

1 AN ACT concerning gaming.

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

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 1-2. Legislative intent.

9 (a) This Act is intended to benefit the people of the City
10 of Chicago and the State of Illinois by assisting economic
11 development and promoting tourism and by increasing the amount
12 of revenues available to the City and the State to assist and
13 support the City's pension obligation in accordance with Public
14 Act 99-506.

15 (b) While authorization of casino gambling in Chicago will
16 enhance investment, development, and tourism in Illinois, it is
17 recognized that it will do so successfully only if public
18 confidence and trust in the credibility and integrity of the
19 gambling operations and the regulatory process is maintained.
20 Therefore, the provisions of this Act are designed to allow the
21 Illinois Gaming Board to strictly regulate the facilities,
22 persons, associations, and practices related to gambling

1 operations pursuant to the police powers of the State,
2 including comprehensive law enforcement supervision.
3 Consistent with the Gaming Board's authority, the Gaming Board
4 alone shall regulate any Chicago casino, just as it now
5 regulates every other casino in Illinois.

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

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

9 "Casino" means one temporary land-based or water-based
10 facility and one permanent land-based or water-based facility
11 and airport gaming locations pursuant to Section 1-67 of this
12 Act at which lawful gambling is authorized and licensed as
13 provided in the Illinois Gambling Act.

14 "Casino Board" means the board appointed pursuant to this
15 Act to govern and control the Authority.

16 "Casino management contract" means a legally binding
17 agreement between the Authority and a casino operator licensee
18 to operate or manage a casino.

19 "Casino operator licensee" means any person or entity
20 selected by the Authority and approved and licensed by the
21 Gaming Board to manage and operate a casino within the City of
22 Chicago pursuant to a casino management contract.

23 "City" means the City of Chicago.

24 "Entity" means a corporation, joint venture, partnership,
25 limited liability company, trust, or unincorporated

1 association.

2 "Executive director" means the person appointed by the
3 Casino Board to oversee the daily operations of the Authority.

4 "Gaming Board" means the Illinois Gaming Board created by
5 the Illinois Gambling Act.

6 "Mayor" means the Mayor of the City.

7 Section 1-12. Creation of the Authority. There is hereby
8 created a political subdivision, unit of local government with
9 only the powers authorized by law, body politic, and municipal
10 corporation, by the name and style of the Chicago Casino
11 Development Authority.

12 Section 1-13. Duties of the Authority. It shall be the duty
13 of the Authority, as an owners licensee under the Illinois
14 Gambling Act, to promote and maintain a casino in the City. The
15 Authority shall own, acquire, construct, lease, equip, and
16 maintain grounds, buildings, and facilities for that purpose.
17 However, the Authority shall contract with a casino operator
18 licensee to manage and operate the casino and in no event shall
19 the Authority or City manage or operate the casino. The
20 Authority may contract pursuant to the procedures set forth in
21 Section 1-115 with other third parties in order to fulfill its
22 purpose. The Authority is responsible for the payment of any
23 fees required of a casino operator under subsection (a) of
24 Section 7.9 of the Illinois Gambling Act if the casino operator

1 licensee is late in paying any such fees. The Authority is
2 granted all rights and powers necessary to perform such duties.
3 Subject to the provisions of this Act, the Authority and casino
4 operator licensee are subject to the Illinois Gambling Act and
5 all of the rules of the Gaming Board, which shall be applied to
6 the Authority and the casino operator licensee in a manner
7 consistent with that of other owners licensees under the
8 Illinois Gambling Act. Nothing in this Act shall confer
9 regulatory authority on the Chicago Casino Development
10 Authority. The Illinois Gaming Board shall have exclusive
11 regulatory authority over all gambling operations governed by
12 this Act.

13 Section 1-15. Casino Board.

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

20 Each Casino Board appointee shall be subject to a
21 preliminary background investigation completed by the Gaming
22 Board within 30 days after the appointee's submission of his or
23 her application to the Gaming Board. If the Gaming Board
24 determines that there is a substantial likelihood that it will
25 not find the appointee to be suitable to serve on the Casino

1 Board (applying the same standards for suitability to the
2 appointee as the Gaming Board would apply to an owners licensee
3 key person under the Gaming Board's adopted rules), then the
4 Gaming Board shall provide a written notice of such
5 determination to the appointee and the Corporation Counsel of
6 the City. The Mayor may then appoint a new candidate. If no
7 such notice is delivered with respect to a particular
8 appointee, then commencing on the 31st day following the date
9 of the appointee's submission of his or her application to the
10 Gaming Board, the appointee shall be deemed an acting member of
11 the Casino Board and shall participate as a Casino Board
12 member.

13 Each appointee shall be subject to a full background
14 investigation and final approval by the Gaming Board prior to
15 the opening of the casino. The Gaming Board shall complete its
16 full background investigation of the Casino Board appointee
17 within 3 months after the date of the appointee's submission of
18 his or her application to the Gaming Board. If the Gaming Board
19 does not complete its background investigation within the
20 3-month period, then the Gaming Board shall give a written
21 explanation to the appointee, as well as the Mayor, the
22 Governor, the President of the Senate, and the Speaker of the
23 House of Representatives, as to why it has not reached a final
24 determination and set forth a reasonable time when such
25 determination shall be made.

26 (b) Casino Board members shall receive \$300 for each day

1 the Authority meets and shall be entitled to reimbursement of
2 reasonable expenses incurred in the performance of their
3 official duties. A Casino Board member who serves in the office
4 of secretary-treasurer may also receive compensation for
5 services provided as that officer.

6 Section 1-20. Terms of appointments; resignation and
7 removal.

8 (a) The Mayor shall appoint 2 members of the Casino Board
9 for an initial term expiring July 1 of the year following final
10 approval by the Gaming Board, 2 members for an initial term
11 expiring July 1 three years following final approval by the
12 Gaming Board, and one member for an initial term expiring July
13 1 five years following final approval by the Gaming Board.

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

1 subject to the approval of the Gaming Board as provided in this
2 Section.

3 (c) Members of the Casino Board shall serve at the pleasure
4 of the Mayor. The Mayor or the Gaming Board may remove any
5 member of the Casino Board upon a finding of incompetence,
6 neglect of duty, or misfeasance or malfeasance in office or for
7 a violation of this Act. The Gaming Board may remove any member
8 of the Casino Board for any violation of the Illinois Gambling
9 Act or the rules and regulations of the Gaming Board.

10 (d) No member of the Casino Board shall engage in any
11 political activity. For the purpose of this Section, "political
12 activity" means any activity in support of or in connection
13 with any campaign for federal, State, or local elective office
14 or any political organization, but does not include activities
15 (i) relating to the support or opposition of any executive,
16 legislative, or administrative action, as those terms are
17 defined in Section 2 of the Lobbyist Registration Act, (ii)
18 relating to collective bargaining, or (iii) that are otherwise
19 in furtherance of the person's official duties or governmental
20 and public service functions.

21 Section 1-25. Organization of Casino Board; meetings.
22 After appointment by the Mayor, the Casino Board shall organize
23 for the transaction of business, provided that the Casino Board
24 shall not take any formal action until after the Gaming Board
25 has completed its preliminary background investigation of at

1 least a quorum of the Casino Board as provided in subsection
2 (a) of Section 1-15. The Casino Board shall prescribe the time
3 and place for meetings, the manner in which special meetings
4 may be called, and the notice that must be given to members.
5 All actions and meetings of the Casino Board shall be subject
6 to the provisions of the Open Meetings Act. Three members of
7 the Casino Board shall constitute a quorum. All substantive
8 action of the Casino Board shall be by resolution with an
9 affirmative vote of a majority of the members.

10 Section 1-30. Executive director; officers.

11 (a) The Casino Board shall appoint an executive director,
12 who shall be the chief executive officer of the Authority.

13 The executive director shall be subject to a preliminary
14 background investigation to be completed by the Gaming Board
15 within 30 days after the executive director's submission of his
16 or her application to the Gaming Board. If the Gaming Board
17 determines that there is a substantial likelihood that it will
18 not find the executive director to be suitable to serve in that
19 position (applying the same standards for suitability as the
20 Gaming Board would apply to an owners licensee key person under
21 the Gaming Board's adopted rules), then the Gaming Board shall
22 provide a written notice of such determination to the appointee
23 and the Corporation Counsel of the City. The Casino Board may
24 then appoint a new executive director. If no such notice is
25 delivered, then commencing on the 31st day following the date

1 of the executive director's submission of his or her
2 application to the Gaming Board, the executive director shall
3 commence all duties as the acting executive director of the
4 Authority.

5 The executive director shall be subject to a full
6 background investigation and final approval by the Gaming Board
7 prior to the opening of the casino. The Gaming Board shall
8 complete its full background investigation of the executive
9 director within 3 months after the date of the executive
10 director's submission of his or her application to the Gaming
11 Board. If the Gaming Board does not complete its background
12 investigation within the 3-month period, then the Gaming Board
13 shall give a written explanation to the appointee, as well as
14 the Mayor, the Governor, the President of the Senate, and the
15 Speaker of the House of Representatives, as to why it has not
16 reached a final determination and set forth a reasonable time
17 when such determination shall be made.

18 (b) The Casino Board shall fix the compensation of the
19 executive director. Subject to the general control of the
20 Casino Board, the executive director shall be responsible for
21 the management of the business, properties, and employees of
22 the Authority. The executive director shall direct the
23 enforcement of all resolutions, rules, and regulations of the
24 Casino Board, and shall perform such other duties as may be
25 prescribed from time to time by the Casino Board. All employees
26 and independent contractors, consultants, engineers,

1 architects, accountants, attorneys, financial experts,
2 construction experts and personnel, superintendents, managers,
3 and other personnel appointed or employed pursuant to this Act
4 shall report to the executive director. In addition to any
5 other duties set forth in this Act, the executive director
6 shall do or shall delegate to an employee or agent of the
7 Authority to do all of the following:

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

11 (2) Attend meetings of the Casino Board.

12 (3) Keep minutes of all proceedings of the Casino
13 Board.

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

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

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

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

24 (c) The Casino Board may select a secretary-treasurer and
25 other officers to hold office at the pleasure of the Casino
26 Board. The Casino Board shall fix the duties of such officers.

1 Section 1-31. General rights and powers of the Authority.

2 (a) In addition to the duties and powers set forth in this
3 Act, the Authority shall have the following rights and powers:

4 (1) Adopt and alter an official seal.

5 (2) Establish and change its fiscal year.

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

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

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

14 (6) Select locations in the City for a temporary and a
15 permanent casino.

16 (7) Subject to the bidding procedures of Section 1-115
17 of this Act, retain or employ, either as regular employees
18 or independent contractors, consultants, engineers,
19 architects, accountants, attorneys, financial experts,
20 construction experts and personnel, superintendents,
21 managers and other professional personnel, and such other
22 personnel as may be necessary in the judgment of the Casino
23 Board, and fix their compensation; however, employees of
24 the Authority shall be hired pursuant to and in accordance
25 with the rules and policies the Authority may adopt.

1 (8) Pursuant to Section 1-115 of this Act, own,
2 acquire, construct, equip, lease, operate, manage, and
3 maintain grounds, buildings, and facilities to carry out
4 its corporate purposes and duties.

5 (9) Pursuant to Section 1-115, and subject to the
6 oversight, review, and approval of the Gaming Board, enter
7 into, revoke, and modify contracts in accordance with the
8 rules of the Gaming Board as consistently applied to all
9 owners licensees under the Illinois Gambling Act, provided
10 that the Authority may enter into contracts for the design,
11 construction, and outfitting of a temporary casino prior to
12 the Gaming Board's final approval of the Authority's
13 executive director and the members of the Casino Board and
14 prior to the Gaming Board's issuance of the Authority's
15 owners license. Provided further that the entities
16 selected by the Authority for the design, construction, and
17 outfitting of the temporary casino shall be subject to a
18 preliminary background investigation to be completed by
19 the Gaming Board within 30 days after the Gaming Board is
20 provided the identities of the entities. If the Gaming
21 Board determines that there is a substantial likelihood
22 that the entities are not suitable or acceptable to perform
23 their respective functions, then the Gaming Board shall
24 immediately provide notice of that determination to the
25 Authority. If no such notice is delivered, then, commencing
26 on the 31st day following the date on which the information

1 identifying such entities is provided to the Gaming Board,
2 such entities shall be permitted to commence the services
3 contemplated for the design, construction, and outfitting
4 of the temporary casino. In no event, however, shall the
5 Authority open a casino until after the Gaming Board has
6 finally approved the Authority's executive director and
7 the members of the Casino Board and the Gaming Board has
8 issued the Authority's owners license and the casino
9 operator's casino operator license.

10 (10) Enter into a casino management contract subject to
11 the provisions of Section 1-45 of this Act.

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

16 (12) Receive and disburse funds for its own corporate
17 purposes or as otherwise specified in this Act.

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

1 entity which may be secured as if money were borrowed from
2 the person or entity.

3 (14) Issue bonds as provided for under this Act.

4 (15) Receive and accept from any source, private or
5 public, contributions, gifts, or grants of money or
6 property to the Authority.

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

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

18 (18) Do all things necessary or convenient to carry out
19 the powers granted by this Act.

20 (b) The Casino Board shall comply with all applicable legal
21 requirements imposed on other owners licensees to conduct all
22 background investigations required under the Illinois Gambling
23 Act and the rules of the Gaming Board. This requirement shall
24 also extend to senior legal, financial, and administrative
25 staff of the Authority.

1 Section 1-32. Ethical conduct.

2 (a) Casino Board members and employees of the Authority
3 must carry out their duties and responsibilities in such a
4 manner as to promote and preserve public trust and confidence
5 in the integrity and conduct of gaming.

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

14 (c) A Casino Board member or employee of the Authority
15 shall not use or attempt to use his or her official position to
16 secure or attempt to secure any privilege, advantage, favor, or
17 influence for himself or herself or others.

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

25 (e) Casino Board members, employees of the Authority, and
26 elected officials and employees of the City may not engage in

1 employment, communications, or any activity identified by the
2 Casino Board or Gaming Board that, in the judgment of either
3 entity, could represent the potential for or the appearance of
4 a conflict of interest.

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

22 (g) Casino Board members, employees of the Authority, and
23 elected officials and employees of the City may not accept any
24 gift, gratuity, service, compensation, travel, lodging, or
25 thing of value, with the exception of unsolicited items of an
26 incidental nature, from any person, corporation, or entity

1 doing business with the Authority.

2 (h) No Casino Board member, employee of the Authority, or
3 elected official or employee of the City may, during employment
4 or within a period of 2 years immediately after termination of
5 employment, knowingly accept employment or receive
6 compensation or fees for services from a person or entity, or
7 its parent or affiliate, that has engaged in business with the
8 Authority that resulted in contracts with an aggregate value of
9 at least \$25,000 or if that Casino Board member or employee has
10 made a decision that directly applied to the person or entity,
11 or its parent or affiliate.

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

1 holdings as to represent the potential for or the appearance of
2 a conflict of interest.

3 (j) A spouse, child, or parent of a Casino Board member,
4 employee of the Authority, or elected official or employee of
5 the City may not accept any gift, gratuity, service,
6 compensation, travel, lodging, or thing of value, with the
7 exception of unsolicited items of an incidental nature, from
8 any person, corporation, or entity doing business with the
9 Authority.

10 (k) A spouse, child, or parent of a Casino Board member,
11 employee of the Authority, or elected official or employee of
12 the City may not, while the person is a Board member or
13 employee of the spouse or within a period of 2 years
14 immediately after termination of employment, knowingly accept
15 employment or receive compensation or fees for services from a
16 person or entity, or its parent or affiliate, that has engaged
17 in business with the Authority that resulted in contracts with
18 an aggregate value of at least \$25,000 or if that Casino Board
19 member, employee, or elected official or employee of the City
20 has made a decision that directly applied to the person or
21 entity, or its parent or affiliate.

22 (l) No Casino Board member, employee of the Authority, or
23 elected official or employee of the City may attempt, in any
24 way, to influence any person or entity doing business with the
25 Authority or any officer, agent, or employee thereof to hire or
26 contract with any person or entity for any compensated work.

1 (m) No Casino Board member, employee of the Authority, or
2 elected official or employee of the City shall use or attempt
3 to use his or her official position to secure, or attempt to
4 secure, any privilege, advantage, favor, or influence for
5 himself or herself or others. No Casino Board member, employee
6 of the Authority, or elected official or employee of the City
7 shall, within one year immediately preceding appointment by the
8 Mayor or employment, have been employed or received
9 compensation or fees for services from a person or entity, or
10 its parent or affiliate, that has engaged in business with the
11 Casino Board, a licensee under this Act, or a licensee under
12 the Illinois Gambling Act.

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

1 digital, then the entire communication shall be disclosed.

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

6 This subsection (n) shall not apply to communications
7 regarding traffic, law enforcement, security, environmental
8 issues, City services, transportation, or other routine
9 matters concerning the ordinary operations of the casino.

10 (o) For purposes of this Section:

11 "Ordinary operations" means operations relating to the
12 casino facility other than the conduct of gambling activities.

13 "Routine matters" includes the application for, issuance,
14 renewal, and other processes associated with City permits and
15 licenses.

16 "Employee of the City" means only those employees of the
17 City who provide services to the Authority or otherwise
18 influence the decisions of the Authority or the Casino Board.

19 (p) Any Casino Board member or employee of the Authority
20 who violates any provision of this Section is guilty of a Class
21 4 felony.

22 Section 1-45. Casino management contracts.

23 (a) The Casino Board shall enter into a casino management
24 contract with a casino operator subject to a background
25 investigation and approval by the Gaming Board and payment by

1 the proposed casino operator of a fee of \$50,000,000, which
2 shall be deposited into the Gaming Facilities Fee Revenue Fund.
3 The Gaming Board shall complete its background investigation
4 and approval of the casino operator within 6 months after the
5 date that the proposed casino operator submits its application
6 to the Gaming Board. If the Gaming Board does not complete its
7 background investigation and approval within the 6-month
8 period, then the Gaming Board shall give a written explanation
9 to the proposed casino operator and the chief legal officer of
10 the Authority as to why it has not reached a final
11 determination and when it reasonably expects to make a final
12 determination. Validity of the casino management contract is
13 contingent upon the issuance of a casino operator license. If
14 the Gaming Board grants a casino operator license, the Casino
15 Board shall transmit a copy of the executed casino management
16 contract to the Gaming Board.

17 (b) After (1) the Authority has been issued an owners
18 license, (2) the Gaming Board has issued a casino operator
19 license, and (3) the Gaming Board has approved the members of
20 the Casino Board, the Authority may conduct gaming operations
21 at a temporary facility, subject to the adopted rules of the
22 Gaming Board, for no longer than 24 months after gaming
23 operations begin. The Gaming Board may, after holding a public
24 hearing, grant an extension so long as a permanent facility is
25 not operational and the Authority is working in good faith to
26 complete the permanent facility. The Gaming Board may grant

1 additional extensions following further public hearings. Each
2 extension may be for a period of no longer than 6 months.

3 Section 1-47. Freedom of Information Act. The Authority
4 shall be a public body as defined in the Freedom of Information
5 Act and shall be subject to the provisions of the Freedom of
6 Information Act.

7 Section 1-50. Transfer of funds. The revenues received by
8 the Authority (other than amounts required to be paid pursuant
9 to the Illinois Gambling Act and amounts required to pay the
10 operating expenses of the Authority, to pay amounts due the
11 casino operator licensee pursuant to a casino management
12 contract, to repay any borrowing of the Authority made pursuant
13 to Section 1-31, to pay debt service on any bonds issued under
14 Section 1-75, and to pay any expenses in connection with the
15 issuance of such bonds pursuant to Section 1-75 or derivative
16 products pursuant to Section 1-85) shall be transferred to the
17 City by the Authority. Moneys transferred to the City pursuant
18 to this Section shall be expended or obligated by the City for
19 pension payments in accordance with Public Act 99-506.

20 Section 1-60. Auditor General.

21 (a) Prior to the issuance of bonds under this Act, the
22 Authority shall submit to the Auditor General a certification
23 that:

- 1 (1) it is legally authorized to issue bonds;
- 2 (2) scheduled annual payments of principal and
3 interest on the bonds to be issued meet the requirements of
4 Section 1-75 of this Act;
- 5 (3) no bond shall mature later than 30 years; and
- 6 (4) after payment of costs of issuance and necessary
7 deposits to funds and accounts established with respect to
8 debt service on the bonds, the net bond proceeds (exclusive
9 of any proceeds to be used to refund outstanding bonds)
10 will be used only for the purposes set forth in this Act.

11 The Authority also shall submit to the Auditor General its
12 projections on revenues to be generated and pledged to
13 repayment of the bonds as scheduled and such other information
14 as the Auditor General may reasonably request.

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

24 The Auditor General shall submit a bill to the Authority
25 for costs associated with the examinations and report required
26 under this Section. The Authority shall reimburse in a timely

1 manner.

2 (b) The Authority shall enter into an intergovernmental
3 agreement with the Auditor General authorizing the Auditor
4 General to, every 2 years, (i) review the financial audit of
5 the Authority performed by the Authority's certified public
6 accountants, (ii) perform a management audit of the Authority,
7 and (iii) perform a management audit of the casino operator
8 licensee. The Auditor General shall provide the Authority and
9 the General Assembly with the audits and shall post on his or
10 her Internet website such portions of the audit or other
11 financial information as generally would be made publicly
12 available for other owners licensees under the Illinois
13 Gambling Act. The Auditor General shall submit a bill to the
14 Authority for costs associated with the review and the audit
15 required under this Section, which costs shall not exceed
16 \$100,000, and the Authority shall reimburse the Auditor General
17 for such costs in a timely manner.

18 Section 1-62. Advisory committee. An Advisory Committee is
19 established to monitor, review, and report on (1) the
20 Authority's utilization of minority-owned business enterprises
21 and female-owned business enterprises, (2) employment of
22 females, and (3) employment of minorities with regard to the
23 development and construction of the casino as authorized under
24 Section 7 of the Illinois Gambling Act. The Authority shall
25 work with the Advisory Committee in accumulating necessary

1 information for the Committee to submit reports, as necessary,
2 to the General Assembly and to the City.

3 The Committee shall consist of 9 members as provided in
4 this Section. Five members shall be selected by the Governor
5 and 4 members shall be selected by the Mayor. The Governor and
6 Mayor shall each appoint at least one current member of the
7 General Assembly. The Advisory Committee shall meet
8 periodically and shall report the information to the Mayor of
9 the City and to the General Assembly by December 31st of every
10 year.

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

18 Section 1-65. Acquisition of property; eminent domain
19 proceedings. For the lawful purposes of this Act, the City may
20 acquire, by eminent domain or by condemnation proceedings in
21 the manner provided by the Eminent Domain Act, real or personal
22 property or interests in real or personal property located in
23 the City, and the City may convey to the Authority property so
24 acquired. The acquisition of property under this Section is
25 declared to be for a public use.

1 Section 1-67. Limitations on gaming at Chicago airports.
2 The Authority may conduct gaming operations in an airport under
3 the administration or control of the Chicago Department of
4 Aviation. Gaming operations may be conducted pursuant to this
5 Section so long as (i) gaming operations are conducted in a
6 secured area that is beyond the Transportation Security
7 Administration security checkpoints and only available to
8 airline passengers at least 21 years of age who are members of
9 a private club, and not to the general public, (ii) gaming
10 operations are limited to slot machines, as defined in Section
11 4 of the Illinois Gambling Act, and (iii) the combined number
12 of gaming positions operating in the City at the airports and
13 at the temporary and permanent casino facility does not exceed
14 the maximum number of gaming positions authorized pursuant to
15 subsection (h) of Section 7 of the Illinois Gambling Act.
16 Gaming operations at an airport are subject to all applicable
17 laws and rules that apply to any other gaming facility under
18 this Act or the Illinois Gambling Act.

19 Section 1-70. Local regulation. In addition to this Act,
20 the Illinois Gambling Act, and all of the rules of the Gaming
21 Board, the casino facilities and operations therein shall be
22 subject to all ordinances and regulations of the City. The
23 construction, development, and operation of the casino shall
24 comply with all ordinances, regulations, rules, and controls of

1 the City, including, but not limited to, those relating to
2 zoning and planned development, building, fire prevention, and
3 land use. However, the regulation of gaming operations is
4 subject to the exclusive jurisdiction of the Gaming Board. The
5 Gaming Board shall be responsible for the investigation for and
6 issuance of all licenses required by this Act and the Illinois
7 Gambling Act.

8 Section 1-75. Borrowing.

9 (a) The Authority may borrow money and issue bonds as
10 provided in this Section. Bonds of the Authority may be issued
11 to provide funds for land acquisition, site assembly and
12 preparation, and the design and construction of the casino, as
13 defined in the Illinois Gambling Act, all ancillary and related
14 facilities comprising the casino complex, and all on-site and
15 off-site infrastructure improvements required in connection
16 with the development of the casino; to refund (at the time or
17 in advance of any maturity or redemption) or redeem any bonds
18 of the Authority; to provide or increase a debt service reserve
19 fund or other reserves with respect to any or all of its bonds;
20 or to pay the legal, financial, administrative, bond insurance,
21 credit enhancement, and other legal expenses of the
22 authorization, issuance, or delivery of bonds. In this Act, the
23 term "bonds" also includes notes of any kind, interim
24 certificates, refunding bonds, or any other evidence of
25 obligation for borrowed money issued under this Section. Bonds

1 may be issued in one or more series and may be payable and
2 secured either on a parity with or separately from other bonds.

3 (b) The bonds of the Authority shall be payable from one or
4 more of the following sources: (i) the property or revenues of
5 the Authority; (ii) revenues derived from the casino; (iii)
6 revenues derived from any casino operator licensee; (iv) fees,
7 bid proceeds, charges, lease payments, payments required
8 pursuant to any casino management contract or other revenues
9 payable to the Authority, or any receipts of the Authority; (v)
10 payments by financial institutions, insurance companies, or
11 others pursuant to letters or lines of credit, policies of
12 insurance, or purchase agreements; (vi) investment earnings
13 from funds or accounts maintained pursuant to a bond resolution
14 or trust indenture; (vii) proceeds of refunding bonds; (viii)
15 any other revenues derived from or payments by the City; and
16 (ix) any payments by any casino operator licensee or others
17 pursuant to any guaranty agreement.

18 (c) Bonds shall be authorized by a resolution of the
19 Authority and may be secured by a trust indenture by and
20 between the Authority and a corporate trustee or trustees,
21 which may be any trust company or bank having the powers of a
22 trust company within or without the State. Bonds shall meet the
23 following requirements:

24 (1) Bonds may bear interest payable at any time or
25 times and at any rate or rates, notwithstanding any other
26 provision of law to the contrary, and may be subject to

1 such other terms and conditions as may be provided by the
2 resolution or indenture authorizing the issuance of such
3 bonds.

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

9 (3) Bonds issued pursuant to this Section may be sold
10 pursuant to notice of sale and public bid or by negotiated
11 sale.

12 (4) Bonds shall be payable at a time or times, in the
13 denominations and form, including book entry form, either
14 coupon, registered, or both, and carry the registration and
15 privileges as to exchange, transfer or conversion, and
16 replacement of mutilated, lost, or destroyed bonds as the
17 resolution or trust indenture may provide.

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

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

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

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

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

5 (d) The Authority shall adopt a procurement program with
6 respect to contracts relating to underwriters, bond counsel,
7 financial advisors, and accountants. The program shall include
8 goals for the payment of not less than 30% of the total dollar
9 value of the fees from these contracts to minority-owned
10 businesses and female-owned businesses as defined in the
11 Business Enterprise for Minorities, Females, and Persons with
12 Disabilities Act. The Authority shall conduct outreach to
13 minority-owned businesses and female-owned businesses.
14 Outreach shall include, but is not limited to, advertisements
15 in periodicals and newspapers, mailings, and other appropriate
16 media. The Authority shall submit to the General Assembly a
17 comprehensive report that shall include, at a minimum, the
18 details of the procurement plan, outreach efforts, and the
19 results of the efforts to achieve goals for the payment of
20 fees.

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

26 (1) Pledging, assigning, or directing the use,

1 investment, or disposition of revenues of the Authority or
2 proceeds or benefits of any contract, including without
3 limitation any rights in any casino management contract.

4 (2) The setting aside of loan funding deposits, debt
5 service reserves, replacement or operating reserves, cost
6 of issuance accounts and sinking funds, and the regulation,
7 investment, and disposition thereof.

8 (3) Limitations on the purposes to which or the
9 investments in which the proceeds of sale of any issue of
10 bonds or the Authority's revenues and receipts may be
11 applied or made.

12 (4) Limitations on the issue of additional bonds, the
13 terms upon which additional bonds may be issued and
14 secured, the terms upon which additional bonds may rank on
15 a parity with, or be subordinate or superior to, other
16 bonds.

17 (5) The refunding, advance refunding, or refinancing
18 of outstanding bonds.

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

23 (7) Defining the acts or omissions that shall
24 constitute a default in the duties of the Authority to
25 holders of bonds and providing the rights or remedies of
26 such holders in the event of a default, which may include

1 provisions restricting individual rights of action by
2 bondholders.

3 (8) Providing for guarantees, pledges of property,
4 letters of credit, or other security, or insurance for the
5 benefit of bondholders.

6 (f) No member of the Casino Board, nor any person executing
7 the bonds, shall be liable personally on the bonds or subject
8 to any personal liability by reason of the issuance of the
9 bonds.

10 (g) The Authority may issue and secure bonds in accordance
11 with the provisions of the Local Government Credit Enhancement
12 Act.

13 (h) A pledge by the Authority of revenues and receipts as
14 security for an issue of bonds or for the performance of its
15 obligations under any casino management contract shall be valid
16 and binding from the time when the pledge is made. The revenues
17 and receipts pledged shall immediately be subject to the lien
18 of the pledge without any physical delivery or further act, and
19 the lien of any pledge shall be valid and binding against any
20 person having any claim of any kind in tort, contract, or
21 otherwise against the Authority, irrespective of whether the
22 person has notice. No resolution, trust indenture, management
23 agreement or financing statement, continuation statement, or
24 other instrument adopted or entered into by the Authority need
25 be filed or recorded in any public record other than the
26 records of the Authority in order to perfect the lien against

1 third persons, regardless of any contrary provision of law.

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

8 (j) The bonds of the Authority shall not be indebtedness of
9 the State. The bonds of the Authority are not general
10 obligations of the State and are not secured by a pledge of the
11 full faith and credit of the State and the holders of bonds of
12 the Authority may not require the application of State revenues
13 or funds to the payment of bonds of the Authority. The
14 foregoing non-recourse language must be printed in bold-face
15 type on the face of the bonds and in the preliminary and final
16 official statements on the bonds.

17 (k) The State of Illinois pledges and agrees with the
18 owners of the bonds that it will not limit or alter the rights
19 and powers vested in the Authority by this Act so as to impair
20 the terms of any contract made by the Authority with the owners
21 or in any way impair the rights and remedies of the owners
22 until the bonds, together with interest on them, and all costs
23 and expenses in connection with any action or proceedings by or
24 on behalf of the owners, are fully met and discharged. The
25 Authority is authorized to include this pledge and agreement in
26 any contract with the owners of bonds issued under this

1 Section.

2 (1) No person holding an elective office in the City, in
3 Cook County, or in this State, holding a seat in the General
4 Assembly, or serving as a board member, trustee, officer, or
5 employee of the Authority, including the spouse of that person,
6 may receive a legal, banking, consulting, or other fee related
7 to the issuance of bonds. This prohibition shall also apply to
8 a company or firm that employs a person holding an elective
9 office in the City, in Cook County, or in this State, holding a
10 seat in the General Assembly, or serving as a board member,
11 trustee, officer, or employee of the Authority, including the
12 spouse of that person, if the person or his or her spouse has
13 greater than 7.5% ownership of the company or firm.

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

1 exchange cash flows or a series of payments, or to hedge
2 payment, rate spread, or similar exposure. Any such agreement
3 or contract shall be solely an obligation or indebtedness of
4 the Authority and shall not be an obligation or indebtedness of
5 the State, nor shall any party thereto have any recourse
6 against the State in connection with the agreement or contract.

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

21 Section 1-105. Budgets and reporting.

22 (a) The Casino Board shall annually adopt a budget for each
23 fiscal year. The budget may be modified from time to time in
24 the same manner and upon the same vote as it may be adopted.

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

8 (b) The Casino Board shall annually cause the finances of
9 the Authority to be audited by a firm of certified public
10 accountants selected by the Casino Board in accordance with the
11 rules of the Gaming Board and post on the Authority's Internet
12 website such financial information as is required to be posted
13 by all other owners licensees under the Illinois Gambling Act.

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

1 as practical after completion of the audit, to the Governor,
2 the Mayor, the General Assembly, and the Commission on
3 Government Forecasting and Accountability.

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

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

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

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

1 office until delivery thereof.

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

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

24 (b) A bidder, respondent, offeror, or contractor for
25 contracts with an annual value of \$25,000 or more or for a

1 period to exceed one year shall disclose all political
2 contributions of the bidder, respondent, offeror, or
3 contractor and any affiliated person or entity. Disclosure
4 shall include at least the names and addresses of the
5 contributors and the dollar amounts of any contributions to any
6 political committee made within the previous 2 years. The
7 disclosure must be submitted to the Gaming Board with a copy of
8 the contract. All such disclosures shall be posted on the
9 websites of the Authority and the Gaming Board.

10 (c) As used in this Section:

11 "Contribution" means contribution as defined in Section
12 9-1.4 of the Election Code.

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

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

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

1 occurs.

2 (e) All contracts pertaining to the actual operation of the
3 casino and related gaming activities shall be entered into by
4 the casino operator licensee and not the Authority and shall be
5 subject to the regulation, oversight, and approval of the
6 Gaming Board, applying the same regulation, oversight, and
7 approval requirements as would be applied to any other owners
8 licensee under the Illinois Gambling Act.

9 Section 1-115. Purchasing.

10 (a) The Casino Board shall designate an officer of the
11 Authority to serve as the Chief Procurement Officer for the
12 Authority. The Chief Procurement Officer shall have all powers
13 and duties set forth in Section 15 of Division 10 of Article 8
14 of the Illinois Municipal Code. Except as otherwise provided in
15 this Section, the Chief Procurement Officer of the Authority
16 shall conduct procurements on behalf of the Authority subject
17 to Title 2, Chapter 92 of the Municipal Code of Chicago, which
18 by its terms incorporates Division 10 of Article 8 of the
19 Illinois Municipal Code.

20 (b) All contracts for amounts greater than \$25,000 must be
21 approved by the Casino Board and executed by the chairperson of
22 the Casino Board and executive director of the Authority.
23 Contracts for amounts of \$25,000 or less may be approved and
24 executed by the Chief Procurement Officer for the Authority and
25 executive director of the Authority, with approval by the chief

1 legal counsel for the Authority as to form and legality.

2 (c) All construction contracts and contracts for supplies,
3 materials, equipment, and services for amounts greater than
4 \$25,000 shall be let by a competitive selection process to the
5 lowest responsible proposer, after advertising for proposals,
6 except for the following:

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

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

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

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

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

25 (6) contracts for professional services other than for
26 management of the casino, except such contracts described

1 in subsection (d) of this Section; and

2 (7) contracts for the use, purchase, delivery,
3 movement, or installation of (i) data processing
4 equipment, software, and services and (ii)
5 telecommunications equipment, software, and services.

6 (d) Contracts for professional services for a term of more
7 than one year or contracts that may require payment in excess
8 of \$25,000 in one year shall be let by a competitive bidding
9 process to the most highly qualified firm that agrees to
10 compensation and other terms of engagement that are both
11 reasonable and acceptable to the Casino Board.

12 (e) All contracts involving less than \$25,000 shall be let
13 by competitive selection process whenever possible, and in any
14 event in a manner calculated to ensure the best interests of
15 the public.

16 (f) In determining the responsibility of any proposer, the
17 Authority may take into account the proposer's (or an
18 individual having a beneficial interest, directly or
19 indirectly, of more than 1% in such proposing entity) past
20 record of dealings with the Authority, the proposer's
21 experience, adequacy of equipment, and ability to complete
22 performance within the time set, and other factors besides
23 financial responsibility. No such contract shall be awarded to
24 any proposer other than the lowest proposer (in case of
25 purchase or expenditure) unless authorized or approved by a
26 vote of at least 3 members of the Casino Board and such action

1 is accompanied by a written statement setting forth the reasons
2 for not awarding the contract to the highest or lowest
3 proposer, as the case may be. The statement shall be kept on
4 file in the principal office of the Authority and open to
5 public inspection.

6 (g) The Authority shall have the right to reject all
7 proposals and to re-advertise for proposals. If after any such
8 re-advertisement, no responsible and satisfactory proposals,
9 within the terms of the re-advertisement, is received, the
10 Authority may award such contract without competitive
11 selection. The contract must not be less advantageous to the
12 Authority than any valid proposal received pursuant to
13 advertisement.

14 (h) Advertisements for proposals and re-proposals shall be
15 published at least once in a daily newspaper of general
16 circulation published in the City at least 10 calendar days
17 before the time for receiving proposals and in an online
18 bulletin published on the Authority's website. Such
19 advertisements shall state the time and place for receiving and
20 opening of proposals and, by reference to plans and
21 specifications on file at the time of the first publication or
22 in the advertisement itself, shall describe the character of
23 the proposed contract in sufficient detail to fully advise
24 prospective proposers of their obligations and to ensure free
25 and open competitive selection.

26 (i) All proposals in response to advertisements shall be

1 sealed and shall be publicly opened by the Authority. All
2 proposers shall be entitled to be present in person or by
3 representatives. Cash or a certified or satisfactory cashier's
4 check, as a deposit of good faith, in a reasonable amount to be
5 fixed by the Authority before advertising for proposals, shall
6 be required with the proposal. A bond for faithful performance
7 of the contract with surety or sureties satisfactory to the
8 Authority and adequate insurance may be required in reasonable
9 amounts to be fixed by the Authority before advertising for
10 proposals.

11 (j) The contract shall be awarded as promptly as possible
12 after the opening of proposals. The proposal of the successful
13 proposer, as well as the bids of the unsuccessful proposers,
14 shall be placed on file and be open to public inspection
15 subject to the exemptions from disclosure provided under
16 Section 7 of the Freedom of Information Act. All proposals
17 shall be void if any disclosure of the terms of any proposals
18 in response to an advertisement is made or permitted to be made
19 by the Authority before the time fixed for opening proposals.

20 (k) Notice of each and every contract that is offered,
21 including renegotiated contracts and change orders, shall be
22 published in an online bulletin. The online bulletin must
23 include at least the date first offered, the date submission of
24 offers is due, the location that offers are to be submitted to,
25 a brief purchase description, the method of source selection,
26 information of how to obtain a comprehensive purchase

1 description and any disclosure and contract forms, and
2 encouragement to prospective vendors to hire qualified
3 veterans, as defined by Section 45-67 of the Illinois
4 Procurement Code, and Illinois residents discharged from any
5 Illinois adult correctional center subject to Gaming Board
6 licensing and eligibility rules. Notice of each and every
7 contract that is let or awarded, including renegotiated
8 contracts and change orders, shall be published in the online
9 bulletin and must include at least all of the information
10 specified in this subsection (k), as well as the name of the
11 successful responsible proposer or offeror, the contract
12 price, and the number of unsuccessful responsive proposers and
13 any other disclosure specified in this Section. This notice
14 must be posted in the online electronic bulletin prior to
15 execution of the contract.

16 Section 1-130. Affirmative action and equal opportunity
17 obligations of Authority.

18 (a) The Authority is subject to the requirements of Article
19 IV of Chapter 2-92 (Sections 2-92-650 through 2-92-720
20 inclusive) of the Chicago Municipal Code, as now or hereafter
21 amended, renumbered, or succeeded, concerning a Minority-Owned
22 and Women-Owned Business Enterprise Procurement Program for
23 construction contracts, and Section 2-92-420 et seq. of the
24 Chicago Municipal Code, as now or hereafter amended,
25 renumbered, or succeeded, concerning a Minority-Owned and

1 Women-Owned Business Enterprise Procurement Program.

2 (b) The Authority is authorized to enter into agreements
3 with contractors' associations, labor unions, and the
4 contractors working on the development of the casino to
5 establish an apprenticeship preparedness training program to
6 provide for an increase in the number of minority and female
7 journeymen and apprentices in the building trades and to enter
8 into agreements with community college districts or other
9 public or private institutions to provide readiness training.
10 The Authority is further authorized to enter into contracts
11 with public and private educational institutions and persons in
12 the gaming, entertainment, hospitality, and tourism industries
13 to provide training for employment in those industries.

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

18 Section 1-140. Home rule. The regulation and licensing of
19 casinos and casino gaming, casino gaming facilities, and casino
20 operator licensees under this Act are exclusive powers and
21 functions of the State. A home rule unit may not regulate or
22 license casinos, casino gaming, casino gaming facilities, or
23 casino operator licensees under this Act, except as provided
24 under this Act. This Section is a denial and limitation of home

1 rule powers and functions under subsection (h) of Section 6 of
2 Article VII of the Illinois Constitution.

3 ARTICLE 90.

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

6 (1) That the cumulative reduction to pre-K through 12
7 education funding since 2009 is approximately
8 \$861,000,000.

9 (2) That general state aid to Illinois common schools
10 has been underfunded as a result of budget cuts, resulting
11 in pro-rated payments to school districts that are less
12 than the foundational level of \$6,119 per pupil, which
13 represents the minimum each pupil needs to be educated.

14 (3) That a significant infusion of new revenue is
15 necessary in order to fully fund the foundation level and
16 to maintain and support education in Illinois.

17 (4) That the decline of the Illinois horse racing and
18 breeding program, a \$2.5 billion industry, would be
19 reversed if this amendatory Act of the 100th General
20 Assembly would be enacted.

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

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

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

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

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

25 Section 90-3. The State Officials and Employees Ethics Act

1 is amended by changing Section 5-45 as follows:

2 (5 ILCS 430/5-45)

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

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

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

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

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

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

24 (e) The Joint Committee on Legislative Support Services,
25 the Auditor General, and each of the executive branch
26 constitutional officers and legislative leaders subject to

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

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

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

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

21 On appeal, the Ethics Commission or Auditor General shall
22 seek, accept, and consider written public comments regarding a
23 determination. In deciding whether to uphold an Inspector
24 General's determination, the appropriate Ethics Commission or
25 Auditor General shall assess, in addition to any other relevant
26 information, the effect of the prospective employment or

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

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

21 (1) members or officers;

22 (2) members of a commission or board created by the
23 Illinois Constitution;

24 (3) persons whose appointment to office is subject to
25 the advice and consent of the Senate;

26 (4) the head of a department, commission, board,

1 division, bureau, authority, or other administrative unit
2 within the government of this State;

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

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

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

10 (8) employees of the Illinois Gaming Board.

11 (i) For the purposes of this Section, with respect to
12 officers or employees of a regional transit board, as defined
13 in this Act, the phrase "person or entity" does not include:
14 (i) the United States government, (ii) the State, (iii)
15 municipalities, as defined under Article VII, Section 1 of the
16 Illinois Constitution, (iv) units of local government, as
17 defined under Article VII, Section 1 of the Illinois
18 Constitution, or (v) school districts.

19 (Source: P.A. 96-555, eff. 8-18-09; 97-653, eff. 1-13-12.)

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

22 (20 ILCS 301/5-20)

23 Sec. 5-20. Compulsive gambling program.

24 (a) Subject to appropriation, the Department shall

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

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

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

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

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

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

1 (c) Subject to appropriation, the Department shall produce
2 and supply the signs specified in Section 10.7 of the Illinois
3 Lottery Law, Section 34.1 of the Illinois Horse Racing Act of
4 1975, Section 4.3 of the Bingo License and Tax Act, Section 8.1
5 of the Charitable Games Act, and Section 13.1 of the Illinois
6 ~~Riverboat~~ Gambling Act.

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

8 Section 90-6. The Department of Commerce and Economic
9 Opportunity Law of the Civil Administrative Code of Illinois is
10 amended by adding Sections 605-530 and 605-535 as follows:

11 (20 ILCS 605/605-530 new)

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

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

18 (1) 3 members appointed by the Governor, one of whom
19 shall be appointed to serve an initial term of one year and
20 2 of whom shall be appointed to serve an initial term of 2
21 years;

22 (2) 2 members appointed by the Speaker of the House of
23 Representatives, one of whom shall be appointed to serve an
24 initial term of one year and one of whom shall be appointed

1 to serve an initial term of 2 years;

2 (3) 2 members appointed by the President of the Senate,
3 one of whom shall be appointed to serve an initial term of
4 one year and one of whom shall be appointed to serve an
5 initial term of 2 years;

6 (4) 2 members appointed by the Minority Leader of the
7 House of Representatives, one of whom shall be appointed to
8 serve an initial term of one year and one of whom shall be
9 appointed to serve an initial term of 2 years; and

10 (5) 2 members appointed by the Minority Leader of the
11 Senate, one of whom shall be appointed to serve an initial
12 term of one year and one of whom shall be appointed to
13 serve an initial term of 2 years.

14 The members of the Board shall elect a member to serve as
15 chair of the Board. The members of the Board shall reflect the
16 composition of the Illinois population with regard to ethnic
17 and racial composition.

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

1 (b) Board members shall serve without compensation, but may
2 be reimbursed for their reasonable travel expenses from funds
3 available for that purpose. The Department of Commerce and
4 Economic Opportunity shall provide staff and administrative
5 support services to the Board.

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

24 (20 ILCS 605/605-535 new)

25 Sec. 605-535. The Commission on the Future of Economic

1 Development of the Latino Community.

2 (a) There is hereby created the Commission on the Future of
3 Economic Development of the Latino Community within the
4 Department. The purpose of the Commission shall be to maintain
5 and develop the economy of Latinos and to provide opportunities
6 for this community, which will enhance and expand the quality
7 of their lives.

8 The Commission shall concentrate its major efforts on
9 strategic planning, policy research and analysis, advocacy,
10 evaluation, and promoting coordination and collaboration.

11 During each regular legislative session, the Commission
12 must consult with appropriate legislative committees about the
13 State's economic development needs and opportunities in the
14 Latino community.

15 By October 1st of each even-numbered year, the Commission
16 must submit to the Governor and the General Assembly a biennial
17 comprehensive statewide economic development strategy for the
18 Latino community with a report on progress from the previous
19 comprehensive strategy.

20 The comprehensive statewide economic development strategy
21 may include, but is not limited to:

22 (1) an assessment of the Latino community's economic
23 vitality;

24 (2) recommended goals, objectives, and priorities for
25 the next biennium and the future;

26 (3) a common set of outcomes and benchmarks for the

1 economic development system as a whole for the Latino
2 community;

3 (4) recommendations for removing barriers for Latinos
4 in employment;

5 (5) an inventory of existing relevant programs
6 compiled by the Commission from materials submitted by
7 agencies;

8 (6) recommendations for expanding, discontinuing, or
9 redirecting existing programs or adding new programs to
10 better serve the Latino community; and

11 (7) recommendations of best practices and public and
12 private sector roles in implementing the comprehensive
13 statewide economic development strategy.

14 In developing the biennial statewide economic development
15 strategy, goals, objectives, priorities, and recommendations,
16 the Commission shall consult, collaborate, and coordinate with
17 relevant State agencies, private sector business, nonprofit
18 organizations involved in economic development, trade
19 associations, associate development organizations, and
20 relevant local organizations in order to avoid duplication of
21 effort.

22 State agencies shall cooperate with the Commission and
23 provide information as the Commission may reasonably request.

24 The Commission shall review and make budget
25 recommendations to the Governor's Office of Management and
26 Budget and the General Assembly in areas relating to the

1 economic development in the State's Latino community.

2 The Commission shall evaluate its own performance on a
3 regular basis.

4 The Commission may accept gifts, grants, donations,
5 sponsorships, or contributions from any federal, State, or
6 local governmental agency or program, or any private source,
7 and expend the same for any purpose consistent with this
8 Section.

9 (b) The Commission shall consist of 12 voting members,
10 appointed by the Governor, 4 of whom shall be appointed to
11 serve an initial term of one year, 4 of whom shall be appointed
12 to serve an initial term of 2 years, and 4 of whom shall be
13 appointed to serve an initial term of 3 years. After the
14 initial term, each member shall be appointed to a term of 3
15 years. Members of the Commission shall serve at the pleasure of
16 the Governor for not more than 2 consecutive 3-year terms. In
17 appointing members, the Governor shall appoint individuals
18 from the following private industry sectors:

19 (1) production agriculture;

20 (2) at least 2 individuals from manufacturing, one of
21 whom shall represent a company with no more than 75
22 employees;

23 (3) transportation, construction, and logistics;

24 (4) travel and tourism;

25 (5) financial services and insurance;

26 (6) information technology and communications; and

1 (7) biotechnology.

2 The members of the Commission shall choose a member to
3 serve as chair of the Commission. The members of the Commission
4 shall be representative, to the extent possible, of the various
5 geographic areas of the State. The Director shall serve as an
6 ad hoc nonvoting member of the Commission. Vacancies shall be
7 filled in the same manner as the original appointments. The
8 members of the Commission shall serve without compensation.

9 (c) The Commission shall meet at least 4 times per year,
10 with at least one meeting each calendar quarter, at the call of
11 the director or 4 voting members of the Commission. The staff
12 and support for the Commission shall be provided by the
13 Department.

14 (d) The Commission and Department are encouraged to involve
15 other essential groups in the work of the Commission,
16 including, but not limited to:

17 (1) public universities;

18 (2) community colleges;

19 (3) other educational institutions; and

20 (4) the Department of Labor.

21 (e) The Commission shall make recommendations, which must
22 be approved by a majority of the members of the Commission, to
23 the Department concerning the award of grants from amounts
24 appropriated to the Department from the Latino Community
25 Economic Development Fund, a special fund in the State
26 treasury. The Department shall make grants to public or private

1 entities submitting proposals to the Commission to assist in
2 the economic development of the Latino community. Grants may be
3 used by these entities only for those purposes conditioned with
4 the grant. The Commission shall coordinate with the Department
5 to develop grant criteria.

6 (f) For the purposes of this Section:

7 "Department" means the Department of Commerce and Economic
8 Development.

9 "Director" means the Director of Commerce and Economic
10 Development.

11 "Educational institutions" means nonprofit public and
12 private colleges, community colleges, State colleges, and
13 universities in this State.

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

16 (20 ILCS 1605/9.1)

17 Sec. 9.1. Private manager and management agreement.

18 (a) As used in this Section:

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

21 "Request for qualifications" means all materials and
22 documents prepared by the Department to solicit the following
23 from offerors:

24 (1) Statements of qualifications.

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

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

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

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

20 (c) Pursuant to the terms of this subsection, the
21 Department shall endeavor to expeditiously terminate the
22 existing contracts in support of the Lottery in effect on the
23 effective date of this amendatory Act of the 96th General
24 Assembly in connection with the selection of the private
25 manager. As part of its obligation to terminate these contracts
26 and select the private manager, the Department shall establish

1 a mutually agreeable timetable to transfer the functions of
2 existing contractors to the private manager so that existing
3 Lottery operations are not materially diminished or impaired
4 during the transition. To that end, the Department shall do the
5 following:

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

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

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

20 If the contracts to support the current operation of the
21 Lottery in effect on the effective date of this amendatory Act
22 of the 96th General Assembly are not subject to termination as
23 provided for in this subsection (c), then the Department may
24 include a provision in the contract with the private manager
25 specifying a mutually agreeable methodology for incorporation.

26 (c-5) The Department shall include provisions in the

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

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

18 (1) A term not to exceed 10 years, including any
19 renewals.

20 (2) A provision specifying that the Department:

21 (A) shall exercise actual control over all
22 significant business decisions;

23 (A-5) has the authority to direct or countermand
24 operating decisions by the private manager at any time;

25 (B) has ready access at any time to information
26 regarding Lottery operations;

1 (C) has the right to demand and receive information
2 from the private manager concerning any aspect of the
3 Lottery operations at any time; and

4 (D) retains ownership of all trade names,
5 trademarks, and intellectual property associated with
6 the Lottery.

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

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

20 (5) A provision providing for compensation of the
21 private manager that may consist of, among other things, a
22 fee for services and a performance based bonus as
23 consideration for managing the Lottery, including terms
24 that may provide the private manager with an increase in
25 compensation if Lottery revenues grow by a specified
26 percentage in a given year.

1 (6) (Blank).

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

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

7 (8-5) A provision encouraging that at least 20% of the
8 cost of contracts entered into for goods and services by
9 the private manager in connection with its management of
10 the Lottery, other than contracts with sales agents or
11 technical advisors, be awarded to businesses that are a
12 minority owned business, a female owned business, or a
13 business owned by a person with disability, as those terms
14 are defined in the Business Enterprise for Minorities,
15 Females, and Persons with Disabilities Act.

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

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

23 (B) The rights and obligations under contracts
24 with retailers and vendors.

25 (C) The implementation of a comprehensive security
26 program by the private manager.

1 (D) The implementation of a comprehensive system
2 of internal audits.

3 (E) The implementation of a program by the private
4 manager to curb compulsive gambling by persons playing
5 the Lottery.

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

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

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

23 (12) A code of ethics for the private manager's
24 officers and employees.

25 (13) A requirement that the Department monitor and
26 oversee the private manager's practices and take action

1 that the Department considers appropriate to ensure that
2 the private manager is in compliance with the terms of the
3 management agreement, while allowing the manager, unless
4 specifically prohibited by law or the management
5 agreement, to negotiate and sign its own contracts with
6 vendors.

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

11 (15) Cash reserves requirements.

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

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

18 (18) Procedures for amendment of the agreement.

19 (19) A provision requiring the private manager to
20 engage in an open and competitive bidding process for any
21 procurement having a cost in excess of \$50,000 that is not
22 a part of the private manager's final offer. The process
23 shall favor the selection of a vendor deemed to have
24 submitted a proposal that provides the Lottery with the
25 best overall value. The process shall not be subject to the
26 provisions of the Illinois Procurement Code, unless

1 specifically required by the management agreement.

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

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

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

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

23 (1) the offeror's ability to market the Lottery to
24 those residents who are new, infrequent, or lapsed players
25 of the Lottery, especially those who are most likely to
26 make regular purchases on the Internet;

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

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

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

13 (f) The Department may retain the services of an advisor or
14 advisors with significant experience in financial services or
15 the management, operation, and procurement of goods, services,
16 and equipment for a government-run lottery to assist in the
17 preparation of the terms of the request for qualifications and
18 selection of the private manager. Any prospective advisor
19 seeking to provide services under this subsection (f) shall
20 disclose any material business or financial relationship
21 during the past 3 years with any potential offeror, or with a
22 contractor or subcontractor presently providing goods,
23 services, or equipment to the Department to support the
24 Lottery. The Department shall evaluate the material business or
25 financial relationship of each prospective advisor. The
26 Department shall not select any prospective advisor with a

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

23 (g) The Department shall select at least 2 offerors as
24 finalists to potentially serve as the private manager no later
25 than August 9, 2010. Upon making preliminary selections, the
26 Department shall schedule a public hearing on the finalists'

1 proposals and provide public notice of the hearing at least 7
2 calendar days before the hearing. The notice must include all
3 of the following:

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

5 (2) The subject matter of the hearing.

6 (3) A brief description of the management agreement to
7 be awarded.

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

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

11 (h) At the public hearing, the Department shall (i) provide
12 sufficient time for each finalist to present and explain its
13 proposal to the Department and the Governor or the Governor's
14 designee, including an opportunity to respond to questions
15 posed by the Department, Governor, or designee and (ii) allow
16 the public and non-selected offerors to comment on the
17 presentations. The Governor or a designee shall attend the
18 public hearing. After the public hearing, the Department shall
19 have 14 calendar days to recommend to the Governor whether a
20 management agreement should be entered into with a particular
21 finalist. After reviewing the Department's recommendation, the
22 Governor may accept or reject the Department's recommendation,
23 and shall select a final offeror as the private manager by
24 publication of a notice in the Illinois Procurement Bulletin on
25 or before September 15, 2010. The Governor shall include in the
26 notice a detailed explanation and the reasons why the final

1 offeror is superior to other offerors and will provide
2 management services in a manner that best achieves the
3 objectives of this Section. The Governor shall also sign the
4 management agreement with the private manager.

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

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

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

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

24 (m) Neither this Section nor any management agreement
25 entered into under this Section prohibits the General Assembly
26 from authorizing forms of gambling that are not in direct

1 competition with the Lottery. The forms of gambling authorized
2 by this amendatory Act of the 100th General Assembly constitute
3 authorized forms of gambling that are not in direct competition
4 with the Lottery.

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

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

1 complete authority for the Department to approve any contracts
2 entered into by a private manager with a vendor providing
3 goods, services, or both goods and services to the private
4 manager under the terms of the management agreement, including
5 subcontractors of such vendors.

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

23 Notwithstanding any other provision of this Section to the
24 contrary, the Chief Procurement Officer shall adopt
25 administrative rules, including emergency rules, to establish
26 a procurement process to select a successor private manager if

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

14 Except as provided in Sections 21.2, 21.5, 21.6, 21.7,
15 21.8, and 21.9, the Department shall distribute all proceeds of
16 lottery tickets and shares sold in the following priority and
17 manner:

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

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

23 (3) On the last day of each month or as soon thereafter
24 as possible, the State Comptroller shall direct and the
25 State Treasurer shall transfer from the State Lottery Fund
26 to the Common School Fund an amount that is equal to the

1 proceeds transferred in the corresponding month of fiscal
2 year 2009, as adjusted for inflation, to the Common School
3 Fund.

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

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

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

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

23 (3) at least 30 days prior to the beginning of the
24 Department's fiscal year, the Department shall prepare an
25 annual written report on the activities of the private
26 manager selected under this Section and deliver that report

1 to the Governor and General Assembly.

2 (Source: P.A. 97-464, eff. 8-19-11; 98-463, eff. 8-16-13;
3 98-649, eff. 6-16-14.)

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

7 (20 ILCS 2505/2505-305) (was 20 ILCS 2505/39b15.1)

8 Sec. 2505-305. Investigators.

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

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

23 (c) The Department may enter into agreements with the
24 Illinois Gaming Board providing that investigators appointed

1 under this Section shall exercise the peace officer powers set
2 forth in paragraph (20.6) of subsection (c) of Section 5 of the
3 Illinois Riverboat Gambling Act.
4 (Source: P.A. 96-37, eff. 7-13-09.)

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

7 (30 ILCS 5/3-1) (from Ch. 15, par. 303-1)

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

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

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

24 (b) to make investigations authorized by or under this

1 Act or the Constitution; and

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

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

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

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

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

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

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

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

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

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

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

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

24 The Auditor General must conduct financial audits of the
25 Southeastern Illinois Economic Development Authority as
26 provided in Section 70 of the Southeastern Illinois Economic

1 Development Authority Act.

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

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

7 Section 90-15. The State Finance Act is amended by adding
8 Sections 5.878, 5.879, 5.880, and 6z-102 and by changing
9 Section 6z-45 as follows:

10 (30 ILCS 105/5.878 new)

11 Sec. 5.878. The Gaming Facilities Fee Revenue Fund.

12 (30 ILCS 105/5.879 new)

13 Sec. 5.879. The Depressed Communities Economic Development
14 Fund.

15 (30 ILCS 105/5.880 new)

16 Sec. 5.880. The Latino Community Economic Development
17 Fund.

18 (30 ILCS 105/6z-45)

19 Sec. 6z-45. The School Infrastructure Fund.

20 (a) The School Infrastructure Fund is created as a special
21 fund in the State Treasury.

1 In addition to any other deposits authorized by law,
2 beginning January 1, 2000, on the first day of each month, or
3 as soon thereafter as may be practical, the State Treasurer and
4 State Comptroller shall transfer the sum of \$5,000,000 from the
5 General Revenue Fund to the School Infrastructure Fund, except
6 that, notwithstanding any other provision of law, and in
7 addition to any other transfers that may be provided for by
8 law, before June 30, 2012, the Comptroller and the Treasurer
9 shall transfer \$45,000,000 from the General Revenue Fund into
10 the School Infrastructure Fund, and, for fiscal year 2013 only,
11 the Treasurer and the Comptroller shall transfer \$1,250,000
12 from the General Revenue Fund to the School Infrastructure Fund
13 on the first day of each month; provided, however, that no such
14 transfers shall be made from July 1, 2001 through June 30,
15 2003.

16 (b) Subject to the transfer provisions set forth below,
17 money in the School Infrastructure Fund shall, if and when the
18 State of Illinois incurs any bonded indebtedness for the
19 construction of school improvements under the School
20 Construction Law, be set aside and used for the purpose of
21 paying and discharging annually the principal and interest on
22 that bonded indebtedness then due and payable, and for no other
23 purpose.

24 In addition to other transfers to the General Obligation
25 Bond Retirement and Interest Fund made pursuant to Section 15
26 of the General Obligation Bond Act, upon each delivery of bonds

1 issued for construction of school improvements under the School
2 Construction Law, the State Comptroller shall compute and
3 certify to the State Treasurer the total amount of principal
4 of, interest on, and premium, if any, on such bonds during the
5 then current and each succeeding fiscal year. With respect to
6 the interest payable on variable rate bonds, such
7 certifications shall be calculated at the maximum rate of
8 interest that may be payable during the fiscal year, after
9 taking into account any credits permitted in the related
10 indenture or other instrument against the amount of such
11 interest required to be appropriated for that period.

12 On or before the last day of each month, the State
13 Treasurer and State Comptroller shall transfer from the School
14 Infrastructure Fund to the General Obligation Bond Retirement
15 and Interest Fund an amount sufficient to pay the aggregate of
16 the principal of, interest on, and premium, if any, on the
17 bonds payable on their next payment date, divided by the number
18 of monthly transfers occurring between the last previous
19 payment date (or the delivery date if no payment date has yet
20 occurred) and the next succeeding payment date. Interest
21 payable on variable rate bonds shall be calculated at the
22 maximum rate of interest that may be payable for the relevant
23 period, after taking into account any credits permitted in the
24 related indenture or other instrument against the amount of
25 such interest required to be appropriated for that period.
26 Interest for which moneys have already been deposited into the

1 capitalized interest account within the General Obligation
2 Bond Retirement and Interest Fund shall not be included in the
3 calculation of the amounts to be transferred under this
4 subsection.

5 (b-5) The money deposited into the School Infrastructure
6 Fund from transfers pursuant to subsections (c-30) and (c-35)
7 of Section 13 of the Illinois Riverboat ~~Riverboat~~ Gambling Act shall be
8 applied, without further direction, as provided in subsection
9 (b-3) of Section 5-35 of the School Construction Law.

10 (c) The surplus, if any, in the School Infrastructure Fund
11 after payments made pursuant to subsections (b) and (b-5) of
12 this Section shall, subject to appropriation, be used as
13 follows:

14 First - to make 3 payments to the School Technology
15 Revolving Loan Fund as follows:

16 Transfer of \$30,000,000 in fiscal year 1999;

17 Transfer of \$20,000,000 in fiscal year 2000; and

18 Transfer of \$10,000,000 in fiscal year 2001.

19 Second - to pay the expenses of the State Board of
20 Education and the Capital Development Board in administering
21 programs under the School Construction Law, the total expenses
22 not to exceed \$1,200,000 in any fiscal year.

23 Third - to pay any amounts due for grants for school
24 construction projects and debt service under the School
25 Construction Law.

26 Fourth - to pay any amounts due for grants for school

1 maintenance projects under the School Construction Law.

2 (Source: P.A. 97-732, eff. 6-30-12; 98-18, eff. 6-7-13.)

3 (30 ILCS 105/6z-102 new)

4 Sec. 6z-102. The Gaming Facilities Fee Revenue Fund.

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

7 (b) The revenues in the Fund shall be used, subject to
8 appropriation, by the Comptroller for the purpose of providing
9 appropriations to the Illinois Gaming Board for the
10 administration and enforcement of the Illinois Gambling Act and
11 the applicable provisions of the Chicago Casino Development
12 Authority Act, with any remaining amounts being transferred to
13 the General Revenue Fund.

14 (c) The Fund shall consist of fee revenues received
15 pursuant to subsection (a) of Section 1-45 of the Chicago
16 Casino Development Authority Act and pursuant to subsections
17 (e-10), (e-15), (h), and (h-5) of Section 7 and subsections
18 (b), (c), (d), and (k) of Section 7.7 of the Illinois Gambling
19 Act. All interest earned on moneys in the Fund shall be
20 deposited into the Fund.

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

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

1 changing Sections 201, 303, 304 and 710 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 2017 through 2025, 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, 2018, except for costs incurred
8 pursuant to a binding contract entered into on or before
9 December 31, 2018.

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) (Blank).

7 (h) Investment credit; High Impact Business.

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

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

21 Changes made in this subdivision (h) (1) by Public Act
22 88-670 restore changes made by Public Act 85-1182 and
23 reflect existing law.

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

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

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

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

8 (D) is not eligible for the Enterprise Zone
9 Investment Credit provided by subsection (f) of this
10 Section.

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

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

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

22 (6) If during any taxable year ending on or before
23 December 31, 1996, any property ceases to be qualified
24 property in the hands of the taxpayer within 48 months
25 after being placed in service, or the situs of any
26 qualified property is moved outside Illinois within 48

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

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

24 (i) Credit for Personal Property Tax Replacement Income
25 Tax. For tax years ending prior to December 31, 2003, a credit
26 shall be allowed against the tax imposed by subsections (a) and

1 (b) of this Section for the tax imposed by subsections (c) and
2 (d) of this Section. This credit shall be computed by
3 multiplying the tax imposed by subsections (c) and (d) of this
4 Section by a fraction, the numerator of which is base income
5 allocable to Illinois and the denominator of which is Illinois
6 base income, and further multiplying the product by the tax
7 rate imposed by subsections (a) and (b) of this Section.

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

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

1 recomputing the credit to take into account the reduced tax
2 imposed by subsections (c) and (d). If any portion of the
3 reduced amount of credit has been carried to a different
4 taxable year, an amended return shall be filed for such taxable
5 year to reduce the amount of credit claimed.

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

25 Any credit allowed under this subsection which is unused in
26 the year the credit is earned may be carried forward to each of

1 the 5 taxable years following the year for which the credit is
2 first computed until it is used. This credit shall be applied
3 first to the earliest year for which there is a liability. If
4 there is a credit under this subsection from more than one tax
5 year that is available to offset a liability the earliest
6 credit arising under this subsection shall be applied first. No
7 carryforward credit may be claimed in any tax year ending on or
8 after December 31, 2003.

9 (k) Research and development credit. For tax years ending
10 after July 1, 1990 and prior to December 31, 2003, and
11 beginning again for tax years ending on or after December 31,
12 2004, and ending prior to January 1, 2016, a taxpayer shall be
13 allowed a credit against the tax imposed by subsections (a) and
14 (b) of this Section for increasing research activities in this
15 State. The credit allowed against the tax imposed by
16 subsections (a) and (b) shall be equal to 6 1/2% of the
17 qualifying expenditures for increasing research activities in
18 this State. For partners, shareholders of subchapter S
19 corporations, and owners of limited liability companies, if the
20 liability company is treated as a partnership for purposes of
21 federal and State income taxation, there shall be allowed a
22 credit under this subsection to be determined in accordance
23 with the determination of income and distributive share of
24 income under Sections 702 and 704 and subchapter S of the
25 Internal Revenue Code.

26 For purposes of this subsection, "qualifying expenditures"

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

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

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

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

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

10 (1) Environmental Remediation Tax Credit.

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

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

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

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

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

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

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

20 For purposes of this subsection:

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

1 this subsection.

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

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

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

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

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

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

1 \$100,000 per site.

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

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

1 (o) For each of taxable years during the Compassionate Use
2 of Medical Cannabis Pilot Program, a surcharge is imposed on
3 all taxpayers on income arising from the sale or exchange of
4 capital assets, depreciable business property, real property
5 used in the trade or business, and Section 197 intangibles of
6 an organization registrant under the Compassionate Use of
7 Medical Cannabis Pilot Program Act. The amount of the surcharge
8 is equal to the amount of federal income tax liability for the
9 taxable year attributable to those sales and exchanges. The
10 surcharge imposed does not apply if:

11 (1) the medical cannabis cultivation center
12 registration, medical cannabis dispensary registration, or
13 the property of a registration is transferred as a result
14 of any of the following:

15 (A) bankruptcy, a receivership, or a debt
16 adjustment initiated by or against the initial
17 registration or the substantial owners of the initial
18 registration;

19 (B) cancellation, revocation, or termination of
20 any registration by the Illinois Department of Public
21 Health;

22 (C) a determination by the Illinois Department of
23 Public Health that transfer of the registration is in
24 the best interests of Illinois qualifying patients as
25 defined by the Compassionate Use of Medical Cannabis
26 Pilot Program Act;

1 (D) the death of an owner of the equity interest in
2 a registrant;

3 (E) the acquisition of a controlling interest in
4 the stock or substantially all of the assets of a
5 publicly traded company;

6 (F) a transfer by a parent company to a wholly
7 owned subsidiary; or

8 (G) the transfer or sale to or by one person to
9 another person where both persons were initial owners
10 of the registration when the registration was issued;
11 or

12 (2) the cannabis cultivation center registration,
13 medical cannabis dispensary registration, or the
14 controlling interest in a registrant's property is
15 transferred in a transaction to lineal descendants in which
16 no gain or loss is recognized or as a result of a
17 transaction in accordance with Section 351 of the Internal
18 Revenue Code in which no gain or loss is recognized.

19 (Source: P.A. 97-2, eff. 5-6-11; 97-636, eff. 6-1-12; 97-905,
20 eff. 8-7-12; 98-109, eff. 7-25-13; 98-122, eff. 1-1-14; 98-756,
21 eff. 7-16-14.)

22 (35 ILCS 5/303) (from Ch. 120, par. 3-303)

23 Sec. 303. (a) In general. Any item of capital gain or loss,
24 and any item of income from rents or royalties from real or
25 tangible personal property, interest, dividends, and patent or

1 copyright royalties, and prizes awarded under the Illinois
2 Lottery Law, and, for taxable years ending on or after December
3 31, 2017, wagering and gambling winnings from Illinois sources
4 as set forth in subsection (e-1) of this Section, to the extent
5 such item constitutes nonbusiness income, together with any
6 item of deduction directly allocable thereto, shall be
7 allocated by any person other than a resident as provided in
8 this Section.

9 (b) Capital gains and losses.

10 (1) Real property. Capital gains and losses from sales
11 or exchanges of real property are allocable to this State
12 if the property is located in this State.

13 (2) Tangible personal property. Capital gains and
14 losses from sales or exchanges of tangible personal
15 property are allocable to this State if, at the time of
16 such sale or exchange:

17 (A) The property had its situs in this State; or

18 (B) The taxpayer had its commercial domicile in
19 this State and was not taxable in the state in which
20 the property had its situs.

21 (3) Intangibles. Capital gains and losses from sales or
22 exchanges of intangible personal property are allocable to
23 this State if the taxpayer had its commercial domicile in
24 this State at the time of such sale or exchange.

25 (c) Rents and royalties.

26 (1) Real property. Rents and royalties from real

1 property are allocable to this State if the property is
2 located in this State.

3 (2) Tangible personal property. Rents and royalties
4 from tangible personal property are allocable to this
5 State:

6 (A) If and to the extent that the property is
7 utilized in this State; or

8 (B) In their entirety if, at the time such rents or
9 royalties were paid or accrued, the taxpayer had its
10 commercial domicile in this State and was not organized
11 under the laws of or taxable with respect to such rents
12 or royalties in the state in which the property was
13 utilized. The extent of utilization of tangible
14 personal property in a state is determined by
15 multiplying the rents or royalties derived from such
16 property by a fraction, the numerator of which is the
17 number of days of physical location of the property in
18 the state during the rental or royalty period in the
19 taxable year and the denominator of which is the number
20 of days of physical location of the property everywhere
21 during all rental or royalty periods in the taxable
22 year. If the physical location of the property during
23 the rental or royalty period is unknown or
24 unascertainable by the taxpayer, tangible personal
25 property is utilized in the state in which the property
26 was located at the time the rental or royalty payer

1 obtained possession.

2 (d) Patent and copyright royalties.

3 (1) Allocation. Patent and copyright royalties are
4 allocable to this State:

5 (A) If and to the extent that the patent or
6 copyright is utilized by the payer in this State; or

7 (B) If and to the extent that the patent or
8 copyright is utilized by the payer in a state in which
9 the taxpayer is not taxable with respect to such
10 royalties and, at the time such royalties were paid or
11 accrued, the taxpayer had its commercial domicile in
12 this State.

13 (2) Utilization.

14 (A) A patent is utilized in a state to the extent
15 that it is employed in production, fabrication,
16 manufacturing or other processing in the state or to
17 the extent that a patented product is produced in the
18 state. If the basis of receipts from patent royalties
19 does not permit allocation to states or if the
20 accounting procedures do not reflect states of
21 utilization, the patent is utilized in this State if
22 the taxpayer has its commercial domicile in this State.

23 (B) A copyright is utilized in a state to the
24 extent that printing or other publication originates
25 in the state. If the basis of receipts from copyright
26 royalties does not permit allocation to states or if

1 the accounting procedures do not reflect states of
2 utilization, the copyright is utilized in this State if
3 the taxpayer has its commercial domicile in this State.

4 (e) Illinois lottery prizes. Prizes awarded under the
5 Illinois Lottery Law are allocable to this State. Payments
6 received in taxable years ending on or after December 31, 2013,
7 from the assignment of a prize under Section 13.1 of the
8 Illinois Lottery Law are allocable to this State.

9 (e-1) Wagering and gambling winnings. Payments received in
10 taxable years ending on or after December 31, 2017 of winnings
11 from pari-mutuel wagering conducted at a wagering facility
12 licensed under the Illinois Horse Racing Act of 1975 and from
13 gambling games conducted on a riverboat or in a casino or
14 electronic gaming facility licensed under the Illinois
15 Gambling Act are allocable to this State.

16 (e-5) Unemployment benefits. Unemployment benefits paid by
17 the Illinois Department of Employment Security are allocable to
18 this State.

19 (f) Taxability in other state. For purposes of allocation
20 of income pursuant to this Section, a taxpayer is taxable in
21 another state if:

22 (1) In that state he is subject to a net income tax, a
23 franchise tax measured by net income, a franchise tax for
24 the privilege of doing business, or a corporate stock tax;
25 or

26 (2) That state has jurisdiction to subject the taxpayer

1 to a net income tax regardless of whether, in fact, the
2 state does or does not.

3 (g) Cross references.

4 (1) For allocation of interest and dividends by persons
5 other than residents, see Section 301(c)(2).

6 (2) For allocation of nonbusiness income by residents,
7 see Section 301(a).

8 (Source: P.A. 97-709, eff. 7-1-12; 98-496, eff. 1-1-14.)

9 (35 ILCS 5/304) (from Ch. 120, par. 3-304)

10 Sec. 304. Business income of persons other than residents.

11 (a) In general. The business income of a person other than
12 a resident shall be allocated to this State if such person's
13 business income is derived solely from this State. If a person
14 other than a resident derives business income from this State
15 and one or more other states, then, for tax years ending on or
16 before December 30, 1998, and except as otherwise provided by
17 this Section, such person's business income shall be
18 apportioned to this State by multiplying the income by a
19 fraction, the numerator of which is the sum of the property
20 factor (if any), the payroll factor (if any) and 200% of the
21 sales factor (if any), and the denominator of which is 4
22 reduced by the number of factors other than the sales factor
23 which have a denominator of zero and by an additional 2 if the
24 sales factor has a denominator of zero. For tax years ending on
25 or after December 31, 1998, and except as otherwise provided by

1 this Section, persons other than residents who derive business
2 income from this State and one or more other states shall
3 compute their apportionment factor by weighting their
4 property, payroll, and sales factors as provided in subsection
5 (h) of this Section.

6 (1) Property factor.

7 (A) The property factor is a fraction, the numerator of
8 which is the average value of the person's real and
9 tangible personal property owned or rented and used in the
10 trade or business in this State during the taxable year and
11 the denominator of which is the average value of all the
12 person's real and tangible personal property owned or
13 rented and used in the trade or business during the taxable
14 year.

15 (B) Property owned by the person is valued at its
16 original cost. Property rented by the person is valued at 8
17 times the net annual rental rate. Net annual rental rate is
18 the annual rental rate paid by the person less any annual
19 rental rate received by the person from sub-rentals.

20 (C) The average value of property shall be determined
21 by averaging the values at the beginning and ending of the
22 taxable year but the Director may require the averaging of
23 monthly values during the taxable year if reasonably
24 required to reflect properly the average value of the
25 person's property.

26 (2) Payroll factor.

1 (A) The payroll factor is a fraction, the numerator of
2 which is the total amount paid in this State during the
3 taxable year by the person for compensation, and the
4 denominator of which is the total compensation paid
5 everywhere during the taxable year.

6 (B) Compensation is paid in this State if:

7 (i) The individual's service is performed entirely
8 within this State;

9 (ii) The individual's service is performed both
10 within and without this State, but the service
11 performed without this State is incidental to the
12 individual's service performed within this State; or

13 (iii) Some of the service is performed within this
14 State and either the base of operations, or if there is
15 no base of operations, the place from which the service
16 is directed or controlled is within this State, or the
17 base of operations or the place from which the service
18 is directed or controlled is not in any state in which
19 some part of the service is performed, but the
20 individual's residence is in this State.

21 (iv) Compensation paid to nonresident professional
22 athletes.

23 (a) General. The Illinois source income of a
24 nonresident individual who is a member of a
25 professional athletic team includes the portion of the
26 individual's total compensation for services performed

1 as a member of a professional athletic team during the
2 taxable year which the number of duty days spent within
3 this State performing services for the team in any
4 manner during the taxable year bears to the total
5 number of duty days spent both within and without this
6 State during the taxable year.

7 (b) Travel days. Travel days that do not involve
8 either a game, practice, team meeting, or other similar
9 team event are not considered duty days spent in this
10 State. However, such travel days are considered in the
11 total duty days spent both within and without this
12 State.

13 (c) Definitions. For purposes of this subpart
14 (iv):

15 (1) The term "professional athletic team"
16 includes, but is not limited to, any professional
17 baseball, basketball, football, soccer, or hockey
18 team.

19 (2) The term "member of a professional
20 athletic team" includes those employees who are
21 active players, players on the disabled list, and
22 any other persons required to travel and who travel
23 with and perform services on behalf of a
24 professional athletic team on a regular basis.
25 This includes, but is not limited to, coaches,
26 managers, and trainers.

1 (3) Except as provided in items (C) and (D) of
2 this subpart (3), the term "duty days" means all
3 days during the taxable year from the beginning of
4 the professional athletic team's official
5 pre-season training period through the last game
6 in which the team competes or is scheduled to
7 compete. Duty days shall be counted for the year in
8 which they occur, including where a team's
9 official pre-season training period through the
10 last game in which the team competes or is
11 scheduled to compete, occurs during more than one
12 tax year.

13 (A) Duty days shall also include days on
14 which a member of a professional athletic team
15 performs service for a team on a date that does
16 not fall within the foregoing period (e.g.,
17 participation in instructional leagues, the
18 "All Star Game", or promotional "caravans").
19 Performing a service for a professional
20 athletic team includes conducting training and
21 rehabilitation activities, when such
22 activities are conducted at team facilities.

23 (B) Also included in duty days are game
24 days, practice days, days spent at team
25 meetings, promotional caravans, preseason
26 training camps, and days served with the team

1 through all post-season games in which the team
2 competes or is scheduled to compete.

3 (C) Duty days for any person who joins a
4 team during the period from the beginning of
5 the professional athletic team's official
6 pre-season training period through the last
7 game in which the team competes, or is
8 scheduled to compete, shall begin on the day
9 that person joins the team. Conversely, duty
10 days for any person who leaves a team during
11 this period shall end on the day that person
12 leaves the team. Where a person switches teams
13 during a taxable year, a separate duty-day
14 calculation shall be made for the period the
15 person was with each team.

16 (D) Days for which a member of a
17 professional athletic team is not compensated
18 and is not performing services for the team in
19 any manner, including days when such member of
20 a professional athletic team has been
21 suspended without pay and prohibited from
22 performing any services for the team, shall not
23 be treated as duty days.

24 (E) Days for which a member of a
25 professional athletic team is on the disabled
26 list and does not conduct rehabilitation

1 activities at facilities of the team, and is
2 not otherwise performing services for the team
3 in Illinois, shall not be considered duty days
4 spent in this State. All days on the disabled
5 list, however, are considered to be included in
6 total duty days spent both within and without
7 this State.

8 (4) The term "total compensation for services
9 performed as a member of a professional athletic
10 team" means the total compensation received during
11 the taxable year for services performed:

12 (A) from the beginning of the official
13 pre-season training period through the last
14 game in which the team competes or is scheduled
15 to compete during that taxable year; and

16 (B) during the taxable year on a date which
17 does not fall within the foregoing period
18 (e.g., participation in instructional leagues,
19 the "All Star Game", or promotional caravans).

20 This compensation shall include, but is not
21 limited to, salaries, wages, bonuses as described
22 in this subpart, and any other type of compensation
23 paid during the taxable year to a member of a
24 professional athletic team for services performed
25 in that year. This compensation does not include
26 strike benefits, severance pay, termination pay,

1 contract or option year buy-out payments,
2 expansion or relocation payments, or any other
3 payments not related to services performed for the
4 team.

5 For purposes of this subparagraph, "bonuses"
6 included in "total compensation for services
7 performed as a member of a professional athletic
8 team" subject to the allocation described in
9 Section 302(c)(1) are: bonuses earned as a result
10 of play (i.e., performance bonuses) during the
11 season, including bonuses paid for championship,
12 playoff or "bowl" games played by a team, or for
13 selection to all-star league or other honorary
14 positions; and bonuses paid for signing a
15 contract, unless the payment of the signing bonus
16 is not conditional upon the signee playing any
17 games for the team or performing any subsequent
18 services for the team or even making the team, the
19 signing bonus is payable separately from the
20 salary and any other compensation, and the signing
21 bonus is nonrefundable.

22 (3) Sales factor.

23 (A) The sales factor is a fraction, the numerator of
24 which is the total sales of the person in this State during
25 the taxable year, and the denominator of which is the total
26 sales of the person everywhere during the taxable year.

1 (B) Sales of tangible personal property are in this
2 State if:

3 (i) The property is delivered or shipped to a
4 purchaser, other than the United States government,
5 within this State regardless of the f. o. b. point or
6 other conditions of the sale; or

7 (ii) The property is shipped from an office, store,
8 warehouse, factory or other place of storage in this
9 State and either the purchaser is the United States
10 government or the person is not taxable in the state of
11 the purchaser; provided, however, that premises owned
12 or leased by a person who has independently contracted
13 with the seller for the printing of newspapers,
14 periodicals or books shall not be deemed to be an
15 office, store, warehouse, factory or other place of
16 storage for purposes of this Section. Sales of tangible
17 personal property are not in this State if the seller
18 and purchaser would be members of the same unitary
19 business group but for the fact that either the seller
20 or purchaser is a person with 80% or more of total
21 business activity outside of the United States and the
22 property is purchased for resale.

23 (B-1) Patents, copyrights, trademarks, and similar
24 items of intangible personal property.

25 (i) Gross receipts from the licensing, sale, or
26 other disposition of a patent, copyright, trademark,

1 or similar item of intangible personal property, other
2 than gross receipts governed by paragraph (B-7) of this
3 item (3), are in this State to the extent the item is
4 utilized in this State during the year the gross
5 receipts are included in gross income.

6 (ii) Place of utilization.

7 (I) A patent is utilized in a state to the
8 extent that it is employed in production,
9 fabrication, manufacturing, or other processing in
10 the state or to the extent that a patented product
11 is produced in the state. If a patent is utilized
12 in more than one state, the extent to which it is
13 utilized in any one state shall be a fraction equal
14 to the gross receipts of the licensee or purchaser
15 from sales or leases of items produced,
16 fabricated, manufactured, or processed within that
17 state using the patent and of patented items
18 produced within that state, divided by the total of
19 such gross receipts for all states in which the
20 patent is utilized.

21 (II) A copyright is utilized in a state to the
22 extent that printing or other publication
23 originates in the state. If a copyright is utilized
24 in more than one state, the extent to which it is
25 utilized in any one state shall be a fraction equal
26 to the gross receipts from sales or licenses of

1 materials printed or published in that state
2 divided by the total of such gross receipts for all
3 states in which the copyright is utilized.

4 (III) Trademarks and other items of intangible
5 personal property governed by this paragraph (B-1)
6 are utilized in the state in which the commercial
7 domicile of the licensee or purchaser is located.

8 (iii) If the state of utilization of an item of
9 property governed by this paragraph (B-1) cannot be
10 determined from the taxpayer's books and records or
11 from the books and records of any person related to the
12 taxpayer within the meaning of Section 267(b) of the
13 Internal Revenue Code, 26 U.S.C. 267, the gross
14 receipts attributable to that item shall be excluded
15 from both the numerator and the denominator of the
16 sales factor.

17 (B-2) Gross receipts from the license, sale, or other
18 disposition of patents, copyrights, trademarks, and
19 similar items of intangible personal property, other than
20 gross receipts governed by paragraph (B-7) of this item
21 (3), may be included in the numerator or denominator of the
22 sales factor only if gross receipts from licenses, sales,
23 or other disposition of such items comprise more than 50%
24 of the taxpayer's total gross receipts included in gross
25 income during the tax year and during each of the 2
26 immediately preceding tax years; provided that, when a

1 taxpayer is a member of a unitary business group, such
2 determination shall be made on the basis of the gross
3 receipts of the entire unitary business group.

4 (B-5) For taxable years ending on or after December 31,
5 2008, except as provided in subsections (ii) through (vii),
6 receipts from the sale of telecommunications service or
7 mobile telecommunications service are in this State if the
8 customer's service address is in this State.

9 (i) For purposes of this subparagraph (B-5), the
10 following terms have the following meanings:

11 "Ancillary services" means services that are
12 associated with or incidental to the provision of
13 "telecommunications services", including but not
14 limited to "detailed telecommunications billing",
15 "directory assistance", "vertical service", and "voice
16 mail services".

17 "Air-to-Ground Radiotelephone service" means a
18 radio service, as that term is defined in 47 CFR 22.99,
19 in which common carriers are authorized to offer and
20 provide radio telecommunications service for hire to
21 subscribers in aircraft.

22 "Call-by-call Basis" means any method of charging
23 for telecommunications services where the price is
24 measured by individual calls.

25 "Communications Channel" means a physical or
26 virtual path of communications over which signals are

1 transmitted between or among customer channel
2 termination points.

3 "Conference bridging service" means an "ancillary
4 service" that links two or more participants of an
5 audio or video conference call and may include the
6 provision of a telephone number. "Conference bridging
7 service" does not include the "telecommunications
8 services" used to reach the conference bridge.

9 "Customer Channel Termination Point" means the
10 location where the customer either inputs or receives
11 the communications.

12 "Detailed telecommunications billing service"
13 means an "ancillary service" of separately stating
14 information pertaining to individual calls on a
15 customer's billing statement.

16 "Directory assistance" means an "ancillary
17 service" of providing telephone number information,
18 and/or address information.

19 "Home service provider" means the facilities based
20 carrier or reseller with which the customer contracts
21 for the provision of mobile telecommunications
22 services.

23 "Mobile telecommunications service" means
24 commercial mobile radio service, as defined in Section
25 20.3 of Title 47 of the Code of Federal Regulations as
26 in effect on June 1, 1999.

1 "Place of primary use" means the street address
2 representative of where the customer's use of the
3 telecommunications service primarily occurs, which
4 must be the residential street address or the primary
5 business street address of the customer. In the case of
6 mobile telecommunications services, "place of primary
7 use" must be within the licensed service area of the
8 home service provider.

9 "Post-paid telecommunication service" means the
10 telecommunications service obtained by making a
11 payment on a call-by-call basis either through the use
12 of a credit card or payment mechanism such as a bank
13 card, travel card, credit card, or debit card, or by
14 charge made to a telephone number which is not
15 associated with the origination or termination of the
16 telecommunications service. A post-paid calling
17 service includes telecommunications service, except a
18 prepaid wireless calling service, that would be a
19 prepaid calling service except it is not exclusively a
20 telecommunication service.

21 "Prepaid telecommunication service" means the
22 right to access exclusively telecommunications
23 services, which must be paid for in advance and which
24 enables the origination of calls using an access number
25 or authorization code, whether manually or
26 electronically dialed, and that is sold in

1 predetermined units or dollars of which the number
2 declines with use in a known amount.

3 "Prepaid Mobile telecommunication service" means a
4 telecommunications service that provides the right to
5 utilize mobile wireless service as well as other
6 non-telecommunication services, including but not
7 limited to ancillary services, which must be paid for
8 in advance that is sold in predetermined units or
9 dollars of which the number declines with use in a
10 known amount.

11 "Private communication service" means a
12 telecommunication service that entitles the customer
13 to exclusive or priority use of a communications
14 channel or group of channels between or among
15 termination points, regardless of the manner in which
16 such channel or channels are connected, and includes
17 switching capacity, extension lines, stations, and any
18 other associated services that are provided in
19 connection with the use of such channel or channels.

20 "Service address" means:

21 (a) The location of the telecommunications
22 equipment to which a customer's call is charged and
23 from which the call originates or terminates,
24 regardless of where the call is billed or paid;

25 (b) If the location in line (a) is not known,
26 service address means the origination point of the

1 signal of the telecommunications services first
2 identified by either the seller's
3 telecommunications system or in information
4 received by the seller from its service provider
5 where the system used to transport such signals is
6 not that of the seller; and

7 (c) If the locations in line (a) and line (b)
8 are not known, the service address means the
9 location of the customer's place of primary use.

10 "Telecommunications service" means the electronic
11 transmission, conveyance, or routing of voice, data,
12 audio, video, or any other information or signals to a
13 point, or between or among points. The term
14 "telecommunications service" includes such
15 transmission, conveyance, or routing in which computer
16 processing applications are used to act on the form,
17 code or protocol of the content for purposes of
18 transmission, conveyance or routing without regard to
19 whether such service is referred to as voice over
20 Internet protocol services or is classified by the
21 Federal Communications Commission as enhanced or value
22 added. "Telecommunications service" does not include:

23 (a) Data processing and information services
24 that allow data to be generated, acquired, stored,
25 processed, or retrieved and delivered by an
26 electronic transmission to a purchaser when such

1 purchaser's primary purpose for the underlying
2 transaction is the processed data or information;

3 (b) Installation or maintenance of wiring or
4 equipment on a customer's premises;

5 (c) Tangible personal property;

6 (d) Advertising, including but not limited to
7 directory advertising;~~i-~~

8 (e) Billing and collection services provided
9 to third parties;

10 (f) Internet access service;

11 (g) Radio and television audio and video
12 programming services, regardless of the medium,
13 including the furnishing of transmission,
14 conveyance and routing of such services by the
15 programming service provider. Radio and television
16 audio and video programming services shall include
17 but not be limited to cable service as defined in
18 47 USC 522(6) and audio and video programming
19 services delivered by commercial mobile radio
20 service providers, as defined in 47 CFR 20.3;

21 (h) "Ancillary services"; or

22 (i) Digital products "delivered
23 electronically", including but not limited to
24 software, music, video, reading materials or ring
25 tones.

26 "Vertical service" means an "ancillary service"

1 that is offered in connection with one or more
2 "telecommunications services", which offers advanced
3 calling features that allow customers to identify
4 callers and to manage multiple calls and call
5 connections, including "conference bridging services".

6 "Voice mail service" means an "ancillary service"
7 that enables the customer to store, send or receive
8 recorded messages. "Voice mail service" does not
9 include any "vertical services" that the customer may
10 be required to have in order to utilize the "voice mail
11 service".

12 (ii) Receipts from the sale of telecommunications
13 service sold on an individual call-by-call basis are in
14 this State if either of the following applies:

15 (a) The call both originates and terminates in
16 this State.

17 (b) The call either originates or terminates
18 in this State and the service address is located in
19 this State.

20 (iii) Receipts from the sale of postpaid
21 telecommunications service at retail are in this State
22 if the origination point of the telecommunication
23 signal, as first identified by the service provider's
24 telecommunication system or as identified by
25 information received by the seller from its service
26 provider if the system used to transport

1 telecommunication signals is not the seller's, is
2 located in this State.

3 (iv) Receipts from the sale of prepaid
4 telecommunications service or prepaid mobile
5 telecommunications service at retail are in this State
6 if the purchaser obtains the prepaid card or similar
7 means of conveyance at a location in this State.
8 Receipts from recharging a prepaid telecommunications
9 service or mobile telecommunications service is in
10 this State if the purchaser's billing information
11 indicates a location in this State.

12 (v) Receipts from the sale of private
13 communication services are in this State as follows:

14 (a) 100% of receipts from charges imposed at
15 each channel termination point in this State.

16 (b) 100% of receipts from charges for the total
17 channel mileage between each channel termination
18 point in this State.

19 (c) 50% of the total receipts from charges for
20 service segments when those segments are between 2
21 customer channel termination points, 1 of which is
22 located in this State and the other is located
23 outside of this State, which segments are
24 separately charged.

25 (d) The receipts from charges for service
26 segments with a channel termination point located

1 in this State and in two or more other states, and
2 which segments are not separately billed, are in
3 this State based on a percentage determined by
4 dividing the number of customer channel
5 termination points in this State by the total
6 number of customer channel termination points.

7 (vi) Receipts from charges for ancillary services
8 for telecommunications service sold to customers at
9 retail are in this State if the customer's primary
10 place of use of telecommunications services associated
11 with those ancillary services is in this State. If the
12 seller of those ancillary services cannot determine
13 where the associated telecommunications are located,
14 then the ancillary services shall be based on the
15 location of the purchaser.

16 (vii) Receipts to access a carrier's network or
17 from the sale of telecommunication services or
18 ancillary services for resale are in this State as
19 follows:

20 (a) 100% of the receipts from access fees
21 attributable to intrastate telecommunications
22 service that both originates and terminates in
23 this State.

24 (b) 50% of the receipts from access fees
25 attributable to interstate telecommunications
26 service if the interstate call either originates

1 or terminates in this State.

2 (c) 100% of the receipts from interstate end
3 user access line charges, if the customer's
4 service address is in this State. As used in this
5 subdivision, "interstate end user access line
6 charges" includes, but is not limited to, the
7 surcharge approved by the federal communications
8 commission and levied pursuant to 47 CFR 69.

9 (d) Gross receipts from sales of
10 telecommunication services or from ancillary
11 services for telecommunications services sold to
12 other telecommunication service providers for
13 resale shall be sourced to this State using the
14 apportionment concepts used for non-resale
15 receipts of telecommunications services if the
16 information is readily available to make that
17 determination. If the information is not readily
18 available, then the taxpayer may use any other
19 reasonable and consistent method.

20 (B-7) For taxable years ending on or after December 31,
21 2008, receipts from the sale of broadcasting services are
22 in this State if the broadcasting services are received in
23 this State. For purposes of this paragraph (B-7), the
24 following terms have the following meanings:

25 "Advertising revenue" means consideration received
26 by the taxpayer in exchange for broadcasting services

1 or allowing the broadcasting of commercials or
2 announcements in connection with the broadcasting of
3 film or radio programming, from sponsorships of the
4 programming, or from product placements in the
5 programming.

6 "Audience factor" means the ratio that the
7 audience or subscribers located in this State of a
8 station, a network, or a cable system bears to the
9 total audience or total subscribers for that station,
10 network, or cable system. The audience factor for film
11 or radio programming shall be determined by reference
12 to the books and records of the taxpayer or by
13 reference to published rating statistics provided the
14 method used by the taxpayer is consistently used from
15 year to year for this purpose and fairly represents the
16 taxpayer's activity in this State.

17 "Broadcast" or "broadcasting" or "broadcasting
18 services" means the transmission or provision of film
19 or radio programming, whether through the public
20 airwaves, by cable, by direct or indirect satellite
21 transmission, or by any other means of communication,
22 either through a station, a network, or a cable system.

23 "Film" or "film programming" means the broadcast
24 on television of any and all performances, events, or
25 productions, including but not limited to news,
26 sporting events, plays, stories, or other literary,

1 commercial, educational, or artistic works, either
2 live or through the use of video tape, disc, or any
3 other type of format or medium. Each episode of a
4 series of films produced for television shall
5 constitute separate "film" notwithstanding that the
6 series relates to the same principal subject and is
7 produced during one or more tax periods.

8 "Radio" or "radio programming" means the broadcast
9 on radio of any and all performances, events, or
10 productions, including but not limited to news,
11 sporting events, plays, stories, or other literary,
12 commercial, educational, or artistic works, either
13 live or through the use of an audio tape, disc, or any
14 other format or medium. Each episode in a series of
15 radio programming produced for radio broadcast shall
16 constitute a separate "radio programming"
17 notwithstanding that the series relates to the same
18 principal subject and is produced during one or more
19 tax periods.

20 (i) In the case of advertising revenue from
21 broadcasting, the customer is the advertiser and
22 the service is received in this State if the
23 commercial domicile of the advertiser is in this
24 State.

25 (ii) In the case where film or radio
26 programming is broadcast by a station, a network,

1 or a cable system for a fee or other remuneration
2 received from the recipient of the broadcast, the
3 portion of the service that is received in this
4 State is measured by the portion of the recipients
5 of the broadcast located in this State.
6 Accordingly, the fee or other remuneration for
7 such service that is included in the Illinois
8 numerator of the sales factor is the total of those
9 fees or other remuneration received from
10 recipients in Illinois. For purposes of this
11 paragraph, a taxpayer may determine the location
12 of the recipients of its broadcast using the
13 address of the recipient shown in its contracts
14 with the recipient or using the billing address of
15 the recipient in the taxpayer's records.

16 (iii) In the case where film or radio
17 programming is broadcast by a station, a network,
18 or a cable system for a fee or other remuneration
19 from the person providing the programming, the
20 portion of the broadcast service that is received
21 by such station, network, or cable system in this
22 State is measured by the portion of recipients of
23 the broadcast located in this State. Accordingly,
24 the amount of revenue related to such an
25 arrangement that is included in the Illinois
26 numerator of the sales factor is the total fee or

1 other total remuneration from the person providing
2 the programming related to that broadcast
3 multiplied by the Illinois audience factor for
4 that broadcast.

5 (iv) In the case where film or radio
6 programming is provided by a taxpayer that is a
7 network or station to a customer for broadcast in
8 exchange for a fee or other remuneration from that
9 customer the broadcasting service is received at
10 the location of the office of the customer from
11 which the services were ordered in the regular
12 course of the customer's trade or business.
13 Accordingly, in such a case the revenue derived by
14 the taxpayer that is included in the taxpayer's
15 Illinois numerator of the sales factor is the
16 revenue from such customers who receive the
17 broadcasting service in Illinois.

18 (v) In the case where film or radio programming
19 is provided by a taxpayer that is not a network or
20 station to another person for broadcasting in
21 exchange for a fee or other remuneration from that
22 person, the broadcasting service is received at
23 the location of the office of the customer from
24 which the services were ordered in the regular
25 course of the customer's trade or business.
26 Accordingly, in such a case the revenue derived by

1 the taxpayer that is included in the taxpayer's
2 Illinois numerator of the sales factor is the
3 revenue from such customers who receive the
4 broadcasting service in Illinois.

5 (B-8) Gross receipts from winnings under the Illinois
6 Lottery Law from the assignment of a prize under Section
7 13.1 of the Illinois Lottery Law are received in this
8 State. This paragraph (B-8) applies only to taxable years
9 ending on or after December 31, 2013.

10 (B-9) For taxable years ending on or after December 31,
11 2017, gross receipts from winnings from pari-mutuel
12 wagering conducted at a wagering facility licensed under
13 the Illinois Horse Racing Act of 1975 or from winnings from
14 gambling games conducted on a riverboat or in a casino or
15 electronic gaming facility licensed under the Illinois
16 Gambling Act are in this State.

17 (C) For taxable years ending before December 31, 2008,
18 sales, other than sales governed by paragraphs (B), (B-1),
19 (B-2), and (B-8) are in this State if:

20 (i) The income-producing activity is performed in
21 this State; or

22 (ii) The income-producing activity is performed
23 both within and without this State and a greater
24 proportion of the income-producing activity is
25 performed within this State than without this State,
26 based on performance costs.

1 (C-5) For taxable years ending on or after December 31,
2 2008, sales, other than sales governed by paragraphs (B),
3 (B-1), (B-2), (B-5), and (B-7), are in this State if any of
4 the following criteria are met:

5 (i) Sales from the sale or lease of real property
6 are in this State if the property is located in this
7 State.

8 (ii) Sales from the lease or rental of tangible
9 personal property are in this State if the property is
10 located in this State during the rental period. Sales
11 from the lease or rental of tangible personal property
12 that is characteristically moving property, including,
13 but not limited to, motor vehicles, rolling stock,
14 aircraft, vessels, or mobile equipment are in this
15 State to the extent that the property is used in this
16 State.

17 (iii) In the case of interest, net gains (but not
18 less than zero) and other items of income from
19 intangible personal property, the sale is in this State
20 if:

21 (a) in the case of a taxpayer who is a dealer
22 in the item of intangible personal property within
23 the meaning of Section 475 of the Internal Revenue
24 Code, the income or gain is received from a
25 customer in this State. For purposes of this
26 subparagraph, a customer is in this State if the

1 customer is an individual, trust or estate who is a
2 resident of this State and, for all other
3 customers, if the customer's commercial domicile
4 is in this State. Unless the dealer has actual
5 knowledge of the residence or commercial domicile
6 of a customer during a taxable year, the customer
7 shall be deemed to be a customer in this State if
8 the billing address of the customer, as shown in
9 the records of the dealer, is in this State; or

10 (b) in all other cases, if the
11 income-producing activity of the taxpayer is
12 performed in this State or, if the
13 income-producing activity of the taxpayer is
14 performed both within and without this State, if a
15 greater proportion of the income-producing
16 activity of the taxpayer is performed within this
17 State than in any other state, based on performance
18 costs.

19 (iv) Sales of services are in this State if the
20 services are received in this State. For the purposes
21 of this section, gross receipts from the performance of
22 services provided to a corporation, partnership, or
23 trust may only be attributed to a state where that
24 corporation, partnership, or trust has a fixed place of
25 business. If the state where the services are received
26 is not readily determinable or is a state where the

1 corporation, partnership, or trust receiving the
2 service does not have a fixed place of business, the
3 services shall be deemed to be received at the location
4 of the office of the customer from which the services
5 were ordered in the regular course of the customer's
6 trade or business. If the ordering office cannot be
7 determined, the services shall be deemed to be received
8 at the office of the customer to which the services are
9 billed. If the taxpayer is not taxable in the state in
10 which the services are received, the sale must be
11 excluded from both the numerator and the denominator of
12 the sales factor. The Department shall adopt rules
13 prescribing where specific types of service are
14 received, including, but not limited to, publishing,
15 and utility service.

16 (D) For taxable years ending on or after December 31,
17 1995, the following items of income shall not be included
18 in the numerator or denominator of the sales factor:
19 dividends; amounts included under Section 78 of the
20 Internal Revenue Code; and Subpart F income as defined in
21 Section 952 of the Internal Revenue Code. No inference
22 shall be drawn from the enactment of this paragraph (D) in
23 construing this Section for taxable years ending before
24 December 31, 1995.

25 (E) Paragraphs (B-1) and (B-2) shall apply to tax years
26 ending on or after December 31, 1999, provided that a

1 taxpayer may elect to apply the provisions of these
2 paragraphs to prior tax years. Such election shall be made
3 in the form and manner prescribed by the Department, shall
4 be irrevocable, and shall apply to all tax years; provided
5 that, if a taxpayer's Illinois income tax liability for any
6 tax year, as assessed under Section 903 prior to January 1,
7 1999, was computed in a manner contrary to the provisions
8 of paragraphs (B-1) or (B-2), no refund shall be payable to
9 the taxpayer for that tax year to the extent such refund is
10 the result of applying the provisions of paragraph (B-1) or
11 (B-2) retroactively. In the case of a unitary business
12 group, such election shall apply to all members of such
13 group for every tax year such group is in existence, but
14 shall not apply to any taxpayer for any period during which
15 that taxpayer is not a member of such group.

16 (b) Insurance companies.

17 (1) In general. Except as otherwise provided by
18 paragraph (2), business income of an insurance company for
19 a taxable year shall be apportioned to this State by
20 multiplying such income by a fraction, the numerator of
21 which is the direct premiums written for insurance upon
22 property or risk in this State, and the denominator of
23 which is the direct premiums written for insurance upon
24 property or risk everywhere. For purposes of this
25 subsection, the term "direct premiums written" means the
26 total amount of direct premiums written, assessments and

1 annuity considerations as reported for the taxable year on
2 the annual statement filed by the company with the Illinois
3 Director of Insurance in the form approved by the National
4 Convention of Insurance Commissioners or such other form as
5 may be prescribed in lieu thereof.

6 (2) Reinsurance. If the principal source of premiums
7 written by an insurance company consists of premiums for
8 reinsurance accepted by it, the business income of such
9 company shall be apportioned to this State by multiplying
10 such income by a fraction, the numerator of which is the
11 sum of (i) direct premiums written for insurance upon
12 property or risk in this State, plus (ii) premiums written
13 for reinsurance accepted in respect of property or risk in
14 this State, and the denominator of which is the sum of
15 (iii) direct premiums written for insurance upon property
16 or risk everywhere, plus (iv) premiums written for
17 reinsurance accepted in respect of property or risk
18 everywhere. For purposes of this paragraph, premiums
19 written for reinsurance accepted in respect of property or
20 risk in this State, whether or not otherwise determinable,
21 may, at the election of the company, be determined on the
22 basis of the proportion which premiums written for
23 reinsurance accepted from companies commercially domiciled
24 in Illinois bears to premiums written for reinsurance
25 accepted from all sources, or, alternatively, in the
26 proportion which the sum of the direct premiums written for

1 insurance upon property or risk in this State by each
2 ceding company from which reinsurance is accepted bears to
3 the sum of the total direct premiums written by each such
4 ceding company for the taxable year. The election made by a
5 company under this paragraph for its first taxable year
6 ending on or after December 31, 2011, shall be binding for
7 that company for that taxable year and for all subsequent
8 taxable years, and may be altered only with the written
9 permission of the Department, which shall not be
10 unreasonably withheld.

11 (c) Financial organizations.

12 (1) In general. For taxable years ending before
13 December 31, 2008, business income of a financial
14 organization shall be apportioned to this State by
15 multiplying such income by a fraction, the numerator of
16 which is its business income from sources within this
17 State, and the denominator of which is its business income
18 from all sources. For the purposes of this subsection, the
19 business income of a financial organization from sources
20 within this State is the sum of the amounts referred to in
21 subparagraphs (A) through (E) following, but excluding the
22 adjusted income of an international banking facility as
23 determined in paragraph (2):

24 (A) Fees, commissions or other compensation for
25 financial services rendered within this State;

26 (B) Gross profits from trading in stocks, bonds or

1 other securities managed within this State;

2 (C) Dividends, and interest from Illinois
3 customers, which are received within this State;

4 (D) Interest charged to customers at places of
5 business maintained within this State for carrying
6 debit balances of margin accounts, without deduction
7 of any costs incurred in carrying such accounts; and

8 (E) Any other gross income resulting from the
9 operation as a financial organization within this
10 State. In computing the amounts referred to in
11 paragraphs (A) through (E) of this subsection, any
12 amount received by a member of an affiliated group
13 (determined under Section 1504(a) of the Internal
14 Revenue Code but without reference to whether any such
15 corporation is an "includible corporation" under
16 Section 1504(b) of the Internal Revenue Code) from
17 another member of such group shall be included only to
18 the extent such amount exceeds expenses of the
19 recipient directly related thereto.

20 (2) International Banking Facility. For taxable years
21 ending before December 31, 2008:

22 (A) Adjusted Income. The adjusted income of an
23 international banking facility is its income reduced
24 by the amount of the floor amount.

25 (B) Floor Amount. The floor amount shall be the
26 amount, if any, determined by multiplying the income of

1 the international banking facility by a fraction, not
2 greater than one, which is determined as follows:

3 (i) The numerator shall be:

4 The average aggregate, determined on a
5 quarterly basis, of the financial organization's
6 loans to banks in foreign countries, to foreign
7 domiciled borrowers (except where secured
8 primarily by real estate) and to foreign
9 governments and other foreign official
10 institutions, as reported for its branches,
11 agencies and offices within the state on its
12 "Consolidated Report of Condition", Schedule A,
13 Lines 2.c., 5.b., and 7.a., which was filed with
14 the Federal Deposit Insurance Corporation and
15 other regulatory authorities, for the year 1980,
16 minus

17 The average aggregate, determined on a
18 quarterly basis, of such loans (other than loans of
19 an international banking facility), as reported by
20 the financial institution for its branches,
21 agencies and offices within the state, on the
22 corresponding Schedule and lines of the
23 Consolidated Report of Condition for the current
24 taxable year, provided, however, that in no case
25 shall the amount determined in this clause (the
26 subtrahend) exceed the amount determined in the

1 preceding clause (the minuend); and

2 (ii) the denominator shall be the average
3 aggregate, determined on a quarterly basis, of the
4 international banking facility's loans to banks in
5 foreign countries, to foreign domiciled borrowers
6 (except where secured primarily by real estate)
7 and to foreign governments and other foreign
8 official institutions, which were recorded in its
9 financial accounts for the current taxable year.

10 (C) Change to Consolidated Report of Condition and
11 in Qualification. In the event the Consolidated Report
12 of Condition which is filed with the Federal Deposit
13 Insurance Corporation and other regulatory authorities
14 is altered so that the information required for
15 determining the floor amount is not found on Schedule
16 A, lines 2.c., 5.b. and 7.a., the financial institution
17 shall notify the Department and the Department may, by
18 regulations or otherwise, prescribe or authorize the
19 use of an alternative source for such information. The
20 financial institution shall also notify the Department
21 should its international banking facility fail to
22 qualify as such, in whole or in part, or should there
23 be any amendment or change to the Consolidated Report
24 of Condition, as originally filed, to the extent such
25 amendment or change alters the information used in
26 determining the floor amount.

1 (3) For taxable years ending on or after December 31,
2 2008, the business income of a financial organization shall
3 be apportioned to this State by multiplying such income by
4 a fraction, the numerator of which is its gross receipts
5 from sources in this State or otherwise attributable to
6 this State's marketplace and the denominator of which is
7 its gross receipts everywhere during the taxable year.
8 "Gross receipts" for purposes of this subparagraph (3)
9 means gross income, including net taxable gain on
10 disposition of assets, including securities and money
11 market instruments, when derived from transactions and
12 activities in the regular course of the financial
13 organization's trade or business. The following examples
14 are illustrative:

15 (i) Receipts from the lease or rental of real or
16 tangible personal property are in this State if the
17 property is located in this State during the rental
18 period. Receipts from the lease or rental of tangible
19 personal property that is characteristically moving
20 property, including, but not limited to, motor
21 vehicles, rolling stock, aircraft, vessels, or mobile
22 equipment are from sources in this State to the extent
23 that the property is used in this State.

24 (ii) Interest income, commissions, fees, gains on
25 disposition, and other receipts from assets in the
26 nature of loans that are secured primarily by real

1 estate or tangible personal property are from sources
2 in this State if the security is located in this State.

3 (iii) Interest income, commissions, fees, gains on
4 disposition, and other receipts from consumer loans
5 that are not secured by real or tangible personal
6 property are from sources in this State if the debtor
7 is a resident of this State.

8 (iv) Interest income, commissions, fees, gains on
9 disposition, and other receipts from commercial loans
10 and installment obligations that are not secured by
11 real or tangible personal property are from sources in
12 this State if the proceeds of the loan are to be
13 applied in this State. If it cannot be determined where
14 the funds are to be applied, the income and receipts
15 are from sources in this State if the office of the
16 borrower from which the loan was negotiated in the
17 regular course of business is located in this State. If
18 the location of this office cannot be determined, the
19 income and receipts shall be excluded from the
20 numerator and denominator of the sales factor.

21 (v) Interest income, fees, gains on disposition,
22 service charges, merchant discount income, and other
23 receipts from credit card receivables are from sources
24 in this State if the card charges are regularly billed
25 to a customer in this State.

26 (vi) Receipts from the performance of services,

1 including, but not limited to, fiduciary, advisory,
2 and brokerage services, are in this State if the
3 services are received in this State within the meaning
4 of subparagraph (a) (3) (C-5) (iv) of this Section.

5 (vii) Receipts from the issuance of travelers
6 checks and money orders are from sources in this State
7 if the checks and money orders are issued from a
8 location within this State.

9 (viii) Receipts from investment assets and
10 activities and trading assets and activities are
11 included in the receipts factor as follows:

12 (1) Interest, dividends, net gains (but not
13 less than zero) and other income from investment
14 assets and activities from trading assets and
15 activities shall be included in the receipts
16 factor. Investment assets and activities and
17 trading assets and activities include but are not
18 limited to: investment securities; trading account
19 assets; federal funds; securities purchased and
20 sold under agreements to resell or repurchase;
21 options; futures contracts; forward contracts;
22 notional principal contracts such as swaps;
23 equities; and foreign currency transactions. With
24 respect to the investment and trading assets and
25 activities described in subparagraphs (A) and (B)
26 of this paragraph, the receipts factor shall

1 include the amounts described in such
2 subparagraphs.

3 (A) The receipts factor shall include the
4 amount by which interest from federal funds
5 sold and securities purchased under resale
6 agreements exceeds interest expense on federal
7 funds purchased and securities sold under
8 repurchase agreements.

9 (B) The receipts factor shall include the
10 amount by which interest, dividends, gains and
11 other income from trading assets and
12 activities, including but not limited to
13 assets and activities in the matched book, in
14 the arbitrage book, and foreign currency
15 transactions, exceed amounts paid in lieu of
16 interest, amounts paid in lieu of dividends,
17 and losses from such assets and activities.

18 (2) The numerator of the receipts factor
19 includes interest, dividends, net gains (but not
20 less than zero), and other income from investment
21 assets and activities and from trading assets and
22 activities described in paragraph (1) of this
23 subsection that are attributable to this State.

24 (A) The amount of interest, dividends, net
25 gains (but not less than zero), and other
26 income from investment assets and activities

1 in the investment account to be attributed to
2 this State and included in the numerator is
3 determined by multiplying all such income from
4 such assets and activities by a fraction, the
5 numerator of which is the gross income from
6 such assets and activities which are properly
7 assigned to a fixed place of business of the
8 taxpayer within this State and the denominator
9 of which is the gross income from all such
10 assets and activities.

11 (B) The amount of interest from federal
12 funds sold and purchased and from securities
13 purchased under resale agreements and
14 securities sold under repurchase agreements
15 attributable to this State and included in the
16 numerator is determined by multiplying the
17 amount described in subparagraph (A) of
18 paragraph (1) of this subsection from such
19 funds and such securities by a fraction, the
20 numerator of which is the gross income from
21 such funds and such securities which are
22 properly assigned to a fixed place of business
23 of the taxpayer within this State and the
24 denominator of which is the gross income from
25 all such funds and such securities.

26 (C) The amount of interest, dividends,

1 gains, and other income from trading assets and
2 activities, including but not limited to
3 assets and activities in the matched book, in
4 the arbitrage book and foreign currency
5 transactions (but excluding amounts described
6 in subparagraphs (A) or (B) of this paragraph),
7 attributable to this State and included in the
8 numerator is determined by multiplying the
9 amount described in subparagraph (B) of
10 paragraph (1) of this subsection by a fraction,
11 the numerator of which is the gross income from
12 such trading assets and activities which are
13 properly assigned to a fixed place of business
14 of the taxpayer within this State and the
15 denominator of which is the gross income from
16 all such assets and activities.

17 (D) Properly assigned, for purposes of
18 this paragraph (2) of this subsection, means
19 the investment or trading asset or activity is
20 assigned to the fixed place of business with
21 which it has a preponderance of substantive
22 contacts. An investment or trading asset or
23 activity assigned by the taxpayer to a fixed
24 place of business without the State shall be
25 presumed to have been properly assigned if:

26 (i) the taxpayer has assigned, in the

1 regular course of its business, such asset
2 or activity on its records to a fixed place
3 of business consistent with federal or
4 state regulatory requirements;

5 (ii) such assignment on its records is
6 based upon substantive contacts of the
7 asset or activity to such fixed place of
8 business; and

9 (iii) the taxpayer uses such records
10 reflecting assignment of such assets or
11 activities for the filing of all state and
12 local tax returns for which an assignment
13 of such assets or activities to a fixed
14 place of business is required.

15 (E) The presumption of proper assignment
16 of an investment or trading asset or activity
17 provided in subparagraph (D) of paragraph (2)
18 of this subsection may be rebutted upon a
19 showing by the Department, supported by a
20 preponderance of the evidence, that the
21 preponderance of substantive contacts
22 regarding such asset or activity did not occur
23 at the fixed place of business to which it was
24 assigned on the taxpayer's records. If the
25 fixed place of business that has a
26 preponderance of substantive contacts cannot

1 be determined for an investment or trading
2 asset or activity to which the presumption in
3 subparagraph (D) of paragraph (2) of this
4 subsection does not apply or with respect to
5 which that presumption has been rebutted, that
6 asset or activity is properly assigned to the
7 state in which the taxpayer's commercial
8 domicile is located. For purposes of this
9 subparagraph (E), it shall be presumed,
10 subject to rebuttal, that taxpayer's
11 commercial domicile is in the state of the
12 United States or the District of Columbia to
13 which the greatest number of employees are
14 regularly connected with the management of the
15 investment or trading income or out of which
16 they are working, irrespective of where the
17 services of such employees are performed, as of
18 the last day of the taxable year.

19 (4) (Blank).

20 (5) (Blank).

21 (c-1) Federally regulated exchanges. For taxable years
22 ending on or after December 31, 2012, business income of a
23 federally regulated exchange shall, at the option of the
24 federally regulated exchange, be apportioned to this State by
25 multiplying such income by a fraction, the numerator of which
26 is its business income from sources within this State, and the

1 denominator of which is its business income from all sources.
2 For purposes of this subsection, the business income within
3 this State of a federally regulated exchange is the sum of the
4 following:

5 (1) Receipts attributable to transactions executed on
6 a physical trading floor if that physical trading floor is
7 located in this State.

8 (2) Receipts attributable to all other matching,
9 execution, or clearing transactions, including without
10 limitation receipts from the provision of matching,
11 execution, or clearing services to another entity,
12 multiplied by (i) for taxable years ending on or after
13 December 31, 2012 but before December 31, 2013, 63.77%; and
14 (ii) for taxable years ending on or after December 31,
15 2013, 27.54%.

16 (3) All other receipts not governed by subparagraphs
17 (1) or (2) of this subsection (c-1), to the extent the
18 receipts would be characterized as "sales in this State"
19 under item (3) of subsection (a) of this Section.

20 "Federally regulated exchange" means (i) a "registered
21 entity" within the meaning of 7 U.S.C. Section 1a(40)(A), (B),
22 or (C), (ii) an "exchange" or "clearing agency" within the
23 meaning of 15 U.S.C. Section 78c (a) (1) or (23), (iii) any such
24 entities regulated under any successor regulatory structure to
25 the foregoing, and (iv) all taxpayers who are members of the
26 same unitary business group as a federally regulated exchange,

1 determined without regard to the prohibition in Section
2 1501(a)(27) of this Act against including in a unitary business
3 group taxpayers who are ordinarily required to apportion
4 business income under different subsections of this Section;
5 provided that this subparagraph (iv) shall apply only if 50% or
6 more of the business receipts of the unitary business group
7 determined by application of this subparagraph (iv) for the
8 taxable year are attributable to the matching, execution, or
9 clearing of transactions conducted by an entity described in
10 subparagraph (i), (ii), or (iii) of this paragraph.

11 In no event shall the Illinois apportionment percentage
12 computed in accordance with this subsection (c-1) for any
13 taxpayer for any tax year be less than the Illinois
14 apportionment percentage computed under this subsection (c-1)
15 for that taxpayer for the first full tax year ending on or
16 after December 31, 2013 for which this subsection (c-1) applied
17 to the taxpayer.

18 (d) Transportation services. For taxable years ending
19 before December 31, 2008, business income derived from
20 furnishing transportation services shall be apportioned to
21 this State in accordance with paragraphs (1) and (2):

22 (1) Such business income (other than that derived from
23 transportation by pipeline) shall be apportioned to this
24 State by multiplying such income by a fraction, the
25 numerator of which is the revenue miles of the person in
26 this State, and the denominator of which is the revenue

1 miles of the person everywhere. For purposes of this
2 paragraph, a revenue mile is the transportation of 1
3 passenger or 1 net ton of freight the distance of 1 mile
4 for a consideration. Where a person is engaged in the
5 transportation of both passengers and freight, the
6 fraction above referred to shall be determined by means of
7 an average of the passenger revenue mile fraction and the
8 freight revenue mile fraction, weighted to reflect the
9 person's

10 (A) relative railway operating income from total
11 passenger and total freight service, as reported to the
12 Interstate Commerce Commission, in the case of
13 transportation by railroad, and

14 (B) relative gross receipts from passenger and
15 freight transportation, in case of transportation
16 other than by railroad.

17 (2) Such business income derived from transportation
18 by pipeline shall be apportioned to this State by
19 multiplying such income by a fraction, the numerator of
20 which is the revenue miles of the person in this State, and
21 the denominator of which is the revenue miles of the person
22 everywhere. For the purposes of this paragraph, a revenue
23 mile is the transportation by pipeline of 1 barrel of oil,
24 1,000 cubic feet of gas, or of any specified quantity of
25 any other substance, the distance of 1 mile for a
26 consideration.

1 (3) For taxable years ending on or after December 31,
2 2008, business income derived from providing
3 transportation services other than airline services shall
4 be apportioned to this State by using a fraction, (a) the
5 numerator of which shall be (i) all receipts from any
6 movement or shipment of people, goods, mail, oil, gas, or
7 any other substance (other than by airline) that both
8 originates and terminates in this State, plus (ii) that
9 portion of the person's gross receipts from movements or
10 shipments of people, goods, mail, oil, gas, or any other
11 substance (other than by airline) that originates in one
12 state or jurisdiction and terminates in another state or
13 jurisdiction, that is determined by the ratio that the
14 miles traveled in this State bears to total miles
15 everywhere and (b) the denominator of which shall be all
16 revenue derived from the movement or shipment of people,
17 goods, mail, oil, gas, or any other substance (other than
18 by airline). Where a taxpayer is engaged in the
19 transportation of both passengers and freight, the
20 fraction above referred to shall first be determined
21 separately for passenger miles and freight miles. Then an
22 average of the passenger miles fraction and the freight
23 miles fraction shall be weighted to reflect the taxpayer's:

24 (A) relative railway operating income from total
25 passenger and total freight service, as reported to the
26 Surface Transportation Board, in the case of

1 transportation by railroad; and

2 (B) relative gross receipts from passenger and
3 freight transportation, in case of transportation
4 other than by railroad.

5 (4) For taxable years ending on or after December 31,
6 2008, business income derived from furnishing airline
7 transportation services shall be apportioned to this State
8 by multiplying such income by a fraction, the numerator of
9 which is the revenue miles of the person in this State, and
10 the denominator of which is the revenue miles of the person
11 everywhere. For purposes of this paragraph, a revenue mile
12 is the transportation of one passenger or one net ton of
13 freight the distance of one mile for a consideration. If a
14 person is engaged in the transportation of both passengers
15 and freight, the fraction above referred to shall be
16 determined by means of an average of the passenger revenue
17 mile fraction and the freight revenue mile fraction,
18 weighted to reflect the person's relative gross receipts
19 from passenger and freight airline transportation.

20 (e) Combined apportionment. Where 2 or more persons are
21 engaged in a unitary business as described in subsection
22 (a) (27) of Section 1501, a part of which is conducted in this
23 State by one or more members of the group, the business income
24 attributable to this State by any such member or members shall
25 be apportioned by means of the combined apportionment method.

26 (f) Alternative allocation. If the allocation and

1 apportionment provisions of subsections (a) through (e) and of
2 subsection (h) do not, for taxable years ending before December
3 31, 2008, fairly represent the extent of a person's business
4 activity in this State, or, for taxable years ending on or
5 after December 31, 2008, fairly represent the market for the
6 person's goods, services, or other sources of business income,
7 the person may petition for, or the Director may, without a
8 petition, permit or require, in respect of all or any part of
9 the person's business activity, if reasonable:

10 (1) Separate accounting;

11 (2) The exclusion of any one or more factors;

12 (3) The inclusion of one or more additional factors
13 which will fairly represent the person's business
14 activities or market in this State; or

15 (4) The employment of any other method to effectuate an
16 equitable allocation and apportionment of the person's
17 business income.

18 (g) Cross reference. For allocation of business income by
19 residents, see Section 301(a).

20 (h) For tax years ending on or after December 31, 1998, the
21 apportionment factor of persons who apportion their business
22 income to this State under subsection (a) shall be equal to:

23 (1) for tax years ending on or after December 31, 1998
24 and before December 31, 1999, 16 2/3% of the property
25 factor plus 16 2/3% of the payroll factor plus 66 2/3% of
26 the sales factor;

1 (2) for tax years ending on or after December 31, 1999
2 and before December 31, 2000, 8 1/3% of the property factor
3 plus 8 1/3% of the payroll factor plus 83 1/3% of the sales
4 factor;

5 (3) for tax years ending on or after December 31, 2000,
6 the sales factor.

7 If, in any tax year ending on or after December 31, 1998 and
8 before December 31, 2000, the denominator of the payroll,
9 property, or sales factor is zero, the apportionment factor
10 computed in paragraph (1) or (2) of this subsection for that
11 year shall be divided by an amount equal to 100% minus the
12 percentage weight given to each factor whose denominator is
13 equal to zero.

14 (Source: P.A. 98-478, eff. 1-1-14; 98-496, eff. 1-1-14; 98-756,
15 eff. 7-16-14; 99-642, eff. 7-28-16; revised 11-14-16.)

16 (35 ILCS 5/710) (from Ch. 120, par. 7-710)

17 Sec. 710. Withholding from lottery winnings.

18 (a) In general.

19 (1) Any person making a payment to a resident or
20 nonresident of winnings under the Illinois Lottery Law and
21 not required to withhold Illinois income tax from such
22 payment under Subsection (b) of Section 701 of this Act
23 because those winnings are not subject to Federal income
24 tax withholding, must withhold Illinois income tax from
25 such payment at a rate equal to the percentage tax rate for

1 individuals provided in subsection (b) of Section 201,
2 provided that withholding is not required if such payment
3 of winnings is less than \$1,000.

4 (2) In the case of an assignment of a lottery prize
5 under Section 13.1 of the Illinois Lottery Law, any person
6 making a payment of the purchase price after December 31,
7 2013, shall withhold from the amount of each payment at a
8 rate equal to the percentage tax rate for individuals
9 provided in subsection (b) of Section 201.

10 (3) Any person making a payment after December 31, 2017
11 to a resident or nonresident of winnings from pari-mutuel
12 wagering conducted at a wagering facility licensed under
13 the Illinois Horse Racing Act of 1975 or from gambling
14 games conducted on a riverboat or in a casino or electronic
15 gaming facility licensed under the Illinois Gambling Act
16 must withhold Illinois income tax from such payment at a
17 rate equal to the percentage tax rate for individuals
18 provided in subsection (b) of Section 201, provided that
19 the person making the payment is required to withhold under
20 Section 3402(q) of the Internal Revenue Code.

21 (b) Credit for taxes withheld. Any amount withheld under
22 Subsection (a) shall be a credit against the Illinois income
23 tax liability of the person to whom the payment of winnings was
24 made for the taxable year in which that person incurred an
25 Illinois income tax liability with respect to those winnings.

26 (Source: P.A. 98-496, eff. 1-1-14.)

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

3 (35 ILCS 200/15-144 new)

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

8 Section 90-24. The Illinois Municipal Code is amended by
9 adding Section 8-10-2.6 as follows:

10 (65 ILCS 5/8-10-2.6 new)

11 Sec. 8-10-2.6. Chicago Casino Development Authority.
12 Except as otherwise provided in the Chicago Casino Development
13 Authority Act, this Division 10 applies to purchase orders and
14 contracts relating to the Chicago Casino Development
15 Authority.

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

18 (70 ILCS 1825/5.1) (from Ch. 19, par. 255.1)

19 Sec. 5.1. Riverboat and casino gambling. Notwithstanding
20 any other provision of this Act, the District may not regulate

1 the operation, conduct, or navigation of any riverboat gambling
2 casino licensed under the Illinois Riverboat Gambling Act, and
3 the District may not license, tax, or otherwise levy any
4 assessment of any kind on any riverboat gambling casino
5 licensed under the Illinois Riverboat Gambling Act. The General
6 Assembly declares that the powers to regulate the operation,
7 conduct, and navigation of riverboat gambling casinos and to
8 license, tax, and levy assessments upon riverboat gambling
9 casinos are exclusive powers of the State of Illinois and the
10 Illinois Gaming Board as provided in the Illinois Riverboat
11 Gambling Act.

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

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

15 (205 ILCS 670/12.5)

16 Sec. 12.5. Limited purpose branch.

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

23 (b) The licensee must submit an application for a limited
24 purpose branch to the Director on forms prescribed by the

1 Director with an application fee of \$300. The approval for the
2 limited purpose branch must be renewed concurrently with the
3 renewal of the licensee's license along with a renewal fee of
4 \$300 for the limited purpose branch.

5 (c) The books, accounts, records, and files of the limited
6 purpose branch's transactions shall be maintained at the
7 licensee's licensed location. The licensee shall notify the
8 Director of the licensed location at which the books, accounts,
9 records, and files shall be maintained.

10 (d) The licensee shall prominently display at the limited
11 purpose branch the address and telephone number of the
12 licensee's licensed location.

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

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

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

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

25 Section 90-35. The Illinois Horse Racing Act of 1975 is

1 amended by changing Sections 1.2, 3.11, 3.12, 6, 9, 15, 18, 19,
2 20, 21, 24, 25, 26, 26.8, 26.9, 27, 30, 30.5, 31, 32.1, 36, 40,
3 and 54.75 and by adding Sections 3.31, 3.32, 3.33, 3.35, 3.36,
4 34.3, and 56 as follows:

5 (230 ILCS 5/1.2)

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

12 (a) support and enhance Illinois' horse racing industry,
13 which is a significant component within the agribusiness
14 industry;

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

17 (c) stimulate growth within Illinois' horse racing
18 industry, thereby encouraging new investment and development
19 to produce additional tax revenues and to create additional
20 jobs;

21 (d) promote the further growth of tourism;

22 (e) encourage the breeding of thoroughbred and
23 standardbred horses in this State; and

24 (f) ensure that public confidence and trust in the
25 credibility and integrity of racing operations and the

1 regulatory process is maintained.

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

3 (230 ILCS 5/3.11) (from Ch. 8, par. 37-3.11)

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

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

11 (230 ILCS 5/3.12) (from Ch. 8, par. 37-3.12)

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

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

21 (230 ILCS 5/3.31 new)

22 Sec. 3.31. Adjusted gross receipts. "Adjusted gross
23 receipts" means the gross receipts less winnings paid to

1 wagerers.

2 (230 ILCS 5/3.32 new)

3 Sec. 3.32. Gross receipts. "Gross receipts" means the total
4 amount of money exchanged for the purchase of chips, tokens, or
5 electronic cards by riverboat or casino patrons or electronic
6 gaming patrons.

7 (230 ILCS 5/3.33 new)

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

14 (230 ILCS 5/3.35 new)

15 Sec. 3.35. Electronic gaming license. "Electronic gaming
16 license" means a license issued by the Illinois Gaming Board
17 under Section 7.7 of the Illinois Gambling Act authorizing
18 electronic gaming at an electronic gaming facility.

19 (230 ILCS 5/3.36 new)

20 Sec. 3.36. Electronic gaming facility. "Electronic gaming
21 facility" means that portion of an organization licensee's race
22 track facility at which electronic gaming is conducted.

1 (230 ILCS 5/6) (from Ch. 8, par. 37-6)

2 Sec. 6. Restrictions on Board members.

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

1 ~~incidental expenses.~~

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

6 (c) No member of the Board or employee shall engage in any
7 political activity.

8 For the purposes of this subsection (c):

9 "Political" means any activity in support of or in
10 connection with any campaign for State or local elective office
11 or any political organization, but does not include activities
12 (i) relating to the support or opposition of any executive,
13 legislative, or administrative action (as those terms are
14 defined in Section 2 of the Lobbyist Registration Act), (ii)
15 relating to collective bargaining, or (iii) that are otherwise
16 in furtherance of the person's official State duties or
17 governmental and public service functions.

18 "Political organization" means a party, committee,
19 association, fund, or other organization (whether or not
20 incorporated) that is required to file a statement of
21 organization with the State Board of Elections or county clerk
22 under Section 9-3 of the Election Code, but only with regard to
23 those activities that require filing with the State Board of
24 Elections or county clerk.

25 (d) Board members and employees may not engage in
26 communications or any activity that may cause or have the

1 appearance of causing a conflict of interest. A conflict of
2 interest exists if a situation influences or creates the
3 appearance that it may influence judgment or performance of
4 regulatory duties and responsibilities. This prohibition shall
5 extend to any act identified by Board action that, in the
6 judgment of the Board, could represent the potential for or the
7 appearance of a conflict of interest.

8 (e) Board members and employees may not accept any gift,
9 gratuity, service, compensation, travel, lodging, or thing of
10 value, with the exception of unsolicited items of an incidental
11 nature, from any person, corporation, limited liability
12 company, or entity doing business with the Board.

13 (f) A Board member or employee shall not use or attempt to
14 use his or her official position to secure, or attempt to
15 secure, any privilege, advantage, favor, or influence for
16 himself or herself or others. No Board member or employee,
17 within a period of one year immediately preceding nomination by
18 the Governor or employment, shall have been employed or
19 received compensation or fees for services from a person or
20 entity, or its parent or affiliate, that has engaged in
21 business with the Board, a licensee or a licensee under the
22 Illinois Gambling Act. In addition, all Board members and
23 employees are subject to the restrictions set forth in Section
24 5-45 of the State Officials and Employees Ethics Act.

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

1 (230 ILCS 5/9) (from Ch. 8, par. 37-9)

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

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

21 Upon application, the Board shall issue a license to the
22 Illinois Department of Agriculture to conduct harness and
23 Quarter Horse races at the Illinois State Fair and at the
24 DuQuoin State Fairgrounds during the scheduled dates of each
25 fair. The Board shall not require and the Department of
26 Agriculture shall be exempt from the requirements of Sections

1 15.3, 18 and 19, paragraphs (a) (2), (b), (c), (d), (e), (e-5),
2 (e-10), (f), (g), and (h) of Section 20, and Sections 21, 24
3 and 25. The Board and the Department of Agriculture may extend
4 any or all of these exemptions to any contractor or agent
5 engaged by the Department of Agriculture to conduct its race
6 meetings when the Board determines that this would best serve
7 the public interest and the interest of horse racing.

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

16 (b) The Board is vested with the full power to promulgate
17 reasonable rules and regulations for the purpose of
18 administering the provisions of this Act and to prescribe
19 reasonable rules, regulations and conditions under which all
20 horse race meetings or wagering in the State shall be
21 conducted. Such reasonable rules and regulations are to provide
22 for the prevention of practices detrimental to the public
23 interest and to promote the best interests of horse racing and
24 to impose penalties for violations thereof.

25 (c) The Board, and any person or persons to whom it
26 delegates this power, is vested with the power to enter the

1 facilities and other places of business of any licensee to
2 determine whether there has been compliance with the provisions
3 of this Act and its rules and regulations.

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

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

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

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

1 Board deems necessary to effectively administer this Act and
2 all rules, regulations, and final decisions promulgated under
3 this Act.

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

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

22 (j) The Board may discharge any Board employee who fails or
23 refuses for any reason to comply with the rules and regulations
24 of the Board, or who, in the opinion of the Board, is guilty of
25 fraud, dishonesty or who is proven to be incompetent. The Board
26 shall have no right or power to determine who shall be

1 officers, directors or employees of any licensee, or their
2 salaries except the Board may, by rule, require that all or any
3 officials or employees in charge of or whose duties relate to
4 the actual running of races be approved by the Board.

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

9 (l) The Board is vested with the power to impose civil
10 penalties of up to \$5,000 against an individual and up to
11 \$10,000 against a licensee for each violation of any provision
12 of this Act, any rules adopted by the Board, any order of the
13 Board or any other action which, in the Board's discretion, is
14 a detriment or impediment to horse racing or wagering.
15 Beginning on the date when any organization licensee begins
16 conducting electronic gaming pursuant to an electronic gaming
17 license issued under the Illinois Gambling Act, the power
18 granted to the Board pursuant to this subsection (l) shall
19 authorize the Board to impose penalties of up to \$10,000
20 against an individual and up to \$25,000 against a licensee. All
21 such civil penalties shall be deposited into the Horse Racing
22 Fund.

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

26 (n) The Board shall have the power to issue a license to

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

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

26 (p) To insure the convenience, comfort, and wagering

1 accessibility of race track patrons, to provide for the
2 maximization of State revenue, and to generate increases in
3 purse allotments to the horsemen, the Board shall require any
4 licensee to staff the pari-mutuel department with adequate
5 personnel.

6 (Source: P.A. 97-1060, eff. 8-24-12.)

7 (230 ILCS 5/15) (from Ch. 8, par. 37-15)

8 Sec. 15. (a) The Board shall, in its discretion, issue
9 occupation licenses to horse owners, trainers, harness
10 drivers, jockeys, agents, apprentices, grooms, stable foremen,
11 exercise persons, veterinarians, valets, blacksmiths,
12 concessionaires and others designated by the Board whose work,
13 in whole or in part, is conducted upon facilities within the
14 State. Such occupation licenses will be obtained prior to the
15 persons engaging in their vocation upon such facilities. The
16 Board shall not license pari-mutuel clerks, parking
17 attendants, security guards and employees of concessionaires.
18 No occupation license shall be required of any person who works
19 at facilities within this State as a pari-mutuel clerk, parking
20 attendant, security guard or as an employee of a
21 concessionaire. Concessionaires of the Illinois State Fair and
22 DuQuoin State Fair and employees of the Illinois Department of
23 Agriculture shall not be required to obtain an occupation
24 license by the Board.

25 (b) Each application for an occupation license shall be on

1 forms prescribed by the Board. Such license, when issued, shall
2 be for the period ending December 31 of each year, except that
3 the Board in its discretion may grant 3-year licenses. The
4 application shall be accompanied by a fee of not more than \$25
5 per year or, in the case of 3-year occupation license
6 applications, a fee of not more than \$60. Each applicant shall
7 set forth in the application his full name and address, and if
8 he had been issued prior occupation licenses or has been
9 licensed in any other state under any other name, such name,
10 his age, whether or not a permit or license issued to him in
11 any other state has been suspended or revoked and if so whether
12 such suspension or revocation is in effect at the time of the
13 application, and such other information as the Board may
14 require. Fees for registration of stable names shall not exceed
15 \$50.00. Beginning on the date when any organization licensee
16 begins conducting electronic gaming pursuant to an electronic
17 gambling license issued under the Illinois Gambling Act, the
18 fee for registration of stable names shall not exceed \$150, and
19 the application fee for an occupation license shall not exceed
20 \$75, per year or, in the case of a 3-year occupation license
21 application, the fee shall not exceed \$180.

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

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

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

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

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

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

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

8 (1) for violation of any of the provisions of this Act;
9 or

10 (2) for violation of any of the rules or regulations of
11 the Board; or

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

15 (4) for any other just cause.

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

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

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

16 (g) Beginning on the date when any organization licensee
17 begins conducting electronic gambling pursuant to an
18 electronic gaming license issued under the Illinois Gambling
19 Act, the Board may charge each applicant a reasonable
20 non-refundable fee to defray the costs associated with the
21 background investigation conducted by the Board. This fee shall
22 be exclusive of any other fee or fees charged in connection
23 with an application for and, if applicable, the issuance of, an
24 electronic gaming license. If the costs of the investigation
25 exceed the amount of the fee charged, the Board shall
26 immediately notify the applicant of the additional amount owed,

1 payment of which must be submitted to the Board within 7 days
2 after such notification. All information, records, interviews,
3 reports, statements, memoranda, or other data supplied to or
4 used by the Board in the course of its review or investigation
5 of an applicant for a license or renewal under this Act shall
6 be privileged, strictly confidential, and shall be used only
7 for the purpose of evaluating an applicant for a license or a
8 renewal. Such information, records, interviews, reports,
9 statements, memoranda, or other data shall not be admissible as
10 evidence, nor discoverable, in any action of any kind in any
11 court or before any tribunal, board, agency, or person, except
12 for any action deemed necessary by the Board.

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

14 (230 ILCS 5/18) (from Ch. 8, par. 37-18)

15 Sec. 18. (a) Together with its application, each applicant
16 for racing dates shall deliver to the Board a certified check
17 or bank draft payable to the order of the Board for \$1,000. In
18 the event the applicant applies for racing dates in 2 or 3
19 successive calendar years as provided in subsection (b) of
20 Section 21, the fee shall be \$2,000. Filing fees shall not be
21 refunded in the event the application is denied. Beginning on
22 the date when any organization licensee begins conducting
23 electronic gaming pursuant to an electronic gaming license
24 issued under the Illinois Gambling Act, the application fee for
25 racing dates imposed by this subsection (a) shall be \$10,000

1 and the application fee for racing dates in 2 or 3 successive
2 calendar years as provided in subsection (b) of Section 21
3 shall be \$20,000. All filing fees shall be deposited into the
4 Horse Racing Fund.

5 (b) In addition to the filing fee imposed by subsection (a)
6 of \$1000 and the fees provided in subsection (j) of Section 20,
7 each organization licensee shall pay a license fee of \$100 for
8 each racing program on which its daily pari-mutuel handle is
9 \$400,000 or more but less than \$700,000, and a license fee of
10 \$200 for each racing program on which its daily pari-mutuel
11 handle is \$700,000 or more. The additional fees required to be
12 paid under this Section by this amendatory Act of 1982 shall be
13 remitted by the organization licensee to the Illinois Racing
14 Board with each day's graduated privilege tax or pari-mutuel
15 tax and breakage as provided under Section 27. Beginning on the
16 date when any organization licensee begins conducting
17 electronic gaming pursuant to an electronic gaming license
18 issued under the Illinois Gambling Act, the license fee imposed
19 by this subsection (b) shall be \$200 for each racing program on
20 which the organization licensee's daily pari-mutuel handle is
21 \$100,000 or more, but less than \$400,000, and the license fee
22 imposed by this subsection (b) shall be \$400 for each racing
23 program on which the organization licensee's daily pari-mutuel
24 handle is \$400,000 or more.

25 (c) Sections 11-42-1, 11-42-5, and 11-54-1 of the "Illinois
26 Municipal Code," approved May 29, 1961, as now or hereafter

1 amended, shall not apply to any license under this Act.

2 (Source: P.A. 97-1060, eff. 8-24-12.)

3 (230 ILCS 5/19) (from Ch. 8, par. 37-19)

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

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

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

20 (3) to any person who has been convicted of the
21 violation of any law of the United States or any State law
22 which provided as all or part of its penalty imprisonment
23 in any penal institution; to any person against whom there
24 is pending a Federal or State criminal charge; to any
25 person who is or has been connected with or engaged in the

1 operation of any illegal business; to any person who does
2 not enjoy a general reputation in his community of being an
3 honest, upright, law-abiding person; provided that none of
4 the matters set forth in this subparagraph (3) shall make
5 any person ineligible to be granted an organization license
6 if the Board determines, based on circumstances of any such
7 case, that the granting of a license would not be
8 detrimental to the interests of horse racing and of the
9 public;

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

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

19 (c) If any person is ineligible to receive an organization
20 license because of any of the matters set forth in subsection
21 (a) (2) or subsection (a) (3) of this Section, any other or
22 separate person that either (i) controls, directly or
23 indirectly, such ineligible person or (ii) is controlled,
24 directly or indirectly, by such ineligible person or by a
25 person which controls, directly or indirectly, such ineligible
26 person shall also be ineligible.

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

2 (230 ILCS 5/20) (from Ch. 8, par. 37-20)

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

7 (1) the dates on which it intends to conduct the horse
8 race meeting, which dates shall be provided under Section
9 21;

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

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

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

16 (b) A separate application for an organization license
17 shall be filed for each horse race meeting which such person
18 proposes to hold. Any such application, if made by an
19 individual, or by any individual as trustee, shall be signed
20 and verified under oath by such individual. If the application
21 is made by individuals, then it shall be signed and verified
22 under oath by at least 2 of the individuals; if the application
23 is made by ~~or a partnership, it shall be signed and verified~~
24 ~~under oath by at least 2 of such individuals or members of such~~
25 ~~partnership as the case may be. If made by an association, a~~

1 corporation, a corporate trustee, a limited liability company,
2 or any other entity, it shall be signed by an authorized
3 officer, a partner, a member, or a manager, as the case may be,
4 of the entity ~~the president and attested by the secretary or~~
5 ~~assistant secretary under the seal of such association, trust~~
6 ~~or corporation if it has a seal, and shall also be verified~~
7 ~~under oath by one of the signing officers.~~

8 (c) The application shall specify:

9 (1) the name of the persons, association, trust, or
10 corporation making such application; and

11 (2) the principal ~~post office~~ address of the applicant;

12 (3) if the applicant is a trustee, the names and
13 addresses of the beneficiaries; if the applicant is a
14 corporation, the names and ~~post office~~ addresses of all
15 officers, stockholders and directors; or if such
16 stockholders hold stock as a nominee or fiduciary, the
17 names and ~~post office~~ addresses of the parties ~~these~~
18 ~~persons, partnerships, corporations, or trusts~~ who are the
19 beneficial owners thereof or who are beneficially
20 interested therein; and if the applicant is a partnership,
21 the names and ~~post office~~ addresses of all partners,
22 general or limited; if the applicant is a limited liability
23 company, the names and addresses of the manager and
24 members; and if the applicant is any other entity, the
25 names and addresses of all officers or other authorized
26 persons of the entity ~~corporation, the name of the state of~~

1 ~~its incorporation shall be specified.~~

2 (d) The applicant shall execute and file with the Board a
3 good faith affirmative action plan to recruit, train, and
4 upgrade minorities in all classifications within the
5 association.

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

24 (e-1) In awarding standardbred racing dates for calendar
25 year 2018, the Board shall award at least 160 racing dates, and
26 each organization licensee shall average at least 10 races for

1 each racing date awarded. In awarding standardbred racing dates
2 for calendar year 2019, the Board shall award at least 200
3 racing dates, and each organization licensee shall average at
4 least 11 races for each racing date awarded. In awarding
5 standardbred racing dates for calendar year 2020 and
6 thereafter, the Board shall award at least 260 racing dates,
7 and each organization licensee shall average at least 11 races
8 for each racing date awarded unless a lesser schedule of live
9 racing is a result of an agreement with the organization
10 representing the largest number of standardbred owners,
11 breeders, trainers, drivers, caretakers in the State.
12 Standardbred racing conducted in Sangamon County shall not be
13 considered races under this subsection (e-1).

14 (e-2) In awarding racing dates for calendar year 2018 and
15 thereafter, the Board shall award thoroughbred racing days to
16 Cook County organization licensees commensurate with these
17 organization licensees' requirement that they shall run at
18 least 1,950 thoroughbred races in the aggregate, so long as 2
19 organization licensees are conducting electronic gaming
20 operations. Additionally, if the organization licensees that
21 run thoroughbred races in Cook County are conducting electronic
22 gaming operations, the Board shall increase the number of
23 thoroughbred races to be run in Cook County in the aggregate to
24 at least the following:

25 (i) 2,050 races in any year following the most recent
26 preceding complete calendar year when the combined

1 adjusted gross receipts of the electronic gaming licensees
2 operating at Cook County race tracks total in excess of
3 \$200,000,000, but do not exceed \$250,000,000;

4 (ii) 2,125 races in any year following the most recent
5 preceding complete calendar year when the combined
6 adjusted gross receipts of the electronic gaming licensees
7 operating at Cook County race tracks total in excess of
8 \$250,000,000, but do not exceed \$300,000,000;

9 (iii) 2,200 races in any year following the most recent
10 preceding complete calendar year when the combined
11 adjusted gross receipts of the electronic gaming licensees
12 operating at Cook County race tracks total in excess of
13 \$300,000,000, but do not exceed \$350,000,000;

14 (iv) 2,300 races in any year following the most recent
15 preceding complete calendar year when the combined
16 adjusted gross receipts of the electronic gaming licensees
17 operating at Cook County race tracks total in excess of
18 \$350,000,000, but do not exceed \$400,000,000;

19 (v) 2,375 races in any year following the most recent
20 preceding complete calendar year when the combined
21 adjusted gross receipts of the electronic gaming licensees
22 operating at Cook County race tracks total in excess of
23 \$400,000,000, but do not exceed \$450,000,000;

24 (vi) 2,450 races in any year following the most recent
25 preceding complete calendar year when the combined
26 adjusted gross receipts of the electronic gaming licensees

1 operating at Cook County race tracks total in excess of
2 \$450,000,000, but do not exceed \$500,000,000;

3 (vii) 2,550 races in any year following the most recent
4 preceding complete calendar year when the combined
5 adjusted gross receipts of the electronic gaming licensees
6 operating at Cook County race tracks exceeds \$500,000,000.

7 In awarding racing dates under this subsection (e-2), the
8 Board shall have the discretion to allocate those thoroughbred
9 racing dates among these Cook County organization licensees.

10 (e-3) In awarding racing dates for calendar year 2018 and
11 thereafter in connection with a race track in Madison County,
12 the Board shall award racing dates and such organization
13 licensee shall run at least 700 thoroughbred races at the race
14 track in Madison County each year.

15 Notwithstanding Section 7.7 of the Illinois Gambling Act or
16 any provision of this Act other than subsection (e-4.5), for
17 each calendar year for which an electronic gaming licensee
18 located in Madison County requests racing dates resulting in
19 less than 700 live thoroughbred races at its race track
20 facility, the electronic gaming licensee may not conduct
21 electronic gaming for the calendar year of such requested live
22 races.

23 (e-4) Notwithstanding the provisions of Section 7.7 of the
24 Illinois Gambling Act or any provision of this Act other than
25 subsections (e-3) and (e-4.5), for each calendar year for which
26 an electronic gaming licensee requests thoroughbred racing

1 dates which results in a number of live races under its
2 organization license that is less than the total number of live
3 races which it conducted in 2016 at its race track facility,
4 the electronic gaming licensee may not conduct electronic
5 gaming for the calendar year of such requested live races.

6 (e-4.1) Notwithstanding the provisions of Section 7.7 of
7 the Illinois Gambling Act or any provision of this Act other
8 than subsections (e-3) and (e-4.5), for each calendar year for
9 which an organization licensee requests racing dates for
10 standardbred racing which results in a number of live races
11 that is less than the total number of live races required in
12 subsection (e-1), the electronic gaming licensee may not
13 conduct electronic gaming for the calendar year of such
14 requested live races.

15 (e-4.5) The Board shall ensure that each organization
16 licensee shall individually run a sufficient number of races
17 per year to qualify for an electronic gaming license under this
18 Act. The General Assembly finds that the minimum live racing
19 guarantees contained in subsections (e-1), (e-2), and (e-3) are
20 in the best interest of the sport of horse racing, and that
21 such guarantees may only be reduced in the limited
22 circumstances described in this subsection. The Board may
23 decrease the number of racing days without affecting an
24 organization licensee's ability to conduct electronic gaming
25 only if the Board determines, after notice and hearing, that:

26 (i) a decrease is necessary to maintain a sufficient

1 number of betting interests per race to ensure the
2 integrity of racing;

3 (ii) there are unsafe track conditions due to weather
4 or acts of God;

5 (iii) there is an agreement between an organization
6 licensee and the breed association that is applicable to
7 the involved live racing guarantee, such association
8 representing either the largest number of thoroughbred
9 owners and trainers or the largest number of standardbred
10 owners, trainers and drivers who race horses at the
11 involved organization licensee's racing meeting, so long
12 as the agreement does not compromise the integrity of the
13 sport of horse racing; or

14 (iv) the horse population or purse levels are
15 insufficient to provide the number of racing opportunities
16 otherwise required in this Act.

17 In decreasing the number of racing dates in accordance with
18 this subsection, the Board shall hold a hearing and shall
19 provide the public and all interested parties notice and an
20 opportunity to be heard. The Board shall accept testimony from
21 all interested parties, including any association representing
22 owners, trainers, jockeys, or drivers who will be affected by
23 the decrease in racing dates. The Board shall provide a written
24 explanation of the reasons for the decrease and the Board's
25 findings. The written explanation shall include a listing and
26 content of all communication between any party and any Illinois

1 Racing Board member or staff that does not take place at a
2 public meeting of the Board.

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

7 (1) the character, reputation, experience, and
8 financial integrity of the applicant and of any other
9 separate person that either:

10 (i) controls the applicant, directly or
11 indirectly, or

12 (ii) is controlled, directly or indirectly, by
13 that applicant or by a person who controls, directly or
14 indirectly, that applicant;

15 (2) the applicant's facilities or proposed facilities
16 for conducting horse racing;

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

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

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

25 (6) the applicant's proposed and prior year's
26 promotional and marketing activities and expenditures of

1 the applicant associated with those activities;

2 (7) an agreement, if any, among organization licensees
3 as provided in subsection (b) of Section 21 of this Act;
4 and

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

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

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

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

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

1 future expectation to receive an organization license in any
2 subsequent year as a result of the granting of an organization
3 license. Organization licenses shall be subject to revocation
4 if the organization licensee has violated any provision of this
5 Act or the rules and regulations promulgated under this Act or
6 has been convicted of a crime or has failed to disclose or has
7 stated falsely any information called for in the application
8 for an organization license. Any organization license
9 revocation proceeding shall be in accordance with Section 16
10 regarding suspension and revocation of occupation licenses.

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

1 Administrative Procedure Act shall not apply to the
2 administrative procedures of the Board in conducting the
3 emergency hearing and the reallocation of racing dates on an
4 emergency basis.

5 (g) (Blank).

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

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

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

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

17 (3) file with the Board the bonds required in Sections
18 21 and 25 at least 20 days prior to the first day of each
19 race meeting.

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

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

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

1 (230 ILCS 5/21) (from Ch. 8, par. 37-21)

2 Sec. 21. (a) Applications for organization licenses must be
3 filed with the Board at a time and place prescribed by the
4 rules and regulations of the Board. The Board shall examine the
5 applications within 21 days after the date allowed for filing
6 with respect to their conformity with this Act and such rules
7 and regulations as may be prescribed by the Board. If any
8 application does not comply with this Act or the rules and
9 regulations prescribed by the Board, such application may be
10 rejected and an organization license refused to the applicant,
11 or the Board may, within 21 days of the receipt of such
12 application, advise the applicant of the deficiencies of the
13 application under the Act or the rules and regulations of the
14 Board, and require the submittal of an amended application
15 within a reasonable time determined by the Board; and upon
16 submittal of the amended application by the applicant, the
17 Board may consider the application consistent with the process
18 described in subsection (e-5) of Section 20 of this Act. If it
19 is found to be in compliance with this Act and the rules and
20 regulations of the Board, the Board may then issue an
21 organization license to such applicant.

22 (b) The Board may exercise discretion in granting racing
23 dates to qualified applicants different from those requested by
24 the applicants in their applications. However, if all eligible
25 applicants for organization licenses whose tracks are located

1 within 100 miles of each other execute and submit to the Board
2 a written agreement among such applicants as to the award of
3 racing dates, including where applicable racing programs, for
4 up to 3 consecutive years, then subject to annual review of
5 each applicant's compliance with Board rules and regulations,
6 provisions of this Act and conditions contained in annual dates
7 orders issued by the Board, the Board may grant such dates and
8 programs to such applicants as so agreed by them if the Board
9 determines that the grant of these racing dates is in the best
10 interests of racing. The Board shall treat any such agreement
11 as the agreement signatories' joint and several application for
12 racing dates during the term of the agreement.

13 (c) Where 2 or more applicants propose to conduct horse
14 race meetings within 35 miles of each other, as certified to
15 the Board under Section 19 (a) (1) of this Act, on conflicting
16 dates, the Board may determine and grant the number of racing
17 days to be awarded to the several applicants in accordance with
18 the provisions of subsection (e-5) of Section 20 of this Act.

19 (d) (Blank).

20 (e) Prior to the issuance of an organization license, the
21 applicant shall file with the Board a bond payable to the State
22 of Illinois in the sum of \$200,000, executed by the applicant
23 and a surety company or companies authorized to do business in
24 this State, and conditioned upon the payment by the
25 organization licensee of all taxes due under Section 27, other
26 monies due and payable under this Act, all purses due and

1 payable, and that the organization licensee will upon
2 presentation of the winning ticket or tickets distribute all
3 sums due to the patrons of pari-mutuel pools. Beginning on the
4 date when any organization licensee begins conducting
5 electronic gaming pursuant to an electronic gaming license
6 issued under the Illinois Gambling Act, the amount of the bond
7 required under this subsection (e) shall be \$500,000.

8 (f) Each organization license shall specify the person to
9 whom it is issued, the dates upon which horse racing is
10 permitted, and the location, place, track, or enclosure where
11 the horse race meeting is to be held.

12 (g) Any person who owns one or more race tracks within the
13 State may seek, in its own name, a separate organization
14 license for each race track.

15 (h) All racing conducted under such organization license is
16 subject to this Act and to the rules and regulations from time
17 to time prescribed by the Board, and every such organization
18 license issued by the Board shall contain a recital to that
19 effect.

20 (i) Each such organization licensee may provide that at
21 least one race per day may be devoted to the racing of quarter
22 horses, appaloosas, arabians, or paints.

23 (j) In acting on applications for organization licenses,
24 the Board shall give weight to an organization license which
25 has implemented a good faith affirmative action effort to
26 recruit, train and upgrade minorities in all classifications

1 within the organization license.

2 (Source: P.A. 90-754, eff. 1-1-99; 91-40, eff. 6-25-99.)

3 (230 ILCS 5/24) (from Ch. 8, par. 37-24)

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

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

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

25 (d) No person which has been granted an organization

1 license to hold a race meeting shall give to any public
2 official or member of his family, directly or indirectly, for
3 or without consideration, any interest in the person. The Board
4 shall, after hearing, revoke the organization license granted
5 to a person which has violated this subsection.

6 (e) (Blank).

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

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

18 (230 ILCS 5/25) (from Ch. 8, par. 37-25)

19 Sec. 25. Admission charge; bond; fine.

20 (a) There shall be paid to the Board at such time or times
21 as it shall prescribe, the sum of fifteen cents (15¢) for each
22 person entering the grounds or enclosure of each organization
23 licensee and inter-track wagering licensee upon a ticket of
24 admission except as provided in subsection (g) of Section 27 of
25 this Act. If tickets are issued for more than one day then the

1 sum of fifteen cents (15¢) shall be paid for each person using
2 such ticket on each day that the same shall be used. Provided,
3 however, that no charge shall be made on tickets of admission
4 issued to and in the name of directors, officers, agents or
5 employees of the organization licensee, or inter-track
6 wagering licensee, or to owners, trainers, jockeys, drivers and
7 their employees or to any person or persons entering the
8 grounds or enclosure for the transaction of business in
9 connection with such race meeting. The organization licensee or
10 inter-track wagering licensee may, if it desires, collect such
11 amount from each ticket holder in addition to the amount or
12 amounts charged for such ticket of admission. Beginning on the
13 date when any organization licensee begins conducting
14 electronic gaming pursuant to an electronic gaming license
15 issued under the Illinois Gambling Act, the admission charge
16 imposed by this subsection (a) shall be 40 cents for each
17 person entering the grounds or enclosure of each organization
18 licensee and inter-track wagering licensee upon a ticket of
19 admission, and if such tickets are issued for more than one
20 day, 40 cents shall be paid for each person using such ticket
21 on each day that the same shall be used.

22 (b) Accurate records and books shall at all times be kept
23 and maintained by the organization licensees and inter-track
24 wagering licensees showing the admission tickets issued and
25 used on each racing day and the attendance thereat of each
26 horse racing meeting. The Board or its duly authorized

1 representative or representatives shall at all reasonable
2 times have access to the admission records of any organization
3 licensee and inter-track wagering licensee for the purpose of
4 examining and checking the same and ascertaining whether or not
5 the proper amount has been or is being paid the State of
6 Illinois as herein provided. The Board shall also require,
7 before issuing any license, that the licensee shall execute and
8 deliver to it a bond, payable to the State of Illinois, in such
9 sum as it shall determine, not, however, in excess of fifty
10 thousand dollars (\$50,000), with a surety or sureties to be
11 approved by it, conditioned for the payment of all sums due and
12 payable or collected by it under this Section upon admission
13 fees received for any particular racing meetings. The Board may
14 also from time to time require sworn statements of the number
15 or numbers of such admissions and may prescribe blanks upon
16 which such reports shall be made. Any organization licensee or
17 inter-track wagering licensee failing or refusing to pay the
18 amount found to be due as herein provided, shall be deemed
19 guilty of a business offense and upon conviction shall be
20 punished by a fine of not more than five thousand dollars
21 (\$5,000) in addition to the amount due from such organization
22 licensee or inter-track wagering licensee as herein provided.
23 All fines paid into court by an organization licensee or
24 inter-track wagering licensee found guilty of violating this
25 Section shall be transmitted and paid over by the clerk of the
26 court to the Board. Beginning on the date when any organization

1 licensee begins conducting electronic gaming pursuant to an
2 electronic gaming license issued under the Illinois Gambling
3 Act, any fine imposed pursuant to this subsection (b) shall not
4 exceed \$10,000.

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

6 (230 ILCS 5/26) (from Ch. 8, par. 37-26)

7 Sec. 26. Wagering.

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

22 (b) Except for those gaming activities for which a license
23 is obtained and authorized under the Illinois Lottery Law, the
24 Charitable Games Act, the Raffles and Poker Runs Act, or the
25 Illinois Gambling Act, no ~~No~~ other method of betting, pool

1 making, wagering or gambling shall be used or permitted by the
2 licensee. Each licensee may retain, subject to the payment of
3 all applicable taxes and purses, an amount not to exceed 17% of
4 all money wagered under subsection (a) of this Section, except
5 as may otherwise be permitted under this Act.

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

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

23 (c-5) Beginning January 1, 2000, the sum held by any
24 licensee for payment of outstanding pari-mutuel tickets, if
25 unclaimed prior to December 31 of the next year, shall be
26 retained by the licensee for payment of such tickets until that

1 date. Within 10 days thereafter, the balance of such sum
2 remaining unclaimed, less any uncashed supplements contributed
3 by such licensee for the purpose of guaranteeing minimum
4 distributions of any pari-mutuel pool, shall be evenly
5 distributed to the purse account of the organization licensee
6 and the organization licensee.

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

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

21 (f) Notwithstanding the other provisions of this Act, an
22 organization licensee may contract with an entity in another
23 state or country to permit any legal wagering entity in another
24 state or country to accept wagers solely within such other
25 state or country on races conducted by the organization
26 licensee in this State. Beginning January 1, 2000, these wagers

1 shall not be subject to State taxation. Until January 1, 2000,
2 when the out-of-State entity conducts a pari-mutuel pool
3 separate from the organization licensee, a privilege tax equal
4 to 7 1/2% of all monies received by the organization licensee
5 from entities in other states or countries pursuant to such
6 contracts is imposed on the organization licensee, and such
7 privilege tax shall be remitted to the Department of Revenue
8 within 48 hours of receipt of the moneys from the simulcast.
9 When the out-of-State entity conducts a combined pari-mutuel
10 pool with the organization licensee, the tax shall be 10% of
11 all monies received by the organization licensee with 25% of
12 the receipts from this 10% tax to be distributed to the county
13 in which the race was conducted.

14 An organization licensee may permit one or more of its
15 races to be utilized for pari-mutuel wagering at one or more
16 locations in other states and may transmit audio and visual
17 signals of races the organization licensee conducts to one or
18 more locations outside the State or country and may also permit
19 pari-mutuel pools in other states or countries to be combined
20 with its gross or net wagering pools or with wagering pools
21 established by other states.

22 (g) A host track may accept interstate simulcast wagers on
23 horse races conducted in other states or countries and shall
24 control the number of signals and types of breeds of racing in
25 its simulcast program, subject to the disapproval of the Board.
26 The Board may prohibit a simulcast program only if it finds

1 that the simulcast program is clearly adverse to the integrity
2 of racing. The host track simulcast program shall include the
3 signal of live racing of all organization licensees. All
4 non-host licensees and advance deposit wagering licensees
5 shall carry the signal of and accept wagers on live racing of
6 all organization licensees. Advance deposit wagering licensees
7 shall not be permitted to accept out-of-state wagers on any
8 Illinois signal provided pursuant to this Section without the
9 approval and consent of the organization licensee providing the
10 signal. For one year after August 15, 2014 (the effective date
11 of Public Act 98-968) ~~this amendatory Act of the 98th General
12 Assembly~~, non-host licensees may carry the host track simulcast
13 program and shall accept wagers on all races included as part
14 of the simulcast program of horse races conducted at race
15 tracks located within North America upon which wagering is
16 permitted. For a period of one year after August 15, 2014 (the
17 effective date of Public Act 98-968) ~~this amendatory Act of the
18 98th General Assembly~~, on horse races conducted at race tracks
19 located outside of North America, non-host licensees may accept
20 wagers on all races included as part of the simulcast program
21 upon which wagering is permitted. Beginning August 15, 2015
22 (one year after the effective date of Public Act 98-968) ~~this
23 amendatory Act of the 98th General Assembly~~, non-host licensees
24 may carry the host track simulcast program and shall accept
25 wagers on all races included as part of the simulcast program
26 upon which wagering is permitted. All organization licensees

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

1 wagering facilities as a convenience to customers. The advance
2 deposit wagering licensee shall not charge or collect any fee
3 from purses for the placement of the advance deposit wagering
4 terminals. The costs and expenses of the host track and
5 non-host licensees associated with interstate simulcast
6 wagering, other than the interstate commission fee, shall be
7 borne by the host track and all non-host licensees incurring
8 these costs. The interstate commission fee shall not exceed 5%
9 of Illinois handle on the interstate simulcast race or races
10 without prior approval of the Board. The Board shall promulgate
11 rules under which it may permit interstate commission fees in
12 excess of 5%. The interstate commission fee and other fees
13 charged by the sending racetrack, including, but not limited
14 to, satellite decoder fees, shall be uniformly applied to the
15 host track and all non-host licensees.

16 Notwithstanding any other provision of this Act, ~~through~~
17 ~~December 31, 2018,~~ an organization licensee, with the consent
18 of the horsemen association representing the largest number of
19 owners, trainers, jockeys, or standardbred drivers who race
20 horses at that organization licensee's racing meeting, may
21 maintain a system whereby advance deposit wagering may take
22 place or an organization licensee, with the consent of the
23 horsemen association representing the largest number of
24 owners, trainers, jockeys, or standardbred drivers who race
25 horses at that organization licensee's racing meeting, may
26 contract with another person to carry out a system of advance

1 deposit wagering. Such consent may not be unreasonably
2 withheld. Only with respect to an appeal to the Board that
3 consent for an organization licensee that maintains its own
4 advance deposit wagering system is being unreasonably
5 withheld, the Board shall issue a final order within 30 days
6 after initiation of the appeal, and the organization licensee's
7 advance deposit wagering system may remain operational during
8 that 30-day period. The actions of any organization licensee
9 who conducts advance deposit wagering or any person who has a
10 contract with an organization licensee to conduct advance
11 deposit wagering who conducts advance deposit wagering on or
12 after January 1, 2013 and prior to June 7, 2013 (the effective
13 date of Public Act 98-18) ~~this amendatory Act of the 98th~~
14 ~~General Assembly~~ taken in reliance on the changes made to this
15 subsection (g) by Public Act 98-18 ~~this amendatory Act of the~~
16 ~~98th General Assembly~~ are hereby validated, provided payment of
17 all applicable pari-mutuel taxes are remitted to the Board. All
18 advance deposit wagers placed from within Illinois must be
19 placed through a Board-approved advance deposit wagering
20 licensee; no other entity may accept an advance deposit wager
21 from a person within Illinois. All advance deposit wagering is
22 subject to any rules adopted by the Board. The Board may adopt
23 rules necessary to regulate advance deposit wagering through
24 the use of emergency rulemaking in accordance with Section 5-45
25 of the Illinois Administrative Procedure Act. The General
26 Assembly finds that the adoption of rules to regulate advance

1 deposit wagering is deemed an emergency and necessary for the
2 public interest, safety, and welfare. An advance deposit
3 wagering licensee may retain all moneys as agreed to by
4 contract with an organization licensee. Any moneys retained by
5 the organization licensee from advance deposit wagering, not
6 including moneys retained by the advance deposit wagering
7 licensee, shall be paid 50% to the organization licensee's
8 purse account and 50% to the organization licensee. With the
9 exception of any organization licensee that is owned by a
10 publicly traded company that is incorporated in a state other
11 than Illinois and advance deposit wagering licensees under
12 contract with such organization licensees, organization
13 licensees that maintain advance deposit wagering systems and
14 advance deposit wagering licensees that contract with
15 organization licensees shall provide sufficiently detailed
16 monthly accountings to the horsemen association representing
17 the largest number of owners, trainers, jockeys, or
18 standardbred drivers who race horses at that organization
19 licensee's racing meeting so that the horsemen association, as
20 an interested party, can confirm the accuracy of the amounts
21 paid to the purse account at the horsemen association's
22 affiliated organization licensee from advance deposit
23 wagering. If more than one breed races at the same race track
24 facility, then the 50% of the moneys to be paid to an
25 organization licensee's purse account shall be allocated among
26 all organization licensees' purse accounts operating at that

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

10 (1) Between the hours of 6:30 a.m. and 6:30 p.m. an
11 inter-track ~~intertrack~~ wagering licensee other than the
12 host track may supplement the host track simulcast program
13 with additional simulcast races or race programs, provided
14 that between January 1 and the third Friday in February of
15 any 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 inter-track ~~intertrack~~ wagering licensee to its
23 affiliated non-host licensees. The interstate commission
24 fee for a supplemental interstate simulcast shall be paid
25 by the non-host licensee and its affiliated non-host
26 licensees receiving the simulcast.

1 (2) Between the hours of 6:30 p.m. and 6:30 a.m. an
2 inter-track ~~intertrack~~ wagering licensee other than the
3 host track may receive supplemental interstate simulcasts
4 only with the consent of the host track, except when the
5 Board finds that the simulcast is clearly adverse to the
6 integrity of racing. Consent granted under this paragraph
7 (2) to any inter-track ~~intertrack~~ wagering licensee shall
8 be deemed consent to all non-host licensees. The interstate
9 commission fee for the supplemental interstate simulcast
10 shall be paid by all 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 inter-track ~~intertrack~~ wagering location
23 licensee shall pay 1% of the pari-mutuel handle wagered on
24 simulcast wagering to the Horse Racing Tax Allocation Fund,
25 subject to the provisions of subparagraph (B) of paragraph
26 (11) of 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 awarded standardbred racing dates in 2018 and
19 thereafter; or (iv) at a track located in Madison County
20 that conducted at least 100 days of live racing during the
21 immediately preceding calendar year may be issued an
22 inter-track wagering license, unless a lesser schedule of
23 live racing is the result of (A) weather, unsafe track
24 conditions, or other acts of God; (B) an agreement between
25 the organization licensee and the associations
26 representing the largest number of owners, trainers,

1 jockeys, or standardbred drivers who race horses at that
2 organization licensee's racing meeting; or (C) a finding by
3 the Board of extraordinary circumstances and that it was in
4 the best interest of the public and the sport to conduct
5 fewer than 100 days of live racing. Any such person having
6 operating control of the racing facility may receive
7 inter-track wagering location licenses. An eligible race
8 track located in a county that has a population of more
9 than 230,000 and that is bounded by the Mississippi River
10 may establish up to 9 inter-track wagering locations, ~~and~~
11 an eligible race track located in Stickney Township in Cook
12 County may establish up to 16 inter-track wagering
13 locations, and an eligible race track located in Palatine
14 Township in Cook County may establish up to 18 inter-track
15 wagering locations. An eligible race track conducting
16 standardbred racing may have up to 9 inter-track wagering
17 locations. An application for said license shall be filed
18 with the Board prior to such dates as may be fixed by the
19 Board. With an application for an inter-track wagering
20 location license there shall be delivered to the Board a
21 certified check or bank draft payable to the order of the
22 Board for an amount equal to \$500. The application shall be
23 on forms prescribed and furnished by the Board. The
24 application shall comply with all other rules, regulations
25 and conditions imposed by the Board in connection
26 therewith.

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

10 (3) In granting licenses to conduct inter-track
11 wagering and simulcast wagering, the Board shall give due
12 consideration to the best interests of the public, of horse
13 racing, and of maximizing revenue to the State.

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

25 (5) Each license to conduct inter-track wagering and
26 simulcast wagering shall specify the person to whom it is

1 issued, the dates on which such wagering is permitted, and
2 the track or location where the wagering is to be
3 conducted.

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

8 (7) An inter-track wagering licensee or inter-track
9 wagering location licensee may accept wagers at the track
10 or location where it is licensed, or as otherwise provided
11 under this Act.

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

15 (8.1) Inter-track wagering location licensees who
16 derive their licenses from a particular organization
17 licensee shall conduct inter-track wagering and simulcast
18 wagering only at locations that are within 160 miles of
19 that race track where the particular organization licensee
20 is licensed to conduct racing. However, inter-track
21 wagering and simulcast wagering shall not be conducted by
22 those licensees at any location within 5 miles of any race
23 track at which a horse race meeting has been licensed in
24 the current year, unless the person having operating
25 control of such race track has given its written consent to
26 such inter-track wagering location licensees, which

1 consent must be filed with the Board at or prior to the
2 time application is made. In the case of any inter-track
3 wagering location licensee initially licensed after
4 December 31, 2013, inter-track wagering and simulcast
5 wagering shall not be conducted by those inter-track
6 wagering location licensees that are located outside the
7 City of Chicago at any location within 8 miles of any race
8 track at which a horse race meeting has been licensed in
9 the current year, unless the person having operating
10 control of such race track has given its written consent to
11 such inter-track wagering location licensees, which
12 consent must be filed with the Board at or prior to the
13 time application is made.

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

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

25 (9) (Blank).

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

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

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

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

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

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

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

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

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

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

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

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

1 an inter-track ~~intertrack~~ wagering location licensee that
2 accepts wagers on races conducted by an organization
3 licensee that conducts a race meet in a county with a
4 population in excess of 230,000 and that borders the
5 Mississippi River shall not divide any remaining retention
6 with the organization licensee. Notwithstanding the
7 provisions of clauses (ii) and (iv) of this paragraph, in
8 the case of the additional inter-track wagering location
9 licenses authorized under paragraph (1) of this subsection
10 (h) by Public Act 87-110 ~~this amendatory Act of 1991~~, those
11 licensees shall pay the following amounts as purses: during
12 the first 12 months the licensee is in operation, 5.25% of
13 the pari-mutuel handle wagered at the location on races;
14 during the second 12 months, 5.25%; during the third 12
15 months, 5.75%; during the fourth 12 months, 6.25%; and
16 during the fifth 12 months and thereafter, 6.75%. The
17 following amounts shall be retained by the licensee to
18 satisfy all costs and expenses of conducting its wagering:
19 during the first 12 months the licensee is in operation,
20 8.25% of the pari-mutuel handle wagered at the location;
21 during the second 12 months, 8.25%; during the third 12
22 months, 7.75%; during the fourth 12 months, 7.25%; and
23 during the fifth 12 months and thereafter, 6.75%. For
24 additional inter-track ~~intertrack~~ wagering location
25 licensees authorized under Public Act 89-16 ~~this~~
26 ~~amendatory Act of 1995~~, purses for the first 12 months the

1 licensee is in operation shall be 5.75% of the pari-mutuel
2 wagered at the location, purses for the second 12 months
3 the licensee is in operation shall be 6.25%, and purses
4 thereafter shall be 6.75%. For additional inter-track
5 ~~intertrack~~ location licensees authorized under Public Act
6 89-16 ~~this amendatory Act of 1995~~, the licensee shall be
7 allowed to retain to satisfy all costs and expenses: 7.75%
8 of the pari-mutuel handle wagered at the location during
9 its first 12 months of operation, 7.25% during its second
10 12 months of operation, and 6.75% thereafter.

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

26 Two-sevenths to the Department of Agriculture.

1 Fifty percent of this two-sevenths shall be used to
2 promote the Illinois horse racing and breeding
3 industry, and shall be distributed by the Department of
4 Agriculture upon the advice of a 9-member committee
5 appointed by the Governor consisting of the following
6 members: the Director of Agriculture, who shall serve
7 as chairman; 2 representatives of organization
8 licensees conducting thoroughbred race meetings in
9 this State, recommended by those licensees; 2
10 representatives of organization licensees conducting
11 standardbred race meetings in this State, recommended
12 by those licensees; a representative of the Illinois
13 Thoroughbred Breeders and Owners Foundation,
14 recommended by that Foundation; a representative of
15 the Illinois Standardbred Owners and Breeders
16 Association, recommended by that Association; a
17 representative of the Horsemen's Benevolent and
18 Protective Association or any successor organization
19 thereto established in Illinois comprised of the
20 largest number of owners and trainers, recommended by
21 that Association or that successor organization; and a
22 representative of the Illinois Harness Horsemen's
23 Association, recommended by that Association.
24 Committee members shall serve for terms of 2 years,
25 commencing January 1 of each even-numbered year. If a
26 representative of any of the above-named entities has

1 not been recommended by January 1 of any even-numbered
2 year, the Governor shall appoint a committee member to
3 fill that position. Committee members shall receive no
4 compensation for their services as members but shall be
5 reimbursed for all actual and necessary expenses and
6 disbursements incurred in the performance of their
7 official duties. The remaining 50% of this
8 two-sevenths shall be distributed to county fairs for
9 premiums and rehabilitation as set forth in the
10 Agricultural Fair Act;

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

1 to a municipal recreation board for park purposes (if
2 an inter-track wagering location licensee is located
3 in a municipality that is not included within any park
4 district and park maintenance is the function of the
5 municipal recreation board and the municipality has a
6 1990 population of 9,302 according to the United States
7 Bureau of the Census); provided that the monies are
8 distributed to each park district or conservation
9 district or municipality that does not have a park
10 district in an amount equal to four-sevenths of the
11 amount collected by each inter-track wagering location
12 licensee within the park district or conservation
13 district or municipality for the Fund. Monies that were
14 paid into the Horse Racing Tax Allocation Fund before
15 August 9, 1991 (the effective date of Public Act
16 87-110) ~~this amendatory Act of 1991~~ by an inter-track
17 wagering location licensee located in a municipality
18 that is not included within any park district but is
19 included within a conservation district as provided in
20 this paragraph shall, as soon as practicable after
21 August 9, 1991 (the effective date of Public Act
22 87-110) ~~this amendatory Act of 1991~~, be allocated and
23 paid to that conservation district as provided in this
24 paragraph. Any park district or municipality not
25 maintaining a museum may deposit the monies in the
26 corporate fund of the park district or municipality

1 where the inter-track wagering location is located, to
2 be used for general purposes; and

3 One-seventh to the Agricultural Premium Fund to be
4 used for distribution to agricultural home economics
5 extension councils in accordance with "An Act in
6 relation to additional support and finances for the
7 Agricultural and Home Economic Extension Councils in
8 the several counties of this State and making an
9 appropriation therefor", approved July 24, 1967.

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

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

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

24 Four-sevenths to museums and aquariums located in
25 park districts of over 500,000 population; provided
26 that the monies are distributed in accordance with the

1 previous year's distribution of the maintenance tax
2 for such museums and aquariums as provided in Section 2
3 of the Park District Aquarium and Museum Act; and

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

13 (D) Except as provided in paragraph (11) of this
14 subsection (h), with respect to purse allocation from
15 inter-track ~~intertrack~~ wagering, the monies so
16 retained shall be divided as follows:

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

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

1 except an inter-track ~~intertrack~~ wagering licensee
2 that derives its license from an organization
3 licensee located in a county with a population in
4 excess of 230,000 and bounded by the Mississippi
5 River, is also conducting its own race meeting
6 during the same dates, then the purse allocation
7 shall be as follows: 50% to purses at the track
8 where the races wagered on are being conducted; 50%
9 to purses at the track where the inter-track
10 wagering licensee is accepting such wagers.

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

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

26 (A) The Board is vested with power to promulgate

1 reasonable rules and regulations for the purpose of
2 administering the conduct of this wagering and to
3 prescribe reasonable rules, regulations and conditions
4 under which such wagering shall be held and conducted.
5 Such rules and regulations are to provide for the
6 prevention of practices detrimental to the public
7 interest and for the best interests of said wagering
8 and to impose penalties for violations thereof.

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

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

25 (D) (Blank).

26 (E) The Board is vested with the power to appoint

1 delegates to execute any of the powers granted to it
2 under this Section for the purpose of administering
3 this wagering and any rules and regulations
4 promulgated in accordance with this Act.

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

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

21 (13) The Department of Agriculture may enter into
22 agreements with licensees authorizing such licensees to
23 conduct inter-track wagering on races to be held at the
24 licensed race meetings conducted by the Department of
25 Agriculture. Such agreement shall specify the races of the
26 Department of Agriculture's licensed race meeting upon

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

20 (14) An inter-track wagering location license
21 authorized by the Board in 2016 that is owned and operated
22 by a race track in Rock Island County shall be transferred
23 to a commonly owned race track in Cook County on August 12,
24 2016 (the effective date of Public Act 99-757) ~~this~~
25 ~~amendatory Act of the 99th General Assembly~~. The licensee
26 shall retain its status in relation to purse distribution

1 under paragraph (11) of this subsection (h) following the
2 transfer to the new entity. The pari-mutuel tax credit
3 under Section 32.1 shall not be applied toward any
4 pari-mutuel tax obligation of the inter-track wagering
5 location licensee of the license that is transferred under
6 this paragraph (14).

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

11 (Source: P.A. 98-18, eff. 6-7-13; 98-624, eff. 1-29-14; 98-968,
12 eff. 8-15-14; 99-756, eff. 8-12-16; 99-757, eff. 8-12-16;
13 revised 9-14-16.)

14 (230 ILCS 5/26.8)

15 Sec. 26.8. Beginning on February 1, 2014 ~~and through~~
16 ~~December 31, 2018~~, each wagering licensee may impose a
17 surcharge of up to 0.5% on winning wagers and winnings from
18 wagers. The surcharge shall be deducted from winnings prior to
19 payout. All amounts collected from the imposition of this
20 surcharge shall be evenly distributed to the organization
21 licensee and the purse account of the organization licensee
22 with which the licensee is affiliated. The amounts distributed
23 under this Section shall be in addition to the amounts paid
24 pursuant to paragraph (10) of subsection (h) of Section 26,
25 Section 26.3, Section 26.4, Section 26.5, and Section 26.7.

1 (Source: P.A. 98-624, eff. 1-29-14; 99-756, eff. 8-12-16.)

2 (230 ILCS 5/26.9)

3 Sec. 26.9. Beginning on February 1, 2014 ~~and through~~
4 ~~December 31, 2018~~, in addition to the surcharge imposed in
5 Sections 26.3, 26.4, 26.5, 26.7, and 26.8 of this Act, each
6 licensee shall impose a surcharge of 0.2% on winning wagers and
7 winnings from wagers. The surcharge shall be deducted from
8 winnings prior to payout. All amounts collected from the
9 surcharges imposed under this Section shall be remitted to the
10 Board. From amounts collected under this Section, the Board
11 shall deposit an amount not to exceed \$100,000 annually into
12 the Quarter Horse Purse Fund and all remaining amounts into the
13 Horse Racing Fund.

14 (Source: P.A. 98-624, eff. 1-29-14; 99-756, eff. 8-12-16.)

15 (230 ILCS 5/27) (from Ch. 8, par. 37-27)

16 Sec. 27. (a) In addition to the organization license fee
17 provided by this Act, until January 1, 2000, a graduated
18 privilege tax is hereby imposed for conducting the pari-mutuel
19 system of wagering permitted under this Act. Until January 1,
20 2000, except as provided in subsection (g) of Section 27 of
21 this Act, all of the breakage of each racing day held by any
22 licensee in the State shall be paid to the State. Until January
23 1, 2000, such daily graduated privilege tax shall be paid by
24 the licensee from the amount permitted to be retained under

1 this Act. Until January 1, 2000, each day's graduated privilege
2 tax, breakage, and Horse Racing Tax Allocation funds shall be
3 remitted to the Department of Revenue within 48 hours after the
4 close of the racing day upon which it is assessed or within
5 such other time as the Board prescribes. The privilege tax
6 hereby imposed, until January 1, 2000, shall be a flat tax at
7 the rate of 2% of the daily pari-mutuel handle except as
8 provided in Section 27.1.

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

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

22 (a-5) Beginning on January 1, 2000, a flat pari-mutuel tax
23 at the rate of 1.5% of the daily pari-mutuel handle is imposed
24 at all pari-mutuel wagering facilities and on advance deposit
25 wagering from a location other than a wagering facility, except
26 as otherwise provided for in this subsection (a-5). In addition

1 to the pari-mutuel tax imposed on advance deposit wagering
2 pursuant to this subsection (a-5), beginning on August 24, 2012
3 (the effective date of Public Act 97-1060) ~~and through December~~
4 ~~31, 2018~~, an additional pari-mutuel tax at the rate of 0.25%
5 shall be imposed on advance deposit wagering. Until August 25,
6 2012, the additional 0.25% pari-mutuel tax imposed on advance
7 deposit wagering by Public Act 96-972 shall be deposited into
8 the Quarter Horse Purse Fund, which shall be created as a
9 non-appropriated trust fund administered by the Board for
10 grants to thoroughbred organization licensees for payment of
11 purses for quarter horse races conducted by the organization
12 licensee. Beginning on August 26, 2012, the additional 0.25%
13 pari-mutuel tax imposed on advance deposit wagering shall be
14 deposited into the Standardbred Purse Fund, which shall be
15 created as a non-appropriated trust fund administered by the
16 Board, for grants to the standardbred organization licensees
17 for payment of purses for standardbred horse races conducted by
18 the organization licensee. Thoroughbred organization licensees
19 may petition the Board to conduct quarter horse racing and
20 receive purse grants from the Quarter Horse Purse Fund. The
21 Board shall have complete discretion in distributing the
22 Quarter Horse Purse Fund to the petitioning organization
23 licensees. Beginning on July 26, 2010 (the effective date of
24 Public Act 96-1287), a pari-mutuel tax at the rate of 0.75% of
25 the daily pari-mutuel handle is imposed at a pari-mutuel
26 facility whose license is derived from a track located in a

1 county that borders the Mississippi River and conducted live
2 racing in the previous year. The pari-mutuel tax imposed by
3 this subsection (a-5) shall be remitted to the Department of
4 Revenue within 48 hours after the close of the racing day upon
5 which it is assessed or within such other time as the Board
6 prescribes.

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

12 1.5% of the pari-mutuel handle at or below the average
13 daily pari-mutuel handle for 2011.

14 2% of the pari-mutuel handle above the average daily
15 pari-mutuel handle for 2011 up to 125% of the average daily
16 pari-mutuel handle for 2011.

17 2.5% of the pari-mutuel handle 125% or more above the
18 average daily pari-mutuel handle for 2011 up to 150% of the
19 average daily pari-mutuel handle for 2011.

20 3% of the pari-mutuel handle 150% or more above the
21 average daily pari-mutuel handle for 2011 up to 175% of the
22 average daily pari-mutuel handle for 2011.

23 3.5% of the pari-mutuel handle 175% or more above the
24 average daily pari-mutuel handle for 2011.

25 The pari-mutuel tax imposed by this subsection (a-10) shall
26 be remitted to the Board within 48 hours after the close of the

1 racine day upon which it is assessed or within such other time
2 as the Board prescribes.

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

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

21 (d) Before a license is issued or re-issued, the licensee
22 shall post a bond in the sum of \$500,000 to the State of
23 Illinois. The bond shall be used to guarantee that the licensee
24 faithfully makes the payments, keeps the books and records and
25 makes reports, and conducts games of chance in conformity with
26 this Act and the rules adopted by the Board. The bond shall not

1 be canceled by a surety on less than 30 days' notice in writing
2 to the Board. If a bond is canceled and the licensee fails to
3 file a new bond with the Board in the required amount on or
4 before the effective date of cancellation, the licensee's
5 license shall be revoked. The total and aggregate liability of
6 the surety on the bond is limited to the amount specified in
7 the bond. ~~Any licensee failing or refusing to pay the amount of~~
8 ~~any tax due under this Section shall be guilty of a business~~
9 ~~offense and upon conviction shall be fined not more than \$5,000~~
10 ~~in addition to the amount found due as tax under this Section.~~
11 ~~Each day's violation shall constitute a separate offense. All~~
12 ~~finer paid into Court by a licensee hereunder shall be~~
13 ~~transmitted and paid over by the Clerk of the Court to the~~
14 ~~Board.~~

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

18 (f) No other license fee, privilege tax, excise tax or
19 racing fee shall be assessed or collected from any such
20 licensee by units of local government except as provided in
21 paragraph 10.1 of subsection (h) and subsection (f) of Section
22 26 of this Act. However, any municipality that has a Board
23 licensed horse race meeting at a race track wholly within its
24 corporate boundaries or a township that has a Board licensed
25 horse race meeting at a race track wholly within the
26 unincorporated area of the township may charge a local

1 amusement tax not to exceed 10¢ per admission to such horse
2 race meeting by the enactment of an ordinance. However, any
3 municipality or county that has a Board licensed inter-track
4 wagering location facility wholly within its corporate
5 boundaries may each impose an admission fee not to exceed \$1.00
6 per admission to such inter-track wagering location facility,
7 so that a total of not more than \$2.00 per admission may be
8 imposed. Except as provided in subparagraph (g) of Section 27
9 of this Act, the inter-track wagering location licensee shall
10 collect any and all such fees and ~~within 48 hours~~ remit the
11 fees to the Board as the Board prescribes, which shall,
12 pursuant to rule, cause the fees to be distributed to the
13 county or municipality.

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

1 licensees to cease paying the subject taxes and fees and the
2 Board shall direct all licensees to allocate any such excess
3 amount for purses as follows:

4 (i) the excess amount shall be initially divided
5 between thoroughbred and standardbred purses based on the
6 thoroughbred's and standardbred's respective percentages
7 of total Illinois live wagering in calendar year 1994;

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

1 To the extent the excess amount of taxes and fees to be
2 collected and distributed to State and local governmental
3 authorities exceeds \$11 million, that excess amount shall be
4 collected and distributed to State and local authorities as
5 provided for under this Act.

6 (Source: P.A. 98-18, eff. 6-7-13; 98-624, eff. 1-29-14; 99-756,
7 eff. 8-12-16.)

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

9 Sec. 30. (a) The General Assembly declares that it is the
10 policy of this State to encourage the breeding of thoroughbred
11 horses in this State and the ownership of such horses by
12 residents of this State in order to provide for: sufficient
13 numbers of high quality thoroughbred horses to participate in
14 thoroughbred racing meetings in this State, and to establish
15 and preserve the agricultural and commercial benefits of such
16 breeding and racing industries to the State of Illinois. It is
17 the intent of the General Assembly to further this policy by
18 the provisions of this Act.

19 (b) Each organization licensee conducting a thoroughbred
20 racing meeting pursuant to this Act shall provide at least two
21 races each day limited to Illinois conceived and foaled horses
22 or Illinois foaled horses or both. A minimum of 6 races shall
23 be conducted each week limited to Illinois conceived and foaled
24 or Illinois foaled horses or both. No horses shall be permitted
25 to start in such races unless duly registered under the rules

1 of the Department of Agriculture.

2 (c) Conditions of races under subsection (b) shall be
3 commensurate with past performance, quality, and class of
4 Illinois conceived and foaled and Illinois foaled horses
5 available. If, however, sufficient competition cannot be had
6 among horses of that class on any day, the races may, with
7 consent of the Board, be eliminated for that day and substitute
8 races provided.

9 (d) There is hereby created a special fund of the State
10 Treasury to be known as the Illinois Thoroughbred Breeders
11 Fund.

12 Beginning on the effective date of this amendatory Act of
13 the 100th General Assembly, the Illinois Thoroughbred Breeders
14 Fund shall become a non-appropriated trust fund held separately
15 from State moneys. Expenditures from this Fund shall no longer
16 be subject to appropriation.

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

21 Notwithstanding any provision of law to the contrary,
22 amounts deposited into the Illinois Thoroughbred Breeders Fund
23 from revenues generated by electronic gaming after the
24 effective date of this amendatory Act of the 100th General
25 Assembly shall be in addition to tax and fee amounts paid under
26 this Section for calendar year 2017 and thereafter.

1 (e) The Illinois Thoroughbred Breeders Fund shall be
2 administered by the Department of Agriculture with the advice
3 and assistance of the Advisory Board created in subsection (f)
4 of this Section.

5 (f) The Illinois Thoroughbred Breeders Fund Advisory Board
6 shall consist of the Director of the Department of Agriculture,
7 who shall serve as Chairman; a member of the Illinois Racing
8 Board, designated by it; 2 representatives of the organization
9 licensees conducting thoroughbred racing meetings, recommended
10 by them; 2 representatives of the Illinois Thoroughbred
11 Breeders and Owners Foundation, recommended by it; one
12 representative ~~and 2 representatives~~ of the Horsemen's
13 Benevolent Protective Association; and one representative from
14 the Illinois Thoroughbred Horsemen's Association ~~or any~~
15 ~~successor organization established in Illinois comprised of~~
16 ~~the largest number of owners and trainers, recommended by it,~~
17 ~~with one representative of the Horsemen's Benevolent and~~
18 ~~Protective Association to come from its Illinois Division, and~~
19 ~~one from its Chicago Division.~~ Advisory Board members shall
20 serve for 2 years commencing January 1 of each odd numbered
21 year. If representatives of the organization licensees
22 conducting thoroughbred racing meetings, the Illinois
23 Thoroughbred Breeders and Owners Foundation, ~~and~~ the
24 Horsemen's Benevolent Protection Association, and the Illinois
25 Thoroughbred Horsemen's Association have not been recommended
26 by January 1, of each odd numbered year, the Director of the

1 Department of Agriculture shall make an appointment for the
2 organization failing to so recommend a member of the Advisory
3 Board. Advisory Board members shall receive no compensation for
4 their services as members but shall be reimbursed for all
5 actual and necessary expenses and disbursements incurred in the
6 execution of their official duties.

7 (g) ~~No monies shall be expended from the Illinois~~
8 ~~Thoroughbred Breeders Fund except as appropriated by the~~
9 ~~General Assembly.~~ Monies expended ~~appropriated~~ from the
10 Illinois Thoroughbred Breeders Fund shall be expended by the
11 Department of Agriculture, with the advice and assistance of
12 the Illinois Thoroughbred Breeders Fund Advisory Board, for the
13 following purposes only:

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

25 (2) To provide stakes and awards to be paid to the
26 owners of the winning horses in certain races limited to

1 Illinois conceived and foaled and Illinois foaled horses
2 designated as stakes races.

3 (2.5) To provide an award to the owner or owners of an
4 Illinois conceived and foaled or Illinois foaled horse that
5 wins a maiden special weight, an allowance, overnight
6 handicap race, or claiming race with claiming price of
7 \$10,000 or more providing the race is not restricted to
8 Illinois conceived and foaled or Illinois foaled horses.
9 Awards shall also be provided to the owner or owners of
10 Illinois conceived and foaled and Illinois foaled horses
11 that place second or third in those races. To the extent
12 that additional moneys are required to pay the minimum
13 additional awards of 40% of the purse the horse earns for
14 placing first, second or third in those races for Illinois
15 foaled horses and of 60% of the purse the horse earns for
16 placing first, second or third in those races for Illinois
17 conceived and foaled horses, those moneys shall be provided
18 from the purse account at the track where earned.

19 (3) To provide stallion awards to the owner or owners
20 of any stallion that is duly registered with the Illinois
21 Thoroughbred Breeders Fund Program ~~prior to the effective~~
22 ~~date of this amendatory Act of 1995~~ whose duly registered
23 Illinois conceived and foaled offspring wins a race
24 conducted at an Illinois thoroughbred racing meeting other
25 than a claiming race, provided that the stallion stood
26 service within Illinois at the time the offspring was

1 conceived and that the stallion did not stand for service
2 outside of Illinois at any time during the year in which
3 the offspring was conceived. ~~Such award shall not be paid~~
4 ~~to the owner or owners of an Illinois stallion that served~~
5 ~~outside this State at any time during the calendar year in~~
6 ~~which such race was conducted.~~

7 (4) To provide \$75,000 annually for purses to be
8 distributed to county fairs that provide for the running of
9 races during each county fair exclusively for the
10 thoroughbreds conceived and foaled in Illinois. The
11 conditions of the races shall be developed by the county
12 fair association and reviewed by the Department with the
13 advice and assistance of the Illinois Thoroughbred
14 Breeders Fund Advisory Board. There shall be no wagering of
15 any kind on the running of Illinois conceived and foaled
16 races at county fairs.

17 (4.1) To provide purse money for an Illinois stallion
18 stakes program.

19 (5) No less than 90% ~~80%~~ of all monies appropriated
20 from the Illinois Thoroughbred Breeders Fund shall be
21 expended for the purposes in (1), (2), (2.5), (3), (4),
22 (4.1), and (5) as shown above.

23 (6) To provide for educational programs regarding the
24 thoroughbred breeding industry.

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

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

3 (9) To provide for dissemination of public information
4 designed to promote the breeding of thoroughbred horses in
5 Illinois.

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

8 (h) The Illinois Thoroughbred Breeders Fund is not subject
9 to administrative charges or chargebacks, including, but not
10 limited to, those authorized under Section 8h of the State
11 Finance Act. Whenever the Governor finds that the amount in the
12 Illinois Thoroughbred Breeders Fund is more than the total of
13 the outstanding appropriations from such fund, the Governor
14 shall notify the State Comptroller and the State Treasurer of
15 such fact. The Comptroller and the State Treasurer, upon
16 receipt of such notification, shall transfer such excess amount
17 from the Illinois Thoroughbred Breeders Fund to the General
18 Revenue Fund.

19 (i) A sum equal to 13% of the first prize money of every
20 purse won by an Illinois foaled or Illinois conceived and
21 foaled horse in races not limited to Illinois foaled horses or
22 Illinois conceived and foaled horses, or both, shall be paid by
23 the organization licensee conducting the horse race meeting.
24 Such sum shall be paid 50% from the organization licensee's
25 share of the money wagered and 50% from the purse account as
26 follows: 11 1/2% to the breeder of the winning horse and 1 1/2%

1 to the organization representing thoroughbred breeders and
2 owners who representative serves on the Illinois Thoroughbred
3 Breeders Fund Advisory Board for verifying the amounts of
4 breeders' awards earned, ensuring their distribution in
5 accordance with this Act, and servicing and promoting the
6 Illinois thoroughbred horse racing industry. Beginning in the
7 calendar year in which an organization licensee that is
8 eligible to receive payments under paragraph (13) of subsection
9 (g) of Section 26 of this Act begins to receive funds from
10 electronic gaming, a sum equal to 21 1/2% of the first prize
11 money of every purse won by an Illinois foaled or an Illinois
12 conceived and foaled horse in races not limited to an Illinois
13 conceived and foaled horse, or both, shall be paid 30% from the
14 organization licensee's account and 70% from the purse account
15 as follows: 20% to the breeder of the winning horse and 1 1/2%
16 to the organization representing thoroughbred breeders and
17 owners whose representatives serves on the Illinois
18 Thoroughbred Breeders Fund Advisory Board for verifying the
19 amounts of breeders' awards earned, assuring their
20 distribution in accordance with this Act, and servicing and
21 promoting the Illinois Thoroughbred racing industry. A sum
22 equal to 12 1/2% of the first prize money of every purse won by
23 an Illinois foaled or an Illinois conceived and foaled horse in
24 races not limited to Illinois foaled horses or Illinois
25 conceived and foaled horses, or both, shall be paid by the
26 organization licensee conducting the horse race meeting. Such

1 ~~sum shall be paid from the organization licensee's share of the~~
2 ~~money wagered as follows: 11 1/2% to the breeder of the winning~~
3 ~~horse and 1% to the organization representing thoroughbred~~
4 ~~breeders and owners whose representative serves on the Illinois~~
5 ~~Thoroughbred Breeders Fund Advisory Board for verifying the~~
6 ~~amounts of breeders' awards earned, assuring their~~
7 ~~distribution in accordance with this Act, and servicing and~~
8 ~~promoting the Illinois thoroughbred horse racing industry.~~ The
9 organization representing thoroughbred breeders and owners
10 shall cause all expenditures of monies received under this
11 subsection (i) to be audited at least annually by a registered
12 public accountant. The organization shall file copies of each
13 annual audit with the Racing Board, the Clerk of the House of
14 Representatives and the Secretary of the Senate, and shall make
15 copies of each annual audit available to the public upon
16 request and upon payment of the reasonable cost of photocopying
17 the requested number of copies. Such payments shall not reduce
18 any award to the owner of the horse or reduce the taxes payable
19 under this Act. Upon completion of its racing meet, each
20 organization licensee shall deliver to the organization
21 representing thoroughbred breeders and owners whose
22 representative serves on the Illinois Thoroughbred Breeders
23 Fund Advisory Board a listing of all the Illinois foaled and
24 the Illinois conceived and foaled horses which won breeders'
25 awards and the amount of such breeders' awards under this
26 subsection to verify accuracy of payments and assure proper

1 distribution of breeders' awards in accordance with the
2 provisions of this Act. Such payments shall be delivered by the
3 organization licensee within 30 days of the end of each race
4 meeting.

5 (j) A sum equal to 13% of the first prize money won in
6 every race limited to Illinois foaled horses or Illinois
7 conceived and foaled horses, or both, shall be paid in the
8 following manner by the organization licensee conducting the
9 horse race meeting, 50% from the organization licensee's share
10 of the money wagered and 50% from the purse account as follows:
11 11 1/2% to the breeders of the horses in each such race which
12 are the official first, second, third, and fourth finishers and
13 1 1/2% to the organization representing thoroughbred breeders
14 and owners whose representatives serves on the Illinois
15 Thoroughbred Breeders Fund Advisory Board for verifying the
16 amounts of breeders' awards earned, ensuring their proper
17 distribution in accordance with this Act, and servicing and
18 promoting the Illinois horse racing industry. Beginning in the
19 calendar year in which an organization licensee that is
20 eligible to receive payments under paragraph (13) of subsection
21 (g) of Section 26 of this Act begins to receive funds from
22 electronic gaming, a sum of 21 1/2% of every purse in a race
23 limited to Illinois foaled horses or Illinois conceived and
24 foaled horses, or both, shall be paid by the organization
25 licensee conducting the horse race meeting. Such sum shall be
26 paid 30% from the organization licensee's account and 70% from

1 the purse account as follows: 20% to the breeders of the horses
2 in each such race who are official first, second, third and
3 fourth finishers and 1 1/2% to the organization representing
4 thoroughbred breeders and owners whose representatives serve
5 on the Illinois Thoroughbred Breeders Fund Advisory Board for
6 verifying the amounts of breeders' awards earned, ensuring
7 their proper distribution in accordance with this Act, and
8 servicing and promoting the Illinois thoroughbred horse racing
9 industry. The organization representing thoroughbred breeders
10 and owners shall cause all expenditures of moneys received
11 under this subsection (j) to be audited at least annually by a
12 registered public accountant. The organization shall file
13 copies of each annual audit with the Racing Board, the Clerk of
14 the House of Representatives and the Secretary of the Senate,
15 and shall make copies of each annual audit available to the
16 public upon request and upon payment of the reasonable cost of
17 photocopying the requested number of copies. A sum equal to 12
18 1/2% of the first prize money won in each race limited to
19 Illinois foaled horses or Illinois conceived and foaled horses,
20 or both, shall be paid in the following manner by the
21 organization licensee conducting the horse race meeting, from
22 the organization licensee's share of the money wagered: 11 1/2%
23 to the breeders of the horses in each such race which are the
24 official first, second, third and fourth finishers and 1% to
25 the organization representing thoroughbred breeders and owners
26 whose representative serves on the Illinois Thoroughbred

~~Breeders Fund Advisory Board for verifying the amounts of breeders' awards earned, assuring their proper distribution in accordance with this Act, and servicing and promoting the Illinois thoroughbred horse racing industry. The organization representing thoroughbred breeders and owners shall cause all expenditures of monies received under this subsection (j) to be audited at least annually by a registered public accountant. The organization shall file copies of each annual audit with the Racing Board, the Clerk of the House of Representatives and the Secretary of the Senate, and shall make copies of each annual audit available to the public upon request and upon payment of the reasonable cost of photocopying the requested number of copies.~~

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

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

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

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

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

Such payments shall not reduce any award to the owners of a horse or reduce the taxes payable under this Act. Upon completion of its racing meet, each organization licensee shall

1 deliver to the organization representing thoroughbred breeders
2 and owners whose representative serves on the Illinois
3 Thoroughbred Breeders Fund Advisory Board a listing of all the
4 Illinois foaled and the Illinois conceived and foaled horses
5 which won breeders' awards and the amount of such breeders'
6 awards in accordance with the provisions of this Act. Such
7 payments shall be delivered by the organization licensee within
8 30 days of the end of each race meeting.

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

1 residents.

2 (1) The Department of Agriculture shall, by rule, with the
3 advice and assistance of the Illinois Thoroughbred Breeders
4 Fund Advisory Board:

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

17 (2) Provide for the registration of Illinois conceived
18 and foaled horses and Illinois foaled horses. No such horse
19 shall compete in the races limited to Illinois conceived
20 and foaled horses or Illinois foaled horses or both unless
21 registered with the Department of Agriculture. The
22 Department of Agriculture may prescribe such forms as are
23 necessary to determine the eligibility of such horses. The
24 Department of Agriculture may assess and collect
25 application fees for the registration of Illinois-eligible
26 foals. All fees collected are to be held in trust accounts

1 for the purposes set forth in this Act and in accordance
2 with Section 205-15 of the Department of Agriculture Law
3 ~~paid into the Illinois Thoroughbred Breeders Fund.~~ No
4 person shall knowingly prepare or cause preparation of an
5 application for registration of such foals containing
6 false information.

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

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

23 (n) The Board and the organizational licensee shall notify
24 the Department of the conditions and minimum purses for races
25 limited to Illinois conceived and foaled and Illinois foaled
26 horses conducted for each organizational licensee conducting a

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

10 (o) (Blank).

11 (Source: P.A. 98-692, eff. 7-1-14.)

12 (230 ILCS 5/30.5)

13 Sec. 30.5. Illinois Racing Quarter Horse Breeders Fund.

14 (a) The General Assembly declares that it is the policy of
15 this State to encourage the breeding of racing quarter horses
16 in this State and the ownership of such horses by residents of
17 this State in order to provide for sufficient numbers of high
18 quality racing quarter horses 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) There is hereby created non-appropriated trust ~~a~~
24 ~~special fund in the State Treasury~~ to be known as the Illinois
25 Racing Quarter Horse Breeders Fund, which is held separately

1 from State moneys. Except as provided in subsection (g) of
2 Section 27 of this Act, 8.5% of all the moneys received by the
3 State as pari-mutuel taxes on quarter horse racing shall be
4 paid into the Illinois Racing Quarter Horse Breeders Fund. The
5 Illinois Racing Quarter Horse Breeders Fund shall not be
6 subject to administrative charges or chargebacks, including,
7 but not limited to, those authorized under Section 8h of the
8 State Finance Act.

9 (c) The Illinois Racing Quarter Horse Breeders Fund shall
10 be administered by the Department of Agriculture with the
11 advice and assistance of the Advisory Board created in
12 subsection (d) of this Section.

13 (d) The Illinois Racing Quarter Horse Breeders Fund
14 Advisory Board shall consist of the Director of the Department
15 of Agriculture, who shall serve as Chairman; a member of the
16 Illinois Racing Board, designated by it; one representative of
17 the organization licensees conducting pari-mutuel quarter
18 horse racing meetings, recommended by them; 2 representatives
19 of the Illinois Running Quarter Horse Association, recommended
20 by it; and the Superintendent of Fairs and Promotions from the
21 Department of Agriculture. Advisory Board members shall serve
22 for 2 years commencing January 1 of each odd numbered year. If
23 representatives have not been recommended by January 1 of each
24 odd numbered year, the Director of the Department of
25 Agriculture may make an appointment for the organization
26 failing to so recommend a member of the Advisory Board.

1 Advisory Board members shall receive no compensation for their
2 services as members but may be reimbursed for all actual and
3 necessary expenses and disbursements incurred in the execution
4 of their official duties.

5 (e) Moneys in ~~No moneys shall be expended from the Illinois~~
6 ~~Racing Quarter Horse Breeders Fund except as appropriated by~~
7 ~~the General Assembly. Moneys appropriated from~~ the Illinois
8 Racing Quarter Horse Breeders Fund shall be expended by the
9 Department of Agriculture, with the advice and assistance of
10 the Illinois Racing Quarter Horse Breeders Fund Advisory Board,
11 for the following purposes only:

12 (1) To provide stakes and awards to be paid to the
13 owners of the winning horses in certain races. This
14 provision is limited to Illinois conceived and foaled
15 horses.

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

20 (3) To provide purse money for an Illinois stallion
21 stakes program.

22 (4) To provide for purses to be distributed for the
23 running of races during the Illinois State Fair and the
24 DuQuoin State Fair exclusively for quarter horses
25 conceived and foaled in Illinois.

26 (5) To provide for purses to be distributed for the

1 running of races at Illinois county fairs exclusively for
2 quarter horses conceived and foaled in Illinois.

3 (6) To provide for purses to be distributed for running
4 races exclusively for quarter horses conceived and foaled
5 in Illinois at locations in Illinois determined by the
6 Department of Agriculture with advice and consent of the
7 Illinois Racing Quarter Horse Breeders Fund Advisory
8 Board.

9 (7) No less than 90% of all moneys appropriated from
10 the Illinois Racing Quarter Horse Breeders Fund shall be
11 expended for the purposes in items (1), (2), (3), (4), and
12 (5) of this subsection (e).

13 (8) To provide for research programs concerning the
14 health, development, and care of racing quarter horses.

15 (9) To provide for dissemination of public information
16 designed to promote the breeding of racing quarter horses
17 in Illinois.

18 (10) To provide for expenses incurred in the
19 administration of the Illinois Racing Quarter Horse
20 Breeders Fund.

21 (f) The Department of Agriculture shall, by rule, with the
22 advice and assistance of the Illinois Racing Quarter Horse
23 Breeders Fund Advisory Board:

24 (1) Qualify stallions for Illinois breeding; such
25 stallions to stand for service within the State of
26 Illinois, at the time of a foal's conception. Such stallion

1 must not stand for service at any place outside the State
2 of Illinois during the calendar year in which the foal is
3 conceived. The Department of Agriculture may assess and
4 collect application fees for the registration of
5 Illinois-eligible stallions. All fees collected are to be
6 paid into the Illinois Racing Quarter Horse Breeders Fund.

7 (2) Provide for the registration of Illinois conceived
8 and foaled horses. No such horse shall compete in the races
9 limited to Illinois conceived and foaled horses unless it
10 is registered with the Department of Agriculture. The
11 Department of Agriculture may prescribe such forms as are
12 necessary to determine the eligibility of such horses. The
13 Department of Agriculture may assess and collect
14 application fees for the registration of Illinois-eligible
15 foals. All fees collected are to be paid into the Illinois
16 Racing Quarter Horse Breeders Fund. No person shall
17 knowingly prepare or cause preparation of an application
18 for registration of such foals that contains false
19 information.

20 (g) The Department of Agriculture, with the advice and
21 assistance of the Illinois Racing Quarter Horse Breeders Fund
22 Advisory Board, shall provide that certain races limited to
23 Illinois conceived and foaled be stakes races and determine the
24 total amount of stakes and awards to be paid to the owners of
25 the winning horses in such races.

26 (Source: P.A. 98-463, eff. 8-16-13.)

1 (230 ILCS 5/31) (from Ch. 8, par. 37-31)

2 Sec. 31. (a) The General Assembly declares that it is the
3 policy of this State to encourage the breeding of standardbred
4 horses in this State and the ownership of such horses by
5 residents of this State in order to provide for: sufficient
6 numbers of high quality standardbred horses to participate in
7 harness racing meetings in this State, and to establish and
8 preserve the agricultural and commercial benefits of such
9 breeding and racing industries to the State of Illinois. It is
10 the intent of the General Assembly to further this policy by
11 the provisions of this Section of this Act.

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

19 (b-5) Organization licensees, not including the Illinois
20 State Fair or the DuQuoin State Fair, shall provide stake races
21 and early closer races for Illinois conceived and foaled horses
22 so that purses distributed for such races shall be no less than
23 17% of total purses distributed for harness racing in that
24 calendar year in addition to any stakes payments and starting
25 fees contributed by horse owners.

1 (b-10) Each organization licensee conducting a harness
2 racing meeting pursuant to this Act shall provide an owner
3 award to be paid from the purse account equal to 25% of the
4 amount earned by Illinois conceived and foaled horses in races
5 that are not restricted to Illinois conceived and foaled
6 horses. The owner awards shall not be paid on races below the
7 \$10,000 claiming class.

8 (c) Conditions of races under subsection (b) shall be
9 commensurate with past performance, quality and class of
10 Illinois conceived and foaled horses available. If, however,
11 sufficient competition cannot be had among horses of that class
12 on any day, the races may, with consent of the Board, be
13 eliminated for that day and substitute races provided.

14 (d) There is hereby created a special fund of the State
15 Treasury to be known as the Illinois Standardbred Breeders
16 Fund.

17 During the calendar year 1981, and each year thereafter,
18 except as provided in subsection (g) of Section 27 of this Act,
19 eight and one-half per cent of all the monies received by the
20 State as privilege taxes on harness racing meetings shall be
21 paid into the Illinois Standardbred Breeders Fund.

22 (e) The Illinois Standardbred Breeders Fund shall be
23 administered by the Department of Agriculture with the
24 assistance and advice of the Advisory Board created in
25 subsection (f) of this Section.

26 (f) The Illinois Standardbred Breeders Fund Advisory Board

1 is hereby created. The Advisory Board shall consist of the
2 Director of the Department of Agriculture, who shall serve as
3 Chairman; the Superintendent of the Illinois State Fair; a
4 member of the Illinois Racing Board, designated by it; a
5 representative of the largest association of Illinois
6 standardbred owners and breeders, recommended by it; a
7 representative of a statewide association representing
8 agricultural fairs in Illinois, recommended by it, such
9 representative to be from a fair at which Illinois conceived
10 and foaled racing is conducted; a representative of the
11 organization licensees conducting harness racing meetings,
12 recommended by them; a representative of the Breeder's
13 Committee of the association representing the largest number of
14 standardbred owners, breeders, trainers, caretakers, and
15 drivers, recommended by it; and a representative of the
16 association representing the largest number of standardbred
17 owners, breeders, trainers, caretakers, and drivers,
18 recommended by it. Advisory Board members shall serve for 2
19 years commencing January 1 of each odd numbered year. If
20 representatives of the largest association of Illinois
21 standardbred owners and breeders, a statewide association of
22 agricultural fairs in Illinois, the association representing
23 the largest number of standardbred owners, breeders, trainers,
24 caretakers, and drivers, a member of the Breeder's Committee of
25 the association representing the largest number of
26 standardbred owners, breeders, trainers, caretakers, and

1 drivers, and the organization licensees conducting harness
2 racing meetings have not been recommended by January 1 of each
3 odd numbered year, the Director of the Department of
4 Agriculture shall make an appointment for the organization
5 failing to so recommend a member of the Advisory Board.
6 Advisory Board members shall receive no compensation for their
7 services as members but shall be reimbursed for all actual and
8 necessary expenses and disbursements incurred in the execution
9 of their official duties.

10 (g) No monies shall be expended from the Illinois
11 Standardbred Breeders Fund except as appropriated by the
12 General Assembly. Monies appropriated from the Illinois
13 Standardbred Breeders Fund shall be expended by the Department
14 of Agriculture, with the assistance and advice of the Illinois
15 Standardbred Breeders Fund Advisory Board for the following
16 purposes only:

17 1. To provide purses for races limited to Illinois
18 conceived and foaled horses at the State Fair and the
19 DuQuoin State Fair.

20 2. To provide purses for races limited to Illinois
21 conceived and foaled horses at county fairs.

22 3. To provide purse supplements for races limited to
23 Illinois conceived and foaled horses conducted by
24 associations conducting harness racing meetings.

25 4. No less than 75% of all monies in the Illinois
26 Standardbred Breeders Fund shall be expended for purses in

1 1, 2 and 3 as shown above.

2 5. In the discretion of the Department of Agriculture
3 to provide awards to harness breeders of Illinois conceived
4 and foaled horses which win races conducted by organization
5 licensees conducting harness racing meetings. A breeder is
6 the owner of a mare at the time of conception. No more than
7 10% of all monies appropriated from the Illinois
8 Standardbred Breeders Fund shall be expended for such
9 harness breeders awards. No more than 25% of the amount
10 expended for harness breeders awards shall be expended for
11 expenses incurred in the administration of such harness
12 breeders awards.

13 6. To pay for the improvement of racing facilities
14 located at the State Fair and County fairs.

15 7. To pay the expenses incurred in the administration
16 of the Illinois Standardbred Breeders Fund.

17 8. To promote the sport of harness racing, including
18 grants up to a maximum of \$7,500 per fair per year for
19 conducting pari-mutuel wagering during the advertised
20 dates of a county fair.

21 9. To pay up to \$50,000 annually for the Department of
22 Agriculture to conduct drug testing at county fairs racing
23 standardbred horses.

24 (h) (Blank) ~~Whenever the Governor finds that the amount in~~
25 ~~the Illinois Standardbred Breeders Fund is more than the total~~
26 ~~of the outstanding appropriations from such fund, the Governor~~

1 ~~shall notify the State Comptroller and the State Treasurer of~~
2 ~~such fact. The Comptroller and the State Treasurer, upon~~
3 ~~receipt of such notification, shall transfer such excess amount~~
4 ~~from the Illinois Standardbred Breeders Fund to the General~~
5 ~~Revenue Fund.~~

6 (i) A sum equal to 13% ~~12 1/2%~~ of the first prize money of
7 the gross every purse won by an Illinois conceived and foaled
8 horse shall be paid 50% by the organization licensee conducting
9 the horse race meeting to the breeder of such winning horse
10 from the organization licensee's account and 50% from the purse
11 account of the licensee ~~share of the money wagered~~. Such
12 payment shall not reduce any award to the owner of the horse or
13 reduce the taxes payable under this Act. Such payment shall be
14 delivered by the organization licensee at the end of each
15 quarter ~~race meeting~~.

16 (j) The Department of Agriculture shall, by rule, with the
17 assistance and advice of the Illinois Standardbred Breeders
18 Fund Advisory Board:

19 1. Qualify stallions for Illinois Standardbred
20 Breeders Fund breeding; ~~such stallion shall be owned by a~~
21 ~~resident of the State of Illinois or by an Illinois~~
22 ~~corporation all of whose shareholders, directors, officers~~
23 ~~and incorporators are residents of the State of Illinois.~~
24 Such stallion shall stand for service at and within the
25 State of Illinois at the time of a foal's conception, and
26 such stallion must not stand for service at any place, ~~nor~~

1 ~~may semen from such stallion be transported,~~ outside the
2 State of Illinois during that calendar year in which the
3 foal is conceived ~~and that the owner of the stallion was~~
4 ~~for the 12 months prior, a resident of Illinois. Foals~~
5 ~~conceived outside the State of Illinois from shipped semen~~
6 ~~from a stallion qualified for breeders' awards under this~~
7 ~~Section are not eligible to participate in the Illinois~~
8 ~~conceived and foaled program. The articles of agreement of~~
9 ~~any partnership, joint venture, limited partnership,~~
10 ~~syndicate, association or corporation and any bylaws and~~
11 ~~stock certificates must contain a restriction that~~
12 ~~provides that the ownership or transfer of interest by any~~
13 ~~one of the persons a party to the agreement can only be~~
14 ~~made to a person who qualifies as an Illinois resident.~~

15 2. Provide for the registration of Illinois conceived
16 and foaled horses and no such horse shall compete in the
17 races limited to Illinois conceived and foaled horses
18 unless registered with the Department of Agriculture. The
19 Department of Agriculture may prescribe such forms as may
20 be necessary to determine the eligibility of such horses.
21 No person shall knowingly prepare or cause preparation of
22 an application for registration of such foals containing
23 false information. A mare (dam) must be in the state at
24 least 180 ~~30~~ days prior to foaling or remain in the State
25 at least 30 days at the time of foaling. Beginning with the
26 1996 breeding season and for foals of 1997 and thereafter,

1 a foal conceived in the State of Illinois by transported
2 fresh semen may be eligible for Illinois conceived and
3 foaled registration provided all breeding and foaling
4 requirements are met. The stallion must be qualified for
5 Illinois Standardbred Breeders Fund breeding at the time of
6 conception and the mare must be inseminated within the
7 State of Illinois. The foal must be dropped in Illinois and
8 properly registered with the Department of Agriculture in
9 accordance with this Act.

10 3. Provide that at least a 5 day racing program shall
11 be conducted at the State Fair each year, which program
12 shall include at least the following races limited to
13 Illinois conceived and foaled horses: (a) a two year old
14 Trot and Pace, and Filly Division of each; (b) a three year
15 old Trot and Pace, and Filly Division of each; (c) an aged
16 Trot and Pace, and Mare Division of each.

17 4. Provide for the payment of nominating, sustaining
18 and starting fees for races promoting the sport of harness
19 racing and for the races to be conducted at the State Fair
20 as provided in subsection (j) 3 of this Section provided
21 that the nominating, sustaining and starting payment
22 required from an entrant shall not exceed 2% of the purse
23 of such race. All nominating, sustaining and starting
24 payments shall be held for the benefit of entrants and
25 shall be paid out as part of the respective purses for such
26 races. Nominating, sustaining and starting fees shall be

1 held in trust accounts for the purposes as set forth in
2 this Act and in accordance with Section 205-15 of the
3 Department of Agriculture Law (20 ILCS 205/205-15).

4 5. Provide for the registration with the Department of
5 Agriculture of Colt Associations or county fairs desiring
6 to sponsor races at county fairs.

7 6. Provide for the promotion of producing standardbred
8 racehorses by providing a bonus award program for owners of
9 2-year-old horses that win multiple major stakes races that
10 are limited to Illinois conceived and foaled horses.

11 (k) The Department of Agriculture, with the advice and
12 assistance of the Illinois Standardbred Breeders Fund Advisory
13 Board, may allocate monies for purse supplements for such
14 races. In determining whether to allocate money and the amount,
15 the Department of Agriculture shall consider factors,
16 including but not limited to, the amount of money appropriated
17 for the Illinois Standardbred Breeders Fund program, the number
18 of races that may occur, and an organizational licensee's purse
19 structure. The organizational licensee shall notify the
20 Department of Agriculture of the conditions and minimum purses
21 for races limited to Illinois conceived and foaled horses to be
22 conducted by each organizational licensee conducting a harness
23 racing meeting for which purse supplements have been
24 negotiated.

25 (l) All races held at county fairs and the State Fair which
26 receive funds from the Illinois Standardbred Breeders Fund

1 shall be conducted in accordance with the rules of the United
2 States Trotting Association unless otherwise modified by the
3 Department of Agriculture.

4 (m) At all standardbred race meetings held or conducted
5 under authority of a license granted by the Board, and at all
6 standardbred races held at county fairs which are approved by
7 the Department of Agriculture or at the Illinois or DuQuoin
8 State Fairs, no one shall jog, train, warm up or drive a
9 standardbred horse unless he or she is wearing a protective
10 safety helmet, with the chin strap fastened and in place, which
11 meets the standards and requirements as set forth in the 1984
12 Standard for Protective Headgear for Use in Harness Racing and
13 Other Equestrian Sports published by the Snell Memorial
14 Foundation, or any standards and requirements for headgear the
15 Illinois Racing Board may approve. Any other standards and
16 requirements so approved by the Board shall equal or exceed
17 those published by the Snell Memorial Foundation. Any
18 equestrian helmet bearing the Snell label shall be deemed to
19 have met those standards and requirements.

20 (Source: P.A. 99-756, eff. 8-12-16.)

21 (230 ILCS 5/32.1)

22 Sec. 32.1. Pari-mutuel tax credit; statewide racetrack
23 real estate equalization.

24 (a) In order to encourage new investment in Illinois
25 racetrack facilities and mitigate differing real estate tax

1 burdens among all racetracks, the licensees affiliated or
2 associated with each racetrack that has been awarded live
3 racing dates in the current year shall receive an immediate
4 pari-mutuel tax credit in an amount equal to the greater of (i)
5 50% of the amount of the real estate taxes paid in the prior
6 year attributable to that racetrack, or (ii) the amount by
7 which the real estate taxes paid in the prior year attributable
8 to that racetrack exceeds 60% of the average real estate taxes
9 paid in the prior year for all racetracks awarded live horse
10 racing meets in the current year.

11 Each year, regardless of whether the organization licensee
12 conducted live racing in the year of certification, the Board
13 shall certify in writing, prior to December 31, the real estate
14 taxes paid in that year for each racetrack and the amount of
15 the pari-mutuel tax credit that each organization licensee,
16 inter-track ~~intertrack~~ wagering licensee, and inter-track
17 ~~intertrack~~ wagering location licensee that derives its license
18 from such racetrack is entitled in the succeeding calendar
19 year. The real estate taxes considered under this Section for
20 any racetrack shall be those taxes on the real estate parcels
21 and related facilities used to conduct a horse race meeting and
22 inter-track wagering at such racetrack under this Act. In no
23 event shall the amount of the tax credit under this Section
24 exceed the amount of pari-mutuel taxes otherwise calculated
25 under this Act. The amount of the tax credit under this Section
26 shall be retained by each licensee and shall not be subject to

1 any reallocation or further distribution under this Act. The
2 Board may promulgate emergency rules to implement this Section.

3 (b) If the organization licensee is operating electronic
4 gaming, then, for the 5-year period beginning on the January 1
5 of the calendar year immediately following the calendar year
6 during which an organization licensee begins conducting
7 electronic gaming operations pursuant to an electronic gaming
8 license issued under the Illinois Gambling Act, the
9 organization licensee shall make capital expenditures, in an
10 amount equal to no less than 50% of the tax credit under this
11 Section, to the improvement and maintenance of the backstretch,
12 including, but not limited to, backstretch barns, dormitories,
13 and services for backstretch workers. Those capital
14 expenditures must be in addition to, and not in lieu of, the
15 capital expenditures made for backstretch improvements in
16 calendar year 2015, as reported to the Board in the
17 organization licensee's application for racing dates and as
18 certified by the Board. The organization licensee is required
19 to annually submit the list and amounts of these capital
20 expenditures to the Board by January 30th of the year following
21 the expenditure.

22 (c) If the organization licensee is operating electronic
23 gaming in accordance with paragraph (b), then, after the 5-year
24 period beginning on January 1 of the calendar year immediately
25 following the calendar year during which an organization
26 licensee begins conducting electronic gaming operations

1 pursuant to an electronic gaming license issued under the
2 Illinois Gambling Act, the organization license is ineligible
3 to receive a tax credit under this Section.

4 (Source: P.A. 91-40, eff. 6-25-99; revised 9-2-16.)

5 (230 ILCS 5/34.3 new)

6 Sec. 34.3. Drug testing. The Illinois Racing Board and the
7 Department of Agriculture shall jointly establish a program for
8 the purpose of conducting drug testing of horses at county
9 fairs and shall adopt any rules necessary for enforcement of
10 the program. The rules shall include appropriate penalties for
11 violations.

12 (230 ILCS 5/36) (from Ch. 8, par. 37-36)

13 Sec. 36. (a) Whoever administers or conspires to administer
14 to any horse a hypnotic, narcotic, stimulant, depressant or any
15 chemical substance which may affect the speed of a horse at any
16 time in any race where the purse or any part of the purse is
17 made of money authorized by any Section of this Act, except
18 those chemical substances permitted by ruling of the Board,
19 internally, externally or by hypodermic method in a race or
20 prior thereto, or whoever knowingly enters a horse in any race
21 within a period of 24 hours after any hypnotic, narcotic,
22 stimulant, depressant or any other chemical substance which may
23 affect the speed of a horse at any time, except those chemical
24 substances permitted by ruling of the Board, has been

1 administered to such horse either internally or externally or
2 by hypodermic method for the purpose of increasing or retarding
3 the speed of such horse shall be guilty of a Class 4 felony.
4 The Board shall suspend or revoke such violator's license.

5 (b) The term "hypnotic" as used in this Section includes
6 all barbituric acid preparations and derivatives.

7 (c) The term "narcotic" as used in this Section includes
8 opium and all its alkaloids, salts, preparations and
9 derivatives, cocaine and all its salts, preparations and
10 derivatives and substitutes.

11 (d) The provisions of this Section 36 and the treatment
12 authorized herein apply to horses entered in and competing in
13 race meetings as defined in Section 3.07 of this Act and to
14 horses entered in and competing at any county fair.

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

16 (230 ILCS 5/40) (from Ch. 8, par. 37-40)

17 Sec. 40. (a) The imposition of any fine or penalty provided
18 in this Act shall not preclude the Board in its rules and
19 regulations from imposing a fine or penalty for any other
20 action which, in the Board's discretion, is a detriment or
21 impediment to horse racing.

22 (b) The Director of Agriculture or his or her authorized
23 representative shall impose the following monetary penalties
24 and hold administrative hearings as required for failure to
25 submit the following applications, lists, or reports within the

1 time period, date or manner required by statute or rule or for
2 removing a foal from Illinois prior to inspection:

3 (1) late filing of a renewal application for offering
4 or standing stallion for service:

5 (A) if an application is submitted no more than 30
6 days late, \$50;

7 (B) if an application is submitted no more than 45
8 days late, \$150; or

9 (C) if an application is submitted more than 45
10 days late, if filing of the application is allowed
11 under an administrative hearing, \$250;

12 (2) late filing of list or report of mares bred:

13 (A) if a list or report is submitted no more than
14 30 days late, \$50;

15 (B) if a list or report is submitted no more than
16 60 days late, \$150; or

17 (C) if a list or report is submitted more than 60
18 days late, if filing of the list or report is allowed
19 under an administrative hearing, \$250;

20 (3) filing an Illinois foaled thoroughbred mare status
21 report after the statutory deadline as provided in
22 subsection (k) of Section 30 of this Act ~~December 31:~~

23 (A) if a report is submitted no more than 30 days
24 late, \$50;

25 (B) if a report is submitted no more than 90 days
26 late, \$150;

1 (C) if a report is submitted no more than 150 days
2 late, \$250; or

3 (D) if a report is submitted more than 150 days
4 late, if filing of the report is allowed under an
5 administrative hearing, \$500;

6 (4) late filing of application for foal eligibility
7 certificate:

8 (A) if an application is submitted no more than 30
9 days late, \$50;

10 (B) if an application is submitted no more than 90
11 days late, \$150;

12 (C) if an application is submitted no more than 150
13 days late, \$250; or

14 (D) if an application is submitted more than 150
15 days late, if filing of the application is allowed
16 under an administrative hearing, \$500;

17 (5) failure to report the intent to remove a foal from
18 Illinois prior to inspection, identification and
19 certification by a Department of Agriculture investigator,
20 \$50; and

21 (6) if a list or report of mares bred is incomplete,
22 \$50 per mare not included on the list or report.

23 Any person upon whom monetary penalties are imposed under
24 this Section 3 times within a 5-year ~~5-year~~ period shall have
25 any further monetary penalties imposed at double the amounts
26 set forth above. All monies assessed and collected for

1 violations relating to thoroughbreds shall be paid into the
2 Illinois Thoroughbred Breeders Fund. All monies assessed and
3 collected for violations relating to standardbreds shall be
4 paid into the Illinois Standardbred Breeders Fund.

5 (Source: P.A. 87-397; revised 9-2-16.)

6 (230 ILCS 5/54.75)

7 Sec. 54.75. Horse Racing Equity Trust Fund.

8 (a) There is created a Fund to be known as the Horse Racing
9 Equity Trust Fund, which is a non-appropriated trust fund held
10 separate and apart from State moneys. The Fund shall consist of
11 moneys paid into it by owners licensees under the Illinois
12 ~~Riverboat~~ Gambling Act for the purposes described in this
13 Section. The Fund shall be administered by the Board. Moneys in
14 the Fund shall be distributed as directed and certified by the
15 Board in accordance with the provisions of subsection (b).

16 (b) The moneys deposited into the Fund, plus any accrued
17 interest on those moneys, shall be distributed within 10 days
18 after those moneys are deposited into the Fund as follows:

19 (1) Sixty percent of all moneys distributed under this
20 subsection shall be distributed to organization licensees
21 to be distributed at their race meetings as purses.
22 Fifty-seven percent of the amount distributed under this
23 paragraph (1) shall be distributed for thoroughbred race
24 meetings and 43% shall be distributed for standardbred race
25 meetings. Within each breed, moneys shall be allocated to

1 each organization licensee's purse fund in accordance with
2 the ratio between the purses generated for that breed by
3 that licensee during the prior calendar year and the total
4 purses generated throughout the State for that breed during
5 the prior calendar year by licensees in the current
6 calendar year.

7 (2) The remaining 40% of the moneys distributed under
8 this subsection (b) shall be distributed as follows:

9 (A) 11% shall be distributed to any person (or its
10 successors or assigns) who had operating control of a
11 racetrack that conducted live racing in 2002 at a
12 racetrack in a county with at least 230,000 inhabitants
13 that borders the Mississippi River and is a licensee in
14 the current year; and

15 (B) the remaining 89% shall be distributed pro rata
16 according to the aggregate proportion of total handle
17 from wagering on live races conducted in Illinois
18 (irrespective of where the wagers are placed) for
19 calendar years 2004 and 2005 to any person (or its
20 successors or assigns) who (i) had majority operating
21 control of a racing facility at which live racing was
22 conducted in calendar year 2002, (ii) is a licensee in
23 the current year, and (iii) is not eligible to receive
24 moneys under subparagraph (A) of this paragraph (2).

25 The moneys received by an organization licensee
26 under this paragraph (2) shall be used by each

1 organization licensee to improve, maintain, market,
2 and otherwise operate its racing facilities to conduct
3 live racing, which shall include backstretch services
4 and capital improvements related to live racing and the
5 backstretch. Any organization licensees sharing common
6 ownership may pool the moneys received and spent at all
7 racing facilities commonly owned in order to meet these
8 requirements.

9 If any person identified in this paragraph (2) becomes
10 ineligible to receive moneys from the Fund, such amount
11 shall be redistributed among the remaining persons in
12 proportion to their percentages otherwise calculated.

13 (c) The Board shall monitor organization licensees to
14 ensure that moneys paid to organization licensees under this
15 Section are distributed by the organization licensees as
16 provided in subsection (b).

17 (Source: P.A. 95-1008, eff. 12-15-08.)

18 (230 ILCS 5/56 new)

19 Sec. 56. Electronic gaming.

20 (a) A person, firm, corporation, or limited liability
21 company having operating control of a race track may apply to
22 the Gaming Board for an electronic gaming license. An
23 electronic gaming license shall authorize its holder to conduct
24 electronic gaming on the grounds of the race track of which the
25 electronic gaming licensee has operating control. Only one

1 electronic gaming license may be awarded for any race track. A
2 holder of an electronic gaming license shall be subject to the
3 Illinois Gambling Act and rules of the Illinois Gaming Board
4 concerning electronic gaming. If the person, firm,
5 corporation, or limited liability company having operating
6 control of a race track is found by the Illinois Gaming Board
7 to be unsuitable for an electronic gaming license under the
8 Illinois Gambling Act and rules of the Gaming Board, that
9 person, firm, corporation, or limited liability company shall
10 not be granted an electronic gaming license. Each license shall
11 specify the number of gaming positions that its holder may
12 operate.

13 An electronic gaming licensee may not permit persons under
14 21 years of age to be present in its electronic gaming
15 facility, but the licensee may accept wagers on live racing and
16 inter-track wagers at its electronic gaming facility.

17 (b) For purposes of this subsection, "adjusted gross
18 receipts" means an electronic gaming licensee's gross receipts
19 less winnings paid to wagerers and shall also include any
20 amounts that would otherwise be deducted pursuant to subsection
21 (a-9) of Section 13 of the Illinois Gambling Act. The adjusted
22 gross receipts by an electronic gaming licensee from electronic
23 gaming remaining after the payment of taxes under Section 13 of
24 the Illinois Gambling Act shall be distributed as follows:

25 (1) Amounts shall be paid to the purse account at the
26 track at which the organization licensee is conducting

1 racing equal to the following:

2 12.75% of annual adjusted gross receipts up to and
3 including \$75,000,000;

4 20% of annual adjusted gross receipts in excess of
5 \$75,000,000 but not exceeding \$100,000,000;

6 26.5% of annual adjusted gross receipts in excess
7 of \$100,000,000 but not exceeding \$125,000,000; and

8 20.5% of annual adjusted gross receipts in excess
9 of \$125,000,000.

10 (2) The remainder shall be retained by the electronic
11 gaming licensee.

12 (c) Electronic gaming receipts placed into the purse
13 account of an organization licensee racing thoroughbred horses
14 shall be used for purses, for health care services or worker's
15 compensation for racing industry workers, for equine research,
16 for programs to care for and transition injured and retired
17 thoroughbred horses that race at the race track, or for horse
18 ownership promotion, in accordance with the agreement of the
19 horsemen's association representing the largest number of
20 owners and trainers who race at that organization licensee's
21 race meetings.

22 Annually, from the purse account of an organization
23 licensee racing thoroughbred horses in this State, except for
24 in Madison County, an amount equal to 12% of the electronic
25 gaming receipts placed into the purse accounts shall be paid to
26 the Illinois Thoroughbred Breeders Fund and shall be used for

1 owner awards; a stallion program pursuant to paragraph (3) of
2 subsection (g) of Section 30 of this Act; and Illinois
3 conceived and foaled stakes races pursuant to paragraph (2) of
4 subsection (g) of Section 30 of this Act, as specifically
5 designated by the horsemen's association representing the
6 largest number of owners and trainers who race at the
7 organization licensee's race meetings.

8 Annually, from the purse account of an organization
9 licensee racing thoroughbred horses in Madison County, an
10 amount equal to 10% of the electronic gaming receipts placed
11 into the purse accounts shall be paid to the Illinois
12 Thoroughbred Breeders Fund and shall be used for owner awards;
13 a stallion program pursuant to paragraph (3) of subsection (g)
14 of Section 30 of this Act; and Illinois conceived and foaled
15 stakes races pursuant to paragraph (2) of subsection (g) of
16 Section 30 of this Act, as specifically designated by the
17 horsemen's association representing the largest number of
18 owners and trainers who race at the organization licensee's
19 race meetings.

20 Annually, from the purse account of an organization
21 licensee conducting thoroughbred races at a race track in
22 Madison County, an amount equal to 1% of the electronic gaming
23 receipts distributed to purses per subsection (b) of this
24 Section 56 shall be paid as follows: 0.33 1/3% to Southern
25 Illinois University Department of Animal Sciences for equine
26 research and education, an amount equal to 0.33 1/3% of the

1 electronic gaming receipts shall be used to operate laundry
2 facilities or a kitchen for backstretch workers at that race
3 track, and an amount equal to 0.33 1/3% of the electronic
4 gaming receipts shall be paid to R.A.C.E., Inc., a 501(c)(3)
5 non-profit organization that cares for injured and unwanted
6 horses that race at that race track.

7 Annually, from the purse account of organization licensees
8 conducting thoroughbred races at race tracks in Cook County,
9 \$100,000 shall be paid for division and equal distribution to
10 the animal sciences department of each Illinois public
11 university system engaged in equine research and education on
12 or before the effective date of this amendatory Act of the
13 100th General Assembly for equine research and education.

14 (d) Annually, from the purse account of an organization
15 licensee racing standardbred horses, an amount equal to 15% of
16 the electronic gaming receipts placed into that purse account
17 shall be paid to the Illinois Colt Stakes Purse Distribution
18 Fund. Moneys deposited into the Illinois Colt Stakes Purse
19 Distribution Fund shall be used for standardbred racing as
20 authorized in paragraphs 1, 2, 3, 8, 9, 10, and 11 of
21 subsection (g) of Section 31 of this Act and for bonus awards
22 as authorized under paragraph 6 of subsection (j) of Section 31
23 of this Act.

24 Section 90-40. The Riverboat Gambling Act is amended by
25 changing Sections 1, 2, 3, 4, 5, 5.1, 6, 7, 7.3, 7.5, 8, 9, 11,

1 11.1, 12, 13, 14, 15, 16, 17, 17.1, 18, 18.1, 19, 20, 21, 23,
2 and 24 and by adding Sections 5.3, 7.7, 7.8, 7.9, 7.10, 7.11,
3 7.12, 7.13, and 25 as follows:

4 (230 ILCS 10/1) (from Ch. 120, par. 2401)

5 Sec. 1. Short title. This Act shall be known and may be
6 cited as the Illinois Riverboat Gambling Act.

7 (Source: P.A. 86-1029.)

8 (230 ILCS 10/2) (from Ch. 120, par. 2402)

9 Sec. 2. Legislative Intent.

10 (a) This Act is intended to benefit the people of the State
11 of Illinois by assisting economic development, ~~and~~ promoting
12 Illinois tourism, ~~and~~ ~~by~~ increasing the amount of revenues
13 available to the State to assist and support education, and to
14 defray State expenses, including unpaid bills.

15 (b) While authorization of riverboat and casino gambling
16 will enhance investment, beautification, development and
17 tourism in Illinois, it is recognized that it will do so
18 successfully only if public confidence and trust in the
19 credibility and integrity of the gambling operations and the
20 regulatory process is maintained. Therefore, regulatory
21 provisions of this Act are designed to strictly regulate the
22 facilities, persons, associations and practices related to
23 gambling operations pursuant to the police powers of the State,
24 including comprehensive law enforcement supervision.

1 (c) The Illinois Gaming Board established under this Act
2 should, as soon as possible, inform each applicant for an
3 owners license of the Board's intent to grant or deny a
4 license.

5 (Source: P.A. 93-28, eff. 6-20-03.)

6 (230 ILCS 10/3) (from Ch. 120, par. 2403)

7 Sec. 3. ~~Riverboat~~ Gambling Authorized.

8 (a) Riverboat and casino gambling operations and
9 electronic gaming operations ~~and the system of wagering~~
10 ~~incorporated therein~~, as defined in this Act, are hereby
11 authorized to the extent that they are carried out in
12 accordance with the provisions of this Act.

13 (b) This Act does not apply to the pari-mutuel system of
14 wagering used or intended to be used in connection with the
15 horse-race meetings as authorized under the Illinois Horse
16 Racing Act of 1975, lottery games authorized under the Illinois
17 Lottery Law, bingo authorized under the Bingo License and Tax
18 Act, charitable games authorized under the Charitable Games Act
19 or pull tabs and jar games conducted under the Illinois Pull
20 Tabs and Jar Games Act. This Act applies to electronic gaming
21 authorized under the Illinois Horse Racing Act of 1975 to the
22 extent provided in that Act and in this Act.

23 (c) Riverboat gambling conducted pursuant to this Act may
24 be authorized upon any water within the State of Illinois or
25 any water other than Lake Michigan which constitutes a boundary

1 of the State of Illinois. Notwithstanding any provision in this
2 subsection (c) to the contrary, a licensee that receives its
3 license pursuant to subsection (e-5) of Section 7 may conduct
4 riverboat gambling on Lake Michigan from a home dock located on
5 Lake Michigan subject to any limitations contained in Section
6 7. Notwithstanding any provision in this subsection (c) to the
7 contrary, a licensee may conduct gambling at its home dock
8 facility as provided in Sections 7 and 11. A licensee may
9 conduct riverboat gambling authorized under this Act
10 regardless of whether it conducts excursion cruises. A licensee
11 may permit the continuous ingress and egress of passengers for
12 the purpose of gambling.

13 (d) Gambling that is conducted in accordance with this Act
14 using slot machines and video games of chance and other
15 electronic gambling games as defined in both this Act and the
16 Illinois Horse Racing Act of 1975 is authorized.

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

18 (230 ILCS 10/4) (from Ch. 120, par. 2404)

19 Sec. 4. Definitions. As used in this Act:

20 ~~(a)~~ "Board" means the Illinois Gaming Board.

21 ~~(b)~~ "Occupational license" means a license issued by the
22 Board to a person or entity to perform an occupation which the
23 Board has identified as requiring a license to engage in
24 riverboat gambling, casino gambling, or electronic gaming in
25 Illinois.

1 ~~(e)~~ "Gambling game" includes, but is not limited to,
2 baccarat, twenty-one, poker, craps, slot machine, video game of
3 chance, roulette wheel, klondike table, punchboard, faro
4 layout, keno layout, numbers ticket, push card, jar ticket, or
5 pull tab which is authorized by the Board as a wagering device
6 under this Act.

7 ~~(d)~~ "Riverboat" means a self-propelled excursion boat, a
8 permanently moored barge, or permanently moored barges that are
9 permanently fixed together to operate as one vessel, on which
10 lawful gambling is authorized and licensed as provided in this
11 Act.

12 "Slot machine" means any mechanical, electrical, or other
13 device, contrivance, or machine that is authorized by the Board
14 as a wagering device under this Act which, upon insertion of a
15 coin, currency, token, or similar object therein, or upon
16 payment of any consideration whatsoever, is available to play
17 or operate, the play or operation of which may deliver or
18 entitle the person playing or operating the machine to receive
19 cash, premiums, merchandise, tokens, or anything of value
20 whatsoever, whether the payoff is made automatically from the
21 machine or in any other manner whatsoever. A slot machine:

22 (1) may utilize spinning reels or video displays or
23 both;

24 (2) may or may not dispense coins, tickets, or tokens
25 to winning patrons;

26 (3) may use an electronic credit system for receiving

1 wagers and making payouts; and

2 (4) may simulate a table game.

3 "Slot machine" does not include table games authorized by
4 the Board as a wagering device under this Act.

5 ~~(e)~~ "Managers license" means a license issued by the Board
6 to a person or entity to manage gambling operations conducted
7 by the State pursuant to Section 7.3.

8 ~~(f)~~ "Dock" means the location where a riverboat moors for
9 the purpose of embarking passengers for and disembarking
10 passengers from the riverboat.

11 ~~(g)~~ "Gross receipts" means the total amount of money
12 exchanged for the purchase of chips, tokens, or electronic
13 cards by riverboat patrons.

14 ~~(h)~~ "Adjusted gross receipts" means the gross receipts less
15 winnings paid to wagerers.

16 ~~(i)~~ "Cheat" means to alter the selection of criteria which
17 determine the result of a gambling game or the amount or
18 frequency of payment in a gambling game.

19 ~~(j) (Blank).~~

20 ~~(k)~~ "Gambling operation" means the conduct of ~~authorized~~
21 gambling games authorized under this Act upon a riverboat or in
22 a casino or authorized under this Act and the Illinois Horse
23 Racing Act of 1975 at an electronic gaming facility.

24 ~~(l)~~ "License bid" means the lump sum amount of money that
25 an applicant bids and agrees to pay the State in return for an
26 owners license that is issued or re-issued on or after July 1,

1 2003.

2 "Table game" means a live gaming apparatus upon which
3 gaming is conducted or that determines an outcome that is the
4 object of a wager, including, but not limited to, baccarat,
5 twenty-one, blackjack, poker, craps, roulette wheel, klondike
6 table, punchboard, faro layout, keno layout, numbers ticket,
7 push card, jar ticket, pull tab, or other similar games that
8 are authorized by the Board as a wagering device under this
9 Act. "Table game" does not include slot machines or video games
10 of chance.

11 ~~(m)~~ The terms "minority person", "female", and "person with
12 a disability" shall have the same meaning as defined in Section
13 2 of the Business Enterprise for Minorities, Females, and
14 Persons with Disabilities Act.

15 "Authority" means the Chicago Casino Development
16 Authority.

17 "Casino" means a facility at which lawful gambling is
18 authorized as provided in this Act.

19 "Owners license" means a license to conduct riverboat or
20 casino gambling operations, but does not include an electronic
21 gaming license.

22 "Licensed owner" means a person who holds an owners
23 license.

24 "Electronic gaming" means slot machine gambling, video
25 game of chance gambling, or gambling with electronic gambling
26 games as defined in this Act or defined by the Board that is

1 conducted at a race track pursuant to an electronic gaming
2 license.

3 "Electronic gaming facility" means the area where the Board
4 has authorized electronic gaming at a race track of an
5 organization licensee under the Illinois Horse Racing Act of
6 1975 that holds an electronic gaming license.

7 "Electronic gaming license" means a license issued by the
8 Board under Section 7.7 of this Act authorizing electronic
9 gaming at an electronic gaming facility.

10 "Electronic gaming licensee" means an entity that holds an
11 electronic gaming license.

12 "Organization licensee" means an entity authorized by the
13 Illinois Racing Board to conduct pari-mutuel wagering in
14 accordance with the Illinois Horse Racing Act of 1975. With
15 respect only to electronic gaming, "organization licensee"
16 includes the authorization for electronic gaming created under
17 subsection (a) of Section 56 of the Illinois Horse Racing Act
18 of 1975.

19 "Casino operator license" means the license held by the
20 person or entity selected by the Authority to manage and
21 operate a riverboat or casino within the geographic area of the
22 authorized municipality pursuant to this Act and the Chicago
23 Casino Development Authority Act.

24 "Wide area progressive system" means a method of linking
25 progressive slot machines or electronic gaming machines across
26 telecommunication lines as part of a network connecting

1 participating facilities. Wide area progressive systems offer
2 a common progressive jackpot at all participating locations and
3 the award of the jackpot is at random.

4 (Source: P.A. 95-331, eff. 8-21-07; 96-1392, eff. 1-1-11.)

5 (230 ILCS 10/5) (from Ch. 120, par. 2405)

6 Sec. 5. Gaming Board.

7 (a) (1) There is hereby established the Illinois Gaming
8 Board, which shall have the powers and duties specified in this
9 Act and in the Chicago Casino Development Authority Act, and
10 all other powers necessary and proper to fully and effectively
11 execute this Act for the purpose of administering, regulating,
12 and enforcing the system of riverboat and casino gambling and
13 electronic gaming established by this Act and by the Chicago
14 Casino Development Authority Act. Its jurisdiction shall
15 extend under this Act and the Chicago Casino Development
16 Authority Act to every person, association, corporation,
17 partnership and trust involved in riverboat and casino gambling
18 operations and electronic gaming in the State of Illinois.

19 (2) The Board shall consist of 5 members to be appointed by
20 the Governor with the advice and consent of the Senate, one of
21 whom shall be designated by the Governor to be chairperson
22 ~~chairman~~. Each member shall have a reasonable knowledge of the
23 practice, procedure and principles of gambling operations.
24 Each member shall either be a resident of Illinois or shall
25 certify that he or she will become a resident of Illinois

1 before taking office.

2 On and after the effective date of this amendatory Act of
3 the 100th General Assembly, new appointees to the Board must
4 include the following:

5 (A) One member who has received, at a minimum, a
6 bachelor's degree from an accredited school and at least 10
7 years of verifiable training and experience in the fields
8 of investigation and law enforcement.

9 (B) One member who is a certified public accountant
10 with experience in auditing and with knowledge of complex
11 corporate structures and transactions.

12 (C) One member who has 5 years' experience as a
13 principal, senior officer, or director of a company or
14 business with either material responsibility for the daily
15 operations and management of the overall company or
16 business or material responsibility for the policy making
17 of the company or business.

18 (D) One member who is a lawyer licensed to practice law
19 in Illinois.

20 Notwithstanding any provision of this subsection (a), the
21 requirements of subparagraphs (A) through (D) of this paragraph
22 (2) shall not apply to any person reappointed pursuant to
23 paragraph (3).

24 No more than 3 members of the Board may be from the same
25 political party. The Board should reflect the ethnic, cultural,
26 and geographic diversity of the State. No Board member shall,

1 within a period of one year immediately preceding nomination,
2 have been employed or received compensation or fees for
3 services from a person or entity, or its parent or affiliate,
4 that has engaged in business with the Board, a licensee, or a
5 licensee under the Illinois Horse Racing Act of 1975. Board
6 members must publicly disclose all prior affiliations with
7 gaming interests, including any compensation, fees, bonuses,
8 salaries, and other reimbursement received from a person or
9 entity, or its parent or affiliate, that has engaged in
10 business with the Board, a licensee, or a licensee under the
11 Illinois Horse Racing Act of 1975. This disclosure must be made
12 within 30 days after nomination but prior to confirmation by
13 the Senate and must be made available to the members of the
14 Senate. At least one member shall be experienced in law
15 enforcement and criminal investigation, at least one member
16 shall be a certified public accountant experienced in
17 accounting and auditing, and at least one member shall be a
18 lawyer licensed to practice law in Illinois.

19 (3) The terms of office of the Board members shall be 3
20 years, except that the terms of office of the initial Board
21 members appointed pursuant to this Act will commence from the
22 effective date of this Act and run as follows: one for a term
23 ending July 1, 1991, 2 for a term ending July 1, 1992, and 2 for
24 a term ending July 1, 1993. Upon the expiration of the
25 foregoing terms, the successors of such members shall serve a
26 term for 3 years and until their successors are appointed and

1 qualified for like terms. Vacancies in the Board shall be
2 filled for the unexpired term in like manner as original
3 appointments. Each member of the Board shall be eligible for
4 reappointment at the discretion of the Governor with the advice
5 and consent of the Senate.

6 (4) Each member of the Board shall receive \$300 for each
7 day the Board meets and for each day the member conducts any
8 hearing pursuant to this Act. Each member of the Board shall
9 also be reimbursed for all actual and necessary expenses and
10 disbursements incurred in the execution of official duties.

11 (5) No person shall be appointed a member of the Board or
12 continue to be a member of the Board who is, or whose spouse,
13 child or parent is, a member of the board of directors of, or a
14 person financially interested in, any gambling operation
15 subject to the jurisdiction of this Board, or any race track,
16 race meeting, racing association or the operations thereof
17 subject to the jurisdiction of the Illinois Racing Board. No
18 Board member shall hold any other public office. No person
19 shall be a member of the Board who is not of good moral
20 character or who has been convicted of, or is under indictment
21 for, a felony under the laws of Illinois or any other state, or
22 the United States.

23 (5.5) No member of the Board shall engage in any political
24 activity. For the purposes of this Section, "political" means
25 any activity in support of or in connection with any campaign
26 for federal, State, or local elective office or any political

1 organization, but does not include activities (i) relating to
2 the support or opposition of any executive, legislative, or
3 administrative action (as those terms are defined in Section 2
4 of the Lobbyist Registration Act), (ii) relating to collective
5 bargaining, or (iii) that are otherwise in furtherance of the
6 person's official State duties or governmental and public
7 service functions.

8 (6) Any member of the Board may be removed by the Governor
9 for neglect of duty, misfeasance, malfeasance, or nonfeasance
10 in office or for engaging in any political activity.

11 (7) Before entering upon the discharge of the duties of his
12 office, each member of the Board shall take an oath that he
13 will faithfully execute the duties of his office according to
14 the laws of the State and the rules and regulations adopted
15 therewith and shall give bond to the State of Illinois,
16 approved by the Governor, in the sum of \$25,000. Every such
17 bond, when duly executed and approved, shall be recorded in the
18 office of the Secretary of State. Whenever the Governor
19 determines that the bond of any member of the Board has become
20 or is likely to become invalid or insufficient, he shall
21 require such member forthwith to renew his bond, which is to be
22 approved by the Governor. Any member of the Board who fails to
23 take oath and give bond within 30 days from the date of his
24 appointment, or who fails to renew his bond within 30 days
25 after it is demanded by the Governor, shall be guilty of
26 neglect of duty and may be removed by the Governor. The cost of

1 any bond given by any member of the Board under this Section
2 shall be taken to be a part of the necessary expenses of the
3 Board.

4 (7.5) For the examination of all mechanical,
5 electromechanical, or electronic table games, slot machines,
6 slot accounting systems, and other electronic gaming equipment
7 for compliance with this Act, the Board may utilize the
8 services of one or more independent outside testing
9 laboratories that have been accredited by a national
10 accreditation body and that, in the judgment of the Board, are
11 qualified to perform such examinations.

12 (8) The Board shall employ such personnel as may be
13 necessary to carry out its functions and shall determine the
14 salaries of all personnel, except those personnel whose
15 salaries are determined under the terms of a collective
16 bargaining agreement. No person shall be employed to serve the
17 Board who is, or whose spouse, parent or child is, an official
18 of, or has a financial interest in or financial relation with,
19 any operator engaged in gambling operations within this State
20 or any organization engaged in conducting horse racing within
21 this State. For the one year immediately preceding employment,
22 an employee shall not have been employed or received
23 compensation or fees for services from a person or entity, or
24 its parent or affiliate, that has engaged in business with the
25 Board, a licensee, or a licensee under the Illinois Horse
26 Racing Act of 1975. Any employee violating these prohibitions

1 shall be subject to termination of employment. In addition, all
2 Board members and employees are subject to the restrictions set
3 forth in Section 5-45 of the State Officials and Employees
4 Ethics Act.

5 (9) An Administrator shall perform any and all duties that
6 the Board shall assign him. The salary of the Administrator
7 shall be determined by the Board and, in addition, he shall be
8 reimbursed for all actual and necessary expenses incurred by
9 him in discharge of his official duties. The Administrator
10 shall keep records of all proceedings of the Board and shall
11 preserve all records, books, documents and other papers
12 belonging to the Board or entrusted to its care. The
13 Administrator shall devote his full time to the duties of the
14 office and shall not hold any other office or employment.

15 (b) The Board shall have general responsibility for the
16 implementation of this Act. Its duties include, without
17 limitation, the following:

18 (1) To decide promptly and in reasonable order all
19 license applications. Any party aggrieved by an action of
20 the Board denying, suspending, revoking, restricting or
21 refusing to renew a license may request a hearing before
22 the Board. A request for a hearing must be made to the
23 Board in writing within 5 days after service of notice of
24 the action of the Board. Notice of the action of the Board
25 shall be served either by personal delivery or by certified
26 mail, postage prepaid, to the aggrieved party. Notice

1 served by certified mail shall be deemed complete on the
2 business day following the date of such mailing. The Board
3 shall conduct all requested hearings promptly and in
4 reasonable order;

5 (2) To conduct all hearings pertaining to civil
6 violations of this Act or rules and regulations promulgated
7 hereunder;

8 (3) To promulgate such rules and regulations as in its
9 judgment may be necessary to protect or enhance the
10 credibility and integrity of gambling operations
11 authorized by this Act and the regulatory process
12 hereunder;

13 (4) To provide for the establishment and collection of
14 all license and registration fees and taxes imposed by this
15 Act and the rules and regulations issued pursuant hereto.
16 All such fees and taxes shall be deposited into the State
17 Gaming Fund;

18 (5) To provide for the levy and collection of penalties
19 and fines for the violation of provisions of this Act and
20 the rules and regulations promulgated hereunder. All such
21 fines and penalties shall be deposited into the Education
22 Assistance Fund, created by Public Act 86-0018, of the
23 State of Illinois;

24 (6) To be present through its inspectors and agents any
25 time gambling operations are conducted on any riverboat, in
26 any casino, or at any electronic gaming facility for the

1 purpose of certifying the revenue thereof, receiving
2 complaints from the public, and conducting such other
3 investigations into the conduct of the gambling games and
4 the maintenance of the equipment as from time to time the
5 Board may deem necessary and proper;

6 (7) To review and rule upon any complaint by a licensee
7 regarding any investigative procedures of the State which
8 are unnecessarily disruptive of gambling operations. The
9 need to inspect and investigate shall be presumed at all
10 times. The disruption of a licensee's operations shall be
11 proved by clear and convincing evidence, and establish
12 that: (A) the procedures had no reasonable law enforcement
13 purposes, and (B) the procedures were so disruptive as to
14 unreasonably inhibit gambling operations;

15 (8) To hold at least one meeting each quarter of the
16 fiscal year. In addition, special meetings may be called by
17 the Chairman or any 2 Board members upon 72 hours written
18 notice to each member. All Board meetings shall be subject
19 to the Open Meetings Act. Three members of the Board shall
20 constitute a quorum, and 3 votes shall be required for any
21 final determination by the Board. The Board shall keep a
22 complete and accurate record of all its meetings. A
23 majority of the members of the Board shall constitute a
24 quorum for the transaction of any business, for the
25 performance of any duty, or for the exercise of any power
26 which this Act requires the Board members to transact,

1 perform or exercise en banc, except that, upon order of the
2 Board, one of the Board members or an administrative law
3 judge designated by the Board may conduct any hearing
4 provided for under this Act or by Board rule and may
5 recommend findings and decisions to the Board. The Board
6 member or administrative law judge conducting such hearing
7 shall have all powers and rights granted to the Board in
8 this Act. The record made at the time of the hearing shall
9 be reviewed by the Board, or a majority thereof, and the
10 findings and decision of the majority of the Board shall
11 constitute the order of the Board in such case;

12 (9) To maintain records which are separate and distinct
13 from the records of any other State board or commission.
14 Such records shall be available for public inspection and
15 shall accurately reflect all Board proceedings;

16 (10) To file a written annual report with the Governor
17 on or before March 1 each year and such additional reports
18 as the Governor may request. The annual report shall
19 include a statement of receipts and disbursements by the
20 Board, actions taken by the Board, and any additional
21 information and recommendations which the Board may deem
22 valuable or which the Governor may request;

23 (11) (Blank);

24 (12) (Blank);

25 (13) To assume responsibility for administration and
26 enforcement of the Video Gaming Act; ~~and~~

1 (13.1) To assume responsibility for the administration
2 and enforcement of operations at electronic gaming
3 facilities pursuant to this Act and the Illinois Horse
4 Racing Act of 1975;

5 (13.2) To assume responsibility for the administration
6 and enforcement of gambling operations at the Chicago
7 Casino Development Authority's casino pursuant to this Act
8 and the Chicago Casino Development Authority Act; and

9 (14) To adopt, by rule, a code of conduct governing
10 Board members and employees that ensure, to the maximum
11 extent possible, that persons subject to this Code avoid
12 situations, relationships, or associations that may
13 represent or lead to a conflict of interest.

14 Internal controls and changes submitted by licensees must
15 be reviewed and either approved or denied with cause within 90
16 days after receipt of submission is deemed final by the
17 Illinois Gaming Board. In the event an internal control
18 submission or change does not meet the standards set by the
19 Board, staff of the Board must provide technical assistance to
20 the licensee to rectify such deficiencies within 90 days after
21 the initial submission and the revised submission must be
22 reviewed and approved or denied with cause within 90 days after
23 the date the revised submission is deemed final by the Board.
24 For the purposes of this paragraph, "with cause" means that the
25 approval of the submission would jeopardize the integrity of
26 gaming. In the event the Board staff has not acted within the

1 timeframe, the submission shall be deemed approved.

2 (c) The Board shall have jurisdiction over and shall
3 supervise all gambling operations governed by this Act and the
4 Chicago Casino Development Authority Act. The Board shall have
5 all powers necessary and proper to fully and effectively
6 execute the provisions of this Act and the Chicago Casino
7 Development Authority Act, including, but not limited to, the
8 following:

9 (1) To investigate applicants and determine the
10 eligibility of applicants for licenses and to select among
11 competing applicants the applicants which best serve the
12 interests of the citizens of Illinois.

13 (2) To have jurisdiction and supervision over all
14 ~~riverboat~~ gambling operations authorized under this Act
15 and the Chicago Casino Development Authority Act ~~in this~~
16 ~~State~~ and all persons in places ~~on riverboats~~ where
17 gambling operations are conducted.

18 (3) To promulgate rules and regulations for the purpose
19 of administering the provisions of this Act and the Chicago
20 Casino Development Authority Act and to prescribe rules,
21 regulations and conditions under which all ~~riverboat~~
22 gambling operations subject to this Act and the Chicago
23 Casino Development Authority Act ~~in the State~~ shall be
24 conducted. Such rules and regulations are to provide for
25 the prevention of practices detrimental to the public
26 interest and for the best interests of ~~riverboat~~ gambling,

1 including rules and regulations regarding the inspection
2 of electronic gaming facilities, casinos, and ~~such~~
3 riverboats, and the review of any permits or licenses
4 necessary to operate a riverboat, casino, or electronic
5 gaming facilities under any laws or regulations applicable
6 to riverboats, casinos, or electronic gaming facilities
7 and to impose penalties for violations thereof.

8 (4) To enter the office, riverboats, casinos,
9 electronic gaming facilities, and other facilities, or
10 other places of business of a licensee, where evidence of
11 the compliance or noncompliance with the provisions of this
12 Act and the Chicago Casino Development Authority Act is
13 likely to be found.

14 (5) To investigate alleged violations of this Act, the
15 Chicago Casino Development Authority Act, or the rules of
16 the Board and to take appropriate disciplinary action
17 against a licensee or a holder of an occupational license
18 for a violation, or institute appropriate legal action for
19 enforcement, or both.

20 (6) To adopt standards for the licensing of all persons
21 and entities under this Act and the Chicago Casino
22 Development Authority Act, as well as for electronic or
23 mechanical gambling games, and to establish fees for such
24 licenses.

25 (7) To adopt appropriate standards for all electronic
26 gaming facilities, riverboats, casinos, and other

1 facilities authorized under this Act and the Chicago Casino
2 Development Authority Act.

3 (8) To require that the records, including financial or
4 other statements of any licensee under this Act and the
5 Chicago Casino Development Authority Act, shall be kept in
6 such manner as prescribed by the Board and that any such
7 licensee involved in the ownership or management of
8 gambling operations submit to the Board an annual balance
9 sheet and profit and loss statement, list of the
10 stockholders or other persons having a 1% or greater
11 beneficial interest in the gambling activities of each
12 licensee, and any other information the Board deems
13 necessary in order to effectively administer this Act and
14 the Chicago Casino Development Authority Act and all rules,
15 regulations, orders and final decisions promulgated under
16 this Act and the Chicago Casino Development Authority Act.

17 (9) To conduct hearings, issue subpoenas for the
18 attendance of witnesses and subpoenas duces tecum for the
19 production of books, records and other pertinent documents
20 in accordance with the Illinois Administrative Procedure
21 Act, and to administer oaths and affirmations to the
22 witnesses, when, in the judgment of the Board, it is
23 necessary to administer or enforce this Act, the Chicago
24 Casino Development Authority Act, or the Board rules.

25 (10) To prescribe a form to be used by any licensee
26 involved in the ownership or management of gambling

1 operations as an application for employment for their
2 employees.

3 (11) To revoke or suspend licenses, other than the
4 license issued to the Chicago Casino Development
5 Authority, as the Board may see fit and in compliance with
6 applicable laws of the State regarding administrative
7 procedures, and to review applications for the renewal of
8 licenses. The Board may suspend an owners license (other
9 than the license issued to the Chicago Casino Development
10 Authority), electronic gaming license, or casino operator
11 license, without notice or hearing upon a determination
12 that the safety or health of patrons or employees is
13 jeopardized by continuing a gambling operation conducted
14 under that license ~~riverboat's operation~~. The suspension
15 may remain in effect until the Board determines that the
16 cause for suspension has been abated. The Board may revoke
17 an ~~the~~ owners license (other than the license issued to the
18 Chicago Casino Development Authority), electronic gaming
19 license, or casino operator license upon a determination
20 that the licensee ~~owner~~ has not made satisfactory progress
21 toward abating the hazard.

22 (12) To eject or exclude or authorize the ejection or
23 exclusion of, any person from ~~riverboat~~ gambling
24 facilities where that ~~such~~ person is in violation of this
25 Act or the Chicago Casino Development Authority Act, rules
26 and regulations thereunder, or final orders of the Board,

1 or where such person's conduct or reputation is such that
2 his or her presence within the ~~riverboat~~ gambling
3 facilities may, in the opinion of the Board, call into
4 question the honesty and integrity of the gambling
5 operations or interfere with the orderly conduct thereof;
6 provided that the propriety of such ejection or exclusion
7 is subject to subsequent hearing by the Board.

8 (13) To require all licensees of gambling operations to
9 utilize a cashless wagering system whereby all players'
10 money is converted to tokens, electronic cards, or chips
11 which shall be used only for wagering in the gambling
12 establishment.

13 (14) (Blank).

14 (15) To suspend, revoke or restrict licenses, other
15 than the license issued to the Chicago Casino Development
16 Authority, to require the removal of a licensee or an
17 employee of a licensee for a violation of this Act, the
18 Chicago Casino Development Authority Act, or a Board rule
19 or for engaging in a fraudulent practice, and to impose
20 civil penalties of up to \$5,000 against individuals and up
21 to \$10,000 or an amount equal to the daily gross receipts,
22 whichever is larger, against licensees for each violation
23 of any provision of the Act, the Chicago Casino Development
24 Authority Act, any rules adopted by the Board, any order of
25 the Board or any other action which, in the Board's
26 discretion, is a detriment or impediment to ~~riverboat~~

1 gambling operations.

2 (16) To hire employees to gather information, conduct
3 investigations and carry out any other tasks contemplated
4 under this Act or the Chicago Casino Development Authority
5 Act.

6 (17) To establish minimum levels of insurance to be
7 maintained by licensees.

8 (18) To authorize a licensee to sell or serve alcoholic
9 liquors, wine or beer as defined in the Liquor Control Act
10 of 1934 on board a riverboat or in a casino and to have
11 exclusive authority to establish the hours for sale and
12 consumption of alcoholic liquor on board a riverboat or in
13 a casino, notwithstanding any provision of the Liquor
14 Control Act of 1934 or any local ordinance, and regardless
15 of whether the riverboat makes excursions. The
16 establishment of the hours for sale and consumption of
17 alcoholic liquor on board a riverboat or in a casino is an
18 exclusive power and function of the State. A home rule unit
19 may not establish the hours for sale and consumption of
20 alcoholic liquor on board a riverboat or in a casino. This
21 subdivision (18) amendatory Act of 1991 is a denial and
22 limitation of home rule powers and functions under
23 subsection (h) of Section 6 of Article VII of the Illinois
24 Constitution.

25 (19) After consultation with the U.S. Army Corps of
26 Engineers, to establish binding emergency orders upon the

1 concurrence of a majority of the members of the Board
2 regarding the navigability of water, relative to
3 excursions, in the event of extreme weather conditions,
4 acts of God or other extreme circumstances.

5 (20) To delegate the execution of any of its powers
6 under this Act or the Chicago Casino Development Authority
7 Act for the purpose of administering and enforcing this
8 Act, the Chicago Casino Development Authority Act, and the
9 its rules adopted by the Board under both Acts ~~and~~
10 ~~regulations hereunder.~~

11 (20.5) To approve any contract entered into on its
12 behalf.

13 (20.6) To appoint investigators to conduct
14 investigations, searches, seizures, arrests, and other
15 duties imposed under this Act, as deemed necessary by the
16 Board. These investigators have and may exercise all of the
17 rights and powers of peace officers, provided that these
18 powers shall be limited to offenses or violations occurring
19 or committed in a casino, in an electronic gaming facility,
20 or on a riverboat or dock, as defined in subsections (d)
21 and (f) of Section 4, or as otherwise provided by this Act, the
22 Chicago Casino Development Authority Act, or any other
23 law.

24 (20.7) To contract with the Department of State Police
25 for the use of trained and qualified State police officers
26 and with the Department of Revenue for the use of trained

1 and qualified Department of Revenue investigators to
2 conduct investigations, searches, seizures, arrests, and
3 other duties imposed under this Act or the Chicago Casino
4 Development Authority Act and to exercise all of the rights
5 and powers of peace officers, provided that the powers of
6 Department of Revenue investigators under this subdivision
7 (20.7) shall be limited to offenses or violations occurring
8 or committed in a casino, in an electronic gaming facility,
9 or on a riverboat or dock, as defined in subsections (d)
10 and (f) of Section 4, or as otherwise provided by this Act
11 or any other law. In the event the Department of State
12 Police or the Department of Revenue is unable to fill
13 contracted police or investigative positions, the Board
14 may appoint investigators to fill those positions pursuant
15 to subdivision (20.6).

16 (21) To adopt rules concerning the conduct of
17 electronic gaming.

18 (22) To have the same jurisdiction and supervision over
19 casinos and electronic gaming facilities as the Board has
20 over riverboats, including, but not limited to, the power
21 to (i) investigate, review, and approve contracts as that
22 power is applied to riverboats, (ii) adopt rules for
23 administering the provisions of this Act or the Chicago
24 Casino Development Authority Act, (iii) adopt standards
25 for the licensing of all persons involved with a casino or
26 electronic gaming facility, (iv) investigate alleged

1 violations of this Act by any person involved with a casino
2 or electronic gaming facility, and (v) require that
3 records, including financial or other statements of any
4 casino or electronic gaming facility, shall be kept in such
5 manner as prescribed by the Board.

6 (23) To supervise and regulate the Chicago Casino
7 Development Authority in accordance with the Chicago
8 Casino Development Authority Act and the provisions of this
9 Act.

10 (24) ~~(21)~~ To take any other action as may be reasonable
11 or appropriate to enforce this Act, the Chicago Casino
12 Development Authority Act, and the rules adopted by the
13 Board under both Acts ~~and regulations hereunder.~~

14 All Board powers enumerated in this Section in relation to
15 licensees shall apply equally to the holder of any casino
16 management contract entered into pursuant to the Chicago Casino
17 Development Authority Act.

18 (d) The Board may seek and shall receive the cooperation of
19 the Department of State Police in conducting background
20 investigations of applicants and in fulfilling its
21 responsibilities under this Section. Costs incurred by the
22 Department of State Police as a result of such cooperation
23 shall be paid by the Board in conformance with the requirements
24 of Section 2605-400 of the Department of State Police Law (20
25 ILCS 2605/2605-400).

26 (e) The Board must authorize to each investigator and to

1 any other employee of the Board exercising the powers of a
2 peace officer a distinct badge that, on its face, (i) clearly
3 states that the badge is authorized by the Board and (ii)
4 contains a unique identifying number. No other badge shall be
5 authorized by the Board.

6 (Source: P.A. 98-377, eff. 1-1-14; 98-582, eff. 8-27-13.)

7 (230 ILCS 10/5.1) (from Ch. 120, par. 2405.1)

8 Sec. 5.1. Disclosure of records.

9 (a) Notwithstanding any applicable statutory provision to
10 the contrary, the Board shall, on written request from any
11 person, provide information furnished by an applicant or
12 licensee concerning the applicant or licensee, his products,
13 services or gambling enterprises and his business holdings, as
14 follows:

15 (1) The name, business address and business telephone
16 number of any applicant or licensee.

17 (2) An identification of any applicant or licensee
18 including, if an applicant or licensee is not an
19 individual, the names and addresses of all stockholders and
20 directors, if the entity is a corporation; the names and
21 addresses of all members, if the entity is a limited
22 liability company; the names and addresses of all partners,
23 both general and limited, if the entity is a partnership;
24 and the names and addresses of all beneficiaries, if the
25 entity is a trust ~~the state of incorporation or~~

1 ~~registration, the corporate officers, and the identity of~~
2 ~~all shareholders or participants.~~ If an applicant or
3 licensee has a pending registration statement filed with
4 the Securities and Exchange Commission, only the names of
5 those persons or entities holding interest of 5% or more
6 must be provided.

7 (3) An identification of any business, including, if
8 applicable, the state of incorporation or registration, in
9 which an applicant or licensee or an applicant's or
10 licensee's spouse or children has an equity interest of
11 more than 1%. If an applicant or licensee is a corporation,
12 partnership or other business entity, the applicant or
13 licensee shall identify any other corporation, partnership
14 or business entity in which it has an equity interest of 1%
15 or more, including, if applicable, the state of
16 incorporation or registration. This information need not
17 be provided by a corporation, partnership or other business
18 entity that has a pending registration statement filed with
19 the Securities and Exchange Commission.

20 (4) Whether an applicant or licensee has been indicted,
21 convicted, pleaded guilty or nolo contendere, or forfeited
22 bail concerning any criminal offense under the laws of any
23 jurisdiction, either felony or misdemeanor (except for
24 traffic violations), including the date, the name and
25 location of the court, arresting agency and prosecuting
26 agency, the case number, the offense, the disposition and

1 the location and length of incarceration.

2 (5) Whether an applicant or licensee has had any
3 license or certificate issued by a licensing authority in
4 Illinois or any other jurisdiction denied, restricted,
5 suspended, revoked or not renewed and a statement
6 describing the facts and circumstances concerning the
7 denial, restriction, suspension, revocation or
8 non-renewal, including the licensing authority, the date
9 each such action was taken, and the reason for each such
10 action.

11 (6) Whether an applicant or licensee has ever filed or
12 had filed against it a proceeding in bankruptcy or has ever
13 been involved in any formal process to adjust, defer,
14 suspend or otherwise work out the payment of any debt
15 including the date of filing, the name and location of the
16 court, the case and number of the disposition.

17 (7) Whether an applicant or licensee has filed, or been
18 served with a complaint or other notice filed with any
19 public body, regarding the delinquency in the payment of,
20 or a dispute over the filings concerning the payment of,
21 any tax required under federal, State or local law,
22 including the amount, type of tax, the taxing agency and
23 time periods involved.

24 (8) A statement listing the names and titles of all
25 public officials or officers of any unit of government, and
26 relatives of said public officials or officers who,

1 directly or indirectly, own any financial interest in, have
2 any beneficial interest in, are the creditors of or hold
3 any debt instrument issued by, or hold or have any interest
4 in any contractual or service relationship with, an
5 applicant or licensee.

6 (9) Whether an applicant or licensee has made, directly
7 or indirectly, any political contribution, or any loans,
8 donations or other payments, to any candidate or office
9 holder, within 5 years from the date of filing the
10 application, including the amount and the method of
11 payment.

12 (10) The name and business telephone number of the
13 counsel representing an applicant or licensee in matters
14 before the Board.

15 (11) A description of any proposed or approved
16 riverboat or casino gaming or electronic gaming operation,
17 including the type of boat, home dock or casino or
18 electronic gaming location, expected economic benefit to
19 the community, anticipated or actual number of employees,
20 any statement from an applicant or licensee regarding
21 compliance with federal and State affirmative action
22 guidelines, projected or actual admissions and projected
23 or actual adjusted gross gaming receipts.

24 (12) A description of the product or service to be
25 supplied by an applicant for a supplier's license.

26 (b) Notwithstanding any applicable statutory provision to

1 the contrary, the Board shall, on written request from any
2 person, also provide the following information:

3 (1) The amount of the wagering tax and admission tax
4 paid daily to the State of Illinois by the holder of an
5 owner's license.

6 (2) Whenever the Board finds an applicant for an
7 owner's license unsuitable for licensing, a copy of the
8 written letter outlining the reasons for the denial.

9 (3) Whenever the Board has refused to grant leave for
10 an applicant to withdraw his application, a copy of the
11 letter outlining the reasons for the refusal.

12 (c) Subject to the above provisions, the Board shall not
13 disclose any information which would be barred by:

14 (1) Section 7 of the Freedom of Information Act; or

15 (2) The statutes, rules, regulations or
16 intergovernmental agreements of any jurisdiction.

17 (d) The Board may assess fees for the copying of
18 information in accordance with Section 6 of the Freedom of
19 Information Act.

20 (Source: P.A. 96-1392, eff. 1-1-11.)

21 (230 ILCS 10/5.3 new)

22 Sec. 5.3. Ethical conduct.

23 (a) Officials and employees of the corporate authority of a
24 host community must carry out their duties and responsibilities
25 in such a manner as to promote and preserve public trust and

1 confidence in the integrity and conduct of gaming.

2 (b) Officials and employees of the corporate authority of a
3 host community shall not use or attempt to use his or her
4 official position to secure or attempt to secure any privilege,
5 advantage, favor, or influence for himself or herself or
6 others.

7 (c) Officials and employees of the corporate authority of a
8 host community may not have a financial interest, directly or
9 indirectly, in his or her own name or in the name of any other
10 person, partnership, association, trust, corporation, or other
11 entity in any contract or subcontract for the performance of
12 any work for a riverboat or casino that is located in the host
13 community. This prohibition shall extend to the holding or
14 acquisition of an interest in any entity identified by Board
15 action that, in the Board's judgment, could represent the
16 potential for or the appearance of a financial interest. The
17 holding or acquisition of an interest in such entities through
18 an indirect means, such as through a mutual fund, shall not be
19 prohibited, except that the Board may identify specific
20 investments or funds that, in its judgment, are so influenced
21 by gaming holdings as to represent the potential for or the
22 appearance of a conflict of interest.

23 (d) Officials and employees of the corporate authority of a
24 host community may not accept any gift, gratuity, service,
25 compensation, travel, lodging, or thing of value, with the
26 exception of unsolicited items of an incidental nature, from

1 any person, corporation, or entity doing business with the
2 riverboat or casino that is located in the host community.

3 (e) Officials and employees of the corporate authority of a
4 host community shall not, during the period that the person is
5 an official or employee of the corporate authority or for a
6 period of 2 years immediately after leaving such office,
7 knowingly accept employment or receive compensation or fees for
8 services from a person or entity, or its parent or affiliate,
9 that has engaged in business with the riverboat or casino that
10 is located in the host community that resulted in contracts
11 with an aggregate value of at least \$25,000 or if that official
12 or employee has made a decision that directly applied to the
13 person or entity, or its parent or affiliate.

14 (f) A spouse, child, or parent of an official or employee
15 of the corporate authority of a host community may not have a
16 financial interest, directly or indirectly, in his or her own
17 name or in the name of any other person, partnership,
18 association, trust, corporation, or other entity in any
19 contract or subcontract for the performance of any work for a
20 riverboat or casino in the host community. This prohibition
21 shall extend to the holding or acquisition of an interest in
22 any entity identified by Board action that, in the judgment of
23 the Board, could represent the potential for or the appearance
24 of a conflict of interest. The holding or acquisition of an
25 interest in such entities through an indirect means, such as
26 through a mutual fund, shall not be prohibited, except that the

1 Board may identify specific investments or funds that, in its
2 judgment, are so influenced by gaming holdings as to represent
3 the potential for or the appearance of a conflict of interest.

4 (g) A spouse, child, or parent of an official or employee
5 of the corporate authority of a host community may not accept
6 any gift, gratuity, service, compensation, travel, lodging, or
7 thing of value, with the exception of unsolicited items of an
8 incidental nature, from any person, corporation, or entity
9 doing business with the riverboat or casino that is located in
10 the host community.

11 (h) A spouse, child, or parent of an official or employee
12 of the corporate authority of a host community may not, during
13 the period that the person is an official of the corporate
14 authority or for a period of 2 years immediately after leaving
15 such office or employment, knowingly accept employment or
16 receive compensation or fees for services from a person or
17 entity, or its parent or affiliate, that has engaged in
18 business with the riverboat or casino that is located in the
19 host community that resulted in contracts with an aggregate
20 value of at least \$25,000 or if that official or employee has
21 made a decision that directly applied to the person or entity,
22 or its parent or affiliate.

23 (i) Officials and employees of the corporate authority of a
24 host community shall not attempt, in any way, to influence any
25 person or entity doing business with the riverboat or casino
26 that is located in the host community or any officer, agent, or

1 employee thereof to hire or contract with any person or entity
2 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 This subsection (j) shall not apply to communications
20 regarding traffic, law enforcement, security, environmental
21 issues, city services, transportation, or other routine
22 matters concerning the ordinary operations of the riverboat or
23 casino. For purposes of this subsection (j), "ordinary
24 operations" means operations relating to the casino or
25 riverboat facility other than the conduct of gambling
26 activities, and "routine matters" includes the application

1 for, issuance of, renewal of, and other processes associated
2 with municipal permits and licenses.

3 (k) Any official or employee who violates any provision of
4 this Section is guilty of a Class 4 felony.

5 (l) For purposes of this Section, "host community" or "host
6 municipality" means a unit of local government that contains a
7 riverboat or casino within its borders, but does not include
8 the City of Chicago or the Chicago Casino Development
9 Authority.

10 (230 ILCS 10/6) (from Ch. 120, par. 2406)

11 Sec. 6. Application for Owners License.

12 (a) A qualified person may apply to the Board for an owners
13 license to conduct a riverboat gambling operation as provided
14 in this Act. The application shall be made on forms provided by
15 the Board and shall contain such information as the Board
16 prescribes, including but not limited to the identity of the
17 riverboat on which such gambling operation is to be conducted,
18 if applicable, and the exact location where such riverboat or
19 casino will be located ~~docked~~, a certification that the
20 riverboat will be registered under this Act at all times during
21 which gambling operations are conducted on board, detailed
22 information regarding the ownership and management of the
23 applicant, and detailed personal information regarding the
24 applicant. Any application for an owners license to be
25 re-issued on or after June 1, 2003 shall also include the

1 applicant's license bid in a form prescribed by the Board.
2 Information provided on the application shall be used as a
3 basis for a thorough background investigation which the Board
4 shall conduct with respect to each applicant. An incomplete
5 application shall be cause for denial of a license by the
6 Board.

7 (a-5) In addition to any other information required under
8 this Section, each application for an owners license must
9 include the following information:

10 (1) The history and success of the applicant and each
11 person and entity disclosed under subsection (c) of this
12 Section in developing tourism facilities ancillary to
13 gaming, if applicable.

14 (2) The likelihood that granting a license to the
15 applicant will lead to the creation of quality, living wage
16 jobs and permanent, full-time jobs for residents of the
17 State and residents of the unit of local government that is
18 designated as the home dock of the proposed facility where
19 gambling is to be conducted by the applicant.

20 (3) The projected number of jobs that would be created
21 if the license is granted and the projected number of new
22 employees at the proposed facility where gambling is to be
23 conducted by the applicant.

24 (4) The record, if any, of the applicant and its
25 developer in meeting commitments to local agencies,
26 community-based organizations, and employees at other

1 locations where the applicant or its developer has
2 performed similar functions as they would perform if the
3 applicant were granted a license.

4 (5) Identification of adverse effects that might be
5 caused by the proposed facility where gambling is to be
6 conducted by the applicant, including the costs of meeting
7 increased demand for public health care, child care, public
8 transportation, affordable housing, and social services,
9 and a plan to mitigate those adverse effects.

10 (6) The record, if any, of the applicant and its
11 developer regarding compliance with:

12 (A) federal, state, and local discrimination, wage
13 and hour, disability, and occupational and
14 environmental health and safety laws; and

15 (B) state and local labor relations and employment
16 laws.

17 (7) The applicant's record, if any, in dealing with its
18 employees and their representatives at other locations.

19 (8) A plan concerning the utilization of
20 minority-owned and female-owned businesses and concerning
21 the hiring of minorities and females.

22 (9) Evidence the applicant used its best efforts to
23 reach a goal of 25% ownership representation by minority
24 persons and 5% ownership representation by females.

25 (b) Applicants shall submit with their application all
26 documents, resolutions, and letters of support from the

1 governing body that represents the municipality or county
2 wherein the licensee will be located ~~deck~~.

3 (c) Each applicant shall disclose the identity of every
4 person or entity ~~, association, trust or corporation~~ having a
5 greater than 1% direct or indirect pecuniary interest in the
6 ~~riverboat~~ gambling operation with respect to which the license
7 is sought. If the disclosed entity is a trust, the application
8 shall disclose the names and addresses of all ~~the~~
9 beneficiaries; if a corporation, the names and addresses of all
10 stockholders and directors; if a partnership, the names and
11 addresses of all partners, both general and limited.

12 (d) An application shall be filed and considered in
13 accordance with the rules of the Board. Each application shall
14 be accompanied by a non-refundable ~~An~~ application fee of
15 \$100,000. In addition, a non-refundable fee of \$50,000 shall be
16 paid at the time of filing to defray the costs associated with
17 the background investigation conducted by the Board. If the
18 costs of the investigation exceed \$50,000, the applicant shall
19 pay the additional amount to the Board within 7 days after
20 requested by the Board. If the costs of the investigation are
21 less than \$50,000, the applicant shall receive a refund of the
22 remaining amount. All information, records, interviews,
23 reports, statements, memoranda or other data supplied to or
24 used by the Board in the course of its review or investigation
25 of an application for a license or a renewal under this Act
26 shall be privileged, strictly confidential and shall be used

1 only for the purpose of evaluating an applicant for a license
2 or a renewal. Such information, records, interviews, reports,
3 statements, memoranda or other data shall not be admissible as
4 evidence, nor discoverable in any action of any kind in any
5 court or before any tribunal, board, agency or person, except
6 for any action deemed necessary by the Board. The application
7 fee shall be deposited into the Gaming Facilities Fee Revenue
8 Fund.

9 (e) The Board shall charge each applicant a fee set by the
10 Department of State Police to defray the costs associated with
11 the search and classification of fingerprints obtained by the
12 Board with respect to the applicant's application. These fees
13 shall be paid into the State Police Services Fund. In order to
14 expedite the application process, the Board may establish rules
15 allowing applicants to acquire criminal background checks and
16 financial integrity reviews as part of the initial application
17 process from a list of vendors approved by the Board.

18 (f) The licensed owner shall be the person primarily
19 responsible for the boat or casino itself. Only one ~~riverboat~~
20 gambling operation may be authorized by the Board on any
21 riverboat or in any casino. The applicant must identify the
22 ~~each~~ riverboat or premises it intends to use and certify that
23 the riverboat or premises: (1) has the authorized capacity
24 required in this Act; (2) is accessible to persons with
25 disabilities; and (3) is fully registered and licensed in
26 accordance with any applicable laws.

1 (g) A person who knowingly makes a false statement on an
2 application is guilty of a Class A misdemeanor.

3 (Source: P.A. 99-143, eff. 7-27-15.)

4 (230 ILCS 10/7) (from Ch. 120, par. 2407)

5 Sec. 7. Owners Licenses.

6 (a) The Board shall issue owners licenses to persons or
7 entities ~~, firms or corporations~~ which apply for such licenses
8 upon payment to the Board of the non-refundable license fee as
9 provided in subsection (e) or (e-5) ~~set by the Board, upon~~
10 ~~payment of a \$25,000 license fee for the first year of~~
11 ~~operation and a \$5,000 license fee for each succeeding year~~ and
12 upon a determination by the Board that the applicant is
13 eligible for an owners license pursuant to this Act, the
14 Chicago Casino Development Authority Act, and the rules of the
15 Board. From the effective date of this amendatory Act of the
16 95th General Assembly until (i) 3 years after the effective
17 date of this amendatory Act of the 95th General Assembly, (ii)
18 the date any organization licensee begins to operate a slot
19 machine or video game of chance under the Illinois Horse Racing
20 Act of 1975 or this Act, (iii) the date that payments begin
21 under subsection (c-5) of Section 13 of the Act, ~~or~~ (iv) the
22 wagering tax imposed under Section 13 of this Act is increased
23 by law to reflect a tax rate that is at least as stringent or
24 more stringent than the tax rate contained in subsection (a-3)
25 of Section 13, or (v) when an owners licensee holding a license

1 issued pursuant to Section 7.1 of this Act begins conducting
2 gaming, whichever occurs first, as a condition of licensure and
3 as an alternative source of payment for those funds payable
4 under subsection (c-5) of Section 13 of this ~~the Riverboat~~
5 ~~Gambling~~ Act, any owners licensee that holds or receives its
6 owners license on or after the effective date of this
7 amendatory Act of the 94th General Assembly, other than an
8 owners licensee operating a riverboat with adjusted gross
9 receipts in calendar year 2004 of less than \$200,000,000, must
10 pay into the Horse Racing Equity Trust Fund, in addition to any
11 other payments required under this Act, an amount equal to 3%
12 of the adjusted gross receipts received by the owners licensee.
13 The payments required under this Section shall be made by the
14 owners licensee to the State Treasurer no later than 3:00
15 o'clock p.m. of the day after the day when the adjusted gross
16 receipts were received by the owners licensee. A person, ~~firm~~
17 or entity ~~corporation~~ is ineligible to receive an owners
18 license if:

19 (1) the person has been convicted of a felony under the
20 laws of this State, any other state, or the United States;

21 (2) the person has been convicted of any violation of
22 Article 28 of the Criminal Code of 1961 or the Criminal
23 Code of 2012, or substantially similar laws of any other
24 jurisdiction;

25 (3) the person has submitted an application for a
26 license under this Act or the Chicago Casino Development

1 Authority Act which contains false information;

2 (4) the person is a member of the Board;

3 (5) a person defined in (1), (2), (3) or (4) is an
4 officer, director or managerial employee of the entity firm
5 ~~or corporation~~;

6 (6) the entity firm or corporation employs a person
7 defined in (1), (2), (3) or (4) who participates in the
8 management or operation of gambling operations authorized
9 under this Act or the Chicago Casino Development Authority
10 Act;

11 (7) (blank); or

12 (8) a license of the person or entity ~~, firm or~~
13 ~~corporation~~ issued under this Act or the Chicago Casino
14 Development Authority Act, or a license to own or operate
15 gambling facilities in any other jurisdiction, has been
16 revoked.

17 The Board is expressly prohibited from making changes to
18 the requirement that licensees make payment into the Horse
19 Racing Equity Trust Fund without the express authority of the
20 Illinois General Assembly and making any other rule to
21 implement or interpret this amendatory Act of the 95th General
22 Assembly. For the purposes of this paragraph, "rules" is given
23 the meaning given to that term in Section 1-70 of the Illinois
24 Administrative Procedure Act.

25 (a-1) Upon approval of the members of the Chicago Casino
26 Development Board, the Chicago Casino Development Authority's

1 executive director, and the Chicago casino operator licensee,
2 the Board shall issue an owners license to the Chicago Casino
3 Development Authority that authorizes the conduct of gambling
4 operations in a casino or in an airport located in the City of
5 Chicago.

6 (b) In determining whether to grant an owners license to an
7 applicant other than the Chicago Casino Development Authority,
8 the Board shall consider:

9 (1) the character, reputation, experience and
10 financial integrity of the applicants and of any other or
11 separate person that either:

12 (A) controls, directly or indirectly, such
13 applicant, or

14 (B) is controlled, directly or indirectly, by such
15 applicant or by a person which controls, directly or
16 indirectly, such applicant;

17 (2) the facilities or proposed facilities for the
18 conduct of ~~riverboat~~ gambling;

19 (3) the highest prospective total revenue to be derived
20 by the State from the conduct of ~~riverboat~~ gambling;

21 (4) the extent to which the ownership of the applicant
22 reflects the diversity of the State by including minority
23 persons, females, and persons with a disability and the
24 good faith affirmative action plan of each applicant to
25 recruit, train and upgrade minority persons, females, and
26 persons with a disability in all employment

1 classifications;

2 (5) the financial ability of the applicant to purchase
3 and maintain adequate liability and casualty insurance;

4 (6) whether the applicant has adequate capitalization
5 to provide and maintain, for the duration of a license, a
6 riverboat or casino;

7 (7) the extent to which the applicant exceeds or meets
8 other standards for the issuance of an owners license which
9 the Board may adopt by rule; ~~and~~

10 (8) the ~~The~~ amount of the applicant's license bid;~~;~~

11 (9) the extent to which the applicant or the proposed
12 host municipality plans to enter into revenue sharing
13 agreements with communities other than the host
14 municipality; and

15 (10) the extent to which the ownership of an applicant
16 includes the most qualified number of minority persons,
17 females, and persons with a disability.

18 (c) Each owners license shall specify the place where the
19 casino ~~riverboats~~ shall operate or the riverboat shall operate
20 and dock.

21 (d) Each applicant shall submit with his application, on
22 forms provided by the Board, 2 sets of his fingerprints.

23 (e) In addition to any licenses authorized under subsection
24 (e-5) of this Section, the ~~The~~ Board may issue up to 10
25 licenses authorizing the holders of such licenses to own
26 riverboats. In the application for an owners license, the

1 applicant shall state the dock at which the riverboat is based
2 and the water on which the riverboat will be located. The Board
3 shall issue 5 licenses to become effective not earlier than
4 January 1, 1991. Three of such licenses shall authorize
5 riverboat gambling on the Mississippi River, or, with approval
6 by the municipality in which the riverboat was docked on August
7 7, 2003 and with Board approval, be authorized to relocate to a
8 new location, in a municipality that (1) borders on the
9 Mississippi River or is within 5 miles of the city limits of a
10 municipality that borders on the Mississippi River and (2), on
11 August 7, 2003, had a riverboat conducting riverboat gambling
12 operations pursuant to a license issued under this Act; one of
13 which shall authorize riverboat gambling from a home dock in
14 the city of East St. Louis. One other license shall authorize
15 riverboat gambling on the Illinois River in Tazewell County or,
16 with Board approval, shall authorize the riverboat to relocate
17 to a new location that is no more than 10 miles away from its
18 original location, in a municipality that borders on the
19 Illinois River or is within 5 miles of the city limits of a
20 municipality that borders on the Illinois River ~~south of~~
21 ~~Marshall County~~. The Board shall issue one additional license
22 to become effective not earlier than March 1, 1992, which shall
23 authorize riverboat gambling on the Des Plaines River in Will
24 County. The Board may issue 4 additional licenses to become
25 effective not earlier than March 1, 1992. In determining the
26 water upon which riverboats will operate, the Board shall

1 consider the economic benefit which riverboat gambling confers
2 on the State, and shall seek to assure that all regions of the
3 State share in the economic benefits of riverboat gambling.

4 In granting all licenses, the Board may give favorable
5 consideration to economically depressed areas of the State, to
6 applicants presenting plans which provide for significant
7 economic development over a large geographic area, and to
8 applicants who currently operate non-gambling riverboats in
9 Illinois. The Board shall review all applications for owners
10 licenses, and shall inform each applicant of the Board's
11 decision. The Board may grant an owners license to an applicant
12 that has not submitted the highest license bid, but if it does
13 not select the highest bidder, the Board shall issue a written
14 decision explaining why another applicant was selected and
15 identifying the factors set forth in this Section that favored
16 the winning bidder. The fee for issuance or renewal of a
17 license pursuant to this subsection (e) shall be \$100,000.

18 (e-5) In addition to licenses authorized under subsection
19 (e) of this Section:

20 (1) the Board shall issue one owners license
21 authorizing the conduct of casino gambling in the City of
22 Chicago;

23 (2) the Board may issue one owners license authorizing
24 the conduct of riverboat gambling in the City of Danville;

25 (3) the Board may issue one owners license authorizing
26 the conduct of riverboat gambling located in one of the

1 following municipalities in Lake County: Park City, North
2 Chicago, or Waukegan;

3 (4) the Board may issue one owners license authorizing
4 the conduct of riverboat gambling in the City of Rockford;

5 (5) the Board may issue one owners license authorizing
6 the conduct of riverboat gambling in a municipality that is
7 wholly or partially located in one of the following
8 townships of Cook County: Bloom, Bremen, Calumet, Rich,
9 Thornton, or Worth Township; and

10 (6) the Board may issue one owners license authorizing
11 the conduct of riverboat gambling in the unincorporated
12 area of Williamson County adjacent to the Big Muddy River.

13 Each application for a license pursuant to this subsection
14 (e-5) shall be submitted to the Board no later than 120 days
15 after the effective date of this amendatory Act of the 100th
16 General Assembly and shall include the non-refundable
17 application fee and the non-refundable background
18 investigation fee as provided in subsection (d) of Section 6 of
19 this Act. In the event that an applicant submits an application
20 for a license pursuant to this subsection (e-5) prior to the
21 effective date of this amendatory Act of the 100th General
22 Assembly, such applicant shall submit the non-refundable
23 application fee and background investigation fee as provided in
24 subsection (d) of Section 6 of this Act no later than 6 months
25 after the effective date of this amendatory Act of the 100th
26 General Assembly.

1 The Board shall consider issuing a license pursuant to
2 paragraphs (2) through (6) of this subsection only after the
3 corporate authority of the municipality or the county board of
4 the county in which the riverboat shall be located has
5 certified to the Board the following:

6 (i) that the applicant has negotiated with the
7 corporate authority or county board in good faith;

8 (ii) that the applicant and the corporate authority or
9 county board have mutually agreed on the permanent location
10 of the riverboat;

11 (iii) that the applicant and the corporate authority or
12 county board have mutually agreed on the temporary location
13 of the riverboat;

14 (iv) that the applicant and the corporate authority or
15 the county board have mutually agreed on the percentage of
16 revenues that will be shared with the municipality or
17 county, if any; and

18 (v) that the applicant and the corporate authority or
19 county board have mutually agreed on any zoning, licensing,
20 public health, or other issues that are within the
21 jurisdiction of the municipality or county.

22 At least 7 days before the corporate authority of a
23 municipality or county board of the county submits a
24 certification to the Board concerning items (i) through (v) of
25 this subsection, it shall hold a public hearing to discuss
26 items (i) through (v), as well as any other details concerning

1 the proposed riverboat in the municipality or county. The
2 corporate authority or county board must subsequently
3 memorialize the details concerning the proposed riverboat in a
4 resolution that must be adopted by a majority of the corporate
5 authority or county board before any certification is sent to
6 the Board. The Board shall not alter, amend, change, or
7 otherwise interfere with any agreement between the applicant
8 and the corporate authority of the municipality or county board
9 of the county regarding the location of any temporary or
10 permanent facility.

11 In addition, prior to the Board issuing the owners license
12 authorized under paragraph (4) of subsection (e-5), an impact
13 study shall be completed to determine what location in the city
14 will provide the greater impact to the region, including the
15 creation of jobs and the generation of tax revenue.

16 (e-10) The licenses authorized under subsection (e-5) of
17 this Section shall be issued within 12 months after the date
18 the license application is submitted. If the Board does not
19 issue the licenses within that time period, then the Board
20 shall give a written explanation to the applicant as to why it
21 has not reached a determination and when it reasonably expects
22 to make a determination. The fee for the issuance or renewal of
23 a license issued pursuant to this subsection (e-10) shall be
24 \$100,000. Additionally, a licensee located outside of Cook
25 County shall pay a minimum initial fee of \$17,500 per gaming
26 position, and a licensee located in Cook County shall pay a

1 minimum initial fee of \$30,000 per gaming position. The initial
2 fees payable under this subsection (e-10) shall be deposited
3 into the Gaming Facilities Fee Revenue Fund.

4 (e-15) Each licensee of a license authorized under
5 subsection (e-5) of this Section shall make a reconciliation
6 payment 3 years after the date the licensee begins operating in
7 an amount equal to 75% of the adjusted gross receipts for the
8 most lucrative 12-month period of operations, minus an amount
9 equal to the initial payment per gaming position paid by the
10 specific licensee. If this calculation results in a negative
11 amount, then the licensee is not entitled to any reimbursement
12 of fees previously paid. This reconciliation payment may be
13 made in installments over a period of no more than 2 years,
14 subject to Board approval. Any installment payments shall
15 include an annual market interest rate as determined by the
16 Board. All payments by licensees under this subsection (e-15)
17 shall be deposited into the Gaming Facilities Fee Revenue Fund.

18 (e-20) In addition to any other revocation powers granted
19 to the Board under this Act, the Board may revoke the owners
20 license of a licensee, other than the Chicago Casino
21 Development Authority, which fails to begin conducting
22 gambling within 15 months of receipt of the Board's approval of
23 the application if the Board determines that license revocation
24 is in the best interests of the State.

25 (f) The first 10 owners licenses issued under this Act
26 shall permit the holder to own up to 2 riverboats and equipment

1 thereon for a period of 3 years after the effective date of the
2 license. Holders of the first 10 owners licenses must pay the
3 annual license fee for each of the 3 years during which they
4 are authorized to own riverboats.

5 (g) Upon the termination, expiration, or revocation of each
6 of the first 10 licenses, which shall be issued for a 3 year
7 period, all licenses are renewable annually upon payment of the
8 fee and a determination by the Board that the licensee
9 continues to meet all of the requirements of this Act and the
10 Board's rules. However, for licenses renewed on or after May 1,
11 1998, including casino operator licenses, renewal shall be for
12 a period of 4 years, unless the Board sets a shorter period.
13 Notwithstanding any provision in this subsection (g) to the
14 contrary, any license that is awarded to the Chicago Casino
15 Development Authority shall not expire, but it shall be subject
16 to the provisions of this Act and the rules of the Board.

17 (h) An owners license, except for an owners license issued
18 under subsection (e-5) of this Section, shall entitle the
19 licensee to own up to 2 riverboats.

20 An owners licensee of a casino or riverboat that is located
21 in the City of Chicago pursuant to paragraph (1) of subsection
22 (e-5) of this Section shall limit the number of gaming
23 positions to 4,000 for such owner. An owners licensee
24 authorized under subsection (e) or paragraph (2), (3), (4), or
25 (5) of subsection (e-5) of this Section shall limit the number
26 of gaming positions to 1,600 for any such owners license,

1 except as further provided in subsection (h-10) of this
2 Section. An owners licensee authorized under paragraph (6) of
3 subsection (e-5) of this Section ~~A licensee~~ shall limit the
4 number of gaming positions ~~gambling participants~~ to 1,200 for
5 ~~any~~ such owner. The initial fee for each gaming position
6 obtained on or after the effective date of this amendatory Act
7 of the 100th General Assembly shall be a minimum of \$17,500 for
8 licensees not located in Cook County and a minimum of \$30,000
9 for licensees located in Cook County, in addition to the
10 reconciliation payment, as set forth in subsections (e-15) or
11 (h-5) of this Section ~~owners license~~. The fees under this
12 subsection (h) shall be deposited into the Gaming Facilities
13 Fee Revenue Fund.

14 Each owners licensee shall reserve its gaming positions
15 within 90 days after issuance of its owners license. The Board
16 may grant an extension to this 90-day period, provided that the
17 owners licensee submits a written request and explanation as to
18 why it is unable to reserve its positions within the 90-day
19 period.

20 A licensee may operate both of its riverboats concurrently,
21 provided that the total number of gaming positions ~~gambling~~
22 ~~participants~~ on both riverboats does not exceed the limit
23 established pursuant to this subsection and subsection (h-10)
24 of this Section ~~1,200~~. Riverboats licensed to operate on the
25 Mississippi River and the Illinois River south of Marshall
26 County shall have an authorized capacity of at least 500

1 persons. Any other riverboat licensed under this Act shall have
2 an authorized capacity of at least 400 persons.

3 (h-5) An owners licensee who conducted gambling operations
4 prior to January 1, 2012 and purchases positions pursuant to
5 subsection (h-10) of this Section on or after the effective
6 date of this amendatory Act of the 100th General Assembly must
7 pay a minimum initial fee of \$17,500 per additional gaming
8 position if the licensee is located outside Cook County and a
9 minimum initial fee of \$30,000 per additional gaming position
10 if the licensee is located in Cook County, as stated in
11 subsection (h) of this Section. These initial fees shall be
12 deposited into the Gaming Facilities Fee Revenue Fund.
13 Additionally, that owners licensee shall make a reconciliation
14 payment 3 years after any additional gaming positions obtained
15 pursuant to subsection (h-10) begin operating in an amount
16 equal to 75% of the owners licensee's average gross receipts
17 for the most lucrative 12-month period of operations minus an
18 amount equal to the initial fee that the owners licensee paid
19 per additional gaming position. For purposes of this subsection
20 (h-5), "average gross receipts" means (i) the increase in
21 adjusted gross receipts for the most lucrative 12-month period
22 of operations over the adjusted gross receipts for 2017,
23 multiplied by (ii) the percentage derived by dividing the
24 number of additional gaming positions that an owners licensee
25 had obtained pursuant to subsection (h-10) by the total number
26 of gaming positions operated by the owners licensee. If this

1 calculation results in a negative amount, then the owners
2 licensee is not entitled to any reimbursement of fees
3 previously paid. This reconciliation payment may be made in
4 installments over a period of no more than 2 years, subject to
5 Board approval. Any installment payments shall include an
6 annual market interest rate as determined by the Board. These
7 reconciliation payments shall be deposited into the Gaming
8 Facilities Fee Revenue Fund.

9 (h-10) For owners licensees authorized under paragraphs
10 (2) through (5) of subsection (e-5) of this Section, the
11 application for such new owners licenses shall ask the
12 applicants to stipulate in their applications the number of
13 gaming positions each applicant would like to reserve, up to
14 1,600 gaming positions. Once the last winning applicant for
15 each of these owners licenses has been selected by the Board,
16 the Board shall publish the number of gaming positions reserved
17 and unreserved by each winning applicant, shall accept requests
18 for additional gaming positions from any winning applicants or
19 owners licensee who initially reserved 1,600 gaming positions,
20 and shall allocate expeditiously the unreserved gaming
21 positions to such requesting winning applicants or owners
22 licensees in a manner to maximize revenue to the State;
23 provided, however, that no owners licensee (other than the
24 Chicago Casino Development Authority) shall obtain more than
25 2,000 positions total.

26 In the event that not all of the unreserved gaming

1 positions described in the first and second paragraphs of this
2 subsection (h-10) were requested by owners licensees and
3 applicants, then until there are no longer unreserved gaming
4 positions, the Board periodically shall govern a process to
5 allocate the unreserved gaming positions in a manner to
6 maximize revenue to the State.

7 Unreserved gaming positions retained from and allocated to
8 owners licensees by the Board pursuant to this subsection
9 (h-10) shall not be allocated to electronic gaming licensees
10 pursuant to subsection (e) of Section 7.7 of this Act.

11 (i) A licensed owner is authorized to apply to the Board
12 for and, if approved therefor, to receive all licenses from the
13 Board necessary for the operation of a riverboat or a casino,
14 including a liquor license, a license to prepare and serve food
15 for human consumption, and other necessary licenses. All use,
16 occupation and excise taxes which apply to the sale of food and
17 beverages in this State and all taxes imposed on the sale or
18 use of tangible personal property apply to such sales aboard
19 the riverboat or in the casino.

20 (j) The Board may issue or re-issue a license authorizing a
21 riverboat to dock in a municipality or approve a relocation
22 under Section 11.2 only if, prior to the issuance or
23 re-issuance of the license or approval, the governing body of
24 the municipality in which the riverboat will dock has by a
25 majority vote approved the docking of riverboats in the
26 municipality. The Board may issue or re-issue a license

1 authorizing a riverboat to dock in areas of a county outside
2 any municipality or approve a relocation under Section 11.2
3 only if, prior to the issuance or re-issuance of the license or
4 approval, the governing body of the county has by a majority
5 vote approved of the docking of riverboats within such areas.

6 (k) An owners licensee may conduct land-based gambling
7 operations upon approval by the Board.

8 (l) An owners licensee may conduct gaming at a temporary
9 facility pending the construction of a permanent facility or
10 the remodeling or relocation of an existing facility to
11 accommodate gaming participants for up to 24 months after the
12 temporary facility begins to conduct gaming. Upon request by an
13 owners licensee and upon a showing of good cause by the owners
14 licensee, the Board shall extend the period during which the
15 licensee may conduct gaming at a temporary facility by up to 12
16 months. The Board shall make rules concerning the conduct of
17 gaming from temporary facilities.

18 (Source: P.A. 96-1392, eff. 1-1-11; 97-1150, eff. 1-25-13.)

19 (230 ILCS 10/7.3)

20 Sec. 7.3. State conduct of gambling operations.

21 (a) If, after reviewing each application for a re-issued
22 license, the Board determines that the highest prospective
23 total revenue to the State would be derived from State conduct
24 of the gambling operation in lieu of re-issuing the license,
25 the Board shall inform each applicant of its decision. The

1 Board shall thereafter have the authority, without obtaining an
2 owners license, to conduct casino or riverboat gambling
3 operations as previously authorized by the terminated,
4 expired, revoked, or nonrenewed license through a licensed
5 manager selected pursuant to an open and competitive bidding
6 process as set forth in Section 7.5 and as provided in Section
7 7.4.

8 (b) The Board may locate any casino or riverboat on which a
9 gambling operation is conducted by the State in any home dock
10 or other location authorized by Section 3(c) upon receipt of
11 approval from a majority vote of the governing body of the
12 municipality or county, as the case may be, in which the
13 riverboat will dock.

14 (c) The Board shall have jurisdiction over and shall
15 supervise all gambling operations conducted by the State
16 provided for in this Act and the Chicago Casino Development
17 Authority Act and shall have all powers necessary and proper to
18 fully and effectively execute the provisions of this Act and
19 the Chicago Casino Development Authority Act relating to
20 gambling operations conducted by the State.

21 (d) The maximum number of owners licenses authorized under
22 Section 7 ~~7(e)~~ shall be reduced by one for each instance in
23 which the Board authorizes the State to conduct a casino or
24 riverboat gambling operation under subsection (a) in lieu of
25 re-issuing a license to an applicant under Section 7.1.

26 (Source: P.A. 93-28, eff. 6-20-03.)

1 (230 ILCS 10/7.5)

2 Sec. 7.5. Competitive Bidding. When the Board determines
3 that (i) it will re-issue an owners license pursuant to an open
4 and competitive bidding process, as set forth in Section 7.1,
5 (ii) ~~or that~~ it will issue a managers license pursuant to an
6 open and competitive bidding process, as set forth in Section
7 7.4, or (iii) it will issue an owners license pursuant to an
8 open and competitive bidding process, as set forth in Section
9 7.12, the open and competitive bidding process shall adhere to
10 the following procedures:

11 (1) The Board shall make applications for owners and
12 managers licenses available to the public and allow a
13 reasonable time for applicants to submit applications to the
14 Board.

15 (2) During the filing period for owners or managers license
16 applications, the Board may retain the services of an
17 investment banking firm to assist the Board in conducting the
18 open and competitive bidding process.

19 (3) After receiving all of the bid proposals, the Board
20 shall open all of the proposals in a public forum and disclose
21 the prospective owners or managers names, venture partners, if
22 any, and, in the case of applicants for owners licenses, the
23 locations of the proposed development sites.

24 (4) The Board shall summarize the terms of the proposals
25 and may make this summary available to the public.

1 (5) The Board shall evaluate the proposals within a
2 reasonable time and select no more than 3 final applicants to
3 make presentations of their proposals to the Board.

4 (6) The final applicants shall make their presentations to
5 the Board on the same day during an open session of the Board.

6 (7) As soon as practicable after the public presentations
7 by the final applicants, the Board, in its discretion, may
8 conduct further negotiations among the 3 final applicants.
9 During such negotiations, each final applicant may increase its
10 license bid or otherwise enhance its bid proposal. At the
11 conclusion of such negotiations, the Board shall select the
12 winning proposal. In the case of negotiations for an owners
13 license, the Board may, at the conclusion of such negotiations,
14 make the determination allowed under Section 7.3(a).

15 (8) Upon selection of a winning bid, the Board shall
16 evaluate the winning bid within a reasonable period of time for
17 licensee suitability in accordance with all applicable
18 statutory and regulatory criteria.

19 (9) If the winning bidder is unable or otherwise fails to
20 consummate the transaction, (including if the Board determines
21 that the winning bidder does not satisfy the suitability
22 requirements), the Board may, on the same criteria, select from
23 the remaining bidders or make the determination allowed under
24 Section 7.3(a).

25 (Source: P.A. 93-28, eff. 6-20-03.)

1 (230 ILCS 10/7.7 new)

2 Sec. 7.7. Electronic gaming.

3 (a) The General Assembly finds that the horse racing and
4 riverboat gambling industries share many similarities and
5 collectively comprise the bulk of the State's gaming industry.
6 One feature common to both industries is that each is highly
7 regulated by the State of Illinois. The General Assembly
8 further finds, however, that despite their shared features each
9 industry is distinct from the other in that horse racing is and
10 continues to be intimately tied to Illinois' agricultural
11 economy and is, at its core, a spectator sport. This
12 distinction requires the General Assembly to utilize different
13 methods to regulate and promote the horse racing industry
14 throughout the State. The General Assembly finds that in order
15 to promote live horse racing as a spectator sport in Illinois
16 and the agricultural economy of this State, it is necessary to
17 allow electronic gaming at Illinois race tracks as an ancillary
18 use given the success of other states in increasing live racing
19 purse accounts and improving the quality of horses
20 participating in horse race meetings.

21 (b) The Illinois Gaming Board shall award one electronic
22 gaming license to each person or entity having operating
23 control of a race track that applies under Section 56 of the
24 Illinois Horse Racing Act of 1975, subject to the application
25 and eligibility requirements of this Section. Within 60 days
26 after the effective date of this amendatory Act of the 100th

1 General Assembly, a person or entity having operating control
2 of a race track may submit an application for an electronic
3 gaming license. The application shall be made on such forms as
4 provided by the Board and shall contain such information as the
5 Board prescribes, including, but not limited to, the identity
6 of any race track at which electronic gaming will be conducted,
7 detailed information regarding the ownership and management of
8 the applicant, and detailed personal information regarding the
9 applicant. The application shall specify the number of gaming
10 positions the applicant intends to use and the place where the
11 electronic gaming facility will operate. A person who knowingly
12 makes a false statement on an application is guilty of a Class
13 A misdemeanor.

14 Each applicant shall disclose the identity of every person
15 or entity having a direct or indirect pecuniary interest
16 greater than 1% in any race track with respect to which the
17 license is sought. If the disclosed entity is a corporation,
18 the applicant shall disclose the names and addresses of all
19 stockholders and directors. If the disclosed entity is a
20 limited liability company, the applicant shall disclose the
21 names and addresses of all members and managers. If the
22 disclosed entity is a partnership, the applicant shall disclose
23 the names and addresses of all partners, both general and
24 limited. If the disclosed entity is a trust, the applicant
25 shall disclose the names and addresses of all beneficiaries.

26 An application shall be filed and considered in accordance

1 with the rules of the Board. Each application for an electronic
2 gaming license shall include a non-refundable application fee
3 of \$100,000. In addition, a non-refundable fee of \$50,000 shall
4 be paid at the time of filing to defray the costs associated
5 with background investigations conducted by the Board. If the
6 costs of the background investigation exceed \$50,000, the
7 applicant shall pay the additional amount to the Board within 7
8 days after a request by the Board. If the costs of the
9 investigation are less than \$50,000, the applicant shall
10 receive a refund of the remaining amount. All information,
11 records, interviews, reports, statements, memoranda, or other
12 data supplied to or used by the Board in the course of this
13 review or investigation of an applicant for an electronic
14 gaming license under this Act shall be privileged and strictly
15 confidential and shall be used only for the purpose of
16 evaluating an applicant for an electronic gaming license or a
17 renewal. Such information, records, interviews, reports,
18 statements, memoranda, or other data shall not be admissible as
19 evidence nor discoverable in any action of any kind in any
20 court or before any tribunal, board, agency or person, except
21 for any action deemed necessary by the Board. The application
22 fee shall be deposited into the Gaming Facilities Fee Revenue
23 Fund.

24 Each applicant shall submit with his or her application, on
25 forms provided by the Board, 2 sets of his or her fingerprints.
26 The Board shall charge each applicant a fee set by the

1 Department of State Police to defray the costs associated with
2 the search and classification of fingerprints obtained by the
3 Board with respect to the applicant's application. This fee
4 shall be paid into the State Police Services Fund.

5 (c) The Board shall determine within 120 days after
6 receiving an application for an electronic gaming license
7 whether to grant an electronic gaming license to the applicant.
8 If the Board does not make a determination within that time
9 period, then the Board shall give a written explanation to the
10 applicant as to why it has not reached a determination and when
11 it reasonably expects to make a determination.

12 The electronic gaming licensee shall purchase up to the
13 amount of electronic gaming positions authorized under this Act
14 within 120 days after receiving its electronic gaming license.
15 If an electronic gaming licensee is prepared to purchase the
16 electronic gaming positions, but is temporarily prohibited
17 from doing so by order of a court of competent jurisdiction or
18 the Board, then the 120-day period is tolled until a resolution
19 is reached.

20 An electronic gaming license shall authorize its holder to
21 conduct gaming under this Act at its racetracks on the same
22 days of the year and hours of the day that owner licenses are
23 allowed to operate under approval of the Board.

24 A license to conduct electronic gaming and any renewal of
25 an electronic gaming license shall authorize electronic gaming
26 for a period of 4 years. The fee for the issuance or renewal of

1 an electronic gaming license shall be \$100,000.

2 (d) To be eligible to conduct electronic gaming, a person
3 or entity having operating control of a race track must (i)
4 obtain an electronic gaming license, (ii) hold an organization
5 license under the Illinois Horse Racing Act of 1975, (iii) hold
6 an inter-track wagering license, (iv) pay an initial fee of
7 \$30,000 per gaming position from electronic gaming licensees
8 where electronic gaming is conducted in Cook County and \$17,500
9 for electronic gaming licensees where electronic gaming is
10 located outside of Cook County before beginning to conduct
11 electronic gaming plus make the reconciliation payment
12 required under subsection (k), (v) conduct live racing in
13 accordance with subsections (e-1), (e-2), and (e-3) of Section
14 20 of the Illinois Horse Racing Act of 1975 or for a licensee
15 that is only authorized 350 gaming positions pursuant to
16 subsection (d) of Section 7.7 of this Act, have a fully
17 operational facility running at least 96 live races over a
18 period of at least 15 days per year until such time as the
19 total number of gaming positions is increased to 900, (vi) meet
20 the requirements of subsection (a) of Section 56 of the
21 Illinois Horse Racing Act of 1975, (vii) for organization
22 licensees conducting standardbred race meetings, keep
23 backstretch barns and dormitories open and operational
24 year-round unless a lesser schedule is mutually agreed to by
25 the organization licensee and the horsemen's association
26 racng at that organization licensee's race meeting, (viii) for

1 organization licensees conducting thoroughbred race meetings,
2 the organization licensee must maintain accident medical
3 expense liability insurance coverage of \$1,000,000 for
4 jockeys, and (ix) meet all other requirements of this Act that
5 apply to owners licensees.

6 An electronic gaming licensee may enter into a joint
7 venture with a licensed owner to own, manage, conduct, or
8 otherwise operate the electronic gaming licensee's electronic
9 gaming facilities, unless the electronic gaming licensee has a
10 parent company or other affiliated company that is, directly or
11 indirectly, wholly owned by a parent company that is also
12 licensed to conduct electronic gaming, casino gaming, or their
13 equivalent in another state.

14 All payments by licensees under this subsection (c) shall
15 be deposited into the Gaming Facilities Fee Revenue Fund.

16 (e) A person or entity is ineligible to receive an
17 electronic gaming license if:

18 (1) the person or entity has been convicted of a felony
19 under the laws of this State, any other state, or the
20 United States, including a conviction under the Racketeer
21 Influenced and Corrupt Organizations Act;

22 (2) the person or entity has been convicted of any
23 violation of Article 28 of the Criminal Code of 2012, or
24 substantially similar laws of any other jurisdiction;

25 (3) the person or entity has submitted an application
26 for a license under this Act that contains false

1 information;

2 (4) the person is a member of the Board;

3 (5) a person defined in (1), (2), (3), or (4) of this
4 subsection (e) is an officer, director, or managerial
5 employee of the entity;

6 (6) the person or entity employs a person defined in
7 (1), (2), (3), or (4) of this subsection (e) who
8 participates in the management or operation of gambling
9 operations authorized under this Act; or

10 (7) a license of the person or entity issued under this
11 Act or a license to own or operate gambling facilities in
12 any other jurisdiction has been revoked.

13 (f) The Board may approve electronic gaming positions
14 statewide as provided in this Section. The authority to operate
15 electronic gaming positions under this Section shall be
16 allocated as follows: up to 1,200 gaming positions for any
17 electronic gaming licensee in Cook County; up to 900 gaming
18 positions for any electronic gaming licensee outside of Cook
19 County; and up to 350 gaming positions for any electronic
20 gaming licensee whose electronic gaming license originates
21 with an organization licensee that did not conduct live racing
22 in calendar year 2010, which shall increase to 900 gaming
23 positions in the calendar year following the year in which the
24 electronic gaming licensee conducts 96 live races.

25 (g) Each applicant for an electronic gaming license shall
26 specify in its application for licensure the number of gaming

1 positions it will operate, up to the applicable limitation set
2 forth in subsection (f) of this Section. Any unreserved gaming
3 positions that are not specified shall be forfeited and
4 retained by the Board. For the purposes of this subsection (g),
5 an electronic gaming licensee that did not conduct live racing
6 in 2010 may reserve up to 900 positions and shall not be
7 penalized under this Section for not operating those positions
8 until it meets the requirements of subsection (f) of this
9 Section, but such licensee shall not request unreserved gaming
10 positions under this subsection (g) until its 900 positions are
11 all operational.

12 Thereafter, the Board shall publish the number of
13 unreserved electronic gaming positions and shall accept
14 requests for additional positions from any electronic gaming
15 licensee that initially reserved all of the positions that were
16 offered. The Board shall allocate expeditiously the unreserved
17 electronic gaming positions to requesting electronic gaming
18 licensees in a manner that maximizes revenue to the State. The
19 Board may allocate any such unused electronic gaming positions
20 pursuant to an open and competitive bidding process, as
21 provided under Section 7.5 of this Act. This process shall
22 continue until all unreserved gaming positions have been
23 purchased. All positions obtained pursuant to this process and
24 all positions the electronic gaming licensee specified it would
25 operate in its application must be in operation within 18
26 months after they were obtained or the electronic gaming

1 licensee forfeits the right to operate those positions, but is
2 not entitled to a refund of any fees paid. The Board may, after
3 holding a public hearing, grant extensions so long as the
4 electronic gaming licensee is working in good faith to make the
5 positions operational. The extension may be for a period of 6
6 months. If, after the period of the extension, the electronic
7 gaming licensee has not made the positions operational, then
8 another public hearing must be held by the Board before it may
9 grant another extension.

10 Unreserved gaming positions retained from and allocated to
11 electronic gaming licensees by the Board pursuant to this
12 subsection (g) shall not be allocated to owners licensees
13 pursuant to subsection (h-10) of Section 7 of this Act.

14 For the purpose of this subsection (g), the unreserved
15 gaming positions for each electronic gaming licensee shall be
16 the applicable limitation set forth in subsection (f) of this
17 Section, less the number of reserved gaming positions by such
18 electronic gaming licensee, and the total unreserved gaming
19 positions shall be the aggregate of the unreserved gaming
20 positions for all electronic gaming licensees.

21 (h) 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 (i) 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.

26 (i-5) Under no circumstances shall an electronic gaming

1 licensee conduct electronic gaming at any State or county fair.

2 (j) The Illinois Gaming Board must adopt emergency rules in
3 accordance with Section 5-45 of the Illinois Administrative
4 Procedure Act as necessary to ensure compliance with the
5 provisions of this amendatory Act of the 100th General Assembly
6 concerning electronic gaming. The adoption of emergency rules
7 authorized by this subsection (j) shall be deemed to be
8 necessary for the public interest, safety, and welfare.

9 (k) Each electronic gaming licensee who obtains electronic
10 gaming positions must make a reconciliation payment 3 years
11 after the date the electronic gaming licensee begins operating
12 the positions in an amount equal to 75% of the difference
13 between its adjusted gross receipts from electronic gaming and
14 amounts paid to its purse accounts pursuant to item (1) of
15 subsection (b) of Section 56 of the Illinois Horse Racing Act
16 of 1975 for the 12-month period for which such difference was
17 the largest, minus an amount equal to the initial per position
18 fee paid by the electronic gaming licensee. If this calculation
19 results in a negative amount, then the electronic gaming
20 licensee is not entitled to any reimbursement of fees
21 previously paid. This reconciliation payment may be made in
22 installments over a period of no more than 2 years, subject to
23 Board approval. Any installment payments shall include an
24 annual market interest rate as determined by the Board.

25 All payments by licensees under this subsection (i) shall
26 be deposited into the Gaming Facilities Fee Revenue Fund.

1 (1) As soon as practical after a request is made by the
2 Illinois Gaming Board, to minimize duplicate submissions by the
3 applicant, the Illinois Racing Board must provide information
4 on an applicant for an electronic gaming license to the
5 Illinois Gaming Board.

6 (230 ILCS 10/7.8 new)

7 Sec. 7.8. Home rule. The regulation and licensing of
8 electronic gaming and electronic gaming licensees are
9 exclusive powers and functions of the State. A home rule unit
10 may not regulate or license electronic gaming or electronic
11 gaming licensees. This Section is a denial and limitation of
12 home rule powers and functions under subsection (h) of Section
13 6 of Article VII of the Illinois Constitution.

14 (230 ILCS 10/7.9 new)

15 Sec. 7.9. Casino operator license.

16 (a) A qualified person may apply to the Board for a casino
17 operator license to operate and manage any gambling operation
18 conducted by the Authority. The application shall be made on
19 forms provided by the Board and shall contain such information
20 as the Board prescribes, including but not limited to
21 information required in Sections 6(a), (b), and (c) and
22 information relating to the applicant's proposed price to
23 manage the Authority's gambling operations and to provide the
24 casino, gambling equipment, and supplies necessary to conduct

1 Authority gambling operations. The application shall also
2 include a non-refundable application fee of \$100,000. This
3 application fee shall be deposited into the Gaming Facilities
4 Fee Revenue Fund.

5 (b) A person or entity is ineligible to receive a casino
6 operator license if:

7 (1) the person has been convicted of a felony under the
8 laws of this State, any other state, or the United States;

9 (2) the person has been convicted of any violation of
10 Article 28 of the Criminal Code of 2012, or substantially
11 similar laws of any other jurisdiction;

12 (3) the person has submitted an application for a
13 license under this Act or the Chicago Casino Development
14 Authority Act which contains false information;

15 (4) the person is a member of the Board or the Chicago
16 Casino Development Board or the person is an official or
17 employee of the Chicago Casino Development Authority or the
18 City of Chicago;

19 (5) a person defined in (1), (2), (3), or (4) is an
20 officer, director, or managerial employee of the entity;

21 (6) the entity employs a person defined in (1), (2),
22 (3), or (4) who participates in the management or operation
23 of gambling operations authorized under this Act; or

24 (7) a license of the person or entity issued under this
25 Act, or a license to own or operate gambling facilities in
26 any other jurisdiction, has been 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 casino operator
2 license that 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. The Board shall charge each applicant a fee
6 set by the Department of State Police to defray the costs
7 associated with the search and classification of fingerprints
8 obtained by the Board with respect to the applicant's
9 application. This fee shall be paid into the State Police
10 Services Fund.

11 (e) A person who knowingly makes a false statement on an
12 application is guilty of a Class A misdemeanor.

13 (f) The Board shall charge each applicant a non-refundable
14 fee of \$50,000 to defray the costs associated with the
15 background investigation conducted by the Board. This fee shall
16 be exclusive of any other fee or fees charged in connection
17 with an application for and, if applicable, the issuance of, a
18 casino operator license. If the costs of the investigation
19 exceed \$50,000, the Board shall immediately notify the
20 applicant of the additional amount owed, payment of which must
21 be submitted to the Board within 7 days after such
22 notification. All information, records, interviews, reports,
23 statements, memoranda, or other data supplied to or used by the
24 Board in the course of its review or investigation of an
25 application for a license or a renewal under this Act shall be
26 privileged and strictly confidential and shall be used only for

1 the purpose of evaluating an applicant for a license or a
2 renewal. Such information, records, interviews, reports,
3 statements, memoranda, or other data shall not be admissible as
4 evidence, nor discoverable in any action of any kind in any
5 court or before any tribunal, board, agency, or person, except
6 for any action deemed necessary by the Board.

7 (g) The casino operator license shall be issued only upon
8 proof that the applicant has entered into a labor peace
9 agreement with each labor organization that is actively engaged
10 in representing and attempting to represent casino and
11 hospitality industry workers in this State. The labor peace
12 agreement must be a valid and enforceable agreement under 29
13 U.S.C. 185 that protects the city's and State's revenues from
14 the operation of the casino facility by prohibiting the labor
15 organization and its members from engaging in any picketing,
16 work stoppages, boycotts, or any other economic interference
17 with the casino facility for at least the first 5 years of the
18 casino license and must cover all operations at the casino
19 facility that are conducted by lessees or tenants or under
20 management agreements.

21 (h) The casino operator license shall be for a term of 4
22 years, shall be renewable by the Board, and shall contain such
23 terms and provisions as the Board deems necessary to protect or
24 enhance the credibility and integrity of State gambling
25 operations, achieve the highest prospective total revenue to
26 the State, and otherwise serve the interests of the citizens of

1 Illinois. The Board may suspend, restrict, or revoke the
2 license:

3 (1) for violation of any provision of this Act;

4 (2) for violation of any rules of the Board;

5 (3) for any cause which, if known to the Board, would
6 have disqualified the applicant from receiving the
7 license; or

8 (4) for any other just cause.

9 (230 ILCS 10/7.10 new)

10 Sec. 7.10. Diversity program.

11 (a) Each owners licensee, electronic gaming licensee,
12 casino operator licensee, and suppliers licensee shall
13 establish and maintain a diversity program to ensure
14 non-discrimination in the award and administration of
15 contracts. The programs shall establish goals of awarding not
16 less than 20% of the annual dollar value of all contracts,
17 purchase orders, or other agreements to minority-owned
18 businesses and 5% of the annual dollar value of all contracts
19 to female-owned businesses.

20 (b) Each owners licensee, electronic gaming licensee,
21 casino operator licensee, and suppliers licensee shall
22 establish and maintain a diversity program designed to promote
23 equal opportunity for employment. The program shall establish
24 hiring goals as the Board and each licensee determines
25 appropriate. The Board shall monitor the progress of the gaming

1 licensee's progress with respect to the program's goals.

2 (c) No later than May 31 of each year, each licensee shall
3 report to the Board (1) the number of respective employees and
4 the number of its respective employees who have designated
5 themselves as members of a minority group and gender and (2)
6 the total goals achieved under subsection (a) of this Section
7 as a percentage of the total contracts awarded by the license.
8 In addition, all licensees shall submit a report with respect
9 to the minority-owned and female-owned businesses program
10 created in this Section to the Board.

11 (d) When considering whether to re-issue or renew a license
12 to an owners licensee, electronic gaming licensee, casino
13 operator licensee, or suppliers licensee, the Board shall take
14 into account the licensee's success in complying with the
15 provisions of this Section. If an owners licensee, electronic
16 gaming licensee, casino operator licensee, or suppliers
17 licensee has not satisfied the goals contained in this Section,
18 the Board shall require a written explanation as to why the
19 licensee is not in compliance and shall require the licensee to
20 file multi-year metrics designed to achieve compliance with the
21 provisions by the next renewal period, consistent with State
22 and federal law.

23 (230 ILCS 10/7.11 new)

24 Sec. 7.11. Annual report on diversity.

25 (a) Each licensee that receives a license under Sections 7,

1 7.1, and 7.7 shall execute and file a report with the Board no
2 later than December 31 of each year that shall contain, but not
3 be limited to, the following information:

4 (i) a good faith affirmative action plan to recruit,
5 train, and upgrade minority persons, females, and persons
6 with a disability in all employment classifications;

7 (ii) the total dollar amount of contracts that were
8 awarded to businesses owned by minority persons, females,
9 and persons with a disability;

10 (iii) the total number of businesses owned by minority
11 persons, females, and persons with a disability that were
12 utilized by the licensee;

13 (iv) the utilization of businesses owned by minority
14 persons, females, and persons with disabilities during the
15 preceding year; and

16 (v) the outreach efforts used by the licensee to
17 attract investors and businesses consisting of minority
18 persons, females, and persons with a disability.

19 (b) The Board shall forward a copy of each licensee's
20 annual reports to the General Assembly no later than February 1
21 of each year.

22 (230 ILCS 10/7.12 new)

23 Sec. 7.12. Issuance of new owners licenses.

24 (a) Except for the owners license issued to the Chicago
25 Casino Development Authority, owners licenses newly authorized

1 pursuant to this amendatory Act of the 100th General Assembly
2 may be issued by the Board to a qualified applicant pursuant to
3 an open and competitive bidding process, as set forth in
4 Section 7.5, and subject to the maximum number of authorized
5 licenses set forth in subsection (e-5) of Section 7 of this
6 Act.

7 (b) To be a qualified applicant, a person or entity may not
8 be ineligible to receive an owners license under subsection (a)
9 of Section 7 of this Act and must submit an application for an
10 owners license that complies with Section 6 of this Act.

11 (c) In determining whether to grant an owners license to an
12 applicant, the Board shall consider all of the factors set
13 forth in subsections (b) and (e-10) of Section 7 of this Act,
14 as well as the amount of the applicant's license bid. The Board
15 may grant the owners license to an applicant that has not
16 submitted the highest license bid, but if it does not select
17 the highest bidder, the Board shall issue a written decision
18 explaining why another applicant was selected and identifying
19 the factors set forth in subsections (b) and (e-10) of Section
20 7 of this Act that favored the winning bidder.

21 (230 ILCS 10/7.13 new)

22 Sec. 7.13. Environmental standards. All permanent
23 casinos, riverboats, and electronic gaming facilities shall
24 consist of buildings that are certified as meeting the U.S.
25 Green Building Council's Leadership in Energy and

1 Environmental Design standards. The provisions of this Section
2 apply to a holder of an owners license, casino operator
3 license, or electronic gaming license that (i) begins
4 operations on or after January 1, 2017 or (ii) relocates its
5 facilities on or after the effective date of this amendatory
6 Act of the 100th General Assembly.

7 (230 ILCS 10/8) (from Ch. 120, par. 2408)

8 Sec. 8. Suppliers licenses.

9 (a) The Board may issue a suppliers license to such
10 persons, firms or corporations which apply therefor upon the
11 payment of a non-refundable application fee set by the Board,
12 upon a determination by the Board that the applicant is
13 eligible for a suppliers license and upon payment of a \$5,000
14 annual license fee.

15 (b) The holder of a suppliers license is authorized to sell
16 or lease, and to contract to sell or lease, gambling equipment
17 and supplies to any licensee involved in the ownership or
18 management of gambling operations.

19 (c) Gambling supplies and equipment may not be distributed
20 unless supplies and equipment conform to standards adopted by
21 rules of the Board.

22 (d) A person, firm or corporation is ineligible to receive
23 a suppliers license if:

24 (1) the person has been convicted of a felony under the
25 laws of this State, any other state, or the United States;

1 (2) the person has been convicted of any violation of
2 Article 28 of the Criminal Code of 1961 or the Criminal
3 Code of 2012, or substantially similar laws of any other
4 jurisdiction;

5 (3) the person has submitted an application for a
6 license under this Act which contains false information;

7 (4) the person is a member of the Board;

8 (5) the entity ~~firm or corporation~~ is one in which a
9 person defined in (1), (2), (3) or (4), is an officer,
10 director or managerial employee;

11 (6) the firm or corporation employs a person who
12 participates in the management or operation of riverboat
13 gambling authorized under this Act or the Chicago Casino
14 Development Authority Act;

15 (7) the license of the person, firm or corporation
16 issued under this Act or the Chicago Casino Development
17 Authority Act, or a license to own or operate gambling
18 facilities in any other jurisdiction, has been revoked.

19 (e) Any person that supplies any equipment, devices, or
20 supplies to a licensed riverboat gambling operation or casino
21 or electronic gaming operation must first obtain a suppliers
22 license. A supplier shall furnish to the Board a list of all
23 equipment, devices and supplies offered for sale or lease in
24 connection with gambling games authorized under this Act. A
25 supplier shall keep books and records for the furnishing of
26 equipment, devices and supplies to gambling operations

1 separate and distinct from any other business that the supplier
2 might operate. A supplier shall file a quarterly return with
3 the Board listing all sales and leases. A supplier shall
4 permanently affix its name or a distinctive logo or other mark
5 or design element identifying the manufacturer or supplier to
6 all its equipment, devices, and supplies, except gaming chips
7 without a value impressed, engraved, or imprinted on it, for
8 gambling operations. The Board may waive this requirement for
9 any specific product or products if it determines that the
10 requirement is not necessary to protect the integrity of the
11 game. Items purchased from a licensed supplier may continue to
12 be used even though the supplier subsequently changes its name,
13 distinctive logo, or other mark or design element; undergoes a
14 change in ownership; or ceases to be licensed as a supplier for
15 any reason. Any supplier's equipment, devices or supplies which
16 are used by any person in an unauthorized gambling operation
17 shall be forfeited to the State. A holder of an owners license
18 or an electronic gaming license ~~A licensed owner~~ may own its
19 own equipment, devices and supplies. Each holder of an owners
20 license or an electronic gaming license under the Act shall
21 file an annual report listing its inventories of gambling
22 equipment, devices and supplies.

23 (f) Any person who knowingly makes a false statement on an
24 application is guilty of a Class A misdemeanor.

25 (g) Any gambling equipment, devices and supplies provided
26 by any licensed supplier may either be repaired on the

1 riverboat, in the casino, or at the electronic gaming facility
2 or removed from the riverboat, casino, or electronic gaming
3 facility to a ~~an on-shore~~ facility owned by the holder of an
4 owners license or electronic gaming license for repair.

5 (Source: P.A. 97-1150, eff. 1-25-13; 98-12, eff. 5-10-13;
6 98-756, eff. 7-16-14.)

7 (230 ILCS 10/9) (from Ch. 120, par. 2409)

8 Sec. 9. Occupational licenses.

9 (a) The Board may issue an occupational license to an
10 applicant upon the payment of a non-refundable fee set by the
11 Board, upon a determination by the Board that the applicant is
12 eligible for an occupational license and upon payment of an
13 annual license fee in an amount to be established. To be
14 eligible for an occupational license, an applicant must:

15 (1) be at least 21 years of age if the applicant will
16 perform any function involved in gaming by patrons. Any
17 applicant seeking an occupational license for a non-gaming
18 function shall be at least 18 years of age;

19 (2) not have been convicted of a felony offense, a
20 violation of Article 28 of the Criminal Code of 1961 or the
21 Criminal Code of 2012, or a similar statute of any other
22 jurisdiction;

23 (2.5) not have been convicted of a crime, other than a
24 crime described in item (2) of this subsection (a),
25 involving dishonesty or moral turpitude, except that the

1 Board may, in its discretion, issue an occupational license
2 to a person who has been convicted of a crime described in
3 this item (2.5) more than 10 years prior to his or her
4 application and has not subsequently been convicted of any
5 other crime;

6 (3) have demonstrated a level of skill or knowledge
7 which the Board determines to be necessary in order to
8 operate gambling aboard a riverboat, in a casino, or at an
9 electronic gaming facility; and

10 (4) have met standards for the holding of an
11 occupational license as adopted by rules of the Board. Such
12 rules shall provide that any person or entity seeking an
13 occupational license to manage gambling operations under
14 this Act or the Chicago Casino Development Authority Act
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 the
15 Chicago Casino Development Authority Act or whose prior
16 gambling related license or application therefor has been
17 suspended, restricted, revoked or denied for just cause in any
18 other state; or (4) for any other just cause.

19 (e) The Board may suspend, revoke or restrict any
20 occupational licensee: (1) for violation of any provision of
21 this Act; (2) for violation of any of the rules and regulations
22 of the Board; (3) for any cause which, if known to the Board,
23 would have disqualified the applicant from receiving such
24 license; or (4) for default in the payment of any obligation or
25 debt due to the State of Illinois; or (5) for any other just
26 cause.

1 (f) A person who knowingly makes a false statement on an
2 application is guilty of a Class A misdemeanor.

3 (g) Any license issued pursuant to this Section shall be
4 valid for a period of one year from the date of issuance.

5 (h) Nothing in this Act shall be interpreted to prohibit a
6 licensed owner or electronic gaming licensee from entering into
7 an agreement with a public community college or a school
8 approved under the Private Business and Vocational Schools Act
9 of 2012 for the training of any occupational licensee. Any
10 training offered by such a school shall be in accordance with a
11 written agreement between the licensed owner or electronic
12 gaming licensee and the school.

13 (i) Any training provided for occupational licensees may be
14 conducted either at the site of the gambling facility ~~on the~~
15 ~~riverboat~~ or at a school with which a licensed owner or
16 electronic gaming licensee has entered into an agreement
17 pursuant to subsection (h).

18 (Source: P.A. 96-1392, eff. 1-1-11; 97-650, eff. 2-1-12;
19 97-1150, eff. 1-25-13.)

20 (230 ILCS 10/11) (from Ch. 120, par. 2411)

21 Sec. 11. Conduct of gambling. Gambling may be conducted by
22 licensed owners or licensed managers on behalf of the State
23 aboard riverboats. Gambling may be conducted by electronic
24 gaming licensees at electronic gaming facilities. Gambling may
25 be conducted by a casino operator licensee at a casino.

1 Gambling authorized under this Section is subject to the
2 following standards:

3 (1) A licensee may conduct riverboat gambling
4 authorized under this Act regardless of whether it conducts
5 excursion cruises. A licensee may permit the continuous
6 ingress and egress of patrons ~~passengers~~ on a riverboat not
7 used for excursion cruises for the purpose of gambling.
8 Excursion cruises shall not exceed 4 hours for a round
9 trip. However, the Board may grant express approval for an
10 extended cruise on a case-by-case basis.

11 (2) (Blank).

12 (3) Minimum and maximum wagers on games shall be set by
13 the licensee.

14 (4) Agents of the Board and the Department of State
15 Police may board and inspect any riverboat, enter and
16 inspect any portion of a casino, or enter and inspect any
17 portion of an electronic gaming facility at any time for
18 the purpose of determining whether this Act or the Chicago
19 Casino Development Authority Act is being complied with.
20 Every riverboat, if under way and being hailed by a law
21 enforcement officer or agent of the Board, must stop
22 immediately and lay to.

23 (5) Employees of the Board shall have the right to be
24 present on the riverboat or in the casino or on adjacent
25 facilities under the control of the licensee and at the
26 electronic gaming facility under the control of the

1 electronic gaming licensee.

2 (6) Gambling equipment and supplies customarily used
3 in conducting riverboat or casino gambling or electronic
4 gaming must be purchased or leased only from suppliers
5 licensed for such purpose under this Act. The Board may
6 approve the transfer, sale, or lease of gambling equipment
7 and supplies by a licensed owner from or to an affiliate of
8 the licensed owner as long as the gambling equipment and
9 supplies were initially acquired from a supplier licensed
10 in Illinois.

11 (7) Persons licensed under this Act or the Chicago
12 Casino Development Authority Act shall permit no form of
13 wagering on gambling games except as permitted by this Act.

14 (8) Wagers may be received only from a person present
15 on a licensed riverboat, in a casino, or at an electronic
16 gaming facility. No person present on a licensed riverboat,
17 in a casino, or at an electronic gaming facility shall
18 place or attempt to place a wager on behalf of another
19 person who is not present on the riverboat, in a casino, or
20 at the electronic gaming facility.

21 (9) Wagering, including electronic gaming, shall not
22 be conducted with money or other negotiable currency.

23 (10) A person under age 21 shall not be permitted on an
24 area of a riverboat or casino where gambling is being
25 conducted or at an electronic gaming facility where
26 gambling is being conducted, except for a person at least

1 18 years of age who is an employee of the riverboat or
2 casino gambling operation or electronic gaming operation.

3 No employee under age 21 shall perform any function
4 involved in gambling by the patrons. No person under age 21
5 shall be permitted to make a wager under this Act or the
6 Chicago Casino Development Authority Act, and any winnings
7 that are a result of a wager by a person under age 21,
8 whether or not paid by a licensee, shall be treated as
9 winnings for the privilege tax purposes, confiscated, and
10 forfeited to the State and deposited into the Education
11 Assistance Fund.

12 (11) Gambling excursion cruises are permitted only
13 when the waterway for which the riverboat is licensed is
14 navigable, as determined by the Board in consultation with
15 the U.S. Army Corps of Engineers. This paragraph (11) does
16 not limit the ability of a licensee to conduct gambling
17 authorized under this Act when gambling excursion cruises
18 are not permitted.

19 (12) All tokens, chips or electronic cards used to make
20 wagers must be purchased (i) from a licensed owner or
21 manager, in the case of a riverboat, either aboard a
22 riverboat or at an onshore facility which has been approved
23 by the Board and which is located where the riverboat
24 docks, (ii) in the case of a casino, from a licensed owner
25 or licensed casino operator at the casino, or (iii) from an
26 electronic gaming licensee at the electronic gaming

1 facility. The tokens, chips or electronic cards may be
2 purchased by means of an agreement under which the owner,
3 ~~or~~ manager, or licensed casino operator extends credit to
4 the patron. Such tokens, chips or electronic cards may be
5 used while aboard the riverboat, in the casino, or at the
6 electronic gaming facility only for the purpose of making
7 wagers on gambling games.

8 (13) Notwithstanding any other Section of this Act or
9 the Chicago Casino Development Authority Act, in addition
10 to the other licenses authorized under this Act or the
11 Chicago Casino Development Authority Act, the Board may
12 issue special event licenses allowing persons who are not
13 otherwise licensed to conduct riverboat gambling to
14 conduct such gambling on a specified date or series of
15 dates. Riverboat gambling under such a license may take
16 place on a riverboat not normally used for riverboat
17 gambling. The Board shall establish standards, fees and
18 fines for, and limitations upon, such licenses, which may
19 differ from the standards, fees, fines and limitations
20 otherwise applicable under this Act or the Chicago Casino
21 Development Authority Act. All such fees shall be deposited
22 into the State Gaming Fund. All such fines shall be
23 deposited into the Education Assistance Fund, created by
24 Public Act 86-0018, of the State of Illinois.

25 (14) In addition to the above, gambling must be
26 conducted in accordance with all rules adopted by the

1 Board.

2 (Source: P.A. 96-1392, eff. 1-1-11.)

3 (230 ILCS 10/11.1) (from Ch. 120, par. 2411.1)

4 Sec. 11.1. Collection of amounts owing under credit
5 agreements. Notwithstanding any applicable statutory provision
6 to the contrary, a licensed owner, licensed ~~or~~ manager,
7 licensed casino operator, or electronic gaming licensee who
8 extends credit to a ~~riverboat~~ gambling patron or an electronic
9 gaming patron pursuant to Section 11 (a) (12) of this Act is
10 expressly authorized to institute a cause of action to collect
11 any amounts due and owing under the extension of credit, as
12 well as the licensed owner's, licensed ~~or~~ manager's, licensed
13 casino operator's, or electronic gaming licensee's costs,
14 expenses and reasonable attorney's fees incurred in
15 collection.

16 (Source: P.A. 93-28, eff. 6-20-03.)

17 (230 ILCS 10/12) (from Ch. 120, par. 2412)

18 Sec. 12. Admission tax; fees.

19 (a) A tax is hereby imposed upon admissions to riverboat
20 and casino gambling facilities ~~riverboats~~ operated by licensed
21 owners authorized pursuant to this Act and the Chicago Casino
22 Development Authority Act. Until July 1, 2002, the rate is \$2
23 per person admitted. From July 1, 2002 until July 1, 2003, the
24 rate is \$3 per person admitted. From July 1, 2003 until August

1 23, 2005 (the effective date of Public Act 94-673), for a
2 licensee that admitted 1,000,000 persons or fewer in the
3 previous calendar year, the rate is \$3 per person admitted; for
4 a licensee that admitted more than 1,000,000 but no more than
5 2,300,000 persons in the previous calendar year, the rate is \$4
6 per person admitted; and for a licensee that admitted more than
7 2,300,000 persons in the previous calendar year, the rate is \$5
8 per person admitted. Beginning on August 23, 2005 (the
9 effective date of Public Act 94-673), for a licensee that
10 admitted 1,000,000 persons or fewer in calendar year 2004, the
11 rate is \$2 per person admitted, and for all other licensees,
12 including licensees that were not conducting gambling
13 operations in 2004, the rate is \$3 per person admitted. This
14 admission tax is imposed upon the licensed owner conducting
15 gambling.

16 (1) The admission tax shall be paid for each admission,
17 except that a person who exits a riverboat gambling
18 facility and reenters that riverboat gambling facility
19 within the same gaming day shall be subject only to the
20 initial admission tax.

21 (2) (Blank).

22 (3) The riverboat licensee may issue tax-free passes to
23 actual and necessary officials and employees of the
24 licensee or other persons actually working on the
25 riverboat.

26 (4) The number and issuance of tax-free passes is

1 subject to the rules of the Board, and a list of all
2 persons to whom the tax-free passes are issued shall be
3 filed with the Board.

4 (a-5) A fee is hereby imposed upon admissions operated by
5 licensed managers on behalf of the State pursuant to Section
6 7.3 at the rates provided in this subsection (a-5). For a
7 licensee that admitted 1,000,000 persons or fewer in the
8 previous calendar year, the rate is \$3 per person admitted; for
9 a licensee that admitted more than 1,000,000 but no more than
10 2,300,000 persons in the previous calendar year, the rate is \$4
11 per person admitted; and for a licensee that admitted more than
12 2,300,000 persons in the previous calendar year, the rate is \$5
13 per person admitted.

14 (1) The admission fee shall be paid for each admission.

15 (2) (Blank).

16 (3) The licensed manager may issue fee-free passes to
17 actual and necessary officials and employees of the manager
18 or other persons actually working on the riverboat.

19 (4) The number and issuance of fee-free passes is
20 subject to the rules of the Board, and a list of all
21 persons to whom the fee-free passes are issued shall be
22 filed with the Board.

23 (b) Except as provided in subsection (b-5), from ~~From~~ the
24 tax imposed under subsection (a) and the fee imposed under
25 subsection (a-5), a municipality shall receive from the State
26 \$1 for each person embarking on a riverboat docked within the

1 municipality or entering a casino located within the
2 municipality, and a county shall receive \$1 for each person
3 entering a casino or embarking on a riverboat docked within the
4 county but outside the boundaries of any municipality. The
5 municipality's or county's share shall be collected by the
6 Board on behalf of the State and remitted quarterly by the
7 State, subject to appropriation, to the treasurer of the unit
8 of local government for deposit in the general fund.

9 (b-5) From the tax imposed under subsection (a) and the fee
10 imposed under subsection (a-5), \$1 for each person embarking on
11 a riverboat designated in paragraph (4) of subsection (e-5) of
12 Section 7 shall be divided as follows: \$0.70 to the City of
13 Rockford, \$0.05 to the City of Loves Park, \$0.05 to the Village
14 of Machesney Park, and \$0.20 to Winnebago County.

15 The municipality's or county's share shall be collected by
16 the Board on behalf of the State and remitted monthly by the
17 State, subject to appropriation, to the treasurer of the unit
18 of local government for deposit in the general fund.

19 (c) The licensed owner shall pay the entire admission tax
20 to the Board and the licensed manager or the casino operator
21 licensee shall pay the entire admission fee to the Board. Such
22 payments shall be made daily. Accompanying each payment shall
23 be a return on forms provided by the Board which shall include
24 other information regarding admissions as the Board may
25 require. Failure to submit either the payment or the return
26 within the specified time may result in suspension or

1 revocation of the owners or managers license.

2 (c-5) A tax is imposed on admissions to electronic gaming
3 facilities at the rate of \$3 per person admitted by an
4 electronic gaming licensee. The tax is imposed upon the
5 electronic gaming licensee.

6 (1) The admission tax shall be paid for each admission,
7 except that a person who exits an electronic gaming
8 facility and reenters that electronic gaming facility
9 within the same gaming day, as the term "gaming day" is
10 defined by the Board by rule, shall be subject only to the
11 initial admission tax. The Board shall establish, by rule,
12 a procedure to determine whether a person admitted to an
13 electronic gaming facility has paid the admission tax.

14 (2) An electronic gaming licensee may issue tax-free
15 passes to actual and necessary officials and employees of
16 the licensee and other persons associated with electronic
17 gaming operations.

18 (3) The number and issuance of tax-free passes is
19 subject to the rules of the Board, and a list of all
20 persons to whom the tax-free passes are issued shall be
21 filed with the Board.

22 (4) The electronic gaming licensee shall pay the entire
23 admission tax to the Board.

24 Such payments shall be made daily. Accompanying each
25 payment shall be a return on forms provided by the Board, which
26 shall include other information regarding admission as the

1 Board may require. Failure to submit either the payment or the
2 return within the specified time may result in suspension or
3 revocation of the electronic gaming license.

4 From the tax imposed under this subsection (c-5), a
5 municipality other than the Village of Stickney or the City of
6 Collinsville in which an electronic gaming facility is located,
7 or if the electronic gaming facility is not located within a
8 municipality, then the county in which the electronic gaming
9 facility is located, except as otherwise provided in this
10 Section, shall receive, subject to appropriation, \$1 for each
11 person who enters the electronic gaming facility. For each
12 admission to the electronic gaming facility in excess of
13 1,500,000 in a year, from the tax imposed under this subsection
14 (c-5), the county in which the electronic gaming facility is
15 located shall receive, subject to appropriation, \$0.30, which
16 shall be in addition to any other moneys paid to the county
17 under this Section.

18 From the tax imposed under this subsection (c-5) on an
19 electronic gaming facility located in the Village of Stickney,
20 \$1 for each person who enters the electronic gaming facility
21 shall be distributed as follows, subject to appropriation:
22 \$0.24 to the Village of Stickney, \$0.49 to the Town of Cicero,
23 \$0.05 to the City of Berwyn, and \$0.17 to the Stickney Public
24 Health District, and \$0.05 to the City of Bridgeview.

25 From the tax imposed under this subsection (c-5) on an
26 electronic gaming facility located in the City of Collinsville,

1 \$1 for each person who enters the electronic gaming facility
2 shall be distributed as follows, subject to appropriation:
3 \$0.45 to the City of Alton, \$0.45 to the City of East St.
4 Louis, and \$0.10 to the City of Collinsville.

5 After payments required under this subsection (c-5) have
6 been made, all remaining amounts shall be deposited into the
7 Education Assistance Fund.

8 (d) The Board shall administer and collect the admission
9 tax imposed by this Section, to the extent practicable, in a
10 manner consistent with the provisions of Sections 4, 5, 5a, 5b,
11 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9 and 10 of the
12 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
13 Penalty and Interest Act.

14 (Source: P.A. 95-663, eff. 10-11-07; 96-1392, eff. 1-1-11.)

15 (230 ILCS 10/13) (from Ch. 120, par. 2413)

16 Sec. 13. Wagering tax; rate; distribution.

17 (a) Until January 1, 1998, a tax is imposed on the adjusted
18 gross receipts received from gambling games authorized under
19 this Act at the rate of 20%.

20 (a-1) From January 1, 1998 until July 1, 2002, a privilege
21 tax is imposed on persons engaged in the business of conducting
22 riverboat gambling operations, based on the adjusted gross
23 receipts received by a licensed owner from gambling games
24 authorized under this Act at the following rates:

25 15% of annual adjusted gross receipts up to and

1 including \$25,000,000;

2 20% of annual adjusted gross receipts in excess of
3 \$25,000,000 but not exceeding \$50,000,000;

4 25% of annual adjusted gross receipts in excess of
5 \$50,000,000 but not exceeding \$75,000,000;

6 30% of annual adjusted gross receipts in excess of
7 \$75,000,000 but not exceeding \$100,000,000;

8 35% of annual adjusted gross receipts in excess of
9 \$100,000,000.

10 (a-2) From July 1, 2002 until July 1, 2003, a privilege tax
11 is imposed on persons engaged in the business of conducting
12 riverboat gambling operations, other than licensed managers
13 conducting riverboat gambling operations on behalf of the
14 State, based on the adjusted gross receipts received by a
15 licensed owner from gambling games authorized under this Act at
16 the following rates:

17 15% of annual adjusted gross receipts up to and
18 including \$25,000,000;

19 22.5% of annual adjusted gross receipts in excess of
20 \$25,000,000 but not exceeding \$50,000,000;

21 27.5% of annual adjusted gross receipts in excess of
22 \$50,000,000 but not exceeding \$75,000,000;

23 32.5% of annual adjusted gross receipts in excess of
24 \$75,000,000 but not exceeding \$100,000,000;

25 37.5% of annual adjusted gross receipts in excess of
26 \$100,000,000 but not exceeding \$150,000,000;

1 45% of annual adjusted gross receipts in excess of
2 \$150,000,000 but not exceeding \$200,000,000;

3 50% of annual adjusted gross receipts in excess of
4 \$200,000,000.

5 (a-3) Beginning July 1, 2003, a privilege tax is imposed on
6 persons engaged in the business of conducting riverboat
7 gambling operations, other than licensed managers conducting
8 riverboat gambling operations on behalf of the State, based on
9 the adjusted gross receipts received by a licensed owner from
10 gambling games authorized under this Act at the following
11 rates:

12 15% of annual adjusted gross receipts up to and
13 including \$25,000,000;

14 27.5% of annual adjusted gross receipts in excess of
15 \$25,000,000 but not exceeding \$37,500,000;

16 32.5% of annual adjusted gross receipts in excess of
17 \$37,500,000 but not exceeding \$50,000,000;

18 37.5% of annual adjusted gross receipts in excess of
19 \$50,000,000 but not exceeding \$75,000,000;

20 45% of annual adjusted gross receipts in excess of
21 \$75,000,000 but not exceeding \$100,000,000;

22 50% of annual adjusted gross receipts in excess of
23 \$100,000,000 but not exceeding \$250,000,000;

24 70% of annual adjusted gross receipts in excess of
25 \$250,000,000.

26 An amount equal to the amount of wagering taxes collected

1 under this subsection (a-3) that are in addition to the amount
2 of wagering taxes that would have been collected if the
3 wagering tax rates under subsection (a-2) were in effect shall
4 be paid into the Common School Fund.

5 The privilege tax imposed under this subsection (a-3) shall
6 no longer be imposed beginning on the earlier of (i) July 1,
7 2005; (ii) the first date after June 20, 2003 that riverboat
8 gambling operations are conducted pursuant to a dormant
9 license; or (iii) the first day that riverboat gambling
10 operations are conducted under the authority of an owners
11 license that is in addition to the 10 owners licenses initially
12 authorized under this Act. For the purposes of this subsection
13 (a-3), the term "dormant license" means an owners license that
14 is authorized by this Act under which no riverboat gambling
15 operations are being conducted on June 20, 2003.

16 (a-4) Beginning on the first day on which the tax imposed
17 under subsection (a-3) is no longer imposed and ending upon the
18 imposition of the privilege tax under subsection (a-5) of this
19 Section, a privilege tax is imposed on persons engaged in the
20 business of conducting riverboat or casino gambling or
21 electronic gaming operations, other than licensed managers
22 conducting riverboat gambling operations on behalf of the
23 State, based on the adjusted gross receipts received by a
24 licensed owner from gambling games authorized under this Act at
25 the following rates:

26 15% of annual adjusted gross receipts up to and

1 including \$25,000,000;

2 22.5% of annual adjusted gross receipts in excess of
3 \$25,000,000 but not exceeding \$50,000,000;

4 27.5% of annual adjusted gross receipts in excess of
5 \$50,000,000 but not exceeding \$75,000,000;

6 32.5% of annual adjusted gross receipts in excess of
7 \$75,000,000 but not exceeding \$100,000,000;

8 37.5% of annual adjusted gross receipts in excess of
9 \$100,000,000 but not exceeding \$150,000,000;

10 45% of annual adjusted gross receipts in excess of
11 \$150,000,000 but not exceeding \$200,000,000;

12 50% of annual adjusted gross receipts in excess of
13 \$200,000,000.

14 For the imposition of the privilege tax in this subsection
15 (a-4), amounts paid pursuant to item (1) of subsection (b) of
16 Section 56 of the Illinois Horse Racing Act of 1975 shall not
17 be included in the determination of adjusted gross receipts.

18 (a-4.5) Beginning on the first day of the calendar month
19 immediately following 24 months after the effective date of
20 this amendatory Act of the 100th General Assembly and ending on
21 the date gambling operations, commence at a permanent facility
22 with respect to the owners license authorized under paragraph
23 (1) of subsection (e-5) of Section 7 of this Act, a privilege
24 tax is imposed on persons engaged in the business of conducting
25 riverboat or casino gambling or electronic gaming operations,
26 other than licensed managers conducting riverboat gambling

1 operations on behalf of the State, based on the adjusted gross
2 receipts received by such licensee from the gambling games
3 authorized under this Act. The privilege tax shall be the
4 average of the privilege tax, in terms of dollar amounts,
5 calculated pursuant to subsection (a-4) and subsection (a-6).

6 (a-5) Beginning on January 1 following the opening of the
7 permanent casino at which gambling operations are conducted
8 pursuant to the Chicago Casino Development Authority Act, a
9 privilege tax is imposed on persons engaged in the business of
10 conducting riverboat or casino gambling or electronic gaming
11 operations, other than licensed managers conducting riverboat
12 gambling operations on behalf of the State, based on the
13 adjusted gross receipts received by such licensee from the
14 gambling games authorized under this Act and the Chicago Casino
15 Development Authority Act. The privilege tax for all gambling
16 games other than table games, including, but not limited to,
17 slot machines, video game of chance gambling, and electronic
18 gambling games shall be at the following rates:

19 10% of annual adjusted gross receipts up to and
20 including \$25,000,000;

21 17.5% of annual adjusted gross receipts in excess of
22 \$25,000,000 but not exceeding \$50,000,000;

23 22.5% of annual adjusted gross receipts in excess of
24 \$50,000,000 but not exceeding \$75,000,000;

25 27.5% of annual adjusted gross receipts in excess of
26 \$75,000,000 but not exceeding \$100,000,000;

1 32.5% of annual adjusted gross receipts in excess of
2 \$100,000,000 but not exceeding \$150,000,000;

3 35% of annual adjusted gross receipts in excess of
4 \$150,000,000 but not exceeding \$200,000,000;

5 40% of annual adjusted gross receipts in excess of
6 \$200,000,000 but not exceeding \$300,000,000;

7 30% of annual adjusted gross receipts in excess of
8 \$300,000,000 but not exceeding \$350,000,000;

9 20% of annual adjusted gross receipts in excess of
10 \$350,000,000, but not exceeding \$800,000,000;

11 50% of annual adjusted gross receipts in excess of
12 \$800,000,000.

13 The privilege tax for table games shall be at the following
14 rates:

15 10% of annual adjusted gross receipts up to and
16 including \$25,000,000;

17 17.5% of annual adjusted gross receipts in excess of
18 \$25,000,000 but not exceeding \$50,000,000;

19 22.5% of annual adjusted gross receipts in excess of
20 \$50,000,000 but not exceeding \$70,000,000;

21 16% of annual adjusted gross receipts in excess of
22 \$70,000,000.

23 For the imposition of the privilege tax in this subsection
24 (a-5), amounts paid pursuant to item (1) of subsection (b) of
25 Section 56 of the Illinois Horse Racing Act of 1975 shall not
26 be included in the determination of adjusted gross receipts.

1 (a-6) From the effective date of this amendatory Act of the
2 100th General Assembly until June 30, 2021, an owners licensee
3 that conducted gambling operations prior to January 1, 2011
4 shall receive a dollar-for-dollar credit against the tax
5 imposed under this Section for any renovation or construction
6 costs paid by the owners licensee, but in no event shall the
7 credit exceed \$2,000,000.

8 Additionally, from the effective date of this amendatory
9 Act of the 100th General Assembly until December 31, 2020, an
10 owners licensee that (i) is located within 15 miles of the
11 Missouri border, and (ii) has at least 3 riverboats, casinos,
12 or their equivalent within a 45-mile radius, may be authorized
13 to relocate to a new location with the approval of both the
14 unit of local government designated as the home dock and the
15 Board, so long as the new location is within the same unit of
16 local government and no more than 3 miles away from its
17 original location. Such owners licensee shall receive a credit
18 against the tax imposed under this Section equal to 8% of the
19 total project costs, as approved by the Board, for any
20 renovation or construction costs paid by the owners licensee
21 for the construction of the new facility, provided that the new
22 facility is operational by July 1, 2020. In determining whether
23 or not to approve a relocation, the Board must consider the
24 extent to which the relocation will diminish the gaming
25 revenues received by other Illinois gaming facilities.

26 (a-7) Beginning in the initial adjustment year and through

1 the final adjustment year, if the total obligation imposed
2 pursuant to either subsection (a-5) or (a-6) will result in an
3 owners licensee receiving less after-tax adjusted gross
4 receipts than it received in calendar year 2016, then the total
5 amount of privilege taxes that the owners licensee is required
6 to pay for that calendar year shall be reduced to the extent
7 necessary so that the after-tax adjusted gross receipts in that
8 calendar year equals the after-tax adjusted gross receipts in
9 calendar year 2016, but the privilege tax reduction shall not
10 exceed the annual adjustment cap. If pursuant to this
11 subsection (a-7), the total obligation imposed pursuant to
12 either subsection (a-5) or (a-6) shall be reduced, then the
13 owners licensee shall not receive a refund from the State at
14 the end of the subject calendar year but instead shall be able
15 to apply that amount as a credit against any payments it owes
16 to the State in the following calendar year to satisfy its
17 total obligation under either subsection (a-5) or (a-6). The
18 credit for the final adjustment year shall occur in the
19 calendar year following the final adjustment year.

20 If an owners licensee that conducted gambling operations
21 prior to January 1, 2017 expands its riverboat or casino,
22 including, but not limited to, with respect to its gaming
23 floor, additional non-gaming amenities such as restaurants,
24 bars, and hotels and other additional facilities, and incurs
25 construction and other costs related to such expansion from the
26 effective date of this amendatory Act of the 100th General

1 Assembly until the 5th anniversary of the effective date of
2 this amendatory Act of the 100th General Assembly, then for
3 each \$15,000,000 spent for any such construction or other costs
4 related to expansion paid by the owners licensee, the final
5 adjustment year shall be extended by one year and the annual
6 adjustment cap shall increase by 0.2% of adjusted gross
7 receipts during each calendar year until and including the
8 final adjustment year. No further modifications to the final
9 adjustment year or annual adjustment cap shall be made after
10 \$75,000,000 is incurred in construction or other costs related
11 to expansion so that the final adjustment year shall not extend
12 beyond the 9th calendar year after the initial adjustment year,
13 not including the initial adjustment year, and the annual
14 adjustment cap shall not exceed 4% of adjusted gross receipts
15 in a particular calendar year. Construction and other costs
16 related to expansion shall include all project related costs,
17 including, but not limited to, all hard and soft costs,
18 financing costs, on or off-site ground, road or utility work,
19 cost of gaming equipment and all other personal property,
20 initial fees assessed for each incremental gaming position, and
21 the cost of incremental land acquired for such expansion. Soft
22 costs shall include, but not be limited to, legal fees,
23 architect, engineering and design costs, other consultant
24 costs, insurance cost, permitting costs, and pre-opening costs
25 related to the expansion, including, but not limited to, any of
26 the following: marketing, real estate taxes, personnel,

1 training, travel and out-of-pocket expenses, supply,
2 inventory, and other costs, and any other project related soft
3 costs.

4 Notwithstanding any other provision of this subsection
5 (a-7), this subsection (a-7) does not apply to an owners
6 licensee unless such owners licensee spends at least
7 \$15,000,000 on construction and other costs related to its
8 expansion, excluding the initial fees assessed for each
9 incremental gaming position.

10 This subsection (a-7) does not apply to owners licensees
11 authorized pursuant to subsection (e-5) of Section 7 of this
12 Act.

13 For purposes of this subsection (a-7):

14 "Initial adjustment year" means the year commencing on
15 January 1 of the calendar year immediately following the
16 earlier of the following:

17 (1) the commencement of gambling operations, either in
18 a temporary or permanent facility, with respect to the
19 owners license authorized under paragraph (1) of
20 subsection (e-5) of Section 7 of this Act; or

21 (2) 36 months after the effective date of this
22 amendatory Act of the 100th General Assembly, provided the
23 initial adjustment year shall not commence earlier than 24
24 months after the effective date of this amendatory Act of
25 the 100th General Assembly.

26 "Final adjustment year" means the 4th calendar year after

1 the initial adjustment year, not including the initial
2 adjustment year, and as may be extended further as described in
3 this subsection (a-7).

4 "After-tax adjusted gross receipts" means, for calendar
5 year 2016, the adjusted gross receipts less privilege taxes
6 paid to the State and for subsequent calendar years, the
7 adjusted gross receipts less privilege taxes paid to the State,
8 then divided by the owners licensee's average number of gaming
9 positions operating in that calendar year and then multiplied
10 by the owners licensee's average number of gaming positions
11 operating in calendar year 2016.

12 "Annual adjustment cap" means 3% of adjusted gross receipts
13 in a particular calendar year, and as may be increased further
14 as otherwise described in this subsection (a-7).

15 (a-8) Riverboat gambling operations conducted by a
16 licensed manager on behalf of the State are not subject to the
17 tax imposed under this Section.

18 (a-9) Beginning on January 1, 2018, the calculation of
19 gross receipts or adjusted gross receipts, for the purposes of
20 this Section, for a riverboat, casino, or electronic gaming
21 facility shall not include the dollar amount of non-cashable
22 vouchers, coupons, and electronic promotions redeemed by
23 wagerers upon the riverboat, in the casino, or in the
24 electronic gaming facility up to and including an amount not to
25 exceed 30% of a riverboat casino or electronic gaming
26 facility's adjusted gross receipts.

1 The Illinois Gaming Board shall submit to the General
2 Assembly a comprehensive report no later than March 31, 2021
3 detailing, at a minimum, the effect of removing non-cashable
4 vouchers, coupons, and electronic promotions from this
5 calculation on net gaming revenues to the State in calendar
6 years 2018 through 2020, the increase or reduction in wagers
7 as a result of removing non-cashable vouchers, coupons, and
8 electronic promotions from this calculation, the effect of the
9 tax rates in subsection (a-5) on net gaming revenues to the
10 State, and proposed modifications to the calculation.

11 (a-10) The taxes imposed by this Section shall be paid by
12 the licensed owner or the electronic gaming licensee to the
13 Board not later than 5:00 o'clock p.m. of the day after the day
14 when the wagers were made.

15 (a-15) If the privilege tax imposed under subsection (a-3)
16 is no longer imposed pursuant to item (i) of the last paragraph
17 of subsection (a-3), then by June 15 of each year, each owners
18 licensee, other than an owners licensee that admitted 1,000,000
19 persons or fewer in calendar year 2004, must, in addition to
20 the payment of all amounts otherwise due under this Section,
21 pay to the Board a reconciliation payment in the amount, if
22 any, by which the licensed owner's base amount exceeds the
23 amount of net privilege tax paid by the licensed owner to the
24 Board in the then current State fiscal year. A licensed owner's
25 net privilege tax obligation due for the balance of the State
26 fiscal year shall be reduced up to the total of the amount paid

1 by the licensed owner in its June 15 reconciliation payment.
2 The obligation imposed by this subsection (a-15) is binding on
3 any person, firm, corporation, or other entity that acquires an
4 ownership interest in any such owners license. The obligation
5 imposed under this subsection (a-15) terminates on the earliest
6 of: (i) July 1, 2007, (ii) the first day after the effective
7 date of this amendatory Act of the 94th General Assembly that
8 riverboat gambling operations are conducted pursuant to a
9 dormant license, (iii) the first day that riverboat gambling
10 operations are conducted under the authority of an owners
11 license that is in addition to the 10 owners licenses initially
12 authorized under this Act, or (iv) the first day that a
13 licensee under the Illinois Horse Racing Act of 1975 conducts
14 gaming operations with slot machines or other electronic gaming
15 devices. The Board must reduce the obligation imposed under
16 this subsection (a-15) by an amount the Board deems reasonable
17 for any of the following reasons: (A) an act or acts of God,
18 (B) an act of bioterrorism or terrorism or a bioterrorism or
19 terrorism threat that was investigated by a law enforcement
20 agency, or (C) a condition beyond the control of the owners
21 licensee that does not result from any act or omission by the
22 owners licensee or any of its agents and that poses a hazardous
23 threat to the health and safety of patrons. If an owners
24 licensee pays an amount in excess of its liability under this
25 Section, the Board shall apply the overpayment to future
26 payments required under this Section.

1 For purposes of this subsection (a-15):

2 "Act of God" means an incident caused by the operation of
3 an extraordinary force that cannot be foreseen, that cannot be
4 avoided by the exercise of due care, and for which no person
5 can be held liable.

6 "Base amount" means the following:

7 For a riverboat in Alton, \$31,000,000.

8 For a riverboat in East Peoria, \$43,000,000.

9 For the Empress riverboat in Joliet, \$86,000,000.

10 For a riverboat in Metropolis, \$45,000,000.

11 For the Harrah's riverboat in Joliet, \$114,000,000.

12 For a riverboat in Aurora, \$86,000,000.

13 For a riverboat in East St. Louis, \$48,500,000.

14 For a riverboat in Elgin, \$198,000,000.

15 "Dormant license" has the meaning ascribed to it in
16 subsection (a-3).

17 "Net privilege tax" means all privilege taxes paid by a
18 licensed owner to the Board under this Section, less all
19 payments made from the State Gaming Fund pursuant to subsection
20 (b) of this Section.

21 The changes made to this subsection (a-15) by Public Act
22 94-839 are intended to restate and clarify the intent of Public
23 Act 94-673 with respect to the amount of the payments required
24 to be made under this subsection by an owners licensee to the
25 Board.

26 (b) Until January 1, 1998, 25% of the tax revenue deposited

1 in the State Gaming Fund under this Section shall be paid,
2 subject to appropriation by the General Assembly, to the unit
3 of local government which is designated as the home dock of the
4 riverboat. Beginning January 1, 1998, from the tax revenue from
5 riverboat or casino gambling deposited in the State Gaming Fund
6 under this Section, an amount equal to 5% of adjusted gross
7 receipts generated by a riverboat or a casino other than a
8 riverboat designated in paragraph (3) or (4) of subsection
9 (e-5) of Section 7, shall be paid monthly, subject to
10 appropriation by the General Assembly, to the unit of local
11 government in which the casino is located or that is designated
12 as the home dock of the riverboat. From the tax revenue
13 deposited in the State Gaming Fund pursuant to riverboat or
14 casino gambling operations conducted by a licensed manager on
15 behalf of the State, an amount equal to 5% of adjusted gross
16 receipts generated pursuant to those riverboat or casino
17 gambling operations shall be paid monthly, subject to
18 appropriation by the General Assembly, to the unit of local
19 government that is designated as the home dock of the riverboat
20 upon which those riverboat gambling operations are conducted or
21 in which the casino is located. From the tax revenue from
22 riverboat or casino gambling deposited in the State Gaming Fund
23 under this Section, an amount equal to 5% of the adjusted gross
24 receipts generated by a riverboat designated in paragraph (3)
25 of subsection (e-5) of Section 7 shall be divided and remitted
26 monthly, subject to appropriation, as follows: 50% to Waukegan,

1 25% to Park City, and 25% to North Chicago. From the tax
2 revenue from riverboat or casino gambling deposited in the
3 State Gaming Fund under this Section, an amount equal to 5% of
4 the adjusted gross receipts generated by a riverboat designated
5 in paragraph (4) of subsection (e-5) of Section 7 shall be
6 remitted monthly, subject to appropriation, as follows: 70% to
7 the City of Rockford, 5% to the City of Loves Park, 5% to the
8 Village of Machesney, and 20% to Winnebago County. Units of
9 local government may refund any portion of the payment that
10 they receive pursuant to this subsection (b) to the riverboat
11 or casino.

12 (b-5) Beginning on the effective date of this amendatory
13 Act of the 100th General Assembly, from the tax revenue
14 deposited in the State Gaming Fund under this Section, an
15 amount equal to 3% of adjusted gross receipts generated by each
16 electronic gaming facility located outside Madison County
17 shall be paid monthly, subject to appropriation by the General
18 Assembly, to a municipality other than the Village of Stickney
19 in which each electronic gaming facility is located or, if the
20 electronic gaming facility is not located within a
21 municipality, to the county in which the electronic gaming
22 facility is located, except as otherwise provided in this
23 Section. From the tax revenue deposited in the State Gaming
24 Fund under this Section, an amount equal to 3% of adjusted
25 gross receipts generated by an electronic gaming facility
26 located in the Village of Stickney shall be paid monthly,

1 subject to appropriation by the General Assembly, as follows:
2 25% to the Village of Stickney, 5% to the City of Berwyn, 50%
3 to the Town of Cicero, and 20% to the Stickney Public Health
4 District.

5 From the tax revenue deposited in the State Gaming Fund
6 under this Section, an amount equal to 5% of adjusted gross
7 receipts generated by an electronic gaming facility located in
8 the City of Collinsville shall be paid monthly, subject to
9 appropriation by the General Assembly, as follows: 45% to the
10 City of Alton, 45% to the City of East St. Louis, and 10% to the
11 City of Collinsville.

12 Municipalities and counties may refund any portion of the
13 payment that they receive pursuant to this subsection (b-5) to
14 the electronic gaming facility.

15 (b-6) Beginning on the effective date of this amendatory
16 Act of the 100th General Assembly, from the tax revenue
17 deposited in the State Gaming Fund under this Section, an
18 amount equal to 2% of adjusted gross receipts generated by an
19 electronic gaming facility located outside Madison County
20 shall be paid monthly, subject to appropriation by the General
21 Assembly, to the county in which the electronic gaming facility
22 is located for the purposes of its criminal justice system or
23 health care system.

24 Counties may refund any portion of the payment that they
25 receive pursuant to this subsection (b-6) to the electronic
26 gaming facility.

1 (c) Appropriations, as approved by the General Assembly,
2 may be made from the State Gaming Fund to the Board (i) for the
3 administration and enforcement of this Act, the Chicago Casino
4 Development Authority Act, and the Video Gaming Act, (ii) for
5 distribution to the Department of State Police and to the
6 Department of Revenue for the enforcement of this Act, the
7 Chicago Casino Development Authority Act, and the Video Gaming
8 Act, and (iii) to the Department of Human Services for the
9 administration of programs to treat problem gambling. The
10 Board's annual appropriations request must separately state
11 its funding needs for the regulation of electronic gaming,
12 riverboat gaming, casino gaming within the City of Chicago, and
13 video gaming. From the tax revenue deposited in the Gaming
14 Facilities Fee Revenue Fund, the first \$50,000,000 shall be
15 paid to the Board, subject to appropriation, for the
16 administration and enforcement of the provisions of this
17 amendatory Act of the 100th General Assembly.

18 (c-3) Appropriations, as approved by the General Assembly,
19 may be made from the tax revenue deposited into the State
20 Gaming Fund from electronic gaming pursuant to this Section for
21 the administration and enforcement of this Act.

22 (c-4) After payments required under subsections (b),
23 (b-5), (b-6), (c), and (c-3) have been made from the tax
24 revenue from electronic gaming deposited into the State Gaming
25 Fund under this Section, all remaining amounts from electronic
26 gaming shall be deposited into the Education Assistance Fund.

1 (c-5) Before May 26, 2006 (the effective date of Public Act
2 94-804) and beginning on the effective date of this amendatory
3 Act of the 95th General Assembly, unless any organization
4 licensee under the Illinois Horse Racing Act of 1975 begins to
5 operate a slot machine or video game of chance under the
6 Illinois Horse Racing Act of 1975 or this Act, after the
7 payments required under subsections (b) and (c) have been made,
8 an amount equal to 15% of the adjusted gross receipts of (1) an
9 owners licensee that relocates pursuant to Section 11.2, (2) an
10 owners licensee conducting riverboat gambling operations
11 pursuant to an owners license that is initially issued after
12 June 25, 1999, or (3) the first riverboat gambling operations
13 conducted by a licensed manager on behalf of the State under
14 Section 7.3, whichever comes first, shall be paid from the
15 State Gaming Fund into the Horse Racing Equity Fund.

16 (c-10) 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 into the Horse Racing Equity
19 Fund pursuant to subsection (c-5) in the prior calendar year.

20 (c-15) After the payments required under subsections (b),
21 (c), and (c-5) have been made, an amount equal to 2% of the
22 adjusted gross receipts of (1) an owners licensee that
23 relocates pursuant to Section 11.2, (2) an owners licensee
24 conducting riverboat gambling operations pursuant to an owners
25 license that is initially issued after June 25, 1999, or (3)
26 the first riverboat gambling operations conducted by a licensed

1 manager on behalf of the State under Section 7.3, whichever
2 comes first, shall be paid, subject to appropriation from the
3 General Assembly, from the State Gaming Fund to each home rule
4 county with a population of over 3,000,000 inhabitants for the
5 purpose of enhancing the county's criminal justice system.

6 (c-20) Each year the General Assembly shall appropriate
7 from the General Revenue Fund to the Education Assistance Fund
8 an amount equal to the amount paid to each home rule county
9 with a population of over 3,000,000 inhabitants pursuant to
10 subsection (c-15) in the prior calendar year.

11 (c-25) On July 1, 2013 and each July 1 thereafter,
12 \$1,600,000 shall be transferred from the State Gaming Fund to
13 the Chicago State University Education Improvement Fund.

14 (c-30) On July 1, 2013 or as soon as possible thereafter,
15 \$92,000,000 shall be transferred from the State Gaming Fund to
16 the School Infrastructure Fund and \$23,000,000 shall be
17 transferred from the State Gaming Fund to the Horse Racing
18 Equity Fund.

19 (c-35) Beginning on July 1, 2013, in addition to any amount
20 transferred under subsection (c-30) of this Section,
21 \$5,530,000 shall be transferred monthly from the State Gaming
22 Fund to the School Infrastructure Fund.

23 (d) From time to time, the Board shall transfer the
24 remainder of the funds generated by this Act into the Education
25 Assistance Fund, created by Public Act 86-0018, of the State of
26 Illinois.

1 (e) Nothing in this Act shall prohibit the unit of local
2 government designated as the home dock of the riverboat from
3 entering into agreements with other units of local government
4 in this State or in other states to share its portion of the
5 tax revenue.

6 (f) To the extent practicable, the Board shall administer
7 and collect the wagering taxes imposed by this Section in a
8 manner consistent with the provisions of Sections 4, 5, 5a, 5b,
9 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, and 10 of the
10 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
11 Penalty and Interest Act.

12 (Source: P.A. 98-18, eff. 6-7-13.)

13 (230 ILCS 10/14) (from Ch. 120, par. 2414)

14 Sec. 14. Licensees - Records - Reports - Supervision.

15 (a) Licensed owners and electronic gaming licensees ~~A~~
16 ~~licensed owner~~ shall keep ~~his~~ books and records so as to
17 clearly show the following:

18 (1) The amount received daily from admission fees.

19 (2) The total amount of gross receipts.

20 (3) The total amount of the adjusted gross receipts.

21 (b) Licensed owners and electronic gaming licensees ~~The~~
22 ~~licensed owner~~ shall furnish to the Board reports and
23 information as the Board may require with respect to its
24 activities on forms designed and supplied for such purpose by
25 the Board.

1 (c) The books and records kept by a licensed owner as
2 provided by this Section are public records and the
3 examination, publication, and dissemination of the books and
4 records are governed by the provisions of The Freedom of
5 Information Act.

6 (Source: P.A. 86-1029.)

7 (230 ILCS 10/15) (from Ch. 120, par. 2415)

8 Sec. 15. Audit of Licensee Operations. Annually, the
9 licensed owner, ~~or~~ manager, or electronic gaming licensee shall
10 transmit to the Board an audit of the financial transactions
11 and condition of the licensee's or manager's total operations.
12 Additionally, within 90 days after the end of each quarter of
13 each fiscal year, the licensed owner, ~~or~~ manager, or electronic
14 gaming licensee shall transmit to the Board a compliance report
15 on engagement procedures determined by the Board. All audits
16 and compliance engagements shall be conducted by certified
17 public accountants selected by the Board. Each certified public
18 accountant must be registered in the State of Illinois under
19 the Illinois Public Accounting Act. The compensation for each
20 certified public accountant shall be paid directly by the
21 licensed owner, ~~or~~ manager, or electronic gaming licensee to
22 the certified public accountant.

23 (Source: P.A. 96-1392, eff. 1-1-11.)

24 (230 ILCS 10/16) (from Ch. 120, par. 2416)

1 Sec. 16. Annual Report of Board. The Board shall make an
2 annual report to the Governor, for the period ending December
3 31 of each year. Included in the report shall be an account of
4 the Board actions, its financial position and results of
5 operation under this Act and the Chicago Casino Development
6 Authority Act, the practical results attained under this Act
7 and the Chicago Casino Development Authority Act and any
8 recommendations for legislation which the Board deems
9 advisable.

10 (Source: P.A. 86-1029.)

11 (230 ILCS 10/17) (from Ch. 120, par. 2417)

12 Sec. 17. Administrative Procedures. The Illinois
13 Administrative Procedure Act shall apply to all administrative
14 rules and procedures of the Board under this Act, the Chicago
15 Casino Development Authority Act, and ~~or~~ the Video Gaming Act,
16 except that: (1) subsection (b) of Section 5-10 of the Illinois
17 Administrative Procedure Act does not apply to final orders,
18 decisions and opinions of the Board; (2) subsection (a) of
19 Section 5-10 of the Illinois Administrative Procedure Act does
20 not apply to forms established by the Board for use under this
21 Act, the Chicago Casino Development Authority Act, and or the
22 Video Gaming Act; (3) the provisions of Section 10-45 of the
23 Illinois Administrative Procedure Act regarding proposals for
24 decision are excluded under this Act, the Chicago Casino
25 Development Authority Act, and ~~or~~ the Video Gaming Act; and (4)

1 the provisions of subsection (d) of Section 10-65 of the
2 Illinois Administrative Procedure Act do not apply so as to
3 prevent summary suspension of any license pending revocation or
4 other action, which suspension shall remain in effect unless
5 modified by the Board or unless the Board's decision is
6 reversed on the merits upon judicial review.

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

8 (230 ILCS 10/17.1) (from Ch. 120, par. 2417.1)

9 Sec. 17.1. Judicial Review.

10 (a) Jurisdiction and venue for the judicial review of a
11 final order of the Board relating to licensed owners,
12 suppliers, electronic gaming licensees, and ~~or~~ special event
13 licenses is vested in the Appellate Court of the judicial
14 district in which Sangamon County is located. A petition for
15 judicial review of a final order of the Board must be filed in
16 the Appellate Court, within 35 days from the date that a copy
17 of the decision sought to be reviewed was served upon the party
18 affected by the decision.

19 (b) Judicial review of all other final orders of the Board
20 shall be conducted in accordance with the Administrative Review
21 Law.

22 (Source: P.A. 88-1.)

23 (230 ILCS 10/18) (from Ch. 120, par. 2418)

24 Sec. 18. Prohibited Activities - Penalty.

1 (a) A person is guilty of a Class A misdemeanor for doing
2 any of the following:

3 (1) Conducting gambling where wagering is used or to be
4 used without a license issued by the Board.

5 (2) Conducting gambling where wagering is permitted
6 other than in the manner specified by Section 11.

7 (b) A person is guilty of a Class B misdemeanor for doing
8 any of the following:

9 (1) permitting a person under 21 years to make a wager;

10 or

11 (2) violating paragraph (12) of subsection (a) of
12 Section 11 of this Act.

13 (c) A person wagering or accepting a wager at any location
14 outside the riverboat, casino, or electronic gaming facility in
15 violation of paragraph ~~is subject to the penalties in~~
16 ~~paragraphs~~ (1) or (2) of subsection (a) of Section 28-1 of the
17 Criminal Code of 2012 is subject to the penalties provided in
18 that Section.

19 (d) A person commits a Class 4 felony and, in addition,
20 shall be barred for life from gambling operations ~~riverboats~~
21 under the jurisdiction of the Board, if the person does any of
22 the following:

23 (1) Offers, promises, or gives anything of value or
24 benefit to a person who is connected with a riverboat or
25 casino owner or electronic gaming licensee, including, but
26 not limited to, an officer or employee of a licensed owner,

1 electronic gaming licensee, or holder of an occupational
2 license pursuant to an agreement or arrangement or with the
3 intent that the promise or thing of value or benefit will
4 influence the actions of the person to whom the offer,
5 promise, or gift was made in order to affect or attempt to
6 affect the outcome of a gambling game, or to influence
7 official action of a member of the Board.

8 (2) Solicits or knowingly accepts or receives a promise
9 of anything of value or benefit while the person is
10 connected with a riverboat, casino, or electronic gaming
11 facility, including, but not limited to, an officer or
12 employee of a licensed owner or electronic gaming licensee,
13 or the holder of an occupational license, pursuant to an
14 understanding or arrangement or with the intent that the
15 promise or thing of value or benefit will influence the
16 actions of the person to affect or attempt to affect the
17 outcome of a gambling game, or to influence official action
18 of a member of the Board.

19 (3) Uses or possesses with the intent to use a device
20 to assist:

21 (i) In projecting the outcome of the game.

22 (ii) In keeping track of the cards played.

23 (iii) In analyzing the probability of the
24 occurrence of an event relating to the gambling game.

25 (iv) In analyzing the strategy for playing or
26 betting to be used in the game except as permitted by

1 the Board.

2 (4) Cheats at a gambling game.

3 (5) Manufactures, sells, or distributes any cards,
4 chips, dice, game or device which is intended to be used to
5 violate any provision of this Act or the Chicago Casino
6 Development Authority Act.

7 (6) Alters or misrepresents the outcome of a gambling
8 game on which wagers have been made after the outcome is
9 made sure but before it is revealed to the players.

10 (7) Places a bet after acquiring knowledge, not
11 available to all players, of the outcome of the gambling
12 game which is subject of the bet or to aid a person in
13 acquiring the knowledge for the purpose of placing a bet
14 contingent on that outcome.

15 (8) Claims, collects, or takes, or attempts to claim,
16 collect, or take, money or anything of value in or from the
17 gambling games, with intent to defraud, without having made
18 a wager contingent on winning a gambling game, or claims,
19 collects, or takes an amount of money or thing of value of
20 greater value than the amount won.

21 (9) Uses counterfeit chips or tokens in a gambling
22 game.

23 (10) Possesses any key or device designed for the
24 purpose of opening, entering, or affecting the operation of
25 a gambling game, drop box, or an electronic or mechanical
26 device connected with the gambling game or for removing

1 coins, tokens, chips or other contents of a gambling game.
2 This paragraph (10) does not apply to a gambling licensee
3 or employee of a gambling licensee acting in furtherance of
4 the employee's employment.

5 (e) The possession of more than one of the devices
6 described in subsection (d), paragraphs (3), (5), or (10)
7 permits a rebuttable presumption that the possessor intended to
8 use the devices for cheating.

9 (f) A person under the age of 21 who, except as authorized
10 under paragraph (10) of Section 11, enters upon a riverboat or
11 in a casino or electronic gaming facility commits a petty
12 offense and is subject to a fine of not less than \$100 or more
13 than \$250 for a first offense and of not less than \$200 or more
14 than \$500 for a second or subsequent offense.

15 An action to prosecute any crime occurring on a riverboat
16 shall be tried in the county of the dock at which the riverboat
17 is based. An action to prosecute any crime occurring in a
18 casino or electronic gaming facility shall be tried in the
19 county in which the casino or electronic gaming facility is
20 located.

21 (Source: P.A. 96-1392, eff. 1-1-11; 97-1150, eff. 1-25-13.)

22 (230 ILCS 10/18.1)

23 Sec. 18.1. Distribution of certain fines. If a fine is
24 imposed on an owner licensee or an electronic gaming licensee
25 for knowingly sending marketing or promotional materials to any

1 person placed on the self-exclusion list, then the Board shall
2 distribute an amount equal to 15% of the fine imposed to the
3 unit of local government in which the casino, riverboat, or
4 electronic gaming facility is located for the purpose of
5 awarding grants to non-profit entities that assist gambling
6 addicts.

7 (Source: P.A. 96-224, eff. 8-11-09.)

8 (230 ILCS 10/19) (from Ch. 120, par. 2419)

9 Sec. 19. Forfeiture of property.

10 (a) Except as provided in subsection (b), any riverboat,
11 casino, or electronic gaming facility used for the conduct of
12 gambling games in violation of this Act shall be considered a
13 gambling place in violation of Section 28-3 of the Criminal
14 Code of 2012. Every gambling device found on a riverboat, in a
15 casino, or at an electronic gaming facility operating gambling
16 games in violation of this Act and every slot machine and video
17 game of chance found at an electronic gaming facility operating
18 gambling games in violation of this Act or the Chicago Casino
19 Development Authority Act shall be subject to seizure,
20 confiscation and destruction as provided in Section 28-5 of the
21 Criminal Code of 2012.

22 (b) It is not a violation of this Act for a riverboat or
23 other watercraft which is licensed for gaming by a contiguous
24 state to dock on the shores of this State if the municipality
25 having jurisdiction of the shores, or the county in the case of

1 unincorporated areas, has granted permission for docking and no
2 gaming is conducted on the riverboat or other watercraft while
3 it is docked on the shores of this State. No gambling device
4 shall be subject to seizure, confiscation or destruction if the
5 gambling device is located on a riverboat or other watercraft
6 which is licensed for gaming by a contiguous state and which is
7 docked on the shores of this State if the municipality having
8 jurisdiction of the shores, or the county in the case of
9 unincorporated areas, has granted permission for docking and no
10 gaming is conducted on the riverboat or other watercraft while
11 it is docked on the shores of this State.

12 (Source: P.A. 97-1150, eff. 1-25-13.)

13 (230 ILCS 10/20) (from Ch. 120, par. 2420)

14 Sec. 20. Prohibited activities - civil penalties. Any
15 person who conducts a gambling operation without first
16 obtaining a license to do so, or who continues to conduct such
17 games after revocation of his license, or any licensee who
18 conducts or allows to be conducted any unauthorized gambling
19 games on a riverboat, in a casino, or at an electronic gaming
20 facility where it is authorized to conduct its ~~riverboat~~
21 gambling operation, in addition to other penalties provided,
22 shall be subject to a civil penalty equal to the amount of
23 gross receipts derived from wagering on the gambling games,
24 whether unauthorized or authorized, conducted on that day as
25 well as confiscation and forfeiture of all gambling game

1 equipment used in the conduct of unauthorized gambling games.

2 (Source: P.A. 86-1029.)

3 (230 ILCS 10/21) (from Ch. 120, par. 2421)

4 Sec. 21. Limitation on taxation of licensees. Licensees
5 shall not be subjected to any excise tax, license tax, permit
6 tax, privilege tax, occupation tax or excursion tax which is
7 imposed exclusively upon the licensee by the State or any
8 political subdivision thereof, except as provided in this Act
9 or the Chicago Casino Development Authority Act.

10 (Source: P.A. 86-1029.)

11 (230 ILCS 10/23) (from Ch. 120, par. 2423)

12 Sec. 23. The State Gaming Fund. On or after the effective
13 date of this Act, except as provided for payments into the
14 Horse Racing Equity Trust Fund under subsection (a) of Section
15 7, all of the fees and taxes collected pursuant to this Act or
16 the Chicago Casino Development Authority Act shall be deposited
17 into the State Gaming Fund, a special fund in the State
18 Treasury, which is hereby created. The adjusted gross receipts
19 of any riverboat gambling operations conducted by a licensed
20 manager on behalf of the State remaining after the payment of
21 the fees and expenses of the licensed manager shall be
22 deposited into the State Gaming Fund. Fines and penalties
23 collected pursuant to this Act or the Chicago Casino
24 Development Authority Act shall be deposited into the Education

1 Assistance Fund, created by Public Act 86-0018, of the State of
2 Illinois.

3 (Source: P.A. 93-28, eff. 6-20-03; 94-804, eff. 5-26-06.)

4 (230 ILCS 10/24)

5 Sec. 24. Applicability of this ~~Illinois Riverboat Gambling~~
6 Act. The provisions of the this ~~Illinois Riverboat Gambling~~
7 Act, and all rules promulgated thereunder, shall apply to the
8 Chicago Casino Development Authority Act and the Video Gaming
9 Act, except where there is a conflict between the \neq Acts. In
10 the event of a conflict between this Act and the Chicago Casino
11 Development Authority Act, the terms of the Chicago Casino
12 Development Authority Act shall prevail. In the event of a
13 conflict between this Act and the Video Gaming Act, the terms
14 of this Act shall prevail.

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

16 (230 ILCS 10/25 new)

17 Sec. 25. Wide area progressive systems. The operation of a
18 wide area progressive system is permitted in gambling
19 operations authorized under this Act subject to the following
20 conditions:

21 (1) The method of communication over the wide area
22 progressive system must consist of dedicated on-line
23 communication lines or the equivalent, as determined by the
24 Administrator, or wireless communication, which may be

1 subject to certain restrictions imposed by the
2 Administrator.

3 (2) All communication between each facility location
4 and the central system site must be encrypted.

5 (3) The central system site must be located within the
6 State of Illinois and be equipped with a non-interruptible
7 power supply and the central computer must be capable of
8 on-line data redundancy should hard disk peripherals fail
9 during operation. The office containing the central
10 computer shall be equipped with a surveillance system that
11 has been approved by the Administrator. The wide area
12 progressive system provider shall be required to keep and
13 maintain an entry and exit log for the office containing
14 the central computer. The wide area progressive system
15 provider shall provide access to the office containing the
16 central computer to the Administrator and shall make
17 available to the Administrator all books, records, and
18 information required by the Administrator in fulfilling
19 his or her regulatory purpose.

20 (4) A wide area progressive system provider must
21 suspend play on the wide area progressive system if a
22 communication failure of the system cannot be corrected
23 within 24 consecutive hours.

24 (5) Approval by the Board of any wide area progressive
25 system shall occur only after the Administrator has
26 reviewed the wide area progressive system software and

1 hardware and is satisfied that the operation of the system
2 meets accepted industry standards for wide area
3 progressive system products, as well as any other
4 requirements that the Administrator may impose to ensure
5 the integrity, security, and legal operation of the wide
6 area progressive system.

7 (6) A meter that shows the amount of the common
8 progressive jackpot must be conspicuously displayed at or
9 near the machines to which the jackpot applies. The common
10 progressive jackpot meter need not precisely show the
11 actual moneys in the common progressive jackpot award at
12 each instant. Nothing shall prohibit the use of an odometer
13 or other paced updating progressive display to show updates
14 to the jackpot. When a paced updating display is used and
15 the remote site is communicating to the central computer,
16 the common progressive jackpot meter must display the
17 winning value after the jackpot broadcast is received from
18 the central system. If a common progressive jackpot is
19 recognized in the middle of a systemwide poll cycle, the
20 common progressive jackpot display may contain a value less
21 than the aggregated amount calculated by the central
22 system. The fund values from the remaining portion of the
23 poll cycle shall be received by the central system, but not
24 the local site, in which case the common progressive
25 jackpot amount paid shall always be the higher of the 2
26 reporting amounts.

1 (7) When a common progressive jackpot is won, the wide
2 area progressive system provider shall have the
3 opportunity to inspect the machine, storage media, the
4 error events received by the central system, and any other
5 data which could reasonably be used to ascertain the
6 validity of the jackpot.

7 (A) The central system shall produce reports that
8 clearly demonstrate the method of arriving at the
9 payoff amount. This shall include the funds
10 contributed beginning with the polling cycle
11 immediately following the previous jackpot and all
12 funds contributed up to and including the polling cycle
13 that includes the jackpot signal. Funds contributed to
14 and registered by the system before the jackpot message
15 is received shall be deemed to have been contributed to
16 the progressive amount prior to the current jackpot.
17 Funds contributed to the system subsequent to the
18 jackpot message's being received, as well as funds
19 contributed to the system before the jackpot message is
20 received by the system but registered after the jackpot
21 message is received at the system, shall be deemed to
22 have been contributed to the progressive amount of the
23 next jackpot.

24 (B) The common progressive jackpot may be
25 disbursed in periodic payments as long as each machine
26 clearly displays the fact that the jackpot shall be

1 paid in such periodic payments. In addition, the number
2 of periodic payments and time between payments must be
3 clearly displayed on the slot machine in a
4 non-misleading manner.

5 (C) A wide area progressive system provider must,
6 upon request, supply to the Board reports that support
7 and verify the economic activity of the system.

8 (8) In calculating adjusted gross revenue, a facility
9 may deduct its pro rata share of the present value of any
10 common progressive jackpots awarded. The deduction shall
11 be listed on the detailed accounting records provided by
12 the wide area progressive system provider. A facility's pro
13 rata share is based on the number of funds in from that
14 facility's machines on the wide area progressive system,
15 compared to the total amount of funds in on the whole
16 system for the time period between jackpots awarded.

17 (9) In the event a facility ceases operations and a
18 progressive jackpot is awarded subsequent to the last day
19 of the final month of operation, the facility may not file
20 an amended wagering tax submission or make a claim for a
21 wagering tax refund based on its contributions to that
22 particular progressive prize pool.

23 (10) A facility, or an entity that is licensed as a
24 manufacturer or distributor, shall provide the wide area
25 progressive system in accordance with a written agreement
26 that shall be reviewed and approved by the Board prior to

1 offering the jackpots.

2 (11) The payment of any common progressive jackpot
3 offered on a wide area progressive system shall be
4 administered by the wide area progressive system provider,
5 and the provider shall have primary liability for payment
6 of any common progressive jackpot the person administers.

7 (12) A wide area progressive system provider shall
8 comply with the following:

9 (A) A reserve shall be established and maintained
10 by the provider of the wide area progressive system in
11 an amount of not less than the sum of the following
12 amounts:

13 (i) the present value of the aggregate
14 remaining balances owed on all jackpots previously
15 won by patrons on the wide area progressive system;

16 (ii) the present value of the amount currently
17 reflected on the jackpot meters of the wide area
18 progressive system; and

19 (iii) the present value of one additional
20 reset of the wide area progressive system.

21 (B) The reserve shall continue to be maintained
22 until all payments owed to winners of the common
23 progressive jackpots have been made.

24 (C) For common progressive jackpots disbursed in
25 periodic payments, any qualified investment shall be
26 purchased within 90 days following notice of the win of

1 the common progressive jackpot, and a copy of such
2 qualified investment shall be provided to the Board
3 within 30 days of purchase. Any qualified investment
4 shall have a surrender value at maturity and shall have
5 a maturity date prior to the date the periodic jackpot
6 payment is required to be made.

7 (D) The person authorized to provide the wide area
8 progressive system shall not be permitted to sell,
9 trade, or otherwise dispose of any qualified
10 investments prior to their maturity unless approval to
11 do so is first obtained from the Board.

12 (E) Upon becoming aware of an event of
13 noncompliance with the terms of the reserve
14 requirement mandated by subparagraph (A) in this
15 paragraph (12), the wide area progressive system
16 provider must immediately notify the Board of such
17 event. An event of noncompliance includes a
18 non-payment of a jackpot periodic payment or a
19 circumstance which may cause the wide area progressive
20 system provider to be unable to fulfill, or which may
21 otherwise impair the person's ability to satisfy, the
22 person's jackpot payment obligations.

23 (F) On a quarterly basis, the wide area progressive
24 system provider must deliver to the Board a calculation
25 of system reserves required under subparagraph (A) in
26 this paragraph (12). The calculation shall come with a

1 certification of financial compliance signed by a duly
2 authorized financial officer of the wide area
3 progressive system provider, on a form prescribed by
4 the Board, validating the calculation.

5 (13) For common progressive jackpots disbursed in
6 periodic payments, subsequent to the date of the win, a
7 winner may be offered the option to receive, in lieu of
8 periodic payments, a discounted single cash payment in the
9 form of a qualified prize option, as that term is defined
10 in Section 451(h) of the Internal Revenue Code of 1986. The
11 wide area progressive system provider shall calculate the
12 single cash payment based on the discount rate. Until the
13 new discount rate becomes effective, the discount rate
14 selected by the wide area progressive system provider shall
15 be used to calculate the single cash payment for all
16 qualified prizes that occur subsequent to the date of the
17 selected discount rate.

18 Section 90-42. The Video Gaming Act is amended by changing
19 Sections 5, 20, 25, 45, 79, and 80 and by adding Section 90 as
20 follows:

21 (230 ILCS 40/5)

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

23 "Board" means the Illinois Gaming Board.

24 "Credit" means one, 5, 10, or 25 cents either won or

1 purchased by a player.

2 "Distributor" means an individual, partnership,
3 corporation, or limited liability company licensed under this
4 Act to buy, sell, lease, or distribute video gaming terminals
5 or major components or parts of video gaming terminals to or
6 from terminal operators.

7 "Electronic card" means a card purchased from a licensed
8 establishment, licensed fraternal establishment, licensed
9 veterans establishment, or licensed truck stop establishment
10 for use in that establishment as a substitute for cash in the
11 conduct of gaming on a video gaming terminal.

12 "Electronic voucher" means a voucher printed by an
13 electronic video game machine that is redeemable in the
14 licensed establishment for which it was issued.

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

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

24 "Licensed terminal handler" means a person, including but
25 not limited to an employee or independent contractor working
26 for a manufacturer, distributor, supplier, technician, or

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

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

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

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

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

1 only.

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

1 98-587 are declarative of existing law.

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

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

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

19 (Source: P.A. 97-333, eff. 8-12-11; 98-31, eff. 6-24-13;
20 98-582, eff. 8-27-13; 98-587, eff. 8-27-13; 98-756, eff.
21 7-16-14.)

22 (230 ILCS 40/20)

23 Sec. 20. Direct dispensing of receipt tickets only. A video
24 gaming terminal may not directly dispense coins, cash, tokens,
25 or any other article of exchange or value except for receipt

1 tickets. Tickets shall be dispensed by pressing the ticket
2 dispensing button on the video gaming terminal at the end of
3 one's turn or play. The ticket shall indicate the total amount
4 of credits and the cash award, the time of day in a 24-hour
5 format showing hours and minutes, the date, the terminal serial
6 number, the sequential number of the ticket, and an encrypted
7 validation number from which the validity of the prize may be
8 determined. The player shall turn in this ticket to the
9 appropriate person at the licensed establishment, licensed
10 truck stop establishment, licensed fraternal establishment, or
11 licensed veterans establishment to receive the cash award. The
12 cost of the credit shall be one cent, 5 cents, 10 cents, or 25
13 cents, and the maximum wager played per hand shall not exceed
14 \$4 ~~\$2~~. No cash award for the maximum wager on any individual
15 hand shall exceed \$1,199, except in the case of a wide area
16 progressive system, as defined in the Illinois Gambling Act,
17 which shall have no limits for cash awards ~~\$500~~.

18 (Source: P.A. 96-34, eff. 7-13-09; 96-1410, eff. 7-30-10.)

19 (230 ILCS 40/25)

20 Sec. 25. Restriction of licensees.

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

1 license.

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

8 (c) Terminal operator. A person may not own, maintain, or
9 place a video gaming terminal unless he has a valid terminal
10 operator's license issued under this Act. A terminal operator
11 may only place video gaming terminals for use in Illinois in
12 licensed establishments, licensed truck stop establishments,
13 licensed fraternal establishments, and licensed veterans
14 establishments. No terminal operator may give anything of
15 value, including but not limited to a loan or financing
16 arrangement, to a licensed establishment, licensed truck stop
17 establishment, licensed fraternal establishment, or licensed
18 veterans establishment as any incentive or inducement to locate
19 video terminals in that establishment. Of the after-tax profits
20 from a video gaming terminal, 50% shall be paid to the terminal
21 operator and 50% shall be paid to the licensed establishment,
22 licensed truck stop establishment, licensed fraternal
23 establishment, or licensed veterans establishment,
24 notwithstanding any agreement to the contrary. A video terminal
25 operator that violates one or more requirements of this
26 subsection is guilty of a Class 4 felony and is subject to

1 termination of his or her license by the Board.

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

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

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

1 veterans establishment, or licensed fraternal establishment
2 may operate up to 5 video gaming terminals on its premises at
3 any time.

4 (f) (Blank).

5 (g) Financial interest restrictions. As used in this Act,
6 "substantial interest" in a partnership, a corporation, an
7 organization, an association, a business, or a limited
8 liability company means:

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

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

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

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

1 (E) When an individual or his or her spouse furnishes
2 5% or more of the capital, whether in cash, goods, or
3 services, for the operation of any business, association,
4 or organization during any calendar year; or

5 (F) When, with respect to a limited liability company,
6 an individual or his or her spouse is a member, or the
7 individual or his or her spouse is a holder, directly or
8 beneficially, of 5% or more of the membership interest of
9 the limited liability company.

10 For purposes of this subsection (g), "individual" includes
11 all individuals or their spouses whose combined interest would
12 qualify as a substantial interest under this subsection (g) and
13 whose activities with respect to an organization, association,
14 or business are so closely aligned or coordinated as to
15 constitute the activities of a single entity.

16 (h) Location restriction. A licensed establishment,
17 licensed truck stop establishment, licensed fraternal
18 establishment, or licensed veterans establishment that is (i)
19 located within 1,000 feet of a facility operated by an
20 organization licensee licensed under the Illinois Horse Racing
21 Act of 1975 or the home dock of a riverboat licensed under the
22 Illinois Riverboat ~~Riverboat~~ Gambling Act or (ii) located within 100 feet
23 of a school or a place of worship under the Religious
24 Corporation Act, is ineligible to operate a video gaming
25 terminal. The location restrictions in this subsection (h) do
26 not apply if (A) a facility operated by an organization

1 licensee, a school, or a place of worship moves to or is
2 established within the restricted area after a licensed
3 establishment, licensed truck stop establishment, licensed
4 fraternal establishment, or licensed veterans establishment
5 becomes licensed under this Act or (B) a school or place of
6 worship moves to or is established within the restricted area
7 after a licensed establishment, licensed truck stop
8 establishment, licensed fraternal establishment, or licensed
9 veterans establishment obtains its original liquor license.
10 For the purpose of this subsection, "school" means an
11 elementary or secondary public school, or an elementary or
12 secondary private school registered with or recognized by the
13 State Board of Education.

14 Notwithstanding the provisions of this subsection (h), the
15 Board may waive the requirement that a licensed establishment,
16 licensed truck stop establishment, licensed fraternal
17 establishment, or licensed veterans establishment not be
18 located within 1,000 feet from a facility operated by an
19 organization licensee licensed under the Illinois Horse Racing
20 Act of 1975 or the home dock of a riverboat licensed under the
21 Illinois Riverboat ~~Riverboat~~ Gambling Act. The Board shall not grant such
22 waiver if there is any common ownership or control, shared
23 business activity, or contractual arrangement of any type
24 between the establishment and the organization licensee or
25 owners licensee of a riverboat. The Board shall adopt rules to
26 implement the provisions of this paragraph.

1 (i) Undue economic concentration. In addition to
2 considering all other requirements under this Act, in deciding
3 whether to approve the operation of video gaming terminals by a
4 terminal operator in a location, the Board shall consider the
5 impact of any economic concentration of such operation of video
6 gaming terminals. The Board shall not allow a terminal operator
7 to operate video gaming terminals if the Board determines such
8 operation will result in undue economic concentration. For
9 purposes of this Section, "undue economic concentration" means
10 that a terminal operator would have such actual or potential
11 influence over video gaming terminals in Illinois as to:

12 (1) substantially impede or suppress competition among
13 terminal operators;

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

16 (3) negatively impact the purposes of the Video Gaming
17 Act.

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

26 (j) The provisions of the Illinois Antitrust Act are fully

1 and equally applicable to the activities of any licensee under
2 this Act.

3 (Source: P.A. 97-333, eff. 8-12-11; 98-31, eff. 6-24-13; 98-77,
4 eff. 7-15-13; 98-112, eff. 7-26-13; 98-756, eff. 7-16-14.)

5 (230 ILCS 40/45)

6 Sec. 45. Issuance of license.

7 (a) The burden is upon each applicant to demonstrate his
8 suitability for licensure. Each video gaming terminal
9 manufacturer, distributor, supplier, operator, handler,
10 licensed establishment, licensed truck stop establishment,
11 licensed fraternal establishment, and licensed veterans
12 establishment shall be licensed by the Board. The Board may
13 issue or deny a license under this Act to any person pursuant
14 to the same criteria set forth in Section 9 of the Illinois
15 ~~Riverboat~~ Gambling Act.

16 (a-5) The Board shall not grant a license to a person who
17 has facilitated, enabled, or participated in the use of
18 coin-operated devices for gambling purposes or who is under the
19 significant influence or control of such a person. For the
20 purposes of this Act, "facilitated, enabled, or participated in
21 the use of coin-operated amusement devices for gambling
22 purposes" means that the person has been convicted of any
23 violation of Article 28 of the Criminal Code of 1961 or the
24 Criminal Code of 2012. If there is pending legal action against
25 a person for any such violation, then the Board shall delay the

1 licensure of that person until the legal action is resolved.

2 (b) Each person seeking and possessing a license as a video
3 gaming terminal manufacturer, distributor, supplier, operator,
4 handler, licensed establishment, licensed truck stop
5 establishment, licensed fraternal establishment, or licensed
6 veterans establishment shall submit to a background
7 investigation conducted by the Board with the assistance of the
8 State Police or other law enforcement. To the extent that the
9 corporate structure of the applicant allows, the background
10 investigation shall include any or all of the following as the
11 Board deems appropriate or as provided by rule for each
12 category of licensure: (i) each beneficiary of a trust, (ii)
13 each partner of a partnership, (iii) each member of a limited
14 liability company, (iv) each director and officer of a publicly
15 or non-publicly held corporation, (v) each stockholder of a
16 non-publicly held corporation, (vi) each stockholder of 5% or
17 more of a publicly held corporation, or (vii) each stockholder
18 of 5% or more in a parent or subsidiary corporation.

19 (c) Each person seeking and possessing a license as a video
20 gaming terminal manufacturer, distributor, supplier, operator,
21 handler, licensed establishment, licensed truck stop
22 establishment, licensed fraternal establishment, or licensed
23 veterans establishment shall disclose the identity of every
24 person, association, trust, corporation, or limited liability
25 company having a greater than 1% direct or indirect pecuniary
26 interest in the video gaming terminal operation for which the

1 license is sought. If the disclosed entity is a trust, the
2 application shall disclose the names and addresses of the
3 beneficiaries; if a corporation, the names and addresses of all
4 stockholders and directors; if a limited liability company, the
5 names and addresses of all members; or if a partnership, the
6 names and addresses of all partners, both general and limited.

7 (d) No person may be licensed as a video gaming terminal
8 manufacturer, distributor, supplier, operator, handler,
9 licensed establishment, licensed truck stop establishment,
10 licensed fraternal establishment, or licensed veterans
11 establishment if that person has been found by the Board to:

12 (1) have a background, including a criminal record,
13 reputation, habits, social or business associations, or
14 prior activities that pose a threat to the public interests
15 of the State or to the security and integrity of video
16 gaming;

17 (2) create or enhance the dangers of unsuitable,
18 unfair, or illegal practices, methods, and activities in
19 the conduct of video gaming; or

20 (3) present questionable business practices and
21 financial arrangements incidental to the conduct of video
22 gaming activities.

23 (e) Any applicant for any license under this Act has the
24 burden of proving his or her qualifications to the satisfaction
25 of the Board. The Board may adopt rules to establish additional
26 qualifications and requirements to preserve the integrity and

1 security of video gaming in this State.

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

- 5 (1) Manufacturer \$5,000
- 6 (2) Distributor..... \$5,000
- 7 (3) Terminal operator..... \$5,000
- 8 (4) Supplier \$2,500
- 9 (5) Technician \$100
- 10 (6) Terminal Handler \$50

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

- 13 (1) Manufacturer \$10,000
- 14 (2) Distributor..... \$10,000
- 15 (3) Terminal operator..... \$5,000
- 16 (4) Supplier \$2,000
- 17 (5) Technician \$100
- 18 (6) Licensed establishment, licensed truck stop
19 establishment, licensed fraternal establishment,
20 or licensed veterans establishment \$100
- 21 (7) Video gaming terminal..... \$100
- 22 (8) Terminal Handler \$50

23 (h) A terminal operator and a licensed establishment,
24 licensed truck stop establishment, licensed fraternal
25 establishment, or licensed veterans establishment shall
26 equally split the fees specified in item (7) of subsection (g).

1 (Source: P.A. 97-1150, eff. 1-25-13; 98-31, eff. 6-24-13;
2 98-587, eff. 8-27-13; 98-756, eff. 7-16-14.)

3 (230 ILCS 40/79)

4 Sec. 79. Investigators. Investigators appointed by the
5 Board pursuant to the powers conferred upon the Board by
6 paragraph (20.6) of subsection (c) of Section 5 of the Illinois
7 ~~Riverboat~~ Gambling Act and Section 80 of this Act shall have
8 authority to conduct investigations, searches, seizures,
9 arrests, and other duties imposed under this Act and the
10 Illinois ~~Riverboat~~ Gambling Act, as deemed necessary by the
11 Board. These investigators have and may exercise all of the
12 rights and powers of peace officers, provided that these powers
13 shall be (1) limited to offenses or violations occurring or
14 committed in connection with conduct subject to this Act,
15 including, but not limited to, the manufacture, distribution,
16 supply, operation, placement, service, maintenance, or play of
17 video gaming terminals and the distribution of profits and
18 collection of revenues resulting from such play, and (2)
19 exercised, to the fullest extent practicable, in cooperation
20 with the local police department of the applicable municipality
21 or, if these powers are exercised outside the boundaries of an
22 incorporated municipality or within a municipality that does
23 not have its own police department, in cooperation with the
24 police department whose jurisdiction encompasses the
25 applicable locality.

1 (Source: P.A. 97-809, eff. 7-13-12.)

2 (230 ILCS 40/80)

3 Sec. 80. Applicability of Illinois ~~Riverboat~~ Gambling Act.

4 The provisions of the Illinois ~~Riverboat~~ Gambling Act, and all
5 rules promulgated thereunder, shall apply to the Video Gaming
6 Act, except where there is a conflict between the 2 Acts. In
7 the event of a conflict between the 2 Acts, the provisions of
8 the Illinois Gambling Act shall prevail. All provisions of the
9 Uniform Penalty and Interest Act shall apply, as far as
10 practicable, to the subject matter of this Act to the same
11 extent as if such provisions were included herein.

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

13 (230 ILCS 40/90 new)

14 Sec. 90. Wide area progressive systems. The operation of a
15 wide area progressive system, as defined in the Illinois
16 Gambling Act, is permitted, subject to the provisions of the
17 Illinois Gambling Act, and the following conditions:

18 (1) Licensed terminal operators and manufacturer or
19 supplier licensees may operate one or more wide area
20 progressive systems in licensed establishments, licensed
21 truck stop establishments, licensed veterans
22 establishments, and licensed fraternal establishments. A
23 designated portion of a player's wager may be allocated to
24 the jackpot. The jackpot may be awarded to a player on any

1 of the video gaming terminals that are linked to the wide
2 area progressive system.

3 (2) A wide area progressive system shall at all times
4 be installed and operated in accordance with relevant
5 requirements of this Act and technical standards of wide
6 area progressive systems.

7 (3) A wide area progressive system shall be operated
8 and administered by participating licensees in accordance
9 with the terms and conditions of a written approved policy,
10 which must be submitted in writing and approved by the
11 Board prior to implementation and must comply with this Act
12 and technical standards of wide area progressive systems.

13 (4) Approved policies must address:

14 (A) responsibility for the funding and payment of
15 all jackpots, fees, and taxes associated with the
16 operation of the wide area progressive system;

17 (B) control and operation of the computer
18 monitoring room required under paragraph (5); and

19 (C) other requirements in the technical standards
20 on wide area progressive systems.

21 (5) A wide area progressive system shall be controlled
22 and operated from a computer monitoring room. The computer
23 monitoring room must:

24 (A) be under the sole possession and control of,
25 and maintained and operated by, employees of the
26 licensee designated in the approved policy for that

1 system; the employees of the licensee may be required
2 to obtain a terminal handler license if the Board
3 determines, after a review of the work being performed,
4 the employees require a license or permit for the
5 protection of the integrity of gaming;

6 (B) have its monitoring equipment subjected to
7 surveillance coverage either by the surveillance
8 system of a licensee or by a dedicated surveillance
9 system maintained by the terminal operator;

10 (C) be accessible through a locked door; the door
11 must be alarmed in a manner that audibly signals the
12 surveillance monitoring room for the surveillance
13 system elected under subparagraph (B) of this
14 paragraph (5); and

15 (D) have a computer monitoring room entry log.

16 This Section shall not be construed to impact the maximum
17 wager as set forth in this Act.

18 Section 90-45. The Liquor Control Act of 1934 is amended by
19 changing Sections 5-1 and 6-30 as follows:

20 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

21 Sec. 5-1. Licenses issued by the Illinois Liquor Control
22 Commission shall be of the following classes:

23 (a) Manufacturer's license - Class 1. Distiller, Class 2.
24 Rectifier, Class 3. Brewer, Class 4. First Class Wine

1 Manufacturer, Class 5. Second Class Wine Manufacturer, Class 6.
2 First Class Winemaker, Class 7. Second Class Winemaker, Class
3 8. Limited Wine Manufacturer, Class 9. Craft Distiller, Class
4 10. Class 1 Brewer, Class 11. Class 2 Brewer,

5 (b) Distributor's license,

6 (c) Importing Distributor's license,

7 (d) Retailer's license,

8 (e) Special Event Retailer's license (not-for-profit),

9 (f) Railroad license,

10 (g) Boat license,

11 (h) Non-Beverage User's license,

12 (i) Wine-maker's premises license,

13 (j) Airplane license,

14 (k) Foreign importer's license,

15 (l) Broker's license,

16 (m) Non-resident dealer's license,

17 (n) Brew Pub license,

18 (o) Auction liquor license,

19 (p) Caterer retailer license,

20 (q) Special use permit license,

21 (r) Winery shipper's license,

22 (s) Craft distiller tasting permit.

23 No person, firm, partnership, corporation, or other legal
24 business entity that is engaged in the manufacturing of wine
25 may concurrently obtain and hold a wine-maker's license and a
26 wine manufacturer's license.

1 (a) A manufacturer's license shall allow the manufacture,
2 importation in bulk, storage, distribution and sale of
3 alcoholic liquor to persons without the State, as may be
4 permitted by law and to licensees in this State as follows:

5 Class 1. A Distiller may make sales and deliveries of
6 alcoholic liquor to distillers, rectifiers, importing
7 distributors, distributors and non-beverage users and to no
8 other licensees.

9 Class 2. A Rectifier, who is not a distiller, as defined
10 herein, may make sales and deliveries of alcoholic liquor to
11 rectifiers, importing distributors, distributors, retailers
12 and non-beverage users and to no other licensees.

13 Class 3. A Brewer may make sales and deliveries of beer to
14 importing distributors and distributors and may make sales as
15 authorized under subsection (e) of Section 6-4 of this Act.

16 Class 4. A first class wine-manufacturer may make sales and
17 deliveries of up to 50,000 gallons of wine to manufacturers,
18 importing distributors and distributors, and to no other
19 licensees.

20 Class 5. A second class Wine manufacturer may make sales
21 and deliveries of more than 50,000 gallons of wine to
22 manufacturers, importing distributors and distributors and to
23 no other licensees.

24 Class 6. A first-class wine-maker's license shall allow the
25 manufacture of up to 50,000 gallons of wine per year, and the
26 storage and sale of such wine to distributors in the State and

1 to persons without the State, as may be permitted by law. A
2 person who, prior to June 1, 2008 (the effective date of Public
3 Act 95-634), is a holder of a first-class wine-maker's license
4 and annually produces more than 25,000 gallons of its own wine
5 and who distributes its wine to licensed retailers shall cease
6 this practice on or before July 1, 2008 in compliance with
7 Public Act 95-634.

8 Class 7. A second-class wine-maker's license shall allow
9 the manufacture of between 50,000 and 150,000 gallons of wine
10 per year, and the storage and sale of such wine to distributors
11 in this State and to persons without the State, as may be
12 permitted by law. A person who, prior to June 1, 2008 (the
13 effective date of Public Act 95-634), is a holder of a
14 second-class wine-maker's license and annually produces more
15 than 25,000 gallons of its own wine and who distributes its
16 wine to licensed retailers shall cease this practice on or
17 before July 1, 2008 in compliance with Public Act 95-634.

18 Class 8. A limited wine-manufacturer may make sales and
19 deliveries not to exceed 40,000 gallons of wine per year to
20 distributors, and to non-licensees in accordance with the
21 provisions of this Act.

22 Class 9. A craft distiller license shall allow the
23 manufacture of up to 100,000 ~~March 1, 2013 (Public Act 97-1166)~~
24 gallons of spirits by distillation per year and the storage of
25 such spirits. If a craft distiller licensee, including a craft
26 distiller licensee who holds more than one craft distiller

1 license, is not affiliated with any other manufacturer of
2 spirits, then the craft distiller licensee may sell such
3 spirits to distributors in this State and up to 2,500 gallons
4 of such spirits to non-licensees to the extent permitted by any
5 exemption approved by the Commission pursuant to Section 6-4 of
6 this Act. A craft distiller license holder may store such
7 spirits at a non-contiguous licensed location, but at no time
8 shall a craft distiller license holder directly or indirectly
9 produce in the aggregate more than 100,000 gallons of spirits
10 per year.

11 A craft distiller licensee may hold more than one craft
12 distiller's license. However, a craft distiller that holds more
13 than one craft distiller license shall not manufacture, in the
14 aggregate, more than 100,000 gallons of spirits by distillation
15 per year and shall not sell, in the aggregate, more than 2,500
16 gallons of such spirits to non-licensees in accordance with an
17 exemption approved by the State Commission pursuant to Section
18 6-4 of this Act.

19 Any craft distiller licensed under this Act who on July 28,
20 2010 (the effective date of Public Act 96-1367) was licensed as
21 a distiller and manufactured no more spirits than permitted by
22 this Section shall not be required to pay the initial licensing
23 fee.

24 Class 10. A class 1 brewer license, which may only be
25 issued to a licensed brewer or licensed non-resident dealer,
26 shall allow the manufacture of up to 930,000 gallons of beer

1 per year provided that the class 1 brewer licensee does not
2 manufacture more than a combined 930,000 gallons of beer per
3 year and is not a member of or affiliated with, directly or
4 indirectly, a manufacturer that produces more than 930,000
5 gallons of beer per year or any other alcoholic liquor. A class
6 1 brewer licensee may make sales and deliveries to importing
7 distributors and distributors and to retail licensees in
8 accordance with the conditions set forth in paragraph (18) of
9 subsection (a) of Section 3-12 of this Act.

10 Class 11. A class 2 brewer license, which may only be
11 issued to a licensed brewer or licensed non-resident dealer,
12 shall allow the manufacture of up to 3,720,000 gallons of beer
13 per year provided that the class 2 brewer licensee does not
14 manufacture more than a combined 3,720,000 gallons of beer per
15 year and is not a member of or affiliated with, directly or
16 indirectly, a manufacturer that produces more than 3,720,000
17 gallons of beer per year or any other alcoholic liquor. A class
18 2 brewer licensee may make sales and deliveries to importing
19 distributors and distributors, but shall not make sales or
20 deliveries to any other licensee. If the State Commission
21 provides prior approval, a class 2 brewer licensee may annually
22 transfer up to 3,720,000 gallons of beer manufactured by that
23 class 2 brewer licensee to the premises of a licensed class 2
24 brewer wholly owned and operated by the same licensee.

25 (a-1) A manufacturer which is licensed in this State to
26 make sales or deliveries of alcoholic liquor to licensed

1 distributors or importing distributors and which enlists
2 agents, representatives, or individuals acting on its behalf
3 who contact licensed retailers on a regular and continual basis
4 in this State must register those agents, representatives, or
5 persons acting on its behalf with the State Commission.

6 Registration of agents, representatives, or persons acting
7 on behalf of a manufacturer is fulfilled by submitting a form
8 to the Commission. The form shall be developed by the
9 Commission and shall include the name and address of the
10 applicant, the name and address of the manufacturer he or she
11 represents, the territory or areas assigned to sell to or
12 discuss pricing terms of alcoholic liquor, and any other
13 questions deemed appropriate and necessary. All statements in
14 the forms required to be made by law or by rule shall be deemed
15 material, and any person who knowingly misstates any material
16 fact under oath in an application is guilty of a Class B
17 misdemeanor. Fraud, misrepresentation, false statements,
18 misleading statements, evasions, or suppression of material
19 facts in the securing of a registration are grounds for
20 suspension or revocation of the registration. The State
21 Commission shall post a list of registered agents on the
22 Commission's website.

23 (b) A distributor's license shall allow the wholesale
24 purchase and storage of alcoholic liquors and sale of alcoholic
25 liquors to licensees in this State and to persons without the
26 State, as may be permitted by law. No person licensed as a

1 distributor shall be granted a non-resident dealer's license.

2 (c) An importing distributor's license may be issued to and
3 held by those only who are duly licensed distributors, upon the
4 filing of an application by a duly licensed distributor, with
5 the Commission and the Commission shall, without the payment of
6 any fee, immediately issue such importing distributor's
7 license to the applicant, which shall allow the importation of
8 alcoholic liquor by the licensee into this State from any point
9 in the United States outside this State, and the purchase of
10 alcoholic liquor in barrels, casks or other bulk containers and
11 the bottling of such alcoholic liquors before resale thereof,
12 but all bottles or containers so filled shall be sealed,
13 labeled, stamped and otherwise made to comply with all
14 provisions, rules and regulations governing manufacturers in
15 the preparation and bottling of alcoholic liquors. The
16 importing distributor's license shall permit such licensee to
17 purchase alcoholic liquor from Illinois licensed non-resident
18 dealers and foreign importers only. No person licensed as an
19 importing distributor shall be granted a non-resident dealer's
20 license.

21 (d) A retailer's license shall allow the licensee to sell
22 and offer for sale at retail, only in the premises specified in
23 the license, alcoholic liquor for use or consumption, but not
24 for resale in any form. Nothing in Public Act 95-634 shall
25 deny, limit, remove, or restrict the ability of a holder of a
26 retailer's license to transfer, deliver, or ship alcoholic

1 liquor to the purchaser for use or consumption subject to any
2 applicable local law or ordinance. Any retail license issued to
3 a manufacturer shall only permit the manufacturer to sell beer
4 at retail on the premises actually occupied by the
5 manufacturer. For the purpose of further describing the type of
6 business conducted at a retail licensed premises, a retailer's
7 licensee may be designated by the State Commission as (i) an on
8 premise consumption retailer, (ii) an off premise sale
9 retailer, or (iii) a combined on premise consumption and off
10 premise sale retailer.

11 Notwithstanding any other provision of this subsection
12 (d), a retail licensee may sell alcoholic liquors to a special
13 event retailer licensee for resale to the extent permitted
14 under subsection (e).

15 (e) A special event retailer's license (not-for-profit)
16 shall permit the licensee to purchase alcoholic liquors from an
17 Illinois licensed distributor (unless the licensee purchases
18 less than \$500 of alcoholic liquors for the special event, in
19 which case the licensee may purchase the alcoholic liquors from
20 a licensed retailer) and shall allow the licensee to sell and
21 offer for sale, at retail, alcoholic liquors for use or
22 consumption, but not for resale in any form and only at the
23 location and on the specific dates designated for the special
24 event in the license. An applicant for a special event retailer
25 license must (i) furnish with the application: (A) a resale
26 number issued under Section 2c of the Retailers' Occupation Tax

1 Act or evidence that the applicant is registered under Section
2 2a of the Retailers' Occupation Tax Act, (B) a current, valid
3 exemption identification number issued under Section 1g of the
4 Retailers' Occupation Tax Act, and a certification to the
5 Commission that the purchase of alcoholic liquors will be a
6 tax-exempt purchase, or (C) a statement that the applicant is
7 not registered under Section 2a of the Retailers' Occupation
8 Tax Act, does not hold a resale number under Section 2c of the
9 Retailers' Occupation Tax Act, and does not hold an exemption
10 number under Section 1g of the Retailers' Occupation Tax Act,
11 in which event the Commission shall set forth on the special
12 event retailer's license a statement to that effect; (ii)
13 submit with the application proof satisfactory to the State
14 Commission that the applicant will provide dram shop liability
15 insurance in the maximum limits; and (iii) show proof
16 satisfactory to the State Commission that the applicant has
17 obtained local authority approval.

18 (f) A railroad license shall permit the licensee to import
19 alcoholic liquors into this State from any point in the United
20 States outside this State and to store such alcoholic liquors
21 in this State; to make wholesale purchases of alcoholic liquors
22 directly from manufacturers, foreign importers, distributors
23 and importing distributors from within or outside this State;
24 and to store such alcoholic liquors in this State; provided
25 that the above powers may be exercised only in connection with
26 the importation, purchase or storage of alcoholic liquors to be

1 sold or dispensed on a club, buffet, lounge or dining car
2 operated on an electric, gas or steam railway in this State;
3 and provided further, that railroad licensees exercising the
4 above powers shall be subject to all provisions of Article VIII
5 of this Act as applied to importing distributors. A railroad
6 license shall also permit the licensee to sell or dispense
7 alcoholic liquors on any club, buffet, lounge or dining car
8 operated on an electric, gas or steam railway regularly
9 operated by a common carrier in this State, but shall not
10 permit the sale for resale of any alcoholic liquors to any
11 licensee within this State. A license shall be obtained for
12 each car in which such sales are made.

13 (g) A boat license shall allow the sale of alcoholic liquor
14 in individual drinks, on any passenger boat regularly operated
15 as a common carrier on navigable waters in this State or on any
16 riverboat operated under the Illinois Riverboat ~~Riverboat~~ Gambling Act,
17 which boat or riverboat maintains a public dining room or
18 restaurant thereon.

19 (h) A non-beverage user's license shall allow the licensee
20 to purchase alcoholic liquor from a licensed manufacturer or
21 importing distributor, without the imposition of any tax upon
22 the business of such licensed manufacturer or importing
23 distributor as to such alcoholic liquor to be used by such
24 licensee solely for the non-beverage purposes set forth in
25 subsection (a) of Section 8-1 of this Act, and such licenses
26 shall be divided and classified and shall permit the purchase,

1 possession and use of limited and stated quantities of
2 alcoholic liquor as follows:

- 3 Class 1, not to exceed 500 gallons
- 4 Class 2, not to exceed 1,000 gallons
- 5 Class 3, not to exceed 5,000 gallons
- 6 Class 4, not to exceed 10,000 gallons
- 7 Class 5, not to exceed 50,000 gallons

8 (i) A wine-maker's premises license shall allow a licensee
 9 that concurrently holds a first-class wine-maker's license to
 10 sell and offer for sale at retail in the premises specified in
 11 such license not more than 50,000 gallons of the first-class
 12 wine-maker's wine that is made at the first-class wine-maker's
 13 licensed premises per year for use or consumption, but not for
 14 resale in any form. A wine-maker's premises license shall allow
 15 a licensee who concurrently holds a second-class wine-maker's
 16 license to sell and offer for sale at retail in the premises
 17 specified in such license up to 100,000 gallons of the
 18 second-class wine-maker's wine that is made at the second-class
 19 wine-maker's licensed premises per year for use or consumption
 20 but not for resale in any form. A wine-maker's premises license
 21 shall allow a licensee that concurrently holds a first-class
 22 wine-maker's license or a second-class wine-maker's license to
 23 sell and offer for sale at retail at the premises specified in
 24 the wine-maker's premises license, for use or consumption but
 25 not for resale in any form, any beer, wine, and spirits
 26 purchased from a licensed distributor. Upon approval from the

1 State Commission, a wine-maker's premises license shall allow
2 the licensee to sell and offer for sale at (i) the wine-maker's
3 licensed premises and (ii) at up to 2 additional locations for
4 use and consumption and not for resale. Each location shall
5 require additional licensing per location as specified in
6 Section 5-3 of this Act. A wine-maker's premises licensee shall
7 secure liquor liability insurance coverage in an amount at
8 least equal to the maximum liability amounts set forth in
9 subsection (a) of Section 6-21 of this Act.

10 (j) An airplane license shall permit the licensee to import
11 alcoholic liquors into this State from any point in the United
12 States outside this State and to store such alcoholic liquors
13 in this State; to make wholesale purchases of alcoholic liquors
14 directly from manufacturers, foreign importers, distributors
15 and importing distributors from within or outside this State;
16 and to store such alcoholic liquors in this State; provided
17 that the above powers may be exercised only in connection with
18 the importation, purchase or storage of alcoholic liquors to be
19 sold or dispensed on an airplane; and provided further, that
20 airplane licensees exercising the above powers shall be subject
21 to all provisions of Article VIII of this Act as applied to
22 importing distributors. An airplane licensee shall also permit
23 the sale or dispensing of alcoholic liquors on any passenger
24 airplane regularly operated by a common carrier in this State,
25 but shall not permit the sale for resale of any alcoholic
26 liquors to any licensee within this State. A single airplane

1 license shall be required of an airline company if liquor
2 service is provided on board aircraft in this State. The annual
3 fee for such license shall be as determined in Section 5-3.

4 (k) A foreign importer's license shall permit such licensee
5 to purchase alcoholic liquor from Illinois licensed
6 non-resident dealers only, and to import alcoholic liquor other
7 than in bulk from any point outside the United States and to
8 sell such alcoholic liquor to Illinois licensed importing
9 distributors and to no one else in Illinois; provided that (i)
10 the foreign importer registers with the State Commission every
11 brand of alcoholic liquor that it proposes to sell to Illinois
12 licensees during the license period, (ii) the foreign importer
13 complies with all of the provisions of Section 6-9 of this Act
14 with respect to registration of such Illinois licensees as may
15 be granted the right to sell such brands at wholesale, and
16 (iii) the foreign importer complies with the provisions of
17 Sections 6-5 and 6-6 of this Act to the same extent that these
18 provisions apply to manufacturers.

19 (l) (i) A broker's license shall be required of all persons
20 who solicit orders for, offer to sell or offer to supply
21 alcoholic liquor to retailers in the State of Illinois, or who
22 offer to retailers to ship or cause to be shipped or to make
23 contact with distillers, rectifiers, brewers or manufacturers
24 or any other party within or without the State of Illinois in
25 order that alcoholic liquors be shipped to a distributor,
26 importing distributor or foreign importer, whether such

1 solicitation or offer is consummated within or without the
2 State of Illinois.

3 No holder of a retailer's license issued by the Illinois
4 Liquor Control Commission shall purchase or receive any
5 alcoholic liquor, the order for which was solicited or offered
6 for sale to such retailer by a broker unless the broker is the
7 holder of a valid broker's license.

8 The broker shall, upon the acceptance by a retailer of the
9 broker's solicitation of an order or offer to sell or supply or
10 deliver or have delivered alcoholic liquors, promptly forward
11 to the Illinois Liquor Control Commission a notification of
12 said transaction in such form as the Commission may by
13 regulations prescribe.

14 (ii) A broker's license shall be required of a person
15 within this State, other than a retail licensee, who, for a fee
16 or commission, promotes, solicits, or accepts orders for
17 alcoholic liquor, for use or consumption and not for resale, to
18 be shipped from this State and delivered to residents outside
19 of this State by an express company, common carrier, or
20 contract carrier. This Section does not apply to any person who
21 promotes, solicits, or accepts orders for wine as specifically
22 authorized in Section 6-29 of this Act.

23 A broker's license under this subsection (1) shall not
24 entitle the holder to buy or sell any alcoholic liquors for his
25 own account or to take or deliver title to such alcoholic
26 liquors.

1 This subsection (1) shall not apply to distributors,
2 employees of distributors, or employees of a manufacturer who
3 has registered the trademark, brand or name of the alcoholic
4 liquor pursuant to Section 6-9 of this Act, and who regularly
5 sells such alcoholic liquor in the State of Illinois only to
6 its registrants thereunder.

7 Any agent, representative, or person subject to
8 registration pursuant to subsection (a-1) of this Section shall
9 not be eligible to receive a broker's license.

10 (m) A non-resident dealer's license shall permit such
11 licensee to ship into and warehouse alcoholic liquor into this
12 State from any point outside of this State, and to sell such
13 alcoholic liquor to Illinois licensed foreign importers and
14 importing distributors and to no one else in this State;
15 provided that (i) said non-resident dealer shall register with
16 the Illinois Liquor Control Commission each and every brand of
17 alcoholic liquor which it proposes to sell to Illinois
18 licensees during the license period, (ii) it shall comply with
19 all of the provisions of Section 6-9 hereof with respect to
20 registration of such Illinois licensees as may be granted the
21 right to sell such brands at wholesale, and (iii) the
22 non-resident dealer shall comply with the provisions of
23 Sections 6-5 and 6-6 of this Act to the same extent that these
24 provisions apply to manufacturers. No person licensed as a
25 non-resident dealer shall be granted a distributor's or
26 importing distributor's license.

1 (n) A brew pub license shall allow the licensee to only (i)
2 manufacture up to 155,000 gallons of beer per year only on the
3 premises specified in the license, (ii) make sales of the beer
4 manufactured on the premises or, with the approval of the
5 Commission, beer manufactured on another brew pub licensed
6 premises that is wholly owned and operated by the same licensee
7 to importing distributors, distributors, and to non-licensees
8 for use and consumption, (iii) store the beer upon the
9 premises, (iv) sell and offer for sale at retail from the
10 licensed premises for off-premises consumption no more than
11 155,000 gallons per year so long as such sales are only made
12 in-person, (v) sell and offer for sale at retail for use and
13 consumption on the premises specified in the license any form
14 of alcoholic liquor purchased from a licensed distributor or
15 importing distributor, and (vi) with the prior approval of the
16 Commission, annually transfer no more than 155,000 gallons of
17 beer manufactured on the premises to a licensed brew pub wholly
18 owned and operated by the same licensee.

19 A brew pub licensee shall not under any circumstance sell
20 or offer for sale beer manufactured by the brew pub licensee to
21 retail licensees.

22 A person who holds a class 2 brewer license may
23 simultaneously hold a brew pub license if the class 2 brewer
24 (i) does not, under any circumstance, sell or offer for sale
25 beer manufactured by the class 2 brewer to retail licensees;
26 (ii) does not hold more than 3 brew pub licenses in this State;

1 (iii) does not manufacture more than a combined 3,720,000
2 gallons of beer per year, including the beer manufactured at
3 the brew pub; and (iv) is not a member of or affiliated with,
4 directly or indirectly, a manufacturer that produces more than
5 3,720,000 gallons of beer per year or any other alcoholic
6 liquor.

7 Notwithstanding any other provision of this Act, a licensed
8 brewer, class 2 brewer, or non-resident dealer who before July
9 1, 2015 manufactured less than 3,720,000 gallons of beer per
10 year and held a brew pub license on or before July 1, 2015 may
11 (i) continue to qualify for and hold that brew pub license for
12 the licensed premises and (ii) manufacture more than 3,720,000
13 gallons of beer per year and continue to qualify for and hold
14 that brew pub license if that brewer, class 2 brewer, or
15 non-resident dealer does not simultaneously hold a class 1
16 brewer license and is not a member of or affiliated with,
17 directly or indirectly, a manufacturer that produces more than
18 3,720,000 gallons of beer per year or that produces any other
19 alcoholic liquor.

20 (o) A caterer retailer license shall allow the holder to
21 serve alcoholic liquors as an incidental part of a food service
22 that serves prepared meals which excludes the serving of snacks
23 as the primary meal, either on or off-site whether licensed or
24 unlicensed.

25 (p) An auction liquor license shall allow the licensee to
26 sell and offer for sale at auction wine and spirits for use or

1 consumption, or for resale by an Illinois liquor licensee in
2 accordance with provisions of this Act. An auction liquor
3 license will be issued to a person and it will permit the
4 auction liquor licensee to hold the auction anywhere in the
5 State. An auction liquor license must be obtained for each
6 auction at least 14 days in advance of the auction date.

7 (q) A special use permit license shall allow an Illinois
8 licensed retailer to transfer a portion of its alcoholic liquor
9 inventory from its retail licensed premises to the premises
10 specified in the license hereby created, and to sell or offer
11 for sale at retail, only in the premises specified in the
12 license hereby created, the transferred alcoholic liquor for
13 use or consumption, but not for resale in any form. A special
14 use permit license may be granted for the following time
15 periods: one day or less; 2 or more days to a maximum of 15 days
16 per location in any 12-month ~~12-month~~ period. An applicant for
17 the special use permit license must also submit with the
18 application proof satisfactory to the State Commission that the
19 applicant will provide dram shop liability insurance to the
20 maximum limits and have local authority approval.

21 (r) A winery shipper's license shall allow a person with a
22 first-class or second-class wine manufacturer's license, a
23 first-class or second-class wine-maker's license, or a limited
24 wine manufacturer's license or who is licensed to make wine
25 under the laws of another state to ship wine made by that
26 licensee directly to a resident of this State who is 21 years

1 of age or older for that resident's personal use and not for
2 resale. Prior to receiving a winery shipper's license, an
3 applicant for the license must provide the Commission with a
4 true copy of its current license in any state in which it is
5 licensed as a manufacturer of wine. An applicant for a winery
6 shipper's license must also complete an application form that
7 provides any other information the Commission deems necessary.
8 The application form shall include all addresses from which the
9 applicant for a winery shipper's license intends to ship wine,
10 including the name and address of any third party, except for a
11 common carrier, authorized to ship wine on behalf of the
12 manufacturer. The application form shall include an
13 acknowledgement consenting to the jurisdiction of the
14 Commission, the Illinois Department of Revenue, and the courts
15 of this State concerning the enforcement of this Act and any
16 related laws, rules, and regulations, including authorizing
17 the Department of Revenue and the Commission to conduct audits
18 for the purpose of ensuring compliance with Public Act 95-634,
19 and an acknowledgement that the wine manufacturer is in
20 compliance with Section 6-2 of this Act. Any third party,
21 except for a common carrier, authorized to ship wine on behalf
22 of a first-class or second-class wine manufacturer's licensee,
23 a first-class or second-class wine-maker's licensee, a limited
24 wine manufacturer's licensee, or a person who is licensed to
25 make wine under the laws of another state shall also be
26 disclosed by the winery shipper's licensee, and a copy of the

1 written appointment of the third-party wine provider, except
2 for a common carrier, to the wine manufacturer shall be filed
3 with the State Commission as a supplement to the winery
4 shipper's license application or any renewal thereof. The
5 winery shipper's license holder shall affirm under penalty of
6 perjury, as part of the winery shipper's license application or
7 renewal, that he or she only ships wine, either directly or
8 indirectly through a third-party provider, from the licensee's
9 own production.

10 Except for a common carrier, a third-party provider
11 shipping wine on behalf of a winery shipper's license holder is
12 the agent of the winery shipper's license holder and, as such,
13 a winery shipper's license holder is responsible for the acts
14 and omissions of the third-party provider acting on behalf of
15 the license holder. A third-party provider, except for a common
16 carrier, that engages in shipping wine into Illinois on behalf
17 of a winery shipper's license holder shall consent to the
18 jurisdiction of the State Commission and the State. Any
19 third-party, except for a common carrier, holding such an
20 appointment shall, by February 1 of each calendar year, file
21 with the State Commission a statement detailing each shipment
22 made to an Illinois resident. The State Commission shall adopt
23 rules as soon as practicable to implement the requirements of
24 Public Act 99-904 ~~this amendatory Act of the 99th General~~
25 ~~Assembly~~ and shall adopt rules prohibiting any such third-party
26 appointment of a third-party provider, except for a common

1 carrier, that has been deemed by the State Commission to have
2 violated the provisions of this Act with regard to any winery
3 shipper licensee.

4 A winery shipper licensee must pay to the Department of
5 Revenue the State liquor gallonage tax under Section 8-1 for
6 all wine that is sold by the licensee and shipped to a person
7 in this State. For the purposes of Section 8-1, a winery
8 shipper licensee shall be taxed in the same manner as a
9 manufacturer of wine. A licensee who is not otherwise required
10 to register under the Retailers' Occupation Tax Act must
11 register under the Use Tax Act to collect and remit use tax to
12 the Department of Revenue for all gallons of wine that are sold
13 by the licensee and shipped to persons in this State. If a
14 licensee fails to remit the tax imposed under this Act in
15 accordance with the provisions of Article VIII of this Act, the
16 winery shipper's license shall be revoked in accordance with
17 the provisions of Article VII of this Act. If a licensee fails
18 to properly register and remit tax under the Use Tax Act or the
19 Retailers' Occupation Tax Act for all wine that is sold by the
20 winery shipper and shipped to persons in this State, the winery
21 shipper's license shall be revoked in accordance with the
22 provisions of Article VII of this Act.

23 A winery shipper licensee must collect, maintain, and
24 submit to the Commission on a semi-annual basis the total
25 number of cases per resident of wine shipped to residents of
26 this State. A winery shipper licensed under this subsection (r)

1 must comply with the requirements of Section 6-29 of this Act.

2 Pursuant to paragraph (5.1) or (5.3) of subsection (a) of
3 Section 3-12, the State Commission may receive, respond to, and
4 investigate any complaint and impose any of the remedies
5 specified in paragraph (1) of subsection (a) of Section 3-12.

6 (s) A craft distiller tasting permit license shall allow an
7 Illinois licensed craft distiller to transfer a portion of its
8 alcoholic liquor inventory from its craft distiller licensed
9 premises to the premises specified in the license hereby
10 created and to conduct a sampling, only in the premises
11 specified in the license hereby created, of the transferred
12 alcoholic liquor in accordance with subsection (c) of Section
13 6-31 of this Act. The transferred alcoholic liquor may not be
14 sold or resold in any form. An applicant for the craft
15 distiller tasting permit license must also submit with the
16 application proof satisfactory to the State Commission that the
17 applicant will provide dram shop liability insurance to the
18 maximum limits and have local authority approval.

19 (Source: P.A. 98-394, eff. 8-16-13; 98-401, eff. 8-16-13;
20 98-756, eff. 7-16-14; 99-448, eff. 8-24-15; 99-642, eff.
21 7-28-16; 99-800, eff. 8-12-16; 99-902, eff. 8-26-16; 99-904,
22 eff. 1-1-17; revised 9-15-16.)

23 (235 ILCS 5/6-30) (from Ch. 43, par. 144f)

24 Sec. 6-30. Notwithstanding any other provision of this Act,
25 the Illinois Gaming Board shall have exclusive authority to

1 establish the hours for sale and consumption of alcoholic
2 liquor on board a riverboat during riverboat gambling
3 excursions and in a casino conducted in accordance with the
4 Illinois Riverboat Gambling Act.

5 (Source: P.A. 87-826.)

6 Section 90-46. The Illinois Public Aid Code is amended by
7 changing Section 10-17.15 as follows:

8 (305 ILCS 5/10-17.15)

9 Sec. 10-17.15. Certification of information to State
10 gaming licensees.

11 (a) For purposes of this Section, "State gaming licensee"
12 means, as applicable, an organization licensee or advance
13 deposit wagering licensee licensed under the Illinois Horse
14 Racing Act of 1975, an owners licensee licensed under the
15 Illinois Riverboat Gambling Act, or a licensee that operates,
16 under any law of this State, one or more facilities or gaming
17 locations at which lawful gambling is authorized and licensed
18 as provided in the Illinois Riverboat Gambling Act.

19 (b) The Department may provide, by rule, for certification
20 to any State gaming licensee of past due child support owed by
21 a responsible relative under a support order entered by a court
22 or administrative body of this or any other State on behalf of
23 a resident or non-resident receiving child support services
24 under this Article in accordance with the requirements of Title

1 IV-D, Part D, of the Social Security Act. The State gaming
2 licensee shall have the ability to withhold from winnings
3 required to be reported to the Internal Revenue Service on Form
4 W-2G, up to the full amount of winnings necessary to pay the
5 winner's past due child support. The rule shall provide for
6 notice to and an opportunity to be heard by each responsible
7 relative affected and any final administrative decision
8 rendered by the Department shall be reviewed only under and in
9 accordance with the Administrative Review Law.

10 (c) For withholding of winnings, the State gaming licensee
11 shall be entitled to an administrative fee not to exceed the
12 lesser of 4% of the total amount of cash winnings paid to the
13 gambling winner or \$150.

14 (d) In no event may the total amount withheld from the cash
15 payout, including the administrative fee, exceed the total cash
16 winnings claimed by the obligor. If the cash payout claimed is
17 greater than the amount sufficient to satisfy the obligor's
18 delinquent child support payments, the State gaming licensee
19 shall pay the obligor the remaining balance of the payout, less
20 the administrative fee authorized by subsection (c) of this
21 Section, at the time it is claimed.

22 (e) A State gaming licensee who in good faith complies with
23 the requirements of this Section shall not be liable to the
24 gaming winner or any other individual or entity.

25 (Source: P.A. 98-318, eff. 8-12-13.)

1 Section 90-47. The Firearm Concealed Carry Act is amended
2 by changing Section 65 as follows:

3 (430 ILCS 66/65)

4 Sec. 65. Prohibited areas.

5 (a) A licensee under this Act shall not knowingly carry a
6 firearm on or into:

7 (1) Any building, real property, and parking area under
8 the control of a public or private elementary or secondary
9 school.

10 (2) Any building, real property, and parking area under
11 the control of a pre-school or child care facility,
12 including any room or portion of a building under the
13 control of a pre-school or child care facility. Nothing in
14 this paragraph shall prevent the operator of a child care
15 facility in a family home from owning or possessing a
16 firearm in the home or license under this Act, if no child
17 under child care at the home is present in the home or the
18 firearm in the home is stored in a locked container when a
19 child under child care at the home is present in the home.

20 (3) Any building, parking area, or portion of a
21 building under the control of an officer of the executive
22 or legislative branch of government, provided that nothing
23 in this paragraph shall prohibit a licensee from carrying a
24 concealed firearm onto the real property, bikeway, or trail
25 in a park regulated by the Department of Natural Resources

1 or any other designated public hunting area or building
2 where firearm possession is permitted as established by the
3 Department of Natural Resources under Section 1.8 of the
4 Wildlife Code.

5 (4) Any building designated for matters before a
6 circuit court, appellate court, or the Supreme Court, or
7 any building or portion of a building under the control of
8 the Supreme Court.

9 (5) Any building or portion of a building under the
10 control of a unit of local government.

11 (6) Any building, real property, and parking area under
12 the control of an adult or juvenile detention or
13 correctional institution, prison, or jail.

14 (7) Any building, real property, and parking area under
15 the control of a public or private hospital or hospital
16 affiliate, mental health facility, or nursing home.

17 (8) Any bus, train, or form of transportation paid for
18 in whole or in part with public funds, and any building,
19 real property, and parking area under the control of a
20 public transportation facility paid for in whole or in part
21 with public funds.

22 (9) Any building, real property, and parking area under
23 the control of an establishment that serves alcohol on its
24 premises, if more than 50% of the establishment's gross
25 receipts within the prior 3 months is from the sale of
26 alcohol. The owner of an establishment who knowingly fails

1 to prohibit concealed firearms on its premises as provided
2 in this paragraph or who knowingly makes a false statement
3 or record to avoid the prohibition on concealed firearms
4 under this paragraph is subject to the penalty under
5 subsection (c-5) of Section 10-1 of the Liquor Control Act
6 of 1934.

7 (10) Any public gathering or special event conducted on
8 property open to the public that requires the issuance of a
9 permit from the unit of local government, provided this
10 prohibition shall not apply to a licensee who must walk
11 through a public gathering in order to access his or her
12 residence, place of business, or vehicle.

13 (11) Any building or real property that has been issued
14 a Special Event Retailer's license as defined in Section
15 1-3.17.1 of the Liquor Control Act during the time
16 designated for the sale of alcohol by the Special Event
17 Retailer's license, or a Special use permit license as
18 defined in subsection (q) of Section 5-1 of the Liquor
19 Control Act during the time designated for the sale of
20 alcohol by the Special use permit license.

21 (12) Any public playground.

22 (13) Any public park, athletic area, or athletic
23 facility under the control of a municipality or park
24 district, provided nothing in this Section shall prohibit a
25 licensee from carrying a concealed firearm while on a trail
26 or bikeway if only a portion of the trail or bikeway

1 includes a public park.

2 (14) Any real property under the control of the Cook
3 County Forest Preserve District.

4 (15) Any building, classroom, laboratory, medical
5 clinic, hospital, artistic venue, athletic venue,
6 entertainment venue, officially recognized
7 university-related organization property, whether owned or
8 leased, and any real property, including parking areas,
9 sidewalks, and common areas under the control of a public
10 or private community college, college, or university.

11 (16) Any building, real property, or parking area under
12 the control of a gaming facility licensed under the
13 Illinois Riverboat ~~Riverboat~~ Gambling Act or the Illinois Horse
14 Racing Act of 1975, including an inter-track wagering
15 location licensee.

16 (17) Any stadium, arena, or the real property or
17 parking area under the control of a stadium, arena, or any
18 collegiate or professional sporting event.

19 (18) Any building, real property, or parking area under
20 the control of a public library.

21 (19) Any building, real property, or parking area under
22 the control of an airport.

23 (20) Any building, real property, or parking area under
24 the control of an amusement park.

25 (21) Any building, real property, or parking area under
26 the control of a zoo or museum.

1 (22) Any street, driveway, parking area, property,
2 building, or facility, owned, leased, controlled, or used
3 by a nuclear energy, storage, weapons, or development site
4 or facility regulated by the federal Nuclear Regulatory
5 Commission. The licensee shall not under any circumstance
6 store a firearm or ammunition in his or her vehicle or in a
7 compartment or container within a vehicle located anywhere
8 in or on the street, driveway, parking area, property,
9 building, or facility described in this paragraph.

10 (23) Any area where firearms are prohibited under
11 federal law.

12 (a-5) Nothing in this Act shall prohibit a public or
13 private community college, college, or university from:

14 (1) prohibiting persons from carrying a firearm within
15 a vehicle owned, leased, or controlled by the college or
16 university;

17 (2) developing resolutions, regulations, or policies
18 regarding student, employee, or visitor misconduct and
19 discipline, including suspension and expulsion;

20 (3) developing resolutions, regulations, or policies
21 regarding the storage or maintenance of firearms, which
22 must include designated areas where persons can park
23 vehicles that carry firearms; and

24 (4) permitting the carrying or use of firearms for the
25 purpose of instruction and curriculum of officially
26 recognized programs, including but not limited to military

1 science and law enforcement training programs, or in any
2 designated area used for hunting purposes or target
3 shooting.

4 (a-10) The owner of private real property of any type may
5 prohibit the carrying of concealed firearms on the property
6 under his or her control. The owner must post a sign in
7 accordance with subsection (d) of this Section indicating that
8 firearms are prohibited on the property, unless the property is
9 a private residence.

10 (b) Notwithstanding subsections (a), (a-5), and (a-10) of
11 this Section except under paragraph (22) or (23) of subsection
12 (a), any licensee prohibited from carrying a concealed firearm
13 into the parking area of a prohibited location specified in
14 subsection (a), (a-5), or (a-10) of this Section shall be
15 permitted to carry a concealed firearm on or about his or her
16 person within a vehicle into the parking area and may store a
17 firearm or ammunition concealed in a case within a locked
18 vehicle or locked container out of plain view within the
19 vehicle in the parking area. A licensee may carry a concealed
20 firearm in the immediate area surrounding his or her vehicle
21 within a prohibited parking lot area only for the limited
22 purpose of storing or retrieving a firearm within the vehicle's
23 trunk. For purposes of this subsection, "case" includes a glove
24 compartment or console that completely encloses the concealed
25 firearm or ammunition, the trunk of the vehicle, or a firearm
26 carrying box, shipping box, or other container.

1 (c) A licensee shall not be in violation of this Section
2 while he or she is traveling along a public right of way that
3 touches or crosses any of the premises under subsection (a),
4 (a-5), or (a-10) of this Section if the concealed firearm is
5 carried on his or her person in accordance with the provisions
6 of this Act or is being transported in a vehicle by the
7 licensee in accordance with all other applicable provisions of
8 law.

9 (d) Signs stating that the carrying of firearms is
10 prohibited shall be clearly and conspicuously posted at the
11 entrance of a building, premises, or real property specified in
12 this Section as a prohibited area, unless the building or
13 premises is a private residence. Signs shall be of a uniform
14 design as established by the Department and shall be 4 inches
15 by 6 inches in size. The Department shall adopt rules for
16 standardized signs to be used under this subsection.

17 (Source: P.A. 98-63, eff. 7-9-13; 99-29, eff. 7-10-15.)

18 Section 90-50. The Criminal Code of 2012 is amended by
19 changing Sections 28-1, 28-1.1, 28-3, 28-5, and 28-7 as
20 follows:

21 (720 ILCS 5/28-1) (from Ch. 38, par. 28-1)

22 Sec. 28-1. Gambling.

23 (a) A person commits gambling when he or she:

24 (1) knowingly plays a game of chance or skill for money

1 or other thing of value, unless excepted in subsection (b)
2 of this Section;

3 (2) knowingly makes a wager upon the result of any
4 game, contest, or any political nomination, appointment or
5 election;

6 (3) knowingly operates, keeps, owns, uses, purchases,
7 exhibits, rents, sells, bargains for the sale or lease of,
8 manufactures or distributes any gambling device;

9 (4) contracts to have or give himself or herself or
10 another the option to buy or sell, or contracts to buy or
11 sell, at a future time, any grain or other commodity
12 whatsoever, or any stock or security of any company, where
13 it is at the time of making such contract intended by both
14 parties thereto that the contract to buy or sell, or the
15 option, whenever exercised, or the contract resulting
16 therefrom, shall be settled, not by the receipt or delivery
17 of such property, but by the payment only of differences in
18 prices thereof; however, the issuance, purchase, sale,
19 exercise, endorsement or guarantee, by or through a person
20 registered with the Secretary of State pursuant to Section
21 8 of the Illinois Securities Law of 1953, or by or through
22 a person exempt from such registration under said Section
23 8, of a put, call, or other option to buy or sell
24 securities which have been registered with the Secretary of
25 State or which are exempt from such registration under
26 Section 3 of the Illinois Securities Law of 1953 is not

1 gambling within the meaning of this paragraph (4);

2 (5) knowingly owns or possesses any book, instrument or
3 apparatus by means of which bets or wagers have been, or
4 are, recorded or registered, or knowingly possesses any
5 money which he has received in the course of a bet or
6 wager;

7 (6) knowingly sells pools upon the result of any game
8 or contest of skill or chance, political nomination,
9 appointment or election;

10 (7) knowingly sets up or promotes any lottery or sells,
11 offers to sell or transfers any ticket or share for any
12 lottery;

13 (8) knowingly sets up or promotes any policy game or
14 sells, offers to sell or knowingly possesses or transfers
15 any policy ticket, slip, record, document or other similar
16 device;

17 (9) knowingly drafts, prints or publishes any lottery
18 ticket or share, or any policy ticket, slip, record,
19 document or similar device, except for such activity
20 related to lotteries, bingo games and raffles authorized by
21 and conducted in accordance with the laws of Illinois or
22 any other state or foreign government;

23 (10) knowingly advertises any lottery or policy game,
24 except for such activity related to lotteries, bingo games
25 and raffles authorized by and conducted in accordance with
26 the laws of Illinois or any other state;

1 (11) knowingly transmits information as to wagers,
2 betting odds, or changes in betting odds by telephone,
3 telegraph, radio, semaphore or similar means; or knowingly
4 installs or maintains equipment for the transmission or
5 receipt of such information; except that nothing in this
6 subdivision (11) prohibits transmission or receipt of such
7 information for use in news reporting of sporting events or
8 contests; or

9 (12) knowingly establishes, maintains, or operates an
10 Internet site that permits a person to play a game of
11 chance or skill for money or other thing of value by means
12 of the Internet or to make a wager upon the result of any
13 game, contest, political nomination, appointment, or
14 election by means of the Internet. This item (12) does not
15 apply to activities referenced in items (6) and (6.1) of
16 subsection (b) of this Section.

17 (b) Participants in any of the following activities shall
18 not be convicted of gambling:

19 (1) Agreements to compensate for loss caused by the
20 happening of chance including without limitation contracts
21 of indemnity or guaranty and life or health or accident
22 insurance.

23 (2) Offers of prizes, award or compensation to the
24 actual contestants in any bona fide contest for the
25 determination of skill, speed, strength or endurance or to
26 the owners of animals or vehicles entered in such contest.

1 (3) Pari-mutuel betting as authorized by the law of
2 this State.

3 (4) Manufacture of gambling devices, including the
4 acquisition of essential parts therefor and the assembly
5 thereof, for transportation in interstate or foreign
6 commerce to any place outside this State when such
7 transportation is not prohibited by any applicable Federal
8 law; or the manufacture, distribution, or possession of
9 video gaming terminals, as defined in the Video Gaming Act,
10 by manufacturers, distributors, and terminal operators
11 licensed to do so under the Video Gaming Act.

12 (5) The game commonly known as "bingo", when conducted
13 in accordance with the Bingo License and Tax Act.

14 (6) Lotteries when conducted by the State of Illinois
15 in accordance with the Illinois Lottery Law. This exemption
16 includes any activity conducted by the Department of
17 Revenue to sell lottery tickets pursuant to the provisions
18 of the Illinois Lottery Law and its rules.

19 (6.1) The purchase of lottery tickets through the
20 Internet for a lottery conducted by the State of Illinois
21 under the program established in Section 7.12 of the
22 Illinois Lottery Law.

23 (7) Possession of an antique slot machine that is
24 neither used nor intended to be used in the operation or
25 promotion of any unlawful gambling activity or enterprise.
26 For the purpose of this subparagraph (b) (7), an antique

1 slot machine is one manufactured 25 years ago or earlier.

2 (8) Raffles and poker runs when conducted in accordance
3 with the Raffles and Poker Runs Act.

4 (9) Charitable games when conducted in accordance with
5 the Charitable Games Act.

6 (10) Pull tabs and jar games when conducted under the
7 Illinois Pull Tabs and Jar Games Act.

8 (11) Gambling games ~~conducted on riverboats~~ when
9 authorized by the Illinois Riverboat Gambling Act.

10 (12) Video gaming terminal games at a licensed
11 establishment, licensed truck stop establishment, licensed
12 fraternal establishment, or licensed veterans
13 establishment when conducted in accordance with the Video
14 Gaming Act.

15 (13) Games of skill or chance where money or other
16 things of value can be won but no payment or purchase is
17 required to participate.

18 (14) Savings promotion raffles authorized under
19 Section 5g of the Illinois Banking Act, Section 7008 of the
20 Savings Bank Act, Section 42.7 of the Illinois Credit Union
21 Act, Section 5136B of the National Bank Act (12 U.S.C.
22 25a), or Section 4 of the Home Owners' Loan Act (12 U.S.C.
23 1463).

24 (c) Sentence.

25 Gambling is a Class A misdemeanor. A second or subsequent
26 conviction under subsections (a) (3) through (a) (12), is a Class

1 4 felony.

2 (d) Circumstantial evidence.

3 In prosecutions under this Section circumstantial evidence
4 shall have the same validity and weight as in any criminal
5 prosecution.

6 (Source: P.A. 98-644, eff. 6-10-14; 99-149, eff. 1-1-16.)

7 (720 ILCS 5/28-1.1) (from Ch. 38, par. 28-1.1)

8 Sec. 28-1.1. Syndicated gambling.

9 (a) Declaration of Purpose. Recognizing the close
10 relationship between professional gambling and other organized
11 crime, it is declared to be the policy of the legislature to
12 restrain persons from engaging in the business of gambling for
13 profit in this State. This Section shall be liberally construed
14 and administered with a view to carrying out this policy.

15 (b) A person commits syndicated gambling when he or she
16 operates a "policy game" or engages in the business of
17 bookmaking.

18 (c) A person "operates a policy game" when he or she
19 knowingly uses any premises or property for the purpose of
20 receiving or knowingly does receive from what is commonly
21 called "policy":

22 (1) money from a person other than the bettor or player
23 whose bets or plays are represented by the money; or

24 (2) written "policy game" records, made or used over
25 any period of time, from a person other than the bettor or

1 player whose bets or plays are represented by the written
2 record.

3 (d) A person engages in bookmaking when he or she knowingly
4 receives or accepts more than five bets or wagers upon the
5 result of any trials or contests of skill, speed or power of
6 endurance or upon any lot, chance, casualty, unknown or
7 contingent event whatsoever, which bets or wagers shall be of
8 such size that the total of the amounts of money paid or
9 promised to be paid to the bookmaker on account thereof shall
10 exceed \$2,000. Bookmaking is the receiving or accepting of bets
11 or wagers regardless of the form or manner in which the
12 bookmaker records them.

13 (e) Participants in any of the following activities shall
14 not be convicted of syndicated gambling:

15 (1) Agreements to compensate for loss caused by the
16 happening of chance including without limitation contracts
17 of indemnity or guaranty and life or health or accident
18 insurance;

19 (2) Offers of prizes, award or compensation to the
20 actual contestants in any bona fide contest for the
21 determination of skill, speed, strength or endurance or to
22 the owners of animals or vehicles entered in the contest;

23 (3) Pari-mutuel betting as authorized by law of this
24 State;

25 (4) Manufacture of gambling devices, including the
26 acquisition of essential parts therefor and the assembly

1 thereof, for transportation in interstate or foreign
2 commerce to any place outside this State when the
3 transportation is not prohibited by any applicable Federal
4 law;

5 (5) Raffles and poker runs when conducted in accordance
6 with the Raffles and Poker Runs Act;

7 (6) Gambling games conducted on riverboats, in
8 casinos, or at electronic gaming facilities when
9 authorized by the Illinois Riverboat Gambling Act;

10 (7) Video gaming terminal games at a licensed
11 establishment, licensed truck stop establishment, licensed
12 fraternal establishment, or licensed veterans
13 establishment when conducted in accordance with the Video
14 Gaming Act; and

15 (8) Savings promotion raffles authorized under Section
16 5g of the Illinois Banking Act, Section 7008 of the Savings
17 Bank Act, Section 42.7 of the Illinois Credit Union Act,
18 Section 5136B of the National Bank Act (12 U.S.C. 25a), or
19 Section 4 of the Home Owners' Loan Act (12 U.S.C. 1463).

20 (f) Sentence. Syndicated gambling is a Class 3 felony.

21 (Source: P.A. 98-644, eff. 6-10-14; 99-149, eff. 1-1-16.)

22 (720 ILCS 5/28-3) (from Ch. 38, par. 28-3)

23 Sec. 28-3. Keeping a Gambling Place. A "gambling place" is
24 any real estate, vehicle, boat or any other property whatsoever
25 used for the purposes of gambling other than gambling conducted

1 in the manner authorized by the Illinois Riverboat ~~Riverboat~~ Gambling Act
2 or the Video Gaming Act. Any person who knowingly permits any
3 premises or property owned or occupied by him or under his
4 control to be used as a gambling place commits a Class A
5 misdemeanor. Each subsequent offense is a Class 4 felony. When
6 any premises is determined by the circuit court to be a
7 gambling place:

8 (a) Such premises is a public nuisance and may be proceeded
9 against as such, and

10 (b) All licenses, permits or certificates issued by the
11 State of Illinois or any subdivision or public agency thereof
12 authorizing the serving of food or liquor on such premises
13 shall be void; and no license, permit or certificate so
14 cancelled shall be reissued for such premises for a period of
15 60 days thereafter; nor shall any person convicted of keeping a
16 gambling place be reissued such license for one year from his
17 conviction and, after a second conviction of keeping a gambling
18 place, any such person shall not be reissued such license, and

19 (c) Such premises of any person who knowingly permits
20 thereon a violation of any Section of this Article shall be
21 held liable for, and may be sold to pay any unsatisfied
22 judgment that may be recovered and any unsatisfied fine that
23 may be levied under any Section of this Article.

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

25 (720 ILCS 5/28-5) (from Ch. 38, par. 28-5)

1 Sec. 28-5. Seizure of gambling devices and gambling funds.

2 (a) Every device designed for gambling which is incapable
3 of lawful use or every device used unlawfully for gambling
4 shall be considered a "gambling device", and shall be subject
5 to seizure, confiscation and destruction by the Department of
6 State Police or by any municipal, or other local authority,
7 within whose jurisdiction the same may be found. As used in
8 this Section, a "gambling device" includes any slot machine,
9 and includes any machine or device constructed for the
10 reception of money or other thing of value and so constructed
11 as to return, or to cause someone to return, on chance to the
12 player thereof money, property or a right to receive money or
13 property. With the exception of any device designed for
14 gambling which is incapable of lawful use, no gambling device
15 shall be forfeited or destroyed unless an individual with a
16 property interest in said device knows of the unlawful use of
17 the device.

18 (b) Every gambling device shall be seized and forfeited to
19 the county wherein such seizure occurs. Any money or other
20 thing of value integrally related to acts of gambling shall be
21 seized and forfeited to the county wherein such seizure occurs.

22 (c) If, within 60 days after any seizure pursuant to
23 subparagraph (b) of this Section, a person having any property
24 interest in the seized property is charged with an offense, the
25 court which renders judgment upon such charge shall, within 30
26 days after such judgment, conduct a forfeiture hearing to

1 determine whether such property was a gambling device at the
2 time of seizure. Such hearing shall be commenced by a written
3 petition by the State, including material allegations of fact,
4 the name and address of every person determined by the State to
5 have any property interest in the seized property, a
6 representation that written notice of the date, time and place
7 of such hearing has been mailed to every such person by
8 certified mail at least 10 days before such date, and a request
9 for forfeiture. Every such person may appear as a party and
10 present evidence at such hearing. The quantum of proof required
11 shall be a preponderance of the evidence, and the burden of
12 proof shall be on the State. If the court determines that the
13 seized property was a gambling device at the time of seizure,
14 an order of forfeiture and disposition of the seized property
15 shall be entered: a gambling device shall be received by the
16 State's Attorney, who shall effect its destruction, except that
17 valuable parts thereof may be liquidated and the resultant
18 money shall be deposited in the general fund of the county
19 wherein such seizure occurred; money and other things of value
20 shall be received by the State's Attorney and, upon
21 liquidation, shall be deposited in the general fund of the
22 county wherein such seizure occurred. However, in the event
23 that a defendant raises the defense that the seized slot
24 machine is an antique slot machine described in subparagraph
25 (b) (7) of Section 28-1 of this Code and therefore he is exempt
26 from the charge of a gambling activity participant, the seized

1 antique slot machine shall not be destroyed or otherwise
2 altered until a final determination is made by the Court as to
3 whether it is such an antique slot machine. Upon a final
4 determination by the Court of this question in favor of the
5 defendant, such slot machine shall be immediately returned to
6 the defendant. Such order of forfeiture and disposition shall,
7 for the purposes of appeal, be a final order and judgment in a
8 civil proceeding.

9 (d) If a seizure pursuant to subparagraph (b) of this
10 Section is not followed by a charge pursuant to subparagraph
11 (c) of this Section, or if the prosecution of such charge is
12 permanently terminated or indefinitely discontinued without
13 any judgment of conviction or acquittal (1) the State's
14 Attorney shall commence an in rem proceeding for the forfeiture
15 and destruction of a gambling device, or for the forfeiture and
16 deposit in the general fund of the county of any seized money
17 or other things of value, or both, in the circuit court and (2)
18 any person having any property interest in such seized gambling
19 device, money or other thing of value may commence separate
20 civil proceedings in the manner provided by law.

21 (e) Any gambling device displayed for sale to a riverboat
22 gambling operation, casino gambling operation, or electronic
23 gaming facility or used to train occupational licensees of a
24 riverboat gambling operation, casino gambling operation, or
25 electronic gaming facility as authorized under the Illinois
26 ~~Riverboat~~ Gambling Act is exempt from seizure under this

1 Section.

2 (f) Any gambling equipment, devices and supplies provided
3 by a licensed supplier in accordance with the Illinois
4 Riverboat Gambling Act which are removed from a ~~the~~ riverboat,
5 casino, or electronic gaming facility for repair are exempt
6 from seizure under this Section.

7 (g) The following video gaming terminals are exempt from
8 seizure under this Section:

9 (1) Video gaming terminals for sale to a licensed
10 distributor or operator under the Video Gaming Act.

11 (2) Video gaming terminals used to train licensed
12 technicians or licensed terminal handlers.

13 (3) Video gaming terminals that are removed from a
14 licensed establishment, licensed truck stop establishment,
15 licensed fraternal establishment, or licensed veterans
16 establishment for repair.

17 (Source: P.A. 98-31, eff. 6-24-13.)

18 (720 ILCS 5/28-7) (from Ch. 38, par. 28-7)

19 Sec. 28-7. Gambling contracts void.

20 (a) All promises, notes, bills, bonds, covenants,
21 contracts, agreements, judgments, mortgages, or other
22 securities or conveyances made, given, granted, drawn, or
23 entered into, or executed by any person whatsoever, where the
24 whole or any part of the consideration thereof is for any money
25 or thing of value, won or obtained in violation of any Section

1 of this Article are null and void.

2 (b) Any obligation void under this Section may be set aside
3 and vacated by any court of competent jurisdiction, upon a
4 complaint filed for that purpose, by the person so granting,
5 giving, entering into, or executing the same, or by his
6 executors or administrators, or by any creditor, heir, legatee,
7 purchaser or other person interested therein; or if a judgment,
8 the same may be set aside on motion of any person stated above,
9 on due notice thereof given.

10 (c) No assignment of any obligation void under this Section
11 may in any manner affect the defense of the person giving,
12 granting, drawing, entering into or executing such obligation,
13 or the remedies of any person interested therein.

14 (d) This Section shall not prevent a licensed owner of a
15 riverboat gambling operation, casino gambling operation, or an
16 electronic gaming licensee under the Illinois Gambling Act and
17 the Illinois Horse Racing Act of 1975 from instituting a cause
18 of action to collect any amount due and owing under an
19 extension of credit to a ~~riverboat~~ gambling patron as
20 authorized under Section 11.1 of the Illinois Riverboat
21 Gambling Act.

22 (Source: P.A. 87-826.)

23 Section 90-55. The Eminent Domain Act is amended by adding
24 Section 15-5-48 as follows:

1 (735 ILCS 30/15-5-48 new)

2 Sec. 15-5-48. Eminent domain powers in new Acts. The
3 following provisions of law may include express grants of the
4 power to acquire property by condemnation or eminent domain:

5 Chicago Casino Development Authority Act; City of Chicago; for
6 the purposes of the Act.

7 Section 90-60. The Payday Loan Reform Act is amended by
8 changing Section 3-5 as follows:

9 (815 ILCS 122/3-5)

10 Sec. 3-5. Licensure.

11 (a) A license to make a payday loan shall state the
12 address, including city and state, at which the business is to
13 be conducted and shall state fully the name of the licensee.
14 The license shall be conspicuously posted in the place of
15 business of the licensee and shall not be transferable or
16 assignable.

17 (b) An application for a license shall be in writing and in
18 a form prescribed by the Secretary. The Secretary may not issue
19 a payday loan license unless and until the following findings
20 are made:

21 (1) that the financial responsibility, experience,
22 character, and general fitness of the applicant are such as
23 to command the confidence of the public and to warrant the

1 belief that the business will be operated lawfully and
2 fairly and within the provisions and purposes of this Act;
3 and

4 (2) that the applicant has submitted such other
5 information as the Secretary may deem necessary.

6 (c) A license shall be issued for no longer than one year,
7 and no renewal of a license may be provided if a licensee has
8 substantially violated this Act and has not cured the violation
9 to the satisfaction of the Department.

10 (d) A licensee shall appoint, in writing, the Secretary as
11 attorney-in-fact upon whom all lawful process against the
12 licensee may be served with the same legal force and validity
13 as if served on the licensee. A copy of the written
14 appointment, duly certified, shall be filed in the office of
15 the Secretary, and a copy thereof certified by the Secretary
16 shall be sufficient evidence to subject a licensee to
17 jurisdiction in a court of law. This appointment shall remain
18 in effect while any liability remains outstanding in this State
19 against the licensee. When summons is served upon the Secretary
20 as attorney-in-fact for a licensee, the Secretary shall
21 immediately notify the licensee by registered mail, enclosing
22 the summons and specifying the hour and day of service.

23 (e) A licensee must pay an annual fee of \$1,000. In
24 addition to the license fee, the reasonable expense of any
25 examination or hearing by the Secretary under any provisions of
26 this Act shall be borne by the licensee. If a licensee fails to

1 renew its license by December 31, its license shall
2 automatically expire; however, the Secretary, in his or her
3 discretion, may reinstate an expired license upon:

4 (1) payment of the annual fee within 30 days of the
5 date of expiration; and

6 (2) proof of good cause for failure to renew.

7 (f) Not more than one place of business shall be maintained
8 under the same license, but the Secretary may issue more than
9 one license to the same licensee upon compliance with all the
10 provisions of this Act governing issuance of a single license.
11 The location, except those locations already in existence as of
12 June 1, 2005, may not be within one mile of a horse race track
13 subject to the Illinois Horse Racing Act of 1975, within one
14 mile of a facility at which gambling is conducted under the
15 Illinois Riverboat Gambling Act, within one mile of the
16 location at which a riverboat subject to the Illinois Riverboat
17 Gambling Act docks, or within one mile of any State of Illinois
18 or United States military base or naval installation.

19 (g) No licensee shall conduct the business of making loans
20 under this Act within any office, suite, room, or place of
21 business in which (1) any loans are offered or made under the
22 Consumer Installment Loan Act other than title secured loans as
23 defined in subsection (a) of Section 15 of the Consumer
24 Installment Loan Act and governed by Title 38, Section 110.330
25 of the Illinois Administrative Code or (2) any other business
26 is solicited or engaged in unless the other business is

1 licensed by the Department or, in the opinion of the Secretary,
2 the other business would not be contrary to the best interests
3 of consumers and is authorized by the Secretary in writing.

4 (g-5) Notwithstanding subsection (g) of this Section, a
5 licensee may obtain a license under the Consumer Installment
6 Loan Act (CILA) for the exclusive purpose and use of making
7 title secured loans, as defined in subsection (a) of Section 15
8 of CILA and governed by Title 38, Section 110.300 of the
9 Illinois Administrative Code. A licensee may continue to
10 service Consumer Installment Loan Act loans that were
11 outstanding as of the effective date of this amendatory Act of
12 the 96th General Assembly.

13 (h) The Secretary shall maintain a list of licensees that
14 shall be available to interested consumers and lenders and the
15 public. The Secretary shall maintain a toll-free number whereby
16 consumers may obtain information about licensees. The
17 Secretary shall also establish a complaint process under which
18 an aggrieved consumer may file a complaint against a licensee
19 or non-licensee who violates any provision of this Act.

20 (Source: P.A. 96-936, eff. 3-21-11.)

21 Section 90-65. The Travel Promotion Consumer Protection
22 Act is amended by changing Section 2 as follows:

23 (815 ILCS 420/2) (from Ch. 121 1/2, par. 1852)

24 Sec. 2. Definitions.

1 (a) "Travel promoter" means a person, including a tour
2 operator, who sells, provides, furnishes, contracts for,
3 arranges or advertises that he or she will arrange wholesale or
4 retail transportation by air, land, sea or navigable stream,
5 either separately or in conjunction with other services.
6 "Travel promoter" does not include (1) an air carrier; (2) a
7 sea carrier; (3) an officially appointed agent of an air
8 carrier who is a member in good standing of the Airline
9 Reporting Corporation; (4) a travel promoter who has in force
10 \$1,000,000 or more of liability insurance coverage for
11 professional errors and omissions and a surety bond or
12 equivalent surety in the amount of \$100,000 or more for the
13 benefit of consumers in the event of a bankruptcy on the part
14 of the travel promoter; or (5) a riverboat subject to
15 regulation under the Illinois Riverboat Gambling Act.

16 (b) "Advertise" means to make any representation in the
17 solicitation of passengers and includes communication with
18 other members of the same partnership, corporation, joint
19 venture, association, organization, group or other entity.

20 (c) "Passenger" means a person on whose behalf money or
21 other consideration has been given or is to be given to
22 another, including another member of the same partnership,
23 corporation, joint venture, association, organization, group
24 or other entity, for travel.

25 (d) "Ticket or voucher" means a writing or combination of
26 writings which is itself good and sufficient to obtain

1 transportation and other services for which the passenger has
2 contracted.

3 (Source: P.A. 91-357, eff. 7-29-99.)

4 (30 ILCS 105/5.490 rep.)

5 Section 90-70. The State Finance Act is amended by
6 repealing Section 5.490.

7 (230 ILCS 5/54 rep.)

8 Section 90-75. The Illinois Horse Racing Act of 1975 is
9 amended by repealing Section 54.

10 ARTICLE 99.

11 Section 99-97. Severability. The provisions of this Act are
12 severable under Section 1.31 of the Statute on Statutes.

13 Section 99-99. Effective date. This Act takes effect upon
14 becoming law.

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