



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB5648

Introduced 2/9/2024, by Rep. Eva-Dina Delgado

SYNOPSIS AS INTRODUCED:

New Act

5 ILCS 100/5-45.55 new

230 ILCS 45/25-10

720 ILCS 5/28-1

from Ch. 38, par. 28-1

720 ILCS 5/28-3

from Ch. 38, par. 28-3

Creates the Fantasy Sports Consumer Protection Act. Provides that the Illinois Gaming Board may regulate the conduct of fantasy contest operators under the Act. Allows the Board to levy and collect fees, surcharges, civil penalties, and, on adjusted gross fantasy contest receipts imposed under the Act, monthly taxes, and identifies other powers and duties of the Board. Includes restrictions, including requiring licensing, of fantasy contest operators. Includes license requirements and requirements for allowable fantasy contests. Contains provisions relating to denial of a license, independent audits, reporting and investigation of prohibited conduct, taxes, compulsive gambling and voluntary self-exclusion, and supplier diversity goals for fantasy contest operators. Amends the Sports Wagering Act. Excludes fantasy contests from the definition of "sports wagering". Amends the Criminal Code of 2012. Provides that participants in fantasy contest wagering shall not be convicted of the offense of gambling when conducted in accordance with the Fantasy Sports Consumer Protection Act. Excludes any real estate, vehicle, boat, or any other property whatsoever used for the purposes of gambling under the Fantasy Sports Consumer Protection Act from the definition of "gambling place" under the offense of keeping a gambling place. Amends the Illinois Administrative Procedure Act. Grants the Illinois Gaming Board emergency rulemaking authority to implement the Fantasy Sports Consumer Protection Act. Effective immediately.

LRB103 39332 AWJ 69493 b

1 AN ACT concerning gaming.

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

4 Section 1. Short title. This Act may be cited as the
5 Fantasy Sports Consumer Protection Act.

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

7 "Adjusted gross fantasy contest receipts" means the amount
8 equal to the total of all entry fees that a fantasy contest
9 operator collects from all participants less only the total of
10 all prizes paid out as prizes to all participants multiplied
11 by the location percentage for this State.

12 "Board" means the Illinois Gaming Board.

13 "Entry fee" means a nonrefundable cash or cash equivalent
14 that is paid by a participant and set in advance by a fantasy
15 contest operator granting the participant the right to
16 participate in a fantasy contest.

17 "Fantasy contest" means an online fantasy or simulated
18 game or contest of skill with an entry fee in which:

19 (1) the values of all prizes offered to a winning
20 participant are established and made known to the
21 participant in advance of the contest;

22 (2) all winning outcomes reflect the relative
23 knowledge and skill of the participant;

1 (3) the participant assembles, owns, or manages a
2 fictional entry or roster of actual professional or
3 amateur athletes, in real-world sports events, or an
4 organized video game competition that is regulated by a
5 governing body and that is held between professional
6 players who play individually or as teams;

7 (4) a participant competes for prizes awarded by a
8 fantasy contest operator based on terms and conditions
9 published by the fantasy contest operator and made known
10 to the participant in advance of the contest;

11 (5) winning outcomes are determined solely by clearly
12 established scoring criteria based on one or more
13 statistical results of the performance of an individual
14 athlete, including, but not limited to, a fantasy score;
15 and

16 (6) no winning outcome is entirely based on the score,
17 point spread, or any performance of any single actual team
18 or combination of teams or solely on any single
19 performance of an individual athlete or player in any
20 single actual event.

21 "Fantasy contest" includes both contests wherein
22 participants compete against each other and contests wherein
23 only a single participant competes against a target score set
24 by the fantasy contest operator. "Fantasy contest" does not
25 include any fantasy contest without an entry fee.

26 "Fantasy contest operator" means a person or entity that

1 offers fantasy contests to members of the public. "Fantasy
2 contest operator" does not include an Internet service
3 provider or a provider of mobile data services merely as a
4 result of that entity's transporting general traffic that may
5 include a fantasy contest and does not include a fantasy
6 contest participant by virtue of doing any combination of the
7 following: (i) setting house rules for a contest; (ii)
8 assigning a salary or target score to any eligible athlete or
9 player; (iii) accepting an entry fee from a fantasy contest
10 participant; or (iv) awarding or disbursing prizes in
11 conformance with this Act.

12 "Location percentage" means the percentage rounded to the
13 nearest 0.1% of the total entry fees collected from players
14 located in this State, divided by the total entry fees
15 collected from all players in the fantasy contest.

16 "Participant" means an individual who participates in a
17 fantasy contest offered by a fantasy contest operator.

18 "Prohibited participant" means an individual who has
19 self-excluded under Section 45 or an athlete, coach, referee,
20 trainer, or team staff when there is direct involvement of the
21 athlete, coach, referee, trainer, or staff; the athlete's or
22 staff's team; or the athletes that the coach coaches or the
23 trainer trains.

24 "Qualified applicant" means an applicant for a license
25 under this Act whose application meets the mandatory minimum
26 qualification criteria as required by the Board.

1 Section 10. Board duties and powers.

2 (a) The Board may regulate the conduct of fantasy contest
3 operators under this Act.

4 (b) The Board shall adopt any rules the Board considers
5 necessary for the successful implementation, administration,
6 and enforcement of this Act. The Board shall adopt rules no
7 later than 180 days after the effective date of this Act. Rules
8 proposed by the Board may be adopted as emergency rules under
9 Section 5-45 of the Illinois Administrative Procedure Act.

10 (c) The Board shall levy and collect all fees, surcharges,
11 civil penalties, and, on adjusted gross fantasy contest
12 receipts imposed under this Act, monthly taxes as follows:

13 (1) All registration and renewal fees collected under
14 this Act shall be deposited and distributed as follows:

15 (A) 85% of fees shall be deposited into the State
16 Gaming Fund and used for the administration of this
17 Act; and

18 (B) 15% of fees shall be paid, subject to
19 appropriation by the General Assembly, to the
20 Department of Human Services for administration of
21 programs for the treatment of compulsive gambling.

22 (2) All taxes collected under Section 40 shall be
23 deposited into the Common School Fund.

24 (3) All civil penalties levied as a direct result of
25 violations of this Act, less any costs incurred by the

1 Board during the course of investigation which resulted in
2 the civil penalty, shall be paid, subject to appropriation
3 by the General Assembly, to the Department of Human
4 Services for administration of programs for the treatment
5 of compulsive gambling.

6 (4) All other money collected from civil penalties
7 shall be deposited or disbursed at the discretion of the
8 Board.

9 (d) The Board shall require fantasy contest operators to
10 comply with the anti-money laundering standards, as defined by
11 the federal Bank Secrecy Act of 1970 and the Anti-Money
12 Laundering Act of 2020.

13 (e) The Board shall verify that fantasy contest operators
14 establish technical and operational measures to prevent
15 underage participation in a fantasy contest.

16 (f) The Board shall verify that fantasy contest operators
17 deploy identity verification procedures, which may require the
18 use of a reputable independent third party that is in the
19 business of verifying an individual's personally identifiable
20 information and can detect potential prohibited participants.

21 (g) The Board shall verify that fantasy contest operators
22 employ mechanisms on the operator's platform that are designed
23 to detect and prevent unauthorized accounts and to detect and
24 prevent fraud, money laundering, and collusion.

25 (h) The Board shall require the use of geolocation
26 technology to verify that a participant is not accessing the

1 platform from a restricted jurisdiction.

2 (i) The Board shall adopt rules establishing compulsive
3 and problem gambling standards for fantasy contest operators
4 that are consistent with this Act.

5 (j) The Board may exercise any other powers necessary to
6 enforce the provisions of this Act that it regulates and the
7 rules of the Board.

8 (k) The Board and fantasy contest operator licensees may
9 cooperate with investigations conducted by law enforcement
10 agencies, including, but not limited to, providing and
11 facilitating the provision of account-level entry and
12 participation information.

13 (l) A fantasy contest operator licensee shall make all
14 reasonable efforts to promptly notify the Board of any
15 information relating to:

16 (1) a confirmed breach of the relevant sport's
17 governing body's internal rules and codes of conduct
18 pertaining to participation in real-money fantasy
19 contests;

20 (2) any conduct that corrupts any outcome related to a
21 sports event or sports events for purposes of financial
22 gain, including match fixing; and

23 (3) confirmed illegal activities, including use of
24 funds derived from illegal activity, entries to conceal or
25 launder funds derived from illegal activity,
26 multi-accounting, and using false identification.

1 Section 15. License.

2 (a) Except as otherwise provided in this Section, a person
3 may not offer fantasy contests in this State unless the person
4 is licensed by the Board as a fantasy contest operator.

5 (b) An applicant for a license issued under this Act shall
6 submit an application to the Board in the form the Board
7 requires. The applicant shall submit fingerprints for a
8 national criminal history record check by a law enforcement
9 agency. The fingerprints shall be furnished by the applicant's
10 owners, officers, and directors (if a corporation), managers
11 and members (if a limited liability company), and partners (if
12 a partnership). The fingerprints shall be accompanied by a
13 signed authorization for the release of information by the law
14 enforcement agency. The Board may require additional
15 background checks on licensees when they apply for license
16 renewal, and an applicant convicted of a disqualifying offense
17 shall not be licensed. This subsection does not require an
18 applicant or individual who has submitted to a national
19 criminal history record check in this State or any other state
20 within the 12 months before submitting the application to
21 resubmit to another criminal history record check if the
22 applicant or individual submits the results of the previous
23 criminal history record check and affirms that there has been
24 no material change in the criminal history since the time of
25 the criminal history record check.

1 (c) The information required by the Board shall include
2 documentation of all of the following:

3 (1) The name of the applicant.

4 (2) The location of the applicant's principal place of
5 business.

6 (3) The applicant's contact information.

7 (4) The applicant's social security number or, if
8 applicable, the applicant's federal tax identification
9 number.

10 (5) The name and address of each individual that holds
11 a 10% or more ownership interest in the applicant or in
12 shares of the applicant.

13 (6) The applicant's criminal record, if any, or, if
14 the applicant is a business entity, on request, any
15 criminal record of an individual who is a director,
16 officer, or key employee of the applicant or any
17 individual who has a 10% or more ownership interest in the
18 applicant.

19 (7) Any ownership interest that a director, officer,
20 key employee, or individual owner of 10% or more of the
21 applicant holds in a business that is or was a fantasy
22 contest operator or similar entity in any jurisdiction.

23 (8) An identification of any business in which an
24 applicant or a director, officer, key employee, or
25 individual owner of 10% or more of the applicant has an
26 equity interest of 5% or more. If a business has been

1 identified under this paragraph, documentation must be
2 provided showing the state in which the business is
3 incorporated or registered, if applicable.

4 (9) Whether an applicant, director, officer, key
5 employee, or individual owner of 10% or more of the
6 applicant has ever applied for or been granted any
7 license, registration, or certificate issued by a
8 licensing authority in this State or any other
9 jurisdiction for a gaming activity.

10 (10) Whether an applicant or a director, officer, key
11 employee, or individual owner of 10% or more of the
12 applicant has filed or been served with a complaint or
13 other notice filed by a public body regarding the
14 delinquency in payment of or dispute over filings
15 concerning the payment of any tax required under federal,
16 State, or local law, including the amount of tax, the type
17 of tax, the taxing agency and the time periods involved.

18 (11) Information sufficient to show, as determined by
19 the Board, that the applicant can meet the requirements of
20 procedures submitted by the applicant under the Act and
21 under any rules adopted under this Act.

22 (12) The Board may adopt rules to establish additional
23 qualifications and requirements to preserve the integrity
24 and security of fantasy contests in this State and to
25 promote and maintain a competitive fantasy sports market.

26 (d) On receipt of a completed application and the required

1 fee, the Board shall conduct the necessary background
2 investigation to determine if the applicant meets the
3 qualifications for licensure. On completion of the necessary
4 background investigation, the Board shall either issue a
5 license or deny the application. If the application for
6 licensure is denied, a statement setting forth the grounds for
7 denial shall be forwarded to the applicant together with all
8 other documents relied on by the Board, to the extent allowed
9 by law.

10 Section 20. Fantasy contests.

11 (a) Any fantasy contest conducted under this Act does not
12 constitute gambling for any purpose, including under Article
13 28 of the Criminal Code of 1961 or the Criminal Code of 2012.

14 (b) Notwithstanding any provision of law to the contrary,
15 the operation of fantasy contests is only lawful when
16 conducted in accordance with the provisions of this Act.

17 (c) A person participating in a fantasy contest under this
18 Act shall be at least 19 years of age.

19 (d) A licensee under this Act may only accept an entry from
20 a person physically located in the State. A fantasy contest
21 operator must use a geolocation system to ensure that a
22 participant is physically present in the State when
23 participating in the fantasy contest unless otherwise
24 authorized by the Board.

25 (e) This Act shall be construed liberally to promote the

1 general welfare of the public and integrity of the fantasy
2 sports industry. However, the Board may not adopt rules
3 limiting or regulating the rules or administration of an
4 individual fantasy contest, the statistical makeup of a
5 fantasy contest, or the digital platform of a fantasy contest
6 operator.

7 (f) No licensed fantasy contest operator shall be forced
8 to surrender or terminate its license prior to the date of
9 expiration of the license solely by virtue of a change in the
10 rules adopted under this Act.

11 Section 25. Issuance and denial of license.

12 (a) The initial license fee for a fantasy contest operator
13 that operated in Illinois before the effective date of this
14 Act shall be 8% of its adjusted gross fantasy contest receipts
15 from the preceding calendar year or \$1,000,000, whichever is
16 less. The initial license fee for a fantasy contest operator
17 that did not operate in Illinois for at least 12 months before
18 the effective date of this Act shall be \$10,000, except, if a
19 fantasy contest operator has 10,000 or more fantasy contest
20 participants in Illinois with an active account who
21 participated in at least one fantasy contest with an entry
22 fee, then the fantasy contest operator shall notify the Board
23 and remit an application fee in the amount of \$990,000 within
24 10 days of notifying the Board.

25 (b) A fantasy contest operator that was offering contests

1 to persons located in Illinois before the effective date of
2 this Act may continue to offer contests to persons located in
3 Illinois until the fantasy contest operator's application for
4 licensure has been approved or denied under this Act if the
5 fantasy contest operator files an application for licensure
6 with the Board within 90 days after the adoption of rules to
7 effectuate this Act.

8 (c) Licenses issued by the Board shall remain in effect
9 for 4 years. The Board shall establish a process for renewal
10 with a renewal fee being 1% of the adjusted gross fantasy
11 contests receipts for the preceding 4 years.

12 (d) A fantasy contest operator that allows its license to
13 lapse, without requesting an extension of time to file, shall
14 resubmit an initial application. An extension may be granted
15 by the Board upon receipt of a written request.

16 (e) A fantasy contest operator applying for a license or
17 renewal of a license may operate during the application period
18 unless the Board has reasonable cause to believe that the
19 fantasy contest operator is or may be in violation of the
20 provisions of this Act and the Board requires the fantasy
21 contest operator to suspend the operation of any fantasy
22 contest until the license or renewal of a license is issued.

23 Section 30. Independent audits.

24 (a) As part of its submission for licensure or renewal, an
25 applicant shall: (i) contract with a certified public

1 accountant to conduct an independent audit, consistent with
2 generally accepted accounting principles; (ii) annually
3 contract with a testing laboratory recognized by the Board to
4 verify compliance with the provisions of this Act; and (iii)
5 submit to the Board a copy of the audit report and a report of
6 the testing laboratory.

7 (b) An initial applicant is not required to submit an
8 audit report and report of the testing laboratory until the 24
9 months following the issuance of a license to the licensee.

10 Section 35. Reporting prohibited conduct; investigations
11 of prohibited conduct.

12 (a) The Board shall investigate all reasonable allegations
13 of prohibited conduct and refer any allegations it deems
14 credible to the appropriate law enforcement entity.

15 (b) The identity of any reporting person shall remain
16 confidential unless that person authorizes disclosure of the
17 person's identity or until the allegation of prohibited
18 conduct is referred to law enforcement.

19 (c) If the Board receives a complaint of prohibited
20 conduct by an athlete, the Board shall notify the appropriate
21 sports governing body of the athlete to review the complaint
22 as provided by rule of the Board.

23 (d) The Board shall adopt rules governing investigations
24 of prohibited conduct and referrals to law enforcement
25 entities.

1 Section 40. Tax. Beginning on July 1, 2025, for the
2 privilege of holding a license to operate fantasy contests
3 under this Act, this State shall impose and collect a tax at a
4 rate of at least 10% but not more than 15%, as determined by
5 rule of the Board, of the fantasy contest operator's adjusted
6 gross fantasy contests receipts. The accrual method of
7 accounting shall be used for purposes of calculating the
8 amount of the tax owed by the licensee. The fantasy contest
9 operator shall submit to the Board, on or before the last day
10 of each calendar month, a return indicating the amount of tax
11 due under this Section for the previous calendar month as well
12 as any other information the Board shall require by rule and
13 shall remit to the Board payment of the tax due under this
14 Section with that return.

15 Section 45. Compulsive gaming; voluntary self-exclusion.

16 (a) Each licensee shall include a statement regarding
17 obtaining assistance with real-money gaming problems on the
18 licensee's portal, website, or computer or mobile application
19 and on all marketing materials and advertisements of the
20 licensee.

21 (b) A resident, or nonresident if allowed to participate
22 in fantasy contests, may voluntarily prohibit the resident or
23 nonresident from establishing a fantasy contest account with a
24 fantasy contest operator under this Act. The Board shall

1 incorporate the voluntary self-exclusion program for fantasy
2 contests into any existing self-exclusion program that it
3 operates on the effective date of this Act.

4 (c) If a self-excluded person participates in a fantasy
5 contest, the fantasy contest operator shall report to the
6 Board, at a minimum, the name of the self-excluded person, the
7 date of participation, the amount or value of any money,
8 prizes, or awards forfeited, if any, and any other action
9 taken.

10 (d) A fantasy contest operator may not pay any prize or
11 award to a person who is on the Board's self-exclusion list.
12 Any prize or award won by a person on the self-exclusion list
13 is forfeited and shall be donated by the fantasy contest
14 operator to the problem gaming charities or programs as
15 identified and directed by the Board on a quarterly basis by
16 the twenty-fifth day of the following month.

17 (e) A fantasy contest operator shall develop and maintain
18 a program to mitigate compulsive play and curtail compulsive
19 play, which may be in conjunction with the Board.

20 Section 50. Supplier diversity goals for fantasy contest
21 operators.

22 (a) The Board shall require licensees under this Act to
23 submit an annual report, in a searchable Adobe PDF format, on
24 all procurement goals and actual spending for businesses owned
25 by women, minorities, veterans, tribal and indigenous persons,

1 and persons with disabilities and for all small business
2 enterprises in the previous calendar year. These goals shall
3 be expressed as a percentage of the total work performed by the
4 entity submitting the report, and the actual spending for all
5 businesses owned by women, minorities, veterans, tribal and
6 indigenous persons, and persons with disabilities and for all
7 small business enterprises shall also be expressed as a
8 percentage of the total work performed by the entity
9 submitting the report. The initial report shall be due one
10 year after the effective date of this Act and once every 2
11 years thereafter.

12 (b) Each licensee in its annual report shall include the
13 following information:

14 (1) an explanation of the plan for the next year to
15 increase participation;

16 (2) an explanation of the plan to increase the goals;

17 (3) the areas of procurement each licensee shall be
18 actively seeking more participation in the next year;

19 (4) an outline of the plan to alert and encourage
20 potential vendors in that area to seek business from the
21 licensee;

22 (5) an explanation of the challenges faced in finding
23 quality vendors and offer any suggestions for what the
24 Board could do to be helpful to identify those vendors;

25 (6) a list of the certifications the licensee
26 recognizes;

1 (7) the point of contact for any potential vendor who
2 wishes to do business with the licensee and explain the
3 process for a vendor to enroll with the licensee as a
4 businesses owned by women, minorities, veterans, tribal
5 and indigenous persons, or persons with disabilities; and

6 (8) any particular success stories to encourage other
7 licensees to emulate best practices.

8 (c) Each annual report shall include as much
9 State-specific data as possible. If the submitting entity does
10 not submit State-specific data, then the licensee shall
11 include any national data it does have and explain why it could
12 not submit State-specific data and how it intends to do so in
13 future reports, if possible.

14 (d) Each annual report shall include the rules,
15 regulations, and definitions used for the procurement goals in
16 the licensee's annual report.

17 Section 100. The Illinois Administrative Procedure Act is
18 amended by adding Section 5-45.55 as follows:

19 (5 ILCS 100/5-45.55 new)

20 Sec. 5-45.55. Emergency rulemaking; Illinois Gaming Board.
21 To provide for the expeditious and timely implementation of
22 this amendatory Act of the 103rd General Assembly, emergency
23 rules implementing the Fantasy Sports Consumer Protection Act
24 may be adopted in accordance with Section 5-45 by the Illinois

1 Gaming. The adoption of emergency rules authorized by Section
2 5-45 and this Section is deemed to be necessary for the public
3 interest, safety, and welfare.

4 This Section is repealed one year after the effective date
5 of this amendatory Act of the 103rd General Assembly.

6 Section 105. The Sports Wagering Act is amended by
7 changing Section 25-10 as follows:

8 (230 ILCS 45/25-10)

9 Sec. 25-10. Definitions. As used in this Act:

10 "Adjusted gross sports wagering receipts" means a master
11 sports wagering licensee's gross sports wagering receipts,
12 less winnings paid to wagerers in such games.

13 "Athlete" means any current or former professional athlete
14 or collegiate athlete.

15 "Board" means the Illinois Gaming Board.

16 "Covered persons" includes athletes; umpires, referees,
17 and officials; personnel associated with clubs, teams,
18 leagues, and athletic associations; medical professionals
19 (including athletic trainers) who provide services to athletes
20 and players; and the family members and associates of these
21 persons where required to serve the purposes of this Act.

22 "Department" means the Department of the Lottery.

23 "Gaming facility" means a facility at which gambling
24 operations are conducted under the Illinois Gambling Act,

1 pari-mutuel wagering is conducted under the Illinois Horse
2 Racing Act of 1975, or sports wagering is conducted under this
3 Act.

4 "Official league data" means statistics, results,
5 outcomes, and other data related to a sports event obtained
6 pursuant to an agreement with the relevant sports governing
7 body, or an entity expressly authorized by the sports
8 governing body to provide such information to licensees, that
9 authorizes the use of such data for determining the outcome of
10 tier 2 sports wagers on such sports events.

11 "Organization licensee" has the meaning given to that term
12 in the Illinois Horse Racing Act of 1975.

13 "Owners licensee" means the holder of an owners license
14 under the Illinois Gambling Act.

15 "Person" means an individual, partnership, committee,
16 association, corporation, or any other organization or group
17 of persons.

18 "Personal biometric data" means an athlete's information
19 derived from DNA, heart rate, blood pressure, perspiration
20 rate, internal or external body temperature, hormone levels,
21 glucose levels, hydration levels, vitamin levels, bone
22 density, muscle density, and sleep patterns.

23 "Prohibited conduct" includes any statement, action, and
24 other communication intended to influence, manipulate, or
25 control a betting outcome of a sporting contest or of any
26 individual occurrence or performance in a sporting contest in

1 exchange for financial gain or to avoid financial or physical
2 harm. "Prohibited conduct" includes statements, actions, and
3 communications made to a covered person by a third party, such
4 as a family member or through social media. "Prohibited
5 conduct" does not include statements, actions, or
6 communications made or sanctioned by a team or sports
7 governing body.

8 "Qualified applicant" means an applicant for a license
9 under this Act whose application meets the mandatory minimum
10 qualification criteria as required by the Board.

11 "Sporting contest" means a sports event or game on which
12 the State allows sports wagering to occur under this Act.

13 "Sports event" means a professional sport or athletic
14 event, a collegiate sport or athletic event, a motor race
15 event, or any other event or competition of relative skill
16 authorized by the Board under this Act.

17 "Sports facility" means a facility that hosts sports
18 events and holds a seating capacity greater than 17,000
19 persons, except in a municipality with a population of more
20 than 1,000,000, a seating capacity greater than 10,000
21 persons.

22 "Sports governing body" means the organization that
23 prescribes final rules and enforces codes of conduct with
24 respect to a sports event and participants therein.

25 "Sports wagering" means accepting wagers on sports events
26 or portions of sports events, or on the individual performance

1 statistics of athletes in a sports event or combination of
2 sports events, by any system or method of wagering, including,
3 but not limited to, in person or over the Internet through
4 websites and on mobile devices. "Sports wagering" includes,
5 but is not limited to, single-game bets, teaser bets, parlays,
6 over-under, moneyline, pools, exchange wagering, in-game
7 wagering, in-play bets, proposition bets, and straight bets.
8 "Sports wagering" does not include fantasy contests as that
9 term is defined in Section 5 of the Fantasy Sports Consumer
10 Protection Act.

11 "Sports wagering account" means a financial record
12 established by a master sports wagering licensee for an
13 individual patron in which the patron may deposit and withdraw
14 funds for sports wagering and other authorized purchases and
15 to which the master sports wagering licensee may credit
16 winnings or other amounts due to that patron or authorized by
17 that patron.

18 "Tier 1 sports wager" means a sports wager that is
19 determined solely by the final score or final outcome of the
20 sports event and is placed before the sports event has begun.

21 "Tier 2 sports wager" means a sports wager that is not a
22 tier 1 sports wager.

23 "Wager" means a sum of money or thing of value risked on an
24 uncertain occurrence.

25 "Winning bidder" means a qualified applicant for a master
26 sports wagering license chosen through the competitive

1 selection process under Section 25-45.

2 (Source: P.A. 101-31, eff. 6-28-19; 102-689, eff. 12-17-21.)

3 Section 110. The Criminal Code of 2012 is amended by
4 changing Sections 28-1 and 28-3 as follows:

5 (720 ILCS 5/28-1) (from Ch. 38, par. 28-1)

6 Sec. 28-1. Gambling.

7 (a) A person commits gambling when he or she:

8 (1) knowingly plays a game of chance or skill for
9 money or other thing of value, unless excepted in
10 subsection (b) of this Section;

11 (2) knowingly makes a wager upon the result of any
12 game, contest, or any political nomination, appointment or
13 election;

14 (3) knowingly operates, keeps, owns, uses, purchases,
15 exhibits, rents, sells, bargains for the sale or lease of,
16 manufactures or distributes any gambling device;

17 (4) contracts to have or give himself or herself or
18 another the option to buy or sell, or contracts to buy or
19 sell, at a future time, any grain or other commodity
20 whatsoever, or any stock or security of any company, where
21 it is at the time of making such contract intended by both
22 parties thereto that the contract to buy or sell, or the
23 option, whenever exercised, or the contract resulting
24 therefrom, shall be settled, not by the receipt or

1 delivery of such property, but by the payment only of
2 differences in prices thereof; however, the issuance,
3 purchase, sale, exercise, endorsement or guarantee, by or
4 through a person registered with the Secretary of State
5 pursuant to Section 8 of the Illinois Securities Law of
6 1953, or by or through a person exempt from such
7 registration under said Section 8, of a put, call, or
8 other option to buy or sell securities which have been
9 registered with the Secretary of State or which are exempt
10 from such registration under Section 3 of the Illinois
11 Securities Law of 1953 is not gambling within the meaning
12 of this paragraph (4);

13 (5) knowingly owns or possesses any book, instrument
14 or apparatus by means of which bets or wagers have been, or
15 are, recorded or registered, or knowingly possesses any
16 money which he has received in the course of a bet or
17 wager;

18 (6) knowingly sells pools upon the result of any game
19 or contest of skill or chance, political nomination,
20 appointment or election;

21 (7) knowingly sets up or promotes any lottery or
22 sells, offers to sell or transfers any ticket or share for
23 any lottery;

24 (8) knowingly sets up or promotes any policy game or
25 sells, offers to sell or knowingly possesses or transfers
26 any policy ticket, slip, record, document or other similar

1 device;

2 (9) knowingly drafts, prints or publishes any lottery
3 ticket or share, or any policy ticket, slip, record,
4 document or similar device, except for such activity
5 related to lotteries, bingo games and raffles authorized
6 by and conducted in accordance with the laws of Illinois
7 or any other state or foreign government;

8 (10) knowingly advertises any lottery or policy game,
9 except for such activity related to lotteries, bingo games
10 and raffles authorized by and conducted in accordance with
11 the laws of Illinois or any other state;

12 (11) knowingly transmits information as to wagers,
13 betting odds, or changes in betting odds by telephone,
14 telegraph, radio, semaphore or similar means; or knowingly
15 installs or maintains equipment for the transmission or
16 receipt of such information; except that nothing in this
17 subdivision (11) prohibits transmission or receipt of such
18 information for use in news reporting of sporting events
19 or contests; or

20 (12) knowingly establishes, maintains, or operates an
21 Internet site that permits a person to play a game of
22 chance or skill for money or other thing of value by means
23 of the Internet or to make a wager upon the result of any
24 game, contest, political nomination, appointment, or
25 election by means of the Internet. This item (12) does not
26 apply to activities referenced in items (6), (6.1), (8),

1 (8.1), ~~and~~ (15), and (16) of subsection (b) of this
2 Section.

3 (b) Participants in any of the following activities shall
4 not be convicted of gambling:

5 (1) Agreements to compensate for loss caused by the
6 happening of chance including without limitation contracts
7 of indemnity or guaranty and life or health or accident
8 insurance.

9 (2) Offers of prizes, award or compensation to the
10 actual contestants in any bona fide contest for the
11 determination of skill, speed, strength or endurance or to
12 the owners of animals or vehicles entered in such contest.

13 (3) Pari-mutuel betting as authorized by the law of
14 this State.

15 (4) Manufacture of gambling devices, including the
16 acquisition of essential parts therefor and the assembly
17 thereof, for transportation in interstate or foreign
18 commerce to any place outside this State when such
19 transportation is not prohibited by any applicable Federal
20 law; or the manufacture, distribution, or possession of
21 video gaming terminals, as defined in the Video Gaming
22 Act, by manufacturers, distributors, and terminal
23 operators licensed to do so under the Video Gaming Act.

24 (5) The game commonly known as "bingo", when conducted
25 in accordance with the Bingo License and Tax Act.

26 (6) Lotteries when conducted by the State of Illinois

1 in accordance with the Illinois Lottery Law. This
2 exemption includes any activity conducted by the
3 Department of Revenue to sell lottery tickets pursuant to
4 the provisions of the Illinois Lottery Law and its rules.

5 (6.1) The purchase of lottery tickets through the
6 Internet for a lottery conducted by the State of Illinois
7 under the program established in Section 7.12 of the
8 Illinois Lottery Law.

9 (7) Possession of an antique slot machine that is
10 neither used nor intended to be used in the operation or
11 promotion of any unlawful gambling activity or enterprise.
12 For the purpose of this subparagraph (b)(7), an antique
13 slot machine is one manufactured 25 years ago or earlier.

14 (8) Raffles and poker runs when conducted in
15 accordance with the Raffles and Poker Runs Act.

16 (8.1) The purchase of raffle chances for a raffle
17 conducted in accordance with the Raffles and Poker Runs
18 Act.

19 (9) Charitable games when conducted in accordance with
20 the Charitable Games Act.

21 (10) Pull tabs and jar games when conducted under the
22 Illinois Pull Tabs and Jar Games Act.

23 (11) Gambling games when authorized by the Illinois
24 Gambling Act.

25 (12) Video gaming terminal games at a licensed
26 establishment, licensed truck stop establishment, licensed

1 large truck stop establishment, licensed fraternal
2 establishment, or licensed veterans establishment when
3 conducted in accordance with the Video Gaming Act.

4 (13) Games of skill or chance where money or other
5 things of value can be won but no payment or purchase is
6 required to participate.

7 (14) Savings promotion raffles authorized under
8 Section 5g of the Illinois Banking Act, Section 7008 of
9 the Savings Bank Act, Section 42.7 of the Illinois Credit
10 Union Act, Section 5136B of the National Bank Act (12
11 U.S.C. 25a), or Section 4 of the Home Owners' Loan Act (12
12 U.S.C. 1463).

13 (15) Sports wagering when conducted in accordance with
14 the Sports Wagering Act.

15 (16) Fantasy contest wagering when conducted in
16 accordance with the Fantasy Sports Consumer Protection
17 Act.

18 (c) Sentence.

19 Gambling is a Class A misdemeanor. A second or subsequent
20 conviction under subsections (a)(3) through (a)(12), is a
21 Class 4 felony.

22 (d) Circumstantial evidence.

23 In prosecutions under this Section circumstantial evidence
24 shall have the same validity and weight as in any criminal
25 prosecution.

26 (Source: P.A. 101-31, Article 25, Section 25-915, eff.

1 6-28-19; 101-31, Article 35, Section 35-80, eff. 6-28-19;
2 101-109, eff. 7-19-19; 102-558, eff. 8-20-21.)

3 (720 ILCS 5/28-3) (from Ch. 38, par. 28-3)

4 Sec. 28-3. Keeping a gambling place. A "gambling place" is
5 any real estate, vehicle, boat, or any other property
6 whatsoever used for the purposes of gambling other than
7 gambling conducted in the manner authorized by the Illinois
8 Gambling Act, the Sports Wagering Act, ~~or~~ the Video Gaming
9 Act, or the Fantasy Sports Consumer Protection Act. Any person
10 who knowingly permits any premises or property owned or
11 occupied by him or under his control to be used as a gambling
12 place commits a Class A misdemeanor. Each subsequent offense
13 is a Class 4 felony. When any premises is determined by the
14 circuit court to be a gambling place:

15 (a) Such premises is a public nuisance and may be
16 proceeded against as such, and

17 (b) All licenses, permits or certificates issued by
18 the State of Illinois or any subdivision or public agency
19 thereof authorizing the serving of food or liquor on such
20 premises shall be void; and no license, permit or
21 certificate so cancelled shall be reissued for such
22 premises for a period of 60 days thereafter; nor shall any
23 person convicted of keeping a gambling place be reissued
24 such license for one year from his conviction and, after a
25 second conviction of keeping a gambling place, any such

1 person shall not be reissued such license, and

2 (c) Such premises of any person who knowingly permits
3 thereon a violation of any Section of this Article shall
4 be held liable for, and may be sold to pay any unsatisfied
5 judgment that may be recovered and any unsatisfied fine
6 that may be levied under any Section of this Article.

7 (Source: P.A. 101-31, Article 25, Section 25-915, eff.
8 6-28-19; 101-31, Article 35, Section 35-80, eff. 6-28-19;
9 102-558, eff. 8-20-21.)

10 Section 999. Effective date. This Act takes effect upon
11 becoming law.