

1 AN ACT concerning gaming.

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

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

6 (230 ILCS 40/5)

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

8 "Board" means the Illinois Gaming Board.

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

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

15 "Terminal operator" means an individual, partnership or
16 corporation that is licensed under this Act and that owns,
17 services, and maintains video gaming terminals for placement in
18 licensed establishments, licensed fraternal establishments, or
19 licensed veterans establishments.

20 "Licensed technician" means an individual who is licensed
21 under this Act to repair, service, and maintain video gaming
22 terminals.

23 "Licensed terminal handler" means a person, including but

1 not limited to an employee or independent contractor working
2 for a manufacturer, distributor, supplier, technician, or
3 terminal operator, who is licensed under this Act to possess or
4 control a video gaming terminal or to have access to the inner
5 workings of a video gaming terminal. A licensed terminal
6 handler does not include an individual, partnership, or
7 corporation defined as a manufacturer, distributor, supplier,
8 technician, or terminal operator under this Act.

9 "Manufacturer" means an individual, partnership, or
10 corporation that is licensed under this Act and that
11 manufactures or assembles video gaming terminals.

12 "Supplier" means an individual, partnership, or
13 corporation that is licensed under this Act to supply major
14 components or parts to video gaming terminals to licensed
15 terminal operators.

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

18 "Video gaming terminal" means any electronic video game
19 machine that, upon insertion of cash, is available to play or
20 simulate the play of a video game, including but not limited to
21 video poker, line up, and blackjack, as authorized by the Board
22 utilizing a video display and microprocessors in which the
23 player may receive free games or credits that can be redeemed
24 for cash. The term does not include a machine that directly
25 dispenses coins, cash, or tokens or is for amusement purposes
26 only.

1 "Licensed establishment" means any licensed retail
2 establishment where alcoholic liquor is drawn, poured, mixed,
3 or otherwise served for consumption on the premises and
4 includes any such establishment that has a contractual
5 relationship with an inter-track wagering location licensee
6 licensed under the Illinois Horse Racing Act of 1975, provided
7 any contractual relationship shall not include any transfer or
8 offer of revenue from the operation of video gaming under this
9 Act to any licensee licensed under the Illinois Horse Racing
10 Act of 1975. Provided, however, that the licensed establishment
11 that has such a contractual relationship with an inter-track
12 wagering location licensee may not, itself, be (i) an
13 inter-track wagering location licensee, (ii) the corporate
14 parent or subsidiary of any licensee licensed under the
15 Illinois Horse Racing Act of 1975, or (iii) the corporate
16 subsidiary of a corporation that is also the corporate parent
17 or subsidiary of any licensee licensed under the Illinois Horse
18 Racing Act of 1975. "Licensed establishment" does not include a
19 facility operated by an organization licensee, an inter-track
20 ~~intertrack~~ wagering licensee, or an inter-track ~~intertrack~~
21 wagering location licensee licensed under the Illinois Horse
22 Racing Act of 1975 or a riverboat licensed under the Riverboat
23 Gambling Act, except as provided in this paragraph.

24 "Licensed fraternal establishment" means the location
25 where a qualified fraternal organization that derives its
26 charter from a national fraternal organization regularly

1 meets.

2 "Licensed veterans establishment" means the location where
3 a qualified veterans organization that derives its charter from
4 a national veterans organization regularly meets.

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

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

11 (230 ILCS 40/25)

12 Sec. 25. Restriction of licensees.

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

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

25 (c) Terminal operator. A person may not own, maintain, or

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

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

1 by a terminal operator, distributor, or manufacturer.

2 (d-5) Licensed terminal handler. No person, including, but
3 not limited to, an employee or independent contractor working
4 for a manufacturer, distributor, supplier, technician, or
5 terminal operator licensed pursuant to this Act, shall have
6 possession or control of a video gaming terminal, or access to
7 the inner workings of a video gaming terminal, unless that
8 person possesses a valid terminal handler's license issued
9 under this Act.

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

25 (f) (Blank).

26 (g) Financial interest restrictions. As used in this Act,

1 "substantial interest" in a partnership, a corporation, an
2 organization, an association, or a business means:

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

8 (B) When, with respect to a partnership, the
9 individual or his or her spouse shares in any of the
10 profits, or potential profits, of the partnership
11 activities; or

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

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

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

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

12 (i) The provisions of the Illinois Antitrust Act are fully
13 and equally applicable to the activities of any licensee under
14 this Act.

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

17 Section 99. Effective date. This Act takes effect upon
18 becoming law.