



Rep. Lou Lang

Filed: 5/25/2010

09600SB0744ham003

LRB096 06812 AMC 41645 a

1 AMENDMENT TO SENATE BILL 744

2 AMENDMENT NO. _____. Amend Senate Bill 744, AS AMENDED, by
3 replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Video Gaming Act is amended by changing
6 Sections 5 and 25 as follows:

7 (230 ILCS 40/5)

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

9 "Board" means the Illinois Gaming Board.

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

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

16 "Terminal operator" means an individual, partnership or

1 corporation that is licensed under this Act and that owns,
2 services, and maintains video gaming terminals for placement in
3 licensed establishments, licensed fraternal establishments, or
4 licensed veterans establishments.

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

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

17 "Manufacturer" means an individual, partnership, or
18 corporation that is licensed under this Act and that
19 manufactures or assembles video gaming terminals.

20 "Supplier" means an individual, partnership, or
21 corporation that is licensed under this Act to supply major
22 components or parts to video gaming terminals to licensed
23 terminal operators.

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

26 "Video gaming terminal" means any electronic video game

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

9 "Licensed establishment" means any licensed retail
10 establishment where alcoholic liquor is drawn, poured, mixed,
11 or otherwise served for consumption on the premises and
12 includes any such establishment that has a contractual
13 relationship with an inter-track wagering location licensee
14 licensed under the Illinois Horse Racing Act of 1975, provided
15 any contractual relationship shall not include any transfer or
16 offer of revenue from the operation of video gaming under this
17 Act to any licensee licensed under the Illinois Horse Racing
18 Act of 1975. Provided, however, that the licensed establishment
19 that has such a contractual relationship with an inter-track
20 wagering location licensee may not, itself, be (i) an
21 inter-track wagering location licensee, (ii) the corporate
22 parent or subsidiary of any licensee licensed under the
23 Illinois Horse Racing Act of 1975, or (iii) the corporate
24 subsidiary of a corporation that is also the corporate parent
25 or subsidiary of any licensee licensed under the Illinois Horse
26 Racing Act of 1975. "Licensed establishment" does not include a

1 facility operated by an organization licensee, an inter-track
2 ~~intertrack~~ wagering licensee, or an inter-track ~~intertrack~~
3 wagering location licensee licensed under the Illinois Horse
4 Racing Act of 1975 or a riverboat licensed under the Riverboat
5 Gambling Act, except as provided in this paragraph.

6 "Licensed fraternal establishment" means the location
7 where a qualified fraternal organization that derives its
8 charter from a national fraternal organization regularly
9 meets.

10 "Licensed veterans establishment" means the location where
11 a qualified veterans organization that derives its charter from
12 a national veterans organization regularly meets.

13 "Licensed truck stop establishment" means a facility that
14 is at least a 3-acre facility with a convenience store and with
15 separate diesel islands for fueling commercial motor vehicles
16 and parking spaces for commercial motor vehicles as defined in
17 Section 18b-101 of the Illinois Vehicle Code.

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

19 (230 ILCS 40/25)

20 Sec. 25. Restriction of licensees.

21 (a) Manufacturer. A person may not be licensed as a
22 manufacturer of a video gaming terminal in Illinois unless the
23 person has a valid manufacturer's license issued under this
24 Act. A manufacturer may only sell video gaming terminals for
25 use in Illinois to persons having a valid distributor's

1 license.

2 (b) Distributor. A person may not sell, distribute, or
3 lease or market a video gaming terminal in Illinois unless the
4 person has a valid distributor's license issued under this Act.
5 A distributor may only sell video gaming terminals for use in
6 Illinois to persons having a valid distributor's or terminal
7 operator's license.

8 (c) Terminal operator. A person may not own, maintain, or
9 place a video gaming terminal unless he has a valid terminal
10 operator's license issued under this Act. A terminal operator
11 may only place video gaming terminals for use in Illinois in
12 licensed establishments, licensed truck stop establishments,
13 licensed fraternal establishments, and licensed veterans
14 establishments. No terminal operator may give anything of
15 value, including but not limited to a loan or financing
16 arrangement, to a licensed establishment, licensed truck stop
17 establishment, licensed fraternal establishment, or licensed
18 veterans establishment as any incentive or inducement to locate
19 video terminals in that establishment. Of the after-tax profits
20 from a video gaming terminal, 50% shall be paid to the terminal
21 operator and 50% shall be paid to the licensed establishment,
22 licensed truck stop establishment, licensed fraternal
23 establishment, or licensed veterans establishment,
24 notwithstanding ~~notwithstanding~~ any agreement to the
25 contrary. No terminal operator may own or have a substantial
26 interest in more than 5% of the video gaming terminals licensed

1 in this State. A video terminal operator that violates one or
2 more requirements of this subsection is guilty of a Class 4
3 felony and is subject to termination of his or her license by
4 the Board.

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

10 (d-5) Licensed terminal handler. No person, including, but
11 not limited to, an employee or independent contractor working
12 for a manufacturer, distributor, supplier, technician, or
13 terminal operator licensed pursuant to this Act, shall have
14 possession or control of a video gaming terminal, or access to
15 the inner workings of a video gaming terminal, unless that
16 person possesses a valid terminal handler's license issued
17 under this Act.

18 (e) Licensed establishment. No video gaming terminal may be
19 placed in any licensed establishment, licensed veterans
20 establishment, licensed truck stop establishment, or licensed
21 fraternal establishment unless the owner or agent of the owner
22 of the licensed establishment, licensed veterans
23 establishment, licensed truck stop establishment, or licensed
24 fraternal establishment has entered into a written use
25 agreement with the terminal operator for placement of the
26 terminals. A copy of the use agreement shall be on file in the

1 terminal operator's place of business and available for
2 inspection by individuals authorized by the Board. A licensed
3 establishment, licensed truck stop establishment, licensed
4 veterans establishment, or licensed fraternal establishment
5 may operate up to 5 video gaming terminals on its premises at
6 any time.

7 (f) (Blank).

8 (g) Financial interest restrictions. As used in this Act,
9 "substantial interest" in a partnership, a corporation, an
10 organization, an association, or a business means:

11 (A) When, with respect to a sole proprietorship, an
12 individual or his or her spouse owns, operates,
13 manages, or conducts, directly or indirectly, the
14 organization, association, or business, or any part
15 thereof; or

16 (B) When, with respect to a partnership, the
17 individual or his or her spouse shares in any of the
18 profits, or potential profits, of the partnership
19 activities; or

20 (C) When, with respect to a corporation, an
21 individual or his or her spouse is an officer or
22 director, or the individual or his or her spouse is a
23 holder, directly or beneficially, of 5% or more of any
24 class of stock of the corporation; or

25 (D) When, with respect to an organization not
26 covered in (A), (B) or (C) above, an individual or his

1 or her spouse is an officer or manages the business
2 affairs, or the individual or his or her spouse is the
3 owner of or otherwise controls 10% or more of the
4 assets of the organization; or

5 (E) When an individual or his or her spouse
6 furnishes 5% or more of the capital, whether in cash,
7 goods, or services, for the operation of any business,
8 association, or organization during any calendar year.

9 (h) Location restriction. A licensed establishment,
10 licensed truck stop establishment, licensed fraternal
11 establishment, or licensed veterans establishment that is (i)
12 located within 1,000 feet of a facility operated by an
13 organizational licensee ~~or~~ an inter-track ~~intertrack~~ wagering
14 licensee, ~~an intertrack wagering location licensee~~ licensed
15 under the Illinois Horse Racing Act of 1975, or the home dock
16 of a riverboat licensed under the Riverboat Gambling Act or
17 (ii) located within ~~with a~~ 100 feet of a school or a place of
18 worship under the Religious Corporation Act, is ineligible to
19 operate a video gaming terminal.

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

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

25 Section 99. Effective date. This Act takes effect upon

1 becoming law.".