

Rep. Elizabeth Hernandez

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10200HB1591ham002

LRB102 03634 AMQ 38543 a

1 AMENDMENT TO HOUSE BILL 1591

2 AMENDMENT NO. _____. Amend House Bill 1591 by replacing

3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Lottery Law is amended by

5 changing Sections 2, 9.1, and 20 and by adding Sections 21.15

6 and 21.16 as follows:

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7 (20 ILCS 1605/2) (from Ch. 120, par. 1152)

within the State a lottery to be conducted by the State through the Department. The entire net proceeds of the Lottery are to

Sec. 2. This Act is enacted to implement and establish

11 be used for the support of the State's Common School Fund,

except as provided in subsection (o) of Section 9.1 and

Sections 21.5, 21.6, 21.7, 21.8, 21.9, 21.10, 21.11, 21.12,

14 and 21.13, 21.15, and 21.16. The General Assembly finds that

it is in the public interest for the Department to conduct the

16 functions of the Lottery with the assistance of a private

- 1 manager under a management agreement overseen by the
- 2 Department. The Department shall be accountable to the General
- 3 Assembly and the people of the State through a comprehensive
- 4 system of regulation, audits, reports, and enduring
- 5 operational oversight. The Department's ongoing conduct of the
- 6 Lottery through a management agreement with a private manager
- 7 shall act to promote and ensure the integrity, security,
- 8 honesty, and fairness of the Lottery's operation and
- 9 administration. It is the intent of the General Assembly that
- 10 the Department shall conduct the Lottery with the assistance
- of a private manager under a management agreement at all times
- in a manner consistent with 18 U.S.C. 1307(a)(1), 1307(b)(1),
- 13 1953 (b) (4).
- Beginning with Fiscal Year 2018 and every year thereafter,
- 15 any moneys transferred from the State Lottery Fund to the
- 16 Common School Fund shall be supplemental to, and not in lieu
- of, any other money due to be transferred to the Common School
- 18 Fund by law or appropriation.
- 19 (Source: P.A. 101-81, eff. 7-12-19; 101-561, eff. 8-23-19;
- 20 102-558, eff. 8-20-21.)
- 21 (20 ILCS 1605/9.1)
- Sec. 9.1. Private manager and management agreement.
- 23 (a) As used in this Section:
- "Offeror" means a person or group of persons that responds
- 25 to a request for qualifications under this Section.

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- "Request for qualifications" means all materials and documents prepared by the Department to solicit the following from offerors:
 - (1) Statements of qualifications.
 - (2) Proposals to enter into a management agreement, including the identity of any prospective vendor or vendors that the offeror intends to initially engage to assist the offeror in performing its obligations under the management agreement.
 - "Final offer" means the last proposal submitted by an offeror in response to the request for qualifications, including the identity of any prospective vendor or vendors that the offeror intends to initially engage to assist the offeror in performing its obligations under the management agreement.
 - "Final offeror" means the offeror ultimately selected by the Governor to be the private manager for the Lottery under subsection (h) of this Section.
 - (b) By September 15, 2010, the Governor shall select a private manager for the total management of the Lottery with integrated functions, such as lottery game design, supply of goods and services, and advertising and as specified in this Section.
- 24 (c) Pursuant to the terms of this subsection, the 25 Department shall endeavor to expeditiously terminate the 26 existing contracts in support of the Lottery in effect on July

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- 13, 2009 (the effective date of Public Act 96-37) in connection with the selection of the private manager. As part of its obligation to terminate these contracts and select the private manager, the Department shall establish a mutually agreeable timetable to transfer the functions of existing contractors to the private manager so that existing Lottery operations are not materially diminished or impaired during the transition. To that end, the Department shall do the following:
 - (1) where such contracts contain a provision authorizing termination upon notice, the Department shall provide notice of termination to occur upon the mutually agreed timetable for transfer of functions;
 - (2) upon the expiration of any initial term or renewal term of the current Lottery contracts, the Department shall not renew such contract for a term extending beyond the mutually agreed timetable for transfer of functions; or
 - (3) in the event any current contract provides for termination of that contract upon the implementation of a contract with the private manager, the Department shall perform all necessary actions to terminate the contract on the date that coincides with the mutually agreed timetable for transfer of functions.
 - If the contracts to support the current operation of the Lottery in effect on July 13, 2009 (the effective date of

- 1 Public Act 96-34) are not subject to termination as provided
- for in this subsection (c), then the Department may include a
- 3 provision in the contract with the private manager specifying
- 4 a mutually agreeable methodology for incorporation.
- 5 (c-5) The Department shall include provisions in the
- 6 management agreement whereby the private manager shall, for a
- 7 fee, and pursuant to a contract negotiated with the Department
- 8 (the "Employee Use Contract"), utilize the services of current
- 9 Department employees to assist in the administration and
- 10 operation of the Lottery. The Department shall be the employer
- of all such bargaining unit employees assigned to perform such
- 12 work for the private manager, and such employees shall be
- 13 State employees, as defined by the Personnel Code. Department
- 14 employees shall operate under the same employment policies,
- 15 rules, regulations, and procedures, as other employees of the
- Department. In addition, neither historical representation
- 17 rights under the Illinois Public Labor Relations Act, nor
- 18 existing collective bargaining agreements, shall be disturbed
- 19 by the management agreement with the private manager for the
- 20 management of the Lottery.
- 21 (d) The management agreement with the private manager
- 22 shall include all of the following:
- 23 (1) A term not to exceed 10 years, including any
- 24 renewals.
- 25 (2) A provision specifying that the Department:
- 26 (A) shall exercise actual control over all

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l si	gnificant	business	decisions;

- (A-5) has the authority to direct or countermand operating decisions by the private manager at any time;
 - (B) has ready access at any time to information regarding Lottery operations;
 - (C) has the right to demand and receive information from the private manager concerning any aspect of the Lottery operations at any time; and
 - (D) retains ownership of all trade names, trademarks, and intellectual property associated with the Lottery.
- (3) A provision imposing an affirmative duty on the private manager to provide the Department with material information and with any information the private manager reasonably believes the Department would want to know to enable the Department to conduct the Lottery.
- (4) A provision requiring the private manager to provide the Department with advance notice of any operating decision that bears significantly on the public interest, including, but not limited to, decisions on the kinds of games to be offered to the public and decisions affecting the relative risk and reward of the games being offered, so the Department has a reasonable opportunity to evaluate and countermand that decision.
 - (5) A provision providing for compensation of the

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private manager that may consist of, among other things, a fee for services and a performance based bonus as consideration for managing the Lottery, including terms that may provide the private manager with an increase in compensation if Lottery revenues grow by a specified percentage in a given year.

- (6) (Blank).
- (7) A provision requiring the deposit of all Lottery proceeds to be deposited into the State Lottery Fund except as otherwise provided in Section 20 of this Act.
- (8) A provision requiring the private manager to locate its principal office within the State.
- (8-5) A provision encouraging that at least 20% of the cost of contracts entered into for goods and services by the private manager in connection with its management of the Lottery, other than contracts with sales agents or technical advisors, be awarded to businesses that are a minority-owned business, a women-owned business, or a business owned by a person with disability, as those terms are defined in the Business Enterprise for Minorities, Women, and Persons with Disabilities Act.
- (9) A requirement that so long as the private manager complies with all the conditions of the agreement under the oversight of the Department, the private manager shall have the following duties and obligations with respect to the management of the Lottery:

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1	(A) The right to use equipment and other assets
2	used in the operation of the Lottery.
3	(B) The rights and obligations under contracts
4	with retailers and vendors.
5	(C) The implementation of a comprehensive security
6	program by the private manager.
7	(D) The implementation of a comprehensive system
8	of internal audits.
9	(E) The implementation of a program by the private
10	manager to curb compulsive gambling by persons playing
11	the Lottery.
12	(F) A system for determining (i) the type of
13	Lottery games, (ii) the method of selecting winning
14	tickets, (iii) the manner of payment of prizes to
15	holders of winning tickets, (iv) the frequency of
16	drawings of winning tickets, (v) the method to be used
17	in selling tickets, (vi) a system for verifying the
18	validity of tickets claimed to be winning tickets,
19	(vii) the basis upon which retailer commissions are
20	established by the manager, and (viii) minimum
21	payouts.
22	(10) A requirement that advertising and promotion must
23	be consistent with Section 7.8a of this Act.
24	(11) A requirement that the private manager market the

Lottery to those residents who are new, infrequent, or

lapsed players of the Lottery, especially those who are

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- 1 most likely to make regular purchases on the Internet as 2 permitted by law.
 - (12) A code of ethics for the private manager's officers and employees.
 - (13) A requirement that the Department monitor and oversee the private manager's practices and take action that the Department considers appropriate to ensure that the private manager is in compliance with the terms of the management agreement, while allowing the manager, unless specifically prohibited by law or the management agreement, to negotiate and sign its own contracts with vendors.
 - (14) A provision requiring the private manager to periodically file, at least on an annual basis, appropriate financial statements in a form and manner acceptable to the Department.
 - (15) Cash reserves requirements.
 - (16) Procedural requirements for obtaining the prior approval of the Department when a management agreement or an interest in a management agreement is sold, assigned, transferred, or pledged as collateral to secure financing.
 - (17) Grounds for the termination of the management agreement by the Department or the private manager.
 - (18) Procedures for amendment of the agreement.
 - (19) A provision requiring the private manager to engage in an open and competitive bidding process for any

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procurement having a cost in excess of \$50,000 that is not a part of the private manager's final offer. The process shall favor the selection of a vendor deemed to have submitted a proposal that provides the Lottery with the best overall value. The process shall not be subject to the provisions of the Illinois Procurement Code, unless specifically required by the management agreement.

- (20) The transition of rights and obligations, including any associated equipment or other assets used in the operation of the Lottery, from the manager to any successor manager of the lottery, including the Department, following the termination of or foreclosure upon the management agreement.
- (21) Right of use of copyrights, trademarks, and service marks held by the Department in the name of the State. The agreement must provide that any use of them by the manager shall only be for the purpose of fulfilling its obligations under the management agreement during the term of the agreement.
- (22) The disclosure of any information requested by the Department to enable it to comply with the reporting requirements and information requests provided for under subsection (p) of this Section.
- (e) Notwithstanding any other law to the contrary, the Department shall select a private manager through a competitive request for qualifications process consistent with

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- Section 20-35 of the Illinois Procurement Code, which shall take into account:
 - (1) the offeror's ability to market the Lottery to those residents who are new, infrequent, or lapsed players of the Lottery, especially those who are most likely to make regular purchases on the Internet;
 - (2) the offeror's ability to address the State's concern with the social effects of gambling on those who can least afford to do so;
 - (3) the offeror's ability to provide the most successful management of the Lottery for the benefit of the people of the State based on current and past business practices or plans of the offeror; and
 - (4) the offeror's poor or inadequate past performance in servicing, equipping, operating or managing a lottery on behalf of Illinois, another <u>state</u> State or foreign government and attracting persons who are not currently regular players of a lottery.
 - (f) The Department may retain the services of an advisor or advisors with significant experience in financial services or the management, operation, and procurement of goods, services, and equipment for a government-run lottery to assist in the preparation of the terms of the request for qualifications and selection of the private manager. Any prospective advisor seeking to provide services under this subsection (f) shall disclose any material business or

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financial relationship during the past 3 years with any potential offeror, or with a contractor or subcontractor presently providing goods, services, or equipment to the Department to support the Lottery. The Department shall evaluate the material business or financial relationship of each prospective advisor. The Department shall not select any prospective advisor with a substantial business or financial relationship that the Department deems to impair objectivity of the services to be provided by the prospective advisor. During the course of the advisor's engagement by the Department, and for a period of one year thereafter, the advisor shall not enter into any business or financial relationship with any offeror or any vendor identified to assist an offeror in performing its obligations under the management agreement. Any advisor retained by the Department shall be disqualified from being an offeror. The Department shall not include terms in the request for qualifications that provide a material advantage whether directly or indirectly to any potential offeror, or any contractor or subcontractor presently providing goods, services, or equipment to the Department to support the Lottery, including terms contained previous responses to requests for proposals qualifications submitted to Illinois, another state State or foreign government when those terms are uniquely associated particular potential offeror, contractor, subcontractor. The request for proposals offered by the

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- Department on December 22, 2008 as "LOT08GAMESYS" and reference number "22016176" is declared void.
 - (g) The Department shall select at least 2 offerors as finalists to potentially serve as the private manager no later than August 9, 2010. Upon making preliminary selections, the Department shall schedule a public hearing on the finalists' proposals and provide public notice of the hearing at least 7 calendar days before the hearing. The notice must include all of the following:
 - (1) The date, time, and place of the hearing.
- 11 (2) The subject matter of the hearing.
- 12 (3) A brief description of the management agreement to be awarded.
 - (4) The identity of the offerors that have been selected as finalists to serve as the private manager.
- 16 (5) The address and telephone number of the Department.
- At the public hearing, the Department shall 18 provide sufficient time for each finalist to present and 19 20 explain its proposal to the Department and the Governor or the Governor's designee, including an opportunity to respond to 2.1 22 questions posed by the Department, Governor, or designee and 23 (ii) allow the public and non-selected offerors to comment on 24 the presentations. The Governor or a designee shall attend the 25 public hearing. After the public hearing, the Department shall 26 have 14 calendar days to recommend to the Governor whether a

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- management agreement should be entered into with a particular finalist. After reviewing the Department's recommendation, the Governor may accept or reject the Department's recommendation, and shall select a final offeror as the private manager by publication of a notice in the Illinois Procurement Bulletin on or before September 15, 2010. The Governor shall include in the notice a detailed explanation and the reasons why the final offeror is superior to other offerors and will provide management services in a manner that best achieves the objectives of this Section. The Governor shall also sign the management agreement with the private manager.
 - (i) Any action to contest the private manager selected by the Governor under this Section must be brought within 7 calendar days after the publication of the notice of the designation of the private manager as provided in subsection (h) of this Section.
 - (j) The Lottery shall remain, for so long as a private manager manages the Lottery in accordance with provisions of this Act, a Lottery conducted by the State, and the State shall not be authorized to sell or transfer the Lottery to a third party.
- (k) Any tangible personal property used exclusively in connection with the lottery that is owned by the Department and leased to the private manager shall be owned by the Department in the name of the State and shall be considered to be public property devoted to an essential public and

1 governmental function.

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- (1) The Department may exercise any of its powers under this Section or any other law as necessary or desirable for the execution of the Department's powers under this Section.
 - (m) Neither this Section nor any management agreement entered into under this Section prohibits the General Assembly from authorizing forms of gambling that are not in direct competition with the Lottery. The forms of gambling authorized by Public Act 101-31 constitute authorized forms of gambling that are not in direct competition with the Lottery.
 - (n) The private manager shall be subject to a complete investigation in the third, seventh, and tenth years of the agreement (if the agreement is for a 10-year term) by the Department in cooperation with the Auditor General to determine whether the private manager has complied with this Section and the management agreement. The private manager shall bear the cost of an investigation or reinvestigation of the private manager under this subsection.
- (o) The powers conferred by this Section are in addition and supplemental to the powers conferred by any other law. If any other law or rule is inconsistent with this Section, including, but not limited to, provisions of the Illinois Procurement Code, then this Section controls as to any management agreement entered into under this Section. This Section and any rules adopted under this Section contain full and complete authority for a management agreement between the

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Department and a private manager. No law, procedure, proceeding, publication, notice, consent, approval, order, or act by the Department or any other officer, Department, agency, or instrumentality of the State or any political subdivision is required for the Department to enter into a management agreement under this Section. This Section contains full and complete authority for the Department to approve any contracts entered into by a private manager with a vendor providing goods, services, or both goods and services to the private manager under the terms of the management agreement, including subcontractors of such vendors.

Upon receipt of a written request from the Procurement Officer, the Department shall provide to the Chief Procurement Officer a complete and unredacted un redacted copy of the management agreement or any contract that is subject to the Department's approval authority under this subsection (o). The Department shall provide a copy of the agreement or contract to the Chief Procurement Officer in the time specified by the Chief Procurement Officer in his or her written request, but no later than 5 business days after the request is received by the Department. The Chief Procurement Officer must retain any portions of the management agreement any contract designated by the of Department confidential, proprietary, or trade secret information in complete confidence pursuant to subsection (g) of Section 7 of the Freedom of Information Act. The Department shall also

1 provide the Chief Procurement Officer with reasonable advance

written notice of any contract that is pending Department

3 approval.

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Notwithstanding any other provision of this Section to the Chief Procurement Officer shall the administrative rules, including emergency rules, to establish a procurement process to select a successor private manager if a private management agreement has been terminated. selection process shall at a minimum take into account the criteria set forth in items (1) through (4) of subsection (e) of this Section and may include provisions consistent with subsections (f), (g), (h), and (i) of this Section. The Chief Procurement Officer shall also implement and administer the adopted selection process upon the termination of a private management agreement. The Department, after the Chief Procurement Officer certifies that the procurement process has been followed in accordance with the rules adopted under this subsection (o), shall select a final offeror as the private manager and sign the management agreement with the private manager.

Except as provided in Sections 21.5, 21.6, 21.7, 21.8, 21.9, 21.10, 21.11, 21.12, and 21.13, 21.15, and 21.16, the Department shall distribute all proceeds of lottery tickets and shares sold in the following priority and manner:

- (1) The payment of prizes and retailer bonuses.
- (2) The payment of costs incurred in the operation and

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administration of the Lottery, including the payment of sums due to the private manager under the management agreement with the Department.

- (3) On the last day of each month or as soon thereafter as possible, the State Comptroller shall direct and the State Treasurer shall transfer from the State Lottery Fund to the Common School Fund an amount that is equal to the proceeds transferred in the corresponding month of fiscal year 2009, as adjusted for inflation, to the Common School Fund.
- (4) On or before September 30 of each fiscal year, deposit any estimated remaining proceeds from the prior fiscal year, subject to payments under items (1), (2), and (3), into the Capital Projects Fund. Beginning in fiscal year 2019, the amount deposited shall be increased or decreased each year by the amount the estimated payment differs from the amount determined from each year-end financial audit. Only remaining net deficits from prior fiscal years may reduce the requirement to deposit these funds, as determined by the annual financial audit.
- (p) The Department shall be subject to the following reporting and information request requirements:
 - (1) the Department shall submit written quarterly reports to the Governor and the General Assembly on the activities and actions of the private manager selected under this Section;

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- (2) upon request of the Chief Procurement Officer, the Department shall promptly produce information related to the procurement activities of the Department and the private manager requested by the Chief Procurement Officer; the Chief Procurement Officer must retain confidential, proprietary, or trade secret information designated by the Department in complete confidence pursuant to subsection (g) of Section 7 of the Freedom of Information Act; and
- 10 (3) at least 30 days prior to the beginning of the 11 Department's fiscal year, the Department shall prepare an annual written report on the activities of the private 12 manager selected under this Section and deliver that 13 14 report to the Governor and General Assembly.
- 15 (Source: P.A. 101-31, eff. 6-28-19; 101-81, eff. 7-12-19; 101-561, eff. 8-23-19; 102-558, eff. 8-20-21.) 16
- 17 (20 ILCS 1605/20) (from Ch. 120, par. 1170)
- 18 Sec. 20. State Lottery Fund.
- 19 (a) There is created in the State Treasury a special fund 2.0 to be known as the State Lottery Fund. Such fund shall consist 21 of all revenues received from (1) the sale of lottery tickets 22 shares, (net of commissions, fees representing those expenses that are directly proportionate to the sale of 23 24 tickets or shares at the agent location, and prizes of less 25 than \$600 which have been validly paid at the agent level), (2)

- 1 application fees, and (3) all other sources including moneys
- 2 credited or transferred thereto from any other fund or source
- pursuant to law. Interest earnings of the State Lottery Fund 3
- 4 shall be credited to the Common School Fund.
- 5 (b) The receipt and distribution of moneys under Section
- 6 21.5 of this Act shall be in accordance with Section 21.5.
- (c) The receipt and distribution of moneys under Section 7
- 21.6 of this Act shall be in accordance with Section 21.6. 8
- 9 (d) The receipt and distribution of moneys under Section
- 10 21.7 of this Act shall be in accordance with Section 21.7.
- 11 (e) The receipt and distribution of moneys under Section
- 21.8 of this Act shall be in accordance with Section 21.8. 12
- 13 (f) The receipt and distribution of moneys under Section
- 21.9 of this Act shall be in accordance with Section 21.9. 14
- 15 (g) The receipt and distribution of moneys under Section
- 16 21.10 of this Act shall be in accordance with Section 21.10.
- (h) The receipt and distribution of moneys under Section 17
- 21.11 of this Act shall be in accordance with Section 21.11. 18
- (i) The receipt and distribution of moneys under Section 19
- 20 21.12 of this Act shall be in accordance with Section 21.12.
- 2.1 (j) The receipt and distribution of moneys under Section
- 21.13 of this Act shall be in accordance with Section 21.13. 22
- 23 (k) The receipt and distribution of moneys under Section
- 24 25-70 of the Sports Wagering Act shall be in accordance with
- 25 Section 25-70 of the Sports Wagering Act.
- (1) The receipt and distribution of moneys under Section 26

- 21.15 of this Act shall be in accordance with Section 21.15. 1
- (m) The receipt and distribution of moneys under Section 2
- 21.16 of this Act shall be in accordance with Section 21.16. 3
- (Source: P.A. 101-81, eff. 7-12-19; 101-561, eff. 8-23-19; 4
- 5 102-16, eff. 6-17-21.)
- 6 (20 ILCS 1605/21.15 new)
- 7 Sec. 21.15. Illinois DREAM scratch-off.
- 8 (a) The Department shall offer a special Illinois DREAM
- 9 instant scratch-off game for the benefit of the Illinois DREAM
- 10 Fund Commission. The net revenue from the Illinois DREAM
- scratch-off game shall be deposited into the Illinois DREAM 11
- 12 Fund, a special fund that is created in the State treasury.
- 13 Subject to appropriation, money in the Illinois DREAM Fund
- 14 shall be used to assist in funding scholarships and other
- statutory responsibilities of the Illinois DREAM Fund 15
- Commission. The game shall commence on January 1, 2023 or as 16
- soon thereafter as is reasonably practical. The Department 17
- shall consult with the Illinois DREAM Fund Commission 18
- 19 established under Section 67 of the Higher Education Student
- 20 Assistance Act regarding the design and promotion of the game.
- 21 (b) The operation of any games under this Section shall be
- governed by this Act, and any rules shall be adopted by the 22
- Department. If any provision of this Section is inconsistent 23
- 24 with any other provision of this Act, then this Section
- 25 governs.

- (c) For purposes of this Section, "net revenue" means the 1 2 total amount for which tickets have been sold less the sum of the amount paid out in prizes and the actual administrative 3 4 expenses of the Department solely related to the Illinois
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- 6 (d) During the time that tickets are sold for the Illinois 7 DREAM scratch-off game, the Department shall not unreasonably 8 diminish the efforts devoted to marketing any other instant
- 9 scratch-off lottery game.

DREAM scratch-off game.

- 10 The Department may adopt any rules necessary to (e)
- 11 implement and administer this Section in consultation with the
- 12 Illinois DREAM Fund Commission.
- 13 (20 ILCS 1605/21.16 new)
- 14 Sec. 21.16. Scratch-off for United Negro College Fund.
- 15 (a) The Department shall offer a special instant
- scratch-off game for the benefit of United Negro College Fund 16
- in support of educational scholarships to university and 17
- college students. The game shall commence on August 1, 2022, 18
- 19 or as soon thereafter, at the discretion of the Director, as is
- 20 reasonably practical, and shall be discontinued on January 1,
- 21 2028. The operation of the game shall be governed by this Act
- 22 and any rules adopted by the Department. If any provision of
- 23 this Section is inconsistent with any other provision of this
- 24 Act, then this Section governs.
- 25 (b) The net revenue from the United Negro College Fund in

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- support of education scholarships to university and college students scratch-off game shall be deposited into the UNCF Scholarship Fund, a special fund created in the State treasury, as soon as practical but at least on a monthly basis. Moneys received for the purposes of this Section, including, without limitation, net revenue from the special instant scratch-off game and from gifts, grants, and awards from any public or private entity, must be deposited into the Fund. Any interest earned on moneys in the Fund must be deposited into the Fund. For the purposes of this subsection, "net revenue" means the total amount for which tickets have been sold less the sum of the amount paid out in the prizes and the actual administrative expenses of the Department solely related to the scratch-off game under this Section.
 - (c) During the time that tickets are sold for the United Negro College Fund in support of education scholarships to university and college students scratch-off game, the Department shall not unreasonably diminish the efforts devoted to marketing any other instant scratch-off lottery game.
- 20 The Department may adopt any rules necessary to (d) 21 implement and administer this Section.
- 22 (e) This Section is repealed on January 1, 2028.
- 23 Section 10. The State Finance Act is amended by adding 24 Sections 5.970 5.971 and as follows:

- (30 ILCS 105/5.970 new) 1
- Sec. 5.970. The Illinois DREAM Fund. 2
- 3 (30 ILCS 105/5.971 new)
- 4 Sec. 5.971. The UNCF Scholarship Fund. This Section is
- repealed on January 1, 2028. 5
- 6 Section 15. The School Code is amended by adding Section
- 7 2-3.119b as follows:
- 8 (105 ILCS 5/2-3.119b new)
- Sec. 2-3.119b. UNCF Scholarship Fund Advisory Board. 9
- 10 (a) The UNCF Scholarship Fund Advisory Board is created as
- 11 an advisory board within the Department. The Board shall
- 12 consist of 10 members as follows: 2 members appointed by the
- President of the Senate; 2 members appointed by the Minority 13
- Leader of the Senate; 2 members appointed by the Speaker of the 14
- House of Representatives; 2 members appointed by the Minority 15
- 16 Leader of the House of Representatives; and 2 members
- 17 appointed by the Governor with the advice and consent of the
- 18 Senate, one of whom shall be designated as chair of the Board
- 19 at the time of appointment. If a vacancy occurs in the Board
- 20 membership, the vacancy shall be filled in the same manner as
- 21 the initial appointment.
- 2.2 (b) Board members shall serve without compensation but may
- 23 be reimbursed for their reasonable travel expenses from funds

- 1 available for that purpose. The Department shall provide staff
- and administrative support services to the Board. 2
- 3 (c) The Board must: (i) consult with the Department of the
- 4 Lottery in designing and promoting the United Negro College
- 5 Fund in support of education scholarships to university and
- college students instant scratch-off lottery game; and (ii) 6
- review and direct funds to the United Negro College Fund, 7
- Inc., a 501(c)(3) nonprofit, and consult with the Department 8
- 9 of Education in accordance with Section 21.15 of the Illinois
- 10 Lottery Law.
- 11 (d) This Section is repealed on September 1, 2027.
- 12 Section 20. The Higher Education Student Assistance Act is
- 13 amended by changing Section 67 as follows:
- 14 (110 ILCS 947/67)
- Sec. 67. Illinois DREAM Fund Commission. 15
- The Illinois Student Assistance Commission shall 16
- establish an Illinois DREAM Fund Commission. The Governor 17
- 18 shall appoint, with the advice and consent of the Senate,
- 19 members to the Illinois DREAM Fund Commission, which shall be
- 20 comprised of 9 members representing the geographic and ethnic
- diversity of this State, including students, college and 21
- 22 university administrators and faculty, and other individuals
- 23 committed to advancing the educational opportunities of the
- 24 children of immigrants.

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- 1 (b) The Illinois DREAM Fund Commission is charged with all of the following responsibilities:
 - (1) Administering this Section and raising funds for the Illinois DREAM Fund.
 - (2) Establishing a not-for-profit entity charged with raising funds for the administration of this Section, any educational or training programs the Commission is tasked with administering, and funding scholarships to students who are the children of immigrants to the United States.
 - (3) Publicizing the availability of scholarships from the Illinois DREAM Fund.
 - (4) Selecting the recipients of scholarships funded through the Illinois DREAM Fund.
 - (5) Researching issues pertaining to the availability of assistance with the costs of higher education for the children of immigrants and other issues regarding access for and the performance of the children of immigrants within higher education.
 - (6) Overseeing implementation of the other provisions of this amendatory Act of the 97th General Assembly.
 - (7) Establishing and administering training programs for high school counselors and counselors, admissions financial aid officers of officers, and institutions of higher education. The training programs shall instruct participants on the educational opportunities available to college-bound students who are

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the children of immigrants, including, but not limited to, 1 in-state tuition and scholarship programs. The Illinois 2 3 DREAM Fund Commission may also establish a awareness campaign regarding educational opportunities 4 available to college bound students who are the children 5 6 of immigrants.

The Illinois DREAM Fund Commission shall establish, by rule, procedures for accepting and evaluating applications for scholarships from the children of immigrants and issuing scholarships to selected student applicants.

- (c) To receive a scholarship under this Section, a student must meet all of the following qualifications:
 - (1) Have resided with his or her parents or guardian while attending a public or private high school in this State.
 - (2) Have graduated from a public or private high school or received the equivalent of a high school diploma in this State.
 - (3) Have attended school in this State for at least 3 years as of the date he or she graduated from high school or received the equivalent of a high school diploma.
 - (4) Have at least one parent who immigrated to the United States.
- The Illinois Student Assistance Commission shall establish an Illinois DREAM Fund to provide scholarships under this Section. The Illinois DREAM Fund shall be funded entirely

- 1 from private contributions and proceeds from the scratch-off
- created in Section 21.15 of the Illinois Lottery Law. 2
- (Source: P.A. 97-233, eff. 8-1-11.) 3
- Section 99. Effective date. This Act takes effect upon 4
- 5 becoming law.".