**Section 1800.370 Deactivation of Video Gaming Terminals**

a) The Administrator will deactivate a licensed video gaming location's video gaming terminals if:

1) The licensed video gaming location failed to timely pay a sum owed to the Board;

2) The licensed video gaming location's State or local liquor license was suspended, revoked, or expired; or

3) The licensed video gaming location failed to comply with a valid Board order.

b) Before the Administrator may deactivate a licensed video gaming location's video gaming terminals, the Administrator shall provide written notice to the licensed video gaming location stating that the terminals may be deactivated and identifying the basis for the deactivation. The deactivation notice shall be sent to all entities listed in the licensed video gaming location's license application no less than five days prior to the noticed deactivation.

c) A licensed video gaming location may avoid deactivation by:

1) Curing the basis for deactivation within five days of receiving the deactivation notice; or

2) Establishing a prima facie case that the basis for deactivation is the result of an error or defect the licensed video gaming location did not cause.

d) If the Administrator finds that the licensed video gaming location has failed to establish grounds to avoid deactivation under subsection (c), the Administrator will deactivate the licensed video gaming location's video gaming terminals.

e) If a licensed video gaming location's video gaming terminals are deactivated, the licensee shall cure the basis for the deactivation and pay a reactivation fee before the video gaming terminals are reactivated. The reactivation fee shall be the amount equal to the licensed video gaming location's annual license fee and shall be assessed per video gaming terminal.

1) A licensed video gaming location is excused from paying the reactivation fee if it can establish by clear and convincing evidence that it did not cause the basis for the deactivation.

2) The Administrator shall reactivate the video gaming terminals within five days after the licensed video gaming location has both cured the basis for the deactivation and paid the reactivation fee, if applicable.

f) The Administrator may appoint an Administrative Law Judge if the Administrator determines that a hearing is warranted to determine whether the basis for the deactivation is the result of an error or defect the licensed video gaming location did not cause or whether the licensed video gaming location has cured the basis for deactivation. If a hearing is commenced, it shall proceed under Subpart F.

1) The sole issues at hearing shall be limited to whether the basis for deactivation is the result of an error or defect the licensed video gaming location did not cause or whether the licensee has cured the basis for the deactivation.

2) The licensed video gaming location shall bear the burden of proof at all times and shall have the affirmative responsibility of establishing its case by clear and convincing evidence.

(Source: Added at 48 Ill. Reg. 15438, effective October 18, 2024)