



Rep. Lou Lang

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1 AMENDMENT TO SENATE BILL 1849

2 AMENDMENT NO. _____. Amend Senate Bill 1849 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. References in this
7 Article to "this Act" mean this Article.

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

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

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

13 "Casino" means one temporary land-based or water-based
14 facility and one permanent land-based or water-based facility
15 at each of which lawful gambling is authorized and licensed as

1 provided in the Illinois Gambling Act.

2 "City" means the City of Chicago.

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

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

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

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

14 "Mayor" means the Mayor of the City.

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

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

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

12 Section 1-15. Board.

13 (a) The governing and administrative powers of the
14 Authority shall be vested in a body known as the Chicago Casino
15 Development Board. The Board shall consist of 5 members
16 appointed by the Mayor. All appointees shall be subject to
17 background investigation and approval by the Gaming Board. One
18 of these members shall be designated by the Mayor to serve as
19 chairperson. All of the members appointed by the Mayor shall be
20 residents of the City.

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

1 provided as that officer.

2 Section 1-20. Terms of appointments; resignation and
3 removal.

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

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

23 (c) Members of the Board shall serve at the pleasure of the
24 Mayor. The Mayor or the Gaming Board may remove any member of
25 the Board upon a finding of incompetence, neglect of duty, or

1 misfeasance or malfeasance in office or for a violation of this
2 Act. The Gaming Board may remove any member of the Board for
3 any violation of the Illinois Gambling Act or the rules and
4 regulations of the Gaming Board.

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

15 Section 1-30. Executive director; officers.

16 (a) The Board shall appoint an executive director, subject
17 to completion of a background investigation and approval by the
18 Gaming Board, who shall be the chief executive officer of the
19 Authority. The Board shall fix the compensation of the
20 executive director. Subject to the general control of the
21 Board, the executive director shall be responsible for the
22 management of the business, properties, and employees of the
23 Authority. The executive director shall direct the enforcement
24 of all resolutions, rules, and regulations of the Board, and

1 shall perform such other duties as may be prescribed from time
2 to time by the Board. All employees and independent
3 contractors, consultants, engineers, architects, accountants,
4 attorneys, financial experts, construction experts and
5 personnel, superintendents, managers, and other personnel
6 appointed or employed pursuant to this Act shall report to the
7 executive director. In addition to any other duties set forth
8 in this Act, the executive director shall do all of the
9 following:

10 (1) Direct and supervise the administrative affairs
11 and activities of the Authority in accordance with its
12 rules, regulations, and policies.

13 (2) Attend meetings of the Board.

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

15 (4) Approve all accounts for salaries, per diem
16 payments, and allowable expenses of the Board and its
17 employees and consultants.

18 (5) Report and make recommendations to the Board
19 concerning the terms and conditions of any casino
20 management contract.

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

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

25 (b) The Board may select a secretary-treasurer to hold
26 office at the pleasure of the Board. The Board shall fix the

1 duties of such officer.

2 Section 1-31. General rights and powers of the Authority.
3 In addition to the duties and powers set forth in this Act, the
4 Authority shall have the following rights and powers:

5 (1) Adopt and alter an official seal.

6 (2) Establish and change its fiscal year.

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

10 (4) Adopt, amend, and repeal bylaws, rules, and
11 regulations consistent with the furtherance of the powers
12 and duties provided for.

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

15 (6) Select locations in the City for a temporary and a
16 permanent casino, subject to final approval by the Gaming
17 Board, but in no event shall any location be in or at an
18 airport.

19 (7) Conduct background investigations of potential
20 casino operator licensees, including its principals or
21 shareholders, and Authority staff.

22 (8) Employ, either as regular employees or independent
23 contractors, consultants, engineers, architects,
24 accountants, attorneys, financial experts, construction
25 experts and personnel, superintendents, managers and other

1 professional personnel, and such other personnel as may be
2 necessary in the judgment of the Board, and fix their
3 compensation.

4 (9) Own, acquire, construct, equip, lease, operate,
5 and maintain grounds, buildings, and facilities to carry
6 out its corporate purposes and duties.

7 (10) Enter into, revoke, and modify contracts in
8 accordance with the rules and procedures of the Gaming
9 Board.

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

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

15 (13) Negotiate and enter into intergovernmental
16 agreements with the State and its agencies, the City, and
17 other units of local government, in furtherance of the
18 powers and duties of the Board.

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

21 (15) Borrow money from any source, public or private,
22 for any corporate purpose, including, without limitation,
23 working capital for its operations, reserve funds, or
24 payment of interest, and to mortgage, pledge, or otherwise
25 encumber the property or funds of the Authority and to
26 contract with or engage the services of any person in

1 connection with any financing, including financial
2 institutions, issuers of letters of credit, or insurers and
3 enter into reimbursement agreements with this person or
4 entity which may be secured as if money were borrowed from
5 the person or entity.

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

7 (17) Receive and accept from any source, private or
8 public, contributions, gifts, or grants of money or
9 property to the Authority.

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

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

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

23 Section 1-32. Ethical conduct.

24 (a) Board members and employees of the Authority must carry
25 out their duties and responsibilities in such a manner as to

1 promote and preserve public trust and confidence in the
2 integrity and conduct of gaming.

3 (b) Except as may be required in the conduct of official
4 duties, Board members and employees of the Authority shall not
5 engage in gambling on any riverboat, in any casino, or in an
6 electronic gaming facility licensed by the Illinois Gaming
7 Board or engage in legalized gambling in any establishment
8 identified by Board action that, in the judgment of the Board,
9 could represent a potential for a conflict of interest.

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

14 (d) Board members and employees of the Authority shall not
15 hold or pursue employment, office, position, business, or
16 occupation that may conflict with his or her official duties.
17 Employees may engage in other gainful employment so long as
18 that employment does not interfere or conflict with their
19 duties. Such employment must be disclosed to the executive
20 director and approved by the Board.

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

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

16 (g) Board members and employees of the Authority may not
17 accept any gift, gratuity, service, compensation, travel,
18 lodging, or thing of value, with the exception of unsolicited
19 items of an incidental nature, from any person, corporation, or
20 entity doing business with the Authority.

21 (h) No Board member or employee of the Authority may,
22 during employment or within a period of 2 years immediately
23 after termination of employment, knowingly accept employment
24 or receive compensation or fees for services from a person or
25 entity, or its parent or affiliate, that has engaged in
26 business with the Authority that resulted in contracts with an

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

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

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

26 (k) A spouse, child, or parent of a Board member or

1 employee of the Authority may not, while the person is a Board
2 member or employee of the spouse or within a period of 2 years
3 immediately after termination of employment, knowingly accept
4 employment or receive compensation or fees for services from a
5 person or entity, or its parent or affiliate, that has engaged
6 in business with the Authority that resulted in contracts with
7 an aggregate value of at least \$25,000 or if that Board member
8 or employee has made a decision that directly applied to the
9 person or entity, or its parent or affiliate.

10 (l) No Board member or employee of the Authority may
11 attempt, in any way, to influence any person or corporation
12 doing business with the Authority or any officer, agent, or
13 employee thereof to hire or contract with any person or
14 corporation for any compensated work.

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

1 the response, and any other pertinent information.

2 Public disclosure of the written summary provided to the
3 Board and the Gaming Board shall be subject to the exemptions
4 provided under Section 7 of the Freedom of Information Act.

5 (n) Any Board member or employee of the Authority who
6 violates any provision of this Section is guilty of a Class 4
7 felony.

8 Section 1-45. Casino management contracts.

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

20 (b) Within 5 days after the time limit for submitting bids
21 and proposals has passed, the Board shall make all bids and
22 proposals public, provided, however, the Board shall not be
23 required to disclose any information which would be exempt from
24 disclosure under Section 7 of the Freedom of Information Act.
25 Thereafter, the Board shall evaluate the responses to its

1 requests for proposal and the ability of all persons or
2 entities responding to its requests for proposal to meet the
3 requirements of this Act and to undertake and perform the
4 obligations set forth in its requests for proposal.

5 (c) After reviewing proposals and subject to Gaming Board
6 approval, the Board shall enter into a casino management
7 contract authorizing the development, construction, or
8 operation of a casino. Validity of the casino management
9 contract is contingent upon the issuance of a casino operator
10 license to the successful bidder. If the Gaming Board approves
11 the contract and grants a casino operator license, the Board
12 shall transmit a copy of the executed casino management
13 contract to the Gaming Board.

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

25 (e) Fifty percent of any initial consideration received by
26 the Authority that was paid as an inducement pursuant to a bid

1 for a casino management contract or an executed casino
2 management contract must be transmitted to the State and
3 deposited into the Gaming Facilities Fee Revenue Fund. The
4 initial consideration shall not include any amounts paid by an
5 entity on behalf of the Authority for any license or per
6 position fees imposed pursuant to the Illinois Gambling Act or
7 any other financial obligation of the Authority.

8 Section 1-50. Transfer of funds. The revenues received by
9 the Authority (other than amounts required to be paid pursuant
10 to the Illinois Gambling Act and amounts required to pay the
11 operating expenses of the Authority, to pay amounts due the
12 casino operator licensee pursuant to a casino management
13 contract, to repay any borrowing of the Authority made pursuant
14 to Section 1-31, to pay debt service on any bonds issued under
15 Section 1-75, and to pay any expenses in connection with the
16 issuance of such bonds pursuant to Section 1-75 or derivative
17 products pursuant to Section 1-85) shall be transferred to the
18 City by the Authority. Moneys transferred to the City pursuant
19 to this Section shall be expended or obligated by the City for
20 the construction and maintenance of infrastructure and for
21 related purposes within the City. Such infrastructure may
22 include, but is not limited to, roads, bridges, transit
23 infrastructure, water and sewer infrastructure, schools,
24 parks, and municipal facilities.

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
26 after receiving the information required to be submitted by the

1 Authority.

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

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

24 Section 1-62. Advisory committee. An Advisory Committee is
25 established to monitor, review, and report on (1) the

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

9 The Committee shall consist of 9 members as provided in
10 this Section. Five members shall be selected by the Governor
11 and 4 members shall be selected by the Mayor of the City of
12 Chicago. The Governor and Mayor of the City of Chicago shall
13 each appoint at least one current member of the General
14 Assembly. The Advisory Committee shall meet periodically and
15 shall report the information to the Mayor of the City and to
16 the General Assembly by December 31st of every year.

17 The Advisory Committee shall be dissolved on the date that
18 casino gambling operations are first conducted at a permanent
19 facility under the license authorized under Section 7 of the
20 Illinois Gambling Act. For the purposes of this Section, the
21 terms "female" and "minority person" have the meanings provided
22 in Section 2 of the Business Enterprise for Minorities,
23 Females, and Persons with Disabilities Act.

24 Section 1-65. Acquisition of property; eminent domain
25 proceedings. For the lawful purposes of this Act, the City may

1 acquire by eminent domain or by condemnation proceedings in the
2 manner provided by the Eminent Domain Act, real or personal
3 property or interests in real or personal property located in
4 the City, and the City may convey to the Authority property so
5 acquired. The acquisition of property under this Section is
6 declared to be for a public use.

7 Section 1-67. Limitations on gaming at Chicago airports.
8 The Authority may not conduct gaming operations in or at an
9 airport.

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

19 Section 1-75. Borrowing.

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

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

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

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

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

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

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

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

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

1 replacement of mutilated, lost, or destroyed bonds as the
2 resolution or trust indenture may provide.

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

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

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

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

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

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

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

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

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

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

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

23 (4) Limitations on the issue of additional bonds, the
24 terms upon which additional bonds may be issued and
25 secured, the terms upon which additional bonds may rank on
26 a parity with, or be subordinate or superior to, other

1 bonds.

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

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

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

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

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

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

23 (h) A pledge by the Authority of revenues and receipts as
24 security for an issue of bonds or for the performance of its
25 obligations under any casino management contract shall be valid
26 and binding from the time when the pledge is made. The revenues

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

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

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

25 (k) The State of Illinois pledges and agrees with the
26 owners of the bonds that it will not limit or alter the rights

1 and powers vested in the Authority by this Act so as to impair
2 the terms of any contract made by the Authority with the owners
3 or in any way impair the rights and remedies of the owners
4 until the bonds, together with interest on them, and all costs
5 and expenses in connection with any action or proceedings by or
6 on behalf of the owners, are fully met and discharged. The
7 Authority is authorized to include this pledge and agreement in
8 any contract with the owners of bonds issued under this
9 Section.

10 (1) No person holding an elective office in this State,
11 holding a seat in the General Assembly, or serving as a board
12 member, trustee, officer, or employee of the Authority,
13 including the spouse of that person, may receive a legal,
14 banking, consulting, or other fee related to the issuance of
15 bonds. This prohibition shall also apply to a company or firm
16 that employs a person holding an elective office in this State,
17 holding a seat in the General Assembly, or serving as a board
18 member, trustee, officer, or employee of the Authority,
19 including the spouse of that person, if the person or his or
20 her spouse has greater than 7.5% ownership of the company or
21 firm.

22 Section 1-85. Derivative products. With respect to all or
23 part of any issue of its bonds, the Authority may enter into
24 agreements or contracts with any necessary or appropriate
25 person, which will have the benefit of providing to the

1 Authority an interest rate basis, cash flow basis, or other
2 basis different from that provided in the bonds for the payment
3 of interest. Such agreements or contracts may include, without
4 limitation, agreements or contracts commonly known as
5 "interest rate swap agreements", "forward payment conversion
6 agreements", "futures", "options", "puts", or "calls" and
7 agreements or contracts providing for payments based on levels
8 of or changes in interest rates, agreements or contracts to
9 exchange cash flows or a series of payments, or to hedge
10 payment, rate spread, or similar exposure.

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

1 Section 1-105. Budgets and reporting.

2 (a) The Board shall annually adopt a budget for each fiscal
3 year. The budget may be modified from time to time in the same
4 manner and upon the same vote as it may be adopted. The budget
5 shall include the Authority's available funds and estimated
6 revenues and shall provide for payment of its obligations and
7 estimated expenditures for the fiscal year, including, without
8 limitation, expenditures for administration, operation,
9 maintenance and repairs, debt service, and deposits into
10 reserve and other funds and capital projects.

11 (b) The Board shall annually cause the finances of the
12 Authority to be audited by a firm of certified public
13 accountants selected by the Board in accordance with the rules
14 of the Gaming Board and post the firm's audits of the Authority
15 on the Authority's Internet website.

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

1 end of the Authority's fiscal year, as soon as practical after
2 completion of the audit, to the Governor, the Mayor, the
3 General Assembly, and the Commission on Government Forecasting
4 and Accountability.

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

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

17 No bank or savings and loan association shall receive
18 public funds as permitted by this Section unless it has
19 complied with the requirements established pursuant to Section
20 6 of the Public Funds Investment Act.

21 (b) If any officer or employee whose signature appears upon
22 any check or draft issued pursuant to this Act ceases (after
23 attaching his signature) to hold his or her office before the
24 delivery of such a check or draft to the payee, his or her
25 signature shall nevertheless be valid and sufficient for all

1 purposes with the same effect as if he or she had remained in
2 office until delivery thereof.

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

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

22 (b) A bidder, respondent, offeror, or contractor for
23 contracts with an annual value of \$10,000 or more or for a
24 period to exceed one year shall disclose all political
25 contributions of the bidder, respondent, offeror, or

1 contractor and any affiliated person or entity. Disclosure
2 shall include at least the names and addresses of the
3 contributors and the dollar amounts of any contributions to any
4 political committee made within the previous 2 years. The
5 disclosure must be submitted to the Gaming Board with a copy of
6 the contract.

7 (c) As used in this Section:

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

10 "Affiliated person" means (i) any person with any ownership
11 interest or distributive share of the bidding, responding, or
12 contracting entity in excess of 1%, (ii) executive employees of
13 the bidding, responding, or contracting entity, and (iii) the
14 spouse and minor children of any such persons.

15 "Affiliated entity" means (i) any parent or subsidiary of
16 the bidding or contracting entity, (ii) any member of the same
17 unitary business group, or (iii) any political committee for
18 which the bidding, responding, or contracting entity is the
19 sponsoring entity.

20 (d) The Gaming Board may direct the Authority or a casino
21 operator licensee to void a contract if a violation of this
22 Section occurs. The Authority may direct a casino operator
23 licensee to void a contract if a violation of this Section
24 occurs.

25 (e) All contracts pertaining to the actual operation of the
26 casino and related gaming activities shall be entered into by

1 the casino operator licensee and not the Authority.

2 Section 1-115. Purchasing.

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

8 (1) when repair parts, accessories, equipment, or
9 services are required for equipment or services previously
10 furnished or contracted for;

11 (2) when services such as water, light, heat, power,
12 telephone (other than long-distance service), or telegraph
13 are required;

14 (3) casino management contracts, which shall be
15 awarded as set forth in Section 1-45 of this Act;

16 (4) contracts where there is only one economically
17 feasible source; and

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

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

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

21 (d) The Authority shall have the right to reject all
22 proposals and to re-advertise for proposals. If after any such
23 re-advertisement, no responsible and satisfactory proposals,
24 within the terms of the re-advertisement, is received, the
25 Authority may award such contract without competitive
26 selection, provided that the Gaming Board must approve the

1 contract prior to its execution. The contract must not be less
2 advantageous to the Authority than any valid proposal received
3 pursuant to advertisement.

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

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

1 (g) The contract shall be awarded as promptly as possible
2 after the opening of proposals. The proposal of the successful
3 proposer, as well as the bids of the unsuccessful proposers,
4 shall be placed on file and be open to public inspection
5 subject to the exemptions from disclosure provided under
6 Section 7 of the Freedom of Information Act. All proposals
7 shall be void if any disclosure of the terms of any proposals
8 in response to an advertisement is made or permitted to be made
9 by the Authority before the time fixed for opening proposals.

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

1 successful responsible proposer or offeror, the contract
2 price, and the number of unsuccessful responsive proposers and
3 any other disclosure specified in this Section. This notice
4 must be posted in the online electronic bulletin prior to
5 execution of the contract.

6 Section 1-130. Affirmative action and equal opportunity
7 obligations of Authority.

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

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

1 public or private institutions to provide readiness training.
2 The Authority is further authorized to enter into contracts
3 with public and private educational institutions and persons in
4 the gaming, entertainment, hospitality, and tourism industries
5 to provide training for employment in those industries.

6 Section 1-135. Transfer of interest. Neither the Authority
7 nor the City may sell, lease, rent, transfer, exchange, or
8 otherwise convey any interest that they have in the casino
9 without prior approval of the General Assembly.

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

19 ARTICLE 90.

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

22 (1) That more than 50 municipalities and 5 counties

1 have opted out of video gaming legislation that was enacted
2 by the 96th General Assembly as Public Act 96-34, and
3 revenues for the State's newly approved capital
4 construction program are on track to fall short of
5 projections.

6 (2) That these shortfalls could postpone much-needed
7 road construction, school construction, and other
8 infrastructure improvements.

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

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

16 (5) That the decline of the Illinois horse racing and
17 breeding program, a \$2.5 billion industry, would be
18 reversed if this amendatory Act of the 97th General
19 Assembly would be enacted.

20 (6) That the Illinois horse racing industry is on the
21 verge of extinction due to fierce competition from fully
22 developed horse racing and gaming operations in other
23 states.

24 (7) That Illinois lawmakers agreed in 1999 to earmark
25 15% of the forthcoming 10th riverboat's revenue for horse
26 racing; however, the 10th riverboat did not become

1 operational until July 2011, and as of November 1, 2011, no
2 such payments have been made.

3 (8) That allowing the State's horse racing venues,
4 currently licensed gaming destinations, to maximize their
5 capacities with gaming machines, would generate up to \$120
6 million to \$200 million for the State in the form of extra
7 licensing fees, plus an additional \$100 million to \$300
8 million in recurring annual tax revenue for the State to
9 help ensure that school, road, and other building projects
10 promised under the capital plan occur on schedule.

11 (9) That Illinois agriculture and other businesses
12 that support and supply the horse racing industry, already
13 a sector that employs over 37,000 Illinoisans, also stand
14 to substantially benefit and would be much more likely to
15 create additional jobs should Illinois horse racing once
16 again become competitive with other states.

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

20 (11) That gaming machines at Illinois horse racing
21 tracks would create an estimated 1,200 to 1,500 permanent
22 jobs, and an estimated capital investment of up to \$200
23 million to \$400 million at these race tracks would prompt
24 additional trade organization jobs necessary to construct
25 new facilities or remodel race tracks to operate electronic
26 gaming.

1 Section 90-3. The State Officials and Employees Ethics Act
2 is amended by changing Sections 5-45 and 20-10 as follows:

3 (5 ILCS 430/5-45)

4 Sec. 5-45. Procurement; revolving door prohibition.

5 (a) No former officer, member, or State employee, or spouse
6 or immediate family member living with such person, shall,
7 within a period of one year immediately after termination of
8 State employment, knowingly accept employment or receive
9 compensation or fees for services from a person or entity if
10 the officer, member, or State employee, during the year
11 immediately preceding termination of State employment,
12 participated personally and substantially in the award of State
13 contracts, or the issuance of State contract change orders,
14 with a cumulative value of \$25,000 or more to the person or
15 entity, or its parent or subsidiary.

16 (b) No former officer of the executive branch or State
17 employee of the executive branch with regulatory or licensing
18 authority, or spouse or immediate family member living with
19 such person, shall, within a period of one year immediately
20 after termination of State employment, knowingly accept
21 employment or receive compensation or fees for services from a
22 person or entity if the officer or State employee, during the
23 year immediately preceding termination of State employment,
24 participated personally and substantially in making a

1 regulatory or licensing decision that directly applied to the
2 person or entity, or its parent or subsidiary.

3 (c) Within 6 months after the effective date of this
4 amendatory Act of the 96th General Assembly, each executive
5 branch constitutional officer and legislative leader, the
6 Auditor General, and the Joint Committee on Legislative Support
7 Services shall adopt a policy delineating which State positions
8 under his or her jurisdiction and control, by the nature of
9 their duties, may have the authority to participate personally
10 and substantially in the award of State contracts or in
11 regulatory or licensing decisions. The Governor shall adopt
12 such a policy for all State employees of the executive branch
13 not under the jurisdiction and control of any other executive
14 branch constitutional officer.

15 The policies required under subsection (c) of this Section
16 shall be filed with the appropriate ethics commission
17 established under this Act or, for the Auditor General, with
18 the Office of the Auditor General.

19 (d) Each Inspector General shall have the authority to
20 determine that additional State positions under his or her
21 jurisdiction, not otherwise subject to the policies required by
22 subsection (c) of this Section, are nonetheless subject to the
23 notification requirement of subsection (f) below due to their
24 involvement in the award of State contracts or in regulatory or
25 licensing decisions.

26 (e) The Joint Committee on Legislative Support Services,

1 the Auditor General, and each of the executive branch
2 constitutional officers and legislative leaders subject to
3 subsection (c) of this Section shall provide written
4 notification to all employees in positions subject to the
5 policies required by subsection (c) or a determination made
6 under subsection (d): (1) upon hiring, promotion, or transfer
7 into the relevant position; and (2) at the time the employee's
8 duties are changed in such a way as to qualify that employee.
9 An employee receiving notification must certify in writing that
10 the person was advised of the prohibition and the requirement
11 to notify the appropriate Inspector General in subsection (f).

12 (f) Any State employee in a position subject to the
13 policies required by subsection (c) or to a determination under
14 subsection (d), but who does not fall within the prohibition of
15 subsection (h) below, who is offered non-State employment
16 during State employment or within a period of one year
17 immediately after termination of State employment shall, prior
18 to accepting such non-State employment, notify the appropriate
19 Inspector General. Within 10 calendar days after receiving
20 notification from an employee in a position subject to the
21 policies required by subsection (c), such Inspector General
22 shall make a determination as to whether the State employee is
23 restricted from accepting such employment by subsection (a) or
24 (b). In making a determination, in addition to any other
25 relevant information, an Inspector General shall assess the
26 effect of the prospective employment or relationship upon

1 decisions referred to in subsections (a) and (b), based on the
2 totality of the participation by the former officer, member, or
3 State employee in those decisions. A determination by an
4 Inspector General must be in writing, signed and dated by the
5 Inspector General, and delivered to the subject of the
6 determination within 10 calendar days or the person is deemed
7 eligible for the employment opportunity. For purposes of this
8 subsection, "appropriate Inspector General" means (i) for
9 members and employees of the legislative branch, the
10 Legislative Inspector General; (ii) for the Auditor General and
11 employees of the Office of the Auditor General, the Inspector
12 General provided for in Section 30-5 of this Act; and (iii) for
13 executive branch officers and employees, the Inspector General
14 having jurisdiction over the officer or employee. Notice of any
15 determination of an Inspector General and of any such appeal
16 shall be given to the ultimate jurisdictional authority, the
17 Attorney General, and the Executive Ethics Commission.

18 (g) An Inspector General's determination regarding
19 restrictions under subsection (a) or (b) may be appealed to the
20 appropriate Ethics Commission by the person subject to the
21 decision or the Attorney General no later than the 10th
22 calendar day after the date of the determination.

23 On appeal, the Ethics Commission or Auditor General shall
24 seek, accept, and consider written public comments regarding a
25 determination. In deciding whether to uphold an Inspector
26 General's determination, the appropriate Ethics Commission or

1 Auditor General shall assess, in addition to any other relevant
2 information, the effect of the prospective employment or
3 relationship upon the decisions referred to in subsections (a)
4 and (b), based on the totality of the participation by the
5 former officer, member, or State employee in those decisions.
6 The Ethics Commission shall decide whether to uphold an
7 Inspector General's determination within 10 calendar days or
8 the person is deemed eligible for the employment opportunity.

9 (h) The following officers, members, or State employees
10 shall not, within a period of one year immediately after
11 termination of office or State employment, knowingly accept
12 employment or receive compensation or fees for services from a
13 person or entity if the person or entity or its parent or
14 subsidiary, during the year immediately preceding termination
15 of State employment, was a party to a State contract or
16 contracts with a cumulative value of \$25,000 or more involving
17 the officer, member, or State employee's State agency, or was
18 the subject of a regulatory or licensing decision involving the
19 officer, member, or State employee's State agency, regardless
20 of whether he or she participated personally and substantially
21 in the award of the State contract or contracts or the making
22 of the regulatory or licensing decision in question:

23 (1) members or officers;

24 (2) members of a commission or board created by the
25 Illinois Constitution;

26 (3) persons whose appointment to office is subject to

1 the advice and consent of the Senate;

2 (4) the head of a department, commission, board,
3 division, bureau, authority, or other administrative unit
4 within the government of this State;

5 (5) chief procurement officers, State purchasing
6 officers, and their designees whose duties are directly
7 related to State procurement; ~~and~~

8 (6) chiefs of staff, deputy chiefs of staff, associate
9 chiefs of staff, assistant chiefs of staff, and deputy
10 governors;~~;~~

11 (7) employees of the Illinois Racing Board; and

12 (8) employees of the Illinois Gaming board.

13 (Source: P.A. 96-555, eff. 8-18-09.)

14 (5 ILCS 430/20-10)

15 Sec. 20-10. Offices of Executive Inspectors General.

16 (a) ~~Six Five~~ independent Offices of the Executive Inspector
17 General are created, one each for the Governor, the Attorney
18 General, the Secretary of State, the Comptroller, and the
19 Treasurer and one for gaming activities. Each Office shall be
20 under the direction and supervision of an Executive Inspector
21 General and shall be a fully independent office with separate
22 appropriations.

23 (b) The Governor, Attorney General, Secretary of State,
24 Comptroller, and Treasurer shall each appoint an Executive
25 Inspector General, and the Governor shall appoint an Executive

1 Inspector General for gaming activities. Each appointment must
2 be made without regard to political affiliation and solely on
3 the basis of integrity and demonstrated ability. Appointments
4 shall be made by and with the advice and consent of the Senate
5 by three-fifths of the elected members concurring by record
6 vote. Any nomination not acted upon by the Senate within 60
7 session days of the receipt thereof shall be deemed to have
8 received the advice and consent of the Senate. If, during a
9 recess of the Senate, there is a vacancy in an office of
10 Executive Inspector General, the appointing authority shall
11 make a temporary appointment until the next meeting of the
12 Senate when the appointing authority shall make a nomination to
13 fill that office. No person rejected for an office of Executive
14 Inspector General shall, except by the Senate's request, be
15 nominated again for that office at the same session of the
16 Senate or be appointed to that office during a recess of that
17 Senate.

18 Nothing in this Article precludes the appointment by the
19 Governor, Attorney General, Secretary of State, Comptroller,
20 or Treasurer of any other inspector general required or
21 permitted by law. The Governor, Attorney General, Secretary of
22 State, Comptroller, and Treasurer each may appoint an existing
23 inspector general as the Executive Inspector General required
24 by this Article, provided that such an inspector general is not
25 prohibited by law, rule, jurisdiction, qualification, or
26 interest from serving as the Executive Inspector General

1 required by this Article. An appointing authority may not
2 appoint a relative as an Executive Inspector General.

3 Each Executive Inspector General shall have the following
4 qualifications:

5 (1) has not been convicted of any felony under the laws
6 of this State, another State, or the United States;

7 (2) has earned a baccalaureate degree from an
8 institution of higher education; and

9 (3) has 5 or more years of cumulative service (A) with
10 a federal, State, or local law enforcement agency, at least
11 2 years of which have been in a progressive investigatory
12 capacity; (B) as a federal, State, or local prosecutor; (C)
13 as a senior manager or executive of a federal, State, or
14 local agency; (D) as a member, an officer, or a State or
15 federal judge; or (E) representing any combination of (A)
16 through (D).

17 The term of each initial Executive Inspector General shall
18 commence upon qualification and shall run through June 30,
19 2008. The initial appointments shall be made within 60 days
20 after the effective date of this Act.

21 After the initial term, each Executive Inspector General
22 shall serve for 5-year terms commencing on July 1 of the year
23 of appointment and running through June 30 of the fifth
24 following year. An Executive Inspector General may be
25 reappointed to one or more subsequent terms.

26 A vacancy occurring other than at the end of a term shall

1 be filled by the appointing authority only for the balance of
2 the term of the Executive Inspector General whose office is
3 vacant.

4 Terms shall run regardless of whether the position is
5 filled.

6 (c) The Executive Inspector General appointed by the
7 Attorney General shall have jurisdiction over the Attorney
8 General and all officers and employees of, and vendors and
9 others doing business with, State agencies within the
10 jurisdiction of the Attorney General. The Executive Inspector
11 General appointed by the Secretary of State shall have
12 jurisdiction over the Secretary of State and all officers and
13 employees of, and vendors and others doing business with, State
14 agencies within the jurisdiction of the Secretary of State. The
15 Executive Inspector General appointed by the Comptroller shall
16 have jurisdiction over the Comptroller and all officers and
17 employees of, and vendors and others doing business with, State
18 agencies within the jurisdiction of the Comptroller. The
19 Executive Inspector General appointed by the Treasurer shall
20 have jurisdiction over the Treasurer and all officers and
21 employees of, and vendors and others doing business with, State
22 agencies within the jurisdiction of the Treasurer. The
23 Executive Inspector General appointed by the Governor shall
24 have jurisdiction over (i) the Governor, (ii) the Lieutenant
25 Governor, (iii) all officers and employees of, and vendors and
26 others doing business with, executive branch State agencies

1 under the jurisdiction of the Executive Ethics Commission and
2 not within the jurisdiction of the Attorney General, the
3 Secretary of State, the Comptroller, ~~or~~ the Treasurer, or the
4 Executive Inspector General for gaming activities, and (iv) all
5 board members and employees of the Regional Transit Boards and
6 all vendors and others doing business with the Regional Transit
7 Boards. The Executive Inspector General for gaming activities
8 appointed by the Governor has jurisdiction over the Illinois
9 Gaming Board, all officers and employees of the Illinois Gaming
10 Board, and all activities of the Illinois Gaming Board.

11 The jurisdiction of each Executive Inspector General is to
12 investigate allegations of fraud, waste, abuse, mismanagement,
13 misconduct, nonfeasance, misfeasance, malfeasance, or
14 violations of this Act or violations of other related laws and
15 rules.

16 (d) The compensation for each Executive Inspector General
17 shall be determined by the Executive Ethics Commission and
18 shall be made from appropriations made to the Comptroller for
19 this purpose. Subject to Section 20-45 of this Act, each
20 Executive Inspector General has full authority to organize his
21 or her Office of the Executive Inspector General, including the
22 employment and determination of the compensation of staff, such
23 as deputies, assistants, and other employees, as
24 appropriations permit. A separate appropriation shall be made
25 for each Office of Executive Inspector General.

26 (e) No Executive Inspector General or employee of the

1 Office of the Executive Inspector General may, during his or
2 her term of appointment or employment:

3 (1) become a candidate for any elective office;

4 (2) hold any other elected or appointed public office
5 except for appointments on governmental advisory boards or
6 study commissions or as otherwise expressly authorized by
7 law;

8 (3) be actively involved in the affairs of any
9 political party or political organization; or

10 (4) advocate for the appointment of another person to
11 an appointed or elected office or position or actively
12 participate in any campaign for any elective office.

13 In this subsection an appointed public office means a
14 position authorized by law that is filled by an appointing
15 authority as provided by law and does not include employment by
16 hiring in the ordinary course of business.

17 (e-1) No Executive Inspector General or employee of the
18 Office of the Executive Inspector General may, for one year
19 after the termination of his or her appointment or employment:

20 (1) become a candidate for any elective office;

21 (2) hold any elected public office; or

22 (3) hold any appointed State, county, or local judicial
23 office.

24 (e-2) The requirements of item (3) of subsection (e-1) may
25 be waived by the Executive Ethics Commission.

26 (f) An Executive Inspector General may be removed only for

1 cause and may be removed only by the appointing ~~constitutional~~
2 officer. At the time of the removal, the appointing
3 ~~constitutional~~ officer must report to the Executive Ethics
4 Commission the justification for the removal.

5 (Source: P.A. 96-555, eff. 8-18-09; 96-1528, eff. 7-1-11.)

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

8 (20 ILCS 301/5-20)

9 Sec. 5-20. Compulsive gambling program.

10 (a) Subject to appropriation, the Department shall
11 establish a program for public education, research, and
12 training regarding problem and compulsive gambling and the
13 treatment and prevention of problem and compulsive gambling.
14 Subject to specific appropriation for these stated purposes,
15 the program must include all of the following:

16 (1) Establishment and maintenance of a toll-free "800"
17 telephone number to provide crisis counseling and referral
18 services to families experiencing difficulty as a result of
19 problem or compulsive gambling.

20 (2) Promotion of public awareness regarding the
21 recognition and prevention of problem and compulsive
22 gambling.

23 (3) Facilitation, through in-service training and
24 other means, of the availability of effective assistance

1 programs for problem and compulsive gamblers.

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

5 (b) Subject to appropriation, the Department shall either
6 establish and maintain the program or contract with a private
7 or public entity for the establishment and maintenance of the
8 program. Subject to appropriation, either the Department or the
9 private or public entity shall implement the toll-free
10 telephone number, promote public awareness, and conduct
11 in-service training concerning problem and compulsive
12 gambling.

13 (c) Subject to appropriation, the Department shall produce
14 and supply the signs specified in Section 10.7 of the Illinois
15 Lottery Law, Section 34.1 of the Illinois Horse Racing Act of
16 1975, Section 4.3 of the Bingo License and Tax Act, Section 8.1
17 of the Charitable Games Act, and Section 13.1 of the Illinois
18 ~~Riverboat~~ Gambling Act.

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

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

23 (20 ILCS 605/605-530 new)

24 Sec. 605-530. The Depressed Communities Economic

1 Development Board.

2 (a) The Depressed Communities Economic Development Board
3 is created as an advisory board within the Department of
4 Commerce and Economic Opportunity. The Board shall consist of 8
5 members appointed by the Governor, 4 of whom are appointed to
6 serve an initial term of one year and 4 of whom are appointed
7 to serve an initial term of 2 years with one being designated
8 as chair of the Board at the time of appointment. The members
9 of the Board shall reflect the composition of the Illinois
10 population with regard to ethnic and racial composition.

11 After the initial terms, each member shall be appointed to
12 serve a term of 2 years and until his or her successor has been
13 appointed and assumes office. If a vacancy occurs in the Board
14 membership, then the vacancy shall be filled in the same manner
15 as the initial appointment. No member of the Board shall, at
16 the time of his or her appointment or within 2 years before the
17 appointment, hold elected office or be appointed to a State
18 board, commission, or agency. All Board members are subject to
19 the State Officials and Employees Ethics Act.

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

25 (c) The Board must make recommendations, which must be
26 approved by a majority of the Board, to the Department of

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

17 Section 90-8. The Illinois Lottery Law is amended by
18 changing Section 9.1 as follows:

19 (20 ILCS 1605/9.1)

20 Sec. 9.1. Private manager and management agreement.

21 (a) As used in this Section:

22 "Offeror" means a person or group of persons that responds
23 to a request for qualifications under this Section.

24 "Request for qualifications" means all materials and

1 documents prepared by the Department to solicit the following
2 from offerors:

3 (1) Statements of qualifications.

4 (2) Proposals to enter into a management agreement,
5 including the identity of any prospective vendor or vendors
6 that the offeror intends to initially engage to assist the
7 offeror in performing its obligations under the management
8 agreement.

9 "Final offer" means the last proposal submitted by an
10 offeror in response to the request for qualifications,
11 including the identity of any prospective vendor or vendors
12 that the offeror intends to initially engage to assist the
13 offeror in performing its obligations under the management
14 agreement.

15 "Final offeror" means the offeror ultimately selected by
16 the Governor to be the private manager for the Lottery under
17 subsection (h) of this Section.

18 (b) By September 15, 2010, the Governor shall select a
19 private manager for the total management of the Lottery with
20 integrated functions, such as lottery game design, supply of
21 goods and services, and advertising and as specified in this
22 Section.

23 (c) Pursuant to the terms of this subsection, the
24 Department shall endeavor to expeditiously terminate the
25 existing contracts in support of the Lottery in effect on the
26 effective date of this amendatory Act of the 96th General

1 Assembly in connection with the selection of the private
2 manager. As part of its obligation to terminate these contracts
3 and select the private manager, the Department shall establish
4 a mutually agreeable timetable to transfer the functions of
5 existing contractors to the private manager so that existing
6 Lottery operations are not materially diminished or impaired
7 during the transition. To that end, the Department shall do the
8 following:

9 (1) where such contracts contain a provision
10 authorizing termination upon notice, the Department shall
11 provide notice of termination to occur upon the mutually
12 agreed timetable for transfer of functions;

13 (2) upon the expiration of any initial term or renewal
14 term of the current Lottery contracts, the Department shall
15 not renew such contract for a term extending beyond the
16 mutually agreed timetable for transfer of functions; or

17 (3) in the event any current contract provides for
18 termination of that contract upon the implementation of a
19 contract with the private manager, the Department shall
20 perform all necessary actions to terminate the contract on
21 the date that coincides with the mutually agreed timetable
22 for transfer of functions.

23 If the contracts to support the current operation of the
24 Lottery in effect on the effective date of this amendatory Act
25 of the 96th General Assembly are not subject to termination as
26 provided for in this subsection (c), then the Department may

1 include a provision in the contract with the private manager
2 specifying a mutually agreeable methodology for incorporation.

3 (c-5) The Department shall include provisions in the
4 management agreement whereby the private manager shall, for a
5 fee, and pursuant to a contract negotiated with the Department
6 (the "Employee Use Contract"), utilize the services of current
7 Department employees to assist in the administration and
8 operation of the Lottery. The Department shall be the employer
9 of all such bargaining unit employees assigned to perform such
10 work for the private manager, and such employees shall be State
11 employees, as defined by the Personnel Code. Department
12 employees shall operate under the same employment policies,
13 rules, regulations, and procedures, as other employees of the
14 Department. In addition, neither historical representation
15 rights under the Illinois Public Labor Relations Act, nor
16 existing collective bargaining agreements, shall be disturbed
17 by the management agreement with the private manager for the
18 management of the Lottery.

19 (d) The management agreement with the private manager shall
20 include all of the following:

21 (1) A term not to exceed 10 years, including any
22 renewals.

23 (2) A provision specifying that the Department:

24 (A) shall exercise actual control over all
25 significant business decisions;

26 (A-5) has the authority to direct or countermand

1 operating decisions by the private manager at any time;

2 (B) has ready access at any time to information
3 regarding Lottery operations;

4 (C) has the right to demand and receive information
5 from the private manager concerning any aspect of the
6 Lottery operations at any time; and

7 (D) retains ownership of all trade names,
8 trademarks, and intellectual property associated with
9 the Lottery.

10 (3) A provision imposing an affirmative duty on the
11 private manager to provide the Department with material
12 information and with any information the private manager
13 reasonably believes the Department would want to know to
14 enable the Department to conduct the Lottery.

15 (4) A provision requiring the private manager to
16 provide the Department with advance notice of any operating
17 decision that bears significantly on the public interest,
18 including, but not limited to, decisions on the kinds of
19 games to be offered to the public and decisions affecting
20 the relative risk and reward of the games being offered, so
21 the Department has a reasonable opportunity to evaluate and
22 countermand that decision.

23 (5) A provision providing for compensation of the
24 private manager that may consist of, among other things, a
25 fee for services and a performance based bonus as
26 consideration for managing the Lottery, including terms

1 that may provide the private manager with an increase in
2 compensation if Lottery revenues grow by a specified
3 percentage in a given year.

4 (6) (Blank).

5 (7) A provision requiring the deposit of all Lottery
6 proceeds to be deposited into the State Lottery Fund except
7 as otherwise provided in Section 20 of this Act.

8 (8) A provision requiring the private manager to locate
9 its principal office within the State.

10 (8-5) A provision encouraging that at least 20% of the
11 cost of contracts entered into for goods and services by
12 the private manager in connection with its management of
13 the Lottery, other than contracts with sales agents or
14 technical advisors, be awarded to businesses that are a
15 minority owned business, a female owned business, or a
16 business owned by a person with disability, as those terms
17 are defined in the Business Enterprise for Minorities,
18 Females, and Persons with Disabilities Act.

19 (9) A requirement that so long as the private manager
20 complies with all the conditions of the agreement under the
21 oversight of the Department, the private manager shall have
22 the following duties and obligations with respect to the
23 management of the Lottery:

24 (A) The right to use equipment and other assets
25 used in the operation of the Lottery.

26 (B) The rights and obligations under contracts

1 with retailers and vendors.

2 (C) The implementation of a comprehensive security
3 program by the private manager.

4 (D) The implementation of a comprehensive system
5 of internal audits.

6 (E) The implementation of a program by the private
7 manager to curb compulsive gambling by persons playing
8 the Lottery.

9 (F) A system for determining (i) the type of
10 Lottery games, (ii) the method of selecting winning
11 tickets, (iii) the manner of payment of prizes to
12 holders of winning tickets, (iv) the frequency of
13 drawings of winning tickets, (v) the method to be used
14 in selling tickets, (vi) a system for verifying the
15 validity of tickets claimed to be winning tickets,
16 (vii) the basis upon which retailer commissions are
17 established by the manager, and (viii) minimum
18 payouts.

19 (10) A requirement that advertising and promotion must
20 be consistent with Section 7.8a of this Act.

21 (11) A requirement that the private manager market the
22 Lottery to those residents who are new, infrequent, or
23 lapsed players of the Lottery, especially those who are
24 most likely to make regular purchases on the Internet as
25 permitted by law.

26 (12) A code of ethics for the private manager's

1 officers and employees.

2 (13) A requirement that the Department monitor and
3 oversee the private manager's practices and take action
4 that the Department considers appropriate to ensure that
5 the private manager is in compliance with the terms of the
6 management agreement, while allowing the manager, unless
7 specifically prohibited by law or the management
8 agreement, to negotiate and sign its own contracts with
9 vendors.

10 (14) A provision requiring the private manager to
11 periodically file, at least on an annual basis, appropriate
12 financial statements in a form and manner acceptable to the
13 Department.

14 (15) Cash reserves requirements.

15 (16) Procedural requirements for obtaining the prior
16 approval of the Department when a management agreement or
17 an interest in a management agreement is sold, assigned,
18 transferred, or pledged as collateral to secure financing.

19 (17) Grounds for the termination of the management
20 agreement by the Department or the private manager.

21 (18) Procedures for amendment of the agreement.

22 (19) A provision requiring the private manager to
23 engage in an open and competitive bidding process for any
24 procurement having a cost in excess of \$50,000 that is not
25 a part of the private manager's final offer. The process
26 shall favor the selection of a vendor deemed to have

1 submitted a proposal that provides the Lottery with the
2 best overall value. The process shall not be subject to the
3 provisions of the Illinois Procurement Code, unless
4 specifically required by the management agreement.

5 (20) The transition of rights and obligations,
6 including any associated equipment or other assets used in
7 the operation of the Lottery, from the manager to any
8 successor manager of the lottery, including the
9 Department, following the termination of or foreclosure
10 upon the management agreement.

11 (21) Right of use of copyrights, trademarks, and
12 service marks held by the Department in the name of the
13 State. The agreement must provide that any use of them by
14 the manager shall only be for the purpose of fulfilling its
15 obligations under the management agreement during the term
16 of the agreement.

17 (22) The disclosure of any information requested by the
18 Department to enable it to comply with the reporting
19 requirements and information requests provided for under
20 subsection (p) of this Section.

21 (e) Notwithstanding any other law to the contrary, the
22 Department shall select a private manager through a competitive
23 request for qualifications process consistent with Section
24 20-35 of the Illinois Procurement Code, which shall take into
25 account:

26 (1) the offeror's ability to market the Lottery to

1 those residents who are new, infrequent, or lapsed players
2 of the Lottery, especially those who are most likely to
3 make regular purchases on the Internet;

4 (2) the offeror's ability to address the State's
5 concern with the social effects of gambling on those who
6 can least afford to do so;

7 (3) the offeror's ability to provide the most
8 successful management of the Lottery for the benefit of the
9 people of the State based on current and past business
10 practices or plans of the offeror; and

11 (4) the offeror's poor or inadequate past performance
12 in servicing, equipping, operating or managing a lottery on
13 behalf of Illinois, another State or foreign government and
14 attracting persons who are not currently regular players of
15 a lottery.

16 (f) The Department may retain the services of an advisor or
17 advisors with significant experience in financial services or
18 the management, operation, and procurement of goods, services,
19 and equipment for a government-run lottery to assist in the
20 preparation of the terms of the request for qualifications and
21 selection of the private manager. Any prospective advisor
22 seeking to provide services under this subsection (f) shall
23 disclose any material business or financial relationship
24 during the past 3 years with any potential offeror, or with a
25 contractor or subcontractor presently providing goods,
26 services, or equipment to the Department to support the

1 Lottery. The Department shall evaluate the material business or
2 financial relationship of each prospective advisor. The
3 Department shall not select any prospective advisor with a
4 substantial business or financial relationship that the
5 Department deems to impair the objectivity of the services to
6 be provided by the prospective advisor. During the course of
7 the advisor's engagement by the Department, and for a period of
8 one year thereafter, the advisor shall not enter into any
9 business or financial relationship with any offeror or any
10 vendor identified to assist an offeror in performing its
11 obligations under the management agreement. Any advisor
12 retained by the Department shall be disqualified from being an
13 offeror. The Department shall not include terms in the request
14 for qualifications that provide a material advantage whether
15 directly or indirectly to any potential offeror, or any
16 contractor or subcontractor presently providing goods,
17 services, or equipment to the Department to support the
18 Lottery, including terms contained in previous responses to
19 requests for proposals or qualifications submitted to
20 Illinois, another State or foreign government when those terms
21 are uniquely associated with a particular potential offeror,
22 contractor, or subcontractor. The request for proposals
23 offered by the Department on December 22, 2008 as
24 "LOT08GAMESYS" and reference number "22016176" is declared
25 void.

26 (g) The Department shall select at least 2 offerors as

1 finalists to potentially serve as the private manager no later
2 than August 9, 2010. Upon making preliminary selections, the
3 Department shall schedule a public hearing on the finalists'
4 proposals and provide public notice of the hearing at least 7
5 calendar days before the hearing. The notice must include all
6 of the following:

7 (1) The date, time, and place of the hearing.

8 (2) The subject matter of the hearing.

9 (3) A brief description of the management agreement to
10 be awarded.

11 (4) The identity of the offerors that have been
12 selected as finalists to serve as the private manager.

13 (5) The address and telephone number of the Department.

14 (h) At the public hearing, the Department shall (i) provide
15 sufficient time for each finalist to present and explain its
16 proposal to the Department and the Governor or the Governor's
17 designee, including an opportunity to respond to questions
18 posed by the Department, Governor, or designee and (ii) allow
19 the public and non-selected offerors to comment on the
20 presentations. The Governor or a designee shall attend the
21 public hearing. After the public hearing, the Department shall
22 have 14 calendar days to recommend to the Governor whether a
23 management agreement should be entered into with a particular
24 finalist. After reviewing the Department's recommendation, the
25 Governor may accept or reject the Department's recommendation,
26 and shall select a final offeror as the private manager by

1 publication of a notice in the Illinois Procurement Bulletin on
2 or before September 15, 2010. The Governor shall include in the
3 notice a detailed explanation and the reasons why the final
4 offeror is superior to other offerors and will provide
5 management services in a manner that best achieves the
6 objectives of this Section. The Governor shall also sign the
7 management agreement with the private manager.

8 (i) Any action to contest the private manager selected by
9 the Governor under this Section must be brought within 7
10 calendar days after the publication of the notice of the
11 designation of the private manager as provided in subsection
12 (h) of this Section.

13 (j) The Lottery shall remain, for so long as a private
14 manager manages the Lottery in accordance with provisions of
15 this Act, a Lottery conducted by the State, and the State shall
16 not be authorized to sell or transfer the Lottery to a third
17 party.

18 (k) Any tangible personal property used exclusively in
19 connection with the lottery that is owned by the Department and
20 leased to the private manager shall be owned by the Department
21 in the name of the State and shall be considered to be public
22 property devoted to an essential public and governmental
23 function.

24 (l) The Department may exercise any of its powers under
25 this Section or any other law as necessary or desirable for the
26 execution of the Department's powers under this Section.

1 (m) Neither this Section nor any management agreement
2 entered into under this Section prohibits the General Assembly
3 from authorizing forms of gambling that are not in direct
4 competition with the Lottery. The forms of gambling authorized
5 by this amendatory Act of the 97th General Assembly constitute
6 authorized forms of gambling that are not in direct competition
7 with the Lottery.

8 (n) The private manager shall be subject to a complete
9 investigation in the third, seventh, and tenth years of the
10 agreement (if the agreement is for a 10-year term) by the
11 Department in cooperation with the Auditor General to determine
12 whether the private manager has complied with this Section and
13 the management agreement. The private manager shall bear the
14 cost of an investigation or reinvestigation of the private
15 manager under this subsection.

16 (o) The powers conferred by this Section are in addition
17 and supplemental to the powers conferred by any other law. If
18 any other law or rule is inconsistent with this Section,
19 including, but not limited to, provisions of the Illinois
20 Procurement Code, then this Section controls as to any
21 management agreement entered into under this Section. This
22 Section and any rules adopted under this Section contain full
23 and complete authority for a management agreement between the
24 Department and a private manager. No law, procedure,
25 proceeding, publication, notice, consent, approval, order, or
26 act by the Department or any other officer, Department, agency,

1 or instrumentality of the State or any political subdivision is
2 required for the Department to enter into a management
3 agreement under this Section. This Section contains full and
4 complete authority for the Department to approve any contracts
5 entered into by a private manager with a vendor providing
6 goods, services, or both goods and services to the private
7 manager under the terms of the management agreement, including
8 subcontractors of such vendors.

9 Upon receipt of a written request from the Chief
10 Procurement Officer, the Department shall provide to the Chief
11 Procurement Officer a complete and un-redacted copy of the
12 management agreement or any contract that is subject to the
13 Department's approval authority under this subsection (o). The
14 Department shall provide a copy of the agreement or contract to
15 the Chief Procurement Officer in the time specified by the
16 Chief Procurement Officer in his or her written request, but no
17 later than 5 business days after the request is received by the
18 Department. The Chief Procurement Officer must retain any
19 portions of the management agreement or of any contract
20 designated by the Department as confidential, proprietary, or
21 trade secret information in complete confidence pursuant to
22 subsection (g) of Section 7 of the Freedom of Information Act.
23 The Department shall also provide the Chief Procurement Officer
24 with reasonable advance written notice of any contract that is
25 pending Department approval.

26 Notwithstanding any other provision of this Section to the

1 contrary, the Chief Procurement Officer shall adopt
2 administrative rules, including emergency rules, to establish
3 a procurement process to select a successor private manager if
4 a private management agreement has been terminated. The
5 selection process shall at a minimum take into account the
6 criteria set forth in items (1) through (4) of subsection (e)
7 of this Section and may include provisions consistent with
8 subsections (f), (g), (h), and (i) of this Section. The Chief
9 Procurement Officer shall also implement and administer the
10 adopted selection process upon the termination of a private
11 management agreement. The Department, after the Chief
12 Procurement Officer certifies that the procurement process has
13 been followed in accordance with the rules adopted under this
14 subsection (o), shall select a final offeror as the private
15 manager and sign the management agreement with the private
16 manager.

17 Except as provided in Sections 21.2, 21.5, 21.6, 21.7, and
18 21.8, the Department shall distribute all proceeds of lottery
19 tickets and shares sold in the following priority and manner:

20 (1) The payment of prizes and retailer bonuses.

21 (2) The payment of costs incurred in the operation and
22 administration of the Lottery, including the payment of
23 sums due to the private manager under the management
24 agreement with the Department.

25 (3) On the last day of each month or as soon thereafter
26 as possible, the State Comptroller shall direct and the

1 State Treasurer shall transfer from the Lottery Fund to the
2 Common School Fund an amount that is equal to the proceeds
3 transferred in the corresponding month of fiscal year 2009,
4 as adjusted for inflation, to the Common School Fund.

5 (4) On or before the last day of each fiscal year,
6 deposit any remaining proceeds, subject to payments under
7 items (1), (2), and (3) into the Capital Projects Fund each
8 fiscal year.

9 (p) The Department shall be subject to the following
10 reporting and information request requirements:

11 (1) the Department shall submit written quarterly
12 reports to the Governor and the General Assembly on the
13 activities and actions of the private manager selected
14 under this Section;

15 (2) upon request of the Chief Procurement Officer, the
16 Department shall promptly produce information related to
17 the procurement activities of the Department and the
18 private manager requested by the Chief Procurement
19 Officer; the Chief Procurement Officer must retain
20 confidential, proprietary, or trade secret information
21 designated by the Department in complete confidence
22 pursuant to subsection (g) of Section 7 of the Freedom of
23 Information Act; and

24 (3) at least 30 days prior to the beginning of the
25 Department's fiscal year, the Department shall prepare an
26 annual written report on the activities of the private

1 manager selected under this Section and deliver that report
2 to the Governor and General Assembly.

3 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-840,
4 eff. 12-23-09; 97-464, eff. 8-19-11.)

5 Section 90-10. The Department of Revenue Law of the Civil
6 Administrative Code of Illinois is amended by changing Section
7 2505-305 as follows:

8 (20 ILCS 2505/2505-305) (was 20 ILCS 2505/39b15.1)

9 Sec. 2505-305. Investigators.

10 (a) The Department has the power to appoint investigators
11 to conduct all investigations, searches, seizures, arrests,
12 and other duties imposed under the provisions of any law
13 administered by the Department. Except as provided in
14 subsection (c), these investigators have and may exercise all
15 the powers of peace officers solely for the purpose of
16 enforcing taxing measures administered by the Department.

17 (b) The Director must authorize to each investigator
18 employed under this Section and to any other employee of the
19 Department exercising the powers of a peace officer a distinct
20 badge that, on its face, (i) clearly states that the badge is
21 authorized by the Department and (ii) contains a unique
22 identifying number. No other badge shall be authorized by the
23 Department.

24 (c) The Department may enter into agreements with the

1 Illinois Gaming Board providing that investigators appointed
2 under this Section shall exercise the peace officer powers set
3 forth in paragraph (20.6) of subsection (c) of Section 5 of the
4 Illinois Riverboat Gambling Act.

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

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

8 (30 ILCS 5/3-1) (from Ch. 15, par. 303-1)

9 Sec. 3-1. Jurisdiction of Auditor General. The Auditor
10 General has jurisdiction over all State agencies to make post
11 audits and investigations authorized by or under this Act or
12 the Constitution.

13 The Auditor General has jurisdiction over local government
14 agencies and private agencies only:

15 (a) to make such post audits authorized by or under
16 this Act as are necessary and incidental to a post audit of
17 a State agency or of a program administered by a State
18 agency involving public funds of the State, but this
19 jurisdiction does not include any authority to review local
20 governmental agencies in the obligation, receipt,
21 expenditure or use of public funds of the State that are
22 granted without limitation or condition imposed by law,
23 other than the general limitation that such funds be used
24 for public purposes;

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

3 (c) to make audits of the records of local government
4 agencies to verify actual costs of state-mandated programs
5 when directed to do so by the Legislative Audit Commission
6 at the request of the State Board of Appeals under the
7 State Mandates Act.

8 In addition to the foregoing, the Auditor General may
9 conduct an audit of the Metropolitan Pier and Exposition
10 Authority, the Regional Transportation Authority, the Suburban
11 Bus Division, the Commuter Rail Division and the Chicago
12 Transit Authority and any other subsidized carrier when
13 authorized by the Legislative Audit Commission. Such audit may
14 be a financial, management or program audit, or any combination
15 thereof.

16 The audit shall determine whether they are operating in
17 accordance with all applicable laws and regulations. Subject to
18 the limitations of this Act, the Legislative Audit Commission
19 may by resolution specify additional determinations to be
20 included in the scope of the audit.

21 In addition to the foregoing, the Auditor General must also
22 conduct a financial audit of the Illinois Sports Facilities
23 Authority's expenditures of public funds in connection with the
24 reconstruction, renovation, remodeling, extension, or
25 improvement of all or substantially all of any existing
26 "facility", as that term is defined in the Illinois Sports

1 Facilities Authority Act.

2 The Auditor General may also conduct an audit, when
3 authorized by the Legislative Audit Commission, of any hospital
4 which receives 10% or more of its gross revenues from payments
5 from the State of Illinois, Department of Healthcare and Family
6 Services (formerly Department of Public Aid), Medical
7 Assistance Program.

8 The Auditor General is authorized to conduct financial and
9 compliance audits of the Illinois Distance Learning Foundation
10 and the Illinois Conservation Foundation.

11 As soon as practical after the effective date of this
12 amendatory Act of 1995, the Auditor General shall conduct a
13 compliance and management audit of the City of Chicago and any
14 other entity with regard to the operation of Chicago O'Hare
15 International Airport, Chicago Midway Airport and Merrill C.
16 Meigs Field. The audit shall include, but not be limited to, an
17 examination of revenues, expenses, and transfers of funds;
18 purchasing and contracting policies and practices; staffing
19 levels; and hiring practices and procedures. When completed,
20 the audit required by this paragraph shall be distributed in
21 accordance with Section 3-14.

22 The Auditor General shall conduct a financial and
23 compliance and program audit of distributions from the
24 Municipal Economic Development Fund during the immediately
25 preceding calendar year pursuant to Section 8-403.1 of the
26 Public Utilities Act at no cost to the city, village, or

1 incorporated town that received the distributions.

2 The Auditor General must conduct an audit of the Health
3 Facilities and Services Review Board pursuant to Section 19.5
4 of the Illinois Health Facilities Planning Act.

5 The Auditor General must conduct an audit of the Chicago
6 Casino Development Authority pursuant to Section 1-60 of the
7 Chicago Casino Development Authority Act.

8 The Auditor General of the State of Illinois shall annually
9 conduct or cause to be conducted a financial and compliance
10 audit of the books and records of any county water commission
11 organized pursuant to the Water Commission Act of 1985 and
12 shall file a copy of the report of that audit with the Governor
13 and the Legislative Audit Commission. The filed audit shall be
14 open to the public for inspection. The cost of the audit shall
15 be charged to the county water commission in accordance with
16 Section 6z-27 of the State Finance Act. The county water
17 commission shall make available to the Auditor General its
18 books and records and any other documentation, whether in the
19 possession of its trustees or other parties, necessary to
20 conduct the audit required. These audit requirements apply only
21 through July 1, 2007.

22 The Auditor General must conduct audits of the Rend Lake
23 Conservancy District as provided in Section 25.5 of the River
24 Conservancy Districts Act.

25 The Auditor General must conduct financial audits of the
26 Southeastern Illinois Economic Development Authority as

1 provided in Section 70 of the Southeastern Illinois Economic
2 Development Authority Act.

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

6 (Source: P.A. 95-331, eff. 8-21-07; 96-31, eff. 6-30-09;
7 96-939, eff. 6-24-10.)

8 Section 90-15. The State Finance Act is amended by adding
9 Sections 5.809, 5.810, 5.811, 5.812, 5.813, 6z-93, 6z-94, and
10 6z-95 and by changing Sections 6z-32 and 6z-77 as follows:

11 (30 ILCS 105/5.809 new)

12 Sec. 5.809. The State and County Fair Assistance Fund.

13 (30 ILCS 105/5.810 new)

14 Sec. 5.810. The Depressed Communities Economic Development
15 Fund.

16 (30 ILCS 105/5.811 new)

17 Sec. 5.811. The Gaming Facilities Fee Revenue Fund.

18 (30 ILCS 105/5.812 new)

19 Sec. 5.812. The State Fairgrounds Infrastructure
20 Improvement Fund.

1 (30 ILCS 105/5.813 new)

2 Sec. 5.813. The Future of Agriculture Fund.

3 (30 ILCS 105/6z-32)

4 Sec. 6z-32. Partners for Planning and Conservation.

5 (a) The Partners for Conservation Fund (formerly known as
6 the Conservation 2000 Fund) and the Partners for Conservation
7 Projects Fund (formerly known as the Conservation 2000 Projects
8 Fund) are created as special funds in the State Treasury. These
9 funds shall be used to establish a comprehensive program to
10 protect Illinois' natural resources through cooperative
11 partnerships between State government and public and private
12 landowners. Moneys in these Funds may be used, subject to
13 appropriation, by the Department of Natural Resources,
14 Environmental Protection Agency, and the Department of
15 Agriculture for purposes relating to natural resource
16 protection, planning, recreation, tourism, and compatible
17 agricultural and economic development activities. Without
18 limiting these general purposes, moneys in these Funds may be
19 used, subject to appropriation, for the following specific
20 purposes:

21 (1) To foster sustainable agriculture practices and
22 control soil erosion and sedimentation, including grants
23 to Soil and Water Conservation Districts for conservation
24 practice cost-share grants and for personnel, educational,
25 and administrative expenses.

1 (2) To establish and protect a system of ecosystems in
2 public and private ownership through conservation
3 easements, incentives to public and private landowners,
4 natural resource restoration and preservation, water
5 quality protection and improvement, land use and watershed
6 planning, technical assistance and grants, and land
7 acquisition provided these mechanisms are all voluntary on
8 the part of the landowner and do not involve the use of
9 eminent domain.

10 (3) To develop a systematic and long-term program to
11 effectively measure and monitor natural resources and
12 ecological conditions through investments in technology
13 and involvement of scientific experts.

14 (4) To initiate strategies to enhance, use, and
15 maintain Illinois' inland lakes through education,
16 technical assistance, research, and financial incentives.

17 (5) To partner with private landowners and with units
18 of State, federal, and local government and with
19 not-for-profit organizations in order to integrate State
20 and federal programs with Illinois' natural resource
21 protection and restoration efforts and to meet
22 requirements to obtain federal and other funds for
23 conservation or protection of natural resources.

24 (b) The State Comptroller and State Treasurer shall
25 automatically transfer on the last day of each month, beginning
26 on September 30, 1995 and ending on June 30, 2021, from the

1 General Revenue Fund to the Partners for Conservation Fund, an
 2 amount equal to 1/10 of the amount set forth below in fiscal
 3 year 1996 and an amount equal to 1/12 of the amount set forth
 4 below in each of the other specified fiscal years:

5 Fiscal Year	Amount
6 1996	\$ 3,500,000
7 1997	\$ 9,000,000
8 1998	\$10,000,000
9 1999	\$11,000,000
10 2000	\$12,500,000
11 2001 through 2004	\$14,000,000
12 2005	\$7,000,000
13 2006	\$11,000,000
14 2007	\$0
15 2008 through 2021	\$14,000,000

16 (c) Notwithstanding any other provision of law to the
 17 contrary and in addition to any other transfers that may be
 18 provided for by law, on the last day of each month beginning on
 19 July 31, 2006 and ending on June 30, 2007, or as soon
 20 thereafter as may be practical, the State Comptroller shall
 21 direct and the State Treasurer shall transfer \$1,000,000 from
 22 the Open Space Lands Acquisition and Development Fund to the
 23 Conservation 2000 Fund.

24 (d) There shall be deposited into the Partners for
 25 Conservation Projects Fund such bond proceeds and other moneys
 26 as may, from time to time, be provided by law.

1 (e) Revenues deposited into the Fund pursuant to subsection
2 (b-12) of Section 13 of the Illinois Gambling Act shall be used
3 solely for grants to soil and water conservation districts.
4 Such revenues shall supplement, and not supplant, other State
5 funding for soil and water conservation districts.

6 (Source: P.A. 94-91, eff. 7-1-05; 94-839, eff. 6-6-06; 95-139,
7 eff. 1-1-08.)

8 (30 ILCS 105/6z-77)

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

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

19 (b) Subject to appropriation, the Capital Projects Fund may
20 be used ~~only~~ for capital projects and the payment of debt
21 service on bonds issued for capital projects and for transfers
22 to the State Fairgrounds Infrastructure Improvement Fund. All
23 interest earned on moneys in the Fund shall be deposited into
24 the Fund. The Fund shall not be subject to administrative
25 charges or chargebacks, such as but not limited to those

1 authorized under Section 8h.

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

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

21 (30 ILCS 105/6z-93 new)

22 Sec. 6z-93. The Gaming Facilities Fee Revenue Fund.

23 (a) The Gaming Facilities Fee Revenue Fund is created as a
24 special fund in the State treasury.

25 (b) The revenues in the Fund shall be used, subject to

1 appropriation, by the Comptroller for the purpose of (i)
2 providing appropriations to the Illinois Gaming Board for the
3 administration and enforcement of the Illinois Gambling Act and
4 (ii) payment of vouchers that are outstanding for more than 60
5 days. Whenever practical, the Comptroller must prioritize
6 voucher payments for expenses related to medical assistance
7 under the Illinois Public Aid Code, the Children's Health
8 Insurance Program Act, the Covering ALL KIDS Health Insurance
9 Act, and the Senior Citizens and Disabled Persons Property Tax
10 Relief and Pharmaceutical Assistance Act.

11 (c) The Fund shall consist of fee revenues received
12 pursuant to subsection (e) of Section 1-45 of the Chicago
13 Casino Development Authority Act and pursuant to subsections
14 (e-10), (e-15), (e-25), and (h-5) of Section 7 and subsections
15 (c) and (i) of Section 7.6 of the Illinois Gambling Act. All
16 interest earned on moneys in the Fund shall be deposited into
17 the Fund.

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

21 (30 ILCS 105/6z-94 new)

22 Sec. 6z-94. The State Fairgrounds Infrastructure
23 Improvement Fund. There is created the State Fairgrounds
24 Infrastructure Improvement Fund, a special fund in the State
25 treasury. Moneys in the Fund may be used by the Department of

1 Agriculture, subject to appropriation, solely for
2 infrastructure improvements to the Illinois State Fairgrounds
3 in Sangamon County. The Director of Agriculture shall annually
4 certify the amount needed in the next fiscal year for such
5 infrastructure improvements. Upon receipt of such
6 certification, the Governor shall direct, and the State
7 Comptroller and State Treasurer shall transfer the certified
8 amount from the Capital Projects Fund to the State Fairgrounds
9 Infrastructure Improvement Fund. The State Fairgrounds
10 Infrastructure Improvement Fund is not subject to
11 administrative chargebacks, including, but not limited to,
12 those authorized under Section 8h of the State Finance Act.

13 (30 ILCS 105/6z-95 new)

14 Sec. 6z-95. The Future of Agriculture Fund. There is
15 created the Future of Agriculture Fund, a special fund in the
16 State treasury. Moneys in the Fund may be used by the
17 Department of Agriculture, subject to appropriation, solely
18 for grants to (1) county fairs, as defined by Section 2 of the
19 Agricultural Fair Act, (2) the Illinois Association FFA, and
20 (3) University of Illinois Extension 4-H programs. The Future
21 of Agriculture Fund is not subject to administrative
22 chargebacks, including, but not limited to, those authorized
23 under Section 8h of the State Finance Act.

24 Section 90-20. The Illinois Income Tax Act is amended by

1 changing Section 201 as follows:

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

3 Sec. 201. Tax Imposed.

4 (a) In general. A tax measured by net income is hereby
5 imposed on every individual, corporation, trust and estate for
6 each taxable year ending after July 31, 1969 on the privilege
7 of earning or receiving income in or as a resident of this
8 State. Such tax shall be in addition to all other occupation or
9 privilege taxes imposed by this State or by any municipal
10 corporation or political subdivision thereof.

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

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

18 (2) In the case of an individual, trust or estate, for
19 taxable years beginning prior to July 1, 1989 and ending
20 after June 30, 1989, an amount equal to the sum of (i) 2
21 1/2% of the taxpayer's net income for the period prior to
22 July 1, 1989, as calculated under Section 202.3, and (ii)
23 3% of the taxpayer's net income for the period after June
24 30, 1989, as calculated under Section 202.3.

25 (3) In the case of an individual, trust or estate, for

1 taxable years beginning after June 30, 1989, and ending
2 prior to January 1, 2011, an amount equal to 3% of the
3 taxpayer's net income for the taxable year.

4 (4) In the case of an individual, trust, or estate, for
5 taxable years beginning prior to January 1, 2011, and
6 ending after December 31, 2010, an amount equal to the sum
7 of (i) 3% of the taxpayer's net income for the period prior
8 to January 1, 2011, as calculated under Section 202.5, and
9 (ii) 5% of the taxpayer's net income for the period after
10 December 31, 2010, as calculated under Section 202.5.

11 (5) In the case of an individual, trust, or estate, for
12 taxable years beginning on or after January 1, 2011, and
13 ending prior to January 1, 2015, an amount equal to 5% of
14 the taxpayer's net income for the taxable year.

15 (5.1) In the case of an individual, trust, or estate,
16 for taxable years beginning prior to January 1, 2015, and
17 ending after December 31, 2014, an amount equal to the sum
18 of (i) 5% of the taxpayer's net income for the period prior
19 to January 1, 2015, as calculated under Section 202.5, and
20 (ii) 3.75% of the taxpayer's net income for the period
21 after December 31, 2014, as calculated under Section 202.5.

22 (5.2) In the case of an individual, trust, or estate,
23 for taxable years beginning on or after January 1, 2015,
24 and ending prior to January 1, 2025, an amount equal to
25 3.75% of the taxpayer's net income for the taxable year.

26 (5.3) In the case of an individual, trust, or estate,

1 for taxable years beginning prior to January 1, 2025, and
2 ending after December 31, 2024, an amount equal to the sum
3 of (i) 3.75% of the taxpayer's net income for the period
4 prior to January 1, 2025, as calculated under Section
5 202.5, and (ii) 3.25% of the taxpayer's net income for the
6 period after December 31, 2024, as calculated under Section
7 202.5.

8 (5.4) In the case of an individual, trust, or estate,
9 for taxable years beginning on or after January 1, 2025, an
10 amount equal to 3.25% of the taxpayer's net income for the
11 taxable year.

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

15 (7) In the case of a corporation, for taxable years
16 beginning prior to July 1, 1989 and ending after June 30,
17 1989, an amount equal to the sum of (i) 4% of the
18 taxpayer's net income for the period prior to July 1, 1989,
19 as calculated under Section 202.3, and (ii) 4.8% of the
20 taxpayer's net income for the period after June 30, 1989,
21 as calculated under Section 202.3.

22 (8) In the case of a corporation, for taxable years
23 beginning after June 30, 1989, and ending prior to January
24 1, 2011, an amount equal to 4.8% of the taxpayer's net
25 income for the taxable year.

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

1 beginning prior to January 1, 2011, and ending after
2 December 31, 2010, an amount equal to the sum of (i) 4.8%
3 of the taxpayer's net income for the period prior to
4 January 1, 2011, as calculated under Section 202.5, and
5 (ii) 7% of the taxpayer's net income for the period after
6 December 31, 2010, as calculated under Section 202.5.

7 (10) In the case of a corporation, for taxable years
8 beginning on or after January 1, 2011, and ending prior to
9 January 1, 2015, an amount equal to 7% of the taxpayer's
10 net income for the taxable year.

11 (11) In the case of a corporation, for taxable years
12 beginning prior to January 1, 2015, and ending after
13 December 31, 2014, an amount equal to the sum of (i) 7% of
14 the taxpayer's net income for the period prior to January
15 1, 2015, as calculated under Section 202.5, and (ii) 5.25%
16 of the taxpayer's net income for the period after December
17 31, 2014, as calculated under Section 202.5.

18 (12) In the case of a corporation, for taxable years
19 beginning on or after January 1, 2015, and ending prior to
20 January 1, 2025, an amount equal to 5.25% of the taxpayer's
21 net income for the taxable year.

22 (13) In the case of a corporation, for taxable years
23 beginning prior to January 1, 2025, and ending after
24 December 31, 2024, an amount equal to the sum of (i) 5.25%
25 of the taxpayer's net income for the period prior to
26 January 1, 2025, as calculated under Section 202.5, and

1 (ii) 4.8% of the taxpayer's net income for the period after
2 December 31, 2024, as calculated under Section 202.5.

3 (14) In the case of a corporation, for taxable years
4 beginning on or after January 1, 2025, an amount equal to
5 4.8% of the taxpayer's net income for the taxable year.

6 The rates under this subsection (b) are subject to the
7 provisions of Section 201.5.

8 (b-5) Surcharge; sale or exchange of assets, properties,
9 and intangibles of electronic gaming licensees. For each of
10 taxable years 2011 through 2019, a surcharge is imposed on all
11 taxpayers on income arising from the sale or exchange of
12 capital assets, depreciable business property, real property
13 used in the trade or business, and Section 197 intangibles (i)
14 of an organization licensee under the Illinois Horse Racing Act
15 of 1975 and (ii) of an electronic gaming licensee under the
16 Illinois Gambling Act. The amount of the surcharge is equal to
17 the amount of federal income tax liability for the taxable year
18 attributable to those sales and exchanges. The surcharge
19 imposed shall not apply if:

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

23 (A) bankruptcy, a receivership, or a debt
24 adjustment initiated by or against the initial
25 licensee or the substantial owners of the initial
26 licensee;

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

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

7 (D) the death of an owner of the equity interest in
8 a licensee;

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

12 (F) a transfer by a parent company to a wholly
13 owned subsidiary; or

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

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

23 (3) live horse racing was not conducted in 2011 under a
24 license issued pursuant to the Illinois Horse Racing Act of
25 1975.

26 The transfer of an electronic gaming license, organization

1 license, or race track property by a person other than the
2 initial licensee to receive the electronic gaming license is
3 not subject to a surcharge. The Department shall adopt rules
4 necessary to implement and administer this subsection.

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

18 (d) Additional Personal Property Tax Replacement Income
19 Tax Rates. The personal property tax replacement income tax
20 imposed by this subsection and subsection (c) of this Section
21 in the case of a corporation, other than a Subchapter S
22 corporation and except as adjusted by subsection (d-1), shall
23 be an additional amount equal to 2.85% of such taxpayer's net
24 income for the taxable year, except that beginning on January
25 1, 1981, and thereafter, the rate of 2.85% specified in this
26 subsection shall be reduced to 2.5%, and in the case of a

1 partnership, trust or a Subchapter S corporation shall be an
2 additional amount equal to 1.5% of such taxpayer's net income
3 for the taxable year.

4 (d-1) Rate reduction for certain foreign insurers. In the
5 case of a foreign insurer, as defined by Section 35A-5 of the
6 Illinois Insurance Code, whose state or country of domicile
7 imposes on insurers domiciled in Illinois a retaliatory tax
8 (excluding any insurer whose premiums from reinsurance assumed
9 are 50% or more of its total insurance premiums as determined
10 under paragraph (2) of subsection (b) of Section 304, except
11 that for purposes of this determination premiums from
12 reinsurance do not include premiums from inter-affiliate
13 reinsurance arrangements), beginning with taxable years ending
14 on or after December 31, 1999, the sum of the rates of tax
15 imposed by subsections (b) and (d) shall be reduced (but not
16 increased) to the rate at which the total amount of tax imposed
17 under this Act, net of all credits allowed under this Act,
18 shall equal (i) the total amount of tax that would be imposed
19 on the foreign insurer's net income allocable to Illinois for
20 the taxable year by such foreign insurer's state or country of
21 domicile if that net income were subject to all income taxes
22 and taxes measured by net income imposed by such foreign
23 insurer's state or country of domicile, net of all credits
24 allowed or (ii) a rate of zero if no such tax is imposed on such
25 income by the foreign insurer's state of domicile. For the
26 purposes of this subsection (d-1), an inter-affiliate includes

1 a mutual insurer under common management.

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

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

8 (B) the privilege tax imposed by Section 409 of the
9 Illinois Insurance Code, the fire insurance company
10 tax imposed by Section 12 of the Fire Investigation
11 Act, and the fire department taxes imposed under
12 Section 11-10-1 of the Illinois Municipal Code,
13 equals 1.25% for taxable years ending prior to December 31,
14 2003, or 1.75% for taxable years ending on or after
15 December 31, 2003, of the net taxable premiums written for
16 the taxable year, as described by subsection (1) of Section
17 409 of the Illinois Insurance Code. This paragraph will in
18 no event increase the rates imposed under subsections (b)
19 and (d).

20 (2) Any reduction in the rates of tax imposed by this
21 subsection shall be applied first against the rates imposed
22 by subsection (b) and only after the tax imposed by
23 subsection (a) net of all credits allowed under this
24 Section other than the credit allowed under subsection (i)
25 has been reduced to zero, against the rates imposed by
26 subsection (d).

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

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

6 (1) A taxpayer shall be allowed a credit equal to .5%
7 of the basis of qualified property placed in service during
8 the taxable year, provided such property is placed in
9 service on or after July 1, 1984. There shall be allowed an
10 additional credit equal to .5% of the basis of qualified
11 property placed in service during the taxable year,
12 provided such property is placed in service on or after
13 July 1, 1986, and the taxpayer's base employment within
14 Illinois has increased by 1% or more over the preceding
15 year as determined by the taxpayer's employment records
16 filed with the Illinois Department of Employment Security.
17 Taxpayers who are new to Illinois shall be deemed to have
18 met the 1% growth in base employment for the first year in
19 which they file employment records with the Illinois
20 Department of Employment Security. The provisions added to
21 this Section by Public Act 85-1200 (and restored by Public
22 Act 87-895) shall be construed as declaratory of existing
23 law and not as a new enactment. If, in any year, the
24 increase in base employment within Illinois over the
25 preceding year is less than 1%, the additional credit shall
26 be limited to that percentage times a fraction, the

1 numerator of which is .5% and the denominator of which is
2 1%, but shall not exceed .5%. The investment credit shall
3 not be allowed to the extent that it would reduce a
4 taxpayer's liability in any tax year below zero, nor may
5 any credit for qualified property be allowed for any year
6 other than the year in which the property was placed in
7 service in Illinois. For tax years ending on or after
8 December 31, 1987, and on or before December 31, 1988, the
9 credit shall be allowed for the tax year in which the
10 property is placed in service, or, if the amount of the
11 credit exceeds the tax liability for that year, whether it
12 exceeds the original liability or the liability as later
13 amended, such excess may be carried forward and applied to
14 the tax liability of the 5 taxable years following the
15 excess credit years if the taxpayer (i) makes investments
16 which cause the creation of a minimum of 2,000 full-time
17 equivalent jobs in Illinois, (ii) is located in an
18 enterprise zone established pursuant to the Illinois
19 Enterprise Zone Act and (iii) is certified by the
20 Department of Commerce and Community Affairs (now
21 Department of Commerce and Economic Opportunity) as
22 complying with the requirements specified in clause (i) and
23 (ii) by July 1, 1986. The Department of Commerce and
24 Community Affairs (now Department of Commerce and Economic
25 Opportunity) shall notify the Department of Revenue of all
26 such certifications immediately. For tax years ending

1 after December 31, 1988, the credit shall be allowed for
2 the tax year in which the property is placed in service,
3 or, if the amount of the credit exceeds the tax liability
4 for that year, whether it exceeds the original liability or
5 the liability as later amended, such excess may be carried
6 forward and applied to the tax liability of the 5 taxable
7 years following the excess credit years. The credit shall
8 be applied to the earliest year for which there is a
9 liability. If there is credit from more than one tax year
10 that is available to offset a liability, earlier credit
11 shall be applied first.

12 (2) The term "qualified property" means property
13 which:

14 (A) is tangible, whether new or used, including
15 buildings and structural components of buildings and
16 signs that are real property, but not including land or
17 improvements to real property that are not a structural
18 component of a building such as landscaping, sewer
19 lines, local access roads, fencing, parking lots, and
20 other appurtenances;

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

26 (C) is acquired by purchase as defined in Section

1 179(d) of the Internal Revenue Code;

2 (D) is used in Illinois by a taxpayer who is
3 primarily engaged in manufacturing, or in mining coal
4 or fluorite, or in retailing, or was placed in service
5 on or after July 1, 2006 in a River Edge Redevelopment
6 Zone established pursuant to the River Edge
7 Redevelopment Zone Act; and

8 (E) has not previously been used in Illinois in
9 such a manner and by such a person as would qualify for
10 the credit provided by this subsection (e) or
11 subsection (f).

12 (3) For purposes of this subsection (e),
13 "manufacturing" means the material staging and production
14 of tangible personal property by procedures commonly
15 regarded as manufacturing, processing, fabrication, or
16 assembling which changes some existing material into new
17 shapes, new qualities, or new combinations. For purposes of
18 this subsection (e) the term "mining" shall have the same
19 meaning as the term "mining" in Section 613(c) of the
20 Internal Revenue Code. For purposes of this subsection (e),
21 the term "retailing" means the sale of tangible personal
22 property for use or consumption and not for resale, or
23 services rendered in conjunction with the sale of tangible
24 personal property for use or consumption and not for
25 resale. For purposes of this subsection (e), "tangible
26 personal property" has the same meaning as when that term

1 is used in the Retailers' Occupation Tax Act, and, for
2 taxable years ending after December 31, 2008, does not
3 include the generation, transmission, or distribution of
4 electricity.

5 (4) The basis of qualified property shall be the basis
6 used to compute the depreciation deduction for federal
7 income tax purposes.

8 (5) If the basis of the property for federal income tax
9 depreciation purposes is increased after it has been placed
10 in service in Illinois by the taxpayer, the amount of such
11 increase shall be deemed property placed in service on the
12 date of such increase in basis.

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

15 (7) If during any taxable year, any property ceases to
16 be qualified property in the hands of the taxpayer within
17 48 months after being placed in service, or the situs of
18 any qualified property is moved outside Illinois within 48
19 months after being placed in service, the Personal Property
20 Tax Replacement Income Tax for such taxable year shall be
21 increased. Such increase shall be determined by (i)
22 recomputing the investment credit which would have been
23 allowed for the year in which credit for such property was
24 originally allowed by eliminating such property from such
25 computation and, (ii) subtracting such recomputed credit
26 from the amount of credit previously allowed. For the

1 purposes of this paragraph (7), a reduction of the basis of
2 qualified property resulting from a redetermination of the
3 purchase price shall be deemed a disposition of qualified
4 property to the extent of such reduction.

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

10 (9) Each taxable year ending before December 31, 2000,
11 a partnership may elect to pass through to its partners the
12 credits to which the partnership is entitled under this
13 subsection (e) for the taxable year. A partner may use the
14 credit allocated to him or her under this paragraph only
15 against the tax imposed in subsections (c) and (d) of this
16 Section. If the partnership makes that election, those
17 credits shall be allocated among the partners in the
18 partnership in accordance with the rules set forth in
19 Section 704(b) of the Internal Revenue Code, and the rules
20 promulgated under that Section, and the allocated amount of
21 the credits shall be allowed to the partners for that
22 taxable year. The partnership shall make this election on
23 its Personal Property Tax Replacement Income Tax return for
24 that taxable year. The election to pass through the credits
25 shall be irrevocable.

26 For taxable years ending on or after December 31, 2000,

1 a partner that qualifies its partnership for a subtraction
2 under subparagraph (I) of paragraph (2) of subsection (d)
3 of Section 203 or a shareholder that qualifies a Subchapter
4 S corporation for a subtraction under subparagraph (S) of
5 paragraph (2) of subsection (b) of Section 203 shall be
6 allowed a credit under this subsection (e) equal to its
7 share of the credit earned under this subsection (e) during
8 the taxable year by the partnership or Subchapter S
9 corporation, determined in accordance with the
10 determination of income and distributive share of income
11 under Sections 702 and 704 and Subchapter S of the Internal
12 Revenue Code. This paragraph is exempt from the provisions
13 of Section 250.

14 (f) Investment credit; Enterprise Zone; River Edge
15 Redevelopment Zone.

16 (1) A taxpayer shall be allowed a credit against the
17 tax imposed by subsections (a) and (b) of this Section for
18 investment in qualified property which is placed in service
19 in an Enterprise Zone created pursuant to the Illinois
20 Enterprise Zone Act or, for property placed in service on
21 or after July 1, 2006, a River Edge Redevelopment Zone
22 established pursuant to the River Edge Redevelopment Zone
23 Act. For partners, shareholders of Subchapter S
24 corporations, and owners of limited liability companies,
25 if the liability company is treated as a partnership for
26 purposes of federal and State income taxation, there shall

1 be allowed a credit under this subsection (f) to be
2 determined in accordance with the determination of income
3 and distributive share of income under Sections 702 and 704
4 and Subchapter S of the Internal Revenue Code. The credit
5 shall be .5% of the basis for such property. The credit
6 shall be available only in the taxable year in which the
7 property is placed in service in the Enterprise Zone or
8 River Edge Redevelopment Zone and shall not be allowed to
9 the extent that it would reduce a taxpayer's liability for
10 the tax imposed by subsections (a) and (b) of this Section
11 to below zero. For tax years ending on or after December
12 31, 1985, the credit shall be allowed for the tax year in
13 which the property is placed in service, or, if the amount
14 of the credit exceeds the tax liability for that year,
15 whether it exceeds the original liability or the liability
16 as later amended, such excess may be carried forward and
17 applied to the tax liability of the 5 taxable years
18 following the excess credit year. The credit shall be
19 applied to the earliest year for which there is a
20 liability. If there is credit from more than one tax year
21 that is available to offset a liability, the credit
22 accruing first in time shall be applied first.

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

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

26 (B) is depreciable pursuant to Section 167 of the

1 Internal Revenue Code, except that "3-year property"
2 as defined in Section 168(c)(2)(A) of that Code is not
3 eligible for the credit provided by this subsection
4 (f);

5 (C) is acquired by purchase as defined in Section
6 179(d) of the Internal Revenue Code;

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

9 (E) has not been previously used in Illinois in
10 such a manner and by such a person as would qualify for
11 the credit provided by this subsection (f) or
12 subsection (e).

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

16 (4) If the basis of the property for federal income tax
17 depreciation purposes is increased after it has been placed
18 in service in the Enterprise Zone or River Edge
19 Redevelopment Zone by the taxpayer, the amount of such
20 increase shall be deemed property placed in service on the
21 date of such increase in basis.

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

24 (6) If during any taxable year, any property ceases to
25 be qualified property in the hands of the taxpayer within
26 48 months after being placed in service, or the situs of

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

15 (7) There shall be allowed an additional credit equal
16 to 0.5% of the basis of qualified property placed in
17 service during the taxable year in a River Edge
18 Redevelopment Zone, provided such property is placed in
19 service on or after July 1, 2006, and the taxpayer's base
20 employment within Illinois has increased by 1% or more over
21 the preceding year as determined by the taxpayer's
22 employment records filed with the Illinois Department of
23 Employment Security. Taxpayers who are new to Illinois
24 shall be deemed to have met the 1% growth in base
25 employment for the first year in which they file employment
26 records with the Illinois Department of Employment

1 Security. If, in any year, the increase in base employment
2 within Illinois over the preceding year is less than 1%,
3 the additional credit shall be limited to that percentage
4 times a fraction, the numerator of which is 0.5% and the
5 denominator of which is 1%, but shall not exceed 0.5%.

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

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

18 (2) To qualify for the credit:

19 (A) the taxpayer must hire 5 or more eligible
20 employees to work in an enterprise zone, River Edge
21 Redevelopment Zone, or federally designated Foreign
22 Trade Zone or Sub-Zone during the taxable year;

23 (B) the taxpayer's total employment within the
24 enterprise zone, River Edge Redevelopment Zone, or
25 federally designated Foreign Trade Zone or Sub-Zone
26 must increase by 5 or more full-time employees beyond

1 the total employed in that zone at the end of the
2 previous tax year for which a jobs tax credit under
3 this Section was taken, or beyond the total employed by
4 the taxpayer as of December 31, 1985, whichever is
5 later; and

6 (C) the eligible employees must be employed 180
7 consecutive days in order to be deemed hired for
8 purposes of this subsection.

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

10 (A) Certified by the Department of Commerce and
11 Economic Opportunity as "eligible for services"
12 pursuant to regulations promulgated in accordance with
13 Title II of the Job Training Partnership Act, Training
14 Services for the Disadvantaged or Title III of the Job
15 Training Partnership Act, Employment and Training
16 Assistance for Dislocated Workers Program.

17 (B) Hired after the enterprise zone, River Edge
18 Redevelopment Zone, or federally designated Foreign
19 Trade Zone or Sub-Zone was designated or the trade or
20 business was located in that zone, whichever is later.

21 (C) Employed in the enterprise zone, River Edge
22 Redevelopment Zone, or Foreign Trade Zone or Sub-Zone.
23 An employee is employed in an enterprise zone or
24 federally designated Foreign Trade Zone or Sub-Zone if
25 his services are rendered there or it is the base of
26 operations for the services performed.

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

3 (4) For tax years ending on or after December 31, 1985
4 and prior to December 31, 1988, the credit shall be allowed
5 for the tax year in which the eligible employees are hired.
6 For tax years ending on or after December 31, 1988, the
7 credit shall be allowed for the tax year immediately
8 following the tax year in which the eligible employees are
9 hired. 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, earlier
17 credit shall be applied first.

18 (5) The Department of Revenue shall promulgate such
19 rules and regulations as may be deemed necessary to carry
20 out the purposes of this subsection (g).

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

23 (h) Investment credit; High Impact Business.

24 (1) Subject to subsections (b) and (b-5) of Section 5.5
25 of the Illinois Enterprise Zone Act, a taxpayer shall be
26 allowed a credit against the tax imposed by subsections (a)

1 and (b) of this Section for investment in qualified
2 property which is placed in service by a Department of
3 Commerce and Economic Opportunity designated High Impact
4 Business. The credit shall be .5% of the basis for such
5 property. The credit shall not be available (i) until the
6 minimum investments in qualified property set forth in
7 subdivision (a)(3)(A) of Section 5.5 of the Illinois
8 Enterprise Zone Act have been satisfied or (ii) until the
9 time authorized in subsection (b-5) of the Illinois
10 Enterprise Zone Act for entities designated as High Impact
11 Businesses under subdivisions (a)(3)(B), (a)(3)(C), and
12 (a)(3)(D) of Section 5.5 of the Illinois Enterprise Zone
13 Act, and shall not be allowed to the extent that it would
14 reduce a taxpayer's liability for the tax imposed by
15 subsections (a) and (b) of this Section to below zero. The
16 credit applicable to such investments shall be taken in the
17 taxable year in which such investments have been completed.
18 The credit for additional investments beyond the minimum
19 investment by a designated high impact business authorized
20 under subdivision (a)(3)(A) of Section 5.5 of the Illinois
21 Enterprise Zone Act shall be available only in the taxable
22 year in which the property is placed in service and shall
23 not be allowed to the extent that it would reduce a
24 taxpayer's liability for the tax imposed by subsections (a)
25 and (b) of this Section to below zero. For tax years ending
26 on or after December 31, 1987, the credit shall be allowed

1 for the tax year in which the property is placed in
2 service, or, if the amount of the credit exceeds the tax
3 liability for that year, whether it exceeds the original
4 liability or the liability as later amended, such excess
5 may be carried forward and applied to the tax liability of
6 the 5 taxable years following the excess credit year. The
7 credit shall be applied to the earliest year for which
8 there is a liability. If there is credit from more than one
9 tax year that is available to offset a liability, the
10 credit accruing first in time shall be applied first.

11 Changes made in this subdivision (h) (1) by Public Act
12 88-670 restore changes made by Public Act 85-1182 and
13 reflect existing law.

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

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

17 (B) is depreciable pursuant to Section 167 of the
18 Internal Revenue Code, except that "3-year property"
19 as defined in Section 168(c) (2) (A) of that Code is not
20 eligible for the credit provided by this subsection
21 (h);

22 (C) is acquired by purchase as defined in Section
23 179(d) of the Internal Revenue Code; and

24 (D) is not eligible for the Enterprise Zone
25 Investment Credit provided by subsection (f) of this
26 Section.

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

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

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

12 (6) If during any taxable year ending on or before
13 December 31, 1996, any property ceases to be qualified
14 property in the hands of the taxpayer within 48 months
15 after being placed in service, or the situs of any
16 qualified property is moved outside Illinois within 48
17 months after being placed in service, the tax imposed under
18 subsections (a) and (b) of this Section for such taxable
19 year shall be increased. Such increase shall be determined
20 by (i) recomputing the investment credit which would have
21 been allowed for the year in which credit for such property
22 was originally allowed by eliminating such property from
23 such computation, and (ii) subtracting such recomputed
24 credit from the amount of credit previously allowed. For
25 the purposes of this paragraph (6), a reduction of the
26 basis of qualified property resulting from a

1 redetermination of the purchase price shall be deemed a
2 disposition of qualified property to the extent of such
3 reduction.

4 (7) Beginning with tax years ending after December 31,
5 1996, if a taxpayer qualifies for the credit under this
6 subsection (h) and thereby is granted a tax abatement and
7 the taxpayer relocates its entire facility in violation of
8 the explicit terms and length of the contract under Section
9 18-183 of the Property Tax Code, the tax imposed under
10 subsections (a) and (b) of this Section shall be increased
11 for the taxable year in which the taxpayer relocated its
12 facility by an amount equal to the amount of credit
13 received by the taxpayer under this subsection (h).

14 (i) Credit for Personal Property Tax Replacement Income
15 Tax. For tax years ending prior to December 31, 2003, a credit
16 shall be allowed against the tax imposed by subsections (a) and
17 (b) of this Section for the tax imposed by subsections (c) and
18 (d) of this Section. This credit shall be computed by
19 multiplying the tax imposed by subsections (c) and (d) of this
20 Section by a fraction, the numerator of which is base income
21 allocable to Illinois and the denominator of which is Illinois
22 base income, and further multiplying the product by the tax
23 rate imposed by subsections (a) and (b) of this Section.

24 Any credit earned on or after December 31, 1986 under this
25 subsection which is unused in the year the credit is computed
26 because it exceeds the tax liability imposed by subsections (a)

1 and (b) for that year (whether it exceeds the original
2 liability or the liability as later amended) may be carried
3 forward and applied to the tax liability imposed by subsections
4 (a) and (b) of the 5 taxable years following the excess credit
5 year, provided that no credit may be carried forward to any
6 year ending on or after December 31, 2003. This credit shall be
7 applied first to the earliest year for which there is a
8 liability. If there is a credit under this subsection from more
9 than one tax year that is available to offset a liability the
10 earliest credit arising under this subsection shall be applied
11 first.

12 If, during any taxable year ending on or after December 31,
13 1986, the tax imposed by subsections (c) and (d) of this
14 Section for which a taxpayer has claimed a credit under this
15 subsection (i) is reduced, the amount of credit for such tax
16 shall also be reduced. Such reduction shall be determined by
17 recomputing the credit to take into account the reduced tax
18 imposed by subsections (c) and (d). If any portion of the
19 reduced amount of credit has been carried to a different
20 taxable year, an amended return shall be filed for such taxable
21 year to reduce the amount of credit claimed.

22 (j) Training expense credit. Beginning with tax years
23 ending on or after December 31, 1986 and prior to December 31,
24 2003, a taxpayer shall be allowed a credit against the tax
25 imposed by subsections (a) and (b) under this Section for all
26 amounts paid or accrued, on behalf of all persons employed by

1 the taxpayer in Illinois or Illinois residents employed outside
2 of Illinois by a taxpayer, for educational or vocational
3 training in semi-technical or technical fields or semi-skilled
4 or skilled fields, which were deducted from gross income in the
5 computation of taxable income. The credit against the tax
6 imposed by subsections (a) and (b) shall be 1.6% of such
7 training expenses. For partners, shareholders of subchapter S
8 corporations, and owners of limited liability companies, if the
9 liability company is treated as a partnership for purposes of
10 federal and State income taxation, there shall be allowed a
11 credit under this subsection (j) to be determined in accordance
12 with the determination of income and distributive share of
13 income under Sections 702 and 704 and subchapter S of the
14 Internal Revenue Code.

15 Any credit allowed under this subsection which is unused in
16 the year the credit is earned may be carried forward to each of
17 the 5 taxable years following the year for which the credit is
18 first computed until it is used. This credit shall be applied
19 first to the earliest year for which there is a liability. If
20 there is a credit under this subsection from more than one tax
21 year that is available to offset a liability the earliest
22 credit arising under this subsection shall be applied first. No
23 carryforward credit may be claimed in any tax year ending on or
24 after December 31, 2003.

25 (k) Research and development credit.

26 For tax years ending after July 1, 1990 and prior to

1 December 31, 2003, and beginning again for tax years ending on
2 or after December 31, 2004, and ending prior to January 1,
3 2011, a taxpayer shall be allowed a credit against the tax
4 imposed by subsections (a) and (b) of this Section for
5 increasing research activities in this State. The credit
6 allowed against the tax imposed by subsections (a) and (b)
7 shall be equal to 6 1/2% of the qualifying expenditures for
8 increasing research activities in this State. For partners,
9 shareholders of subchapter S corporations, and owners of
10 limited liability companies, if the liability company is
11 treated as a partnership for purposes of federal and State
12 income taxation, there shall be allowed a credit under this
13 subsection to be determined in accordance with the
14 determination of income and distributive share of income under
15 Sections 702 and 704 and subchapter S of the Internal Revenue
16 Code.

17 For purposes of this subsection, "qualifying expenditures"
18 means the qualifying expenditures as defined for the federal
19 credit for increasing research activities which would be
20 allowable under Section 41 of the Internal Revenue Code and
21 which are conducted in this State, "qualifying expenditures for
22 increasing research activities in this State" means the excess
23 of qualifying expenditures for the taxable year in which
24 incurred over qualifying expenditures for the base period,
25 "qualifying expenditures for the base period" means the average
26 of the qualifying expenditures for each year in the base

1 period, and "base period" means the 3 taxable years immediately
2 preceding the taxable year for which the determination is being
3 made.

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

14 If an unused credit is carried forward to a given year from
15 2 or more earlier years, that credit arising in the earliest
16 year will be applied first against the tax liability for the
17 given year. If a tax liability for the given year still
18 remains, the credit from the next earliest year will then be
19 applied, and so on, until all credits have been used or no tax
20 liability for the given year remains. Any remaining unused
21 credit or credits then will be carried forward to the next
22 following year in which a tax liability is incurred, except
23 that no credit can be carried forward to a year which is more
24 than 5 years after the year in which the expense for which the
25 credit is given was incurred.

26 No inference shall be drawn from this amendatory Act of the

1 91st General Assembly in construing this Section for taxable
2 years beginning before January 1, 1999.

3 (1) Environmental Remediation Tax Credit.

4 (i) For tax years ending after December 31, 1997 and on
5 or before December 31, 2001, a taxpayer shall be allowed a
6 credit against the tax imposed by subsections (a) and (b)
7 of this Section for certain amounts paid for unreimbursed
8 eligible remediation costs, as specified in this
9 subsection. For purposes of this Section, "unreimbursed
10 eligible remediation costs" means costs approved by the
11 Illinois Environmental Protection Agency ("Agency") under
12 Section 58.14 of the Environmental Protection Act that were
13 paid in performing environmental remediation at a site for
14 which a No Further Remediation Letter was issued by the
15 Agency and recorded under Section 58.10 of the
16 Environmental Protection Act. The credit must be claimed
17 for the taxable year in which Agency approval of the
18 eligible remediation costs is granted. The credit is not
19 available to any taxpayer if the taxpayer or any related
20 party caused or contributed to, in any material respect, a
21 release of regulated substances on, in, or under the site
22 that was identified and addressed by the remedial action
23 pursuant to the Site Remediation Program of the
24 Environmental Protection Act. After the Pollution Control
25 Board rules are adopted pursuant to the Illinois
26 Administrative Procedure Act for the administration and

1 enforcement of Section 58.9 of the Environmental
2 Protection Act, determinations as to credit availability
3 for purposes of this Section shall be made consistent with
4 those rules. For purposes of this Section, "taxpayer"
5 includes a person whose tax attributes the taxpayer has
6 succeeded to under Section 381 of the Internal Revenue Code
7 and "related party" includes the persons disallowed a
8 deduction for losses by paragraphs (b), (c), and (f)(1) of
9 Section 267 of the Internal Revenue Code by virtue of being
10 a related taxpayer, as well as any of its partners. The
11 credit allowed against the tax imposed by subsections (a)
12 and (b) shall be equal to 25% of the unreimbursed eligible
13 remediation costs in excess of \$100,000 per site, except
14 that the \$100,000 threshold shall not apply to any site
15 contained in an enterprise zone as determined by the
16 Department of Commerce and Community Affairs (now
17 Department of Commerce and Economic Opportunity). The
18 total credit allowed shall not exceed \$40,000 per year with
19 a maximum total of \$150,000 per site. For partners and
20 shareholders of subchapter S corporations, there shall be
21 allowed a credit under this subsection to be determined in
22 accordance with the determination of income and
23 distributive share of income under Sections 702 and 704 and
24 subchapter S of the Internal Revenue Code.

25 (ii) A credit allowed under this subsection that is
26 unused in the year the credit is earned may be carried

1 forward to each of the 5 taxable years following the year
2 for which the credit is first earned until it is used. The
3 term "unused credit" does not include any amounts of
4 unreimbursed eligible remediation costs in excess of the
5 maximum credit per site authorized under paragraph (i).
6 This 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 (m) Education expense credit. Beginning with tax years
2 ending after December 31, 1999, a taxpayer who is the custodian
3 of one or more qualifying pupils shall be allowed a credit
4 against the tax imposed by subsections (a) and (b) of this
5 Section for qualified education expenses incurred on behalf of
6 the qualifying pupils. The credit shall be equal to 25% of
7 qualified education expenses, but in no event may the total
8 credit under this subsection claimed by a family that is the
9 custodian of qualifying pupils exceed \$500. In no event shall a
10 credit under this subsection reduce the taxpayer's liability
11 under this Act to less than zero. This subsection is exempt
12 from the provisions of Section 250 of this Act.

13 For purposes of this subsection:

14 "Qualifying pupils" means individuals who (i) are
15 residents of the State of Illinois, (ii) are under the age of
16 21 at the close of the school year for which a credit is
17 sought, and (iii) during the school year for which a credit is
18 sought were full-time pupils enrolled in a kindergarten through
19 twelfth grade education program at any school, as defined in
20 this subsection.

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

25 "School" means any public or nonpublic elementary or
26 secondary school in Illinois that is in compliance with Title

1 VI of the Civil Rights Act of 1964 and attendance at which
2 satisfies the requirements of Section 26-1 of the School Code,
3 except that nothing shall be construed to require a child to
4 attend any particular public or nonpublic school to qualify for
5 the credit under this Section.

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

9 (n) River Edge Redevelopment Zone site remediation tax
10 credit.

11 (i) For tax years ending on or after December 31, 2006,
12 a taxpayer shall be allowed a credit against the tax
13 imposed by subsections (a) and (b) of this Section for
14 certain amounts paid for unreimbursed eligible remediation
15 costs, as specified in this subsection. For purposes of
16 this Section, "unreimbursed eligible remediation costs"
17 means costs approved by the Illinois Environmental
18 Protection Agency ("Agency") under Section 58.14a of the
19 Environmental Protection Act that were paid in performing
20 environmental remediation at a site within a River Edge
21 Redevelopment Zone for which a No Further Remediation
22 Letter was issued by the Agency and recorded under Section
23 58.10 of the Environmental Protection Act. The credit must
24 be claimed for the taxable year in which Agency approval of
25 the eligible remediation costs is granted. The credit is
26 not available to any taxpayer if the taxpayer or any

1 related party caused or contributed to, in any material
2 respect, a release of regulated substances on, in, or under
3 the site that was identified and addressed by the remedial
4 action pursuant to the Site Remediation Program of the
5 Environmental Protection Act. Determinations as to credit
6 availability for purposes of this Section shall be made
7 consistent with rules adopted by the Pollution Control
8 Board pursuant to the Illinois Administrative Procedure
9 Act for the administration and enforcement of Section 58.9
10 of the Environmental Protection Act. For purposes of this
11 Section, "taxpayer" includes a person whose tax attributes
12 the taxpayer has succeeded to under Section 381 of the
13 Internal Revenue Code and "related party" includes the
14 persons disallowed a deduction for losses by paragraphs
15 (b), (c), and (f) (1) of Section 267 of the Internal Revenue
16 Code by virtue of being a related taxpayer, as well as any
17 of its partners. The credit allowed against the tax imposed
18 by subsections (a) and (b) shall be equal to 25% of the
19 unreimbursed eligible remediation costs in excess of
20 \$100,000 per site.

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

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

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

20 (Source: P.A. 96-115, eff. 7-31-09; 96-116, eff. 7-31-09;
21 96-937, eff. 6-23-10; 96-1000, eff. 7-2-10; 96-1496, eff.
22 1-13-11; 97-2, eff. 5-6-11.)

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

1 (35 ILCS 200/15-144 new)

2 Sec. 15-144. Chicago Casino Development Authority. All
3 property owned by the Chicago Casino Development Authority is
4 exempt. Any property owned by the Chicago Casino Development
5 Authority and leased to any other entity is not exempt.

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

8 (70 ILCS 1825/5.1) (from Ch. 19, par. 255.1)

9 Sec. 5.1. Riverboat and casino gambling. Notwithstanding
10 any other provision of this Act, the District may not regulate
11 the operation, conduct, or navigation of any riverboat gambling
12 casino licensed under the Illinois ~~Riverboat~~ Gambling Act, and
13 the District may not license, tax, or otherwise levy any
14 assessment of any kind on any riverboat gambling casino
15 licensed under the Illinois ~~Riverboat~~ Gambling Act. The General
16 Assembly declares that the powers to regulate the operation,
17 conduct, and navigation of riverboat gambling casinos and to
18 license, tax, and levy assessments upon riverboat gambling
19 casinos are exclusive powers of the State of Illinois and the
20 Illinois Gaming Board as provided in the Illinois ~~Riverboat~~
21 Gambling Act.

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

23 Section 90-30. The Consumer Installment Loan Act is amended

1 by changing Section 12.5 as follows:

2 (205 ILCS 670/12.5)

3 Sec. 12.5. Limited purpose branch.

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

10 (b) The licensee must submit an application for a limited
11 purpose branch to the Director on forms prescribed by the
12 Director with an application fee of \$300. The approval for the
13 limited purpose branch must be renewed concurrently with the
14 renewal of the licensee's license along with a renewal fee of
15 \$300 for the limited purpose branch.

16 (c) The books, accounts, records, and files of the limited
17 purpose branch's transactions shall be maintained at the
18 licensee's licensed location. The licensee shall notify the
19 Director of the licensed location at which the books, accounts,
20 records, and files shall be maintained.

21 (d) The licensee shall prominently display at the limited
22 purpose branch the address and telephone number of the
23 licensee's licensed location.

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

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

3 (g) A limited purpose branch may not be located within
4 1,000 feet of a facility operated by an inter-track wagering
5 licensee or an organization licensee subject to the Illinois
6 Horse Racing Act of 1975, on a riverboat or in a casino subject
7 to the Illinois Riverboat Gambling Act, or within 1,000 feet of
8 the location at which the riverboat docks or within 1,000 feet
9 of a casino.

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

11 Section 90-35. The Illinois Horse Racing Act of 1975 is
12 amended by changing Sections 1.2, 3.11, 3.12, 6, 9, 15.1, 18,
13 19, 20, 24, 26, 27, 28, 28.1, 30, 30.5, 31, 31.1, 32.1, 36, and
14 40 and by adding Sections 3.31, 3.32, 3.33, 3.35, 3.36, 34.3,
15 and 56 as follows:

16 (230 ILCS 5/1.2)

17 Sec. 1.2. Legislative intent. This Act is intended to
18 benefit the people of the State of Illinois by encouraging the
19 breeding and production of race horses, assisting economic
20 development and promoting Illinois tourism. The General
21 Assembly finds and declares it to be the public policy of the
22 State of Illinois to:

23 (a) support and enhance Illinois' horse racing industry,
24 which is a significant component within the agribusiness

1 industry;

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

4 (c) stimulate growth within Illinois' horse racing
5 industry, thereby encouraging new investment and development
6 to produce additional tax revenues and to create additional
7 jobs;

8 (d) promote the further growth of tourism;

9 (e) encourage the breeding of thoroughbred and
10 standardbred horses in this State; and

11 (f) ensure that public confidence and trust in the
12 credibility and integrity of racing operations and the
13 regulatory process is maintained.

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

15 (230 ILCS 5/3.11) (from Ch. 8, par. 37-3.11)

16 Sec. 3.11. "Organization Licensee" means any person
17 receiving an organization license from the Board to conduct a
18 race meeting or meetings. With respect only to electronic
19 gaming, "organization licensee" includes the authorization for
20 an electronic gaming license under subsection (a) of Section 56
21 of this Act.

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

23 (230 ILCS 5/3.12) (from Ch. 8, par. 37-3.12)

24 Sec. 3.12. Pari-mutuel system of wagering. "Pari-mutuel

1 system of wagering" means a form of wagering on the outcome of
2 horse races in which wagers are made in various denominations
3 on a horse or horses and all wagers for each race are pooled
4 and held by a licensee for distribution in a manner approved by
5 the Board. "Pari-mutuel system of wagering" shall not include
6 wagering on historic races. Wagers may be placed via any method
7 or at any location authorized under this Act.

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

9 (230 ILCS 5/3.31 new)

10 Sec. 3.31. Adjusted gross receipts. "Adjusted gross
11 receipts" means the gross receipts less winnings paid to
12 wagerers.

13 (230 ILCS 5/3.32 new)

14 Sec. 3.32. Gross receipts. "Gross receipts" means the total
15 amount of money exchanged for the purchase of chips, tokens, or
16 electronic cards by riverboat or casino patrons or electronic
17 gaming patrons.

18 (230 ILCS 5/3.33 new)

19 Sec. 3.33. Electronic gaming. "Electronic gaming" means
20 slot machine gambling, video game of chance gambling, or
21 gambling with electronic gambling games as defined in the
22 Illinois Gambling Act or defined by the Illinois Gaming Board
23 that is conducted at a race track pursuant to an electronic

1 gaming license.

2 (230 ILCS 5/3.35 new)

3 Sec. 3.35. Electronic gaming license. "Electronic gaming
4 license" means a license issued by the Illinois Gaming Board
5 under Section 7.6 of the Illinois Gambling Act authorizing
6 electronic gaming at an electronic gaming facility.

7 (230 ILCS 5/3.36 new)

8 Sec. 3.36. Electronic gaming facility. "Electronic gaming
9 facility" means that portion of an organization licensee's race
10 track facility at which electronic gaming is conducted.

11 (230 ILCS 5/6) (from Ch. 8, par. 37-6)

12 Sec. 6. Restrictions on Board members.

13 (a) No person shall be appointed a member of the Board or
14 continue to be a member of the Board if the person or any
15 member of their immediate family is a member of the Board of
16 Directors, employee, or financially interested in any of the
17 following: (i) any licensee or other person who has applied for
18 racing dates to the Board, or the operations thereof including,
19 but not limited to, concessions, data processing, track
20 maintenance, track security, and pari-mutuel operations,
21 located, scheduled or doing business within the State of
22 Illinois, (ii) any race horse competing at a meeting under the
23 Board's jurisdiction, or (iii) any licensee under the Illinois

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

14 (b) No person shall be a member of the Board who is not of
15 good moral character or who has been convicted of, or is under
16 indictment for, a felony under the laws of Illinois or any
17 other state, or the United States.

18 (c) No member of the Board or employee shall engage in any
19 political activity. For the purposes of this Section,
20 "political" means any activity in support of or in connection
21 with any campaign for State or local elective office or any
22 political organization, but does not include activities (i)
23 relating to the support or opposition of any executive,
24 legislative, or administrative action (as those terms are
25 defined in Section 2 of the Lobbyist Registration Act), (ii)
26 relating to collective bargaining, or (iii) that are otherwise

1 in furtherance of the person's official State duties or
2 governmental and public service functions.

3 (d) Board members and employees may not engage in
4 communications or any activity that may cause or have the
5 appearance of causing a conflict of interest. A conflict of
6 interest exists if a situation influences or creates the
7 appearance that it may influence judgment or performance of
8 regulatory duties and responsibilities. This prohibition shall
9 extend to any act identified by Board action that, in the
10 judgment of the Board, could represent the potential for or the
11 appearance of a conflict of interest.

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

17 (f) A Board member or employee shall not use or attempt to
18 use his or her official position to secure, or attempt to
19 secure, any privilege, advantage, favor, or influence for
20 himself or herself or others. No Board member or employee,
21 within a period of one year immediately preceding nomination by
22 the Governor or employment, shall have been employed or
23 received compensation or fees for services from a person or
24 entity, or its parent or affiliate, that has engaged in
25 business with the Board, a licensee or a licensee under the
26 Illinois Gambling Act. In addition, all Board members and

1 employees are subject to the restrictions set forth in Section
2 5-45 of the State Officials and Employees Ethics Act.

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

4 (230 ILCS 5/9) (from Ch. 8, par. 37-9)

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

8 (a) The Board is vested with jurisdiction and supervision
9 over all race meetings in this State, over all licensees doing
10 business in this State, over all occupation licensees, and over
11 all persons on the facilities of any licensee. Such
12 jurisdiction shall include the power to issue licenses to the
13 Illinois Department of Agriculture authorizing the pari-mutuel
14 system of wagering on harness and Quarter Horse races held (1)
15 at the Illinois State Fair in Sangamon County, and (2) at the
16 DuQuoin State Fair in Perry County. The jurisdiction of the
17 Board shall also include the power to issue licenses to county
18 fairs which are eligible to receive funds pursuant to the
19 Agricultural Fair Act, as now or hereafter amended, or their
20 agents, authorizing the pari-mutuel system of wagering on horse
21 races conducted at the county fairs receiving such licenses.
22 Such licenses shall be governed by subsection (n) of this
23 Section.

24 Upon application, the Board shall issue a license to the
25 Illinois Department of Agriculture to conduct harness and

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

12 Notwithstanding any provision of law to the contrary, it
13 shall be lawful for any licensee to operate pari-mutuel
14 wagering or contract with the Department of Agriculture to
15 operate pari-mutuel wagering at the DuQuoin State Fairgrounds
16 or for the Department to enter into contracts with a licensee,
17 employ its owners, employees or agents and employ such other
18 occupation licensees as the Department deems necessary in
19 connection with race meetings and wagerings.

20 (b) The Board is vested with the full power to promulgate
21 reasonable rules and regulations for the purpose of
22 administering the provisions of this Act and to prescribe
23 reasonable rules, regulations and conditions under which all
24 horse race meetings or wagering in the State shall be
25 conducted. Such reasonable rules and regulations are to provide
26 for the prevention of practices detrimental to the public

1 interest and to promote the best interests of horse racing and
2 to impose penalties for violations thereof.

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

8 (d) The Board, and any person or persons to whom it
9 delegates this power, is vested with the authority to
10 investigate alleged violations of the provisions of this Act,
11 its reasonable rules and regulations, orders and final
12 decisions; the Board shall take appropriate disciplinary
13 action against any licensee or occupation licensee for
14 violation thereof or institute appropriate legal action for the
15 enforcement thereof.

16 (e) The Board, and any person or persons to whom it
17 delegates this power, may eject or exclude from any race
18 meeting or the facilities of any licensee, or any part thereof,
19 any occupation licensee or any other individual whose conduct
20 or reputation is such that his presence on those facilities
21 may, in the opinion of the Board, call into question the
22 honesty and integrity of horse racing or wagering or interfere
23 with the orderly conduct of horse racing or wagering; provided,
24 however, that no person shall be excluded or ejected from the
25 facilities of any licensee solely on the grounds of race,
26 color, creed, national origin, ancestry, or sex. The power to

1 eject or exclude an occupation licensee or other individual may
2 be exercised for just cause by the licensee or the Board,
3 subject to subsequent hearing by the Board as to the propriety
4 of said exclusion.

5 (f) The Board is vested with the power to acquire,
6 establish, maintain and operate (or provide by contract to
7 maintain and operate) testing laboratories and related
8 facilities, for the purpose of conducting saliva, blood, urine
9 and other tests on the horses run or to be run in any horse race
10 meeting, including races run at county fairs, and to purchase
11 all equipment and supplies deemed necessary or desirable in
12 connection with any such testing laboratories and related
13 facilities and all such tests.

14 (g) The Board may require that the records, including
15 financial or other statements of any licensee or any person
16 affiliated with the licensee who is involved directly or
17 indirectly in the activities of any licensee as regulated under
18 this Act to the extent that those financial or other statements
19 relate to such activities be kept in such manner as prescribed
20 by the Board, and that Board employees shall have access to
21 those records during reasonable business hours. Within 120 days
22 of the end of its fiscal year, each licensee shall transmit to
23 the Board an audit of the financial transactions and condition
24 of the licensee's total operations. All audits shall be
25 conducted by certified public accountants. Each certified
26 public accountant must be registered in the State of Illinois

1 under the Illinois Public Accounting Act. The compensation for
2 each certified public accountant shall be paid directly by the
3 licensee to the certified public accountant. A licensee shall
4 also submit any other financial or related information the
5 Board deems necessary to effectively administer this Act and
6 all rules, regulations, and final decisions promulgated under
7 this Act.

8 (h) The Board shall name and appoint in the manner provided
9 by the rules and regulations of the Board: an Executive
10 Director; a State director of mutuels; State veterinarians and
11 representatives to take saliva, blood, urine and other tests on
12 horses; licensing personnel; revenue inspectors; and State
13 seasonal employees (excluding admission ticket sellers and
14 mutuel clerks). All of those named and appointed as provided in
15 this subsection shall serve during the pleasure of the Board;
16 their compensation shall be determined by the Board and be paid
17 in the same manner as other employees of the Board under this
18 Act.

19 (i) The Board shall require that there shall be 3 stewards
20 at each horse race meeting, at least 2 of whom shall be named
21 and appointed by the Board. Stewards appointed or approved by
22 the Board, while performing duties required by this Act or by
23 the Board, shall be entitled to the same rights and immunities
24 as granted to Board members and Board employees in Section 10
25 of this Act.

26 (j) The Board may discharge any Board employee who fails or

1 refuses for any reason to comply with the rules and regulations
2 of the Board, or who, in the opinion of the Board, is guilty of
3 fraud, dishonesty or who is proven to be incompetent. The Board
4 shall have no right or power to determine who shall be
5 officers, directors or employees of any licensee, or their
6 salaries except the Board may, by rule, require that all or any
7 officials or employees in charge of or whose duties relate to
8 the actual running of races be approved by the Board.

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

13 (l) The Board is vested with the power to impose civil
14 penalties of up to \$5,000 against an individual and up to
15 \$10,000 against a licensee for each violation of any provision
16 of this Act, any rules adopted by the Board, any order of the
17 Board or any other action which, in the Board's discretion, is
18 a detriment or impediment to horse racing or wagering. All such
19 civil penalties shall be deposited into the Horse Racing Fund.

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

23 (n) The Board shall have the power to issue a license to
24 any county fair, or its agent, authorizing the conduct of the
25 pari-mutuel system of wagering. The Board is vested with the
26 full power to promulgate reasonable rules, regulations and

1 conditions under which all horse race meetings licensed
2 pursuant to this subsection shall be held and conducted,
3 including rules, regulations and conditions for the conduct of
4 the pari-mutuel system of wagering. The rules, regulations and
5 conditions shall provide for the prevention of practices
6 detrimental to the public interest and for the best interests
7 of horse racing, and shall prescribe penalties for violations
8 thereof. Any authority granted the Board under this Act shall
9 extend to its jurisdiction and supervision over county fairs,
10 or their agents, licensed pursuant to this subsection. However,
11 the Board may waive any provision of this Act or its rules or
12 regulations which would otherwise apply to such county fairs or
13 their agents.

14 (o) Whenever the Board is authorized or required by law to
15 consider some aspect of criminal history record information for
16 the purpose of carrying out its statutory powers and
17 responsibilities, then, upon request and payment of fees in
18 conformance with the requirements of Section 2605-400 of the
19 Department of State Police Law (20 ILCS 2605/2605-400), the
20 Department of State Police is authorized to furnish, pursuant
21 to positive identification, such information contained in
22 State files as is necessary to fulfill the request.

23 (p) To insure the convenience, comfort, and wagering
24 accessibility of race track patrons, to provide for the
25 maximization of State revenue, and to generate increases in
26 purse allotments to the horsemen, the Board shall require any

1 licensee to staff the pari-mutuel department with adequate
2 personnel.

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

4 (230 ILCS 5/15.1) (from Ch. 8, par. 37-15.1)

5 Sec. 15.1. Upon collection of the fee accompanying the
6 application for an occupation license, the Board shall be
7 authorized to make daily temporary deposits of the fees, for a
8 period not to exceed 7 days, with the horsemen's bookkeeper at
9 a race meeting. The horsemen's bookkeeper shall issue a check,
10 payable to the order of the Illinois Racing Board, for monies
11 deposited under this Section within 24 hours of receipt of the
12 monies. Provided however, upon the issuance of the check by the
13 horsemen's bookkeeper the check shall be deposited into the
14 Horse Racing Fund ~~in the State Treasury in accordance with the~~
15 ~~provisions of the "State Officers and Employees Money~~
16 ~~Disposition Act", approved June 9, 1911, as amended.~~

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

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

19 Sec. 18. (a) Together with its application, each applicant
20 for racing dates shall deliver to the Board a certified check
21 or bank draft payable to the order of the Board for \$1,000. In
22 the event the applicant applies for racing dates in 2 or 3
23 successive calendar years as provided in subsection (b) of
24 Section 21, the fee shall be \$2,000. Filing fees shall not be

1 refunded in the event the application is denied. All filing
2 fees shall be deposited into the Horse Racing Fund.

3 (b) In addition to the filing fee of \$1000 and the fees
4 provided in subsection (j) of Section 20, each organization
5 licensee shall pay a license fee of \$100 for each racing
6 program on which its daily pari-mutuel handle is \$400,000 or
7 more but less than \$700,000, and a license fee of \$200 for each
8 racing program on which its daily pari-mutuel handle is
9 \$700,000 or more. The additional fees required to be paid under
10 this Section by this amendatory Act of 1982 shall be remitted
11 by the organization licensee to the Illinois Racing Board with
12 each day's graduated privilege tax or pari-mutuel tax and
13 breakage as provided under Section 27.

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

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

18 (230 ILCS 5/19) (from Ch. 8, par. 37-19)

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

21 (1) except as provided in subsection (c) of Section 21
22 of this Act, to any person at any place within 35 miles of
23 any other place licensed by the Board to hold a race
24 meeting on the same date during the same hours, the mileage
25 measurement used in this subsection (a) shall be certified

1 to the Board by the Bureau of Systems and Services in the
2 Illinois Department of Transportation as the most commonly
3 used public way of vehicular travel;

4 (2) to any person in default in the payment of any
5 obligation or debt due the State under this Act, provided
6 no applicant shall be deemed in default in the payment of
7 any obligation or debt due to the State under this Act as
8 long as there is pending a hearing of any kind relevant to
9 such matter;

10 (3) to any person who has been convicted of the
11 violation of any law of the United States or any State law
12 which provided as all or part of its penalty imprisonment
13 in any penal institution; to any person against whom there
14 is pending a Federal or State criminal charge; to any
15 person who is or has been connected with or engaged in the
16 operation of any illegal business; to any person who does
17 not enjoy a general reputation in his community of being an
18 honest, upright, law-abiding person; provided that none of
19 the matters set forth in this subparagraph (3) shall make
20 any person ineligible to be granted an organization license
21 if the Board determines, based on circumstances of any such
22 case, that the granting of a license would not be
23 detrimental to the interests of horse racing and of the
24 public;

25 (4) to any person who does not at the time of
26 application for the organization license own or have a

1 contract or lease for the possession of a finished race
2 track suitable for the type of racing intended to be held
3 by the applicant and for the accommodation of the public.

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

8 (c) If any person is ineligible to receive an organization
9 license because of any of the matters set forth in subsection
10 (a) (2) or subsection (a) (3) of this Section, any other or
11 separate person that either (i) controls, directly or
12 indirectly, such ineligible person or (ii) is controlled,
13 directly or indirectly, by such ineligible person or by a
14 person which controls, directly or indirectly, such ineligible
15 person shall also be ineligible.

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

17 (230 ILCS 5/20) (from Ch. 8, par. 37-20)

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

22 (1) the dates on which it intends to conduct the horse
23 race meeting, which dates shall be provided under Section
24 21;

25 (2) the hours of each racing day between which it

1 intends to hold or conduct horse racing at such meeting;

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

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

6 (b) A separate application for an organization license
7 shall be filed for each horse race meeting which such person
8 proposes to hold. Any such application, if made by an
9 individual, or by any individual as trustee, shall be signed
10 and verified under oath by such individual. If made by
11 individuals or a partnership, it shall be signed and verified
12 under oath by at least 2 of such individuals or members of such
13 partnership as the case may be. If made by an association,
14 corporation, corporate trustee or any other entity, it shall be
15 signed by the president and attested by the secretary or
16 assistant secretary under the seal of such association, trust
17 or corporation if it has a seal, and shall also be verified
18 under oath by one of the signing officers.

19 (c) The application shall specify the name of the persons,
20 association, trust, or corporation making such application and
21 the post office address of the applicant; if the applicant is a
22 trustee, the names and addresses of the beneficiaries; if a
23 corporation, the names and post office addresses of all
24 officers, stockholders and directors; or if such stockholders
25 hold stock as a nominee or fiduciary, the names and post office
26 addresses of these persons, partnerships, corporations, or

1 trusts who are the beneficial owners thereof or who are
2 beneficially interested therein; and if a partnership, the
3 names and post office addresses of all partners, general or
4 limited; if the applicant is a corporation, the name of the
5 state of its incorporation shall be specified.

6 (d) The applicant shall execute and file with the Board a
7 good faith affirmative action plan to recruit, train, and
8 upgrade minorities in all classifications within the
9 association.

10 (e) With such application there shall be delivered to the
11 Board a certified check or bank draft payable to the order of
12 the Board for an amount equal to \$1,000. All applications for
13 the issuance of an organization license shall be filed with the
14 Board before August 1 of the year prior to the year for which
15 application is made and shall be acted upon by the Board at a
16 meeting to be held on such date as shall be fixed by the Board
17 during the last 15 days of September of such prior year. At
18 such meeting, the Board shall announce the award of the racing
19 meets, live racing schedule, and designation of host track to
20 the applicants and its approval or disapproval of each
21 application. No announcement shall be considered binding until
22 a formal order is executed by the Board, which shall be
23 executed no later than October 15 of that prior year. Absent
24 the agreement of the affected organization licensees, the Board
25 shall not grant overlapping race meetings to 2 or more tracks
26 that are within 100 miles of each other to conduct the

1 thoroughbred racing.

2 (e-1) In awarding standardbred racing dates for calendar
3 year 2012 and thereafter, the Board shall award at least 310
4 racing days, and each organization licensees shall average at
5 least 12 races for each racing day awarded. The Board shall
6 have the discretion to allocate those racing days among
7 organization licensees requesting standardbred race dates.
8 Once awarded by the Board, organization licensees awarded
9 standardbred dates shall run at least 3,500 races in total
10 during that calendar year. Standardbred racing conducted in
11 Sangamon County shall not be considered races under this
12 subsection (e-1).

13 (e-2) In awarding racing dates for calendar year 2012 and
14 thereafter, the Board shall award racing dates and the
15 organization licensees shall run at least 2,500 thoroughbred
16 races at Cook County race tracks and 700 thoroughbred races at
17 a race track in Madison County each year. In awarding racing
18 dates under this subsection (e-2), the Board shall have the
19 discretion to allocate those racing dates among organization
20 licensees.

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

25 (e-4) Notwithstanding the provisions of Section 7.6 of the
26 Illinois Gambling Act, for each calendar year for which an

1 electronic gaming licensee requests a number of live racing
2 days under its organization license that is less than the
3 number of days of live racing awarded in 2009 for its race
4 track facility, the electronic gaming licensee may not conduct
5 electronic gaming for the calendar year of such requested
6 racing days. The number of days of live racing may be adjusted,
7 on a year-by-year basis, because of weather or unsafe track
8 conditions due to acts of God or an agreement between the
9 organization licensee and the association representing the
10 largest number of owners, trainers, or standardbred drivers who
11 race horses at that organization licensee's racing meeting.

12 (e-5) In reviewing an application for the purpose of
13 granting an organization license consistent with the best
14 interests of the public and the sport of horse racing, the
15 Board shall consider:

16 (1) the character, reputation, experience, and
17 financial integrity of the applicant and of any other
18 separate person that either:

19 (i) controls the applicant, directly or
20 indirectly, or

21 (ii) is controlled, directly or indirectly, by
22 that applicant or by a person who controls, directly or
23 indirectly, that applicant;

24 (2) the applicant's facilities or proposed facilities
25 for conducting horse racing;

26 (3) the total revenue without regard to Section 32.1 to

1 be derived by the State and horsemen from the applicant's
2 conducting a race meeting;

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

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

8 (6) the applicant's proposed and prior year's
9 promotional and marketing activities and expenditures of
10 the applicant associated with those activities;

11 (7) an agreement, if any, among organization licensees
12 as provided in subsection (b) of Section 21 of this Act;
13 and

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

17 In granting organization licenses and allocating dates for
18 horse race meetings, the Board shall have discretion to
19 determine an overall schedule, including required simulcasts
20 of Illinois races by host tracks that will, in its judgment, be
21 conducive to the best interests of the public and the sport of
22 horse racing.

23 (e-10) The Illinois Administrative Procedure Act shall
24 apply to administrative procedures of the Board under this Act
25 for the granting of an organization license, except that (1)
26 notwithstanding the provisions of subsection (b) of Section

1 10-40 of the Illinois Administrative Procedure Act regarding
2 cross-examination, the Board may prescribe rules limiting the
3 right of an applicant or participant in any proceeding to award
4 an organization license to conduct cross-examination of
5 witnesses at that proceeding where that cross-examination
6 would unduly obstruct the timely award of an organization
7 license under subsection (e) of Section 20 of this Act; (2) the
8 provisions of Section 10-45 of the Illinois Administrative
9 Procedure Act regarding proposals for decision are excluded
10 under this Act; (3) notwithstanding the provisions of
11 subsection (a) of Section 10-60 of the Illinois Administrative
12 Procedure Act regarding ex parte communications, the Board may
13 prescribe rules allowing ex parte communications with
14 applicants or participants in a proceeding to award an
15 organization license where conducting those communications
16 would be in the best interest of racing, provided all those
17 communications are made part of the record of that proceeding
18 pursuant to subsection (c) of Section 10-60 of the Illinois
19 Administrative Procedure Act; (4) the provisions of Section 14a
20 of this Act and the rules of the Board promulgated under that
21 Section shall apply instead of the provisions of Article 10 of
22 the Illinois Administrative Procedure Act regarding
23 administrative law judges; and (5) the provisions of subsection
24 (d) of Section 10-65 of the Illinois Administrative Procedure
25 Act that prevent summary suspension of a license pending
26 revocation or other action shall not apply.

1 (f) The Board may allot racing dates to an organization
2 licensee for more than one calendar year but for no more than 3
3 successive calendar years in advance, provided that the Board
4 shall review such allotment for more than one calendar year
5 prior to each year for which such allotment has been made. The
6 granting of an organization license to a person constitutes a
7 privilege to conduct a horse race meeting under the provisions
8 of this Act, and no person granted an organization license
9 shall be deemed to have a vested interest, property right, or
10 future expectation to receive an organization license in any
11 subsequent year as a result of the granting of an organization
12 license. Organization licenses shall be subject to revocation
13 if the organization licensee has violated any provision of this
14 Act or the rules and regulations promulgated under this Act or
15 has been convicted of a crime or has failed to disclose or has
16 stated falsely any information called for in the application
17 for an organization license. Any organization license
18 revocation proceeding shall be in accordance with Section 16
19 regarding suspension and revocation of occupation licenses.

20 (f-5) If, (i) an applicant does not file an acceptance of
21 the racing dates awarded by the Board as required under part
22 (1) of subsection (h) of this Section 20, or (ii) an
23 organization licensee has its license suspended or revoked
24 under this Act, the Board, upon conducting an emergency hearing
25 as provided for in this Act, may reaward on an emergency basis
26 pursuant to rules established by the Board, racing dates not

1 accepted or the racing dates associated with any suspension or
2 revocation period to one or more organization licensees, new
3 applicants, or any combination thereof, upon terms and
4 conditions that the Board determines are in the best interest
5 of racing, provided, the organization licensees or new
6 applicants receiving the awarded racing dates file an
7 acceptance of those reawarded racing dates as required under
8 paragraph (1) of subsection (h) of this Section 20 and comply
9 with the other provisions of this Act. The Illinois
10 Administrative Procedure Act shall not apply to the
11 administrative procedures of the Board in conducting the
12 emergency hearing and the reallocation of racing dates on an
13 emergency basis.

14 (g) (Blank).

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

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

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

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

26 (3) file with the Board the bonds required in Sections

1 21 and 25 at least 20 days prior to the first day of each
2 race meeting.

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

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

9 (Source: P.A. 97-333, eff. 8-12-11.)

10 (230 ILCS 5/24) (from Ch. 8, par. 37-24)

11 Sec. 24. (a) No license shall be issued to or held by an
12 organization licensee unless all of its officers, directors,
13 and holders of ownership interests of at least 5% are first
14 approved by the Board. The Board shall not give approval of an
15 organization license application to any person who has been
16 convicted of or is under an indictment for a crime of moral
17 turpitude or has violated any provision of the racing law of
18 this State or any rules of the Board.

19 (b) An organization licensee must notify the Board within
20 10 days of any change in the holders of a direct or indirect
21 interest in the ownership of the organization licensee. The
22 Board may, after hearing, revoke the organization license of
23 any person who registers on its books or knowingly permits a
24 direct or indirect interest in the ownership of that person
25 without notifying the Board of the name of the holder in

1 interest within this period.

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

7 (d) No person which has been granted an organization
8 license to hold a race meeting shall give to any public
9 official or member of his family, directly or indirectly, for
10 or without consideration, any interest in the person. The Board
11 shall, after hearing, revoke the organization license granted
12 to a person which has violated this subsection.

13 (e) (Blank).

14 (f) No organization licensee or concessionaire or officer,
15 director or holder or controller of 5% or more legal or
16 beneficial interest in any organization licensee or concession
17 shall make any sort of gift or contribution that is prohibited
18 under Article 10 of the State Officials and Employees Ethics
19 Act ~~of any kind~~ or pay or give any money or other thing of value
20 to any person who is a public official, or a candidate or
21 nominee for public office if that payment or gift is prohibited
22 under Article 10 of the State Officials and Employees Ethics
23 Act.

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

25 (230 ILCS 5/26) (from Ch. 8, par. 37-26)

1 Sec. 26. Wagering.

2 (a) Any licensee may conduct and supervise the pari-mutuel
3 system of wagering, as defined in Section 3.12 of this Act, on
4 horse races conducted by an Illinois organization licensee or
5 conducted at a racetrack located in another state or country
6 ~~and televised in Illinois~~ in accordance with subsection (g) of
7 Section 26 of this Act. Subject to the prior consent of the
8 Board, licensees may supplement any pari-mutuel pool in order
9 to guarantee a minimum distribution. Such pari-mutuel method of
10 wagering shall not, under any circumstances if conducted under
11 the provisions of this Act, be held or construed to be
12 unlawful, other statutes of this State to the contrary
13 notwithstanding. Subject to rules for advance wagering
14 promulgated by the Board, any licensee may accept wagers in
15 advance of the day of the race wagered upon occurs.

16 (b) Except for those gaming activities for which a license
17 is obtained and authorized under the Illinois Lottery Act, the
18 Charitable Games Act, the Raffles Act, or the Illinois Gambling
19 Act, no ~~no~~ other method of betting, pool making, wagering or
20 gambling shall be used or permitted by the licensee. Each
21 licensee may retain, subject to the payment of all applicable
22 taxes and purses, an amount not to exceed 17% of all money
23 wagered under subsection (a) of this Section, except as may
24 otherwise be permitted under this Act.

25 (b-5) An individual may place a wager under the pari-mutuel
26 system from any licensed location authorized under this Act

1 provided that wager is electronically recorded in the manner
2 described in Section 3.12 of this Act. Any wager made
3 electronically by an individual while physically on the
4 premises of a licensee shall be deemed to have been made at the
5 premises of that licensee.

6 (c) Until January 1, 2000, the sum held by any licensee for
7 payment of outstanding pari-mutuel tickets, if unclaimed prior
8 to December 31 of the next year, shall be retained by the
9 licensee for payment of such tickets until that date. Within 10
10 days thereafter, the balance of such sum remaining unclaimed,
11 less any uncashed supplements contributed by such licensee for
12 the purpose of guaranteeing minimum distributions of any
13 pari-mutuel pool, shall be paid to the Illinois Veterans'
14 Rehabilitation Fund of the State treasury, except as provided
15 in subsection (g) of Section 27 of this Act.

16 (c-5) Beginning January 1, 2000, the sum held by any
17 licensee for payment of outstanding pari-mutuel tickets, if
18 unclaimed prior to December 31 of the next year, shall be
19 retained by the licensee for payment of such tickets until that
20 date. Within 10 days thereafter, the balance of such sum
21 remaining unclaimed, less any uncashed supplements contributed
22 by such licensee for the purpose of guaranteeing minimum
23 distributions of any pari-mutuel pool, shall be evenly
24 distributed to the purse account of the organization licensee
25 and the organization licensee.

26 (d) A pari-mutuel ticket shall be honored until December 31

1 of the next calendar year, and the licensee shall pay the same
2 and may charge the amount thereof against unpaid money
3 similarly accumulated on account of pari-mutuel tickets not
4 presented for payment.

5 (e) No licensee shall knowingly permit any minor, other
6 than an employee of such licensee or an owner, trainer, jockey,
7 driver, or employee thereof, to be admitted during a racing
8 program unless accompanied by a parent or guardian, or any
9 minor to be a patron of the pari-mutuel system of wagering
10 conducted or supervised by it. The admission of any
11 unaccompanied minor, other than an employee of the licensee or
12 an owner, trainer, jockey, driver, or employee thereof at a
13 race track is a Class C misdemeanor.

14 (f) Notwithstanding the other provisions of this Act, an
15 organization licensee may contract with an entity in another
16 state or country to permit any legal wagering entity in another
17 state or country to accept wagers solely within such other
18 state or country on races conducted by the organization
19 licensee in this State. Beginning January 1, 2000, these wagers
20 shall not be subject to State taxation. Until January 1, 2000,
21 when the out-of-State entity conducts a pari-mutuel pool
22 separate from the organization licensee, a privilege tax equal
23 to 7 1/2% of all monies received by the organization licensee
24 from entities in other states or countries pursuant to such
25 contracts is imposed on the organization licensee, and such
26 privilege tax shall be remitted to the Department of Revenue

1 within 48 hours of receipt of the moneys from the simulcast.
2 When the out-of-State entity conducts a combined pari-mutuel
3 pool with the organization licensee, the tax shall be 10% of
4 all monies received by the organization licensee with 25% of
5 the receipts from this 10% tax to be distributed to the county
6 in which the race was conducted.

7 An organization licensee may permit one or more of its
8 races to be utilized for pari-mutuel wagering at one or more
9 locations in other states and may transmit audio and visual
10 signals of races the organization licensee conducts to one or
11 more locations outside the State or country and may also permit
12 pari-mutuel pools in other states or countries to be combined
13 with its gross or net wagering pools or with wagering pools
14 established by other states.

15 (g) A host track may accept interstate simulcast wagers on
16 horse races conducted in other states or countries and shall
17 control the number of signals and types of breeds of racing in
18 its simulcast program, subject to the disapproval of the Board.
19 The Board may prohibit a simulcast program only if it finds
20 that the simulcast program is clearly adverse to the integrity
21 of racing. The host track simulcast program shall include the
22 signal of live racing of all organization licensees. All
23 non-host licensees and advance deposit wagering licensees
24 shall carry the signal of and accept wagers on live racing of
25 all organization licensees. Advance deposit wagering licensees
26 shall not be permitted to accept out-of-state wagers on any

1 Illinois signal provided pursuant to this Section without the
2 approval and consent of the organization licensee providing the
3 signal. Non-host licensees may carry the host track simulcast
4 program and shall accept wagers on all races included as part
5 of the simulcast program upon which wagering is permitted. All
6 organization licensees shall provide their live signal to all
7 advance deposit wagering licensees for a simulcast commission
8 fee not to exceed 6% of the advance deposit wagering licensee's
9 Illinois handle on the organization licensee's signal without
10 prior approval by the Board. The Board may adopt rules under
11 which it may permit simulcast commission fees in excess of 6%.
12 The Board shall adopt rules limiting the interstate commission
13 fees charged to an advance deposit wagering licensee. The Board
14 shall adopt rules regarding advance deposit wagering on
15 interstate simulcast races that shall reflect, among other
16 things, the General Assembly's desire to maximize revenues to
17 the State, horsemen purses, and organizational licensees.
18 However, organization licensees providing live signals
19 pursuant to the requirements of this subsection (g) may
20 petition the Board to withhold their live signals from an
21 advance deposit wagering licensee if the organization licensee
22 discovers and the Board finds reputable or credible information
23 that the advance deposit wagering licensee is under
24 investigation by another state or federal governmental agency,
25 the advance deposit wagering licensee's license has been
26 suspended in another state, or the advance deposit wagering

1 licensee's license is in revocation proceedings in another
2 state. The organization licensee's provision of their live
3 signal to an advance deposit wagering licensee under this
4 subsection (g) pertains to wagers placed from within Illinois.
5 Advance deposit wagering licensees may place advance deposit
6 wagering terminals at wagering facilities as a convenience to
7 customers. The advance deposit wagering licensee shall not
8 charge or collect any fee from purses for the placement of the
9 advance deposit wagering terminals. The costs and expenses of
10 the host track and non-host licensees associated with
11 interstate simulcast wagering, other than the interstate
12 commission fee, shall be borne by the host track and all
13 non-host licensees incurring these costs. The interstate
14 commission fee shall not exceed 5% of Illinois handle on the
15 interstate simulcast race or races without prior approval of
16 the Board. The Board shall promulgate rules under which it may
17 permit interstate commission fees in excess of 5%. The
18 interstate commission fee and other fees charged by the sending
19 racetrack, including, but not limited to, satellite decoder
20 fees, shall be uniformly applied to the host track and all
21 non-host licensees.

22 Notwithstanding any other provision of this Act, for a
23 period of 3 years after the effective date of this amendatory
24 Act of the 96th General Assembly, an organization licensee may
25 maintain a system whereby advance deposit wagering may take
26 place or an organization licensee, with the consent of the

1 horsemen association representing the largest number of
2 owners, trainers, jockeys, or standardbred drivers who race
3 horses at that organization licensee's racing meeting, may
4 contract with another person to carry out a system of advance
5 deposit wagering. Such consent may not be unreasonably
6 withheld. All advance deposit wagers placed from within
7 Illinois must be placed through a Board-approved advance
8 deposit wagering licensee; no other entity may accept an
9 advance deposit wager from a person within Illinois. All
10 advance deposit wagering is subject to any rules adopted by the
11 Board. The Board may adopt rules necessary to regulate advance
12 deposit wagering through the use of emergency rulemaking in
13 accordance with Section 5-45 of the Illinois Administrative
14 Procedure Act. The General Assembly finds that the adoption of
15 rules to regulate advance deposit wagering is deemed an
16 emergency and necessary for the public interest, safety, and
17 welfare. An advance deposit wagering licensee may retain all
18 moneys as agreed to by contract with an organization licensee.
19 Any moneys retained by the organization licensee from advance
20 deposit wagering, not including moneys retained by the advance
21 deposit wagering licensee, shall be paid 50% to the
22 organization licensee's purse account and 50% to the
23 organization licensee. If more than one breed races at the same
24 race track facility, then the 50% of the moneys to be paid to
25 an organization licensee's purse account shall be allocated
26 among all organization licensees' purse accounts operating at

1 that race track facility proportionately based on the actual
2 number of host days that the Board grants to that breed at that
3 race track facility in the current calendar year. To the extent
4 any fees from advance deposit wagering conducted in Illinois
5 for wagers in Illinois or other states have been placed in
6 escrow or otherwise withheld from wagers pending a
7 determination of the legality of advance deposit wagering, no
8 action shall be brought to declare such wagers or the
9 disbursement of any fees previously escrowed illegal.

10 (1) Between the hours of 6:30 a.m. and 6:30 p.m. an
11 intertrack wagering licensee other than the host track may
12 supplement the host track simulcast program with
13 additional simulcast races or race programs, provided that
14 between January 1 and the third Friday in February of any
15 year, inclusive, if no live thoroughbred racing is
16 occurring in Illinois during this period, only
17 thoroughbred races may be used for supplemental interstate
18 simulcast purposes. The Board shall withhold approval for a
19 supplemental interstate simulcast only if it finds that the
20 simulcast is clearly adverse to the integrity of racing. A
21 supplemental interstate simulcast may be transmitted from
22 an intertrack wagering licensee to its affiliated non-host
23 licensees. The interstate commission fee for a
24 supplemental interstate simulcast shall be paid by the
25 non-host licensee and its affiliated non-host licensees
26 receiving the simulcast.

1 (2) Between the hours of 6:30 p.m. and 6:30 a.m. an
2 intertrack wagering licensee other than the host track may
3 receive supplemental interstate simulcasts only with the
4 consent of the host track, except when the Board finds that
5 the simulcast is clearly adverse to the integrity of
6 racing. Consent granted under this paragraph (2) to any
7 intertrack wagering licensee shall be deemed consent to all
8 non-host licensees. The interstate commission fee for the
9 supplemental interstate simulcast shall be paid by all
10 participating non-host licensees.

11 (3) Each licensee conducting interstate simulcast
12 wagering may retain, subject to the payment of all
13 applicable taxes and the purses, an amount not to exceed
14 17% of all money wagered. If any licensee conducts the
15 pari-mutuel system wagering on races conducted at
16 racetracks in another state or country, each such race or
17 race program shall be considered a separate racing day for
18 the purpose of determining the daily handle and computing
19 the privilege tax of that daily handle as provided in
20 subsection (a) of Section 27. Until January 1, 2000, from
21 the sums permitted to be retained pursuant to this
22 subsection, each intertrack wagering location licensee
23 shall pay 1% of the pari-mutuel handle wagered on simulcast
24 wagering to the Horse Racing Tax Allocation Fund, subject
25 to the provisions of subparagraph (B) of paragraph (11) of
26 subsection (h) of Section 26 of this Act.

1 (4) A licensee who receives an interstate simulcast may
2 combine its gross or net pools with pools at the sending
3 racetracks pursuant to rules established by the Board. All
4 licensees combining their gross pools at a sending
5 racetrack shall adopt the take-out percentages of the
6 sending racetrack. A licensee may also establish a separate
7 pool and takeout structure for wagering purposes on races
8 conducted at race tracks outside of the State of Illinois.
9 The licensee may permit pari-mutuel wagers placed in other
10 states or countries to be combined with its gross or net
11 wagering pools or other wagering pools.

12 (5) After the payment of the interstate commission fee
13 (except for the interstate commission fee on a supplemental
14 interstate simulcast, which shall be paid by the host track
15 and by each non-host licensee through the host-track) and
16 all applicable State and local taxes, except as provided in
17 subsection (g) of Section 27 of this Act, the remainder of
18 moneys retained from simulcast wagering pursuant to this
19 subsection (g), and Section 26.2 shall be divided as
20 follows:

21 (A) For interstate simulcast wagers made at a host
22 track, 50% to the host track and 50% to purses at the
23 host track.

24 (B) For wagers placed on interstate simulcast
25 races, supplemental simulcasts as defined in
26 subparagraphs (1) and (2), and separately pooled races

1 conducted outside of the State of Illinois made at a
2 non-host licensee, 25% to the host track, 25% to the
3 non-host licensee, and 50% to the purses at the host
4 track.

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

13 (7) Notwithstanding any provision of this Act to the
14 contrary, after payment of all applicable State and local
15 taxes and interstate commission fees, non-host licensees
16 who derive their licenses from a track located in a county
17 with a population in excess of 230,000 and that borders the
18 Mississippi River shall retain 50% of the retention from
19 interstate simulcast wagers and shall pay 50% to purses at
20 the track from which the non-host licensee derives its
21 license as follows:

22 (A) Between January 1 and the third Friday in
23 February, inclusive, if no live thoroughbred racing is
24 occurring in Illinois during this period, when the
25 interstate simulcast is a standardbred race, the purse
26 share to its standardbred purse account;

1 (B) Between January 1 and the third Friday in
2 February, inclusive, if no live thoroughbred racing is
3 occurring in Illinois during this period, and the
4 interstate simulcast is a thoroughbred race, the purse
5 share to its interstate simulcast purse pool to be
6 distributed under paragraph (10) of this subsection
7 (g);

8 (C) Between January 1 and the third Friday in
9 February, inclusive, if live thoroughbred racing is
10 occurring in Illinois, between 6:30 a.m. and 6:30 p.m.
11 the purse share from wagers made during this time
12 period to its thoroughbred purse account and between
13 6:30 p.m. and 6:30 a.m. the purse share from wagers
14 made during this time period to its standardbred purse
15 accounts;

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

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

24 (7.1) Notwithstanding any other provision of this Act
25 to the contrary, if no standardbred racing is conducted at
26 a racetrack located in Madison County during any calendar

1 year beginning on or after January 1, 2002, all moneys
2 derived by that racetrack from simulcast wagering and
3 inter-track wagering that (1) are to be used for purses and
4 (2) are generated between the hours of 6:30 p.m. and 6:30
5 a.m. during that calendar year shall be paid as follows:

6 (A) If the licensee that conducts horse racing at
7 that racetrack requests from the Board at least as many
8 racing dates as were conducted in calendar year 2000,
9 80% shall be paid to its thoroughbred purse account;
10 and

11 (B) Twenty percent shall be deposited into the
12 Illinois Colt Stakes Purse Distribution Fund and shall
13 be paid to purses for standardbred races for Illinois
14 conceived and foaled horses conducted at any county
15 fairgrounds. The moneys deposited into the Fund
16 pursuant to this subparagraph (B) shall be deposited
17 within 2 weeks after the day they were generated, shall
18 be in addition to and not in lieu of any other moneys
19 paid to standardbred purses under this Act, and shall
20 not be commingled with other moneys paid into that
21 Fund. The moneys deposited pursuant to this
22 subparagraph (B) shall be allocated as provided by the
23 Department of Agriculture, with the advice and
24 assistance of the Illinois Standardbred Breeders Fund
25 Advisory Board.

26 (7.2) Notwithstanding any other provision of this Act

1 to the contrary, if no thoroughbred racing is conducted at
2 a racetrack located in Madison County during any calendar
3 year beginning on or after January 1, 2002, all moneys
4 derived by that racetrack from simulcast wagering and
5 inter-track wagering that (1) are to be used for purses and
6 (2) are generated between the hours of 6:30 a.m. and 6:30
7 p.m. during that calendar year shall be deposited as
8 follows:

9 (A) If the licensee that conducts horse racing at
10 that racetrack requests from the Board at least as many
11 racing dates as were conducted in calendar year 2000,
12 80% shall be deposited into its standardbred purse
13 account; and

14 (B) Twenty percent shall be deposited into the
15 Illinois Colt Stakes Purse Distribution Fund. Moneys
16 deposited into the Illinois Colt Stakes Purse
17 Distribution Fund pursuant to this subparagraph (B)
18 shall be paid to Illinois conceived and foaled
19 thoroughbred breeders' programs and to thoroughbred
20 purses for races conducted at any county fairgrounds
21 for Illinois conceived and foaled horses at the
22 discretion of the Department of Agriculture, with the
23 advice and assistance of the Illinois Thoroughbred
24 Breeders Fund Advisory Board. The moneys deposited
25 into the Illinois Colt Stakes Purse Distribution Fund
26 pursuant to this subparagraph (B) shall be deposited

1 within 2 weeks after the day they were generated, shall
2 be in addition to and not in lieu of any other moneys
3 paid to thoroughbred purses under this Act, and shall
4 not be commingled with other moneys deposited into that
5 Fund.

6 (7.3) If no live standardbred racing is conducted at a
7 racetrack located in Madison County in calendar year 2000
8 or 2001, an organization licensee who is licensed to
9 conduct horse racing at that racetrack shall, before
10 January 1, 2002, pay all moneys derived from simulcast
11 wagering and inter-track wagering in calendar years 2000
12 and 2001 and paid into the licensee's standardbred purse
13 account as follows:

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

16 (B) Twenty percent to the Illinois Colt Stakes
17 Purse Distribution Fund.

18 Failure to make the payment to the Illinois Colt Stakes
19 Purse Distribution Fund before January 1, 2002 shall result
20 in the immediate revocation of the licensee's organization
21 license, inter-track wagering license, and inter-track
22 wagering location license.

23 Moneys paid into the Illinois Colt Stakes Purse
24 Distribution Fund pursuant to this paragraph (7.3) shall be
25 paid to purses for standardbred races for Illinois
26 conceived and foaled horses conducted at any county

1 fairgrounds. Moneys paid into the Illinois Colt Stakes
2 Purse Distribution Fund pursuant to this paragraph (7.3)
3 shall be used as determined by the Department of
4 Agriculture, with the advice and assistance of the Illinois
5 Standardbred Breeders Fund Advisory Board, shall be in
6 addition to and not in lieu of any other moneys paid to
7 standardbred purses under this Act, and shall not be
8 commingled with any other moneys paid into that Fund.

9 (7.4) If live standardbred racing is conducted at a
10 racetrack located in Madison County at any time in calendar
11 year 2001 before the payment required under paragraph (7.3)
12 has been made, the organization licensee who is licensed to
13 conduct racing at that racetrack shall pay all moneys
14 derived by that racetrack from simulcast wagering and
15 inter-track wagering during calendar years 2000 and 2001
16 that (1) are to be used for purses and (2) are generated
17 between the hours of 6:30 p.m. and 6:30 a.m. during 2000 or
18 2001 to the standardbred purse account at that racetrack to
19 be used for standardbred purses.

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

1 (8.1) Notwithstanding any provisions in this Act to the
2 contrary, if 2 organization licensees are conducting
3 standardbred race meetings concurrently between the hours
4 of 6:30 p.m. and 6:30 a.m., after payment of all applicable
5 State and local taxes and interstate commission fees, the
6 remainder of the amount retained from simulcast wagering
7 otherwise attributable to the host track and to host track
8 purses shall be split daily between the 2 organization
9 licensees and the purses at the tracks of the 2
10 organization licensees, respectively, based on each
11 organization licensee's share of the total live handle for
12 that day, provided that this provision shall not apply to
13 any non-host licensee that derives its license from a track
14 located in a county with a population in excess of 230,000
15 and that borders the Mississippi River.

16 (9) (Blank).

17 (10) (Blank).

18 (11) (Blank).

19 (12) The Board shall have authority to compel all host
20 tracks to receive the simulcast of any or all races
21 conducted at the Springfield or DuQuoin State fairgrounds
22 and include all such races as part of their simulcast
23 programs.

24 (13) Notwithstanding any other provision of this Act,
25 in the event that the total Illinois pari-mutuel handle on
26 Illinois horse races at all wagering facilities in any

1 calendar year is less than 75% of the total Illinois
2 pari-mutuel handle on Illinois horse races at all such
3 wagering facilities for calendar year 1994, then each
4 wagering facility that has an annual total Illinois
5 pari-mutuel handle on Illinois horse races that is less
6 than 75% of the total Illinois pari-mutuel handle on
7 Illinois horse races at such wagering facility for calendar
8 year 1994, shall be permitted to receive, from any amount
9 otherwise payable to the purse account at the race track
10 with which the wagering facility is affiliated in the
11 succeeding calendar year, an amount equal to 2% of the
12 differential in total Illinois pari-mutuel handle on
13 Illinois horse races at the wagering facility between that
14 calendar year in question and 1994 provided, however, that
15 a wagering facility shall not be entitled to any such
16 payment until the Board certifies in writing to the
17 wagering facility the amount to which the wagering facility
18 is entitled and a schedule for payment of the amount to the
19 wagering facility, based on: (i) the racing dates awarded
20 to the race track affiliated with the wagering facility
21 during the succeeding year; (ii) the sums available or
22 anticipated to be available in the purse account of the
23 race track affiliated with the wagering facility for purses
24 during the succeeding year; and (iii) the need to ensure
25 reasonable purse levels during the payment period. The
26 Board's certification shall be provided no later than

1 January 31 of the succeeding year. In the event a wagering
2 facility entitled to a payment under this paragraph (13) is
3 affiliated with a race track that maintains purse accounts
4 for both standardbred and thoroughbred racing, the amount
5 to be paid to the wagering facility shall be divided
6 between each purse account pro rata, based on the amount of
7 Illinois handle on Illinois standardbred and thoroughbred
8 racing respectively at the wagering facility during the
9 previous calendar year. Annually, the General Assembly
10 shall appropriate sufficient funds from the General
11 Revenue Fund to the Department of Agriculture for payment
12 into the thoroughbred and standardbred horse racing purse
13 accounts at Illinois pari-mutuel tracks. The amount paid to
14 each purse account shall be the amount certified by the
15 Illinois Racing Board in January to be transferred from
16 each account to each eligible racing facility in accordance
17 with the provisions of this Section. Beginning in the
18 calendar year in which an organization licensee that is
19 eligible to receive payment under this paragraph (13)
20 begins to receive funds from electronic gaming, the amount
21 of the payment due to all wagering facilities licensed
22 under that organization licensee under this paragraph (13)
23 shall be the amount certified by the Board in January of
24 that year. An organization licensee and its related
25 wagering facilities shall no longer be able to receive
26 payments under this paragraph (13) beginning in the year

1 subsequent to the first year in which the organization
2 licensee begins to receive funds from electronic gaming.

3 (h) The Board may approve and license the conduct of
4 inter-track wagering and simulcast wagering by inter-track
5 wagering licensees and inter-track wagering location licensees
6 subject to the following terms and conditions:

7 (1) Any person licensed to conduct a race meeting (i)
8 at a track where 60 or more days of racing were conducted
9 during the immediately preceding calendar year or where
10 over the 5 immediately preceding calendar years an average
11 of 30 or more days of racing were conducted annually may be
12 issued an inter-track wagering license; (ii) at a track
13 located in a county that is bounded by the Mississippi
14 River, which has a population of less than 150,000
15 according to the 1990 decennial census, and an average of
16 at least 60 days of racing per year between 1985 and 1993
17 may be issued an inter-track wagering license; or (iii) at
18 a track located in Madison County that conducted at least
19 100 days of live racing during the immediately preceding
20 calendar year may be issued an inter-track wagering
21 license, unless a lesser schedule of live racing is the
22 result of (A) weather, unsafe track conditions, or other
23 acts of God; (B) an agreement between the organization
24 licensee and the associations representing the largest
25 number of owners, trainers, jockeys, or standardbred
26 drivers who race horses at that organization licensee's

1 racing meeting; or (C) a finding by the Board of
2 extraordinary circumstances and that it was in the best
3 interest of the public and the sport to conduct fewer than
4 100 days of live racing. Any such person having operating
5 control of the racing facility may also receive up to 6
6 inter-track wagering location licenses. In no event shall
7 more than 6 inter-track wagering locations be established
8 for each eligible race track, except that an eligible race
9 track located in a county that has a population of more
10 than 230,000 and that is bounded by the Mississippi River
11 may establish up to 7 inter-track wagering locations. An
12 application for said license shall be filed with the Board
13 prior to such dates as may be fixed by the Board. With an
14 application for an inter-track wagering location license
15 there shall be delivered to the Board a certified check or
16 bank draft payable to the order of the Board for an amount
17 equal to \$500. The application shall be on forms prescribed
18 and furnished by the Board. The application shall comply
19 with all other rules, regulations and conditions imposed by
20 the Board in connection therewith.

21 (2) The Board shall examine the applications with
22 respect to their conformity with this Act and the rules and
23 regulations imposed by the Board. If found to be in
24 compliance with the Act and rules and regulations of the
25 Board, the Board may then issue a license to conduct
26 inter-track wagering and simulcast wagering to such

1 applicant. All such applications shall be acted upon by the
2 Board at a meeting to be held on such date as may be fixed
3 by the Board.

4 (3) In granting licenses to conduct inter-track
5 wagering and simulcast wagering, the Board shall give due
6 consideration to the best interests of the public, of horse
7 racing, and of maximizing revenue to the State.

8 (4) Prior to the issuance of a license to conduct
9 inter-track wagering and simulcast wagering, the applicant
10 shall file with the Board a bond payable to the State of
11 Illinois in the sum of \$50,000, executed by the applicant
12 and a surety company or companies authorized to do business
13 in this State, and conditioned upon (i) the payment by the
14 licensee of all taxes due under Section 27 or 27.1 and any
15 other monies due and payable under this Act, and (ii)
16 distribution by the licensee, upon presentation of the
17 winning ticket or tickets, of all sums payable to the
18 patrons of pari-mutuel pools.

19 (5) Each license to conduct inter-track wagering and
20 simulcast wagering shall specify the person to whom it is
21 issued, the dates on which such wagering is permitted, and
22 the track or location where the wagering is to be
23 conducted.

24 (6) All wagering under such license is subject to this
25 Act and to the rules and regulations from time to time
26 prescribed by the Board, and every such license issued by

1 the Board shall contain a recital to that effect.

2 (7) An inter-track wagering licensee or inter-track
3 wagering location licensee may accept wagers at the track
4 or location where it is licensed, or as otherwise provided
5 under this Act.

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

9 (8.1) Inter-track wagering location licensees who
10 derive their licenses from a particular organization
11 licensee shall conduct inter-track wagering and simulcast
12 wagering only at locations which are either within 90 miles
13 of that race track where the particular organization
14 licensee is licensed to conduct racing, or within 135 miles
15 of that race track where the particular organization
16 licensee is licensed to conduct racing in the case of race
17 tracks in counties of less than 400,000 that were operating
18 on or before June 1, 1986. However, inter-track wagering
19 and simulcast wagering shall not be conducted by those
20 licensees at any location within 5 miles of any race track
21 at which a horse race meeting has been licensed in the
22 current year, unless the person having operating control of
23 such race track has given its written consent to such
24 inter-track wagering location licensees, which consent
25 must be filed with the Board at or prior to the time
26 application is made.

1 (8.2) Inter-track wagering or simulcast wagering shall
2 not be conducted by an inter-track wagering location
3 licensee at any location within 500 feet of an existing
4 church, an ~~or~~ existing elementary or secondary public
5 school, or an existing elementary or secondary private
6 school registered with or recognized by the State Board of
7 Education school, nor within 500 feet of the residences of
8 more than 50 registered voters without receiving written
9 permission from a majority of the registered voters at such
10 residences. Such written permission statements shall be
11 filed with the Board. The distance of 500 feet shall be
12 measured to the nearest part of any building used for
13 worship services, education programs, residential
14 purposes, or conducting inter-track wagering by an
15 inter-track wagering location licensee, and not to
16 property boundaries. However, inter-track wagering or
17 simulcast wagering may be conducted at a site within 500
18 feet of a church, school or residences of 50 or more
19 registered voters if such church, school or residences have
20 been erected or established, or such voters have been
21 registered, after the Board issues the original
22 inter-track wagering location license at the site in
23 question. Inter-track wagering location licensees may
24 conduct inter-track wagering and simulcast wagering only
25 in areas that are zoned for commercial or manufacturing
26 purposes or in areas for which a special use has been

1 approved by the local zoning authority. However, no license
2 to conduct inter-track wagering and simulcast wagering
3 shall be granted by the Board with respect to any
4 inter-track wagering location within the jurisdiction of
5 any local zoning authority which has, by ordinance or by
6 resolution, prohibited the establishment of an inter-track
7 wagering location within its jurisdiction. However,
8 inter-track wagering and simulcast wagering may be
9 conducted at a site if such ordinance or resolution is
10 enacted after the Board licenses the original inter-track
11 wagering location licensee for the site in question.

12 (9) (Blank).

13 (10) An inter-track wagering licensee or an
14 inter-track wagering location licensee may retain, subject
15 to the payment of the privilege taxes and the purses, an
16 amount not to exceed 17% of all money wagered. Each program
17 of racing conducted by each inter-track wagering licensee
18 or inter-track wagering location licensee shall be
19 considered a separate racing day for the purpose of
20 determining the daily handle and computing the privilege
21 tax or pari-mutuel tax on such daily handle as provided in
22 Section 27.

23 (10.1) Except as provided in subsection (g) of Section
24 27 of this Act, inter-track wagering location licensees
25 shall pay 1% of the pari-mutuel handle at each location to
26 the municipality in which such location is situated and 1%

1 of the pari-mutuel handle at each location to the county in
2 which such location is situated. In the event that an
3 inter-track wagering location licensee is situated in an
4 unincorporated area of a county, such licensee shall pay 2%
5 of the pari-mutuel handle from such location to such
6 county.

7 (10.2) Notwithstanding any other provision of this
8 Act, with respect to intertrack wagering at a race track
9 located in a county that has a population of more than
10 230,000 and that is bounded by the Mississippi River ("the
11 first race track"), or at a facility operated by an
12 inter-track wagering licensee or inter-track wagering
13 location licensee that derives its license from the
14 organization licensee that operates the first race track,
15 on races conducted at the first race track or on races
16 conducted at another Illinois race track and
17 simultaneously televised to the first race track or to a
18 facility operated by an inter-track wagering licensee or
19 inter-track wagering location licensee that derives its
20 license from the organization licensee that operates the
21 first race track, those moneys shall be allocated as
22 follows:

23 (A) That portion of all moneys wagered on
24 standardbred racing that is required under this Act to
25 be paid to purses shall be paid to purses for
26 standardbred races.

1 (B) That portion of all moneys wagered on
2 thoroughbred racing that is required under this Act to
3 be paid to purses shall be paid to purses for
4 thoroughbred races.

5 (11) (A) After payment of the privilege or pari-mutuel
6 tax, any other applicable taxes, and the costs and expenses
7 in connection with the gathering, transmission, and
8 dissemination of all data necessary to the conduct of
9 inter-track wagering, the remainder of the monies retained
10 under either Section 26 or Section 26.2 of this Act by the
11 inter-track wagering licensee on inter-track wagering
12 shall be allocated with 50% to be split between the 2
13 participating licensees and 50% to purses, except that an
14 intertrack wagering licensee that derives its license from
15 a track located in a county with a population in excess of
16 230,000 and that borders the Mississippi River shall not
17 divide any remaining retention with the Illinois
18 organization licensee that provides the race or races, and
19 an intertrack wagering licensee that accepts wagers on
20 races conducted by an organization licensee that conducts a
21 race meet in a county with a population in excess of
22 230,000 and that borders the Mississippi River shall not
23 divide any remaining retention with that organization
24 licensee.

25 (B) From the sums permitted to be retained pursuant to
26 this Act each inter-track wagering location licensee shall

1 pay (i) the privilege or pari-mutuel tax to the State; (ii)
2 4.75% of the pari-mutuel handle on intertrack wagering at
3 such location on races as purses, except that an intertrack
4 wagering location licensee that derives its license from a
5 track located in a county with a population in excess of
6 230,000 and that borders the Mississippi River shall retain
7 all purse moneys for its own purse account consistent with
8 distribution set forth in this subsection (h), and
9 intertrack wagering location licensees that accept wagers
10 on races conducted by an organization licensee located in a
11 county with a population in excess of 230,000 and that
12 borders the Mississippi River shall distribute all purse
13 moneys to purses at the operating host track; (iii) until
14 January 1, 2000, except as provided in subsection (g) of
15 Section 27 of this Act, 1% of the pari-mutuel handle
16 wagered on inter-track wagering and simulcast wagering at
17 each inter-track wagering location licensee facility to
18 the Horse Racing Tax Allocation Fund, provided that, to the
19 extent the total amount collected and distributed to the
20 Horse Racing Tax Allocation Fund under this subsection (h)
21 during any calendar year exceeds the amount collected and
22 distributed to the Horse Racing Tax Allocation Fund during
23 calendar year 1994, that excess amount shall be
24 redistributed (I) to all inter-track wagering location
25 licensees, based on each licensee's pro-rata share of the
26 total handle from inter-track wagering and simulcast

1 wagering for all inter-track wagering location licensees
2 during the calendar year in which this provision is
3 applicable; then (II) the amounts redistributed to each
4 inter-track wagering location licensee as described in
5 subpart (I) shall be further redistributed as provided in
6 subparagraph (B) of paragraph (5) of subsection (g) of this
7 Section 26 provided first, that the shares of those
8 amounts, which are to be redistributed to the host track or
9 to purses at the host track under subparagraph (B) of
10 paragraph (5) of subsection (g) of this Section 26 shall be
11 redistributed based on each host track's pro rata share of
12 the total inter-track wagering and simulcast wagering
13 handle at all host tracks during the calendar year in
14 question, and second, that any amounts redistributed as
15 described in part (I) to an inter-track wagering location
16 licensee that accepts wagers on races conducted by an
17 organization licensee that conducts a race meet in a county
18 with a population in excess of 230,000 and that borders the
19 Mississippi River shall be further redistributed as
20 provided in subparagraphs (D) and (E) of paragraph (7) of
21 subsection (g) of this Section 26, with the portion of that
22 further redistribution allocated to purses at that
23 organization licensee to be divided between standardbred
24 purses and thoroughbred purses based on the amounts
25 otherwise allocated to purses at that organization
26 licensee during the calendar year in question; and (iv) 8%

1 of the pari-mutuel handle on inter-track wagering wagered
2 at such location to satisfy all costs and expenses of
3 conducting its wagering. The remainder of the monies
4 retained by the inter-track wagering location licensee
5 shall be allocated 40% to the location licensee and 60% to
6 the organization licensee which provides the Illinois
7 races to the location, except that an intertrack wagering
8 location licensee that derives its license from a track
9 located in a county with a population in excess of 230,000
10 and that borders the Mississippi River shall not divide any
11 remaining retention with the organization licensee that
12 provides the race or races and an intertrack wagering
13 location licensee that accepts wagers on races conducted by
14 an organization licensee that conducts a race meet in a
15 county with a population in excess of 230,000 and that
16 borders the Mississippi River shall not divide any
17 remaining retention with the organization licensee.
18 Notwithstanding the provisions of clauses (ii) and (iv) of
19 this paragraph, in the case of the additional inter-track
20 wagering location licenses authorized under paragraph (1)
21 of this subsection (h) by this amendatory Act of 1991,
22 those licensees shall pay the following amounts as purses:
23 during the first 12 months the licensee is in operation,
24 5.25% of the pari-mutuel handle wagered at the location on
25 races; during the second 12 months, 5.25%; during the third
26 12 months, 5.75%; during the fourth 12 months, 6.25%; and

1 during the fifth 12 months and thereafter, 6.75%. The
2 following amounts shall be retained by the licensee to
3 satisfy all costs and expenses of conducting its wagering:
4 during the first 12 months the licensee is in operation,
5 8.25% of the pari-mutuel handle wagered at the location;
6 during the second 12 months, 8.25%; during the third 12
7 months, 7.75%; during the fourth 12 months, 7.25%; and
8 during the fifth 12 months and thereafter, 6.75%. For
9 additional intertrack wagering location licensees
10 authorized under this amendatory Act of 1995, purses for
11 the first 12 months the licensee is in operation shall be
12 5.75% of the pari-mutuel wagered at the location, purses
13 for the second 12 months the licensee is in operation shall
14 be 6.25%, and purses thereafter shall be 6.75%. For
15 additional intertrack location licensees authorized under
16 this amendatory Act of 1995, the licensee shall be allowed
17 to retain to satisfy all costs and expenses: 7.75% of the
18 pari-mutuel handle wagered at the location during its first
19 12 months of operation, 7.25% during its second 12 months
20 of operation, and 6.75% thereafter.

21 (C) There is hereby created the Horse Racing Tax
22 Allocation Fund which shall remain in existence until
23 December 31, 1999. Moneys remaining in the Fund after
24 December 31, 1999 shall be paid into the General Revenue
25 Fund. Until January 1, 2000, all monies paid into the Horse
26 Racing Tax Allocation Fund pursuant to this paragraph (11)

1 by inter-track wagering location licensees located in park
2 districts of 500,000 population or less, or in a
3 municipality that is not included within any park district
4 but is included within a conservation district and is the
5 county seat of a county that (i) is contiguous to the state
6 of Indiana and (ii) has a 1990 population of 88,257
7 according to the United States Bureau of the Census, and
8 operating on May 1, 1994 shall be allocated by
9 appropriation as follows:

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

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

21 Four-sevenths to park districts or municipalities
22 that do not have a park district of 500,000 population
23 or less for museum purposes (if an inter-track wagering
24 location licensee is located in such a park district)
25 or to conservation districts for museum purposes (if an
26 inter-track wagering location licensee is located in a

1 municipality that is not included within any park
2 district but is included within a conservation
3 district and is the county seat of a county that (i) is
4 contiguous to the state of Indiana and (ii) has a 1990
5 population of 88,257 according to the United States
6 Bureau of the Census, except that if the conservation
7 district does not maintain a museum, the monies shall
8 be allocated equally between the county and the
9 municipality in which the inter-track wagering
10 location licensee is located for general purposes) or
11 to a municipal recreation board for park purposes (if
12 an inter-track wagering location licensee is located
13 in a municipality that is not included within any park
14 district and park maintenance is the function of the
15 municipal recreation board and the municipality has a
16 1990 population of 9,302 according to the United States
17 Bureau of the Census); provided that the monies are
18 distributed to each park district or conservation
19 district or municipality that does not have a park
20 district in an amount equal to four-sevenths of the
21 amount collected by each inter-track wagering location
22 licensee within the park district or conservation
23 district or municipality for the Fund. Monies that were
24 paid into the Horse Racing Tax Allocation Fund before
25 the effective date of this amendatory Act of 1991 by an
26 inter-track wagering location licensee located in a

1 municipality that is not included within any park
2 district but is included within a conservation
3 district as provided in this paragraph shall, as soon
4 as practicable after the effective date of this
5 amendatory Act of 1991, be allocated and paid to that
6 conservation district as provided in this paragraph.
7 Any park district or municipality not maintaining a
8 museum may deposit the monies in the corporate fund of
9 the park district or municipality where the
10 inter-track wagering location is located, to be used
11 for general purposes; and

12 One-seventh to the Agricultural Premium Fund to be
13 used for distribution to agricultural home economics
14 extension councils in accordance with "An Act in
15 relation to additional support and finances for the
16 Agricultural and Home Economic Extension Councils in
17 the several counties of this State and making an
18 appropriation therefor", approved July 24, 1967.

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

22 Two-sevenths to the Department of Agriculture.
23 Fifty percent of this two-sevenths shall be used to
24 promote the Illinois horse racing and breeding
25 industry, and shall be distributed by the Department of
26 Agriculture upon the advice of a 9-member committee

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

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

7 Four-sevenths to museums and aquariums located in
8 park districts of over 500,000 population; provided
9 that the monies are distributed in accordance with the
10 previous year's distribution of the maintenance tax
11 for such museums and aquariums as provided in Section 2
12 of the Park District Aquarium and Museum Act; and

13 One-seventh to the Agricultural Premium Fund to be
14 used for distribution to agricultural home economics
15 extension councils in accordance with "An Act in
16 relation to additional support and finances for the
17 Agricultural and Home Economic Extension Councils in
18 the several counties of this State and making an
19 appropriation therefor", approved July 24, 1967. This
20 subparagraph (C) shall be inoperative and of no force
21 and effect on and after January 1, 2000.

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

26 (i) If the inter-track wagering licensee,

1 except an intertrack wagering licensee that
2 derives its license from an organization licensee
3 located in a county with a population in excess of
4 230,000 and bounded by the Mississippi River, is
5 not conducting its own race meeting during the same
6 dates, then the entire purse allocation shall be to
7 purses at the track where the races wagered on are
8 being conducted.

9 (ii) If the inter-track wagering licensee,
10 except an intertrack wagering licensee that
11 derives its license from an organization licensee
12 located in a county with a population in excess of
13 230,000 and bounded by the Mississippi River, is
14 also conducting its own race meeting during the
15 same dates, then the purse allocation shall be as
16 follows: 50% to purses at the track where the races
17 wagered on are being conducted; 50% to purses at
18 the track where the inter-track wagering licensee
19 is accepting such wagers.

20 (iii) If the inter-track wagering is being
21 conducted by an inter-track wagering location
22 licensee, except an intertrack wagering location
23 licensee that derives its license from an
24 organization licensee located in a county with a
25 population in excess of 230,000 and bounded by the
26 Mississippi River, the entire purse allocation for

1 Illinois races shall be to purses at the track
2 where the race meeting being wagered on is being
3 held.

4 (12) The Board shall have all powers necessary and
5 proper to fully supervise and control the conduct of
6 inter-track wagering and simulcast wagering by inter-track
7 wagering licensees and inter-track wagering location
8 licensees, including, but not limited to the following:

9 (A) The Board is vested with power to promulgate
10 reasonable rules and regulations for the purpose of
11 administering the conduct of this wagering and to
12 prescribe reasonable rules, regulations and conditions
13 under which such wagering shall be held and conducted.
14 Such rules and regulations are to provide for the
15 prevention of practices detrimental to the public
16 interest and for the best interests of said wagering
17 and to impose penalties for violations thereof.

18 (B) The Board, and any person or persons to whom it
19 delegates this power, is vested with the power to enter
20 the facilities of any licensee to determine whether
21 there has been compliance with the provisions of this
22 Act and the rules and regulations relating to the
23 conduct of such wagering.

24 (C) The Board, and any person or persons to whom it
25 delegates this power, may eject or exclude from any
26 licensee's facilities, any person whose conduct or

1 reputation is such that his presence on such premises
2 may, in the opinion of the Board, call into the
3 question the honesty and integrity of, or interfere
4 with the orderly conduct of such wagering; provided,
5 however, that no person shall be excluded or ejected
6 from such premises solely on the grounds of race,
7 color, creed, national origin, ancestry, or sex.

8 (D) (Blank).

9 (E) The Board is vested with the power to appoint
10 delegates to execute any of the powers granted to it
11 under this Section for the purpose of administering
12 this wagering and any rules and regulations
13 promulgated in accordance with this Act.

14 (F) The Board shall name and appoint a State
15 director of this wagering who shall be a representative
16 of the Board and whose duty it shall be to supervise
17 the conduct of inter-track wagering as may be provided
18 for by the rules and regulations of the Board; such
19 rules and regulation shall specify the method of
20 appointment and the Director's powers, authority and
21 duties.

22 (G) The Board is vested with the power to impose
23 civil penalties of up to \$5,000 against individuals and
24 up to \$10,000 against licensees for each violation of
25 any provision of this Act relating to the conduct of
26 this wagering, any rules adopted by the Board, any

1 order of the Board or any other action which in the
2 Board's discretion, is a detriment or impediment to
3 such wagering.

4 (13) The Department of Agriculture may enter into
5 agreements with licensees authorizing such licensees to
6 conduct inter-track wagering on races to be held at the
7 licensed race meetings conducted by the Department of
8 Agriculture. Such agreement shall specify the races of the
9 Department of Agriculture's licensed race meeting upon
10 which the licensees will conduct wagering. In the event
11 that a licensee conducts inter-track pari-mutuel wagering
12 on races from the Illinois State Fair or DuQuoin State Fair
13 which are in addition to the licensee's previously approved
14 racing program, those races shall be considered a separate
15 racing day for the purpose of determining the daily handle
16 and computing the privilege or pari-mutuel tax on that
17 daily handle as provided in Sections 27 and 27.1. Such
18 agreements shall be approved by the Board before such
19 wagering may be conducted. In determining whether to grant
20 approval, the Board shall give due consideration to the
21 best interests of the public and of horse racing. The
22 provisions of paragraphs (1), (8), (8.1), and (8.2) of
23 subsection (h) of this Section which are not specified in
24 this paragraph (13) shall not apply to licensed race
25 meetings conducted by the Department of Agriculture at the
26 Illinois State Fair in Sangamon County or the DuQuoin State

1 Fair in Perry County, or to any wagering conducted on those
2 race meetings.

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

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

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

9 Sec. 27. (a) In addition to the organization license fee
10 provided by this Act, until January 1, 2000, a graduated
11 privilege tax is hereby imposed for conducting the pari-mutuel
12 system of wagering permitted under this Act. Until January 1,
13 2000, except as provided in subsection (g) of Section 27 of
14 this Act, all of the breakage of each racing day held by any
15 licensee in the State shall be paid to the State. Until January
16 1, 2000, such daily graduated privilege tax shall be paid by
17 the licensee from the amount permitted to be retained under
18 this Act. Until January 1, 2000, each day's graduated privilege
19 tax, breakage, and Horse Racing Tax Allocation funds shall be
20 remitted to the Department of Revenue within 48 hours after the
21 close of the racing day upon which it is assessed or within
22 such other time as the Board prescribes. The privilege tax
23 hereby imposed, until January 1, 2000, shall be a flat tax at
24 the rate of 2% of the daily pari-mutuel handle except as
25 provided in Section 27.1.

1 In addition, every organization licensee, except as
2 provided in Section 27.1 of this Act, which conducts multiple
3 wagering shall pay, until January 1, 2000, as a privilege tax
4 on multiple wagers an amount equal to 1.25% of all moneys
5 wagered each day on such multiple wagers, plus an additional
6 amount equal to 3.5% of the amount wagered each day on any
7 other multiple wager which involves a single betting interest
8 on 3 or more horses. The licensee shall remit the amount of
9 such taxes to the Department of Revenue within 48 hours after
10 the close of the racing day on which it is assessed or within
11 such other time as the Board prescribes.

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

14 (a-5) Beginning on January 1, 2000, a flat pari-mutuel tax
15 at the rate of 1.5% of the daily pari-mutuel handle is imposed
16 at all pari-mutuel wagering facilities and on advance deposit
17 wagering from a location other than a wagering facility, except
18 as otherwise provided for in this subsection (a-5). In addition
19 to the pari-mutuel tax imposed on advance deposit wagering
20 pursuant to this subsection (a-5), an additional pari-mutuel
21 tax at the rate of 0.25% shall be imposed on advance deposit
22 wagering, the amount of which shall not exceed \$250,000 in each
23 calendar year. The additional 0.25% pari-mutuel tax imposed on
24 advance deposit wagering by this amendatory Act of the 96th
25 General Assembly shall be deposited into the Quarter Horse
26 Purse Fund, which shall be created as a non-appropriated trust

1 fund administered by the Board for grants to thoroughbred
2 organization licensees for payment of purses for quarter horse
3 races conducted by the organization licensee. Thoroughbred
4 organization licensees may petition the Board to conduct
5 quarter horse racing and receive purse grants from the Quarter
6 Horse Purse Fund. The Board shall have complete discretion in
7 distributing the Quarter Horse Purse Fund to the petitioning
8 organization licensees. Beginning on the effective date of this
9 amendatory Act of the 96th General Assembly and until moneys
10 deposited pursuant to Section 54 are distributed and received,
11 a pari-mutuel tax at the rate of 0.75% of the daily pari-mutuel
12 handle is imposed at a pari-mutuel facility whose license is
13 derived from a track located in a county that borders the
14 Mississippi River and conducted live racing in the previous
15 year. After moneys deposited pursuant to Section 54 are
16 distributed and received, a pari-mutuel tax at the rate of 1.5%
17 of the daily pari-mutuel handle is imposed at a pari-mutuel
18 facility whose license is derived from a track located in a
19 county that borders the Mississippi River and conducted live
20 racing in the previous year. The pari-mutuel tax imposed by
21 this subsection (a-5) shall be remitted to the Department of
22 Revenue within 48 hours after the close of the racing day upon
23 which it is assessed or within such other time as the Board
24 prescribes.

25 (a-10) Beginning on the date when an organization licensee
26 begins conducting electronic gaming pursuant to an electronic

1 gaming license, the following pari-mutuel tax is imposed upon
2 an organization licensee on Illinois races at the licensee's
3 race track:

4 1.5% of the pari-mutuel handle at or below the average
5 daily pari-mutuel handle for 2011.

6 2% of the pari-mutuel handle above the average daily
7 pari-mutuel handle for 2011 up to 125% of the average daily
8 pari-mutuel handle for 2011.

9 2.5% of the pari-mutuel handle 125% or more above the
10 average daily pari-mutuel handle for 2011 up to 150% of the
11 average daily pari-mutuel handle for 2011.

12 3% of the pari-mutuel handle 150% or more above the
13 average daily pari-mutuel handle for 2011 up to 175% of the
14 average daily pari-mutuel handle for 2011.

15 3.5% of the pari-mutuel handle 175% or more above the
16 average daily pari-mutuel handle for 2011.

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

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

1 (c) Licensees shall at all times keep accurate books and
2 records of all monies wagered on each day of a race meeting and
3 of the taxes paid to the Department of Revenue under the
4 provisions of this Section. The Board or its duly authorized
5 representative or representatives shall at all reasonable
6 times have access to such records for the purpose of examining
7 and checking the same and ascertaining whether the proper
8 amount of taxes is being paid as provided. The Board shall
9 require verified reports and a statement of the total of all
10 monies wagered daily at each wagering facility upon which the
11 taxes are assessed and may prescribe forms upon which such
12 reports and statement shall be made.

13 (d) Any licensee failing or refusing to pay the amount of
14 any tax due under this Section shall be guilty of a business
15 offense and upon conviction shall be fined not more than \$5,000
16 in addition to the amount found due as tax under this Section.
17 Each day's violation shall constitute a separate offense. All
18 fines paid into Court by a licensee hereunder shall be
19 transmitted and paid over by the Clerk of the Court to the
20 Board.

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

24 (f) No other license fee, privilege tax, excise tax or
25 racing fee shall be assessed or collected from any such
26 licensee by units of local government except as provided in

1 paragraph 10.1 of subsection (h) and subsection (f) of Section
2 26 of this Act. However, any municipality that has a Board
3 licensed horse race meeting at a race track wholly within its
4 corporate boundaries or a township that has a Board licensed
5 horse race meeting at a race track wholly within the
6 unincorporated area of the township may charge a local
7 amusement tax not to exceed 10¢ per admission to such horse
8 race meeting by the enactment of an ordinance. However, any
9 municipality or county that has a Board licensed inter-track
10 wagering location facility wholly within its corporate
11 boundaries may each impose an admission fee not to exceed \$1.00
12 per admission to such inter-track wagering location facility,
13 so that a total of not more than \$2.00 per admission may be
14 imposed. Except as provided in subparagraph (g) of Section 27
15 of this Act, the inter-track wagering location licensee shall
16 collect any and all such fees and within 48 hours remit the
17 fees to the Board, which shall, pursuant to rule, cause the
18 fees to be distributed to the county or municipality.

19 (g) Notwithstanding any provision in this Act to the
20 contrary, if in any calendar year the total taxes and fees from
21 wagering on live racing and from inter-track wagering required
22 to be collected from licensees and distributed under this Act
23 to all State and local governmental authorities exceeds the
24 amount of such taxes and fees distributed to each State and
25 local governmental authority to which each State and local
26 governmental authority was entitled under this Act for calendar

1 year 1994, then the first \$11 million of that excess amount
2 shall be allocated at the earliest possible date for
3 distribution as purse money for the succeeding calendar year.
4 Upon reaching the 1994 level, and until the excess amount of
5 taxes and fees exceeds \$11 million, the Board shall direct all
6 licensees to cease paying the subject taxes and fees and the
7 Board shall direct all licensees to allocate any such excess
8 amount for purses as follows:

9 (i) the excess amount shall be initially divided
10 between thoroughbred and standardbred purses based on the
11 thoroughbred's and standardbred's respective percentages
12 of total Illinois live wagering in calendar year 1994;

13 (ii) each thoroughbred and standardbred organization
14 licensee issued an organization license in that
15 succeeding allocation year shall be allocated an amount
16 equal to the product of its percentage of total Illinois
17 live thoroughbred or standardbred wagering in calendar
18 year 1994 (the total to be determined based on the sum of
19 1994 on-track wagering for all organization licensees
20 issued organization licenses in both the allocation year
21 and the preceding year) multiplied by the total amount
22 allocated for standardbred or thoroughbred purses,
23 provided that the first \$1,500,000 of the amount allocated
24 to standardbred purses under item (i) shall be allocated to
25 the Department of Agriculture to be expended with the
26 assistance and advice of the Illinois Standardbred

1 Breeders Funds Advisory Board for the purposes listed in
2 subsection (g) of Section 31 of this Act, before the amount
3 allocated to standardbred purses under item (i) is
4 allocated to standardbred organization licensees in the
5 succeeding allocation year.

6 To the extent the excess amount of taxes and fees to be
7 collected and distributed to State and local governmental
8 authorities exceeds \$11 million, that excess amount shall be
9 collected and distributed to State and local authorities as
10 provided for under this Act.

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

12 (230 ILCS 5/28) (from Ch. 8, par. 37-28)

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

16 (a) Thirty per cent of the total of all monies received by
17 the State as privilege taxes shall be paid into the
18 Metropolitan Exposition Auditorium and Office Building Fund in
19 the State Treasury.

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

24 (c) Fifty per cent of the total of all monies received by
25 the State as privilege taxes under the provisions of this Act

1 shall be paid into the Agricultural Premium Fund.

2 (d) Seven per cent of the total of all monies received by
3 the State as privilege taxes shall be paid into the Fair and
4 Exposition Fund in the State treasury; provided, however, that
5 when all bonds issued prior to July 1, 1984 by the Metropolitan
6 Fair and Exposition Authority shall have been paid or payment
7 shall have been provided for upon a refunding of those bonds,
8 thereafter 1/12 of \$1,665,662 of such monies shall be paid each
9 month into the Build Illinois Fund, and the remainder into the
10 Fair and Exposition Fund. All excess monies shall be allocated
11 to the Department of Agriculture for distribution to county
12 fairs for premiums and rehabilitation as set forth in the
13 Agricultural Fair Act.

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

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

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

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

26 (i) The salaries of the Board members, secretary, stewards,

1 directors of mutuels, veterinarians, representatives,
2 accountants, clerks, stenographers, inspectors and other
3 employees of the Board, and all expenses of the Board incident
4 to the administration of this Act, including, but not limited
5 to, all expenses and salaries incident to the taking of saliva
6 and urine samples in accordance with the rules and regulations
7 of the Board shall be paid out of the Agricultural Premium
8 Fund.

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

10 (1) for the expenses of operating the Illinois State
11 Fair and the DuQuoin State Fair, including the payment of
12 prize money or premiums;

13 (2) for the distribution to county fairs, vocational
14 agriculture section fairs, agricultural societies, and
15 agricultural extension clubs in accordance with the
16 Agricultural Fair Act, as amended;

17 (3) for payment of prize monies and premiums awarded
18 and for expenses incurred in connection with the
19 International Livestock Exposition and the Mid-Continent
20 Livestock Exposition held in Illinois, which premiums, and
21 awards must be approved, and paid by the Illinois
22 Department of Agriculture;

23 (4) for personal service of county agricultural
24 advisors and county home advisors;

25 (5) for distribution to agricultural home economic
26 extension councils in accordance with "An Act in relation

1 to additional support and finance for the Agricultural and
2 Home Economic Extension Councils in the several counties in
3 this State and making an appropriation therefor", approved
4 July 24, 1967, as amended;

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

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

10 (8) for the rehabilitation, repair and maintenance of
11 the Illinois and DuQuoin State Fair Grounds and the
12 structures and facilities thereon and the construction of
13 permanent improvements on such Fair Grounds, including
14 such structures, facilities and property located on such
15 State Fair Grounds which are under the custody and control
16 of the Department of Agriculture;

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

20 (10) for the expenses of the Department of Commerce and
21 Economic Opportunity under Sections 605-620, 605-625, and
22 605-630 of the Department of Commerce and Economic
23 Opportunity Law (20 ILCS 605/605-620, 605/605-625, and
24 605/605-630);

25 (11) for remodeling, expanding, and reconstructing
26 facilities destroyed by fire of any Fair and Exposition

1 Authority in counties with a population of 1,000,000 or
2 more inhabitants;

3 (12) for the purpose of assisting in the care and
4 general rehabilitation of disabled veterans of any war and
5 their surviving spouses and orphans;

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

8 (14) for the Department of Agriculture for soil surveys
9 and soil and water conservation purposes;

10 (15) for the Department of Agriculture for grants to
11 the City of Chicago for conducting the Chicagofest;

12 (16) for the State Comptroller for grants and operating
13 expenses authorized by the Illinois Global Partnership
14 Act.

15 (k) To the extent that monies paid by the Board to the
16 Agricultural Premium Fund are in the opinion of the Governor in
17 excess of the amount necessary for the purposes herein stated,
18 the Governor shall notify the Comptroller and the State
19 Treasurer of such fact, who, upon receipt of such notification,
20 shall transfer such excess monies from the Agricultural Premium
21 Fund to the General Revenue Fund.

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

23 (230 ILCS 5/28.1)

24 Sec. 28.1. Payments.

25 (a) Beginning on January 1, 2000, moneys collected by the

1 Department of Revenue and the Racing Board pursuant to Section
2 26 or Section 27 of this Act shall be deposited into the Horse
3 Racing Fund, which is hereby created as a special fund in the
4 State Treasury.

5 (b) Appropriations, as approved by the General Assembly,
6 may be made from the Horse Racing Fund to the Board to pay the
7 salaries of the Board members, secretary, stewards, directors
8 of mutuels, veterinarians, representatives, accountants,
9 clerks, stenographers, inspectors and other employees of the
10 Board, and all expenses of the Board incident to the
11 administration of this Act, including, but not limited to, all
12 expenses and salaries incident to the taking of saliva and
13 urine samples in accordance with the rules and regulations of
14 the Board.

15 (c) Beginning on January 1, 2000, the Board shall transfer
16 the remainder of the funds generated pursuant to Sections 26
17 and 27 from the Horse Racing Fund into the General Revenue
18 Fund.

19 In the event that in any fiscal year, the amount of total
20 funds in the Horse Racing Fund is insufficient to meet the
21 annual operating expenses of the Board, as appropriated by the
22 General Assembly for that fiscal year, the Board shall invoice
23 the organization licensees for the amount of the deficit. The
24 amount of the invoice shall be allocated in a proportionate
25 amount of pari-mutuel wagering handled by the organization
26 licensee in the year preceding assessment and divided by the

1 total pari-mutuel wagering handled by all Illinois
2 organization licensees. The payments shall be made 50% from the
3 organization licensee's account and 50% from the organization
4 licensee's purse account.

5 (d) Beginning January 1, 2000, payments to all programs in
6 existence on the effective date of this amendatory Act of 1999
7 that are identified in Sections 26(c), 26(f), 26(h)(11)(C), and
8 28, subsections (a), (b), (c), (d), (e), (f), (g), and (h) of
9 Section 30, and subsections (a), (b), (c), (d), (e), (f), (g),
10 and (h) of Section 31 shall be made from the General Revenue
11 Fund at the funding levels determined by amounts paid under
12 this Act in calendar year 1998. Beginning on the effective date
13 of this amendatory Act of the 93rd General Assembly, payments
14 to the Peoria Park District shall be made from the General
15 Revenue Fund at the funding level determined by amounts paid to
16 that park district for museum purposes under this Act in
17 calendar year 1994.

18 If an inter-track wagering location licensee's facility
19 changes its location, then the payments associated with that
20 facility under this subsection (d) for museum purposes shall be
21 paid to the park district in the area where the facility
22 relocates, and the payments shall be used for museum purposes.
23 If the facility does not relocate to a park district, then the
24 payments shall be paid to the taxing district that is
25 responsible for park or museum expenditures.

26 (e) Beginning July 1, 2006, the payment authorized under

1 subsection (d) to museums and aquariums located in park
2 districts of over 500,000 population shall be paid to museums,
3 aquariums, and zoos in amounts determined by Museums in the
4 Park, an association of museums, aquariums, and zoos located on
5 Chicago Park District property.

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

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

12 (230 ILCS 5/30) (from Ch. 8, par. 37-30)

13 Sec. 30. (a) The General Assembly declares that it is the
14 policy of this State to encourage the breeding of thoroughbred
15 horses in this State and the ownership of such horses by
16 residents of this State in order to provide for: sufficient
17 numbers of high quality thoroughbred horses to participate in
18 thoroughbred racing meetings in this State, and to establish
19 and preserve the agricultural and commercial benefits of such
20 breeding and racing industries to the State of Illinois. It is
21 the intent of the General Assembly to further this policy by
22 the provisions of this Act.

23 (b) Each organization licensee conducting a thoroughbred
24 racing meeting pursuant to this Act shall provide at least two
25 races each day limited to Illinois conceived and foaled horses

1 or Illinois foaled horses or both. A minimum of 6 races shall
2 be conducted each week limited to Illinois conceived and foaled
3 or Illinois foaled horses or both. No horses shall be permitted
4 to start in such races unless duly registered under the rules
5 of the Department of Agriculture.

6 (c) Conditions of races under subsection (b) shall be
7 commensurate with past performance, quality, and class of
8 Illinois conceived and foaled and Illinois foaled horses
9 available. If, however, sufficient competition cannot be had
10 among horses of that class on any day, the races may, with
11 consent of the Board, be eliminated for that day and substitute
12 races provided.

13 (d) There is hereby created a special fund of the State
14 Treasury to be known as the Illinois Thoroughbred Breeders
15 Fund.

16 Beginning on the effective date of this amendatory Act of
17 the 97th General Assembly, the Illinois Thoroughbred Breeders
18 Fund shall become a non-appropriated trust fund held separately
19 from State moneys. Expenditures from this Fund shall no longer
20 be subject to appropriation.

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

25 Notwithstanding any provision of law to the contrary,
26 amounts deposited into the Illinois Thoroughbred Breeders Fund

1 from revenues generated by electronic gaming after the
2 effective date of this amendatory Act of the 97th General
3 Assembly shall be in addition to tax and fee amounts paid under
4 this Section for calendar year 2011 and thereafter.

5 (e) The Illinois Thoroughbred Breeders Fund shall be
6 administered by the Department of Agriculture with the advice
7 and assistance of the Advisory Board created in subsection (f)
8 of this Section.

9 (f) The Illinois Thoroughbred Breeders Fund Advisory Board
10 shall consist of the Director of the Department of Agriculture,
11 who shall serve as Chairman; a member of the Illinois Racing
12 Board, designated by it; 2 representatives of the organization
13 licensees conducting thoroughbred racing meetings, recommended
14 by them; 2 representatives of the Illinois Thoroughbred
15 Breeders and Owners Foundation, recommended by it; one
16 representative ~~and 2 representatives~~ of the Horsemen's
17 Benevolent Protective Association; and one representative from
18 the Illinois Thoroughbred Horsemen's Association ~~or any~~
19 ~~successor organization established in Illinois comprised of~~
20 ~~the largest number of owners and trainers, recommended by it,~~
21 ~~with one representative of the Horsemen's Benevolent and~~
22 ~~Protective Association to come from its Illinois Division, and~~
23 ~~one from its Chicago Division.~~ Advisory Board members shall
24 serve for 2 years commencing January 1 of each odd numbered
25 year. If representatives of the organization licensees
26 conducting thoroughbred racing meetings, the Illinois

1 Thoroughbred Breeders and Owners Foundation, ~~and~~ the
2 Horsemen's Benevolent Protection Association, and the Illinois
3 Thoroughbred Horsemen's Association have not been recommended
4 by January 1, of each odd numbered year, the Director of the
5 Department of Agriculture shall make an appointment for the
6 organization failing to so recommend a member of the Advisory
7 Board. Advisory Board members shall receive no compensation for
8 their services as members but shall be reimbursed for all
9 actual and necessary expenses and disbursements incurred in the
10 execution of their official duties.

11 (g) ~~No monies shall be expended from the Illinois~~
12 ~~Thoroughbred Breeders Fund except as appropriated by the~~
13 ~~General Assembly.~~ Monies expended ~~appropriated~~ from the
14 Illinois Thoroughbred Breeders Fund shall be expended by the
15 Department of Agriculture, with the advice and assistance of
16 the Illinois Thoroughbred Breeders Fund Advisory Board, for the
17 following purposes only:

18 (1) To provide purse supplements to owners of horses
19 participating in races limited to Illinois conceived and
20 foaled and Illinois foaled horses. Any such purse
21 supplements shall not be included in and shall be paid in
22 addition to any purses, stakes, or breeders' awards offered
23 by each organization licensee as determined by agreement
24 between such organization licensee and an organization
25 representing the horsemen. No monies from the Illinois
26 Thoroughbred Breeders Fund shall be used to provide purse

1 supplements for claiming races in which the minimum
2 claiming price is less than \$7,500.

3 (2) To provide stakes and awards to be paid to the
4 owners of the winning horses in certain races limited to
5 Illinois conceived and foaled and Illinois foaled horses
6 designated as stakes races.

7 (2.5) To provide an award to the owner or owners of an
8 Illinois conceived and foaled or Illinois foaled horse that
9 wins a maiden special weight, an allowance, overnight
10 handicap race, or claiming race with claiming price of
11 \$10,000 or more providing the race is not restricted to
12 Illinois conceived and foaled or Illinois foaled horses.
13 Awards shall also be provided to the owner or owners of
14 Illinois conceived and foaled and Illinois foaled horses
15 that place second or third in those races. To the extent
16 that additional moneys are required to pay the minimum
17 additional awards of 40% of the purse the horse earns for
18 placing first, second or third in those races for Illinois
19 foaled horses and of 60% of the purse the horse earns for
20 placing first, second or third in those races for Illinois
21 conceived and foaled horses, those moneys shall be provided
22 from the purse account at the track where earned.

23 (3) To provide stallion awards to the owner or owners
24 of any stallion that is duly registered with the Illinois
25 Thoroughbred Breeders Fund Program ~~prior to the effective~~
26 ~~date of this amendatory Act of 1995~~ whose duly registered

1 Illinois conceived and foaled offspring wins a race
2 conducted at an Illinois thoroughbred racing meeting other
3 than a claiming race, provided that the stallion stood
4 service within Illinois at the time the offspring was
5 conceived and that the stallion did not stand for service
6 outside of Illinois at any time during the year in which
7 the offspring was conceived. ~~Such award shall not be paid~~
8 ~~to the owner or owners of an Illinois stallion that served~~
9 ~~outside this State at any time during the calendar year in~~
10 ~~which such race was conducted.~~

11 (4) To provide \$75,000 annually for purses to be
12 distributed to county fairs that provide for the running of
13 races during each county fair exclusively for the
14 thoroughbreds conceived and foaled in Illinois. The
15 conditions of the races shall be developed by the county
16 fair association and reviewed by the Department with the
17 advice and assistance of the Illinois Thoroughbred
18 Breeders Fund Advisory Board. There shall be no wagering of
19 any kind on the running of Illinois conceived and foaled
20 races at county fairs.

21 (4.1) To provide purse money for an Illinois stallion
22 stakes program.

23 (5) No less than 90% ~~80%~~ of all monies appropriated
24 from the Illinois Thoroughbred Breeders Fund shall be
25 expended for the purposes in (1), (2), (2.5), (3), (4),
26 (4.1), and (5) as shown above.

1 (6) To provide for educational programs regarding the
2 thoroughbred breeding industry.

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

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

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

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

12 (h) The Illinois Thoroughbred Breeders Fund is not subject
13 to administrative charges or chargebacks, including, but not
14 limited to, those authorized under Section 8h of the State
15 Finance Act. ~~Whenever the Governor finds that the amount in the~~
16 ~~Illinois Thoroughbred Breeders Fund is more than the total of~~
17 ~~the outstanding appropriations from such fund, the Governor~~
18 ~~shall notify the State Comptroller and the State Treasurer of~~
19 ~~such fact. The Comptroller and the State Treasurer, upon~~
20 ~~receipt of such notification, shall transfer such excess amount~~
21 ~~from the Illinois Thoroughbred Breeders Fund to the General~~
22 ~~Revenue Fund.~~

23 (i) A sum equal to 13% ~~12 1/2%~~ of the first prize money of
24 every purse won by an Illinois foaled or an Illinois conceived
25 and foaled horse in races not limited to Illinois foaled horses
26 or Illinois conceived and foaled horses, or both, shall be paid

1 by the organization licensee conducting the horse race meeting.
2 Such sum shall be paid 50% from the organization licensee's
3 account and 50% from the purse account of the licensee ~~share of~~
4 ~~the money wagered~~ as follows: 11 1/2% to the breeder of the
5 winning horse and 1 1/2% ~~1%~~ to the organization representing
6 thoroughbred breeders and owners whose representative serves
7 on the Illinois Thoroughbred Breeders Fund Advisory Board for
8 verifying the amounts of breeders' awards earned, assuring
9 their distribution in accordance with this Act, and servicing
10 and promoting the Illinois thoroughbred horse racing industry.
11 The organization representing thoroughbred breeders and owners
12 shall cause all expenditures of monies received under this
13 subsection (i) to be audited at least annually by a registered
14 public accountant. The organization shall file copies of each
15 annual audit with the Racing Board, the Clerk of the House of
16 Representatives and the Secretary of the Senate, and shall make
17 copies of each annual audit available to the public upon
18 request and upon payment of the reasonable cost of photocopying
19 the requested number of copies. Such payments shall not reduce
20 any award to the owner of the horse or reduce the taxes payable
21 under this Act. Upon completion of its racing meet, each
22 organization licensee shall deliver to the organization
23 representing thoroughbred breeders and owners whose
24 representative serves on the Illinois Thoroughbred Breeders
25 Fund Advisory Board a listing of all the Illinois foaled and
26 the Illinois conceived and foaled horses which won breeders'

1 awards and the amount of such breeders' awards under this
2 subsection to verify accuracy of payments and assure proper
3 distribution of breeders' awards in accordance with the
4 provisions of this Act. Such payments shall be delivered by the
5 organization licensee within 30 days of the end of each race
6 meeting.

7 (j) A sum equal to 13% ~~12 1/2%~~ of the first prize money won
8 in each race limited to Illinois foaled horses or Illinois
9 conceived and foaled horses, or both, shall be paid in the
10 following manner by the organization licensee conducting the
11 horse race meeting, 50% from the organization licensee's
12 account and 50% from the purse account of the licensee ~~share of~~
13 ~~the money wagered:~~ 11 1/2% to the breeders of the horses in
14 each such race which are the official first, second, third and
15 fourth finishers and 1 1/2% ~~1%~~ to the organization representing
16 thoroughbred breeders and owners whose representative serves
17 on the Illinois Thoroughbred Breeders Fund Advisory Board for
18 verifying the amounts of breeders' awards earned, assuring
19 their proper distribution in accordance with this Act, and
20 servicing and promoting the Illinois thoroughbred horse racing
21 industry. The organization representing thoroughbred breeders
22 and owners shall cause all expenditures of monies received
23 under this subsection (j) to be audited at least annually by a
24 registered public accountant. The organization shall file
25 copies of each annual audit with the Racing Board, the Clerk of
26 the House of Representatives and the Secretary of the Senate,

1 and shall make copies of each annual audit available to the
2 public upon request and upon payment of the reasonable cost of
3 photocopying the requested number of copies.

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

6 (1) 60% of such sum shall be paid to the breeder of the
7 horse which finishes in the official first position;

8 (2) 20% of such sum shall be paid to the breeder of the
9 horse which finishes in the official second position;

10 (3) 15% of such sum shall be paid to the breeder of the
11 horse which finishes in the official third position; and

12 (4) 5% of such sum shall be paid to the breeder of the
13 horse which finishes in the official fourth position.

14 Such payments shall not reduce any award to the owners of a
15 horse or reduce the taxes payable under this Act. Upon
16 completion of its racing meet, each organization licensee shall
17 deliver to the organization representing thoroughbred breeders
18 and owners whose representative serves on the Illinois
19 Thoroughbred Breeders Fund Advisory Board a listing of all the
20 Illinois foaled and the Illinois conceived and foaled horses
21 which won breeders' awards and the amount of such breeders'
22 awards in accordance with the provisions of this Act. Such
23 payments shall be delivered by the organization licensee within
24 30 days of the end of each race meeting.

25 (k) The term "breeder", as used herein, means the owner of
26 the mare at the time the foal is dropped. An "Illinois foaled

1 horse" is a foal dropped by a mare which enters this State on
2 or before December 1, in the year in which the horse is bred,
3 provided the mare remains continuously in this State until its
4 foal is born. An "Illinois foaled horse" also means a foal born
5 of a mare in the same year as the mare enters this State on or
6 before March 1, and remains in this State at least 30 days
7 after foaling, is bred back during the season of the foaling to
8 an Illinois Registered Stallion (unless a veterinarian
9 certifies that the mare should not be bred for health reasons),
10 and is not bred to a stallion standing in any other state
11 during the season of foaling. An "Illinois foaled horse" also
12 means a foal born in Illinois of a mare purchased at public
13 auction subsequent to the mare entering this State on or before
14 March 1 ~~prior to February 1~~ of the foaling year providing the
15 mare is owned solely by one or more Illinois residents or an
16 Illinois entity that is entirely owned by one or more Illinois
17 residents.

18 (1) The Department of Agriculture shall, by rule, with the
19 advice and assistance of the Illinois Thoroughbred Breeders
20 Fund Advisory Board:

21 (1) Qualify stallions for Illinois breeding; such
22 stallions to stand for service within the State of Illinois
23 at the time of a foal's conception. Such stallion must not
24 stand for service at any place outside the State of
25 Illinois during the calendar year in which the foal is
26 conceived. The Department of Agriculture may assess and

1 collect an application fee of up to \$500 ~~fees~~ for the
2 registration of Illinois-eligible stallions. All fees
3 collected are to be held in trust accounts for the purposes
4 set forth in this Act and in accordance with Section 205-15
5 of the Department of Agriculture Law ~~paid into the Illinois~~
6 ~~Thoroughbred Breeders Fund.~~

7 (2) Provide for the registration of Illinois conceived
8 and foaled horses and Illinois foaled horses. No such horse
9 shall compete in the races limited to Illinois conceived
10 and foaled horses or Illinois foaled horses or both unless
11 registered with the Department of Agriculture. The
12 Department of Agriculture may prescribe such forms as are
13 necessary to determine the eligibility of such horses. The
14 Department of Agriculture may assess and collect
15 application fees for the registration of Illinois-eligible
16 foals. All fees collected are to be held in trust accounts
17 for the purposes set forth in this Act and in accordance
18 with Section 205-15 of the Department of Agriculture Law
19 ~~paid into the Illinois Thoroughbred Breeders Fund.~~ No
20 person shall knowingly prepare or cause preparation of an
21 application for registration of such foals containing
22 false information.

23 (m) The Department of Agriculture, with the advice and
24 assistance of the Illinois Thoroughbred Breeders Fund Advisory
25 Board, shall provide that certain races limited to Illinois
26 conceived and foaled and Illinois foaled horses be stakes races

1 and determine the total amount of stakes and awards to be paid
2 to the owners of the winning horses in such races.

3 In determining the stakes races and the amount of awards
4 for such races, the Department of Agriculture shall consider
5 factors, including but not limited to, the amount of money
6 appropriated for the Illinois Thoroughbred Breeders Fund
7 program, organization licensees' contributions, availability
8 of stakes caliber horses as demonstrated by past performances,
9 whether the race can be coordinated into the proposed racing
10 dates within organization licensees' racing dates, opportunity
11 for colts and fillies and various age groups to race, public
12 wagering on such races, and the previous racing schedule.

13 (n) The Board and the organizational licensee shall notify
14 the Department of the conditions and minimum purses for races
15 limited to Illinois conceived and foaled and Illinois foaled
16 horses conducted for each organizational licensee conducting a
17 thoroughbred racing meeting. The Department of Agriculture
18 with the advice and assistance of the Illinois Thoroughbred
19 Breeders Fund Advisory Board may allocate monies for purse
20 supplements for such races. In determining whether to allocate
21 money and the amount, the Department of Agriculture shall
22 consider factors, including but not limited to, the amount of
23 money appropriated for the Illinois Thoroughbred Breeders Fund
24 program, the number of races that may occur, and the
25 organizational licensee's purse structure.

26 (o) In order to improve the breeding quality of

1 thoroughbred horses in the State, the General Assembly
2 recognizes that existing provisions of this Section to
3 encourage such quality breeding need to be revised and
4 strengthened. As such, a Thoroughbred Breeder's Program Task
5 Force is to be appointed by the Governor by September 1, 1999
6 to make recommendations to the General Assembly by no later
7 than March 1, 2000. This task force is to be composed of 2
8 representatives from the Illinois Thoroughbred Breeders and
9 Owners Foundation, 2 from the Illinois Thoroughbred Horsemen's
10 Association, 3 from Illinois race tracks operating
11 thoroughbred race meets for an average of at least 30 days in
12 the past 3 years, the Director of Agriculture, the Executive
13 Director of the Racing Board, who shall serve as Chairman.

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

15 (230 ILCS 5/30.5)

16 Sec. 30.5. Illinois Quarter Horse Breeders Fund.

17 (a) The General Assembly declares that it is the policy of
18 this State to encourage the breeding of racing quarter horses
19 in this State and the ownership of such horses by residents of
20 this State in order to provide for sufficient numbers of high
21 quality racing quarter horses in this State and to establish
22 and preserve the agricultural and commercial benefits of such
23 breeding and racing industries to the State of Illinois. It is
24 the intent of the General Assembly to further this policy by
25 the provisions of this Act.

1 (b) There is hereby created a non-appropriated trust
2 ~~special fund in the State Treasury~~ to be known as the Illinois
3 Racing Quarter Horse Breeders Fund, which is held separately
4 from State moneys. Except as provided in subsection (g) of
5 Section 27 of this Act, 8.5% of all the moneys received by the
6 State as pari-mutuel taxes on quarter horse racing shall be
7 paid into the Illinois Racing Quarter Horse Breeders Fund. The
8 Illinois Racing Quarter Horse Breeders Fund shall not be
9 subject to administrative charges or chargebacks, including,
10 but not limited to, those authorized under Section 8h of the
11 State Finance Act.

12 (c) The Illinois Racing Quarter Horse Breeders Fund shall
13 be administered by the Department of Agriculture with the
14 advice and assistance of the Advisory Board created in
15 subsection (d) of this Section.

16 (d) The Illinois Racing Quarter Horse Breeders Fund
17 Advisory Board shall consist of the Director of the Department
18 of Agriculture, who shall serve as Chairman; a member of the
19 Illinois Racing Board, designated by it; one representative of
20 the organization licensees conducting pari-mutuel quarter
21 horse racing meetings, recommended by them; 2 representatives
22 of the Illinois Running Quarter Horse Association, recommended
23 by it; and the Superintendent of Fairs and Promotions from the
24 Department of Agriculture. Advisory Board members shall serve
25 for 2 years commencing January 1 of each odd numbered year. If
26 representatives have not been recommended by January 1 of each

1 odd numbered year, the Director of the Department of
2 Agriculture may make an appointment for the organization
3 failing to so recommend a member of the Advisory Board.
4 Advisory Board members shall receive no compensation for their
5 services as members but may be reimbursed for all actual and
6 necessary expenses and disbursements incurred in the execution
7 of their official duties.

8 (e) Moneys in ~~No moneys shall be expended from the Illinois~~
9 ~~Racing Quarter Horse Breeders Fund except as appropriated by~~
10 ~~the General Assembly. Moneys appropriated from~~ the Illinois
11 Racing Quarter Horse Breeders Fund shall be expended by the
12 Department of Agriculture, with the advice and assistance of
13 the Illinois Racing Quarter Horse Breeders Fund Advisory Board,
14 for the following purposes only:

15 (1) To provide stakes and awards to be paid to the
16 owners of the winning horses in certain races. This
17 provision is limited to Illinois conceived and foaled
18 horses.

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

23 (3) To provide purse money for an Illinois stallion
24 stakes program.

25 (4) To provide for purses to be distributed for the
26 running of races during the Illinois State Fair and the

1 DuQuoin State Fair exclusively for quarter horses
2 conceived and foaled in Illinois.

3 (5) To provide for purses to be distributed for the
4 running of races at Illinois county fairs exclusively for
5 quarter horses conceived and foaled in Illinois.

6 (6) To provide for purses to be distributed for running
7 races exclusively for quarter horses conceived and foaled
8 in Illinois at locations in Illinois determined by the
9 Department of Agriculture with advice and consent of the
10 Racing Quarter Horse Breeders Fund Advisory Board.

11 (7) No less than 90% of all moneys appropriated from
12 the Illinois Racing Quarter Horse Breeders Fund shall be
13 expended for the purposes in items (1), (2), (3), (4), and
14 (5) of this subsection (e).

15 (8) To provide for research programs concerning the
16 health, development, and care of racing quarter horses.

17 (9) To provide for dissemination of public information
18 designed to promote the breeding of racing quarter horses
19 in Illinois.

20 (10) To provide for expenses incurred in the
21 administration of the Illinois Racing Quarter Horse
22 Breeders Fund.

23 (f) The Department of Agriculture shall, by rule, with the
24 advice and assistance of the Illinois Racing Quarter Horse
25 Breeders Fund Advisory Board:

26 (1) Qualify stallions for Illinois breeding; such

1 stallions to stand for service within the State of
2 Illinois, at the time of a foal's conception. Such stallion
3 must not stand for service at any place outside the State
4 of Illinois during the calendar year in which the foal is
5 conceived. The Department of Agriculture may assess and
6 collect application fees for the registration of
7 Illinois-eligible stallions. All fees collected are to be
8 paid into the Illinois Racing Quarter Horse Breeders Fund.

9 (2) Provide for the registration of Illinois conceived
10 and foaled horses. No such horse shall compete in the races
11 limited to Illinois conceived and foaled horses unless it
12 is registered with the Department of Agriculture. The
13 Department of Agriculture may prescribe such forms as are
14 necessary to determine the eligibility of such horses. The
15 Department of Agriculture may assess and collect
16 application fees for the registration of Illinois-eligible
17 foals. All fees collected are to be paid into the Illinois
18 Racing Quarter Horse Breeders Fund. No person shall
19 knowingly prepare or cause preparation of an application
20 for registration of such foals that contains false
21 information.

22 (g) The Department of Agriculture, with the advice and
23 assistance of the Illinois Racing Quarter Horse Breeders Fund
24 Advisory Board, shall provide that certain races limited to
25 Illinois conceived and foaled be stakes races and determine the
26 total amount of stakes and awards to be paid to the owners of

1 the winning horses in such races.

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

3 (230 ILCS 5/31) (from Ch. 8, par. 37-31)

4 Sec. 31. (a) The General Assembly declares that it is the
5 policy of this State to encourage the breeding of standardbred
6 horses in this State and the ownership of such horses by
7 residents of this State in order to provide for: sufficient
8 numbers of high quality standardbred horses to participate in
9 harness racing meetings in this State, and to establish and
10 preserve the agricultural and commercial benefits of such
11 breeding and racing industries to the State of Illinois. It is
12 the intent of the General Assembly to further this policy by
13 the provisions of this Section of this Act.

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

21 (b-5) Organization licensees, not including the Illinois
22 State Fair or the DuQuoin State Fair, shall provide stake races
23 and early closer races for Illinois conceived and foaled horses
24 so that purses distributed for such races shall be no less than
25 17% of total purses distributed for harness racing in that

1 calendar year in addition to any stakes payments and starting
2 fees contributed by horse owners.

3 (b-10) Each organization licensee conducting a harness
4 racing meeting pursuant to this Act shall provide an owner
5 award to be paid from the purse account equal to 25% of the
6 amount earned by Illinois conceived and foaled horses in races
7 that are not restricted to Illinois conceived and foaled
8 horses. The owner awards shall not be paid on races below the
9 \$10,000 claiming class.

10 (c) Conditions of races under subsection (b) shall be
11 commensurate with past performance, quality and class of
12 Illinois conceived and foaled horses available. If, however,
13 sufficient competition cannot be had among horses of that class
14 on any day, the races may, with consent of the Board, be
15 eliminated for that day and substitute races provided.

16 (d) There is hereby created a special fund of the State
17 Treasury to be known as the Illinois Standardbred Breeders
18 Fund.

19 During the calendar year 1981, and each year thereafter,
20 except as provided in subsection (g) of Section 27 of this Act,
21 eight and one-half per cent of all the monies received by the
22 State as privilege taxes on harness racing meetings shall be
23 paid into the Illinois Standardbred Breeders Fund.

24 (e) The Illinois Standardbred Breeders Fund shall be
25 administered by the Department of Agriculture with the
26 assistance and advice of the Advisory Board created in

1 subsection (f) of this Section.

2 (f) The Illinois Standardbred Breeders Fund Advisory Board
3 is hereby created. The Advisory Board shall consist of the
4 Director of the Department of Agriculture, who shall serve as
5 Chairman; the Superintendent of the Illinois State Fair; a
6 member of the Illinois Racing Board, designated by it; a
7 representative of the Illinois Standardbred Owners and
8 Breeders Association, recommended by it; a representative of
9 the Illinois Association of Agricultural Fairs, recommended by
10 it, such representative to be from a fair at which Illinois
11 conceived and foaled racing is conducted; a representative of
12 the organization licensees conducting harness racing meetings,
13 recommended by them and a representative of the Illinois
14 Harness Horsemen's Association, recommended by it. Advisory
15 Board members shall serve for 2 years commencing January 1, of
16 each odd numbered year. If representatives of the Illinois
17 Standardbred Owners and Breeders Associations, the Illinois
18 Association of Agricultural Fairs, the Illinois Harness
19 Horsemen's Association, and the organization licensees
20 conducting harness racing meetings have not been recommended by
21 January 1, of each odd numbered year, the Director of the
22 Department of Agriculture shall make an appointment for the
23 organization failing to so recommend a member of the Advisory
24 Board. Advisory Board members shall receive no compensation for
25 their services as members but shall be reimbursed for all
26 actual and necessary expenses and disbursements incurred in the

1 execution of their official duties.

2 (g) No monies shall be expended from the Illinois
3 Standardbred Breeders Fund except as appropriated by the
4 General Assembly. Monies appropriated from the Illinois
5 Standardbred Breeders Fund shall be expended by the Department
6 of Agriculture, with the assistance and advice of the Illinois
7 Standardbred Breeders Fund Advisory Board for the following
8 purposes only:

9 1. To provide purses for races limited to Illinois
10 conceived and foaled horses at the State Fair and the
11 DuQuoin State Fair.

12 2. To provide purses for races limited to Illinois
13 conceived and foaled horses at county fairs.

14 3. To provide purse supplements for races limited to
15 Illinois conceived and foaled horses conducted by
16 associations conducting harness racing meetings.

17 4. No less than 75% of all monies in the Illinois
18 Standardbred Breeders Fund shall be expended for purses in
19 1, 2 and 3 as shown above.

20 5. In the discretion of the Department of Agriculture
21 to provide awards to harness breeders of Illinois conceived
22 and foaled horses which win races conducted by organization
23 licensees conducting harness racing meetings. A breeder is
24 the owner of a mare at the time of conception. No more than
25 10% of all monies appropriated from the Illinois
26 Standardbred Breeders Fund shall be expended for such

1 harness breeders awards. No more than 25% of the amount
2 expended for harness breeders awards shall be expended for
3 expenses incurred in the administration of such harness
4 breeders awards.

5 6. To pay for the improvement of racing facilities
6 located at the State Fair and County fairs.

7 7. To pay the expenses incurred in the administration
8 of the Illinois Standardbred Breeders Fund.

9 8. To promote the sport of harness racing, including
10 grants up to a maximum of \$7,500 per fair per year for
11 conducting pari-mutuel wagering during the advertised
12 dates of a county fair.

13 9. To pay up to \$50,000 annually for the Department of
14 Agriculture to conduct drug testing at county fairs racing
15 standardbred horses.

16 10. To pay up to \$100,000 annually for distribution to
17 Illinois county fairs to supplement premiums offered in
18 junior classes.

19 11. To pay up to \$100,000 annually for division and
20 equal distribution to the animal sciences department of
21 each Illinois public university system engaged in equine
22 research and education on or before the effective date of
23 this amendatory Act of the 97th General Assembly for equine
24 research and education.

25 (h) (Blank) ~~Whenever the Governor finds that the amount in~~
26 ~~the Illinois Standardbred Breeders Fund is more than the total~~

1 ~~of the outstanding appropriations from such fund, the Governor~~
2 ~~shall notify the State Comptroller and the State Treasurer of~~
3 ~~such fact. The Comptroller and the State Treasurer, upon~~
4 ~~receipt of such notification, shall transfer such excess amount~~
5 ~~from the Illinois Standardbred Breeders Fund to the General~~
6 ~~Revenue Fund.~~

7 (i) A sum equal to 13% ~~12-1/2%~~ of the first prize money of
8 the gross every purse won by an Illinois conceived and foaled
9 horse shall be paid 50% by the organization licensee conducting
10 the horse race meeting to the breeder of such winning horse
11 from the organization licensee's account and 50% from the purse
12 account of the licensee ~~share of the money wagered~~. Such
13 payment shall not reduce any award to the owner of the horse or
14 reduce the taxes payable under this Act. Such payment shall be
15 delivered by the organization licensee at the end of each
16 quarter ~~race meeting~~.

17 (j) The Department of Agriculture shall, by rule, with the
18 assistance and advice of the Illinois Standardbred Breeders
19 Fund Advisory Board:

- 20 1. Qualify stallions for Illinois Standardbred
21 Breeders Fund breeding; ~~such stallion shall be owned by a~~
22 ~~resident of the State of Illinois or by an Illinois~~
23 ~~corporation all of whose shareholders, directors, officers~~
24 ~~and incorporators are residents of the State of Illinois.~~
25 Such stallion shall stand for service at and within the
26 State of Illinois at the time of a foal's conception, and

1 such stallion must not stand for service at any place, ~~nor~~
2 ~~may semen from such stallion be transported,~~ outside the
3 State of Illinois during that calendar year in which the
4 foal is conceived ~~and that the owner of the stallion was~~
5 ~~for the 12 months prior, a resident of Illinois.~~ Foals
6 conceived outside the State of Illinois from shipped semen
7 from a stallion qualified for breeders' awards under this
8 Section are not eligible to participate in the Illinois
9 conceived and foaled program. ~~The articles of agreement of~~
10 ~~any partnership, joint venture, limited partnership,~~
11 ~~syndicate, association or corporation and any bylaws and~~
12 ~~stock certificates must contain a restriction that~~
13 ~~provides that the ownership or transfer of interest by any~~
14 ~~one of the persons a party to the agreement can only be~~
15 ~~made to a person who qualifies as an Illinois resident.~~

16 2. Provide for the registration of Illinois conceived
17 and foaled horses and no such horse shall compete in the
18 races limited to Illinois conceived and foaled horses
19 unless registered with the Department of Agriculture. The
20 Department of Agriculture may prescribe such forms as may
21 be necessary to determine the eligibility of such horses.
22 No person shall knowingly prepare or cause preparation of
23 an application for registration of such foals containing
24 false information. A mare (dam) must be in the state at
25 least 30 days prior to foaling or remain in the State at
26 least 30 days at the time of foaling. Beginning with the

1 1996 breeding season and for foals of 1997 and thereafter,
2 a foal conceived in the State of Illinois by transported
3 fresh semen may be eligible for Illinois conceived and
4 foaled registration provided all breeding and foaling
5 requirements are met. The stallion must be qualified for
6 Illinois Standardbred Breeders Fund breeding at the time of
7 conception and the mare must be inseminated within the
8 State of Illinois. The foal must be dropped in Illinois and
9 properly registered with the Department of Agriculture in
10 accordance with this Act.

11 3. Provide that at least a 5 day racing program shall
12 be conducted at the State Fair each year, which program
13 shall include at least the following races limited to
14 Illinois conceived and foaled horses: (a) a two year old
15 Trot and Pace, and Filly Division of each; (b) a three year
16 old Trot and Pace, and Filly Division of each; (c) an aged
17 Trot and Pace, and Mare Division of each.

18 4. Provide for the payment of nominating, sustaining
19 and starting fees for races promoting the sport of harness
20 racing and for the races to be conducted at the State Fair
21 as provided in subsection (j) 3 of this Section provided
22 that the nominating, sustaining and starting payment
23 required from an entrant shall not exceed 2% of the purse
24 of such race. All nominating, sustaining and starting
25 payments shall be held for the benefit of entrants and
26 shall be paid out as part of the respective purses for such

1 races. Nominating, sustaining and starting fees shall be
2 held in trust accounts for the purposes as set forth in
3 this Act and in accordance with Section 205-15 of the
4 Department of Agriculture Law (20 ILCS 205/205-15).

5 5. Provide for the registration with the Department of
6 Agriculture of Colt Associations or county fairs desiring
7 to sponsor races at county fairs.

8 6. Provide for the promotion of producing standardbred
9 racehorses by providing a bonus award program for owners of
10 2-year-old horses that win multiple major stakes races that
11 are limited to Illinois conceived and foaled horses.

12 (k) The Department of Agriculture, with the advice and
13 assistance of the Illinois Standardbred Breeders Fund Advisory
14 Board, may allocate monies for purse supplements for such
15 races. In determining whether to allocate money and the amount,
16 the Department of Agriculture shall consider factors,
17 including but not limited to, the amount of money appropriated
18 for the Illinois Standardbred Breeders Fund program, the number
19 of races that may occur, and an organizational licensee's purse
20 structure. The organizational licensee shall notify the
21 Department of Agriculture of the conditions and minimum purses
22 for races limited to Illinois conceived and foaled horses to be
23 conducted by each organizational licensee conducting a harness
24 racing meeting for which purse supplements have been
25 negotiated.

26 (l) All races held at county fairs and the State Fair which

1 receive funds from the Illinois Standardbred Breeders Fund
2 shall be conducted in accordance with the rules of the United
3 States Trotting Association unless otherwise modified by the
4 Department of Agriculture.

5 (m) At all standardbred race meetings held or conducted
6 under authority of a license granted by the Board, and at all
7 standardbred races held at county fairs which are approved by
8 the Department of Agriculture or at the Illinois or DuQuoin
9 State Fairs, no one shall jog, train, warm up or drive a
10 standardbred horse unless he or she is wearing a protective
11 safety helmet, with the chin strap fastened and in place, which
12 meets the standards and requirements as set forth in the 1984
13 Standard for Protective Headgear for Use in Harness Racing and
14 Other Equestrian Sports published by the Snell Memorial
15 Foundation, or any standards and requirements for headgear the
16 Illinois Racing Board may approve. Any other standards and
17 requirements so approved by the Board shall equal or exceed
18 those published by the Snell Memorial Foundation. Any
19 equestrian helmet bearing the Snell label shall be deemed to
20 have met those standards and requirements.

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

22 (230 ILCS 5/31.1) (from Ch. 8, par. 37-31.1)

23 Sec. 31.1. (a) Organization licensees collectively shall
24 contribute annually to charity the sum of \$1,000,000 ~~\$750,000~~
25 to non-profit organizations that provide medical and family,

1 counseling, and similar services to persons who reside or work
2 on the backstretch of Illinois racetracks. These contributions
3 shall be collected as follows: (i) no later than July 1st of
4 each year the Board shall assess each organization licensee,
5 except those tracks which are not within 100 miles of each
6 other which tracks shall pay \$40,000 ~~\$30,000~~ annually apiece
7 into the Board charity fund, that amount which equals \$920,000
8 ~~\$690,000~~ multiplied by the amount of pari-mutuel wagering
9 handled by the organization licensee in the year preceding
10 assessment and divided by the total pari-mutuel wagering
11 handled by all Illinois organization licensees, except those
12 tracks which are not within 100 miles of each other, in the
13 year preceding assessment; (ii) notice of the assessed
14 contribution shall be mailed to each organization licensee;
15 (iii) within thirty days of its receipt of such notice, each
16 organization licensee shall remit the assessed contribution to
17 the Board. If an organization licensee wilfully fails to so
18 remit the contribution, the Board may revoke its license to
19 conduct horse racing.

20 (b) No later than October 1st of each year, any qualified
21 charitable organization seeking an allotment of contributed
22 funds shall submit to the Board an application for those funds,
23 using the Board's approved form. No later than December 31st of
24 each year, the Board shall distribute all such amounts
25 collected that year to such charitable organization
26 applicants.

1 (Source: P.A. 87-110.)

2 (230 ILCS 5/32.1)

3 Sec. 32.1. Pari-mutuel tax credit; statewide racetrack
4 real estate equalization.

5 (a) In order to encourage new investment in Illinois
6 racetrack facilities and mitigate differing real estate tax
7 burdens among all racetracks, the licensees affiliated or
8 associated with each racetrack that has been awarded live
9 racing dates in the current year shall receive an immediate
10 pari-mutuel tax credit in an amount equal to the greater of (i)
11 50% of the amount of the real estate taxes paid in the prior
12 year attributable to that racetrack, or (ii) the amount by
13 which the real estate taxes paid in the prior year attributable
14 to that racetrack exceeds 60% of the average real estate taxes
15 paid in the prior year for all racetracks awarded live horse
16 racing meets in the current year.

17 Each year, regardless of whether the organization licensee
18 conducted live racing in the year of certification, the Board
19 shall certify in writing, prior to December 31, the real estate
20 taxes paid in that year for each racetrack and the amount of
21 the pari-mutuel tax credit that each organization licensee,
22 intertrack wagering licensee, and intertrack wagering location
23 licensee that derives its license from such racetrack is
24 entitled in the succeeding calendar year. The real estate taxes
25 considered under this Section for any racetrack shall be those

1 taxes on the real estate parcels and related facilities used to
2 conduct a horse race meeting and inter-track wagering at such
3 racetrack under this Act. In no event shall the amount of the
4 tax credit under this Section exceed the amount of pari-mutuel
5 taxes otherwise calculated under this Act. The amount of the
6 tax credit under this Section shall be retained by each
7 licensee and shall not be subject to any reallocation or
8 further distribution under this Act. The Board may promulgate
9 emergency rules to implement this Section.

10 (b) Beginning on January 1 following the calendar year
11 during which an organization licensee begins conducting
12 electronic gaming operations pursuant to Section 56 of this
13 Act, the maximum credit amount an organization licensee shall
14 be eligible to receive pursuant to this Section shall be equal
15 to 50% of the credit awarded to the organization licensee in
16 calendar year 2010.

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

18 (230 ILCS 5/34.3 new)

19 Sec. 34.3. Drug testing. The Illinois Racing Board and the
20 Department of Agriculture shall jointly establish a program for
21 the purpose of conducting drug testing of horses at county
22 fairs and shall adopt any rules necessary for enforcement of
23 the program. The rules shall include appropriate penalties for
24 violations.

1 (230 ILCS 5/36) (from Ch. 8, par. 37-36)

2 Sec. 36. (a) Whoever administers or conspires to administer
3 to any horse a hypnotic, narcotic, stimulant, depressant or any
4 chemical substance which may affect the speed of a horse at any
5 time in any race where the purse or any part of the purse is
6 made of money authorized by any Section of this Act, except
7 those chemical substances permitted by ruling of the Board,
8 internally, externally or by hypodermic method in a race or
9 prior thereto, or whoever knowingly enters a horse in any race
10 within a period of 24 hours after any hypnotic, narcotic,
11 stimulant, depressant or any other chemical substance which may
12 affect the speed of a horse at any time, except those chemical
13 substances permitted by ruling of the Board, has been
14 administered to such horse either internally or externally or
15 by hypodermic method for the purpose of increasing or retarding
16 the speed of such horse shall be guilty of a Class 4 felony.
17 The Board shall suspend or revoke such violator's license.

18 (b) The term "hypnotic" as used in this Section includes
19 all barbituric acid preparations and derivatives.

20 (c) The term "narcotic" as used in this Section includes
21 opium and all its alkaloids, salts, preparations and
22 derivatives, cocaine and all its salts, preparations and
23 derivatives and substitutes.

24 (d) The provisions of this Section 36 and the treatment
25 authorized herein apply to horses entered in and competing in
26 race meetings as defined in Section 3.07 of this Act and to

1 horses entered in and competing at any county fair.

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

3 (230 ILCS 5/40) (from Ch. 8, par. 37-40)

4 Sec. 40. (a) The imposition of any fine or penalty provided
5 in this Act shall not preclude the Board in its rules and
6 regulations from imposing a fine or penalty for any other
7 action which, in the Board's discretion, is a detriment or
8 impediment to horse racing.

9 (b) The Director of Agriculture or his or her authorized
10 representative shall impose the following monetary penalties
11 and hold administrative hearings as required for failure to
12 submit the following applications, lists, or reports within the
13 time period, date or manner required by statute or rule or for
14 removing a foal from Illinois prior to inspection:

15 (1) late filing of a renewal application for offering
16 or standing stallion for service:

17 (A) if an application is submitted no more than 30
18 days late, \$50;

19 (B) if an application is submitted no more than 45
20 days late, \$150; or

21 (C) if an application is submitted more than 45
22 days late, if filing of the application is allowed
23 under an administrative hearing, \$250;

24 (2) late filing of list or report of mares bred:

25 (A) if a list or report is submitted no more than

1 30 days late, \$50;

2 (B) if a list or report is submitted no more than
3 60 days late \$150; or

4 (C) if a list or report is submitted more than 60
5 days late, if filing of the list or report is allowed
6 under an administrative hearing, \$250;

7 (3) filing an Illinois foaled thoroughbred mare status
8 report after the statutory deadline as provided in
9 subsection (k) of Section 30 of this Act ~~December 31:~~

10 (A) if a report is submitted no more than 30 days
11 late, \$50;

12 (B) if a report is submitted no more than 90 days
13 late, \$150;

14 (C) if a report is submitted no more than 150 days
15 late, \$250; or

16 (D) if a report is submitted more than 150 days
17 late, if filing of the report is allowed under an
18 administrative hearing, \$500;

19 (4) late filing of application for foal eligibility
20 certificate:

21 (A) if an application is submitted no more than 30
22 days late, \$50;

23 (B) if an application is submitted no more than 90
24 days late, \$150;

25 (C) if an application is submitted no more than 150
26 days late, \$250; or

1 (D) if an application is submitted more than 150
2 days late, if filing of the application is allowed
3 under an administrative hearing, \$500;

4 (5) failure to report the intent to remove a foal from
5 Illinois prior to inspection, identification and
6 certification by a Department of Agriculture investigator,
7 \$50; and

8 (6) if a list or report of mares bred is incomplete,
9 \$50 per mare not included on the list or report.

10 Any person upon whom monetary penalties are imposed under
11 this Section 3 times within a 5 year period shall have any
12 further monetary penalties imposed at double the amounts set
13 forth above. All monies assessed and collected for violations
14 relating to thoroughbreds shall be paid into the Thoroughbred
15 Breeders Fund. All monies assessed and collected for violations
16 relating to standardbreds shall be paid into the Standardbred
17 Breeders Fund.

18 (Source: P.A. 87-397.)

19 (230 ILCS 5/56 new)

20 Sec. 56. Electronic gaming.

21 (a) A person, firm, or corporation having operating control
22 of a race track may apply to the Gaming Board for an electronic
23 gaming license. An electronic gaming license shall authorize
24 its holder to conduct electronic gaming on the grounds of the
25 race track controlled by the licensee's race track. Only one

1 electronic gaming license may be awarded for any race track.
2 Each license shall specify the number of gaming positions that
3 its holder may operate.

4 An electronic gaming licensee may not permit persons under
5 21 years of age to be present in its electronic gaming
6 facility, but the licensee may accept wagers on live racing and
7 inter-track wagers at its electronic gaming facility.

8 (b) For purposes of this subsection, "adjusted gross
9 receipts" means an electronic gaming licensee's gross receipts
10 less winnings paid to wagerers and shall also include any
11 amounts that would otherwise be deducted pursuant to subsection
12 (a-9) of Section 13 of the Illinois Gaming Act. The adjusted
13 gross receipts by an electronic gaming licensee from electronic
14 gaming remaining after the payment of taxes under Section 13 of
15 the Illinois Gambling Act shall be distributed as follows:

16 (1) Amounts shall be paid to the purse account at the
17 track at which the organization licensee is conducting
18 racing equal to the following:

19 12.75% of annual adjusted gross receipts up to and
20 including \$75,000,000;

21 20% of annual adjusted gross receipts in excess of
22 \$75,000,000 but not exceeding \$100,000,000;

23 26.5% of annual adjusted gross receipts in excess
24 of \$100,000,000 but not exceeding \$125,000,000; and

25 20.5% of annual adjusted gross receipts in excess
26 of \$125,000,000.

1 (2) The remainder shall be retained by the electronic
2 gaming licensee.

3 (c) Electronic gaming receipts placed into the purse
4 account of an organization licensee racing thoroughbred horses
5 shall be used for purses, for health care services or worker's
6 compensation for racing industry workers, for equine research,
7 for programs to care for and transition injured and retired
8 thoroughbred horses that race at the race track, or for horse
9 ownership promotion, in accordance with the agreement of the
10 horsemen's association representing the largest number of
11 owners or trainers who race at that organization licensee's
12 race meetings.

13 Annually, from the purse account of an organization
14 licensee racing thoroughbred horses in the State, except for in
15 Madison County, an amount equal to 12% of the electronic gaming
16 receipts placed into the purse accounts shall be paid to the
17 Illinois Thoroughbred Breeders Fund and shall be used for owner
18 awards; a stallion program pursuant to paragraph (3) of
19 subsection (g) of Section 30 of this Act; and Illinois
20 conceived and foaled stakes races pursuant to paragraph (2) of
21 subsection (g) of Section 30 of this Act, as specifically
22 designated by the horsemen's association representing the
23 largest number of owners or trainers who race at the
24 organization licensee's race meetings.

25 Annually, from the purse account of an organization
26 licensee racing thoroughbred horses in Madison County, an

1 amount equal to 10% of the electronic gaming receipts placed
2 into the purse accounts shall be paid to the Illinois
3 Thoroughbred Breeders Fund and shall be used for owner awards;
4 a stallion program pursuant to paragraph (3) of subsection (g)
5 of Section 30 of this Act; and Illinois conceived and foaled
6 stakes races pursuant to paragraph (2) of subsection (g) of
7 Section 30 of this Act, as specifically designated by the
8 horsemen's association representing the largest number of
9 owners or trainers who race at the organization licensee's race
10 meetings.

11 Annually, from the purse account of an organization
12 licensee conducting thoroughbred races at a race track in
13 Madison County, an amount equal to 1% of the electronic gaming
14 receipts distributed to purses per subsection (b) of this
15 Section 56 shall be paid as follows: 0.33 1/3% to Southern
16 Illinois University Department of Animal Sciences for equine
17 research and education, an amount equal to 0.33 1/3% of the
18 electronic gaming receipts shall be used to operate laundry
19 facilities for backstretch workers at that race track, and an
20 amount equal to 0.33 1/3% of the electronic gaming receipts
21 shall be paid to programs to care for injured and unwanted
22 horses that race at that race track.

23 Annually, from the purse account of organization licensees
24 conducting thoroughbred races at race tracks in Cook County,
25 \$100,000 shall be paid for division and equal distribution to
26 the animal sciences department of each Illinois public

1 university system engaged in equine research and education on
2 or before the effective date of this amendatory Act of the 97th
3 General Assembly for equine research and education.

4 (d) Annually, from the purse account of an organization
5 licensee racing standardbred horses, an amount equal to 15% of
6 the electronic gaming receipts placed into that purse account
7 shall be paid to the Illinois Colt Stakes Purse Distribution
8 Fund. Moneys deposited into the Illinois Colt Stakes Purse
9 Distribution Fund shall be used for standardbred racing as
10 authorized in paragraphs 1, 2, 3, 8, 9, 10, and 11 of
11 subsection (g) of Section 31 of this Act and for bonus awards
12 as authorized under paragraph 6 of subsection (j) of Section 31
13 of this Act.

14 (e) As a requirement for continued eligibility to conduct
15 electronic gaming, each organization licensee must promote
16 live racing and horse ownership through marketing and
17 promotional efforts. To meet this requirement, all
18 organization licensees operating at each race track facility
19 must collectively expend the amount of the pari-mutuel tax
20 credit that was certified by the Illinois Racing Board in the
21 prior calendar year pursuant to Section 32.1 of this Act for
22 that race track facility, in addition to the amount that was
23 expended by each organizational licensee for such efforts in
24 calendar year 2009. Such incremental expenditures must be
25 directed to assure that all marketing expenditures, including
26 those for the organization licensee's electronic gaming

1 facility, advertise, market, and promote horse racing or horse
2 ownership. The amount spent by the organization licensee for
3 such marketing and promotional efforts in 2009 shall be
4 certified by the Board no later than 90 days after the
5 effective date of this Section.

6 The Board shall review any amounts expended pursuant to
7 this subsection (e) and shall also include an itemized
8 description of the amount that was expended by each
9 organization licensee pursuant to this subsection (e) in the
10 annual report that the Board is required to submit pursuant to
11 subsection (d) of Section 14 of the Illinois Horse Racing Act
12 of 1975.

13 (f) The Board shall submit a report to the General Assembly
14 on or before December 31, 2012 that examines the feasibility of
15 conducting electronic gaming at the Illinois State Fairgrounds
16 in Sangamon County. At a minimum, this report shall analyze the
17 projected revenues that will be generated, the potential for
18 cannibalization of existing riverboats, casinos, or other
19 electronic gaming facilities, and the potential detriment to
20 the surrounding area and its population. The report shall
21 include the Board's findings together with appropriate
22 recommendations for legislative action.

23 Section 90-40. The Riverboat Gambling Act is amended by
24 changing Sections 1, 2, 3, 4, 5, 5.1, 6, 7, 7.3, 7.5, 8, 9, 11,
25 11.1, 12, 13, 14, 18, 19, 20, and 23 and by adding Sections

1 5.3, 5.4, 7.6, 7.7, 7.8, 7.9, 7.10, 7.11, and 7.12 as follows:

2 (230 ILCS 10/1) (from Ch. 120, par. 2401)

3 Sec. 1. Short title. This Act shall be known and may be
4 cited as the Illinois ~~Riverboat~~ Gambling Act.

5 (Source: P.A. 86-1029.)

6 (230 ILCS 10/2) (from Ch. 120, par. 2402)

7 Sec. 2. Legislative Intent.

8 (a) This Act is intended to benefit the people of the State
9 of Illinois by assisting economic development and promoting
10 Illinois tourism and by increasing the amount of revenues
11 available to the State to assist and support education.

12 (b) While authorization of riverboat and casino gambling
13 will enhance investment, development and tourism in Illinois,
14 it is recognized that it will do so successfully only if public
15 confidence and trust in the credibility and integrity of the
16 gambling operations and the regulatory process is maintained.
17 Therefore, regulatory provisions of this Act are designed to
18 strictly regulate the facilities, persons, associations and
19 practices related to gambling operations pursuant to the police
20 powers of the State, including comprehensive law enforcement
21 supervision.

22 (c) The Illinois Gaming Board established under this Act
23 should, as soon as possible, inform each applicant for an
24 owners license of the Board's intent to grant or deny a

1 license.

2 (Source: P.A. 93-28, eff. 6-20-03.)

3 (230 ILCS 10/3) (from Ch. 120, par. 2403)

4 Sec. 3. ~~Riverboat~~ Gambling Authorized.

5 (a) Riverboat and casino gambling operations and
6 electronic gaming operations ~~and the system of wagering~~
7 ~~incorporated therein~~, as defined in this Act, are hereby
8 authorized to the extent that they are carried out in
9 accordance with the provisions of this Act.

10 (b) This Act does not apply to the pari-mutuel system of
11 wagering used or intended to be used in connection with the
12 horse-race meetings as authorized under the Illinois Horse
13 Racing Act of 1975, lottery games authorized under the Illinois
14 Lottery Law, bingo authorized under the Bingo License and Tax
15 Act, charitable games authorized under the Charitable Games Act
16 or pull tabs and jar games conducted under the Illinois Pull
17 Tabs and Jar Games Act. This Act applies to electronic gaming
18 authorized under the Illinois Horse Racing Act of 1975 to the
19 extent provided in that Act and in this Act.

20 (c) Riverboat gambling conducted pursuant to this Act may
21 be authorized upon any water within the State of Illinois or
22 any water other than Lake Michigan which constitutes a boundary
23 of the State of Illinois. Notwithstanding any provision in this
24 subsection (c) to the contrary, a licensee that receives its
25 license pursuant to subsection (e-5) of Section 7 may conduct

1 riverboat gambling on Lake Michigan from a home dock located on
2 Lake Michigan subject to any limitations contained in Section
3 7. Notwithstanding any provision in this subsection (c) to the
4 contrary, a licensee may conduct gambling at its home dock
5 facility as provided in Sections 7 and 11. A licensee may
6 conduct riverboat gambling authorized under this Act
7 regardless of whether it conducts excursion cruises. A licensee
8 may permit the continuous ingress and egress of passengers for
9 the purpose of gambling.

10 (d) Gambling that is conducted in accordance with this Act
11 using slot machines and video games of chance and other
12 electronic gambling games as defined in both the Illinois
13 Gambling Act and the Illinois Horse Racing Act of 1975 is
14 authorized.

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

16 (230 ILCS 10/4) (from Ch. 120, par. 2404)

17 Sec. 4. Definitions. As used in this Act:

18 ~~(a)~~ "Board" means the Illinois Gaming Board.

19 ~~(b)~~ "Occupational license" means a license issued by the
20 Board to a person or entity to perform an occupation which the
21 Board has identified as requiring a license to engage in
22 riverboat gambling in Illinois.

23 ~~(c)~~ "Gambling game" includes, but is not limited to,
24 baccarat, twenty-one, poker, craps, slot machine, video game of
25 chance, roulette wheel, klondike table, punchboard, faro

1 layout, keno layout, numbers ticket, push card, jar ticket, or
2 pull tab which is authorized by the Board as a wagering device
3 under this Act.

4 ~~(d)~~ "Riverboat" means a self-propelled excursion boat, a
5 permanently moored barge, or permanently moored barges that are
6 permanently fixed together to operate as one vessel, on which
7 lawful gambling is authorized and licensed as provided in this
8 Act.

9 "Slot machine" means any mechanical, electrical, or other
10 device, contrivance, or machine that is authorized by the Board
11 as a wagering device under this Act which, upon insertion of a
12 coin, currency, token, or similar object therein, or upon
13 payment of any consideration whatsoever, is available to play
14 or operate, the play or operation of which may deliver or
15 entitle the person playing or operating the machine to receive
16 cash, premiums, merchandise, tokens, or anything of value
17 whatsoever, whether the payoff is made automatically from the
18 machine or in any other manner whatsoever. A slot machine:

19 (1) May utilize spinning reels or video displays or
20 both.

21 (2) May or may not dispense coins, tickets, or tokens
22 to winning patrons.

23 (3) May use an electronic credit system for receiving
24 wagers and making payouts.

25 (4) May simulate a table game.

26 "Slot machine" does not include table games authorized by

1 the Board as a wagering device under this Act.

2 ~~(e)~~ "Managers license" means a license issued by the Board
3 to a person or entity to manage gambling operations conducted
4 by the State pursuant to Section 7.3.

5 ~~(f)~~ "Dock" means the location where a riverboat moors for
6 the purpose of embarking passengers for and disembarking
7 passengers from the riverboat.

8 ~~(g)~~ "Gross receipts" means the total amount of money
9 exchanged for the purchase of chips, tokens, or electronic
10 cards by riverboat patrons.

11 ~~(h)~~ "Adjusted gross receipts" means the gross receipts less
12 winnings paid to wagerers.

13 ~~(i)~~ "Cheat" means to alter the selection of criteria which
14 determine the result of a gambling game or the amount or
15 frequency of payment in a gambling game.

16 ~~(j)~~ (Blank).

17 ~~(k)~~ "Gambling operation" means the conduct of ~~authorized~~
18 gambling games authorized under this Act upon a riverboat or in
19 a casino or authorized under this Act and the Illinois Horse
20 Racing Act of 1975 at an electronic gaming facility.

21 ~~(l)~~ "License bid" means the lump sum amount of money that
22 an applicant bids and agrees to pay the State in return for an
23 owners license that is issued or re-issued on or after July 1,
24 2003.

25 "Table game" means a live gaming apparatus upon which
26 gaming is conducted or that determines an outcome that is the

1 object of a wager, including, but not limited to, baccarat,
2 twenty-one, blackjack, poker, craps, roulette wheel, klondike
3 table, punchboard, faro layout, keno layout, numbers ticket,
4 push card, jar ticket, pull tab, or other similar games that
5 are authorized by the Board as a wagering device under this
6 Act. "Table game" does not include slot machines or video games
7 of chance.

8 ~~(m)~~ The terms "minority person", "female", and "person with
9 a disability" shall have the same meaning as defined in Section
10 2 of the Business Enterprise for Minorities, Females, and
11 Persons with Disabilities Act.

12 "Authority" means the Chicago Casino Development
13 Authority.

14 "Casino" means a facility at which lawful gambling is
15 authorized as provided in this Act.

16 "Owners license" means a license to conduct riverboat or
17 casino gambling operations, but does not include an electronic
18 gaming license.

19 "Licensed owner" means a person who holds an owners
20 license.

21 "Electronic gaming" means slot machine gambling, video
22 game of chance gambling, or gambling with electronic gambling
23 games as defined in the Illinois Gambling Act or defined by the
24 Board that is conducted at a race track pursuant to an
25 electronic gaming license.

26 "Electronic gaming facility" means the area where the Board

1 has authorized electronic gaming at a race track of an
2 organization licensee under the Illinois Horse Racing Act of
3 1975 that holds an electronic gaming license.

4 "Electronic gaming license" means a license issued by the
5 Board under Section 7.6 of this Act authorizing electronic
6 gaming at an electronic gaming facility.

7 "Electronic gaming licensee" means an entity that holds an
8 electronic gaming license.

9 "Organization licensee" means an entity authorized by the
10 Illinois Racing Board to conduct pari-mutuel wagering in
11 accordance with the Illinois Horse Racing Act of 1975. With
12 respect only to electronic gaming, "organization licensee"
13 includes the authorization for electronic gaming created under
14 subsection (a) of Section 56 of the Illinois Horse Racing Act
15 of 1975.

16 "Casino operator license" means the license held by the
17 person or entity selected by the Authority to manage and
18 operate a riverboat or casino within the geographic area of the
19 authorized municipality pursuant to this Act and the Chicago
20 Casino Development Authority Act.

21 (Source: P.A. 95-331, eff. 8-21-07; 96-1392, eff. 1-1-11.)

22 (230 ILCS 10/5) (from Ch. 120, par. 2405)

23 Sec. 5. Gaming Board.

24 (a) (1) There is hereby established the Illinois Gaming
25 Board, which shall have the powers and duties specified in this

1 Act, and all other powers necessary and proper to fully and
2 effectively execute this Act for the purpose of administering,
3 regulating, and enforcing the system of riverboat and casino
4 gambling and electronic gaming established by this Act. Its
5 jurisdiction shall extend under this Act to every person,
6 association, corporation, partnership and trust involved in
7 riverboat and casino gambling operations and electronic gaming
8 in the State of Illinois.

9 (2) The Board shall consist of 5 members to be appointed by
10 the Governor with the advice and consent of the Senate, one of
11 whom shall be designated by the Governor to be chairperson
12 ~~chairman~~. Each member shall have a reasonable knowledge of the
13 practice, procedure and principles of gambling operations.
14 Each member shall either be a resident of Illinois or shall
15 certify that he or she will become a resident of Illinois
16 before taking office.

17 The Board must include the following:

18 (A) One member who has received, at a minimum, a
19 bachelor's degree from an accredited school and at least 10
20 years of verifiable training and experience in the fields
21 of investigation and law enforcement.

22 (B) One member who is a certified public accountant
23 with experience in auditing and with knowledge of complex
24 corporate structures and transactions.

25 (C) One member who has 5 years' experience as a
26 principal, senior officer, or director of a company or

1 business with either material responsibility for the daily
2 operations and management of the overall company or
3 business or material responsibility for the policy making
4 of the company or business.

5 (D) One member who is a lawyer licensed to practice law
6 in Illinois.

7 No more than 3 members of the Board may be from the same
8 political party. The Board should reflect the ethnic, cultural,
9 and geographic diversity of the State. No Board member shall,
10 within a period of one year immediately preceding nomination,
11 have been employed or received compensation or fees for
12 services from a person or entity, or its parent or affiliate,
13 that has engaged in business with the Board, a licensee, or a
14 licensee under the Illinois Horse Racing Act of 1975. Board
15 members must publicly disclose all prior affiliations with
16 gaming interests, including any compensation, fees, bonuses,
17 salaries, and other reimbursement received from a person or
18 entity, or its parent or affiliate, that has engaged in
19 business with the Board, a licensee, or a licensee under the
20 Illinois Horse Racing Act of 1975. This disclosure must be made
21 within 30 days after nomination but prior to confirmation by
22 the Senate and must be made available to the members of the
23 Senate. At least one member shall be experienced in law
24 enforcement and criminal investigation, at least one member
25 shall be a certified public accountant experienced in
26 accounting and auditing, and at least one member shall be a

1 ~~lawyer licensed to practice law in Illinois.~~

2 (3) The terms of office of the Board members shall be 3
3 years, except that the terms of office of the initial Board
4 members appointed pursuant to this Act will commence from the
5 effective date of this Act and run as follows: one for a term
6 ending July 1, 1991, 2 for a term ending July 1, 1992, and 2 for
7 a term ending July 1, 1993. Upon the expiration of the
8 foregoing terms, the successors of such members shall serve a
9 term for 3 years and until their successors are appointed and
10 qualified for like terms. Vacancies in the Board shall be
11 filled for the unexpired term in like manner as original
12 appointments. Each member of the Board shall be eligible for
13 reappointment at the discretion of the Governor with the advice
14 and consent of the Senate.

15 (4) Each member of the Board shall receive \$300 for each
16 day the Board meets and for each day the member conducts any
17 hearing pursuant to this Act. Each member of the Board shall
18 also be reimbursed for all actual and necessary expenses and
19 disbursements incurred in the execution of official duties.

20 (5) No person shall be appointed a member of the Board or
21 continue to be a member of the Board who is, or whose spouse,
22 child or parent is, a member of the board of directors of, or a
23 person financially interested in, any gambling operation
24 subject to the jurisdiction of this Board, or any race track,
25 race meeting, racing association or the operations thereof
26 subject to the jurisdiction of the Illinois Racing Board. No

1 Board member shall hold any other public office. No person
2 shall be a member of the Board who is not of good moral
3 character or who has been convicted of, or is under indictment
4 for, a felony under the laws of Illinois or any other state, or
5 the United States.

6 (5.5) No member of the Board shall engage in any political
7 activity. For the purposes of this Section, "political" means
8 any activity in support of or in connection with any campaign
9 for federal, State, or local elective office or any political
10 organization, but does not include activities (i) relating to
11 the support or opposition of any executive, legislative, or
12 administrative action (as those terms are defined in Section 2
13 of the Lobbyist Registration Act), (ii) relating to collective
14 bargaining, or (iii) that are otherwise in furtherance of the
15 person's official State duties or governmental and public
16 service functions.

17 (6) Any member of the Board may be removed by the Governor
18 for neglect of duty, misfeasance, malfeasance, or nonfeasance
19 in office or for engaging in any political activity.

20 (7) Before entering upon the discharge of the duties of his
21 office, each member of the Board shall take an oath that he
22 will faithfully execute the duties of his office according to
23 the laws of the State and the rules and regulations adopted
24 therewith and shall give bond to the State of Illinois,
25 approved by the Governor, in the sum of \$25,000. Every such
26 bond, when duly executed and approved, shall be recorded in the

1 office of the Secretary of State. Whenever the Governor
2 determines that the bond of any member of the Board has become
3 or is likely to become invalid or insufficient, he shall
4 require such member forthwith to renew his bond, which is to be
5 approved by the Governor. Any member of the Board who fails to
6 take oath and give bond within 30 days from the date of his
7 appointment, or who fails to renew his bond within 30 days
8 after it is demanded by the Governor, shall be guilty of
9 neglect of duty and may be removed by the Governor. The cost of
10 any bond given by any member of the Board under this Section
11 shall be taken to be a part of the necessary expenses of the
12 Board.

13 (8) The Board shall employ such personnel as may be
14 necessary to carry out its functions and shall determine the
15 salaries of all personnel, except those personnel whose
16 salaries are determined under the terms of a collective
17 bargaining agreement. No person shall be employed to serve the
18 Board who is, or whose spouse, parent or child is, an official
19 of, or has a financial interest in or financial relation with,
20 any operator engaged in gambling operations within this State
21 or any organization engaged in conducting horse racing within
22 this State. For the one year immediately preceding employment,
23 an employee shall not have been employed or received
24 compensation or fees for services from a person or entity, or
25 its parent or affiliate, that has engaged in business with the
26 Board, a licensee, or a licensee under the Illinois Horse

1 Racing Act of 1975. Any employee violating these prohibitions
2 shall be subject to termination of employment. In addition, all
3 Board members and employees are subject to the restrictions set
4 forth in Section 5-45 of the State Officials and Employees
5 Ethics Act.

6 (9) An Administrator shall perform any and all duties that
7 the Board shall assign him. The salary of the Administrator
8 shall be determined by the Board and, in addition, he shall be
9 reimbursed for all actual and necessary expenses incurred by
10 him in discharge of his official duties. The Administrator
11 shall keep records of all proceedings of the Board and shall
12 preserve all records, books, documents and other papers
13 belonging to the Board or entrusted to its care. The
14 Administrator shall devote his full time to the duties of the
15 office and shall not hold any other office or employment. In
16 addition to other prescribed duties, the Administrator shall
17 establish a system by which personnel assisting the Board
18 regarding the issuance of owners licenses, whether it be
19 relocation, re-issuance, or the initial issuance, shall be
20 assigned specific duties in each instance, thereby preventing a
21 conflict of interest in regards to the decision-making process.
22 A conflict of interest exists if a situation influences or
23 creates the appearance that it may influence judgment or
24 performance of duties or responsibilities.

25 (b) The Board shall have general responsibility for the
26 implementation of this Act. Its duties include, without

1 limitation, the following:

2 (1) To decide promptly and in reasonable order all
3 license applications. Any party aggrieved by an action of
4 the Board denying, suspending, revoking, restricting or
5 refusing to renew a license may request a hearing before
6 the Board. A request for a hearing must be made to the
7 Board in writing within 5 days after service of notice of
8 the action of the Board. Notice of the action of the Board
9 shall be served either by personal delivery or by certified
10 mail, postage prepaid, to the aggrieved party. Notice
11 served by certified mail shall be deemed complete on the
12 business day following the date of such mailing. The Board
13 shall conduct all requested hearings promptly and in
14 reasonable order;

15 (2) To conduct all hearings pertaining to civil
16 violations of this Act or rules and regulations promulgated
17 hereunder;

18 (3) To promulgate such rules and regulations as in its
19 judgment may be necessary to protect or enhance the
20 credibility and integrity of gambling operations
21 authorized by this Act and the regulatory process
22 hereunder;

23 (4) To provide for the establishment and collection of
24 all license and registration fees and taxes imposed by this
25 Act and the rules and regulations issued pursuant hereto.
26 All such fees and taxes shall be deposited into the State

1 Gaming Fund;

2 (5) To provide for the levy and collection of penalties
3 and fines for the violation of provisions of this Act and
4 the rules and regulations promulgated hereunder. All such
5 fines and penalties shall be deposited into the Education
6 Assistance Fund, created by Public Act 86-0018, of the
7 State of Illinois;

8 (6) To be present through its inspectors and agents any
9 time gambling operations are conducted on any riverboat, in
10 any casino, or at any electronic gaming facility for the
11 purpose of certifying the revenue thereof, receiving
12 complaints from the public, and conducting such other
13 investigations into the conduct of the gambling games and
14 the maintenance of the equipment as from time to time the
15 Board may deem necessary and proper;

16 (7) To review and rule upon any complaint by a licensee
17 regarding any investigative procedures of the State which
18 are unnecessarily disruptive of gambling operations. The
19 need to inspect and investigate shall be presumed at all
20 times. The disruption of a licensee's operations shall be
21 proved by clear and convincing evidence, and establish
22 that: (A) the procedures had no reasonable law enforcement
23 purposes, and (B) the procedures were so disruptive as to
24 unreasonably inhibit gambling operations;

25 (8) To hold at least one meeting each quarter of the
26 fiscal year. In addition, special meetings may be called by

1 the Chairman or any 2 Board members upon 72 hours written
2 notice to each member. All Board meetings shall be subject
3 to the Open Meetings Act. Three members of the Board shall
4 constitute a quorum, and 3 votes shall be required for any
5 final determination by the Board. The Board shall keep a
6 complete and accurate record of all its meetings. A
7 majority of the members of the Board shall constitute a
8 quorum for the transaction of any business, for the
9 performance of any duty, or for the exercise of any power
10 which this Act requires the Board members to transact,
11 perform or exercise en banc, except that, upon order of the
12 Board, one of the Board members or an administrative law
13 judge designated by the Board may conduct any hearing
14 provided for under this Act or by Board rule and may
15 recommend findings and decisions to the Board. The Board
16 member or administrative law judge conducting such hearing
17 shall have all powers and rights granted to the Board in
18 this Act. The record made at the time of the hearing shall
19 be reviewed by the Board, or a majority thereof, and the
20 findings and decision of the majority of the Board shall
21 constitute the order of the Board in such case;

22 (9) To maintain records which are separate and distinct
23 from the records of any other State board or commission.
24 Such records shall be available for public inspection and
25 shall accurately reflect all Board proceedings;

26 (10) To file a written annual report with the Governor

1 on or before March 1 each year and such additional reports
2 as the Governor may request. The annual report shall
3 include a statement of receipts and disbursements by the
4 Board, actions taken by the Board, and any additional
5 information and recommendations which the Board may deem
6 valuable or which the Governor may request;

7 (11) (Blank);

8 (12) (Blank);

9 (13) To assume responsibility for administration and
10 enforcement of the Video Gaming Act; ~~and~~

11 (13.5) To assume responsibility for the administration
12 and enforcement of operations at electronic gaming
13 facilities pursuant to this Act and the Illinois Horse
14 Racing Act of 1975; and

15 (14) To adopt, by rule, a code of conduct governing
16 Board members and employees that ensure, to the maximum
17 extent possible, that persons subject to this Code avoid
18 situations, relationships, or associations that may
19 represent or lead to a conflict of interest.

20 Any action by the Board or staff of the Board, including,
21 but not limited to, denying a renewal, approving procedures
22 (including internal controls), levying a fine or penalty,
23 promotions, or other activities affecting an applicant for
24 licensure or a licensee, may at the discretion of the applicant
25 or licensee be appealed to an administrative law judge in
26 accordance with subsection (b) of Section 17.1.

1 Internal controls and changes submitted by licensees must
2 be reviewed and either approved or denied with cause within 60
3 days after receipt by the Illinois Gaming Board. In the event
4 an internal control submission or change does not meet the
5 standards set by the Board, staff of the Board must provide
6 technical assistance to the licensee to rectify such
7 deficiencies within 60 days after the initial submission and
8 the revised submission must be reviewed and approved or denied
9 with cause within 60 days. For the purposes of this paragraph,
10 "with cause" means that the approval of the submission would
11 jeopardize the integrity of gaming. In the event the Board
12 staff has not acted within the timeframe, the submission shall
13 be deemed approved.

14 (c) The Board shall have jurisdiction over and shall
15 supervise all gambling operations governed by this Act and the
16 Chicago Casino Development Authority Act. The Board shall have
17 all powers necessary and proper to fully and effectively
18 execute the provisions of this Act, including, but not limited
19 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 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) To have the same jurisdiction and supervision over
5 casinos and electronic gaming facilities as the Board has
6 over riverboats, including, but not limited to, the power
7 to (i) investigate, review, and approve contracts as that
8 power is applied to riverboats, (ii) promulgate rules and
9 regulations for administering the provisions of this Act,
10 (iii) adopt standards for the licensing of all persons
11 involved with a casino or electronic gaming facility, (iv)
12 investigate alleged violations of this Act by any person
13 involved with a casino or electronic gaming facility, and
14 (v) require that records, including financial or other
15 statements of any casino or electronic gaming facility,
16 shall be kept in such manner as prescribed by the Board.

17 (23) To supervise and regulate the Chicago Casino
18 Development Authority in accordance with the Chicago
19 Casino Development Authority Act and the provisions of this
20 Act.

21 (24) ~~(21)~~ To take any other action as may be reasonable
22 or appropriate to enforce this Act and rules and
23 regulations hereunder.

24 (d) The Board may seek and shall receive the cooperation of
25 the Department of State Police in conducting background
26 investigations of applicants and in fulfilling its

1 responsibilities under this Section. Costs incurred by the
2 Department of State Police as a result of such cooperation
3 shall be paid by the Board in conformance with the requirements
4 of Section 2605-400 of the Department of State Police Law (20
5 ILCS 2605/2605-400).

6 (e) The Board must authorize to each investigator and to
7 any other employee of the Board exercising the powers of a
8 peace officer a distinct badge that, on its face, (i) clearly
9 states that the badge is authorized by the Board and (ii)
10 contains a unique identifying number. No other badge shall be
11 authorized by the Board.

12 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09;
13 96-1000, eff. 7-2-10; 96-1392, eff. 1-1-11.)

14 (230 ILCS 10/5.1) (from Ch. 120, par. 2405.1)

15 Sec. 5.1. Disclosure of records.

16 (a) Notwithstanding any applicable statutory provision to
17 the contrary, the Board shall, on written request from any
18 person, provide information furnished by an applicant or
19 licensee concerning the applicant or licensee, his products,
20 services or gambling enterprises and his business holdings, as
21 follows:

22 (1) The name, business address and business telephone
23 number of any applicant or licensee.

24 (2) An identification of any applicant or licensee
25 including, if an applicant or licensee is not an

1 individual, the state of incorporation or registration,
2 the corporate officers, and the identity of all
3 shareholders or participants. If an applicant or licensee
4 has a pending registration statement filed with the
5 Securities and Exchange Commission, only the names of those
6 persons or entities holding interest of 5% or more must be
7 provided.

8 (3) An identification of any business, including, if
9 applicable, the state of incorporation or registration, in
10 which an applicant or licensee or an applicant's or
11 licensee's spouse or children has an equity interest of
12 more than 1%. If an applicant or licensee is a corporation,
13 partnership or other business entity, the applicant or
14 licensee shall identify any other corporation, partnership
15 or business entity in which it has an equity interest of 1%
16 or more, including, if applicable, the state of
17 incorporation or registration. This information need not
18 be provided by a corporation, partnership or other business
19 entity that has a pending registration statement filed with
20 the Securities and Exchange Commission.

21 (4) Whether an applicant or licensee has been indicted,
22 convicted, pleaded guilty or nolo contendere, or forfeited
23 bail concerning any criminal offense under the laws of any
24 jurisdiction, either felony or misdemeanor (except for
25 traffic violations), including the date, the name and
26 location of the court, arresting agency and prosecuting

1 agency, the case number, the offense, the disposition and
2 the location and length of incarceration.

3 (5) Whether an applicant or licensee has had any
4 license or certificate issued by a licensing authority in
5 Illinois or any other jurisdiction denied, restricted,
6 suspended, revoked or not renewed and a statement
7 describing the facts and circumstances concerning the
8 denial, restriction, suspension, revocation or
9 non-renewal, including the licensing authority, the date
10 each such action was taken, and the reason for each such
11 action.

12 (6) Whether an applicant or licensee has ever filed or
13 had filed against it a proceeding in bankruptcy or has ever
14 been involved in any formal process to adjust, defer,
15 suspend or otherwise work out the payment of any debt
16 including the date of filing, the name and location of the
17 court, the case and number of the disposition.

18 (7) Whether an applicant or licensee has filed, or been
19 served with a complaint or other notice filed with any
20 public body, regarding the delinquency in the payment of,
21 or a dispute over the filings concerning the payment of,
22 any tax required under federal, State or local law,
23 including the amount, type of tax, the taxing agency and
24 time periods involved.

25 (8) A statement listing the names and titles of all
26 public officials or officers of any unit of government, and

1 relatives of said public officials or officers who,
2 directly or indirectly, own any financial interest in, have
3 any beneficial interest in, are the creditors of or hold
4 any debt instrument issued by, or hold or have any interest
5 in any contractual or service relationship with, an
6 applicant or licensee.

7 (9) Whether an applicant or licensee has made, directly
8 or indirectly, any political contribution, or any loans,
9 donations or other payments, to any candidate or office
10 holder, within 5 years from the date of filing the
11 application, including the amount and the method of
12 payment.

13 (10) The name and business telephone number of the
14 counsel representing an applicant or licensee in matters
15 before the Board.

16 (11) A description of any proposed or approved
17 riverboat or casino gaming or electronic gaming operation,
18 including the type of boat, home dock or casino or
19 electronic gaming location, expected economic benefit to
20 the community, anticipated or actual number of employees,
21 any statement from an applicant or licensee regarding
22 compliance with federal and State affirmative action
23 guidelines, projected or actual admissions and projected
24 or actual adjusted gross gaming receipts.

25 (12) A description of the product or service to be
26 supplied by an applicant for a supplier's license.

1 (b) Notwithstanding any applicable statutory provision to
2 the contrary, the Board shall, on written request from any
3 person, also provide the following information:

4 (1) The amount of the wagering tax and admission tax
5 paid daily to the State of Illinois by the holder of an
6 owner's license.

7 (2) Whenever the Board finds an applicant for an
8 owner's license unsuitable for licensing, a copy of the
9 written letter outlining the reasons for the denial.

10 (3) Whenever the Board has refused to grant leave for
11 an applicant to withdraw his application, a copy of the
12 letter outlining the reasons for the refusal.

13 (c) Subject to the above provisions, the Board shall not
14 disclose any information which would be barred by:

15 (1) Section 7 of the Freedom of Information Act; or

16 (2) The statutes, rules, regulations or
17 intergovernmental agreements of any jurisdiction.

18 (d) The Board may assess fees for the copying of
19 information in accordance with Section 6 of the Freedom of
20 Information Act.

21 (Source: P.A. 96-1392, eff. 1-1-11.)

22 (230 ILCS 10/5.3 new)

23 Sec. 5.3. Ethical conduct.

24 (a) Officials of the corporate authority of a host
25 community must carry out their duties and responsibilities in

1 such a manner as to promote and preserve public trust and
2 confidence in the integrity and conduct of gaming.

3 (b) Officials of the corporate authority of a host
4 community shall not use or attempt to use his or her official
5 position to secure or attempt to secure any privilege,
6 advantage, favor, or influence for himself or herself or
7 others.

8 (c) Officials of the corporate authority of a host
9 community may not have a financial interest, directly or
10 indirectly, in his or her own name or in the name of any other
11 person, partnership, association, trust, corporation, or other
12 entity in any contract or subcontract for the performance of
13 any work for a riverboat or casino that is located in the host
14 community. This prohibition shall extend to the holding or
15 acquisition of an interest in any entity identified by Board
16 action that, in the Board's judgment, could represent the
17 potential for or the appearance of a financial interest. The
18 holding or acquisition of an interest in such entities through
19 an indirect means, such as through a mutual fund, shall not be
20 prohibited, except that the Board may identify specific
21 investments or funds that, in its judgment, are so influenced
22 by gaming holdings as to represent the potential for or the
23 appearance of a conflict of interest.

24 (d) Officials of the corporate authority of a host
25 community may not accept any gift, gratuity, service,
26 compensation, travel, lodging, or thing of value, with the

1 exception of unsolicited items of an incidental nature, from
2 any person, corporation, or entity doing business with the
3 riverboat or casino that is located in the host community.

4 (e) Officials of the corporate authority of a host
5 community shall not, during the period that the person is an
6 official of the corporate authority or for a period of 2 years
7 immediately after leaving such office, knowingly accept
8 employment or receive compensation or fees for services from a
9 person or entity, or its parent or affiliate, that has engaged
10 in business with the riverboat or casino that is located in the
11 host community that resulted in contracts with an aggregate
12 value of at least \$25,000 or if that official has made a
13 decision that directly applied to the person or entity, or its
14 parent or affiliate.

15 (f) A spouse, child, or parent of an official of the
16 corporate authority of a host community may not have a
17 financial interest, directly or indirectly, in his or her own
18 name or in the name of any other person, partnership,
19 association, trust, corporation, or other entity in any
20 contract or subcontract for the performance of any work for a
21 riverboat or casino in the host community. This prohibition
22 shall extend to the holding or acquisition of an interest in
23 any entity identified by Board action that, in the judgment of
24 the Board, could represent the potential for or the appearance
25 of a conflict of interest. The holding or acquisition of an
26 interest in such entities through an indirect means, such as

1 through a mutual fund, shall not be prohibited, expect that the
2 Board may identify specific investments or funds that, in its
3 judgment, are so influenced by gaming holdings as to represent
4 the potential for or the appearance of a conflict of interest.

5 (g) A spouse, child, or parent of an official of the
6 corporate authority of a host community may not accept any
7 gift, gratuity, service, compensation, travel, lodging, or
8 thing of value, with the exception of unsolicited items of an
9 incidental nature, from any person, corporation, or entity
10 doing business with the riverboat or casino that is located in
11 the host community.

12 (h) A spouse, child, or parent of an official of the
13 corporate authority of a host community may not, during the
14 period that the person is an official of the corporate
15 authority or for a period of 2 years immediately after leaving
16 such office, knowingly accept employment or receive
17 compensation or fees for services from a person or entity, or
18 its parent or affiliate, that has engaged in business with the
19 riverboat or casino that is located in the host community that
20 resulted in contracts with an aggregate value of at least
21 \$25,000 or if that official has made a decision that directly
22 applied to the person or entity, or its parent or affiliate.

23 (i) Officials of the corporate authority of a host
24 community shall not attempt, in any way, to influence any
25 person or corporation doing business with the riverboat or
26 casino that is located in the host community or any officer,

1 agent, or employee thereof to hire or contract with any person
2 or corporation for any compensated work.

3 (j) Any communication between an official of the corporate
4 authority of a host community and any applicant for an owners
5 license in the host community, or an officer, director, or
6 employee of a riverboat or casino in the host community,
7 concerning any matter relating in any way to gaming shall be
8 disclosed to the Board. Such disclosure shall be in writing by
9 the official within 30 days after the communication and shall
10 be filed with the Board. Disclosure must consist of the date of
11 the communication, the identity and job title of the person
12 with whom the communication was made, a brief summary of the
13 communication, the action requested or recommended, all
14 responses made, the identity and job title of the person making
15 the response, and any other pertinent information. Public
16 disclosure of the written summary provided to the Board and the
17 Gaming Board shall be subject to the exemptions provided under
18 the Freedom of Information Act.

19 (k) Any official who violates any provision of this Section
20 is guilty of a Class 4 felony.

21 (l) For purposes of this Section, "host community" or "host
22 municipality" means a unit of local government that contains a
23 riverboat or casino within its borders.

24 (230 ILCS 10/5.4 new)

25 Sec. 5.4. Prioritization of video gaming operations.

1 (a) The General Assembly finds that the implementation of
2 the Video Gaming Act and the commencement of video gaming
3 operations authorized pursuant to that Act are no less
4 important than the activities and operations authorized by this
5 amendatory Act of the 97th General Assembly. It is the intent
6 of the General Assembly that the implementation of operations
7 authorized by the Video Gaming Act must not be delayed as a
8 result of this amendatory Act of the 97th General Assembly.

9 (b) No additional gaming positions authorized in this
10 amendatory Act of the 97th General Assembly, other than those
11 conducted at temporary locations, shall be operational before
12 video gaming operations are being conducted in this State.

13 (230 ILCS 10/6) (from Ch. 120, par. 2406)

14 Sec. 6. Application for Owners License.

15 (a) A qualified person may apply to the Board for an owners
16 license to conduct a riverboat gambling operation as provided
17 in this Act. The application shall be made on forms provided by
18 the Board and shall contain such information as the Board
19 prescribes, including but not limited to the identity of the
20 riverboat on which such gambling operation is to be conducted,
21 if applicable, and the exact location where such riverboat or
22 casino will be located ~~docked~~, a certification that the
23 riverboat will be registered under this Act at all times during
24 which gambling operations are conducted on board, detailed
25 information regarding the ownership and management of the

1 applicant, and detailed personal information regarding the
2 applicant. Any application for an owners license to be
3 re-issued on or after June 1, 2003 shall also include the
4 applicant's license bid in a form prescribed by the Board.
5 Information provided on the application shall be used as a
6 basis for a thorough background investigation which the Board
7 shall conduct with respect to each applicant. An incomplete
8 application shall be cause for denial of a license by the
9 Board.

10 (a-5) In addition to any other information required under
11 this Section, each application for an owners license must
12 include the following information:

13 (1) The history and success of the applicant and each
14 person and entity disclosed under subsection (c) of this
15 Section in developing tourism facilities ancillary to
16 gaming, if applicable.

17 (2) The likelihood that granting a license to the
18 applicant will lead to the creation of quality, living wage
19 jobs and permanent, full-time jobs for residents of the
20 State and residents of the unit of local government that is
21 designated as the home dock of the proposed facility where
22 gambling is to be conducted by the applicant.

23 (3) The projected number of jobs that would be created
24 if the license is granted and the projected number of new
25 employees at the proposed facility where gambling is to be
26 conducted by the applicant.

1 (4) The record of the applicant and its developer in
2 meeting commitments to local agencies, community-based
3 organizations, and employees at other locations where the
4 applicant or its developer has performed similar functions
5 as they would perform if the applicant were granted a
6 license.

7 (5) Identification of adverse effects that might be
8 caused by the proposed facility where gambling is to be
9 conducted by the applicant, including the costs of meeting
10 increased demand for public health care, child care, public
11 transportation, affordable housing, and social services,
12 and a plan to mitigate those adverse effects.

13 (6) The record of the applicant and its developer
14 regarding compliance with:

15 (A) federal, state, and local discrimination, wage
16 and hour, disability, and occupational and
17 environmental health and safety laws; and

18 (B) state and local labor relations and employment
19 laws.

20 (7) The applicant's record in dealing with its
21 employees and their representatives at other locations.

22 (8) A plan concerning the utilization of
23 minority-owned and female-owned businesses and concerning
24 the hiring of minorities and females.

25 (9) Evidence the applicant used its best efforts to
26 reach a goal of 25% ownership representation by minority

1 persons and 5% ownership representation by females.

2 (b) Applicants shall submit with their application all
3 documents, resolutions, and letters of support from the
4 governing body that represents the municipality or county
5 wherein the licensee will be located ~~dock~~.

6 (c) Each applicant shall disclose the identity of every
7 person, association, trust or corporation having a greater than
8 1% direct or indirect pecuniary interest in the ~~riverboat~~
9 gambling operation with respect to which the license is sought.
10 If the disclosed entity is a trust, the application shall
11 disclose the names and addresses of the beneficiaries; if a
12 corporation, the names and addresses of all stockholders and
13 directors; if a partnership, the names and addresses of all
14 partners, both general and limited.

15 (d) An application shall be filed and considered in
16 accordance with the rules of the Board. An application fee of
17 \$50,000 shall be paid at the time of filing to defray the costs
18 associated with the background investigation conducted by the
19 Board. If the costs of the investigation exceed \$50,000, the
20 applicant shall pay the additional amount to the Board. If the
21 costs of the investigation are less than \$50,000, the applicant
22 shall receive a refund of the remaining amount. All
23 information, records, interviews, reports, statements,
24 memoranda or other data supplied to or used by the Board in the
25 course of its review or investigation of an application for a
26 license or a renewal under this Act shall be privileged,

1 strictly confidential and shall be used only for the purpose of
2 evaluating an applicant for a license or a renewal. Such
3 information, records, interviews, reports, statements,
4 memoranda or other data shall not be admissible as evidence,
5 nor discoverable in any action of any kind in any court or
6 before any tribunal, board, agency or person, except for any
7 action deemed necessary by the Board.

8 (e) The Board shall charge each applicant a fee set by the
9 Department of State Police to defray the costs associated with
10 the search and classification of fingerprints obtained by the
11 Board with respect to the applicant's application. These fees
12 shall be paid into the State Police Services Fund.

13 (f) The licensed owner shall be the person primarily
14 responsible for the boat or casino itself. Only one ~~riverboat~~
15 gambling operation may be authorized by the Board on any
16 riverboat or in any casino. The applicant must identify the
17 ~~each~~ riverboat or premises it intends to use and certify that
18 the riverboat or premises: (1) has the authorized capacity
19 required in this Act; (2) is accessible to disabled persons;
20 and (3) is fully registered and licensed in accordance with any
21 applicable laws.

22 (g) A person who knowingly makes a false statement on an
23 application is guilty of a Class A misdemeanor.

24 (Source: P.A. 96-1392, eff. 1-1-11.)

1 Sec. 7. Owners Licenses.

2 (a) The Board shall issue owners licenses to persons, firms
3 or corporations which apply for such licenses upon payment to
4 the Board of the non-refundable license fee set by the Board,
5 upon payment of a \$25,000 license fee for the first year of
6 operation and a \$5,000 license fee for each succeeding year and
7 upon a determination by the Board that the applicant is
8 eligible for an owners license pursuant to this Act and the
9 rules of the Board. From the effective date of this amendatory
10 Act of the 95th General Assembly until (i) 3 years after the
11 effective date of this amendatory Act of the 95th General
12 Assembly, (ii) the date any organization licensee begins to
13 operate a slot machine or video game of chance under the
14 Illinois Horse Racing Act of 1975 or this Act, (iii) the date
15 that payments begin under subsection (c-5) of Section 13 of the
16 Act, ~~or~~ (iv) the wagering tax imposed under Section 13 of this
17 Act is increased by law to reflect a tax rate that is at least
18 as stringent or more stringent than the tax rate contained in
19 subsection (a-3) of Section 13, or (v) when an owners licensee
20 holding a license issued pursuant to Section 7.1 of this Act
21 begins conducting gaming, whichever occurs first, as a
22 condition of licensure and as an alternative source of payment
23 for those funds payable under subsection (c-5) of Section 13 of
24 this ~~the Riverboat Gambling~~ Act, any owners licensee that holds
25 or receives its owners license on or after the effective date
26 of this amendatory Act of the 94th General Assembly, other than

1 an owners licensee operating a riverboat with adjusted gross
2 receipts in calendar year 2004 of less than \$200,000,000, must
3 pay into the Horse Racing Equity Trust Fund, in addition to any
4 other payments required under this Act, an amount equal to 3%
5 of the adjusted gross receipts received by the owners licensee.
6 The payments required under this Section shall be made by the
7 owners licensee to the State Treasurer no later than 3:00
8 o'clock p.m. of the day after the day when the adjusted gross
9 receipts were received by the owners licensee. A person, firm
10 or corporation is ineligible to receive an owners license if:

11 (1) the person has been convicted of a felony under the
12 laws of this State, any other state, or the United States;

13 (2) the person has been convicted of any violation of
14 Article 28 of the Criminal Code of 1961, or substantially
15 similar laws of any other jurisdiction;

16 (3) the person has submitted an application for a
17 license under this Act which contains false information;

18 (4) the person is a member of the Board;

19 (5) a person defined in (1), (2), (3) or (4) is an
20 officer, director or managerial employee of the firm or
21 corporation;

22 (6) the firm or corporation employs a person defined in
23 (1), (2), (3) or (4) who participates in the management or
24 operation of gambling operations authorized under this
25 Act;

26 (7) (blank); or

1 (8) a license of the person, firm or corporation issued
2 under this Act, or a license to own or operate gambling
3 facilities in any other jurisdiction, has been revoked.

4 The Board is expressly prohibited from making changes to
5 the requirement that licensees make payment into the Horse
6 Racing Equity Trust Fund without the express authority of the
7 Illinois General Assembly and making any other rule to
8 implement or interpret this amendatory Act of the 95th General
9 Assembly. For the purposes of this paragraph, "rules" is given
10 the meaning given to that term in Section 1-70 of the Illinois
11 Administrative Procedure Act.

12 (b) In determining whether to grant an owners license to an
13 applicant, the Board shall consider:

14 (1) the character, reputation, experience and
15 financial integrity of the applicants and of any other or
16 separate person that either:

17 (A) controls, directly or indirectly, such
18 applicant, or

19 (B) is controlled, directly or indirectly, by such
20 applicant or by a person which controls, directly or
21 indirectly, such applicant;

22 (2) the facilities or proposed facilities for the
23 conduct of ~~riverboat~~ gambling;

24 (3) the highest prospective total revenue to be derived
25 by the State from the conduct of ~~riverboat~~ gambling;

26 (4) the extent to which the ownership of the applicant

1 reflects the diversity of the State by including minority
2 persons, females, and persons with a disability and the
3 good faith affirmative action plan of each applicant to
4 recruit, train and upgrade minority persons, females, and
5 persons with a disability in all employment
6 classifications;

7 (5) the financial ability of the applicant to purchase
8 and maintain adequate liability and casualty insurance;

9 (6) whether the applicant has adequate capitalization
10 to provide and maintain, for the duration of a license, a
11 riverboat or casino;

12 (7) the extent to which the applicant exceeds or meets
13 other standards for the issuance of an owners license which
14 the Board may adopt by rule; ~~and~~

15 (8) ~~the~~ The amount of the applicant's license bid;~~:-~~

16 (9) the extent to which the applicant or the proposed
17 host municipality plans to enter into revenue sharing
18 agreements with communities other than the host
19 municipality and the terms of those agreements; and

20 (10) the extent to which the ownership of an applicant
21 includes the most qualified number of minority persons,
22 females, and persons with a disability.

23 (c) Each owners license shall specify the place where the
24 casino ~~riverboats~~ shall operate or the riverboat shall operate
25 and dock.

26 (d) Each applicant shall submit with his application, on

1 forms provided by the Board, 2 sets of his fingerprints.

2 (e) In addition to any licenses authorized under subsection
3 (e-5) of this Section, the ~~The~~ Board may issue up to 10
4 licenses authorizing the holders of such licenses to own
5 riverboats. In the application for an owners license, the
6 applicant shall state the dock at which the riverboat is based
7 and the water on which the riverboat will be located. The Board
8 shall issue 5 licenses to become effective not earlier than
9 January 1, 1991. Three of such licenses shall authorize
10 riverboat gambling on the Mississippi River, or, with approval
11 by the municipality in which the riverboat was docked on August
12 7, 2003 and with Board approval, be authorized to relocate to a
13 new location, in a municipality that (1) borders on the
14 Mississippi River or is within 5 miles of the city limits of a
15 municipality that borders on the Mississippi River and (2), on
16 August 7, 2003, had a riverboat conducting riverboat gambling
17 operations pursuant to a license issued under this Act; one of
18 which shall authorize riverboat gambling from a home dock in
19 the city of East St. Louis. One other license shall authorize
20 riverboat gambling on the Illinois River in Tazewell County or,
21 with approval by a municipality in which such riverboat was
22 docked on January 1, 2010 and with Board approval, shall
23 authorize the riverboat to relocate to a new location that is
24 no more than 10 miles away from its original location, in a
25 municipality that (1) borders on the Illinois River or is
26 within 5 miles of the city limits of a municipality that

1 borders on the Illinois River and (2) on January 1, 2010, had a
2 riverboat conducting riverboat gambling operations pursuant to
3 a license issued under this Act ~~south of Marshall County~~. The
4 Board shall issue one additional license to become effective
5 not earlier than March 1, 1992, which shall authorize riverboat
6 gambling on the Des Plaines River in Will County. The Board may
7 issue 4 additional licenses to become effective not earlier
8 than March 1, 1992. In determining the water upon which
9 riverboats will operate, the Board shall consider the economic
10 benefit which riverboat gambling confers on the State, and
11 shall seek to assure that all regions of the State share in the
12 economic benefits of riverboat gambling.

13 In granting all licenses, the Board may give favorable
14 consideration to economically depressed areas of the State, to
15 applicants presenting plans which provide for significant
16 economic development over a large geographic area, and to
17 applicants who currently operate non-gambling riverboats in
18 Illinois. The Board shall review all applications for owners
19 licenses, and shall inform each applicant of the Board's
20 decision. The Board may grant an owners license to an applicant
21 that has not submitted the highest license bid, but if it does
22 not select the highest bidder, the Board shall issue a written
23 decision explaining why another applicant was selected and
24 identifying the factors set forth in this Section that favored
25 the winning bidder.

26 (e-5) In addition to licenses authorized under subsection

1 (e) of this Section, the Board may issue the following
2 licenses:

3 (1) One owners license authorizing the conduct of
4 casino gambling in the City of Chicago.

5 (2) One owners license authorizing the conduct of
6 riverboat gambling in the City of Danville.

7 (3) One owners license authorizing the conduct of
8 riverboat gambling located in the City of Park City.

9 (4) One owners license authorizing the conduct of
10 riverboat gambling in the City of Rockford.

11 (5) One owners license authorizing the conduct of
12 riverboat gambling in a municipality that is located in one
13 of the following townships of Cook County: Bloom, Bremen,
14 Calumet, Rich, Thornton, or Worth Township.

15 (e-6) The Board shall consider issuing a license pursuant
16 to subsection (e-5) only after the corporate authority of the
17 municipality in which the casino or riverboat shall be located
18 has certified to the Board the following:

19 (1) that the applicant has negotiated with the
20 corporate authority in good faith;

21 (2) that the applicant and the corporate authority have
22 mutually agreed on the permanent location of the casino or
23 riverboat;

24 (3) that the applicant and the corporate authority have
25 mutually agreed on the temporary location of the casino or
26 riverboat;

1 (4) that the applicant and the corporate authority have
2 mutually agreed on the percentage of revenues that will be
3 shared with the municipality, if any; and

4 (5) that the applicant and the corporate authority have
5 mutually agreed on any zoning, licensing, public health, or
6 other issues that are within the jurisdiction of the
7 municipality.

8 At least 7 days before the corporate authority of a
9 municipality submits a certification to the Board concerning
10 items (1) through (6) of this subsection, it shall hold a
11 public hearing to discuss items (1) through (6), as well as any
12 other details concerning the proposed riverboat or casino in
13 the municipality. The corporate authority must subsequently
14 memorialize the details concerning the proposed riverboat or
15 casino in a resolution that must be adopted by a majority of
16 the corporate authority before any certification is sent to the
17 Board. The Board shall not alter, amend, change, or otherwise
18 interfere with any agreement between the applicant and the
19 corporate authority of the municipality regarding the location
20 of any temporary or permanent facility.

21 (e-10) The licenses authorized under subsection (e-5) of
22 this Section shall be issued within 12 months after the date
23 the license application is submitted. If the Board does not
24 issue the licenses within that time period, then the Board
25 shall give a written explanation to the applicant as to why it
26 has not reached a determination. The Board shall issue the

1 license within 6 months after giving the written explanation to
2 the applicant. The fee for the issuance or renewal of a license
3 issued pursuant to this subsection (e-10) shall be \$100,000.
4 Additionally, a licensee located outside of Cook County shall
5 pay a minimum initial fee of \$12,500 per gaming position, and a
6 licensee located in Cook County shall pay a minimum initial fee
7 of \$25,000 per gaming position. The initial fees payable under
8 this subsection (e-10) shall be deposited into the Gaming
9 Facilities Fee Revenue Fund.

10 (e-15) Each licensee of a license authorized under
11 subsection (e-5) of this Section shall make a reconciliation
12 payment 4 years after the date the licensee begins operating in
13 an amount equal to 75% of the adjusted gross receipts for the
14 most lucrative 12-month period of operations, minus an amount
15 equal to the initial \$12,500, \$25,000, or any higher initial
16 payment per gaming position, whichever was the initial amount
17 paid by the specific licensee. If this calculation results in a
18 negative amount, then the licensee is not entitled to any
19 reimbursement of fees previously paid. This reconciliation
20 payment may be made in installments over a period of no more
21 than 2 years, subject to Board approval. Any installment
22 payments shall include an annual market interest rate as
23 determined by the Board. All payments by licensees under this
24 subsection (e-15) shall be deposited into the Gaming Facilities
25 Fee Revenue Fund.

26 (e-20) In addition to any other revocation powers granted

1 to the Board under this Act, the Board may revoke the owners
2 license of a licensee which fails to begin conducting gambling
3 within 15 months of receipt of the Board's approval of the
4 application if the Board determines that license revocation is
5 in the best interests of the State.

6 (e-25) The provisions of this subsection (e-25) apply only
7 to an owners licensee of a license issued or re-issued pursuant
8 to Section 7.1 of this Act. The owners licensee shall pay (i) a
9 \$100,000 fee for the issuance or renewal of its license and
10 (ii) an initial fee of \$25,000 per gaming position in place of,
11 and not in addition to, the initial fee required under
12 subsection (h) of this Section. Additionally, the owners
13 licensee shall make a reconciliation payment on July 1, 2016 in
14 an amount equal to 75% of the average annual adjusted gross
15 receipts, minus an amount equal to the \$25,000 initial payment
16 per gaming position. If this calculation results in a negative
17 amount, then the owners licensee is not entitled to any
18 reimbursement of fees previously paid. This reconciliation
19 payment may be made in installments over a period of no more
20 than 2 years, subject to Board approval. Any installment
21 payments shall include an annual market interest rate as
22 determined by the Board. All payments by licensees under this
23 subsection (e-25) shall be deposited into the Gaming Facilities
24 Fee Revenue Fund. For any payments required under this Section
25 7, the owners licensee shall receive (i) a credit for any
26 amounts that the owners licensee has paid to the State or the

1 Board or their agents prior to November 1, 2010 for
2 consultants, licensing fees, up-front fees, or other items and
3 (ii) a credit for the payments that the unit of local
4 government has pledged to remit to the State, which shall be
5 equal to the present value of such payments as determined by
6 the Board in its decision dated January 14, 2009. An owners
7 licensee subject to this subsection (e-25) shall only pay the
8 initial fees required pursuant to this subsection and shall not
9 have to pay any initial fees or payments that were ordered by
10 the Board prior to November 1, 2010. However, any payments that
11 have been made by an owners licensee subject to this subsection
12 (e-25) to the State or to the Board or their agents shall
13 remain with the State and the owners licensee shall receive a
14 credit as specified in this subsection (e-25).

15 In the event the owners licensee has made payments on or
16 after November 1, 2010 but prior to the effective date of this
17 amendatory Act of the 97th General Assembly to the State or the
18 Board or their agents towards the amount it bid during the
19 selection process to receive its owners license, then such
20 payments shall be refunded to the owners licensee. The refund
21 shall be in the form of a credit, which shall offset taxes due
22 under Section 12 and Section 13 in the amount of such prior
23 payments to the State or the Board or their agents as such
24 taxes under Section 12 and Section 13 become due, and which
25 credit shall be in addition to any other credit granted in this
26 subsection (e-25) and elsewhere in the Illinois Gambling Act.

1 If any credit granted in this subsection (e-25) is not fully
2 utilized in any given year, then the remainder shall be carried
3 forward to subsequent years until such credit has been fully
4 utilized. Consistent with the provisions contained in this
5 subsection (e-25), the owners licensee shall be treated as
6 having paid the amount of taxes due under Sections 12 and 13
7 without reduction for the credit granted in this subsection
8 (e-25), and the amount of such credit shall be considered a
9 refund of the owners licensee bid amount as such credit is
10 utilized.

11 (f) The first 10 owners licenses issued under this Act
12 shall permit the holder to own up to 2 riverboats and equipment
13 thereon for a period of 3 years after the effective date of the
14 license. Holders of the first 10 owners licenses must pay the
15 annual license fee for each of the 3 years during which they
16 are authorized to own riverboats.

17 (g) Upon the termination, expiration, or revocation of each
18 of the first 10 licenses, which shall be issued for a 3 year
19 period, all licenses are renewable annually upon payment of the
20 fee and a determination by the Board that the licensee
21 continues to meet all of the requirements of this Act and the
22 Board's rules. However, for licenses renewed on or after May 1,
23 1998, including casino operator licenses, renewal shall be for
24 a period of 4 years, unless the Board sets a shorter period.
25 Notwithstanding any provision in this subsection (g) to the
26 contrary, any license that is awarded to the Chicago Casino

1 Development Authority shall not expire, but it shall be subject
2 to the provisions of this Act and the rules of the Board.

3 (h) An owners license, except for an owners license issued
4 under subsection (e-5) of this Section, shall entitle the
5 licensee to own up to 2 riverboats.

6 An owners licensee of a casino or riverboat that is located
7 in the City of Chicago pursuant to subsection (e-5) of this
8 Section shall limit the number of gaming positions to 4,000 for
9 such owners. All other owners licensees ~~A licensee~~ shall limit
10 the number of gaming positions ~~gambling participants~~ to 1,600
11 ~~1,200~~ for any such owners license, except as further provided
12 in subsection (h-10) of this Section. The initial fee for each
13 gaming position obtained on or after the effective date of this
14 amendatory Act of the 97th General Assembly shall be a minimum
15 of \$12,500 for licensees not located in Cook County and a
16 minimum of \$25,000 for licensees located in Cook County, in
17 addition to the reconciliation payment, as set forth in
18 subsections (e-15), (e-25), or (h-5) of this Section.

19 A licensee may operate both of its riverboats concurrently,
20 provided that the total number of gaming positions ~~gambling~~
21 ~~participants~~ on both riverboats does not exceed the limit
22 established pursuant to this subsection and subsection (h-10)
23 of this Section ~~1,200~~. Riverboats licensed to operate on the
24 Mississippi River and the Illinois River south of Marshall
25 County shall have an authorized capacity of at least 500
26 persons. Any other riverboat licensed under this Act shall have

1 an authorized capacity of at least 400 persons.

2 (h-5) An owners licensee who conducted gambling operations
3 prior to January 1, 2011 and purchases positions under
4 subsection (h) of this Section on or after the effective date
5 of this amendatory Act of the 97th General Assembly must pay an
6 initial fee of \$12,500 per gaming position if the licensee is
7 located outside Cook County and an initial fee of \$25,000 per
8 gaming position if the licensee is located in Cook County, as
9 stated in subsection (h) of this Section. These initial fees
10 shall be deposited into the Gaming Facilities Fee Revenue Fund.
11 Additionally, that owners licensee shall make a reconciliation
12 payment 4 years after any additional gaming positions
13 authorized by subsection (h) begin operating in an amount equal
14 to 75% of the owners licensee's average gross receipts for the
15 most lucrative 12-month period of operations minus an amount
16 equal to \$12,500 or \$25,000 that the owners licensee paid per
17 additional gaming position. For purposes of this subsection
18 (h-5), "average gross receipts" means (i) the increase in
19 adjusted gross receipts for the most lucrative 12-month period
20 of operations over the adjusted gross receipts for 2011,
21 multiplied by (ii) the percentage derived by dividing the
22 number of additional gaming positions that an owners licensee
23 had purchased pursuant to subsection (h) by the total number of
24 gaming positions operated by the owners licensee. If this
25 calculation results in a negative amount, then the owners
26 licensee is not entitled to any reimbursement of fees

1 previously paid. This reconciliation payment may be made in
2 installments over a period of no more than 2 years, subject to
3 Board approval. Any installment payments shall include an
4 annual market interest rate as determined by the Board. These
5 reconciliation payments shall be deposited into the Gaming
6 Facilities Fee Revenue Fund.

7 (h-10) All owners licensees in operation prior to the
8 effective date of this amendatory Act of the 97th General
9 Assembly shall have 90 days after such effective date to
10 reserve up to 1,600 gaming positions, including gaming
11 positions in operation prior to such effective date. Any
12 positions that are not reserved by a licensed owner within 90
13 days after such effective date shall be forfeited and retained
14 by the Board. The initial fee for each gaming position imposed
15 by subsection (h) of this Section shall be payable within 90
16 days after the Board publishes the number of gaming positions
17 reserved by each existing owners licensee and the total
18 unreserved gaming positions. Any positions that have been
19 reserved, but for which payment has not been received, shall be
20 forfeited and retained by the Board.

21 Thereafter, the Board shall publish the number of gaming
22 positions reserved and unreserved by each owners licensee,
23 shall accept requests for additional gaming positions from any
24 owners licensee which initially reserved 1,600 gaming
25 positions, and shall allocate expeditiously the unreserved
26 gaming positions to such requesting owners licensees in a

1 manner to maximize revenue to the State. All positions obtained
2 pursuant to this process must be in operation within 18 months
3 after they were obtained or the owners licensee forfeits the
4 right to operate those positions, but is not entitled to a
5 refund of any fees paid.

6 For owners licensees not in operation prior to the
7 effective date of this amendatory Act of the 97th General
8 Assembly, and authorized under subsections (e-5)(2) through
9 (e-5)(5) of this Section, the application for such new owners
10 licenses shall ask the applicants to stipulate in their
11 applications the number of gaming positions each applicant
12 would like to reserve, up to 1,600 gaming positions. Once the
13 last winning applicant for each of these owners licenses has
14 been selected by the Board, the Board shall publish the number
15 of gaming positions reserved and unreserved by each winning
16 applicant, shall accept requests for additional gaming
17 positions from any applicant which initially reserved 1,600
18 gaming positions, and shall allocate expeditiously the
19 unreserved gaming positions to such requesting applicants in a
20 manner to maximize revenue to the State.

21 In the event that not all of the unreserved gaming
22 positions described in the first and second paragraphs of this
23 subsection (h-10) were requested by owners licensees and
24 applicants, then until there are no longer unreserved gaming
25 positions, the Board periodically shall govern a process to
26 allocate the unreserved gaming positions in a manner to

1 maximize revenue to the State.

2 For the purpose of this subsection (h-10), the unreserved
3 gaming positions for each existing owners licensee shall be
4 1,600 less the greater of (i) 1,200; or (ii) the number of
5 reserved gaming positions by such owners licensee, and the
6 total unreserved gaming positions shall be the aggregate of the
7 unreserved gaming positions for all existing owners licensees.

8 (i) A licensed owner is authorized to apply to the Board
9 for and, if approved therefor, to receive all licenses from the
10 Board necessary for the operation of a riverboat or a casino,
11 including a liquor license, a license to prepare and serve food
12 for human consumption, and other necessary licenses. All use,
13 occupation and excise taxes which apply to the sale of food and
14 beverages in this State and all taxes imposed on the sale or
15 use of tangible personal property apply to such sales aboard
16 the riverboat or in the casino.

17 (j) The Board may issue or re-issue a license authorizing a
18 riverboat to dock in a municipality or approve a relocation
19 under Section 11.2 only if, prior to the issuance or
20 re-issuance of the license or approval, the governing body of
21 the municipality in which the riverboat will dock has by a
22 majority vote approved the docking of riverboats in the
23 municipality. The Board may issue or re-issue a license
24 authorizing a riverboat to dock in areas of a county outside
25 any municipality or approve a relocation under Section 11.2
26 only if, prior to the issuance or re-issuance of the license or

1 approval, the governing body of the county has by a majority
2 vote approved of the docking of riverboats within such areas.

3 (k) An owners licensee may conduct land-based gambling
4 operations upon approval by the Board.

5 (l) An owners licensee may conduct gaming at a temporary
6 facility pending the construction of a permanent facility or
7 the remodeling or relocation of an existing facility to
8 accommodate gaming participants for up to 24 months after the
9 temporary facility begins to conduct gaming. Upon request by an
10 owners licensee and upon a showing of good cause by the owners
11 licensee, the Board shall extend the period during which the
12 licensee may conduct gaming at a temporary facility by up to 12
13 months. The Board shall make rules concerning the conduct of
14 gaming from temporary facilities.

15 (Source: P.A. 95-1008, eff. 12-15-08; 96-1392, eff. 1-1-11.)

16 (230 ILCS 10/7.3)

17 Sec. 7.3. State conduct of gambling operations.

18 (a) If, after reviewing each application for a re-issued
19 license, the Board determines that the highest prospective
20 total revenue to the State would be derived from State conduct
21 of the gambling operation in lieu of re-issuing the license,
22 the Board shall inform each applicant of its decision. The
23 Board shall thereafter have the authority, without obtaining an
24 owners license, to conduct riverboat gambling operations as
25 previously authorized by the terminated, expired, revoked, or

1 nonrenewed license through a licensed manager selected
2 pursuant to an open and competitive bidding process as set
3 forth in Section 7.5 and as provided in Section 7.4.

4 (b) The Board may locate any riverboat on which a gambling
5 operation is conducted by the State in any home dock location
6 authorized by Section 3(c) upon receipt of approval from a
7 majority vote of the governing body of the municipality or
8 county, as the case may be, in which the riverboat will dock.

9 (c) The Board shall have jurisdiction over and shall
10 supervise all gambling operations conducted by the State
11 provided for in this Act and shall have all powers necessary
12 and proper to fully and effectively execute the provisions of
13 this Act relating to gambling operations conducted by the
14 State.

15 (d) The maximum number of owners licenses authorized under
16 Section 7 ~~7(e)~~ shall be reduced by one for each instance in
17 which the Board authorizes the State to conduct a riverboat
18 gambling operation under subsection (a) in lieu of re-issuing a
19 license to an applicant under Section 7.1.

20 (Source: P.A. 93-28, eff. 6-20-03.)

21 (230 ILCS 10/7.5)

22 Sec. 7.5. Competitive Bidding. When the Board determines
23 that it will re-issue an owners license pursuant to an open and
24 competitive bidding process, as set forth in Section 7.1, or
25 that it will issue a managers license pursuant to an open and

1 competitive bidding process, as set forth in Section 7.4, or
2 that it will issue an owners license pursuant to an open and
3 competitive bidding process, as set forth in Section 7.11, the
4 open and competitive bidding process shall adhere to the
5 following procedures:

6 (1) The Board shall make applications for owners and
7 managers licenses available to the public and allow a
8 reasonable time for applicants to submit applications to the
9 Board.

10 (2) During the filing period for owners or managers license
11 applications, the Board may retain the services of an
12 investment banking firm to assist the Board in conducting the
13 open and competitive bidding process.

14 (3) After receiving all of the bid proposals, the Board
15 shall open all of the proposals in a public forum and disclose
16 the prospective owners or managers names, venture partners, if
17 any, and, in the case of applicants for owners licenses, the
18 locations of the proposed development sites.

19 (4) The Board shall summarize the terms of the proposals
20 and may make this summary available to the public.

21 (5) The Board shall evaluate the proposals within a
22 reasonable time and select no more than 3 final applicants to
23 make presentations of their proposals to the Board.

24 (6) The final applicants shall make their presentations to
25 the Board on the same day during an open session of the Board.

26 (7) As soon as practicable after the public presentations

1 by the final applicants, the Board, in its discretion, may
2 conduct further negotiations among the 3 final applicants.
3 During such negotiations, each final applicant may increase its
4 license bid or otherwise enhance its bid proposal. At the
5 conclusion of such negotiations, the Board shall select the
6 winning proposal. In the case of negotiations for an owners
7 license, the Board may, at the conclusion of such negotiations,
8 make the determination allowed under Section 7.3(a).

9 (8) Upon selection of a winning bid, the Board shall
10 evaluate the winning bid within a reasonable period of time for
11 licensee suitability in accordance with all applicable
12 statutory and regulatory criteria.

13 (9) If the winning bidder is unable or otherwise fails to
14 consummate the transaction, (including if the Board determines
15 that the winning bidder does not satisfy the suitability
16 requirements), the Board may, on the same criteria, select from
17 the remaining bidders or make the determination allowed under
18 Section 7.3(a).

19 (Source: P.A. 93-28, eff. 6-20-03.)

20 (230 ILCS 10/7.6 new)

21 Sec. 7.6. Electronic gaming.

22 (a) The General Assembly finds that the horse racing and
23 riverboat gambling industries share many similarities and
24 collectively comprise the bulk of the State's gaming industry.
25 One feature common to both industries is that each is highly

1 regulated by the State of Illinois. The General Assembly
2 further finds, however, that despite their shared features each
3 industry is distinct from the other in that horse racing is and
4 continues to be intimately tied to Illinois' agricultural
5 economy and is, at its core, a spectator sport. This
6 distinction requires the General Assembly to utilize different
7 methods to regulate and promote the horse racing industry
8 throughout the State. The General Assembly finds that in order
9 to promote live horse racing as a spectator sport in Illinois
10 and the agricultural economy of this State, it is necessary to
11 allow electronic gaming at Illinois race tracks as an ancillary
12 use given the success of other states in increasing live racing
13 purse accounts and improving the quality of horses
14 participating in horse race meetings.

15 (b) The Illinois Gaming Board shall award one electronic
16 gaming license to each person, firm, or corporation having
17 operating control of a race track that applies under Section 56
18 of the Illinois Horse Racing Act of 1975, subject to the
19 application and eligibility requirements of this Section.
20 Within 60 days after the effective date of this amendatory Act
21 of the 97th General Assembly, a person, firm, or corporation
22 having operating control of a race track may submit an
23 application for an electronic gaming license. The application
24 shall specify the number of gaming positions the applicant
25 intends to use and the place where the electronic gaming
26 facility will operate.

1 The Board shall determine within 120 days after receiving
2 an application for an electronic gaming license, whether to
3 grant an electronic gaming license to the applicant. If the
4 Board does not make a determination within that time period,
5 then the Board shall give a written explanation to the
6 applicant as to why it has not reached a determination and when
7 it reasonably expects to make a determination.

8 The electronic gaming licensee shall purchase up to the
9 amount of electronic gaming positions authorized under this Act
10 within 120 days after receiving its electronic gaming license.
11 If an electronic gaming licensee is prepared to purchase the
12 electronic gaming positions, but is temporarily prohibited
13 from doing so by order of a court of competent jurisdiction or
14 the Board, then the 120-day period is tolled until a resolution
15 is reached.

16 An electronic gaming license shall authorize its holder to
17 conduct electronic gaming at its race track at the following
18 times:

19 (1) On days when it conducts live racing at the track
20 where its electronic gaming facility is located, from 8:00
21 a.m. until 3:00 a.m. on the following day.

22 (2) On days when it is scheduled to conduct simulcast
23 wagering on races run in the United States, from 8:00 a.m.
24 until 3:00 a.m. on the following day.

25 Additionally, the Board may extend these days of operation
26 and hours upon request by an organization licensee as the Board

1 sees fit.

2 A license to conduct electronic gaming and any renewal of
3 an electronic gaming license shall authorize electronic gaming
4 for a period of 4 years. The fee for the issuance or renewal of
5 an electronic gaming license shall be \$100,000.

6 (c) To be eligible to conduct electronic gaming, a person,
7 firm, or corporation having operating control of a race track
8 must (i) obtain an electronic gaming license, (ii) hold an
9 organization license under the Illinois Horse Racing Act of
10 1975, (iii) hold an inter-track wagering license, (iv) pay an
11 initial fee of \$25,000 per gaming position from electronic
12 gaming licensees where electronic gaming is conducted in Cook
13 County and \$12,500 for electronic gaming licensees where
14 electronic gaming is located outside of Cook County before
15 beginning to conduct electronic gaming plus make the
16 reconciliation payment required under subsection (i), (v)
17 conduct at least 240 live races at each track per year, (vi)
18 meet the requirements of subsection (a) of Section 56 of the
19 Illinois Horse Racing Act of 1975, (vii) for organization
20 licensees conducting standardbred race meetings that had an
21 open backstretch in 2009, keep backstretch barns and
22 dormitories open and operational year-round unless a lesser
23 schedule is mutually agreed to by the organization licensee and
24 the horsemen's association racing at that organization
25 licensee's race meeting, (viii) for organization licensees
26 conducting thoroughbred race meetings, the organization

1 licensee must maintain accident medical expense liability
2 insurance coverage of \$1,000,000 for jockeys, and (ix) meet all
3 other requirements of this Act that apply to owners licensees.
4 Only those persons, firms, or corporations (or its successors
5 or assigns) that had operating control of a race track and held
6 an inter-track wagering license authorized by the Illinois
7 Racing Board in 2009 are eligible.

8 An electronic gaming license may enter into a joint venture
9 with a licensed owner to own, manage, conduct, or otherwise
10 operate the electronic gaming licensee's electronic gaming
11 facilities, unless the electronic gaming licensee has a parent
12 company or other affiliated company that is, directly or
13 indirectly, wholly owned by a parent company that is also
14 licensed to conduct electronic gaming, casino gaming, or their
15 equivalent in another state.

16 All payments by licensees under this subsection (c) shall
17 be deposited into the Gaming Facilities Fee Revenue Fund.

18 (d) The Board may approve electronic gaming positions
19 statewide as provided in this Section. The authority to operate
20 electronic gaming positions under this Section shall be
21 allocated as follows: up to 1,200 gaming positions for any
22 electronic gaming licensee in Cook County that conducted live
23 racing in calendar year 2010; up to 900 gaming positions for
24 any electronic gaming licensee outside of Cook County that
25 conducted live racing in calendar year 2010; and up to 350
26 gaming positions for any electronic gaming licensee that did

1 not conduct live racing in calendar year 2010, which shall
2 increase to 900 gaming positions (i) if the electronic gaming
3 license conducted 25 live races in the previous calendar year
4 or (ii) beginning on January 1, 2015, whichever occurs first.

5 (e) Any positions that are not obtained by an organization
6 licensee shall be retained by the Gaming Board and shall be
7 offered in equal amounts to organization licensees who have
8 purchased all of the positions that were offered. This process
9 shall continue until all positions have been purchased. All
10 positions obtained pursuant to this process must be in
11 operation within 18 months after they were obtained or the
12 organization licensee forfeits the right to operate all of the
13 positions, but is not entitled to a refund of any fees paid.
14 The Board may, after holding a public hearing, grant extensions
15 so long as an organization licensee is working in good faith to
16 begin conducting electronic gaming. The extension may be for a
17 period of 6 months. If, after the period of the extension, a
18 licensee has not begun to conduct electronic gaming, another
19 public hearing must be held by the Board before it may grant
20 another extension.

21 (f) Subject to the approval of the Illinois Gaming Board,
22 an electronic gaming licensee may make modification or
23 additions to any existing buildings and structures to comply
24 with the requirements of this Act. The Illinois Gaming Board
25 shall make its decision after consulting with the Illinois
26 Racing Board. In no case, however, shall the Illinois Gaming

1 Board approve any modification or addition that alters the
2 grounds of the organizational licensee such that the act of
3 live racing is an ancillary activity to electronic gaming.
4 Electronic gaming may take place in existing structures where
5 inter-track wagering is conducted at the race track or a
6 facility within 300 yards of the race track in accordance with
7 the provisions of this Act and the Illinois Horse Racing Act of
8 1975.

9 (g) An electronic gaming licensee may conduct electronic
10 gaming at a temporary facility pending the construction of a
11 permanent facility or the remodeling or relocation of an
12 existing facility to accommodate electronic gaming
13 participants for up to 24 months after the temporary facility
14 begins to conduct electronic gaming. Upon request by an
15 electronic gaming licensee and upon a showing of good cause by
16 the electronic gaming licensee, the Board shall extend the
17 period during which the licensee may conduct electronic gaming
18 at a temporary facility by up to 12 months. The Board shall
19 make rules concerning the conduct of electronic gaming from
20 temporary facilities.

21 Electronic gaming may take place in existing structures
22 where inter-track wagering is conducted at the race track or a
23 facility within 300 yards of the race track in accordance with
24 the provisions of this Act and the Illinois Horse Racing Act of
25 1975. Any electronic gaming conducted at a permanent facility
26 within 300 yards of the race track in accordance with this Act

1 and the Illinois Horse Racing Act of 1975 shall have an
2 all-weather egress connecting the electronic gaming facility
3 and the race track facility or, on days and hours of live
4 racing, a complimentary shuttle service between the permanent
5 electronic gaming facility and the race track facility and
6 shall not charge electronic gaming participants an additional
7 admission fee to the race track facility.

8 (h) The Illinois Gaming Board must adopt emergency rules in
9 accordance with Section 5-45 of the Illinois Administrative
10 Procedure Act as necessary to ensure compliance with the
11 provisions of this amendatory Act of the 97th General Assembly
12 concerning electronic gaming. The adoption of emergency rules
13 authorized by this subsection (h) shall be deemed to be
14 necessary for the public interest, safety, and welfare.

15 (i) Each electronic gaming licensee who obtains electronic
16 gaming positions must make a reconciliation payment 4 years
17 after the date the electronic gaming licensee begins operating
18 the positions in an amount equal to 75% of the difference
19 between its adjusted gross receipts from electronic gaming and
20 amounts paid to its purse accounts pursuant to item (1) of
21 subsection (b) of Section 56 of the Illinois House Racing Act
22 of 1975 for the 12-month period for which such difference was
23 the largest, minus an amount equal to the initial \$25,000 or
24 \$12,500 per electronic gaming position initial payment. If this
25 calculation results in a negative amount, then the electronic
26 gaming licensee is not entitled to any reimbursement of fees

1 previously paid. This reconciliation payment may be made in
2 installments over a period of no more than 2 years, subject to
3 Board approval. Any installment payments shall include an
4 annual market interest rate as determined by the Board.

5 All payments by licensees under this subsection (i) shall
6 be deposited into the Gaming Facilities Fee Revenue Fund.

7 (j) As soon as practical after a request is made by the
8 Illinois Gaming Board, to minimize duplicate submissions by the
9 applicant, the Illinois Racing Board must provide information
10 on an applicant for an electronic gaming license to the
11 Illinois Gaming Board.

12 (k) Subject to the approval of the Illinois Gaming Board,
13 an organization licensee that has received an electronic gaming
14 license under this Act and has operating control of a race
15 track facility located in Cook County may relocate its race
16 track facility as follows:

17 (1) the organization licensee may relocate within a
18 3-mile radius of its existing race track facility so long
19 as the organization licensee remains in Cook County and
20 submits its plan to construct a new structure to conduct
21 electronic gaming operations; and

22 (2) the organization licensee may not relocate within a
23 5-mile radius of a riverboat if the owners license was
24 issued prior to December 31, 2011.

25 The relocation must include the race track facility, including
26 the race track operations used to conduct live racing and the

1 electronic gaming facility in its entirety. For the purposes of
2 this subsection (k), "race track facility" means all operations
3 conducted on the race track property for which it was awarded a
4 license for pari-mutuel wagering and live racing in the year
5 2010, except for the real estate itself. The Illinois Gaming
6 Board shall make its decision after consulting with the
7 Illinois Racing Board, and any relocation application shall be
8 subject to all of the provisions of this Act and the Illinois
9 Horse Racing Act of 1975.

10 (230 ILCS 10/7.7 new)

11 Sec. 7.7. Home rule. The regulation and licensing of
12 electronic gaming and electronic gaming licensees are
13 exclusive powers and functions of the State. A home rule unit
14 may not regulate or license electronic gaming or electronic
15 gaming licensees. This Section is a denial and limitation of
16 home rule powers and functions under subsection (h) of Section
17 6 of Article VII of the Illinois Constitution.

18 (230 ILCS 10/7.8 new)

19 Sec. 7.8. Casino operator license.

20 (a) A qualified person may apply to the Board for a casino
21 operator license to operate and manage any gambling operation
22 conducted by the Authority. The application shall be made on
23 forms provided by the Board and shall contain such information
24 as the Board prescribes, including but not limited to

1 information required in Sections 6(a), (b), and (c) and
2 information relating to the applicant's proposed price to
3 manage the Authority's gambling operations and to provide the
4 casino, gambling equipment, and supplies necessary to conduct
5 Authority gambling operations.

6 (b) A person, firm, or corporation is ineligible to receive
7 a casino operator license if:

8 (1) the person has been convicted of a felony under the
9 laws of this State, any other state, or the United States;

10 (2) the person has been convicted of any violation of
11 Article 28 of the Criminal Code of 1961, or substantially
12 similar laws of any other jurisdiction;

13 (3) the person has submitted an application for a
14 license under this Act which contains false information;

15 (4) the person is a member of the Board;

16 (5) a person defined in (1), (2), (3), or (4) is an
17 officer, director, or managerial employee of the firm or
18 corporation;

19 (6) the firm or corporation employs a person defined in
20 (1), (2), (3), or (4) who participates in the management or
21 operation of gambling operations authorized under this
22 Act; or

23 (7) a license of the person, firm, or corporation
24 issued under this Act, or a license to own or operate
25 gambling facilities in any other jurisdiction, has been
26 revoked.

1 (c) In determining whether to grant a casino operator
2 license, the Board shall consider:

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

6 (A) controls, directly or indirectly, such
7 applicant, or

8 (B) is controlled, directly or indirectly, by such
9 applicant or by a person which controls, directly or
10 indirectly, such applicant;

11 (2) the facilities or proposed facilities for the
12 conduct of gambling;

13 (3) the preference of the municipality in which the
14 licensee will operate;

15 (4) the extent to which the ownership of the applicant
16 reflects the diversity of the State by including minority
17 persons and females and the good faith affirmative action
18 plan of each applicant to recruit, train, and upgrade
19 minority persons and females in all employment
20 classifications;

21 (5) the financial ability of the applicant to purchase
22 and maintain adequate liability and casualty insurance;

23 (6) whether the applicant has adequate capitalization
24 to provide and maintain, for the duration of a license, a
25 casino; and

26 (7) the extent to which the applicant exceeds or meets

1 other standards for the issuance of a managers license that
2 the Board may adopt by rule.

3 (d) Each applicant shall submit with his or her
4 application, on forms prescribed by the Board, 2 sets of his or
5 her fingerprints.

6 (e) The Board shall charge each applicant a fee, set by the
7 Board, to defray the costs associated with the background
8 investigation conducted by the Board.

9 (f) A person who knowingly makes a false statement on an
10 application is guilty of a Class A misdemeanor.

11 (g) The casino operator license shall be issued only upon
12 proof that it has entered into a labor peace agreement with
13 each labor organization that is actively engaged in
14 representing and attempting to represent casino and
15 hospitality industry workers in this State. The labor peace
16 agreement must be a valid and enforceable agreement under 29
17 U.S.C. 185 that protects the city's and State's revenues from
18 the operation of the casino facility by prohibiting the labor
19 organization and its members from engaging in any picketing,
20 work stoppages, boycotts, or any other economic interference
21 with the casino facility for at least the first 5 years of the
22 casino license and must cover all operations at the casino
23 facility that are conducted by lessees or tenants or under
24 management agreements.

25 (h) The casino operator license shall be for a term of 4
26 years, shall be renewable at the Board's option, and shall

1 contain such terms and provisions as the Board deems necessary
2 to protect or enhance the credibility and integrity of State
3 gambling operations, achieve the highest prospective total
4 revenue to the State, and otherwise serve the interests of the
5 citizens of Illinois. The Board may revoke the license:

6 (1) for violation of any provision of this Act;

7 (2) for violation of any rules of the Board;

8 (3) for any cause which, if known to the Board, would
9 have disqualified the applicant from receiving the
10 license; or

11 (4) for any other just cause.

12 (230 ILCS 10/7.9 new)

13 Sec. 7.9. Diversity program.

14 (a) Each owners licensee, electronic gaming licensee,
15 casino operator licensee, and suppliers licensee shall
16 establish and maintain a diversity program to ensure
17 non-discrimination in the award and administration of
18 contracts. The programs shall establish goals of awarding not
19 less than 20% of the annual dollar value of all contracts,
20 purchase orders, or other agreements to minority owned
21 businesses and 5% of the annual dollar value of all contracts
22 to female owned businesses.

23 (b) Each owners licensee, electronic gaming licensee,
24 casino operator licensee, and suppliers licensee shall
25 establish and maintain a diversity program designed to promote

1 equal opportunity for employment. The program shall establish
2 hiring goals as the Board and each licensee determines
3 appropriate. The Board shall monitor the progress of the gaming
4 licensee's progress with respect to the program's goals.

5 (c) No later than May 31 of each year each licensee shall
6 report to the Board the number of respective employees and the
7 number of their respective employees who have designated
8 themselves as members of a minority group and gender. In
9 addition, all licensees shall submit a report with respect to
10 the minority owned and female owned businesses program created
11 in this Section to the Board.

12 (230 ILCS 10/7.10 new)

13 Sec. 7.10. Annual report on diversity.

14 (a) Each licensee that receives a license under Sections 7,
15 7.1, and 7.6 shall execute and file a report with the Board no
16 later than December 31 of each year that shall contain, but not
17 be limited to, the following information:

18 (i) a good faith affirmative action plan to recruit,
19 train, and upgrade minority persons, females, and persons
20 with a disability in all employment classifications;

21 (ii) the total dollar amount of contracts that were
22 awarded to businesses owned by minority persons, females,
23 and persons with a disability;

24 (iii) the total number of businesses owned by minority
25 persons, females, and persons with a disability that were

1 utilized by the licensee;

2 (iv) the utilization of businesses owned by minority
3 persons, females, and persons with disabilities during the
4 preceding year; and

5 (v) the outreach efforts used by the licensee to
6 attract investors and businesses consisting of minority
7 persons, females, and persons with a disability.

8 (b) The Board shall forward a copy of each licensee's
9 annual reports to the General Assembly no later than February 1
10 of each year.

11 (230 ILCS 10/7.11 new)

12 Sec. 7.11. Issuance of new owners licenses.

13 (a) Owners licenses newly authorized pursuant to this
14 amendatory Act of the 97th General Assembly may be issued by
15 the Board to a qualified applicant pursuant to an open and
16 competitive bidding process, as set forth in Section 7.5, and
17 subject to the maximum number of authorized licenses set forth
18 in subsection (e-5) of Section 7 of this Act.

19 (b) To be a qualified applicant, a person, firm, or
20 corporation may not be ineligible to receive an owners license
21 under subsection (a) of Section 7 of this Act and must submit
22 an application for an owners license that complies with Section
23 6 of this Act.

24 (c) In determining whether to grant an owners license to an
25 applicant, the Board shall consider all of the factors set

1 forth in subsections (b) and (e-10) of Section 7 of this Act,
2 as well as the amount of the applicant's license bid. The Board
3 may grant the owners license to an applicant that has not
4 submitted the highest license bid, but if it does not select
5 the highest bidder, the Board shall issue a written decision
6 explaining why another applicant was selected and identifying
7 the factors set forth in subsections (b) and (e-10) of Section
8 7 of this Act that favored the winning bidder.

9 (230 ILCS 10/7.12 new)

10 Sec. 7.12. Environmental standards. All casinos,
11 riverboats, and electronic gaming facilities shall consist of
12 buildings that are certified as meeting the U.S. Green Building
13 Council's Leadership in Energy and Environmental Design
14 standards. The provisions of this Section apply to a holder of
15 an owners license, casino operator license, or electronic
16 gaming license that (i) begins operations on or after January
17 1, 2012 or (ii) relocates its facilities on or after the
18 effective date of this amendatory Act of the 97th General
19 Assembly.

20 (230 ILCS 10/8) (from Ch. 120, par. 2408)

21 Sec. 8. Suppliers licenses.

22 (a) The Board may issue a suppliers license to such
23 persons, firms or corporations which apply therefor upon the
24 payment of a non-refundable application fee set by the Board,

1 upon a determination by the Board that the applicant is
2 eligible for a suppliers license and upon payment of a \$5,000
3 annual license fee.

4 (b) The holder of a suppliers license is authorized to sell
5 or lease, and to contract to sell or lease, gambling equipment
6 and supplies to any licensee involved in the ownership or
7 management of gambling operations.

8 (c) Gambling supplies and equipment may not be distributed
9 unless supplies and equipment conform to standards adopted by
10 rules of the Board.

11 (d) A person, firm or corporation is ineligible to receive
12 a suppliers license if:

13 (1) the person has been convicted of a felony under the
14 laws of this State, any other state, or the United States;

15 (2) the person has been convicted of any violation of
16 Article 28 of the Criminal Code of 1961, or substantially
17 similar laws of any other jurisdiction;

18 (3) the person has submitted an application for a
19 license under this Act which contains false information;

20 (4) the person is a member of the Board;

21 (5) the firm or corporation is one in which a person
22 defined in (1), (2), (3) or (4), is an officer, director or
23 managerial employee;

24 (6) the firm or corporation employs a person who
25 participates in the management or operation of riverboat
26 gambling authorized under this Act;

1 (7) the license of the person, firm or corporation
2 issued under this Act, or a license to own or operate
3 gambling facilities in any other jurisdiction, has been
4 revoked.

5 (e) Any person that supplies any equipment, devices, or
6 supplies to a licensed riverboat gambling operation or casino
7 or electronic gaming operation must first obtain a suppliers
8 license. A supplier shall furnish to the Board a list of all
9 equipment, devices and supplies offered for sale or lease in
10 connection with gambling games authorized under this Act. A
11 supplier shall keep books and records for the furnishing of
12 equipment, devices and supplies to gambling operations
13 separate and distinct from any other business that the supplier
14 might operate. A supplier shall file a quarterly return with
15 the Board listing all sales and leases. A supplier shall
16 permanently affix its name to all its equipment, devices, and
17 supplies for gambling operations. Any supplier's equipment,
18 devices or supplies which are used by any person in an
19 unauthorized gambling operation shall be forfeited to the
20 State. A holder of an owners license or an electronic gaming
21 license ~~A licensed owner~~ may own its own equipment, devices and
22 supplies. Each holder of an owners license or an electronic
23 gaming license under the Act shall file an annual report
24 listing its inventories of gambling equipment, devices and
25 supplies.

26 (f) Any person who knowingly makes a false statement on an

1 application is guilty of a Class A misdemeanor.

2 (g) Any gambling equipment, devices and supplies provided
3 by any licensed supplier may either be repaired on the
4 riverboat, in the casino, or at the electronic gaming facility
5 or removed from the riverboat, casino, or electronic gaming
6 facility to a ~~an on shore~~ facility owned by the holder of an
7 owners license or electronic gaming license for repair.

8 (Source: P.A. 86-1029; 87-826.)

9 (230 ILCS 10/9) (from Ch. 120, par. 2409)

10 Sec. 9. Occupational licenses.

11 (a) The Board may issue an occupational license to an
12 applicant upon the payment of a non-refundable fee set by the
13 Board, upon a determination by the Board that the applicant is
14 eligible for an occupational license and upon payment of an
15 annual license fee in an amount to be established. To be
16 eligible for an occupational license, an applicant must:

17 (1) be at least 21 years of age if the applicant will
18 perform any function involved in gaming by patrons. Any
19 applicant seeking an occupational license for a non-gaming
20 function shall be at least 18 years of age;

21 (2) not have been convicted of a felony offense, a
22 violation of Article 28 of the Criminal Code of 1961, or a
23 similar statute of any other jurisdiction;

24 (2.5) not have been convicted of a crime, other than a
25 crime described in item (2) of this subsection (a),

1 involving dishonesty or moral turpitude, except that the
2 Board may, in its discretion, issue an occupational license
3 to a person who has been convicted of a crime described in
4 this item (2.5) more than 10 years prior to his or her
5 application and has not subsequently been convicted of any
6 other crime;

7 (3) have demonstrated a level of skill or knowledge
8 which the Board determines to be necessary in order to
9 operate gambling aboard a riverboat, in a casino, or at an
10 electronic gaming facility; and

11 (4) have met standards for the holding of an
12 occupational license as adopted by rules of the Board. Such
13 rules shall provide that any person or entity seeking an
14 occupational license to manage gambling operations
15 hereunder shall be subject to background inquiries and
16 further requirements similar to those required of
17 applicants for an owners license. Furthermore, such rules
18 shall provide that each such entity shall be permitted to
19 manage gambling operations for only one licensed owner.

20 (b) Each application for an occupational license shall be
21 on forms prescribed by the Board and shall contain all
22 information required by the Board. The applicant shall set
23 forth in the application: whether he has been issued prior
24 gambling related licenses; whether he has been licensed in any
25 other state under any other name, and, if so, such name and his
26 age; and whether or not a permit or license issued to him in

1 any other state has been suspended, restricted or revoked, and,
2 if so, for what period of time.

3 (c) Each applicant shall submit with his application, on
4 forms provided by the Board, 2 sets of his fingerprints. The
5 Board shall charge each applicant a fee set by the Department
6 of State Police to defray the costs associated with the search
7 and classification of fingerprints obtained by the Board with
8 respect to the applicant's application. These fees shall be
9 paid into the State Police Services Fund.

10 (d) The Board may in its discretion refuse an occupational
11 license to any person: (1) who is unqualified to perform the
12 duties required of such applicant; (2) who fails to disclose or
13 states falsely any information called for in the application;
14 (3) who has been found guilty of a violation of this Act or
15 whose prior gambling related license or application therefor
16 has been suspended, restricted, revoked or denied for just
17 cause in any other state; or (4) for any other just cause.

18 (e) The Board may suspend, revoke or restrict any
19 occupational licensee: (1) for violation of any provision of
20 this Act; (2) for violation of any of the rules and regulations
21 of the Board; (3) for any cause which, if known to the Board,
22 would have disqualified the applicant from receiving such
23 license; or (4) for default in the payment of any obligation or
24 debt due to the State of Illinois; or (5) for any other just
25 cause.

26 (f) A person who knowingly makes a false statement on an

1 application is guilty of a Class A misdemeanor.

2 (g) Any license issued pursuant to this Section shall be
3 valid for a period of one year from the date of issuance.

4 (h) Nothing in this Act shall be interpreted to prohibit a
5 licensed owner or electronic gaming licensee from entering into
6 an agreement with a public community college or a school
7 approved under the Private Business and Vocational Schools Act
8 for the training of any occupational licensee. Any training
9 offered by such a school shall be in accordance with a written
10 agreement between the licensed owner or electronic gaming
11 licensee and the school.

12 (i) Any training provided for occupational licensees may be
13 conducted either at the site of the gambling facility on the
14 riverboat or at a school with which a licensed owner or
15 electronic gaming licensee has entered into an agreement
16 pursuant to subsection (h).

17 (Source: P.A. 96-1392, eff. 1-1-11.)

18 (230 ILCS 10/11) (from Ch. 120, par. 2411)

19 Sec. 11. Conduct of gambling. Gambling may be conducted by
20 licensed owners or licensed managers on behalf of the State
21 aboard riverboats. Gambling may be conducted by electronic
22 gaming licensees at electronic gaming facilities. Gambling
23 authorized under this Section is⁷ subject to the following
24 standards:

25 (1) A licensee may conduct riverboat gambling

1 authorized under this Act regardless of whether it conducts
2 excursion cruises. A licensee may permit the continuous
3 ingress and egress of patrons ~~passengers~~ on a riverboat not
4 used for excursion cruises for the purpose of gambling.
5 Excursion cruises shall not exceed 4 hours for a round
6 trip. However, the Board may grant express approval for an
7 extended cruise on a case-by-case basis.

8 (2) (Blank).

9 (3) Minimum and maximum wagers on games shall be set by
10 the licensee.

11 (4) Agents of the Board and the Department of State
12 Police may board and inspect any riverboat, enter and
13 inspect any portion of a casino, or enter and inspect any
14 portion of an electronic gaming facility at any time for
15 the purpose of determining whether this Act is being
16 complied with. Every riverboat, if under way and being
17 hailed by a law enforcement officer or agent of the Board,
18 must stop immediately and lay to.

19 (5) Employees of the Board shall have the right to be
20 present on the riverboat or in the casino or on adjacent
21 facilities under the control of the licensee and at the
22 electronic gaming facility under the control of the
23 electronic gaming licensee.

24 (6) Gambling equipment and supplies customarily used
25 in conducting riverboat or casino gambling or electronic
26 gaming must be purchased or leased only from suppliers

1 licensed for such purpose under this Act. The Board may
2 approve the transfer, sale, or lease of gambling equipment
3 and supplies by a licensed owner from or to an affiliate of
4 the licensed owner as long as the gambling equipment and
5 supplies were initially acquired from a supplier licensed
6 in Illinois.

7 (7) Persons licensed under this Act shall permit no
8 form of wagering on gambling games except as permitted by
9 this Act.

10 (8) Wagers may be received only from a person present
11 on a licensed riverboat, in a casino, or at an electronic
12 gaming facility. No person present on a licensed riverboat,
13 in a casino, or at an electronic gaming facility shall
14 place or attempt to place a wager on behalf of another
15 person who is not present on the riverboat, in a casino, or
16 at the electronic gaming facility.

17 (9) Wagering, including electronic gaming, shall not
18 be conducted with money or other negotiable currency.

19 (10) A person under age 21 shall not be permitted on an
20 area of a riverboat or casino where gambling is being
21 conducted or at an electronic gaming facility where
22 gambling is being conducted, except for a person at least
23 18 years of age who is an employee of the riverboat or
24 casino gambling operation or electronic gaming operation.
25 No employee under age 21 shall perform any function
26 involved in gambling by the patrons. No person under age 21

1 shall be permitted to make a wager under this Act, and any
2 winnings that are a result of a wager by a person under age
3 21, whether or not paid by a licensee, shall be treated as
4 winnings for the privilege tax purposes, confiscated, and
5 forfeited to the State and deposited into the Education
6 Assistance Fund.

7 (11) Gambling excursion cruises are permitted only
8 when the waterway for which the riverboat is licensed is
9 navigable, as determined by the Board in consultation with
10 the U.S. Army Corps of Engineers. This paragraph (11) does
11 not limit the ability of a licensee to conduct gambling
12 authorized under this Act when gambling excursion cruises
13 are not permitted.

14 (12) All tokens, chips or electronic cards used to make
15 wagers must be purchased (i) from a licensed owner or
16 manager, in the case of a riverboat, either aboard a
17 riverboat or at an onshore facility which has been approved
18 by the Board and which is located where the riverboat
19 docks, (ii) in the case of a casino, from a licensed owner
20 at the casino, or (iii) from an electronic gaming licensee
21 at the electronic gaming facility. The tokens, chips or
22 electronic cards may be purchased by means of an agreement
23 under which the owner or manager extends credit to the
24 patron. Such tokens, chips or electronic cards may be used
25 while aboard the riverboat, in the casino, or at the
26 electronic gaming facility only for the purpose of making

1 wagers on gambling games.

2 (13) Notwithstanding any other Section of this Act, in
3 addition to the other licenses authorized under this Act,
4 the Board may issue special event licenses allowing persons
5 who are not otherwise licensed to conduct riverboat
6 gambling to conduct such gambling on a specified date or
7 series of dates. Riverboat gambling under such a license
8 may take place on a riverboat not normally used for
9 riverboat gambling. The Board shall establish standards,
10 fees and fines for, and limitations upon, such licenses,
11 which may differ from the standards, fees, fines and
12 limitations otherwise applicable under this Act. All such
13 fees shall be deposited into the State Gaming Fund. All
14 such fines shall be deposited into the Education Assistance
15 Fund, created by Public Act 86-0018, of the State of
16 Illinois.

17 (14) In addition to the above, gambling must be
18 conducted in accordance with all rules adopted by the
19 Board.

20 (Source: P.A. 96-1392, eff. 1-1-11.)

21 (230 ILCS 10/11.1) (from Ch. 120, par. 2411.1)

22 Sec. 11.1. Collection of amounts owing under credit
23 agreements. Notwithstanding any applicable statutory provision
24 to the contrary, a licensed owner, ~~or~~ manager, or electronic
25 gaming licensee who extends credit to a ~~riverboat~~ gambling

1 patron or an electronic gaming patron pursuant to Section 11
2 (a) (12) of this Act is expressly authorized to institute a
3 cause of action to collect any amounts due and owing under the
4 extension of credit, as well as the owner's or manager's costs,
5 expenses and reasonable attorney's fees incurred in
6 collection.

7 (Source: P.A. 93-28, eff. 6-20-03.)

8 (230 ILCS 10/12) (from Ch. 120, par. 2412)

9 Sec. 12. Admission tax; fees.

10 (a) A tax is hereby imposed upon admissions to riverboat
11 and casino gambling facilities ~~riverboats~~ operated by licensed
12 owners authorized pursuant to this Act. Until July 1, 2002, the
13 rate is \$2 per person admitted. From July 1, 2002 until July 1,
14 2003, the rate is \$3 per person admitted. From July 1, 2003
15 until August 23, 2005 (the effective date of Public Act
16 94-673), for a licensee that admitted 1,000,000 persons or
17 fewer in the previous calendar year, the rate is \$3 per person
18 admitted; for a licensee that admitted more than 1,000,000 but
19 no more than 2,300,000 persons in the previous calendar year,
20 the rate is \$4 per person admitted; and for a licensee that
21 admitted more than 2,300,000 persons in the previous calendar
22 year, the rate is \$5 per person admitted. Beginning on August
23 23, 2005 (the effective date of Public Act 94-673), for a
24 licensee that admitted 1,000,000 persons or fewer in calendar
25 year 2004, the rate is \$2 per person admitted, and for all

1 other licensees, including licensees that were not conducting
2 gambling operations in 2004, the rate is \$3 per person
3 admitted. This admission tax is imposed upon the licensed owner
4 conducting gambling.

5 (1) The admission tax shall be paid for each admission,
6 except that a person who exits a riverboat gambling
7 facility and reenters that riverboat gambling facility
8 within the same gaming day shall be subject only to the
9 initial admission tax.

10 (2) (Blank).

11 (3) The riverboat licensee may issue tax-free passes to
12 actual and necessary officials and employees of the
13 licensee or other persons actually working on the
14 riverboat.

15 (4) The number and issuance of tax-free passes is
16 subject to the rules of the Board, and a list of all
17 persons to whom the tax-free passes are issued shall be
18 filed with the Board.

19 (a-5) A fee is hereby imposed upon admissions operated by
20 licensed managers on behalf of the State pursuant to Section
21 7.3 at the rates provided in this subsection (a-5). For a
22 licensee that admitted 1,000,000 persons or fewer in the
23 previous calendar year, the rate is \$3 per person admitted; for
24 a licensee that admitted more than 1,000,000 but no more than
25 2,300,000 persons in the previous calendar year, the rate is \$4
26 per person admitted; and for a licensee that admitted more than

1 2,300,000 persons in the previous calendar year, the rate is \$5
2 per person admitted.

3 (1) The admission fee shall be paid for each admission.

4 (2) (Blank).

5 (3) The licensed manager may issue fee-free passes to
6 actual and necessary officials and employees of the manager
7 or other persons actually working on the riverboat.

8 (4) The number and issuance of fee-free passes is
9 subject to the rules of the Board, and a list of all
10 persons to whom the fee-free passes are issued shall be
11 filed with the Board.

12 (b) From the tax imposed under subsection (a) and the fee
13 imposed under subsection (a-5), a municipality shall receive
14 from the State \$1 for each person embarking on a riverboat
15 docked within the municipality or entering a casino located
16 within the municipality, and a county shall receive \$1 for each
17 person entering a casino or embarking on a riverboat docked
18 within the county but outside the boundaries of any
19 municipality. The municipality's or county's share shall be
20 collected by the Board on behalf of the State and remitted
21 quarterly by the State, subject to appropriation, to the
22 treasurer of the unit of local government for deposit in the
23 general fund.

24 (c) The licensed owner shall pay the entire admission tax
25 to the Board and the licensed manager or the casino operator
26 licensee shall pay the entire admission fee to the Board. Such

1 payments shall be made daily. Accompanying each payment shall
2 be a return on forms provided by the Board which shall include
3 other information regarding admissions as the Board may
4 require. Failure to submit either the payment or the return
5 within the specified time may result in suspension or
6 revocation of the owners or managers license.

7 (c-5) A tax is imposed on admissions to electronic gaming
8 facilities at the rate of \$3 per person admitted by an
9 electronic gaming licensee. The tax is imposed upon the
10 electronic gaming licensee.

11 (1) The admission tax shall be paid for each admission,
12 except that a person who exits an electronic gaming
13 facility and reenters that electronic gaming facility
14 within the same gaming day, as the term "gaming day" is
15 defined by the Board by rule, shall be subject only to the
16 initial admission tax. The Board shall establish, by rule,
17 a procedure to determine whether a person admitted to an
18 electronic gaming facility has paid the admission tax.

19 (2) An electronic gaming licensee may issue tax-free
20 passes to actual and necessary officials and employees of
21 the licensee and other persons associated with electronic
22 gaming operations.

23 (3) The number and issuance of tax-free passes is
24 subject to the rules of the Board, and a list of all
25 persons to whom the tax-free passes are issued shall be
26 filed with the Board.

1 (4) The electronic gaming licensee shall pay the entire
2 admission tax to the Board.

3 Such payments shall be made daily. Accompanying each
4 payment shall be a return on forms provided by the Board, which
5 shall include other information regarding admission as the
6 Board may require. Failure to submit either the payment or the
7 return within the specified time may result in suspension or
8 revocation of the electronic gaming license.

9 From the tax imposed under this subsection (c-5), a
10 municipality other than the Village of Stickney or the City of
11 Collinsville in which an electronic gaming facility is located,
12 or if the electronic gaming facility is not located within a
13 municipality, then the county in which the electronic gaming
14 facility is located, except as otherwise provided in this
15 Section, shall receive, subject to appropriation, \$1 for each
16 person who enters the electronic gaming facility. For each
17 admission to the electronic gaming facility in excess of
18 1,500,000 in a year, from the tax imposed under this subsection
19 (c-5), the county in which the electronic gaming facility is
20 located shall receive, subject to appropriation, \$0.30, which
21 shall be in addition to any other moneys paid to the county
22 under this Section.

23 From the tax imposed under this subsection (c-5) on an
24 electronic gaming facility located in the Village of Stickney,
25 \$1 for each person who enters the electronic gaming facility
26 shall be distributed as follows, subject to appropriation:

1 \$0.25 to the Village of Stickney, \$.50 to the Town of Cicero,
2 \$0.05 to the City of Berwyn, and \$0.20 to the Stickney Public
3 Health District.

4 From the tax imposed under this subsection (c-5) on an
5 electronic gaming facility located in the City of Collinsville,
6 \$1 for each person who enters the electronic gaming facility
7 shall be distributed as follows, subject to appropriation:
8 \$0.45 to the City of Alton, \$0.45 to the City of East St.
9 Louis, and \$0.10 to the City of Collinsville.

10 From the tax imposed under this subsection (c-5) on an
11 electronic gaming facility that is located in an unincorporated
12 area of Cook County and has been awarded standardbred racing
13 dates during 2011 by the Illinois Racing Board, \$1 for each
14 person who enters the electronic gaming facility shall be
15 divided equally and distributed, subject to appropriation, to
16 the Village of Melrose Park, the Village of Maywood, and Cook
17 County.

18 After payments required under this subsection (c-5) have
19 been made, all remaining amounts shall be deposited into the
20 Capital Projects Fund.

21 (d) The Board shall administer and collect the admission
22 tax imposed by this Section, to the extent practicable, in a
23 manner consistent with the provisions of Sections 4, 5, 5a, 5b,
24 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9 and 10 of the
25 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
26 Penalty and Interest Act.

1 (Source: P.A. 95-663, eff. 10-11-07; 96-1392, eff. 1-1-11.)

2 (230 ILCS 10/13) (from Ch. 120, par. 2413)

3 Sec. 13. Wagering tax; rate; distribution.

4 (a) Until January 1, 1998, a tax is imposed on the adjusted
5 gross receipts received from gambling games authorized under
6 this Act at the rate of 20%.

7 (a-1) From January 1, 1998 until July 1, 2002, a privilege
8 tax is imposed on persons engaged in the business of conducting
9 riverboat gambling operations, based on the adjusted gross
10 receipts received by a licensed owner from gambling games
11 authorized under this Act at the following rates:

12 15% of annual adjusted gross receipts up to and
13 including \$25,000,000;

14 20% of annual adjusted gross receipts in excess of
15 \$25,000,000 but not exceeding \$50,000,000;

16 25% of annual adjusted gross receipts in excess of
17 \$50,000,000 but not exceeding \$75,000,000;

18 30% of annual adjusted gross receipts in excess of
19 \$75,000,000 but not exceeding \$100,000,000;

20 35% of annual adjusted gross receipts in excess of
21 \$100,000,000.

22 (a-2) From July 1, 2002 until July 1, 2003, a privilege tax
23 is imposed on persons engaged in the business of conducting
24 riverboat gambling operations, other than licensed managers
25 conducting riverboat gambling operations on behalf of the

1 State, based on the adjusted gross receipts received by a
2 licensed owner from gambling games authorized under this Act at
3 the following rates:

4 15% of annual adjusted gross receipts up to and
5 including \$25,000,000;

6 22.5% of annual adjusted gross receipts in excess of
7 \$25,000,000 but not exceeding \$50,000,000;

8 27.5% of annual adjusted gross receipts in excess of
9 \$50,000,000 but not exceeding \$75,000,000;

10 32.5% of annual adjusted gross receipts in excess of
11 \$75,000,000 but not exceeding \$100,000,000;

12 37.5% of annual adjusted gross receipts in excess of
13 \$100,000,000 but not exceeding \$150,000,000;

14 45% of annual adjusted gross receipts in excess of
15 \$150,000,000 but not exceeding \$200,000,000;

16 50% of annual adjusted gross receipts in excess of
17 \$200,000,000.

18 (a-3) Beginning July 1, 2003, a privilege tax is imposed on
19 persons engaged in the business of conducting riverboat
20 gambling operations, other than licensed managers conducting
21 riverboat gambling operations on behalf of the State, based on
22 the adjusted gross receipts received by a licensed owner from
23 gambling games authorized under this Act at the following
24 rates:

25 15% of annual adjusted gross receipts up to and
26 including \$25,000,000;

1 27.5% of annual adjusted gross receipts in excess of
2 \$25,000,000 but not exceeding \$37,500,000;

3 32.5% of annual adjusted gross receipts in excess of
4 \$37,500,000 but not exceeding \$50,000,000;

5 37.5% of annual adjusted gross receipts in excess of
6 \$50,000,000 but not exceeding \$75,000,000;

7 45% of annual adjusted gross receipts in excess of
8 \$75,000,000 but not exceeding \$100,000,000;

9 50% of annual adjusted gross receipts in excess of
10 \$100,000,000 but not exceeding \$250,000,000;

11 70% of annual adjusted gross receipts in excess of
12 \$250,000,000.

13 An amount equal to the amount of wagering taxes collected
14 under this subsection (a-3) that are in addition to the amount
15 of wagering taxes that would have been collected if the
16 wagering tax rates under subsection (a-2) were in effect shall
17 be paid into the Common School Fund.

18 The privilege tax imposed under this subsection (a-3) shall
19 no longer be imposed beginning on the earlier of (i) July 1,
20 2005; (ii) the first date after June 20, 2003 that riverboat
21 gambling operations are conducted pursuant to a dormant
22 license; or (iii) the first day that riverboat gambling
23 operations are conducted under the authority of an owners
24 license that is in addition to the 10 owners licenses initially
25 authorized under this Act. For the purposes of this subsection
26 (a-3), the term "dormant license" means an owners license that

1 is authorized by this Act under which no riverboat gambling
2 operations are being conducted on June 20, 2003.

3 (a-4) Beginning on the first day on which the tax imposed
4 under subsection (a-3) is no longer imposed and ending on
5 December 31, 2013, a privilege tax is imposed on persons
6 engaged in the business of conducting riverboat or casino
7 gambling or electronic gaming operations, other than licensed
8 managers conducting riverboat gambling operations on behalf of
9 the State, based on the adjusted gross receipts received by a
10 licensed owner from gambling games authorized under this Act at
11 the following rates:

12 15% of annual adjusted gross receipts up to and
13 including \$25,000,000;

14 22.5% of annual adjusted gross receipts in excess of
15 \$25,000,000 but not exceeding \$50,000,000;

16 27.5% of annual adjusted gross receipts in excess of
17 \$50,000,000 but not exceeding \$75,000,000;

18 32.5% of annual adjusted gross receipts in excess of
19 \$75,000,000 but not exceeding \$100,000,000;

20 37.5% of annual adjusted gross receipts in excess of
21 \$100,000,000 but not exceeding \$150,000,000;

22 45% of annual adjusted gross receipts in excess of
23 \$150,000,000 but not exceeding \$200,000,000;

24 50% of annual adjusted gross receipts in excess of
25 \$200,000,000.

26 (a-5) Beginning on January 1, 2014, a privilege tax is

1 imposed on persons engaged in the business of conducting
2 riverboat or casino gambling or electronic gaming operations,
3 other than licensed managers conducting riverboat gambling
4 operations on behalf of the State, based on the adjusted gross
5 receipts received by such licensee from the gambling games
6 authorized under this Act. The privilege tax for all gambling
7 games other than table games, including, but not limited to,
8 slot machines, video game of chance gambling, and electronic
9 gambling games shall be at the following rates:

10 10% of annual adjusted gross receipts up to and
11 including \$25,000,000;

12 17.5% of annual adjusted gross receipts in excess of
13 \$25,000,000 but not exceeding \$50,000,000;

14 22.5% of annual adjusted gross receipts in excess of
15 \$50,000,000 but not exceeding \$75,000,000;

16 27.5% of annual adjusted gross receipts in excess of
17 \$75,000,000 but not exceeding \$100,000,000;

18 32.5% of annual adjusted gross receipts in excess of
19 \$100,000,000 but not exceeding \$150,000,000;

20 35% of annual adjusted gross receipts in excess of
21 \$150,000,000 but not exceeding \$200,000,000;

22 40% of annual adjusted gross receipts in excess of
23 \$200,000,000 but not exceeding \$300,000,000;

24 30% of annual adjusted gross receipts in excess of
25 \$300,000,000 but not exceeding \$350,000,000;

26 20% of annual adjusted gross receipts in excess of

1 \$350,000,000.

2 The privilege tax for table games shall be at the following
3 rates:

4 10% of annual adjusted gross receipts up to and
5 including \$25,000,000;

6 17.5% of annual adjusted gross receipts in excess of
7 \$25,000,000 but not exceeding \$50,000,000;

8 22.5% of annual adjusted gross receipts in excess of
9 \$50,000,000 but not exceeding \$70,000,000;

10 16% of annual adjusted gross receipts in excess of
11 \$70,000,000.

12 For the imposition of the privilege tax in this subsection
13 (a-5), amounts paid pursuant to item (1) of subsection (b) of
14 Section 56 of the Illinois Horse Racing Act of 1975 shall not
15 be included in the determination of adjusted gross receipts.

16 (a-6) From the effective date of this amendatory Act of the
17 97th General Assembly until June 30, 2015, an owners licensee
18 that conducted gambling operations prior to January 1, 2011
19 shall receive a dollar-for-dollar credit against the tax
20 imposed under this Section for any renovation or construction
21 costs paid by the owners licensee, but in no event shall the
22 credit exceed \$2,000,000.

23 Additionally, from the effective date of this amendatory
24 Act of the 97th General Assembly until December 31, 2014, an
25 owners licensee that (i) is located within 15 miles of the
26 Missouri border, and (ii) has at least 3 riverboats, casinos,

1 or their equivalent within a 45-mile radius, may be authorized
2 to relocate to a new location with the approval of both the
3 unit of local government designated as the home dock and the
4 Board, so long as the new location is within the same unit of
5 local government and no more than 3 miles away from its
6 original location. Such owners licensee shall receive a credit
7 against the tax imposed under this Section equal to 8% of the
8 total project costs, as approved by the Board, for any
9 renovation or construction costs paid by the owners licensee
10 for the construction of the new facility, provided that the new
11 facility is operational by July 1, 2014. In determining whether
12 or not to approve a relocation, the Board must consider the
13 extent to which the relocation will diminish the gaming
14 revenues received by other Illinois gaming facilities.

15 (a-7) From January 1, 2013 until December 31, 2022, if the
16 total obligation imposed pursuant to subsection (a-5) will
17 result in an owners licensee receiving less after-tax adjusted
18 gross receipts than it received in calendar year 2012, then the
19 total amount of privilege taxes that such owners licensee is
20 required to pay for that calendar year shall be reduced to the
21 extent necessary, not to exceed 5% of adjusted gross receipts
22 in that calendar year, so that the after-tax adjusted gross
23 receipts in that calendar year equals the after-tax adjusted
24 gross receipts in calendar year 2012. If pursuant to this
25 subsection (a-7), the total obligation imposed pursuant to
26 subsection (a-5) shall be reduced, then the owners licensee

1 shall not receive a refund from the State at the end of the
2 subject calendar year but instead shall be able to apply that
3 amount as a credit against any payments it owes to the State in
4 the following calendar year to satisfy its total obligation
5 under subsection (a-5).

6 For purposes of this subsection (a-7), "after-tax adjusted
7 gross receipts" means, for calendar year 2012, the adjusted
8 gross receipts less privilege taxes paid to the State and for
9 subsequent calendar years, the adjusted gross receipts less
10 privilege taxes paid to the State, then divided by the owners
11 licensee's average number of gaming positions operating in that
12 calendar year and then multiplied by the owners licensee's
13 average number of gaming positions operating in calendar year
14 2012. This subsection (a-7) does not apply to any owners
15 licensees authorized pursuant to subsection (e-5) of Section 7
16 of this Act.

17 (a-8) Riverboat gambling operations conducted by a
18 licensed manager on behalf of the State are not subject to the
19 tax imposed under this Section.

20 (a-9) Beginning on January 1, 2012, the calculation of
21 gross receipts or adjusted gross receipts, for the purposes of
22 this Section, for a riverboat, casino, or electronic gaming
23 facility shall not include the dollar amount of non-cashable
24 vouchers, coupons, and electronic promotions redeemed by
25 wagerers upon the riverboat, in the casino, or in the
26 electronic gaming facility up to and including an amount not to

1 exceed 30% of a riverboat casino or electronic gaming
2 facility's adjusted gross receipts.

3 The Illinois Gaming Board shall submit to the General
4 Assembly a comprehensive report no later than March 31, 2015
5 detailing, at a minimum, the effect of removing non-cashable
6 vouchers, coupons, and electronic promotions from this
7 calculation on net gaming revenues to the State in calendar
8 years 2012 through 2014, the increase or reduction in wagers
9 as a result of removing non-cashable vouchers, coupons, and
10 electronic promotions from this calculation, the effect of the
11 tax rates in subsection (a-5) on net gaming revenues to the
12 State, and proposed modifications to the calculation.

13 (a-10) The taxes imposed by this Section shall be paid by
14 the licensed owner or the electronic gaming licensee to the
15 Board not later than 5:00 o'clock p.m. of the day after the day
16 when the wagers were made.

17 (a-15) If the privilege tax imposed under subsection (a-3)
18 is no longer imposed pursuant to item (i) of the last paragraph
19 of subsection (a-3), then by June 15 of each year, each owners
20 licensee, other than an owners licensee that admitted 1,000,000
21 persons or fewer in calendar year 2004, must, in addition to
22 the payment of all amounts otherwise due under this Section,
23 pay to the Board a reconciliation payment in the amount, if
24 any, by which the licensed owner's base amount exceeds the
25 amount of net privilege tax paid by the licensed owner to the
26 Board in the then current State fiscal year. A licensed owner's

1 net privilege tax obligation due for the balance of the State
2 fiscal year shall be reduced up to the total of the amount paid
3 by the licensed owner in its June 15 reconciliation payment.
4 The obligation imposed by this subsection (a-15) is binding on
5 any person, firm, corporation, or other entity that acquires an
6 ownership interest in any such owners license. The obligation
7 imposed under this subsection (a-15) terminates on the earliest
8 of: (i) July 1, 2007, (ii) the first day after the effective
9 date of this amendatory Act of the 94th General Assembly that
10 riverboat gambling operations are conducted pursuant to a
11 dormant license, (iii) the first day that riverboat gambling
12 operations are conducted under the authority of an owners
13 license that is in addition to the 10 owners licenses initially
14 authorized under this Act, or (iv) the first day that a
15 licensee under the Illinois Horse Racing Act of 1975 conducts
16 gaming operations with slot machines or other electronic gaming
17 devices. The Board must reduce the obligation imposed under
18 this subsection (a-15) by an amount the Board deems reasonable
19 for any of the following reasons: (A) an act or acts of God,
20 (B) an act of bioterrorism or terrorism or a bioterrorism or
21 terrorism threat that was investigated by a law enforcement
22 agency, or (C) a condition beyond the control of the owners
23 licensee that does not result from any act or omission by the
24 owners licensee or any of its agents and that poses a hazardous
25 threat to the health and safety of patrons. If an owners
26 licensee pays an amount in excess of its liability under this

1 Section, the Board shall apply the overpayment to future
2 payments required under this Section.

3 For purposes of this subsection (a-15):

4 "Act of God" means an incident caused by the operation of
5 an extraordinary force that cannot be foreseen, that cannot be
6 avoided by the exercise of due care, and for which no person
7 can be held liable.

8 "Base amount" means the following:

9 For a riverboat in Alton, \$31,000,000.

10 For a riverboat in East Peoria, \$43,000,000.

11 For the Empress riverboat in Joliet, \$86,000,000.

12 For a riverboat in Metropolis, \$45,000,000.

13 For the Harrah's riverboat in Joliet, \$114,000,000.

14 For a riverboat in Aurora, \$86,000,000.

15 For a riverboat in East St. Louis, \$48,500,000.

16 For a riverboat in Elgin, \$198,000,000.

17 "Dormant license" has the meaning ascribed to it in
18 subsection (a-3).

19 "Net privilege tax" means all privilege taxes paid by a
20 licensed owner to the Board under this Section, less all
21 payments made from the State Gaming Fund pursuant to subsection
22 (b) of this Section.

23 The changes made to this subsection (a-15) by Public Act
24 94-839 are intended to restate and clarify the intent of Public
25 Act 94-673 with respect to the amount of the payments required
26 to be made under this subsection by an owners licensee to the

1 Board.

2 (b) Until January 1, 1998, 25% of the tax revenue deposited
3 in the State Gaming Fund under this Section shall be paid,
4 subject to appropriation by the General Assembly, to the unit
5 of local government which is designated as the home dock of the
6 riverboat. Beginning January 1, 1998, from the tax revenue from
7 riverboat or casino gambling deposited in the State Gaming Fund
8 under this Section, an amount equal to 5% of adjusted gross
9 receipts generated by a riverboat or a casino shall be paid
10 monthly, subject to appropriation by the General Assembly, to
11 the unit of local government that is designated as the home
12 dock of the riverboat. From the tax revenue deposited in the
13 State Gaming Fund pursuant to riverboat or casino gambling
14 operations conducted by a licensed manager on behalf of the
15 State, an amount equal to 5% of adjusted gross receipts
16 generated pursuant to those riverboat or casino gambling
17 operations shall be paid monthly, subject to appropriation by
18 the General Assembly, to the unit of local government that is
19 designated as the home dock of the riverboat upon which those
20 riverboat gambling operations are conducted or in which the
21 casino is located. Units of local government may refund any
22 portion of the payment that they receive pursuant to this
23 subsection (b) to the riverboat or casino.

24 (b-4) Beginning on August 1, 2011 and ending on July 31,
25 2042, from the tax revenue deposited in the State Gaming Fund
26 under this Section, \$4,000,000 shall be paid annually, subject

1 to appropriation, to the host municipality of an owners
2 licensee of a license issued or re-issued pursuant to Section
3 7.1 of this Act before January 1, 2012. Payments received by
4 the host municipality pursuant to this subsection (b-4) may not
5 be shared with any other unit of local government.

6 (b-5) Beginning on the effective date of this amendatory
7 Act of the 97th General Assembly, from the tax revenue
8 deposited in the State Gaming Fund under this Section, an
9 amount equal to 3% of adjusted gross receipts generated by each
10 electronic gaming facility located outside Madison County
11 shall be paid monthly, subject to appropriation by the General
12 Assembly, to a municipality other than the Village of Stickney
13 in which each electronic gaming facility is located or, if the
14 electronic gaming facility is not located within a
15 municipality, to the county in which the electronic gaming
16 facility is located, except as otherwise provided in this
17 Section. From the tax revenue deposited in the State Gaming
18 Fund under this Section, an amount equal to 3% of adjusted
19 gross receipts generated by each electronic gaming facility
20 that is located in an unincorporated area of Cook County and
21 has been awarded standardbred racing dates during 2011 by the
22 Illinois Racing Board shall be divided equally and distributed,
23 subject to appropriation, to the Village of Melrose Park, the
24 Village of Maywood, and Cook County. From the tax revenue
25 deposited in the State Gaming Fund under this Section, an
26 amount equal to 3% of adjusted gross receipts generated by an

1 electronic gaming facility located in the Village of Stickney
2 shall be paid monthly, subject to appropriation by the General
3 Assembly, as follows: 25% to the Village of Stickney, 5% to the
4 City of Berwyn, 50% to the Town of Cicero, and 20% to the
5 Stickney Public Health District.

6 From the tax revenue deposited in the State Gaming Fund
7 under this Section, an amount equal to 3% of adjusted gross
8 receipts generated by an electronic gaming facility located in
9 the City of Collinsville shall be paid monthly, subject to
10 appropriation by the General Assembly, as follows: 45% to the
11 City of Alton, 45% to the City of East St. Louis, and 10% to the
12 City of Collinsville.

13 Beginning on the effective date of this amendatory Act of
14 the 97th General Assembly, from the tax revenue deposited in
15 the State Gaming Fund under this Section, an amount equal to
16 (i) 1% of adjusted gross receipts generated by an electronic
17 gaming facility located in Madison County shall be paid
18 monthly, subject to appropriation by the General Assembly, to
19 Madison County for the purposes of infrastructure
20 improvements, and (ii) 1% of adjusted gross receipts generated
21 by an electronic gaming facility located in Madison County
22 shall be paid monthly, subject to appropriation by the General
23 Assembly, to St. Clair County for the purposes of
24 infrastructure improvements.

25 Municipalities and counties may refund any portion of the
26 payment that they receive pursuant to this subsection (b-5) to

1 the electronic gaming facility.

2 (b-6) Beginning on the effective date of this amendatory
3 Act of the 97th General Assembly, from the tax revenue
4 deposited in the State Gaming Fund under this Section, an
5 amount equal to 2% of adjusted gross receipts generated by an
6 electronic gaming facility located outside Madison County
7 shall be paid monthly, subject to appropriation by the General
8 Assembly, to the county in which the electronic gaming facility
9 is located for the purposes of its criminal justice system or
10 health care system.

11 Counties may refund any portion of the payment that they
12 receive pursuant to this subsection (b-6) to the electronic
13 gaming facility.

14 (b-7) The State and County Fair Assistance Fund is created
15 as a special fund in the State treasury. The Fund shall be
16 administered by the Department of Agriculture. Beginning on the
17 effective date of this amendatory Act of the 97th General
18 Assembly, from the tax revenue deposited in the State Gaming
19 Fund under this Section, an amount equal to 2% of adjusted
20 gross receipts, not to exceed \$5,000,000, shall be paid into
21 the State and County Fair Assistance Fund annually. No moneys
22 shall be expended from the State and County Fair Assistance
23 Fund except as appropriated by the General Assembly. Deposits
24 made pursuant to this subsection (b-7) shall supplement, and
25 not supplant, other State funding for these purposes.

26 The Department of Agriculture shall award grants from

1 moneys appropriated from the State and County Fair Assistance
2 Fund for the development, expansion, or support of county fairs
3 that showcase Illinois agriculture products or byproducts. No
4 grant may exceed \$100,000. Not more than one grant under this
5 Section may be made to any one county fair board. Additionally,
6 grants under this subsection (b-7) shall be available to the
7 Illinois State Fair and the DuQuoin State Fair.

8 (b-8) Beginning on the effective date of this amendatory
9 Act of the 97th General Assembly, from the tax revenue
10 deposited in the State Gaming Fund under this Section, \$250,000
11 shall be deposited annually into the Illinois Racing Quarter
12 Horse Breeders Fund.

13 (b-10) Beginning on the effective date of this amendatory
14 Act of the 97th General Assembly, from the tax revenue
15 deposited in the State Gaming Fund under this Section, an
16 amount equal to 10% of the wagering taxes paid by the
17 riverboats and casino created pursuant to subsection (e-5) of
18 Section 7 shall be paid into the Depressed Communities Economic
19 Development Fund annually.

20 (b-11) Beginning on the effective date of this amendatory
21 act of the 97th General Assembly, from the tax revenue
22 deposited in the State Gaming Fund under this Section, \$150,000
23 shall be paid annually to a county forest preserve district for
24 the maintenance of a botanic garden that was created by Section
25 43 of the Cook County Forest Preserve District Act.

26 (b-12) Beginning on the effective date of this amendatory

1 act of the 97th General Assembly, from the tax revenue
2 deposited in the State Gaming Fund from electronic gaming under
3 this Section, (i) \$10,000,000 shall be deposited annually into
4 the Partners for Conservation Fund for grants to soil and water
5 conservation districts, (ii) \$1,000,000 shall be deposited
6 annually into the Illinois Forestry Fund for costs associated
7 with the CREP Forestry Assistance Program, (iii) \$2,500,000
8 shall be deposited annually into the Illinois Historic Sites
9 Fund for costs associated with the State's historic sites, (iv)
10 \$2,500,000 shall be deposited annually into the Parks and
11 Conservation Fund for costs associated with the State's state
12 parks, (v) \$4,000,000 shall be deposited annually into the
13 State Cooperative Service Trust Fund for grants to the State's
14 cooperative extensions, and (vi) \$1,000,000 shall be deposited
15 annually into the Future of Agriculture Fund. Deposits made
16 pursuant to this subsection (b-12) shall supplement, and not
17 supplant, other State funding for these purposes.

18 (b-15) Beginning on the effective date of this amendatory
19 Act of the 97th General Assembly and ending July 1, 2014, from
20 the tax revenue deposited in the State Gaming Fund under this
21 Section, \$2,000,000 shall be deposited annually into the
22 Foreclosure Prevention Program Fund.

23 (b-20) From January 1, 2013 until December 31, 2015, if the
24 total amount paid to the Education Assistance Fund annually
25 pursuant to this Act will result in the Education Assistance
26 Fund receiving less revenue from the State Gaming Fund than it

1 received in calendar year 2011, an amount equal to that
2 shortfall shall be transferred from the Capital Projects Fund
3 to the Education Assistance Fund, except that no such transfer
4 shall exceed the amount deposited into the Capital Projects
5 Fund pursuant to subsection (c-4) of this Section.

6 (c) Appropriations, as approved by the General Assembly,
7 may be made from the State Gaming Fund to the Board (i) for the
8 administration and enforcement of this Act and the Video Gaming
9 Act, (ii) for distribution to the Department of State Police
10 and to the Department of Revenue for the enforcement of this
11 Act, and (iii) to the Department of Human Services for the
12 administration of programs to treat problem gambling. From the
13 tax revenue deposited in the State Gaming Fund under this
14 Section, \$10,000,000 shall be paid annually to the Department
15 of Human Services for the administration of programs to treat
16 problem gambling. The Board's annual appropriations request
17 must separately state its funding needs for the regulation of
18 electronic gaming, riverboat gaming, casino gaming within the
19 City of Chicago, and video gaming. From the tax revenue
20 deposited in the Gaming Facilities Fee Revenue Fund, the first
21 \$50,000,000 shall be paid to the Board, subject to
22 appropriation, for the administration and enforcement of the
23 provisions of this amendatory Act of the 97th General Assembly.

24 (c-3) Appropriations, as approved by the General Assembly,
25 may be made from the tax revenue deposited into the State
26 Gaming Fund from electronic gaming pursuant to this Section for

1 the administration and enforcement of this Act.

2 (c-4) After payments required under subsection (b-5),
3 (b-6), (b-7), (b-8), (b-10), (b-11), (b-12), (c), and (c-3)
4 have been made from the tax revenue from electronic gaming
5 deposited into the State Gaming Fund under this Section, all
6 remaining amounts from electronic gaming shall be deposited
7 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), (b-10), (b-11), (b-12), and (c), ~~and~~
4 ~~(e-5)~~ have been made, an amount equal to 2% of the adjusted
5 gross receipts of (1) an owners licensee that relocates
6 pursuant to Section 11.2, (2) an owners licensee conducting
7 riverboat gambling operations pursuant to an owners license
8 that is initially issued after June 25, 1999 and before
9 December 31, 2011, or (3) the first riverboat gambling
10 operations conducted by a licensed manager on behalf of the
11 State under Section 7.3, whichever comes first, shall be paid,
12 subject to appropriation from the General Assembly, from the
13 State Gaming Fund to each home rule county with a population of
14 over 3,000,000 inhabitants for the purpose of enhancing the
15 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), (b-10), (b-11), (b-12), (c), ~~(e-5)~~
23 and (c-15) have been made, an amount equal to 2% of the
24 adjusted gross receipts of (1) an owners licensee that
25 relocates pursuant to Section 11.2, (2) an owners licensee
26 conducting riverboat gambling operations pursuant to an owners

1 license that is initially issued after June 25, 1999 and before
2 December 31, 2011, or (3) the first riverboat gambling
3 operations conducted by a licensed manager on behalf of the
4 State under Section 7.3, whichever comes first, shall be paid
5 from the State Gaming Fund to Chicago State University.

6 (d) From time to time, the Board shall transfer the
7 remainder of the funds generated by this Act into the Education
8 Assistance Fund, created by Public Act 86-0018, of the State of
9 Illinois.

10 (e) Nothing in this Act shall prohibit the unit of local
11 government designated as the home dock of the riverboat from
12 entering into agreements with other units of local government
13 in this State or in other states to share its portion of the
14 tax revenue.

15 (f) To the extent practicable, the Board shall administer
16 and collect the wagering taxes imposed by this Section in a
17 manner consistent with the provisions of Sections 4, 5, 5a, 5b,
18 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, and 10 of the
19 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
20 Penalty and Interest Act.

21 (Source: P.A. 95-331, eff. 8-21-07; 95-1008, eff. 12-15-08;
22 96-37, eff. 7-13-09; 96-1392, eff. 1-1-11.)

23 (230 ILCS 10/14) (from Ch. 120, par. 2414)

24 Sec. 14. Licensees - Records - Reports - Supervision.

25 (a) Licensed owners and electronic gaming licensees A

1 ~~licensed owner~~ shall keep ~~his~~ books and records so as to
2 clearly show the following:

3 (1) The amount received daily from admission fees.

4 (2) The total amount of gross receipts.

5 (3) The total amount of the adjusted gross receipts.

6 (b) Licensed owners and electronic gaming licensees ~~The~~
7 ~~licensed owner~~ shall furnish to the Board reports and
8 information as the Board may require with respect to its
9 activities on forms designed and supplied for such purpose by
10 the Board.

11 (c) The books and records kept by a licensed owner as
12 provided by this Section are public records and the
13 examination, publication, and dissemination of the books and
14 records are governed by the provisions of The Freedom of
15 Information Act.

16 (Source: P.A. 86-1029.)

17 (230 ILCS 10/18) (from Ch. 120, par. 2418)

18 Sec. 18. Prohibited Activities - Penalty.

19 (a) A person is guilty of a Class A misdemeanor for doing
20 any of the following:

21 (1) Conducting gambling where wagering is used or to be
22 used without a license issued by the Board.

23 (2) Conducting gambling where wagering is permitted
24 other than in the manner specified by Section 11.

25 (b) A person is guilty of a Class B misdemeanor for doing

1 any of the following:

2 (1) permitting a person under 21 years to make a wager;

3 or

4 (2) violating paragraph (12) of subsection (a) of
5 Section 11 of this Act.

6 (c) A person wagering or accepting a wager at any location
7 outside the riverboat, casino, or electronic gaming facility in
8 violation of paragraph ~~is subject to the penalties in~~
9 ~~paragraphs~~ (1) or (2) of subsection (a) of Section 28-1 of the
10 Criminal Code of 1961 is subject to the penalties provided in
11 that Section.

12 (d) A person commits a Class 4 felony and, in addition,
13 shall be barred for life from gambling operations ~~riverboats~~
14 under the jurisdiction of the Board, if the person does any of
15 the following:

16 (1) Offers, promises, or gives anything of value or
17 benefit to a person who is connected with a riverboat or
18 casino owner or electronic gaming licensee including, but
19 not limited to, an officer or employee of a licensed owner
20 or electronic gaming licensee or holder of an occupational
21 license pursuant to an agreement or arrangement or with the
22 intent that the promise or thing of value or benefit will
23 influence the actions of the person to whom the offer,
24 promise, or gift was made in order to affect or attempt to
25 affect the outcome of a gambling game, or to influence
26 official action of a member of the Board.

1 (2) Solicits or knowingly accepts or receives a promise
2 of anything of value or benefit while the person is
3 connected with a riverboat, casino, or electronic gaming
4 facility, including, but not limited to, an officer or
5 employee of a licensed owner or electronic gaming licensee,
6 or the holder of an occupational license, pursuant to an
7 understanding or arrangement or with the intent that the
8 promise or thing of value or benefit will influence the
9 actions of the person to affect or attempt to affect the
10 outcome of a gambling game, or to influence official action
11 of a member of the Board.

12 (3) Uses or possesses with the intent to use a device
13 to assist:

14 (i) In projecting the outcome of the game.

15 (ii) In keeping track of the cards played.

16 (iii) In analyzing the probability of the
17 occurrence of an event relating to the gambling game.

18 (iv) In analyzing the strategy for playing or
19 betting to be used in the game except as permitted by
20 the Board.

21 (4) Cheats at a gambling game.

22 (5) Manufactures, sells, or distributes any cards,
23 chips, dice, game or device which is intended to be used to
24 violate any provision of this Act.

25 (6) Alters or misrepresents the outcome of a gambling
26 game on which wagers have been made after the outcome is

1 made sure but before it is revealed to the players.

2 (7) Places a bet after acquiring knowledge, not
3 available to all players, of the outcome of the gambling
4 game which is subject of the bet or to aid a person in
5 acquiring the knowledge for the purpose of placing a bet
6 contingent on that outcome.

7 (8) Claims, collects, or takes, or attempts to claim,
8 collect, or take, money or anything of value in or from the
9 gambling games, with intent to defraud, without having made
10 a wager contingent on winning a gambling game, or claims,
11 collects, or takes an amount of money or thing of value of
12 greater value than the amount won.

13 (9) Uses counterfeit chips or tokens in a gambling
14 game.

15 (10) Possesses any key or device designed for the
16 purpose of opening, entering, or affecting the operation of
17 a gambling game, drop box, or an electronic or mechanical
18 device connected with the gambling game or for removing
19 coins, tokens, chips or other contents of a gambling game.
20 This paragraph (10) does not apply to a gambling licensee
21 or employee of a gambling licensee acting in furtherance of
22 the employee's employment.

23 (e) The possession of more than one of the devices
24 described in subsection (d), paragraphs (3), (5), or (10)
25 permits a rebuttable presumption that the possessor intended to
26 use the devices for cheating.

1 (f) A person under the age of 21 who, except as authorized
2 under paragraph (10) of Section 11, enters upon a riverboat or
3 in a casino or electronic gaming facility commits a petty
4 offense and is subject to a fine of not less than \$100 or more
5 than \$250 for a first offense and of not less than \$200 or more
6 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, Class
7 10. Craft Brewer,

8 (b) Distributor's license,

9 (c) Importing Distributor's license,

10 (d) Retailer's license,

11 (e) Special Event Retailer's license (not-for-profit),

12 (f) Railroad license,

13 (g) Boat license,

14 (h) Non-Beverage User's license,

15 (i) Wine-maker's premises license,

16 (j) Airplane license,

17 (k) Foreign importer's license,

18 (l) Broker's license,

19 (m) Non-resident dealer's license,

20 (n) Brew Pub license,

21 (o) Auction liquor license,

22 (p) Caterer retailer license,

23 (q) Special use permit license,

24 (r) Winery shipper's license.

25 No person, firm, partnership, corporation, or other legal
26 business entity that is engaged in the manufacturing of wine

1 may concurrently obtain and hold a wine-maker's license and a
2 wine manufacturer's license.

3 (a) A manufacturer's license shall allow the manufacture,
4 importation in bulk, storage, distribution and sale of
5 alcoholic liquor to persons without the State, as may be
6 permitted by law and to licensees in this State as follows:

7 Class 1. A Distiller may make sales and deliveries of
8 alcoholic liquor to distillers, rectifiers, importing
9 distributors, distributors and non-beverage users and to no
10 other licensees.

11 Class 2. A Rectifier, who is not a distiller, as defined
12 herein, may make sales and deliveries of alcoholic liquor to
13 rectifiers, importing distributors, distributors, retailers
14 and non-beverage users and to no other licensees.

15 Class 3. A Brewer may make sales and deliveries of beer to
16 importing distributors and distributors and may make sales as
17 authorized under subsection (e) of Section 6-4 of this Act.

18 Class 4. A first class wine-manufacturer may make sales and
19 deliveries of up to 50,000 gallons of wine to manufacturers,
20 importing distributors and distributors, and to no other
21 licensees.

22 Class 5. A second class Wine manufacturer may make sales
23 and deliveries of more than 50,000 gallons of wine to
24 manufacturers, importing distributors and distributors and to
25 no other licensees.

26 Class 6. A first-class wine-maker's license shall allow the

1 manufacture of up to 50,000 gallons of wine per year, and the
2 storage and sale of such wine to distributors in the State and
3 to persons without the State, as may be permitted by law. A
4 person who, prior to the effective date of this amendatory Act
5 of the 95th General Assembly, is a holder of a first-class
6 wine-maker's license and annually produces more than 25,000
7 gallons of its own wine and who distributes its wine to
8 licensed retailers shall cease this practice on or before July
9 1, 2008 in compliance with this amendatory Act of the 95th
10 General Assembly.

11 Class 7. A second-class wine-maker's license shall allow
12 the manufacture of between 50,000 and 150,000 gallons of wine
13 per year, and the storage and sale of such wine to distributors
14 in this State and to persons without the State, as may be
15 permitted by law. A person who, prior to the effective date of
16 this amendatory Act of the 95th General Assembly, is a holder
17 of a second-class wine-maker's license and annually produces
18 more than 25,000 gallons of its own wine and who distributes
19 its wine to licensed retailers shall cease this practice on or
20 before July 1, 2008 in compliance with this amendatory Act of
21 the 95th General Assembly.

22 Class 8. A limited wine-manufacturer may make sales and
23 deliveries not to exceed 40,000 gallons of wine per year to
24 distributors, and to non-licensees in accordance with the
25 provisions of this Act.

26 Class 9. A craft distiller license shall allow the

1 manufacture of up to 15,000 gallons of spirits by distillation
2 per year and the storage of such spirits. If a craft distiller
3 licensee is not affiliated with any other manufacturer, then
4 the craft distiller licensee may sell such spirits to
5 distributors in this State and non-licensees to the extent
6 permitted by any exemption approved by the Commission pursuant
7 to Section 6-4 of this Act.

8 Any craft distiller licensed under this Act who on the
9 effective date of this amendatory Act of the 96th General
10 Assembly was licensed as a distiller and manufactured no more
11 spirits than permitted by this Section shall not be required to
12 pay the initial licensing fee.

13 Class 10. A craft brewer's license, which may only be
14 issued to a licensed brewer or licensed non-resident dealer,
15 shall allow the manufacture of up to 465,000 gallons of beer
16 per year. A craft brewer licensee may make sales and deliveries
17 to importing distributors and distributors and to retail
18 licensees in accordance with the conditions set forth in
19 paragraph (18) of subsection (a) of Section 3-12 of this Act.

20 (a-1) A manufacturer which is licensed in this State to
21 make sales or deliveries of alcoholic liquor and which enlists
22 agents, representatives, or individuals acting on its behalf
23 who contact licensed retailers on a regular and continual basis
24 in this State must register those agents, representatives, or
25 persons acting on its behalf with the State Commission.

26 Registration of agents, representatives, or persons acting

1 on behalf of a manufacturer is fulfilled by submitting a form
2 to the Commission. The form shall be developed by the
3 Commission and shall include the name and address of the
4 applicant, the name and address of the manufacturer he or she
5 represents, the territory or areas assigned to sell to or
6 discuss pricing terms of alcoholic liquor, and any other
7 questions deemed appropriate and necessary. All statements in
8 the forms required to be made by law or by rule shall be deemed
9 material, and any person who knowingly misstates any material
10 fact under oath in an application is guilty of a Class B
11 misdemeanor. Fraud, misrepresentation, false statements,
12 misleading statements, evasions, or suppression of material
13 facts in the securing of a registration are grounds for
14 suspension or revocation of the registration.

15 (b) A distributor's license shall allow the wholesale
16 purchase and storage of alcoholic liquors and sale of alcoholic
17 liquors to licensees in this State and to persons without the
18 State, as may be permitted by law.

19 (c) An importing distributor's license may be issued to and
20 held by those only who are duly licensed distributors, upon the
21 filing of an application by a duly licensed distributor, with
22 the Commission and the Commission shall, without the payment of
23 any fee, immediately issue such importing distributor's
24 license to the applicant, which shall allow the importation of
25 alcoholic liquor by the licensee into this State from any point
26 in the United States outside this State, and the purchase of

1 alcoholic liquor in barrels, casks or other bulk containers and
2 the bottling of such alcoholic liquors before resale thereof,
3 but all bottles or containers so filled shall be sealed,
4 labeled, stamped and otherwise made to comply with all
5 provisions, rules and regulations governing manufacturers in
6 the preparation and bottling of alcoholic liquors. The
7 importing distributor's license shall permit such licensee to
8 purchase alcoholic liquor from Illinois licensed non-resident
9 dealers and foreign importers only.

10 (d) A retailer's license shall allow the licensee to sell
11 and offer for sale at retail, only in the premises specified in
12 the license, alcoholic liquor for use or consumption, but not
13 for resale in any form. Nothing in this amendatory Act of the
14 95th General Assembly shall deny, limit, remove, or restrict
15 the ability of a holder of a retailer's license to transfer,
16 deliver, or ship alcoholic liquor to the purchaser for use or
17 consumption subject to any applicable local law or ordinance.
18 Any retail license issued to a manufacturer shall only permit
19 the manufacturer to sell beer at retail on the premises
20 actually occupied by the manufacturer. For the purpose of
21 further describing the type of business conducted at a retail
22 licensed premises, a retailer's licensee may be designated by
23 the State Commission as (i) an on premise consumption retailer,
24 (ii) an off premise sale retailer, or (iii) a combined on
25 premise consumption and off premise sale retailer.

26 Notwithstanding any other provision of this subsection

1 (d), a retail licensee may sell alcoholic liquors to a special
2 event retailer licensee for resale to the extent permitted
3 under subsection (e).

4 (e) A special event retailer's license (not-for-profit)
5 shall permit the licensee to purchase alcoholic liquors from an
6 Illinois licensed distributor (unless the licensee purchases
7 less than \$500 of alcoholic liquors for the special event, in
8 which case the licensee may purchase the alcoholic liquors from
9 a licensed retailer) and shall allow the licensee to sell and
10 offer for sale, at retail, alcoholic liquors for use or
11 consumption, but not for resale in any form and only at the
12 location and on the specific dates designated for the special
13 event in the license. An applicant for a special event retailer
14 license must (i) furnish with the application: (A) a resale
15 number issued under Section 2c of the Retailers' Occupation Tax
16 Act or evidence that the applicant is registered under Section
17 2a of the Retailers' Occupation Tax Act, (B) a current, valid
18 exemption identification number issued under Section 1g of the
19 Retailers' Occupation Tax Act, and a certification to the
20 Commission that the purchase of alcoholic liquors will be a
21 tax-exempt purchase, or (C) a statement that the applicant is
22 not registered under Section 2a of the Retailers' Occupation
23 Tax Act, does not hold a resale number under Section 2c of the
24 Retailers' Occupation Tax Act, and does not hold an exemption
25 number under Section 1g of the Retailers' Occupation Tax Act,
26 in which event the Commission shall set forth on the special

1 event retailer's license a statement to that effect; (ii)
2 submit with the application proof satisfactory to the State
3 Commission that the applicant will provide dram shop liability
4 insurance in the maximum limits; and (iii) show proof
5 satisfactory to the State Commission that the applicant has
6 obtained local authority approval.

7 (f) A railroad license shall permit the licensee to import
8 alcoholic liquors into this State from any point in the United
9 States outside this State and to store such alcoholic liquors
10 in this State; to make wholesale purchases of alcoholic liquors
11 directly from manufacturers, foreign importers, distributors
12 and importing distributors from within or outside this State;
13 and to store such alcoholic liquors in this State; provided
14 that the above powers may be exercised only in connection with
15 the importation, purchase or storage of alcoholic liquors to be
16 sold or dispensed on a club, buffet, lounge or dining car
17 operated on an electric, gas or steam railway in this State;
18 and provided further, that railroad licensees exercising the
19 above powers shall be subject to all provisions of Article VIII
20 of this Act as applied to importing distributors. A railroad
21 license shall also permit the licensee to sell or dispense
22 alcoholic liquors on any club, buffet, lounge or dining car
23 operated on an electric, gas or steam railway regularly
24 operated by a common carrier in this State, but shall not
25 permit the sale for resale of any alcoholic liquors to any
26 licensee within this State. A license shall be obtained for

1 each car in which such sales are made.

2 (g) A boat license shall allow the sale of alcoholic liquor
3 in individual drinks, on any passenger boat regularly operated
4 as a common carrier on navigable waters in this State or on any
5 riverboat operated under the Illinois ~~Riverboat~~ Gambling Act,
6 which boat or riverboat maintains a public dining room or
7 restaurant thereon.

8 (h) A non-beverage user's license shall allow the licensee
9 to purchase alcoholic liquor from a licensed manufacturer or
10 importing distributor, without the imposition of any tax upon
11 the business of such licensed manufacturer or importing
12 distributor as to such alcoholic liquor to be used by such
13 licensee solely for the non-beverage purposes set forth in
14 subsection (a) of Section 8-1 of this Act, and such licenses
15 shall be divided and classified and shall permit the purchase,
16 possession and use of limited and stated quantities of
17 alcoholic liquor as follows:

- 18 Class 1, not to exceed 500 gallons
- 19 Class 2, not to exceed 1,000 gallons
- 20 Class 3, not to exceed 5,000 gallons
- 21 Class 4, not to exceed 10,000 gallons
- 22 Class 5, not to exceed 50,000 gallons

23 (i) A wine-maker's premises license shall allow a licensee
24 that concurrently holds a first-class wine-maker's license to
25 sell and offer for sale at retail in the premises specified in
26 such license not more than 50,000 gallons of the first-class

1 wine-maker's wine that is made at the first-class wine-maker's
2 licensed premises per year for use or consumption, but not for
3 resale in any form. A wine-maker's premises license shall allow
4 a licensee who concurrently holds a second-class wine-maker's
5 license to sell and offer for sale at retail in the premises
6 specified in such license up to 100,000 gallons of the
7 second-class wine-maker's wine that is made at the second-class
8 wine-maker's licensed premises per year for use or consumption
9 but not for resale in any form. A wine-maker's premises license
10 shall allow a licensee that concurrently holds a first-class
11 wine-maker's license or a second-class wine-maker's license to
12 sell and offer for sale at retail at the premises specified in
13 the wine-maker's premises license, for use or consumption but
14 not for resale in any form, any beer, wine, and spirits
15 purchased from a licensed distributor. Upon approval from the
16 State Commission, a wine-maker's premises license shall allow
17 the licensee to sell and offer for sale at (i) the wine-maker's
18 licensed premises and (ii) at up to 2 additional locations for
19 use and consumption and not for resale. Each location shall
20 require additional licensing per location as specified in
21 Section 5-3 of this Act. A wine-maker's premises licensee shall
22 secure liquor liability insurance coverage in an amount at
23 least equal to the maximum liability amounts set forth in
24 subsection (a) of Section 6-21 of this Act.

25 (j) An airplane license shall permit the licensee to import
26 alcoholic liquors into this State from any point in the United

1 States outside this State and to store such alcoholic liquors
2 in this State; to make wholesale purchases of alcoholic liquors
3 directly from manufacturers, foreign importers, distributors
4 and importing distributors from within or outside this State;
5 and to store such alcoholic liquors in this State; provided
6 that the above powers may be exercised only in connection with
7 the importation, purchase or storage of alcoholic liquors to be
8 sold or dispensed on an airplane; and provided further, that
9 airplane licensees exercising the above powers shall be subject
10 to all provisions of Article VIII of this Act as applied to
11 importing distributors. An airplane licensee shall also permit
12 the sale or dispensing of alcoholic liquors on any passenger
13 airplane regularly operated by a common carrier in this State,
14 but shall not permit the sale for resale of any alcoholic
15 liquors to any licensee within this State. A single airplane
16 license shall be required of an airline company if liquor
17 service is provided on board aircraft in this State. The annual
18 fee for such license shall be as determined in Section 5-3.

19 (k) A foreign importer's license shall permit such licensee
20 to purchase alcoholic liquor from Illinois licensed
21 non-resident dealers only, and to import alcoholic liquor other
22 than in bulk from any point outside the United States and to
23 sell such alcoholic liquor to Illinois licensed importing
24 distributors and to no one else in Illinois; provided that (i)
25 the foreign importer registers with the State Commission every
26 brand of alcoholic liquor that it proposes to sell to Illinois

1 licensees during the license period, (ii) the foreign importer
2 complies with all of the provisions of Section 6-9 of this Act
3 with respect to registration of such Illinois licensees as may
4 be granted the right to sell such brands at wholesale, and
5 (iii) the foreign importer complies 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 (1) (i) A broker's license shall be required of all persons
9 who solicit orders for, offer to sell or offer to supply
10 alcoholic liquor to retailers in the State of Illinois, or who
11 offer to retailers to ship or cause to be shipped or to make
12 contact with distillers, rectifiers, brewers or manufacturers
13 or any other party within or without the State of Illinois in
14 order that alcoholic liquors be shipped to a distributor,
15 importing distributor or foreign importer, whether such
16 solicitation or offer is consummated within or without the
17 State of Illinois.

18 No holder of a retailer's license issued by the Illinois
19 Liquor Control Commission shall purchase or receive any
20 alcoholic liquor, the order for which was solicited or offered
21 for sale to such retailer by a broker unless the broker is the
22 holder of a valid broker's license.

23 The broker shall, upon the acceptance by a retailer of the
24 broker's solicitation of an order or offer to sell or supply or
25 deliver or have delivered alcoholic liquors, promptly forward
26 to the Illinois Liquor Control Commission a notification of

1 said transaction in such form as the Commission may by
2 regulations prescribe.

3 (ii) A broker's license shall be required of a person
4 within this State, other than a retail licensee, who, for a fee
5 or commission, promotes, solicits, or accepts orders for
6 alcoholic liquor, for use or consumption and not for resale, to
7 be shipped from this State and delivered to residents outside
8 of this State by an express company, common carrier, or
9 contract carrier. This Section does not apply to any person who
10 promotes, solicits, or accepts orders for wine as specifically
11 authorized in Section 6-29 of this Act.

12 A broker's license under this subsection (1) shall not
13 entitle the holder to buy or sell any alcoholic liquors for his
14 own account or to take or deliver title to such alcoholic
15 liquors.

16 This subsection (1) shall not apply to distributors,
17 employees of distributors, or employees of a manufacturer who
18 has registered the trademark, brand or name of the alcoholic
19 liquor pursuant to Section 6-9 of this Act, and who regularly
20 sells such alcoholic liquor in the State of Illinois only to
21 its registrants thereunder.

22 Any agent, representative, or person subject to
23 registration pursuant to subsection (a-1) of this Section shall
24 not be eligible to receive a broker's license.

25 (m) A non-resident dealer's license shall permit such
26 licensee to ship into and warehouse alcoholic liquor into this

1 State from any point outside of this State, and to sell such
2 alcoholic liquor to Illinois licensed foreign importers and
3 importing distributors and to no one else in this State;
4 provided that (i) said non-resident dealer shall register with
5 the Illinois Liquor Control Commission each and every brand of
6 alcoholic liquor which it proposes to sell to Illinois
7 licensees during the license period, (ii) it shall comply with
8 all of the provisions of Section 6-9 hereof with respect to
9 registration of such Illinois licensees as may be granted the
10 right to sell such brands at wholesale, and (iii) the
11 non-resident dealer shall comply with the provisions of
12 Sections 6-5 and 6-6 of this Act to the same extent that these
13 provisions apply to manufacturers.

14 (n) A brew pub license shall allow the licensee (i) to
15 manufacture beer only on the premises specified in the license,
16 (ii) to make sales of the beer manufactured on the premises or,
17 with the approval of the Commission, beer manufactured on
18 another brew pub licensed premises that is substantially owned
19 and operated by the same licensee to importing distributors,
20 distributors, and to non-licensees for use and consumption,
21 (iii) to store the beer upon the premises, and (iv) to sell and
22 offer for sale at retail from the licensed premises, provided
23 that a brew pub licensee shall not sell for off-premises
24 consumption more than 50,000 gallons per year. A person who
25 holds a brew pub license may simultaneously hold a craft brewer
26 license if he or she otherwise qualifies for the craft brewer

1 license and the craft brewer license is for a location separate
2 from the brew pub's licensed premises. A brew pub license shall
3 permit a person who has received prior approval from the
4 Commission to annually transfer no more than a total of 50,000
5 gallons of beer manufactured on premises to all other licensed
6 brew pubs that are substantially owned and operated by the same
7 person.

8 (o) A caterer retailer license shall allow the holder to
9 serve alcoholic liquors as an incidental part of a food service
10 that serves prepared meals which excludes the serving of snacks
11 as the primary meal, either on or off-site whether licensed or
12 unlicensed.

13 (p) An auction liquor license shall allow the licensee to
14 sell and offer for sale at auction wine and spirits for use or
15 consumption, or for resale by an Illinois liquor licensee in
16 accordance with provisions of this Act. An auction liquor
17 license will be issued to a person and it will permit the
18 auction liquor licensee to hold the auction anywhere in the
19 State. An auction liquor license must be obtained for each
20 auction at least 14 days in advance of the auction date.

21 (q) A special use permit license shall allow an Illinois
22 licensed retailer to transfer a portion of its alcoholic liquor
23 inventory from its retail licensed premises to the premises
24 specified in the license hereby created, and to sell or offer
25 for sale at retail, only in the premises specified in the
26 license hereby created, the transferred alcoholic liquor for

1 use or consumption, but not for resale in any form. A special
2 use permit license may be granted for the following time
3 periods: one day or less; 2 or more days to a maximum of 15 days
4 per location in any 12 month period. An applicant for the
5 special use permit license must also submit with the
6 application proof satisfactory to the State Commission that the
7 applicant will provide dram shop liability insurance to the
8 maximum limits and have local authority approval.

9 (r) A winery shipper's license shall allow a person with a
10 first-class or second-class wine manufacturer's license, a
11 first-class or second-class wine-maker's license, or a limited
12 wine manufacturer's license or who is licensed to make wine
13 under the laws of another state to ship wine made by that
14 licensee directly to a resident of this State who is 21 years
15 of age or older for that resident's personal use and not for
16 resale. Prior to receiving a winery shipper's license, an
17 applicant for the license must provide the Commission with a
18 true copy of its current license in any state in which it is
19 licensed as a manufacturer of wine. An applicant for a winery
20 shipper's license must also complete an application form that
21 provides any other information the Commission deems necessary.
22 The application form shall include an acknowledgement
23 consenting to the jurisdiction of the Commission, the Illinois
24 Department of Revenue, and the courts of this State concerning
25 the enforcement of this Act and any related laws, rules, and
26 regulations, including authorizing the Department of Revenue

1 and the Commission to conduct audits for the purpose of
2 ensuring compliance with this amendatory Act.

3 A winery shipper licensee must pay to the Department of
4 Revenue the State liquor gallonage tax under Section 8-1 for
5 all wine that is sold by the licensee and shipped to a person
6 in this State. For the purposes of Section 8-1, a winery
7 shipper licensee shall be taxed in the same manner as a
8 manufacturer of wine. A licensee who is not otherwise required
9 to register under the Retailers' Occupation Tax Act must
10 register under the Use Tax Act to collect and remit use tax to
11 the Department of Revenue for all gallons of wine that are sold
12 by the licensee and shipped to persons in this State. If a
13 licensee fails to remit the tax imposed under this Act in
14 accordance with the provisions of Article VIII of this Act, the
15 winery shipper's license shall be revoked in accordance with
16 the provisions of Article VII of this Act. If a licensee fails
17 to properly register and remit tax under the Use Tax Act or the
18 Retailers' Occupation Tax Act for all wine that is sold by the
19 winery shipper and shipped to persons in this State, the winery
20 shipper's license shall be revoked in accordance with the
21 provisions of Article VII of this Act.

22 A winery shipper licensee must collect, maintain, and
23 submit to the Commission on a semi-annual basis the total
24 number of cases per resident of wine shipped to residents of
25 this State. A winery shipper licensed under this subsection (r)
26 must comply with the requirements of Section 6-29 of this

1 amendatory Act.

2 (Source: P.A. 96-1367, eff. 7-28-10; 97-5, eff. 6-1-11; 97-455,
3 eff. 8-19-11; revised 9-16-11.)

4 (235 ILCS 5/6-30) (from Ch. 43, par. 144f)

5 Sec. 6-30. Notwithstanding any other provision of this Act,
6 the Illinois Gaming Board shall have exclusive authority to
7 establish the hours for sale and consumption of alcoholic
8 liquor on board a riverboat during riverboat gambling
9 excursions and in a casino conducted in accordance with the
10 Illinois Riverboat Gambling Act.

11 (Source: P.A. 87-826.)

12 Section 90-50. The Criminal Code of 1961 is amended by
13 changing Sections 28-1, 28-1.1, 28-3, 28-5, and 28-7 as
14 follows:

15 (720 ILCS 5/28-1) (from Ch. 38, par. 28-1)

16 Sec. 28-1. Gambling.

17 (a) A person commits gambling when he:

18 (1) Plays a game of chance or skill for money or other
19 thing of value, unless excepted in subsection (b) of this
20 Section; or

21 (2) Makes a wager upon the result of any game, contest,
22 or any political nomination, appointment or election; or

23 (3) Operates, keeps, owns, uses, purchases, exhibits,

1 rents, sells, bargains for the sale or lease of,
2 manufactures or distributes any gambling device; or

3 (4) Contracts to have or give himself or another the
4 option to buy or sell, or contracts to buy or sell, at a
5 future time, any grain or other commodity whatsoever, or
6 any stock or security of any company, where it is at the
7 time of making such contract intended by both parties
8 thereto that the contract to buy or sell, or the option,
9 whenever exercised, or the contract resulting therefrom,
10 shall be settled, not by the receipt or delivery of such
11 property, but by the payment only of differences in prices
12 thereof; however, the issuance, purchase, sale, exercise,
13 endorsement or guarantee, by or through a person registered
14 with the Secretary of State pursuant to Section 8 of the
15 Illinois Securities Law of 1953, or by or through a person
16 exempt from such registration under said Section 8, of a
17 put, call, or other option to buy or sell securities which
18 have been registered with the Secretary of State or which
19 are exempt from such registration under Section 3 of the
20 Illinois Securities Law of 1953 is not gambling within the
21 meaning of this paragraph (4); or

22 (5) Knowingly owns or possesses any book, instrument or
23 apparatus by means of which bets or wagers have been, or
24 are, recorded or registered, or knowingly possesses any
25 money which he has received in the course of a bet or
26 wager; or

1 (6) Sells pools upon the result of any game or contest
2 of skill or chance, political nomination, appointment or
3 election; or

4 (7) Sets up or promotes any lottery or sells, offers to
5 sell or transfers any ticket or share for any lottery; or

6 (8) Sets up or promotes any policy game or sells,
7 offers to sell or knowingly possesses or transfers any
8 policy ticket, slip, record, document or other similar
9 device; or

10 (9) Knowingly drafts, prints or publishes any lottery
11 ticket or share, or any policy ticket, slip, record,
12 document or similar device, except for such activity
13 related to lotteries, bingo games and raffles authorized by
14 and conducted in accordance with the laws of Illinois or
15 any other state or foreign government; or

16 (10) Knowingly advertises any lottery or policy game,
17 except for such activity related to lotteries, bingo games
18 and raffles authorized by and conducted in accordance with
19 the laws of Illinois or any other state; or

20 (11) Knowingly transmits information as to wagers,
21 betting odds, or changes in betting odds by telephone,
22 telegraph, radio, semaphore or similar means; or knowingly
23 installs or maintains equipment for the transmission or
24 receipt of such information; except that nothing in this
25 subdivision (11) prohibits transmission or receipt of such
26 information for use in news reporting of sporting events or

1 contests; or

2 (12) Knowingly establishes, maintains, or operates an
3 Internet site that permits a person to play a game of
4 chance or skill for money or other thing of value by means
5 of the Internet or to make a wager upon the result of any
6 game, contest, political nomination, appointment, or
7 election by means of the Internet. This item (12) does not
8 apply to activities referenced in items (6) and (6.1) of
9 subsection (b) of this Section.

10 (b) Participants in any of the following activities shall
11 not be convicted of gambling therefor:

12 (1) Agreements to compensate for loss caused by the
13 happening of chance including without limitation contracts
14 of indemnity or guaranty and life or health or accident
15 insurance.

16 (2) Offers of prizes, award or compensation to the
17 actual contestants in any bona fide contest for the
18 determination of skill, speed, strength or endurance or to
19 the owners of animals or vehicles entered in such contest.

20 (3) Pari-mutuel betting as authorized by the law of
21 this State.

22 (4) Manufacture of gambling devices, including the
23 acquisition of essential parts therefor and the assembly
24 thereof, for transportation in interstate or foreign
25 commerce to any place outside this State when such
26 transportation is not prohibited by any applicable Federal

1 law; or the manufacture, distribution, or possession of
2 video gaming terminals, as defined in the Video Gaming Act,
3 by manufacturers, distributors, and terminal operators
4 licensed to do so under the Video Gaming Act.

5 (5) The game commonly known as "bingo", when conducted
6 in accordance with the Bingo License and Tax Act.

7 (6) Lotteries when conducted by the State of Illinois
8 in accordance with the Illinois Lottery Law. This exemption
9 includes any activity conducted by the Department of
10 Revenue to sell lottery tickets pursuant to the provisions
11 of the Illinois Lottery Law and its rules.

12 (6.1) The purchase of lottery tickets through the
13 Internet for a lottery conducted by the State of Illinois
14 under the program established in Section 7.12 of the
15 Illinois Lottery Law.

16 (7) Possession of an antique slot machine that is
17 neither used nor intended to be used in the operation or
18 promotion of any unlawful gambling activity or enterprise.
19 For the purpose of this subparagraph (b)(7), an antique
20 slot machine is one manufactured 25 years ago or earlier.

21 (8) Raffles when conducted in accordance with the
22 Raffles Act.

23 (9) Charitable games when conducted in accordance with
24 the Charitable Games Act.

25 (10) Pull tabs and jar games when conducted under the
26 Illinois Pull Tabs and Jar Games Act.

1 (11) Gambling games ~~conducted on riverboats~~ when
2 authorized by the Illinois Riverboat Gambling Act.

3 (12) Video gaming terminal games at a licensed
4 establishment, licensed truck stop establishment, licensed
5 fraternal establishment, or licensed veterans
6 establishment when conducted in accordance with the Video
7 Gaming Act.

8 (13) Games of skill or chance where money or other
9 things of value can be won but no payment or purchase is
10 required to participate.

11 (c) Sentence.

12 Gambling under subsection (a) (1) or (a) (2) of this Section
13 is a Class A misdemeanor. Gambling under any of subsections
14 (a) (3) through (a) (11) of this Section is a Class A
15 misdemeanor. A second or subsequent conviction under any of
16 subsections (a) (3) through (a) (11), is a Class 4 felony.
17 Gambling under subsection (a) (12) of this Section is a Class A
18 misdemeanor. A second or subsequent conviction under
19 subsection (a) (12) is a Class 4 felony.

20 (d) Circumstantial evidence.

21 In prosecutions under subsection (a) (1) through (a) (12) of
22 this Section circumstantial evidence shall have the same
23 validity and weight as in any criminal prosecution.

24 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09;
25 96-1203, eff. 7-22-10.)

1 (720 ILCS 5/28-1.1) (from Ch. 38, par. 28-1.1)

2 Sec. 28-1.1. Syndicated gambling.

3 (a) Declaration of Purpose. Recognizing the close
4 relationship between professional gambling and other organized
5 crime, it is declared to be the policy of the legislature to
6 restrain persons from engaging in the business of gambling for
7 profit in this State. This Section shall be liberally construed
8 and administered with a view to carrying out this policy.

9 (b) A person commits syndicated gambling when he operates a
10 "policy game" or engages in the business of bookmaking.

11 (c) A person "operates a policy game" when he knowingly
12 uses any premises or property for the purpose of receiving or
13 knowingly does receive from what is commonly called "policy":

14 (1) money from a person other than the better or player
15 whose bets or plays are represented by such money; or

16 (2) written "policy game" records, made or used over
17 any period of time, from a person other than the better or
18 player whose bets or plays are represented by such written
19 record.

20 (d) A person engages in bookmaking when he receives or
21 accepts more than five bets or wagers upon the result of any
22 trials or contests of skill, speed or power of endurance or
23 upon any lot, chance, casualty, unknown or contingent event
24 whatsoever, which bets or wagers shall be of such size that the
25 total of the amounts of money paid or promised to be paid to
26 such bookmaker on account thereof shall exceed \$2,000.

1 Bookmaking is the receiving or accepting of such bets or wagers
2 regardless of the form or manner in which the bookmaker records
3 them.

4 (e) Participants in any of the following activities shall
5 not be convicted of syndicated gambling:

6 (1) Agreements to compensate for loss caused by the
7 happening of chance including without limitation contracts
8 of indemnity or guaranty and life or health or accident
9 insurance; and

10 (2) Offers of prizes, award or compensation to the
11 actual contestants in any bona fide contest for the
12 determination of skill, speed, strength or endurance or to
13 the owners of animals or vehicles entered in such contest;
14 and

15 (3) Pari-mutuel betting as authorized by law of this
16 State; and

17 (4) Manufacture of gambling devices, including the
18 acquisition of essential parts therefor and the assembly
19 thereof, for transportation in interstate or foreign
20 commerce to any place outside this State when such
21 transportation is not prohibited by any applicable Federal
22 law; and

23 (5) Raffles when conducted in accordance with the
24 Raffles Act; and

25 (6) Gambling games conducted on riverboats, in
26 casinos, or at electronic gaming facilities when

1 authorized by the Illinois Riverboat ~~Riverboat~~ Gambling Act; and

2 (7) Video gaming terminal games at a licensed
3 establishment, licensed truck stop establishment, licensed
4 fraternal establishment, or licensed veterans
5 establishment when conducted in accordance with the Video
6 Gaming Act.

7 (f) Sentence. Syndicated gambling is a Class 3 felony.

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

9 (720 ILCS 5/28-3) (from Ch. 38, par. 28-3)

10 Sec. 28-3. Keeping a Gambling Place. A "gambling place" is
11 any real estate, vehicle, boat or any other property whatsoever
12 used for the purposes of gambling other than gambling conducted
13 in the manner authorized by the Illinois Riverboat ~~Riverboat~~ Gambling Act
14 or the Video Gaming Act. Any person who knowingly permits any
15 premises or property owned or occupied by him or under his
16 control to be used as a gambling place commits a Class A
17 misdemeanor. Each subsequent offense is a Class 4 felony. When
18 any premises is determined by the circuit court to be a
19 gambling place:

20 (a) Such premises is a public nuisance and may be proceeded
21 against as such, and

22 (b) All licenses, permits or certificates issued by the
23 State of Illinois or any subdivision or public agency thereof
24 authorizing the serving of food or liquor on such premises
25 shall be void; and no license, permit or certificate so

1 cancelled shall be reissued for such premises for a period of
2 60 days thereafter; nor shall any person convicted of keeping a
3 gambling place be reissued such license for one year from his
4 conviction and, after a second conviction of keeping a gambling
5 place, any such person shall not be reissued such license, and

6 (c) Such premises of any person who knowingly permits
7 thereon a violation of any Section of this Article shall be
8 held liable for, and may be sold to pay any unsatisfied
9 judgment that may be recovered and any unsatisfied fine that
10 may be levied under any Section of this Article.

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

12 (720 ILCS 5/28-5) (from Ch. 38, par. 28-5)

13 Sec. 28-5. Seizure of gambling devices and gambling funds.

14 (a) Every device designed for gambling which is incapable
15 of lawful use or every device used unlawfully for gambling
16 shall be considered a "gambling device", and shall be subject
17 to seizure, confiscation and destruction by the Department of
18 State Police or by any municipal, or other local authority,
19 within whose jurisdiction the same may be found. As used in
20 this Section, a "gambling device" includes any slot machine,
21 and includes any machine or device constructed for the
22 reception of money or other thing of value and so constructed
23 as to return, or to cause someone to return, on chance to the
24 player thereof money, property or a right to receive money or
25 property. With the exception of any device designed for

1 gambling which is incapable of lawful use, no gambling device
2 shall be forfeited or destroyed unless an individual with a
3 property interest in said device knows of the unlawful use of
4 the device.

5 (b) Every gambling device shall be seized and forfeited to
6 the county wherein such seizure occurs. Any money or other
7 thing of value integrally related to acts of gambling shall be
8 seized and forfeited to the county wherein such seizure occurs.

9 (c) If, within 60 days after any seizure pursuant to
10 subparagraph (b) of this Section, a person having any property
11 interest in the seized property is charged with an offense, the
12 court which renders judgment upon such charge shall, within 30
13 days after such judgment, conduct a forfeiture hearing to
14 determine whether such property was a gambling device at the
15 time of seizure. Such hearing shall be commenced by a written
16 petition by the State, including material allegations of fact,
17 the name and address of every person determined by the State to
18 have any property interest in the seized property, a
19 representation that written notice of the date, time and place
20 of such hearing has been mailed to every such person by
21 certified mail at least 10 days before such date, and a request
22 for forfeiture. Every such person may appear as a party and
23 present evidence at such hearing. The quantum of proof required
24 shall be a preponderance of the evidence, and the burden of
25 proof shall be on the State. If the court determines that the
26 seized property was a gambling device at the time of seizure,

1 an order of forfeiture and disposition of the seized property
2 shall be entered: a gambling device shall be received by the
3 State's Attorney, who shall effect its destruction, except that
4 valuable parts thereof may be liquidated and the resultant
5 money shall be deposited in the general fund of the county
6 wherein such seizure occurred; money and other things of value
7 shall be received by the State's Attorney and, upon
8 liquidation, shall be deposited in the general fund of the
9 county wherein such seizure occurred. However, in the event
10 that a defendant raises the defense that the seized slot
11 machine is an antique slot machine described in subparagraph
12 (b) (7) of Section 28-1 of this Code and therefore he is exempt
13 from the charge of a gambling activity participant, the seized
14 antique slot machine shall not be destroyed or otherwise
15 altered until a final determination is made by the Court as to
16 whether it is such an antique slot machine. Upon a final
17 determination by the Court of this question in favor of the
18 defendant, such slot machine shall be immediately returned to
19 the defendant. Such order of forfeiture and disposition shall,
20 for the purposes of appeal, be a final order and judgment in a
21 civil proceeding.

22 (d) If a seizure pursuant to subparagraph (b) of this
23 Section is not followed by a charge pursuant to subparagraph
24 (c) of this Section, or if the prosecution of such charge is
25 permanently terminated or indefinitely discontinued without
26 any judgment of conviction or acquittal (1) the State's

1 Attorney shall commence an in rem proceeding for the forfeiture
2 and destruction of a gambling device, or for the forfeiture and
3 deposit in the general fund of the county of any seized money
4 or other things of value, or both, in the circuit court and (2)
5 any person having any property interest in such seized gambling
6 device, money or other thing of value may commence separate
7 civil proceedings in the manner provided by law.

8 (e) Any gambling device displayed for sale to a riverboat
9 gambling operation, casino gambling operation, or electronic
10 gaming facility or used to train occupational licensees of a
11 riverboat gambling operation, casino gambling operation, or
12 electronic gaming facility as authorized under the Illinois
13 ~~Riverboat~~ Gambling Act is exempt from seizure under this
14 Section.

15 (f) Any gambling equipment, devices and supplies provided
16 by a licensed supplier in accordance with the Illinois
17 ~~Riverboat~~ Gambling Act which are removed from a the riverboat,
18 casino, or electronic gaming facility for repair are exempt
19 from seizure under this Section.

20 (Source: P.A. 87-826.)

21 (720 ILCS 5/28-7) (from Ch. 38, par. 28-7)

22 Sec. 28-7. Gambling contracts void.

23 (a) All promises, notes, bills, bonds, covenants,
24 contracts, agreements, judgments, mortgages, or other
25 securities or conveyances made, given, granted, drawn, or

1 entered into, or executed by any person whatsoever, where the
2 whole or any part of the consideration thereof is for any money
3 or thing of value, won or obtained in violation of any Section
4 of this Article are null and void.

5 (b) Any obligation void under this Section may be set aside
6 and vacated by any court of competent jurisdiction, upon a
7 complaint filed for that purpose, by the person so granting,
8 giving, entering into, or executing the same, or by his
9 executors or administrators, or by any creditor, heir, legatee,
10 purchaser or other person interested therein; or if a judgment,
11 the same may be set aside on motion of any person stated above,
12 on due notice thereof given.

13 (c) No assignment of any obligation void under this Section
14 may in any manner affect the defense of the person giving,
15 granting, drawing, entering into or executing such obligation,
16 or the remedies of any person interested therein.

17 (d) This Section shall not prevent a licensed owner of a
18 riverboat gambling operation, casino gambling operation, or an
19 electronic gaming licensee under the Illinois Gambling Act and
20 the Illinois Horse Racing Act of 1975 from instituting a cause
21 of action to collect any amount due and owing under an
22 extension of credit to a ~~riverboat~~ gambling patron as
23 authorized under Section 11.1 of the Illinois ~~Riverboat~~
24 Gambling Act.

25 (Source: P.A. 87-826.)

1 Section 90-55. The Eminent Domain Act is amended by adding
2 Section 15-5-47 as follows:

3 (735 ILCS 30/15-5-47 new)

4 Sec. 15-5-47. Eminent domain powers in new Acts. The
5 following provisions of law may include express grants of the
6 power to acquire property by condemnation or eminent domain:

7 Chicago Casino Development Authority Act; City of Chicago; for
8 the purposes of the Act.

9 Section 90-60. The Payday Loan Reform Act is amended by
10 changing Section 3-5 as follows:

11 (815 ILCS 122/3-5)

12 Sec. 3-5. Licensure.

13 (a) A license to make a payday loan shall state the
14 address, including city and state, at which the business is to
15 be conducted and shall state fully the name of the licensee.
16 The license shall be conspicuously posted in the place of
17 business of the licensee and shall not be transferable or
18 assignable.

19 (b) An application for a license shall be in writing and in
20 a form prescribed by the Secretary. The Secretary may not issue
21 a payday loan license unless and until the following findings
22 are made:

1 (1) that the financial responsibility, experience,
2 character, and general fitness of the applicant are such as
3 to command the confidence of the public and to warrant the
4 belief that the business will be operated lawfully and
5 fairly and within the provisions and purposes of this Act;
6 and

7 (2) that the applicant has submitted such other
8 information as the Secretary may deem necessary.

9 (c) A license shall be issued for no longer than one year,
10 and no renewal of a license may be provided if a licensee has
11 substantially violated this Act and has not cured the violation
12 to the satisfaction of the Department.

13 (d) A licensee shall appoint, in writing, the Secretary as
14 attorney-in-fact upon whom all lawful process against the
15 licensee may be served with the same legal force and validity
16 as if served on the licensee. A copy of the written
17 appointment, duly certified, shall be filed in the office of
18 the Secretary, and a copy thereof certified by the Secretary
19 shall be sufficient evidence to subject a licensee to
20 jurisdiction in a court of law. This appointment shall remain
21 in effect while any liability remains outstanding in this State
22 against the licensee. When summons is served upon the Secretary
23 as attorney-in-fact for a licensee, the Secretary shall
24 immediately notify the licensee by registered mail, enclosing
25 the summons and specifying the hour and day of service.

26 (e) A licensee must pay an annual fee of \$1,000. In

1 addition to the license fee, the reasonable expense of any
2 examination or hearing by the Secretary under any provisions of
3 this Act shall be borne by the licensee. If a licensee fails to
4 renew its license by December 31, its license shall
5 automatically expire; however, the Secretary, in his or her
6 discretion, may reinstate an expired license upon:

7 (1) payment of the annual fee within 30 days of the
8 date of expiration; and

9 (2) proof of good cause for failure to renew.

10 (f) Not more than one place of business shall be maintained
11 under the same license, but the Secretary may issue more than
12 one license to the same licensee upon compliance with all the
13 provisions of this Act governing issuance of a single license.
14 The location, except those locations already in existence as of
15 June 1, 2005, may not be within one mile of a horse race track
16 subject to the Illinois Horse Racing Act of 1975, within one
17 mile of a facility at which gambling is conducted under the
18 Illinois Riverboat ~~Riverboat~~ Gambling Act, within one mile of the
19 location at which a riverboat subject to the Illinois Riverboat
20 Gambling Act docks, or within one mile of any State of Illinois
21 or United States military base or naval installation.

22 (g) No licensee shall conduct the business of making loans
23 under this Act within any office, suite, room, or place of
24 business in which (1) any loans are offered or made under the
25 Consumer Installment Loan Act other than title secured loans as
26 defined in subsection (a) of Section 15 of the Consumer

1 Installment Loan Act and governed by Title 38, Section 110.330
2 of the Illinois Administrative Code or (2) any other business
3 is solicited or engaged in unless the other business is
4 licensed by the Department or, in the opinion of the Secretary,
5 the other business would not be contrary to the best interests
6 of consumers and is authorized by the Secretary in writing.

7 (g-5) Notwithstanding subsection (g) of this Section, a
8 licensee may obtain a license under the Consumer Installment
9 Loan Act (CILA) for the exclusive purpose and use of making
10 title secured loans, as defined in subsection (a) of Section 15
11 of CILA and governed by Title 38, Section 110.300 of the
12 Illinois Administrative Code. A licensee may continue to
13 service Consumer Installment Loan Act loans that were
14 outstanding as of the effective date of this amendatory Act of
15 the 96th General Assembly.

16 (h) The Secretary shall maintain a list of licensees that
17 shall be available to interested consumers and lenders and the
18 public. The Secretary shall maintain a toll-free number whereby
19 consumers may obtain information about licensees. The
20 Secretary shall also establish a complaint process under which
21 an aggrieved consumer may file a complaint against a licensee
22 or non-licensee who violates any provision of this Act.

23 (Source: P.A. 96-936, eff. 3-21-11.)

24 Section 90-65. The Travel Promotion Consumer Protection
25 Act is amended by changing Section 2 as follows:

1 (815 ILCS 420/2) (from Ch. 121 1/2, par. 1852)

2 Sec. 2. Definitions.

3 (a) "Travel promoter" means a person, including a tour
4 operator, who sells, provides, furnishes, contracts for,
5 arranges or advertises that he or she will arrange wholesale or
6 retail transportation by air, land, sea or navigable stream,
7 either separately or in conjunction with other services.
8 "Travel promoter" does not include (1) an air carrier; (2) a
9 sea carrier; (3) an officially appointed agent of an air
10 carrier who is a member in good standing of the Airline
11 Reporting Corporation; (4) a travel promoter who has in force
12 \$1,000,000 or more of liability insurance coverage for
13 professional errors and omissions and a surety bond or
14 equivalent surety in the amount of \$100,000 or more for the
15 benefit of consumers in the event of a bankruptcy on the part
16 of the travel promoter; or (5) a riverboat subject to
17 regulation under the Illinois Riverboat ~~Riverboat~~ Gambling Act.

18 (b) "Advertise" means to make any representation in the
19 solicitation of passengers and includes communication with
20 other members of the same partnership, corporation, joint
21 venture, association, organization, group or other entity.

22 (c) "Passenger" means a person on whose behalf money or
23 other consideration has been given or is to be given to
24 another, including another member of the same partnership,
25 corporation, joint venture, association, organization, group

1 or other entity, for travel.

2 (d) "Ticket or voucher" means a writing or combination of
3 writings which is itself good and sufficient to obtain
4 transportation and other services for which the passenger has
5 contracted.

6 (Source: P.A. 91-357, eff. 7-29-99.)

7 (30 ILCS 105/5.490 rep.)

8 Section 90-70. The State Finance Act is amended by
9 repealing Section 5.490.

10 (230 ILCS 5/54 rep.)

11 Section 90-75. The Illinois Horse Racing Act of 1975 is
12 amended by repealing Section 54.

13 ARTICLE 99.

14 Section 99-97. Severability. The provisions of this Act are
15 severable under Section 1.31 of the Statute on Statutes."