Secretary  
25 shall be sufficient evidence to subject a licensee to  
26 jurisdiction in a court of law. This appointment shall remain



1 in effect while any liability remains outstanding in this State  
2 against the licensee. When summons is served upon the Secretary  
3 as attorney-in-fact for a licensee, the Secretary shall  
4 immediately notify the licensee by registered mail, enclosing  
5 the summons and specifying the hour and day of service.

6 (e) A licensee must pay an annual fee of \$1,000. In  
7 addition to the license fee, the reasonable expense of any  
8 examination or hearing by the Secretary under any provisions of  
9 this Act shall be borne by the licensee. If a licensee fails to  
10 renew its license by December 31, its license shall  
11 automatically expire; however, the Secretary, in his or her  
12 discretion, may reinstate an expired license upon:

13 (1) payment of the annual fee within 30 days of the  
14 date of expiration; and

15 (2) proof of good cause for failure to renew.

16 (f) Not more than one place of business shall be maintained  
17 under the same license, but the Secretary may issue more than  
18 one license to the same licensee upon compliance with all the  
19 provisions of this Act governing issuance of a single license.  
20 The location, except those locations already in existence as of  
21 June 1, 2005, may not be within one mile of a horse race track  
22 subject to the Illinois Horse Racing Act of 1975, within one  
23 mile of a facility at which gambling is conducted under the  
24 Illinois Riverboat ~~Riverboat~~ Gambling Act, within one mile of the  
25 location at which a riverboat subject to the Illinois Riverboat  
26 Gambling Act docks, or within one mile of any State of Illinois

1 or United States military base or naval installation.

2 (g) No licensee shall conduct the business of making loans  
3 under this Act within any office, suite, room, or place of  
4 business in which (1) any loans are offered or made under the  
5 Consumer Installment Loan Act other than title secured loans as  
6 defined in subsection (a) of Section 15 of the Consumer  
7 Installment Loan Act and governed by Title 38, Section 110.330  
8 of the Illinois Administrative Code or (2) any other business  
9 is solicited or engaged in unless the other business is  
10 licensed by the Department or, in the opinion of the Secretary,  
11 the other business would not be contrary to the best interests  
12 of consumers and is authorized by the Secretary in writing.

13 (g-5) Notwithstanding subsection (g) of this Section, a  
14 licensee may obtain a license under the Consumer Installment  
15 Loan Act (CILA) for the exclusive purpose and use of making  
16 title secured loans, as defined in subsection (a) of Section 15  
17 of CILA and governed by Title 38, Section 110.300 of the  
18 Illinois Administrative Code. A licensee may continue to  
19 service Consumer Installment Loan Act loans that were  
20 outstanding as of the effective date of this amendatory Act of  
21 the 96th General Assembly.

22 (h) The Secretary shall maintain a list of licensees that  
23 shall be available to interested consumers and lenders and the  
24 public. The Secretary shall maintain a toll-free number whereby  
25 consumers may obtain information about licensees. The  
26 Secretary shall also establish a complaint process under which

1 an aggrieved consumer may file a complaint against a licensee  
2 or non-licensee who violates any provision of this Act.

3 (Source: P.A. 96-936, eff. 3-21-11.)

4 Section 90-65. The Travel Promotion Consumer Protection  
5 Act is amended by changing Section 2 as follows:

6 (815 ILCS 420/2) (from Ch. 121 1/2, par. 1852)

7 Sec. 2. Definitions.

8 (a) "Travel promoter" means a person, including a tour  
9 operator, who sells, provides, furnishes, contracts for,  
10 arranges or advertises that he or she will arrange wholesale or  
11 retail transportation by air, land, sea or navigable stream,  
12 either separately or in conjunction with other services.  
13 "Travel promoter" does not include (1) an air carrier; (2) a  
14 sea carrier; (3) an officially appointed agent of an air  
15 carrier who is a member in good standing of the Airline  
16 Reporting Corporation; (4) a travel promoter who has in force  
17 \$1,000,000 or more of liability insurance coverage for  
18 professional errors and omissions and a surety bond or  
19 equivalent surety in the amount of \$100,000 or more for the  
20 benefit of consumers in the event of a bankruptcy on the part  
21 of the travel promoter; or (5) a riverboat subject to  
22 regulation under the Illinois Riverboat ~~Riverboat~~ Gambling Act.

23 (b) "Advertise" means to make any representation in the  
24 solicitation of passengers and includes communication with

1 other members of the same partnership, corporation, joint  
2 venture, association, organization, group or other entity.

3 (c) "Passenger" means a person on whose behalf money or  
4 other consideration has been given or is to be given to  
5 another, including another member of the same partnership,  
6 corporation, joint venture, association, organization, group  
7 or other entity, for travel.

8 (d) "Ticket or voucher" means a writing or combination of  
9 writings which is itself good and sufficient to obtain  
10 transportation and other services for which the passenger has  
11 contracted.

12 (Source: P.A. 91-357, eff. 7-29-99.)

13 (30 ILCS 105/5.490 rep.)

14 Section 90-70. The State Finance Act is amended by  
15 repealing Section 5.490.

16 (230 ILCS 5/54 rep.)

17 Section 90-75. The Illinois Horse Racing Act of 1975 is  
18 amended by repealing Section 54.

19 ARTICLE 99.

20 Section 99-97. Severability. The provisions of this Act are  
21 severable under Section 1.31 of the Statute on Statutes."