

SB2254



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

SB2254

Introduced 2/26/2021, by Sen. Dale Fowler

SYNOPSIS AS INTRODUCED:

See Index

Creates the Department of Lottery and Gaming Act. Creates the Department of Lottery and Gaming to consolidate the functions of the Department of the Lottery, the Illinois Racing Board, and the Illinois Gaming Board. Creates the Lottery and Gaming Board consisting of the directors of the divisions in the new Department of Lottery and Gaming. Provides that the divisions shall be: Division of Casino Gambling, Division of Video Gaming, Division of Horse Racing, Division of Sports Wagering, and Division of Lottery. Provides for the transfer of functions, abolition of consolidating agencies, and the effect of transfer. Makes conforming changes throughout various Acts.

LRB102 15486 SMS 20849 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

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 Department of Lottery and Gaming Act.

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

7 "Consolidating agencies" means the Department of the
8 Lottery, the Illinois Racing Board, and the Illinois Gaming
9 Board.

10 "Department" means the Department of Lottery and Gaming.

11 Section 10. Department of Lottery and Gaming.

12 (a) There is created the Department of Lottery and Gaming
13 to consolidate the functions of the Department of the Lottery,
14 the Illinois Racing Board, and the Illinois Gaming Board.

15 (b) Within the Department, there shall be the following
16 divisions:

17 Division of Casino Gambling.

18 Division of Video Gaming.

19 Division of Horse Racing.

20 Division of Sports Wagering.

21 Division of Lottery.

22 (c) Each Division shall have responsibility for its

1 respective area within the Department and as provided by the
2 Illinois Gambling Act, the Video Gaming Act, the State Fair
3 Gaming Act, the Illinois Horse Racing Act of 1975, the Sports
4 Wagering Act, and the Illinois Lottery Law.

5 Section 15. Lottery and Gaming Board.

6 (a) The Department shall be led by the Lottery and Gaming
7 Board. The Board shall have 5 members:

8 Director of Casino Gambling.

9 Director of Video Gaming.

10 Director of Horse Racing.

11 Director of Sports Wagering.

12 Director of Lottery.

13 (b) The Directors of Casino Gambling, Video Gaming, Horse
14 Racing, Sports Wagering, and Lottery shall be appointed by the
15 Governor for terms of 4 years, with the advice and consent of
16 the Senate. The compensation of the Directors shall be set by
17 the Governor at the time of their appointment. Directors must
18 have relevant experience in the gaming industry related to
19 their respective divisions.

20 (c) The Director of Casino Gambling shall have the duties
21 and powers described in the Illinois Gambling Act. The
22 Director of Video Gaming shall have the duties and powers
23 described in the Video Gaming Act and the State Fair Gaming
24 Act. The Director of Horse Racing shall have the duties and
25 powers described in the Illinois Horse Racing Act of 1975. The

1 Director of Sport Wagering shall have the duties and powers
2 described in the Sports Wagering Act. The Director of Lottery
3 shall have the duties and powers described in the Illinois
4 Lottery Law.

5 (d) The Directors shall exercise day to day supervision
6 over their respective Divisions, subject to the supervision of
7 the Lottery and Gaming Board.

8 Section 20. Transfer of functions.

9 (a) The functions and all associated powers, duties,
10 rights, and responsibilities of the consolidating agencies
11 shall be transferred to the Department of Lottery and Gaming
12 and shall be exercised by the respective Divisions on behalf
13 of the Department. The statutory powers, duties, rights, and
14 responsibilities of the consolidating agencies associated with
15 these functions derive from the Illinois Lottery Law, the
16 Illinois Horse Racing Act of 1975, and the Illinois Gambling
17 Act, the Video Gaming Act, the Sports Wagering Act, and the
18 State Fair Gaming Act.

19 (b) If a provision of an Executive Order or any Act or
20 Section thereof transferred by this Act provides for
21 membership of the director or commissioner of any of the
22 consolidating agencies on any council, commission, board, or
23 other entity, the Lottery and Gaming Board or, at the
24 Governor's discretion, the appropriate director of the
25 respective division, or his or her designee, shall serve in

1 that place. If more than one such person is required by law to
2 serve on any council, commission, board, or other entity, an
3 equivalent number of representatives of the Department shall
4 so serve.

5 Section 25. Abolition of consolidating agencies; successor
6 agency. The consolidating agencies listed in this Section
7 shall be abolished. The rights, powers, and duties associated
8 with the functions vested by law in these consolidating
9 agencies, or any office, division, council, committee, bureau,
10 board, commission, officer, employee, or associated
11 individual, person or entity, and all rights, powers, and
12 duties of the consolidating agencies related to the functions,
13 including funding mechanisms, shall be transferred to the
14 Department of Lottery and Gaming with this Act:

15 (1) Department of the Lottery.

16 (2) Illinois Racing Board.

17 (3) Illinois Gaming Board.

18 The Department of Lottery and Gaming is the successor agency
19 of the Department of the Lottery, the Illinois Racing Board,
20 and the Illinois Gaming Board under Section 10-5 of the
21 Successor Agency Act.

22 Section 30. Effect of transfer.

23 (a) The powers, duties, rights, and responsibilities
24 related to the functions and transferred by the consolidating

1 agencies to the Department shall not be affected by this Act,
2 except that they shall all be carried out by the Department
3 from the effective date of the transfers.

4 (b) The staffs of the consolidating agencies engaged in
5 the performance of the functions shall be transferred to the
6 Department. The status and rights of employees under the
7 Personnel Code shall not be affected by the transfers. The
8 rights of the employees, the State of Illinois, and its
9 agencies under the Personnel Code and applicable collective
10 bargaining agreements or under any pension, retirement, or
11 annuity plan shall not be affected by this Act.

12 (c) All books, records, papers, documents, property (real
13 and personal), contracts, and pending business pertaining to
14 the powers, duties, rights, and responsibilities transferred
15 by this Act from the consolidating agencies to the Department,
16 including, but not limited to, material in electronic or
17 magnetic format and necessary computer hardware and software,
18 shall be delivered to the Department.

19 (d) All unexpended appropriations and balances and other
20 funds available for use in connection with any of the
21 functions shall be transferred for use by the Department for
22 the functions pursuant to the direction of the Governor.
23 Unexpended balances so transferred shall be expended only for
24 the purpose for which the appropriations were originally made.

25 Section 35. Saving clause.

1 (a) The powers, duties, rights, and responsibilities
2 related to the functions and transferred from the
3 consolidating agencies by this Act shall be vested in and
4 shall be exercised by the Department. Each act done in
5 exercise of such powers, duties, rights, and responsibilities
6 shall have the same legal effect as if done by any of the
7 consolidating agencies or their divisions, officers, or
8 employees.

9 (b) Every officer of the Department shall, for any
10 offense, be subject to the same penalty or penalties, civil or
11 criminal, as are prescribed by existing law for the same
12 offense by any officer whose powers or duties were transferred
13 under this Act.

14 (c) Whenever reports or notices are now required to be
15 made or given or papers or documents furnished or served by any
16 person to or upon any of the consolidating agencies in
17 connection with any of the functions transferred by this Act,
18 the same shall be made, given, furnished, or served in the same
19 manner to or upon the Department.

20 (d) This Act shall not affect any act done, ratified, or
21 canceled or any right occurring or established or any action
22 or proceeding had or commenced in an administrative, civil, or
23 criminal cause regarding the functions of any of the
24 consolidating agencies before this Act takes effect; such
25 actions or proceedings may be prosecuted and continued by the
26 Department.

1 (e) Any rules of the consolidating agencies that relate to
2 the functions, are in full force on the effective date of this
3 Act and that have been duly adopted by the consolidating
4 agencies shall become the rules of the Department. This Act
5 shall not affect the legality of any such rules in the Illinois
6 Administrative Code. Any proposed rules filed with the
7 Secretary of State by the consolidating agencies that are
8 pending in the rulemaking process on the effective date of
9 this Act and pertain to the functions transferred, shall be
10 deemed to have been filed by the Department. As soon as
11 practicable hereafter, the Department shall revise and clarify
12 the rules transferred to it under this Act to reflect the
13 reorganization of rights, powers, and duties affected by this
14 Act, using the procedures for recodification of rules
15 available under the Illinois Administrative Procedure Act,
16 except that existing title, part, and section numbering for
17 the affected rules may be retained. The Department, consistent
18 with the consolidating agencies' authority to do so, may
19 propose and adopt under the Illinois Administrative Procedure
20 Act such other rules of the consolidating agencies that will
21 now be administered by the Department. To the extent that,
22 prior to the effective date of the transfers, the director or
23 commissioner of a consolidating agency had been empowered to
24 prescribe regulations or had other rulemaking authority with
25 respect to transferred functions, such duties shall be
26 exercised from and after the effective date of the transfers

1 by the director responsible for the oversight of those
2 respective functions.

3 (f) Any references to the Department of the Lottery, the
4 Illinois Racing Board, and the Illinois Gaming Board shall be
5 construed as references to the Department of Lottery and
6 Gaming.

7 Section 100. The Departments of State Government Law of
8 the Civil Administrative Code of Illinois is amended by
9 changing Sections 5-15 and 5-20 as follows:

10 (20 ILCS 5/5-15) (was 20 ILCS 5/3)

11 Sec. 5-15. Departments of State government. The
12 Departments of State government are created as follows:

13 The Department on Aging.

14 The Department of Agriculture.

15 The Department of Central Management Services.

16 The Department of Children and Family Services.

17 The Department of Commerce and Economic Opportunity.

18 The Department of Corrections.

19 The Department of Employment Security.

20 The Illinois Emergency Management Agency.

21 The Department of Financial and Professional Regulation.

22 The Department of Healthcare and Family Services.

23 The Department of Human Rights.

24 The Department of Human Services.

1 The Department of Innovation and Technology.
2 The Department of Insurance.
3 The Department of Juvenile Justice.
4 The Department of Labor.
5 The Department of Lottery and Gaming ~~the Lottery~~.
6 The Department of Natural Resources.
7 The Department of Public Health.
8 The Department of Revenue.
9 The Department of State Police.
10 The Department of Transportation.
11 The Department of Veterans' Affairs.

12 (Source: P.A. 100-611, eff. 7-20-18; 100-1179, eff. 1-18-19.)

13 (20 ILCS 5/5-20) (was 20 ILCS 5/4)

14 Sec. 5-20. Heads of departments. Each department shall
15 have an officer as its head who shall be known as director or
16 secretary and who shall, subject to the provisions of the
17 Civil Administrative Code of Illinois, execute the powers and
18 discharge the duties vested by law in his or her respective
19 department.

20 The following officers are hereby created:

21 Director of Aging, for the Department on Aging.

22 Director of Agriculture, for the Department of
23 Agriculture.

24 Director of Central Management Services, for the
25 Department of Central Management Services.

1 Director of Children and Family Services, for the
2 Department of Children and Family Services.

3 Director of Commerce and Economic Opportunity, for the
4 Department of Commerce and Economic Opportunity.

5 Director of Corrections, for the Department of
6 Corrections.

7 Director of the Illinois Emergency Management Agency, for
8 the Illinois Emergency Management Agency.

9 Director of Employment Security, for the Department of
10 Employment Security.

11 Secretary of Financial and Professional Regulation, for
12 the Department of Financial and Professional Regulation.

13 Director of Healthcare and Family Services, for the
14 Department of Healthcare and Family Services.

15 Director of Human Rights, for the Department of Human
16 Rights.

17 Secretary of Human Services, for the Department of Human
18 Services.

19 Secretary of Innovation and Technology, for the Department
20 of Innovation and Technology.

21 Director of Insurance, for the Department of Insurance.

22 Director of Juvenile Justice, for the Department of
23 Juvenile Justice.

24 Director of Labor, for the Department of Labor.

25 ~~Director of the Lottery, for the Department of the~~
26 ~~Lottery.~~

1 Director of Natural Resources, for the Department of
2 Natural Resources.

3 Director of Public Health, for the Department of Public
4 Health.

5 Director of Revenue, for the Department of Revenue.

6 Director of State Police, for the Department of State
7 Police.

8 Secretary of Transportation, for the Department of
9 Transportation.

10 Director of Veterans' Affairs, for the Department of
11 Veterans' Affairs.

12 (Source: P.A. 100-611, eff. 7-20-18; 100-1179, eff. 1-18-19.)

13 (20 ILCS 5/5-372 rep.)

14 Section 102. The Departments of State Government Law of the
15 Civil Administrative Code of Illinois is amended by repealing
16 Section 5-372.

17 Section 105. The Illinois Lottery Law is amended by
18 changing Sections 3, 4, 5, 5.1, 7.1, 7.2, 7.3, 7.4, 7.5, 7.8,
19 7.8a, 7.11, 7.12, 7.15, 7.16, 8, 9, 9.1, 10, 10.1, 10.1a, 10.2,
20 10.3, 10.4, 10.5, 10.6, 10.7, 10.8, 12, 13, 13.1, 14, 14.3,
21 14.4, 15, 19, 20.1, 21, 21.3, 21.5, 21.6, 21.7, 21.8, 21.9,
22 21.10, 21.11, 21.12, 21.13, 24, and 25 as follows:

23 (20 ILCS 1605/3) (from Ch. 120, par. 1153)

1 Sec. 3. For the purposes of this Act:

2 a. "Lottery" or "State Lottery" means the lottery or
3 lotteries established and operated pursuant to this Act.

4 b. (Blank) ~~"Board" means the Lottery Control Board created~~
5 ~~by this Act.~~

6 c. "Department" means the Department of Lottery and Gaming
7 ~~the Lottery.~~

8 d. (Blank).

9 e. (Blank) ~~"Chairman" means the Chairman of the Lottery~~
10 ~~Control Board.~~

11 f. "Multi-state game directors" means such persons,
12 including the Director, as may be designated by an agreement
13 between the Department and one or more additional lotteries
14 operated under the laws of another state or states.

15 g. "Division" means the Division of Lottery of the
16 Department of Lottery and Gaming ~~(Blank).~~

17 h. "Director" means the Director of the Division of
18 Lottery of the Department of Lottery and Gaming ~~Department of~~
19 ~~the Lottery.~~

20 i. "Management agreement" means an agreement or contract
21 between the Department on behalf of the State with a private
22 manager, as an independent contractor, whereby the private
23 manager provides management services to the Lottery in
24 exchange for compensation that may consist of, among other
25 things, a fee for services and a performance-based bonus of no
26 more than 5% of Lottery profits so long as the Department

1 continues to exercise actual control over all significant
2 business decisions made by the private manager as set forth in
3 Section 9.1.

4 j. "Person" means any individual, firm, association, joint
5 venture, partnership, estate, trust, syndicate, fiduciary,
6 corporation, or other legal entity, group, or combination.

7 k. "Private manager" means a person that provides
8 management services to the Lottery on behalf of the Department
9 under a management agreement.

10 l. "Profits" means total revenues accruing from the sale
11 of lottery tickets or shares and related proceeds minus (1)
12 the payment of prizes and retailer bonuses and (2) the payment
13 of costs incurred in the operation and administration of the
14 lottery, excluding costs of services directly rendered by a
15 private manager.

16 m. "Chief Procurement Officer" means the Chief Procurement
17 Officer provided for under paragraph (4) of subsection (a) of
18 Section 10-20 of the Illinois Procurement Code.

19 (Source: P.A. 97-464, eff. 8-19-11; 98-499, eff. 8-16-13.)

20 (20 ILCS 1605/4) (from Ch. 120, par. 1154)

21 Sec. 4. The Division of Lottery ~~Department of the Lottery~~
22 is established to implement and regulate the State Lottery in
23 the manner provided in this Act.

24 (Source: P.A. 97-464, eff. 10-15-11.)

1 (20 ILCS 1605/5) (from Ch. 120, par. 1155)

2 Sec. 5. (a) The Department shall be under the supervision
3 and direction of a Director, who shall be appointed as
4 provided in the Department of Lottery and Gaming Act ~~a person~~
5 ~~qualified by training and experience to perform the duties~~
6 ~~required by this Act. The Director shall be appointed by the~~
7 ~~Governor, by and with the advice and consent of the Senate. The~~
8 ~~term of office of the Director shall expire on the third Monday~~
9 ~~of January in odd numbered years provided that he or she shall~~
10 ~~hold office until a successor is appointed and qualified. For~~
11 ~~terms ending before December 31, 2019, the annual salary of~~
12 ~~the Director is \$142,000. For terms beginning after the~~
13 ~~effective date of this amendatory Act of the 100th General~~
14 ~~Assembly, the annual salary of the Director shall be as~~
15 ~~provided in Section 5-300 of the Civil Administrative Code of~~
16 ~~Illinois.~~

17 ~~Any vacancy occurring in the office of the Director shall~~
18 ~~be filled in the same manner as the original appointment. In~~
19 ~~case of a vacancy during the recess of the Senate, the Governor~~
20 ~~shall make a temporary appointment until the next meeting of~~
21 ~~the Senate, when the Governor shall nominate some person to~~
22 ~~fill the office, and any person so nominated who is confirmed~~
23 ~~by the Senate shall hold office during the remainder of the~~
24 ~~term and until his or her successor is appointed and~~
25 ~~qualified.~~

26 ~~During the absence or inability to act of the Director, or~~

1 ~~in the case of a vacancy in the office of Director until a~~
2 ~~successor is appointed and qualified, the Governor may~~
3 ~~designate some person as Acting Director of the Lottery to~~
4 ~~execute the powers and discharge the duties vested by law in~~
5 ~~that office. A person who is designated as an Acting Director~~
6 ~~shall not continue in office for more than 60 calendar days~~
7 ~~unless the Governor files a message with the Secretary of the~~
8 ~~Senate nominating that person to fill the office. After 60~~
9 ~~calendar days, the office is considered vacant and shall be~~
10 ~~filled only under this Section. No person who has been~~
11 ~~appointed by the Governor to serve as Acting Director shall,~~
12 ~~except at the Senate's request, be designated again as an~~
13 ~~Acting Director at the same session of that Senate, subject to~~
14 ~~the provisions of this Section. A person appointed as an~~
15 ~~Acting Director is not required to meet the requirements of~~
16 ~~paragraph (1) of subsection (b) of this Section. In no case may~~
17 ~~the Governor designate a person to serve as Acting Director if~~
18 ~~that person has prior to the effective date of this amendatory~~
19 ~~Act of the 97th General Assembly exercised any of the duties~~
20 ~~and functions of the office of Director without having been~~
21 ~~nominated by the Governor to serve as Director.~~

22 (b) (Blank). ~~The Director shall devote his or her entire~~
23 ~~time and attention to the duties of the office and shall not be~~
24 ~~engaged in any other profession or occupation.~~

25 ~~The Director shall:~~

26 ~~(1) be qualified by training and experience to direct~~

1 ~~a lottery, including, at a minimum, 5 years of senior~~
2 ~~executive level experience in the successful advertising,~~
3 ~~marketing, and selling of consumer products, 4 years of~~
4 ~~successful experience directing a lottery on behalf of a~~
5 ~~governmental entity, or 5 years of successful senior level~~
6 ~~management experience at a lottery on behalf of a~~
7 ~~governmental entity;~~

8 ~~(2) have significant and meaningful management and~~
9 ~~regulatory experience; and~~

10 ~~(3) have a good reputation, particularly as a person~~
11 ~~of honesty, independence, and integrity.~~

12 ~~The Director shall not during his or her term of~~
13 ~~appointment: become a candidate for any elective office; hold~~
14 ~~any other elected or appointed public office; be actively~~
15 ~~involved in the affairs of any political party or political~~
16 ~~organization; advocate for the appointment of another person~~
17 ~~to an appointed or elected office or position; or actively~~
18 ~~participate in any campaign for any elective office. The~~
19 ~~Director may be appointed to serve on a governmental advisory~~
20 ~~or board study commission or as otherwise expressly authorized~~
21 ~~by law.~~

22 (c) (Blank). ~~No person shall perform the duties and~~
23 ~~functions of the Director, or otherwise exercise the authority~~
24 ~~of the Director, unless the same shall have been appointed by~~
25 ~~the Governor pursuant to this Section.~~

26 (Source: P.A. 100-1179, eff. 1-18-19.)

1 (20 ILCS 1605/5.1)

2 Sec. 5.1. E.J. "Zeke" Giorgi Lottery Building. The
3 building occupied by the Division ~~Department~~ from time to time
4 as its main office in Springfield shall be known as the E.J.
5 "Zeke" Giorgi Lottery Building.

6 (Source: P.A. 88-676, eff. 12-14-94.)

7 (20 ILCS 1605/7.1) (from Ch. 120, par. 1157.1)

8 Sec. 7.1. The Division ~~Department~~ shall promulgate such
9 rules and regulations governing the establishment and
10 operation of a State lottery as it deems necessary to carry out
11 the purposes of this Act. Such rules and regulations shall be
12 subject to the provisions of The Illinois Administrative
13 Procedure Act. The Division ~~Department~~ shall issue written
14 game rules, play instructions, directives, operations manuals,
15 brochures, or any other publications necessary to conduct
16 specific games, as authorized by rule by the Division
17 ~~Department~~. Any written game rules, play instructions,
18 directives, operations manuals, brochures, or other game
19 publications issued by the Division ~~Department~~ that relate to
20 a specific lottery game shall be maintained as a public record
21 in the Division's ~~Department's~~ principal office, and made
22 available for public inspection and copying but shall be
23 exempt from the rulemaking procedures of the Illinois
24 Administrative Procedure Act. However, when such written

1 materials contain any policy of general applicability, the
2 Division ~~Department~~ shall formulate and adopt such policy as a
3 rule in accordance with the provisions of the Illinois
4 Administrative Procedure Act. In addition, the Division
5 ~~Department~~ shall publish each January in the Illinois Register
6 a list of all game-specific rules, play instructions,
7 directives, operations manuals, brochures, or other
8 game-specific publications issued by the Division ~~Department~~
9 during the previous year and instructions concerning how the
10 public may obtain copies of these materials from the Division
11 ~~Department~~.

12 (Source: P.A. 97-464, eff. 10-15-11.)

13 (20 ILCS 1605/7.2) (from Ch. 120, par. 1157.2)

14 Sec. 7.2. The rules and regulations of the Division
15 ~~Department~~ may include, but shall not be limited to, the
16 following:

- 17 (1) The types of lotteries to be conducted;
- 18 (2) The price, or prices, of tickets or shares in the
19 lottery;
- 20 (3) The numbers and sizes of the prizes on the winning
21 tickets or shares;
- 22 (4) The manner of selecting the winning tickets or
23 shares;
- 24 (5) The manner of payment of prizes to the holders of
25 winning tickets or shares;

1 (6) The frequency of the drawing or selections of
2 winning tickets or shares, without limitation;

3 (7) Without limit to number, the type or types of
4 locations at which tickets or shares may be sold;

5 (8) The method to be used in selling tickets or
6 shares;

7 (9) The manner and amount of compensation, if any, to
8 be paid licensed sales agents necessary to provide for the
9 adequate availability of tickets or shares to prospective
10 buyers and for the convenience of the public;

11 (10) The apportionment of the total revenues accruing
12 from the sale of lottery tickets or shares and from all
13 other sources among (i) the payment of prizes to the
14 holders of winning tickets or shares, (ii) the payment of
15 costs incurred in the operation and administration of the
16 lottery, including the expenses of the Division ~~Department~~
17 and the costs resulting from any contract or contracts
18 entered into for promotional, advertising or operational
19 services or for the purchase or lease of lottery equipment
20 and materials, and (iii) for monthly transfers to the
21 Common School Fund. The net revenues accruing from the
22 sale of lottery tickets shall be determined by deducting
23 from total revenues the payments required by paragraphs
24 (i) and (ii) of this subsection.

25 (11) Such other matters necessary or desirable for the
26 efficient and economical operation and administration of

1 the lottery and for the convenience of the purchasers of
2 tickets or shares and the holders of winning tickets or
3 shares.

4 (Source: P.A. 99-933, eff. 1-27-17.)

5 (20 ILCS 1605/7.3) (from Ch. 120, par. 1157.3)

6 Sec. 7.3. The Division ~~Board~~ shall designate Hearing
7 Officers who shall conduct hearings upon complaints charging
8 violations of this Act or of regulations thereunder, and such
9 other hearings as may be provided by Division ~~Department~~ rule.
10 The Director or his or her designee ~~Board~~ may hear appeals from
11 the recommended decisions of its Hearing Officers in
12 accordance with procedures established by Division ~~Department~~
13 rule. Whenever the Division ~~Department~~ issues a Notice of
14 Assessment under Section 21 of this Act, the lottery sales
15 agent may protest such Notice by filing a request for hearing
16 within 20 days of the date of such Notice.

17 (Source: P.A. 85-1224; 86-1475.)

18 (20 ILCS 1605/7.4) (from Ch. 120, par. 1157.4)

19 Sec. 7.4. The Division ~~Department~~ shall carry on a
20 continuous study and investigation of the lottery throughout
21 the State (1) for the purpose of ascertaining any defects in
22 this Act or in the rules and regulations issued under this Act
23 whereby any abuses in the administration and operation of the
24 lottery or any evasion of this Act or the rules and regulations

1 may arise or be practiced, (2) for the purpose of formulating
2 recommendations for changes in this Act and the rules and
3 regulations promulgated hereunder to prevent such abuses and
4 evasions, (3) to guard against the use of this Act and the
5 rules and regulations issued hereunder as a cloak for the
6 carrying on of organized gambling and crime, and (4) to insure
7 that the law and rules and regulations shall be in such form
8 and be so administered as to serve the true purposes of this
9 Act.

10 (Source: P.A. 84-1128.)

11 (20 ILCS 1605/7.5) (from Ch. 120, par. 1157.5)

12 Sec. 7.5. The Division ~~Board~~ shall report to the Governor,
13 the Attorney General, the Speaker of the House, the President
14 of the Senate, the minority leaders of both houses, and such
15 other State officers as from time to time it deems
16 appropriate, any matters which it deems to require an
17 immediate change in the laws of this State in order to prevent
18 abuses and evasions of this Act or rules and regulations
19 promulgated thereunder or to rectify undesirable conditions in
20 connection with the administration or operation of the
21 lottery.

22 (Source: P.A. 84-1128.)

23 (20 ILCS 1605/7.8) (from Ch. 120, par. 1157.8)

24 Sec. 7.8. The Division ~~Department~~ shall make an annual

1 report regarding the work of the Division ~~Board~~ to the
2 Governor, the Speaker of the House, the President of the
3 Senate, and the minority leaders of both houses, such report
4 to be a public report.

5 (Source: P.A. 84-1128.)

6 (20 ILCS 1605/7.8a) (from Ch. 120, par. 1157.8a)

7 Sec. 7.8a. The Division ~~Board~~ shall establish advertising
8 policy to ensure that advertising content and practices do not
9 target with the intent to exploit specific groups or economic
10 classes of people, and that its content is accurate and not
11 misleading. The Division ~~Board~~ shall review, at least
12 quarterly, all past advertising for major media campaigns to
13 ensure that they do not target with the intent to exploit
14 specific groups or economic classes of people, and that their
15 content is accurate and not misleading. If the Division ~~Board~~
16 finds that advertising conflicts with such policy, it shall
17 have the authority to direct the Division ~~Department~~ to cease
18 that advertising. ~~The Director or his or her designee shall~~
19 ~~provide a briefing on proposed major media campaigns at any~~
20 ~~regularly scheduled meeting upon written request from any~~
21 ~~Board member. Such written request must be received by the~~
22 ~~Director at least 10 days prior to the regularly scheduled~~
23 ~~meeting.~~

24 (Source: P.A. 98-499, eff. 8-16-13.)

1 (20 ILCS 1605/7.11) (from Ch. 120, par. 1157.11)

2 Sec. 7.11. The Division ~~Department~~ may establish and
3 collect nominal charges for promotional products ("premiums")
4 and other promotional materials produced or acquired by the
5 Division ~~Department~~ as part of its advertising and promotion
6 activities. Such premiums or other promotional materials may
7 be sold to individuals, government agencies and not-for-profit
8 organizations, but not to for-profit enterprises for the
9 purpose of resale. Other State agencies shall be charged no
10 more than the cost to the Division ~~Department~~ of the premium or
11 promotional material. All proceeds from the sale of premiums
12 or promotional materials shall be deposited in the State
13 Lottery Fund in the State Treasury.

14 (Source: P.A. 97-464, eff. 10-15-11.)

15 (20 ILCS 1605/7.12)

16 (Section scheduled to be repealed on July 1, 2022)

17 Sec. 7.12. Internet program.

18 (a) The General Assembly finds that:

19 (1) the consumer market in Illinois has changed since
20 the creation of the Illinois State Lottery in 1974;

21 (2) the Internet has become an integral part of
22 everyday life for a significant number of Illinois
23 residents not only in regards to their professional life,
24 but also in regards to personal business and
25 communication; and

1 (3) the current practices of selling lottery tickets
2 does not appeal to the new form of market participants who
3 prefer to make purchases on the Internet at their own
4 convenience.

5 It is the intent of the General Assembly to create an
6 Internet program for the sale of lottery tickets to capture
7 this new form of market participant.

8 (b) The Division ~~Department~~ shall create a program that
9 allows an individual 18 years of age or older to purchase
10 lottery tickets or shares on the Internet without using a
11 Lottery retailer with on-line status, as those terms are
12 defined by rule. The Division ~~Department~~ shall restrict the
13 sale of lottery tickets on the Internet to transactions
14 initiated and received or otherwise made exclusively within
15 the State of Illinois. The Division ~~Department~~ shall adopt
16 rules necessary for the administration of this program. These
17 rules shall include, among other things, requirements for
18 marketing of the Lottery to infrequent players, as well as
19 limitations on the purchases that may be made through any one
20 individual's lottery account. The provisions of this Act and
21 the rules adopted under this Act shall apply to the sale of
22 lottery tickets or shares under this program.

23 The Division ~~Department~~ is obligated to implement the
24 program set forth in this Section and Sections 7.15 and 7.16.
25 The Division ~~Department~~ may offer Lotto, Lucky Day Lotto, Mega
26 Millions, Powerball, Pick 3, Pick 4, and other draw games that

1 are offered at retail locations through the Internet program.
2 The private manager shall obtain the Director's approval
3 before providing any draw games. Any draw game tickets that
4 are approved for sale by lottery licensees are automatically
5 approved for sale through the Internet program. The Division
6 ~~Department~~ shall maintain responsible gaming controls in its
7 policies.

8 The Division ~~Department~~ shall authorize the private
9 manager to implement and administer the program pursuant to
10 the management agreement entered into under Section 9.1 and in
11 a manner consistent with the provisions of this Section. If a
12 private manager has not been selected pursuant to Section 9.1
13 at the time the Division ~~Department~~ is obligated to implement
14 the program, then the Division ~~Department~~ shall not proceed
15 with the program until after the selection of the private
16 manager, at which time the Division ~~Department~~ shall authorize
17 the private manager to implement and administer the program
18 pursuant to the management agreement entered into under
19 Section 9.1 and in a manner consistent with the provisions of
20 this Section.

21 Nothing in this Section shall be construed as prohibiting
22 the Division ~~Department~~ from implementing and operating a
23 website portal whereby individuals who are 18 years of age or
24 older with an Illinois mailing address may apply to purchase
25 lottery tickets via subscription. Nothing in this Section
26 shall also be construed as prohibiting the Lottery draw game

1 tickets authorized for sale through the Internet program under
2 this Section from also continuing to be sold at retail
3 locations by a lottery licensee pursuant to the Division's
4 ~~Department's~~ rules.

5 (c) (Blank).

6 (d) This Section is repealed on July 1, 2022.

7 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;
8 101-35, eff. 6-28-19.)

9 (20 ILCS 1605/7.15)

10 Sec. 7.15. Verification for Internet program; security for
11 Internet lottery accounts. The Division ~~Department~~ must
12 establish a procedure to verify that an individual is 18 years
13 of age or older and that the sale of lottery tickets on the
14 Internet is limited to transactions that are initiated and
15 received or otherwise made exclusively within the State of
16 Illinois, unless the federal Department of Justice indicates
17 that it is legal for the transactions to originate in states
18 other than Illinois. An individual must satisfy the
19 verification procedure before he or she may establish one
20 Internet lottery account and purchase lottery tickets or
21 shares through the Internet pilot program. By rule, the
22 Division ~~Department~~ shall establish funding procedures for
23 Internet lottery accounts and shall provide a mechanism to
24 prevent the unauthorized use of Internet lottery accounts. If
25 any participant in the pilot program violates any provisions

1 of this amendatory Act of the 96th General Assembly or rule
2 established by the Division ~~Department~~, the participant's
3 winnings shall be forfeited. Such forfeited winnings shall be
4 deposited in the Common School Fund.

5 (Source: P.A. 96-34, eff. 7-13-09; 96-840, eff. 12-23-09.)

6 (20 ILCS 1605/7.16)

7 Sec. 7.16. Voluntary self-exclusion program for Internet
8 lottery sales. Any resident, or non-resident if allowed to
9 participate in the pilot program, may voluntarily prohibit
10 themselves from establishing an Internet lottery account. The
11 Division ~~Department~~ shall incorporate the voluntary
12 self-exclusion program for Internet lottery accounts into any
13 existing self-exclusion program that it operates on the
14 effective date of this amendatory Act of the 96th General
15 Assembly.

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

17 (20 ILCS 1605/8) (from Ch. 120, par. 1158)

18 Sec. 8. In connection with any hearing held pursuant to
19 Section 7.3 of this Act, the Director or his or her designee
20 ~~Board~~, or any Hearing Officer appointed by the Director ~~Board~~,
21 may subpoena and compel the appearance of witnesses and
22 production of documents, papers, books, records and other
23 evidence before it in any matter over which it has
24 jurisdiction, control or supervision. The Director or his or

1 her designee ~~Board~~, or any appointed Hearing Officer, shall
2 have the power to administer oaths and affirmations to persons
3 whose testimony is required. If a person subpoenaed to attend
4 in any such proceeding or hearing fails to obey the command of
5 the subpoena without reasonable cause, or if a person in
6 attendance in any such proceeding or hearing refuses, without
7 lawful cause, to be examined or to answer a legal or pertinent
8 question or to exhibit any books, account, record or other
9 document when ordered so to do by the Director or any ~~Board or~~
10 ~~its~~ Hearing Officer, the Director ~~Board~~ or Hearing Officer may
11 apply to the circuit court, upon proof by affidavit of the
12 facts, for an order returnable in not less than 2 nor more than
13 10 days, or as the court may prescribe, directing such person
14 to show cause before the court why he or she should not comply
15 with such subpoena or such order.

16 Upon return of the order, the court shall examine such
17 person under oath, and if the court determines, after giving
18 such person an opportunity to be heard, that he or she refused
19 without legal excuse to comply with such subpoena or such
20 order of the Director ~~Board~~ or Hearing Officer, the court may
21 order such person to comply therewith immediately and any
22 failure to obey the order of the court may be punished as a
23 contempt of court.

24 All subpoenas and subpoenas duces tecum issued under the
25 provisions of this Act may be served by any person of lawful
26 age. The fees of witnesses for attendance and travel shall be

1 the same as the fees of witnesses before the circuit courts of
2 this State. When the witness is subpoenaed at the instance of
3 the Division ~~Department~~ or any officer or employee thereof,
4 such fees shall be paid in the same manner as other expenses of
5 the Division ~~Department~~. When the witness is subpoenaed at the
6 instance of any other party to any such proceeding, the
7 Division ~~Department~~ may require that the cost of service of
8 the subpoena or subpoena duces tecum and the fee of the witness
9 be borne by the party at whose instance the witness is
10 summoned. In such case, and on motion of the Division
11 ~~Department~~, the Director or any ~~Board or its~~ Hearing Officer
12 may require a deposit to cover the cost of such service and
13 witness fees.

14 The Division ~~Department~~, or any officer or employee
15 thereof, or any other party to a hearing before the Director or
16 any ~~Board or its~~ Hearing Officers, may cause the depositions
17 of witnesses within the State to be taken in the manner
18 prescribed by law for like depositions in civil actions in
19 courts of this State, and to that end compel the attendance of
20 witnesses and the production of books, papers, records or
21 memoranda.

22 (Source: P.A. 85-1224.)

23 (20 ILCS 1605/9) (from Ch. 120, par. 1159)

24 Sec. 9. The Director, as administrative head of the
25 Division ~~Department~~, shall direct and supervise all its

1 administrative and technical activities. In addition to the
2 duties imposed upon him elsewhere in this Act, it shall be the
3 Director's duty:

4 a. To supervise and administer the operation of the
5 lottery in accordance with the provisions of this Act or
6 such rules and regulations of the Department adopted
7 thereunder.

8 b. (Blank) ~~To attend meetings of the Board or to~~
9 ~~appoint a designee to attend in his stead.~~

10 c. To employ and direct such personnel in accord with
11 the Personnel Code, as may be necessary to carry out the
12 purposes of this Act. In addition, the Director may by
13 agreement secure such services as he or she may deem
14 necessary from any other department, agency, or unit of
15 the State government, and may employ and compensate such
16 consultants and technical assistants as may be required
17 and is otherwise permitted by law.

18 d. To license, in accordance with the provisions of
19 Sections 10 and 10.1 of this Act and the rules and
20 regulations of the Division ~~Department~~ adopted thereunder,
21 as agents to sell lottery tickets such persons as in his
22 opinion will best serve the public convenience and promote
23 the sale of tickets or shares. The Director may require a
24 bond from every licensed agent, in such amount as provided
25 in the rules and regulations of the Division ~~Department~~.
26 Every licensed agent shall prominently display his

1 license, or a copy thereof, as provided in the rules and
2 regulations of the Division ~~Department~~.

3 e. To suspend or revoke any license issued pursuant to
4 this Act or the rules and regulations promulgated by the
5 Division ~~Department~~ thereunder.

6 f. (Blank) ~~To confer regularly as necessary or~~
7 ~~desirable and not less than once every month with the~~
8 ~~Lottery Control Board on the operation and administration~~
9 ~~of the Lottery; to make available for inspection by the~~
10 ~~Board or any member of the Board, upon request, all books,~~
11 ~~records, files, and other information and documents of his~~
12 ~~office; to advise the Board and recommend such rules and~~
13 ~~regulations and such other matters as he deems necessary~~
14 ~~and advisable to improve the operation and administration~~
15 ~~of the lottery.~~

16 g. To enter into contracts for the operation of the
17 lottery, or any part thereof, and into contracts for the
18 promotion of the lottery on behalf of the Division
19 ~~Department~~ with any person, firm or corporation, to
20 perform any of the functions provided for in this Act or
21 the rules and regulations promulgated thereunder. The
22 Division ~~Department~~ shall not expend State funds on a
23 contractual basis for such functions unless those
24 functions and expenditures are expressly authorized by the
25 General Assembly.

26 h. To enter into an agreement or agreements with the

1 management of state lotteries operated pursuant to the
2 laws of other states for the purpose of creating and
3 operating a multi-state lottery game wherein a separate
4 and distinct prize pool would be combined to award larger
5 prizes to the public than could be offered by the several
6 state lotteries, individually. No tickets or shares
7 offered in connection with a multi-state lottery game
8 shall be sold within the State of Illinois, except those
9 offered by and through the Division ~~Department~~. No such
10 agreement shall purport to pledge the full faith and
11 credit of the State of Illinois, nor shall the Division
12 ~~Department~~ expend State funds on a contractual basis in
13 connection with any such game unless such expenditures are
14 expressly authorized by the General Assembly, provided,
15 however, that in the event of error or omission by the
16 Illinois State Lottery in the conduct of the game, as
17 determined by the multi-state game directors, the Division
18 ~~Department~~ shall be authorized to pay a prize winner or
19 winners the lesser of a disputed prize or \$1,000,000, any
20 such payment to be made solely from funds appropriated for
21 game prize purposes. The Division ~~Department~~ shall be
22 authorized to share in the ordinary operating expenses of
23 any such multi-state lottery game, from funds appropriated
24 by the General Assembly, and in the event the multi-state
25 game control offices are physically located within the
26 State of Illinois, the Division ~~Department~~ is authorized

1 to advance start-up operating costs not to exceed
2 \$150,000, subject to proportionate reimbursement of such
3 costs by the other participating state lotteries. The
4 Division ~~Department~~ shall be authorized to share
5 proportionately in the costs of establishing a liability
6 reserve fund from funds appropriated by the General
7 Assembly. The Division ~~Department~~ is authorized to
8 transfer prize award funds attributable to Illinois sales
9 of multi-state lottery game tickets to the multi-state
10 control office, or its designated depository, for deposit
11 to such game pool account or accounts as may be
12 established by the multi-state game directors, the records
13 of which account or accounts shall be available at all
14 times for inspection in an audit by the Auditor General of
15 Illinois and any other auditors pursuant to the laws of
16 the State of Illinois. No multi-state game prize awarded
17 to a nonresident of Illinois, with respect to a ticket or
18 share purchased in a state other than the State of
19 Illinois, shall be deemed to be a prize awarded under this
20 Act for the purpose of taxation under the Illinois Income
21 Tax Act. The Division ~~Department~~ shall promulgate such
22 rules as may be appropriate to implement the provisions of
23 this Section.

24 i. To make a continuous study and investigation of (1)
25 the operation and the administration of similar laws which
26 may be in effect in other states or countries, (2) any

1 literature on the subject which from time to time may be
2 published or available, (3) any Federal laws which may
3 affect the operation of the lottery, and (4) the reaction
4 of Illinois citizens to existing and potential features of
5 the lottery with a view to recommending or effecting
6 changes that will tend to serve the purposes of this Act.

7 j. To report monthly to the State Treasurer ~~and the~~
8 ~~Lottery Control Board~~ a full and complete statement of
9 lottery revenues, prize disbursements and other expenses
10 for each month and the amounts to be transferred to the
11 Common School Fund pursuant to Section 7.2, and to make an
12 annual report, which shall include a full and complete
13 statement of lottery revenues, prize disbursements and
14 other expenses, to the Governor ~~and the Board~~. All reports
15 required by this subsection shall be public and copies of
16 all such reports shall be sent to the Speaker of the House,
17 the President of the Senate, and the minority leaders of
18 both houses.

19 k. To keep the name and municipality of residence of
20 the prize winner of a prize of \$250,000 or greater
21 confidential upon the prize winner making a written
22 request that his or her name and municipality of residence
23 be kept confidential. The prize winner must submit his or
24 her written request at the time of claiming the prize. The
25 written request shall be in the form established by the
26 Division ~~Department~~. Nothing in this paragraph k

1 supersedes the Division's ~~Department's~~ duty to disclose
2 the name and municipality of residence of a prize winner
3 of a prize of \$250,000 or greater pursuant to the Freedom
4 of Information Act.

5 (Source: P.A. 99-933, eff. 1-27-17; 100-1068, eff. 8-24-18.)

6 (20 ILCS 1605/9.1)

7 Sec. 9.1. Private manager and management agreement.

8 (a) As used in this Section:

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

11 "Request for qualifications" means all materials and
12 documents prepared by the Division ~~Department~~ to solicit the
13 following from offerors:

14 (1) Statements of qualifications.

15 (2) Proposals to enter into a management agreement,
16 including the identity of any prospective vendor or
17 vendors that the offeror intends to initially engage to
18 assist the offeror in performing its obligations under the
19 management agreement.

20 "Final offer" means the last proposal submitted by an
21 offeror in response to the request for qualifications,
22 including the identity of any prospective vendor or vendors
23 that the offeror intends to initially engage to assist the
24 offeror in performing its obligations under the management
25 agreement.

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

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

9 (c) Pursuant to the terms of this subsection, the Division
10 ~~Department~~ shall endeavor to expeditiously terminate the
11 existing contracts in support of the Lottery in effect on July
12 13, 2009 (the effective date of Public Act 96-37) ~~this~~
13 ~~amendatory Act of the 96th General Assembly~~ in connection with
14 the selection of the private manager. As part of its
15 obligation to terminate these contracts and select the private
16 manager, the Division ~~Department~~ shall establish a mutually
17 agreeable timetable to transfer the functions of existing
18 contractors to the private manager so that existing Lottery
19 operations are not materially diminished or impaired during
20 the transition. To that end, the Division ~~Department~~ shall do
21 the following:

22 (1) where such contracts contain a provision
23 authorizing termination upon notice, the Division
24 ~~Department~~ shall provide notice of termination to occur
25 upon the mutually agreed timetable for transfer of
26 functions;

1 (2) upon the expiration of any initial term or renewal
2 term of the current Lottery contracts, the Division
3 ~~Department~~ shall not renew such contract for a term
4 extending beyond the mutually agreed timetable for
5 transfer of functions; or

6 (3) in the event any current contract provides for
7 termination of that contract upon the implementation of a
8 contract with the private manager, the Division ~~Department~~
9 shall perform all necessary actions to terminate the
10 contract on the date that coincides with the mutually
11 agreed timetable for transfer of functions.

12 If the contracts to support the current operation of the
13 Lottery in effect on July 13, 2009 (the effective date of
14 Public Act 96-34) ~~this amendatory Act of the 96th General~~
15 ~~Assembly~~ are not subject to termination as provided for in
16 this subsection (c), then the Division ~~Department~~ may include
17 a provision in the contract with the private manager
18 specifying a mutually agreeable methodology for incorporation.

19 (c-5) The Division ~~Department~~ shall include provisions in
20 the management agreement whereby the private manager shall,
21 for a fee, and pursuant to a contract negotiated with the
22 Division ~~Department~~ (the "Employee Use Contract"), utilize the
23 services of current Division ~~Department~~ employees to assist in
24 the administration and operation of the Lottery. The Division
25 ~~Department~~ shall be the employer of all such bargaining unit
26 employees assigned to perform such work for the private

1 manager, and such employees shall be State employees, as
2 defined by the Personnel Code. Division ~~Department~~ employees
3 shall operate under the same employment policies, rules,
4 regulations, and procedures, as other employees of the
5 Division ~~Department~~. In addition, neither historical
6 representation rights under the Illinois Public Labor
7 Relations Act, nor existing collective bargaining agreements,
8 shall be disturbed by the management agreement with the
9 private manager for the management of the Lottery.

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

12 (1) A term not to exceed 10 years, including any
13 renewals.

14 (2) A provision specifying that the Division
15 ~~Department~~:

16 (A) shall exercise actual control over all
17 significant business decisions;

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

21 (B) has ready access at any time to information
22 regarding Lottery operations;

23 (C) has the right to demand and receive
24 information from the private manager concerning any
25 aspect of the Lottery operations at any time; and

26 (D) retains ownership of all trade names,

1 trademarks, and intellectual property associated with
2 the Lottery.

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

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

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

24 (6) (Blank).

25 (7) A provision requiring the deposit of all Lottery
26 proceeds to be deposited into the State Lottery Fund

1 except as otherwise provided in Section 20 of this Act.

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

4 (8-5) A provision encouraging that at least 20% of the
5 cost of contracts entered into for goods and services by
6 the private manager in connection with its management of
7 the Lottery, other than contracts with sales agents or
8 technical advisors, be awarded to businesses that are a
9 minority-owned business, a women-owned business, or a
10 business owned by a person with disability, as those terms
11 are defined in the Business Enterprise for Minorities,
12 Women, and Persons with Disabilities Act.

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

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

20 (B) The rights and obligations under contracts
21 with retailers and vendors.

22 (C) The implementation of a comprehensive security
23 program by the private manager.

24 (D) The implementation of a comprehensive system
25 of internal audits.

26 (E) The implementation of a program by the private

1 manager to curb compulsive gambling by persons playing
2 the Lottery.

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

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

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

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

22 (13) A requirement that the Division ~~Department~~
23 monitor and oversee the private manager's practices and
24 take action that the Division ~~Department~~ considers
25 appropriate to ensure that the private manager is in
26 compliance with the terms of the management agreement,

1 while allowing the manager, unless specifically prohibited
2 by law or the management agreement, to negotiate and sign
3 its own contracts with vendors.

4 (14) A provision requiring the private manager to
5 periodically file, at least on an annual basis,
6 appropriate financial statements in a form and manner
7 acceptable to the Division ~~Department~~.

8 (15) Cash reserves requirements.

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

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

17 (18) Procedures for amendment of the agreement.

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

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

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

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

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

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

26 (2) the offeror's ability to address the State's

1 concern with the social effects of gambling on those who
2 can least afford to do so;

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

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

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

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

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

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

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

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

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

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

26 (m) Neither this Section nor any management agreement

1 entered into under this Section prohibits the General Assembly
2 from authorizing forms of gambling that are not in direct
3 competition with the Lottery. The forms of gambling authorized
4 by Public Act 101-31 ~~this amendatory Act of the 101st General~~
5 ~~Assembly~~ constitute authorized forms of gambling that are not
6 in direct competition with the Lottery.

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

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

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

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

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

18 Except as provided in Sections 21.5, 21.6, 21.7, 21.8,
19 21.9, 21.10, 21.11, 21.12, and 21.13, the Division ~~Department~~
20 shall distribute all proceeds of lottery tickets and shares
21 sold in the following priority and manner:

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

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

1 (3) On the last day of each month or as soon thereafter
2 as possible, the State Comptroller shall direct and the
3 State Treasurer shall transfer from the State Lottery Fund
4 to the Common School Fund an amount that is equal to the
5 proceeds transferred in the corresponding month of fiscal
6 year 2009, as adjusted for inflation, to the Common School
7 Fund.

8 (4) On or before September 30 of each fiscal year,
9 deposit any estimated remaining proceeds from the prior
10 fiscal year, subject to payments under items (1), (2), and
11 (3), into the Capital Projects Fund. Beginning in fiscal
12 year 2019, the amount deposited shall be increased or
13 decreased each year by the amount the estimated payment
14 differs from the amount determined from each year-end
15 financial audit. Only remaining net deficits from prior
16 fiscal years may reduce the requirement to deposit these
17 funds, as determined by the annual financial audit.

18 (p) The Division ~~Department~~ shall be subject to the
19 following reporting and information request requirements:

20 (1) the Division ~~Department~~ shall submit written
21 quarterly reports to the Governor and the General Assembly
22 on the activities and actions of the private manager
23 selected under this Section;

24 (2) upon request of the Chief Procurement Officer, the
25 Division ~~Department~~ shall promptly produce information
26 related to the procurement activities of the Division

1 ~~Department~~ and the private manager requested by the Chief
2 Procurement Officer; the Chief Procurement Officer must
3 retain confidential, proprietary, or trade secret
4 information designated by the Division ~~Department~~ in
5 complete confidence pursuant to subsection (g) of Section
6 7 of the Freedom of Information Act; and

7 (3) at least 30 days prior to the beginning of the
8 Division's ~~Department's~~ fiscal year, the Division
9 ~~Department~~ shall prepare an annual written report on the
10 activities of the private manager selected under this
11 Section and deliver that report to the Governor and
12 General Assembly.

13 (Source: P.A. 100-391, eff. 8-25-17; 100-587, eff. 6-4-18;
14 100-647, eff. 7-30-18; 100-1068, eff. 8-24-18; 101-31, eff.
15 6-28-19; 101-81, eff. 7-12-19; 101-561, eff. 8-23-19; revised
16 10-21-19.)

17 (20 ILCS 1605/10) (from Ch. 120, par. 1160)

18 Sec. 10. The Division ~~Department~~, upon application
19 therefor on forms prescribed by the Division ~~Department~~, and
20 upon a determination by the Division ~~Department~~ that the
21 applicant meets all of the qualifications specified in this
22 Act, shall issue a license as an agent to sell lottery tickets
23 or shares. No license as an agent to sell lottery tickets or
24 shares shall be issued to any person to engage in business
25 exclusively as a lottery sales agent.

1 Before issuing such license the Director shall consider
2 (a) the financial responsibility and security of the person
3 and his business or activity, (b) the accessibility of his
4 place of business or activity to the public, (c) the
5 sufficiency of existing licenses to serve the public
6 convenience, (d) the volume of expected sales, and (e) such
7 other factors as he or she may deem appropriate.

8 Until September 1, 1987, the provisions of Sections 2a, 4,
9 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 6, 6a, 6b, 6c, 8, 9,
10 10, 12 and 13.5 of the Retailers' Occupation Tax Act which are
11 not inconsistent with this Act shall apply to the subject
12 matter of this Act to the same extent as if such provisions
13 were included in this Act. For purposes of this Act,
14 references in such incorporated Sections of the Retailers'
15 Occupation Tax Act to retailers, sellers or persons engaged in
16 the business of selling tangible personal property mean
17 persons engaged in selling lottery tickets or shares;
18 references in such incorporated Sections to sales of tangible
19 personal property mean the selling of lottery tickets or
20 shares; and references in such incorporated Sections to
21 certificates of registration mean licenses issued under this
22 Act. The provisions of the Retailers' Occupation Tax Act as
23 heretofore applied to the subject matter of this Act shall not
24 apply with respect to tickets sold by or delivered to lottery
25 sales agents on and after September 1, 1987, but such
26 provisions shall continue to apply with respect to

1 transactions involving the sale and delivery of tickets prior
2 to September 1, 1987.

3 All licenses issued by the Division ~~Department~~ under this
4 Act shall be valid for a period not to exceed 2 years after
5 issuance unless sooner revoked, canceled or suspended as in
6 this Act provided. No license issued under this Act shall be
7 transferable or assignable. Such license shall be
8 conspicuously displayed in the place of business conducted by
9 the licensee in Illinois where lottery tickets or shares are
10 to be sold under such license.

11 For purposes of this Section, the term "person" shall be
12 construed to mean and include an individual, association,
13 partnership, corporation, club, trust, estate, society,
14 company, joint stock company, receiver, trustee, referee, any
15 other person acting in a fiduciary or representative capacity
16 who is appointed by a court, or any combination of
17 individuals. "Person" includes any department, commission,
18 agency or instrumentality of the State, including any county,
19 city, village, or township and any agency or instrumentality
20 thereof.

21 (Source: P.A. 97-464, eff. 10-15-11; 98-499, eff. 8-16-13.)

22 (20 ILCS 1605/10.1) (from Ch. 120, par. 1160.1)

23 Sec. 10.1. The following are ineligible for any license
24 under this Act:

25 (a) any person who has been convicted of a felony;

1 (b) any person who is or has been a professional
2 gambler or gambling promoter;

3 (c) any person who has engaged in bookmaking or other
4 forms of illegal gambling;

5 (d) any person who is not of good character and
6 reputation in the community in which he resides;

7 (e) any person who has been found guilty of any fraud
8 or misrepresentation in any connection;

9 (f) any firm or corporation in which a person defined
10 in (a), (b), (c), (d) or (e) has a proprietary, equitable
11 or credit interest of 5% or more.

12 (g) any organization in which a person defined in (a),
13 (b), (c), (d) or (e) is an officer, director, or managing
14 agent, whether compensated or not;

15 (h) any organization in which a person defined in (a),
16 (b), (c), (d), or (e) is to participate in the management
17 or sales of lottery tickets or shares.

18 However, with respect to persons defined in (a), the
19 Division ~~Department~~ may grant any such person a license under
20 this Act when:

21 1) at least 10 years have elapsed since the date when
22 the sentence for the most recent such conviction was
23 satisfactorily completed;

24 2) the applicant has no history of criminal activity
25 subsequent to such conviction;

26 3) the applicant has complied with all conditions of

1 probation, conditional discharge, supervision, parole or
2 mandatory supervised release; and

3 4) the applicant presents at least 3 letters of
4 recommendation from responsible citizens in his community
5 who personally can attest that the character and attitude
6 of the applicant indicate that he is unlikely to commit
7 another crime.

8 The Division ~~Department~~ may revoke, without notice or a
9 hearing, the license of any agent who violates this Act or any
10 rule or regulation promulgated pursuant to this Act. However,
11 if the Division ~~Department~~ does revoke a license without
12 notice and an opportunity for a hearing, the Division
13 ~~Department~~ shall, by appropriate notice, afford the person
14 whose license has been revoked an opportunity for a hearing
15 within 30 days after the revocation order has been issued. As a
16 result of any such hearing, the Division ~~Department~~ may
17 confirm its action in revoking the license, or it may order the
18 restoration of such license.

19 (Source: P.A. 97-464, eff. 10-15-11.)

20 (20 ILCS 1605/10.1a) (from Ch. 120, par. 1160.1a)

21 Sec. 10.1a. In addition to other grounds specified in this
22 Act, the Division ~~Department~~ shall refuse to issue and shall
23 suspend the license of any lottery sales agency who fails to
24 file a return, or to pay the tax, penalty or interest shown in
25 a filed return, or to pay any final assessment of tax, penalty

1 or interest, as required by any tax Act administered by the
2 Department of Revenue, until such time as the requirements of
3 any such tax Act are satisfied, unless the agency is
4 contesting, in accordance with the procedures established by
5 the appropriate revenue Act, its liability for the tax or the
6 amount of tax. The Division ~~Department~~ shall affirmatively
7 verify the tax status of every sales agency before issuing or
8 renewing a license. For purposes of this Section, a sales
9 agency shall not be considered delinquent in the payment of a
10 tax if the agency (a) has entered into an agreement with the
11 Department of Revenue for the payment of all such taxes that
12 are due and (b) is in compliance with the agreement.

13 (Source: P.A. 97-464, eff. 10-15-11.)

14 (20 ILCS 1605/10.2) (from Ch. 120, par. 1160.2)

15 Sec. 10.2. Application and other fees. Each application
16 for a new lottery license must be accompanied by a one-time
17 application fee of \$50; the Division ~~Department~~, however, may
18 waive the fee for licenses of limited duration as provided by
19 Division ~~Department~~ rule. Each application for renewal of a
20 lottery license must be accompanied by a renewal fee of \$25.
21 Each lottery licensee granted on-line status pursuant to the
22 Division's ~~Department's~~ rules must pay a fee of \$10 per week as
23 partial reimbursement for telecommunications charges incurred
24 by the Division ~~Department~~ in providing access to the
25 lottery's on-line gaming system. The Division ~~Department~~, by

1 rule, may increase or decrease the amount of these fees.

2 (Source: P.A. 97-464, eff. 10-15-11.)

3 (20 ILCS 1605/10.3) (from Ch. 120, par. 1160.3)

4 Sec. 10.3. All proceeds from the sale of lottery tickets
5 or shares received by a person in the capacity of a sales agent
6 shall constitute a trust fund until paid to the Division
7 ~~Department~~ either directly, or through the Division's
8 ~~Department's~~ authorized collection representative. Proceeds
9 shall include unsold instant tickets received by a sales agent
10 and cash proceeds of sale of any lottery products, net of
11 allowable sales commissions and credit for lottery prizes paid
12 to winners by sales agents. Sales proceeds and unsold instant
13 tickets shall be delivered to the Division ~~Department~~ or its
14 authorized collection representative upon demand. Sales agents
15 shall be personally liable for all proceeds which shall be
16 kept separate and apart from all other funds and assets and
17 shall not be commingled with any other funds or assets. In the
18 case of a sales agent who is not an individual, personal
19 liability shall attach to the owners and officers of the sales
20 agent. The Division ~~Department~~ shall have a right to file a
21 lien upon all real and personal property of any person who is
22 personally liable under this Section for any unpaid proceeds,
23 which were to be segregated as a trust fund under this Section,
24 at any time after such payment was to have been made. Such lien
25 shall include any interest and penalty provided for by this

1 Act and shall be deemed equivalent to, and have the same effect
2 as, the State tax lien under the Retailers' Occupation Tax
3 Act. The term "person" as used in this Section, and in Section
4 10.4 of this Act, shall have the same meaning as provided in
5 Section 10 of this Act. This Section, and Sections 10.4 and
6 10.5 of this Act shall apply with respect to all lottery
7 tickets or shares generated by computer terminal, other
8 electronic device, and any other tickets delivered to sales
9 agents on and after September 1, 1987.

10 (Source: P.A. 86-905.)

11 (20 ILCS 1605/10.4) (from Ch. 120, par. 1160.4)

12 Sec. 10.4. Every person who shall violate the provisions
13 of Section 10.3, or who does not segregate and keep separate
14 and apart from all other funds and assets, all proceeds from
15 the sale of lottery tickets received by a person in the
16 capacity of a sales agent, shall upon conviction thereof be
17 guilty of a Class 4 felony. The provisions of this Section
18 shall be enforced by the Illinois ~~Department of~~ State Police
19 and prosecuted by the Attorney General.

20 (Source: P.A. 85-183; 86-1475.)

21 (20 ILCS 1605/10.5) (from Ch. 120, par. 1160.5)

22 Sec. 10.5. Whenever any person who receives proceeds from
23 the sale of lottery tickets in the capacity of sales agent
24 becomes insolvent, or dies insolvent, the proceeds due the

1 ~~Division Department~~ from such person or his estate shall have
2 preference over all debts or demands, except as follows:

3 (a) Amounts due for necessary funeral expenses;

4 (b) Amounts due for medical care and medicine during his
5 most recent illness preceding death;

6 (c) Debts due to the United States;

7 (d) Debts due to the State of Illinois and all State and
8 local taxes; and

9 (e) Wages for labor performed within the 6 months
10 immediately preceding the death of such deceased person, not
11 exceeding \$1,000 due to another person and provided further
12 that such proceeds shall be nondischargeable in insolvency
13 proceedings instituted pursuant to Chapter 7, Chapter 11, or
14 Chapter 13 of the Federal Bankruptcy Act.

15 (Source: P.A. 85-183.)

16 (20 ILCS 1605/10.6) (from Ch. 120, par. 1160.6)

17 Sec. 10.6. The ~~Division Department~~ shall make an effort to
18 more directly inform players of the odds of winning prizes.
19 This effort shall include, at a minimum, that the Division
20 ~~Department~~ require all ticket agents to display a placard
21 stating the odds of winning for each game offered by that
22 agent.

23 (Source: P.A. 97-464, eff. 10-15-11.)

24 (20 ILCS 1605/10.7)

1 Sec. 10.7. Compulsive gambling.

2 (a) Each lottery sales agent shall post a statement
3 regarding obtaining assistance with gambling problems and
4 including a toll-free "800" telephone number providing crisis
5 counseling and referral services to families experiencing
6 difficulty as a result of problem or compulsive gambling. The
7 text of the statement shall be determined by rule by the
8 Department of Human Services, shall be no more than one
9 sentence in length, and shall be posted on the placard
10 required under Section 10.6. The signs shall be provided by
11 the Department of Human Services.

12 (b) The Division ~~Department~~ shall print a statement
13 regarding obtaining assistance with gambling problems, the
14 text of which shall be determined by rule by the Department of
15 Human Services, on all paper stock it provides to the general
16 public.

17 (c) The Division ~~Department~~ shall print a statement of no
18 more than one sentence in length regarding obtaining
19 assistance with gambling problems and including a toll-free
20 "800" number providing crisis counseling and referral services
21 to families experiencing difficulty as a result of problem or
22 compulsive gambling on the back of all lottery tickets.

23 (Source: P.A. 97-464, eff. 10-15-11.)

24 (20 ILCS 1605/10.8)

25 Sec. 10.8. Specialty retailers license.

1 (a) "Veterans service organization" means an organization
2 that:

3 (1) is formed by and for United States military
4 veterans;

5 (2) is chartered by the United States Congress and
6 incorporated in the State of Illinois;

7 (3) maintains a state headquarters office in the State
8 of Illinois; and

9 (4) is not funded by the State of Illinois or by any
10 county in this State.

11 (b) The Division ~~Department~~ shall establish a special
12 classification of retailer license to facilitate the
13 year-round sale of the instant scratch-off lottery game
14 established by the General Assembly in Section 21.6. The fees
15 set forth in Section 10.2 do not apply to a specialty retailer
16 license.

17 The holder of a specialty retailer license (i) shall be a
18 veterans service organization, (ii) may sell only specialty
19 lottery tickets established for the benefit of the Illinois
20 Veterans Assistance Fund in the State treasury, (iii) is
21 required to purchase those tickets up front at face value from
22 the Illinois Lottery, and (iv) must sell those tickets at face
23 value. Specialty retailers may obtain a refund from the
24 Division ~~Department~~ for any unsold specialty tickets that they
25 have purchased for resale, as set forth in the specialty
26 retailer agreement.

1 Specialty retailers shall receive a sales commission equal
2 to 2% of the face value of specialty game tickets purchased
3 from the Division ~~Department~~, less adjustments for unsold
4 tickets returned to the Illinois Lottery for credit. Specialty
5 retailers may not cash winning tickets, but are entitled to a
6 1% bonus in connection with the sale of a winning specialty
7 game ticket having a price value of \$1,000 or more.

8 (Source: P.A. 100-201, eff. 8-18-17.)

9 (20 ILCS 1605/12) (from Ch. 120, par. 1162)

10 Sec. 12. The public inspection and copying of the records
11 and data of the Division ~~Department and the Board~~ shall be
12 generally governed by the provisions of the Freedom of
13 Information Act except that the following shall additionally
14 be exempt from inspection and copying:

15 (i) information privileged against introduction in
16 judicial proceedings;

17 (ii) internal communications of the several agencies;

18 (iii) information concerning secret manufacturing
19 processes or confidential data submitted by any person
20 under this Act;

21 (iv) any creative proposals, scripts, storyboards or
22 other materials prepared by or for the Division
23 ~~Department~~, prior to the placement of the materials in the
24 media, if the prior release of the materials would
25 compromise the effectiveness of an advertising campaign.

1 (Source: P.A. 97-464, eff. 10-15-11.)

2 (20 ILCS 1605/13) (from Ch. 120, par. 1163)

3 Sec. 13. Except as otherwise provided in Section 13.1, no
4 prize, nor any portion of a prize, nor any right of any person
5 to a prize awarded shall be assignable. Any prize, or portion
6 thereof remaining unpaid at the death of a prize winner, may be
7 paid to the estate of such deceased prize winner, or to the
8 trustee under a revocable living trust established by the
9 deceased prize winner as settlor, provided that a copy of such
10 a trust has been filed with the Division ~~Department~~ along with
11 a notarized letter of direction from the settlor and no
12 written notice of revocation has been received by the Division
13 ~~Department~~ prior to the settlor's death. Following such a
14 settlor's death and prior to any payment to such a successor
15 trustee, the Director shall obtain from the trustee a written
16 agreement to indemnify and hold the Director and the Division
17 ~~Department~~ harmless with respect to any claims that may be
18 asserted against the Division ~~Department~~ arising from payment
19 to or through the trust. Notwithstanding any other provision
20 of this Section, any person pursuant to an appropriate
21 judicial order may be paid the prize to which a winner is
22 entitled, and all or part of any prize otherwise payable by
23 State warrant under this Section shall be withheld upon
24 certification to the State Comptroller from the Department of
25 Healthcare and Family Services as provided in Section 10-17.5

1 of The Illinois Public Aid Code. The Director and the Division
2 ~~Department~~ shall be discharged of all further liability upon
3 payment of a prize pursuant to this Section.

4 (Source: P.A. 97-464, eff. 10-15-11; 98-499, eff. 8-16-13.)

5 (20 ILCS 1605/13.1)

6 Sec. 13.1. Assignment of prizes payable in installments.

7 (a) The right of any person to receive payments under a
8 prize that is paid in installments over time by the Division
9 ~~Department~~ may be voluntarily assigned, in whole or in part,
10 if the assignment is made to a person or entity designated
11 pursuant to an order of a court of competent jurisdiction
12 located in the judicial circuit where the assigning prize
13 winner resides or where the headquarters of the Division
14 ~~Department~~ is located. A court may issue an order approving a
15 voluntary assignment and directing the Division ~~Department~~ to
16 make prize payments in whole or in part to the designated
17 assignee, if the court finds that all of the following
18 conditions have been met:

19 (1) The assignment is in writing, is executed by the
20 assignor, and is, by its terms, subject to the laws of this
21 State.

22 (2) The purchase price being paid for the payments
23 being assigned represents a present value of the payments
24 being assigned, discounted at an annual rate that does not
25 exceed 10 percentage points over the Wall Street Journal

1 prime rate published on the business day prior to the date
2 of execution of the contract.

3 (3) The contract of assignment expressly states that
4 the assignor has 3 business days after the contract was
5 signed to cancel the assignment.

6 (4) The assignor provides a sworn affidavit attesting
7 that he or she:

8 (i) is of sound mind, is in full command of his or
9 her faculties, and is not acting under duress;

10 (ii) has been advised regarding the assignment by
11 his or her own independent legal counsel, who is
12 unrelated to and is not being compensated by the
13 assignee or any of the assignee's affiliates, and has
14 received independent financial or tax advice
15 concerning the effects of the assignment from a lawyer
16 or other professional who is unrelated to and is not
17 being compensated by the assignee or any of the
18 assignee's affiliates;

19 (iii) understands that he or she will not receive
20 the prize payments or portions thereof for the years
21 assigned;

22 (iv) understands and agrees that, with regard to
23 the assigned payments, the Division ~~Department~~ and its
24 officials and employees will have no further liability
25 or responsibility to make the assigned payments to him
26 or her;

1 (v) has been provided with a one-page written
2 disclosure statement setting forth, in bold type of
3 not less than 14 points, the payments being assigned,
4 by amounts and payment dates; the purchase price being
5 paid; the rate of discount to present value, assuming
6 daily compounding and funding on the contract date;
7 and the amount, if any, of any origination or closing
8 fees that will be charged to him or her; and

9 (vi) was advised in writing, at the time he or she
10 signed the assignment contract, that he or she had the
11 right to cancel the contract, without any further
12 obligation, within 3 business days following the date
13 on which the contract was signed.

14 (5) Written notice of the proposed assignment and any
15 court hearing concerning the proposed assignment is
16 provided to the Division's ~~Department's~~ counsel at least
17 30 days prior to any court hearing. The Division
18 ~~Department~~ is not required to appear in or be named as a
19 party to any such action seeking judicial confirmation of
20 an assignment under this Section, but may intervene as of
21 right in any such proceeding.

22 (b) A certified copy of a court order approving a
23 voluntary assignment must be provided to the Division
24 ~~Department~~ no later than 30 days before the date on which the
25 payment is to be made.

26 (c) A court order obtained pursuant to this Section,

1 together with all such prior orders, shall not require the
2 Division ~~Department~~ to divide any single prize payment among
3 more than 3 different persons. Nothing in this Section shall
4 prohibit substituting assignees as long as there are no more
5 than 3 assignees at any one time for any one prize payment.

6 (d) If a husband and wife are co-owners of a prize, any
7 assignment of the prize must be made jointly.

8 (e) A voluntary assignment may not include portions of
9 payments that are subject to offset on account of a defaulted
10 or delinquent child support obligation, non-wage garnishment,
11 or criminal restitution obligation or on account of a debt
12 owed to a State agency. Each court order issued under
13 subsection (a) shall provide that any delinquent child support
14 or criminal restitution obligations of the assigning prize
15 winner and any debts owed to a State agency by the assigning
16 prize winner, as of the date of the court order, shall be set
17 off by the Division ~~Department~~ first against remaining
18 payments or portions thereof due the prize winner and then
19 against payments due the assignee.

20 (f) The Division ~~Department~~ and its respective officials
21 and employees shall be discharged of all liability upon
22 payment of an assigned prize under this Section. The assignor
23 and assignee shall hold harmless and indemnify the Division
24 ~~Department~~, the State of Illinois, and its employees and
25 agents from all claims, actions, suits, complaints, and
26 liabilities related to the assignment.

1 (g) The Division ~~Department~~ may establish a reasonable fee
2 to defray any administrative expenses associated with
3 assignments made under this Section, including the cost to the
4 Division ~~Department~~ of any processing fee that may be imposed
5 by a private annuity provider. The fee amount shall reflect
6 the direct and indirect costs associated with processing
7 assignments.

8 (h) If at any time the Internal Revenue Service or a court
9 of competent jurisdiction issues a determination letter,
10 revenue ruling, other public ruling of the Internal Revenue
11 Service, or published decision to the Division ~~Department~~ or
12 to any lottery prize winner declaring that the voluntary
13 assignment of prizes will affect the federal income tax
14 treatment of prize winners who do not assign their prizes, the
15 Division ~~Department~~ shall immediately file a copy of that
16 letter, ruling, or published decision with the Attorney
17 General, the Secretary of State, and the Administrative Office
18 of the Illinois Courts. A court may not issue an order
19 authorizing a voluntary assignment under this Section after
20 the date any such ruling, letter, or published decision is
21 filed.

22 (i) A contract of assignment in which the assignor is a
23 lottery winner shall include a sworn affidavit from the
24 assignee. The form of the affidavit shall be established by
25 the Division ~~Department~~ and shall include:

26 (1) a summary of assignee contacts with the winner;

1 (2) a summary of any lawsuits, claims, and other legal
2 actions from lottery winners regarding conduct of the
3 assignee or its agents;

4 (3) a statement that the assignee is in good standing
5 in its state of domicile and with any other licensing or
6 regulatory agency as may be required in the conduct of its
7 business;

8 (4) a brief business history of the assignee;

9 (5) a statement describing the nature of the business
10 of the assignee; and

11 (6) a statement of the assignee's privacy and
12 non-harassment policies and express affirmation that the
13 assignee has followed those policies in Illinois.

14 (j) The assignee shall notify the Division ~~Department~~ of
15 its business location and mailing address for payment purposes
16 during the entire course of the assignment.

17 (Source: P.A. 93-465, eff. 1-1-04.)

18 (20 ILCS 1605/14) (from Ch. 120, par. 1164)

19 Sec. 14. No person shall sell a ticket or share at a price
20 greater than that fixed by rule or regulation of the Division
21 ~~Department~~. No person other than a licensed lottery sales
22 agent or distributor shall sell or resell lottery tickets or
23 shares. No person shall charge a fee to redeem a winning ticket
24 or share.

25 Any person convicted of violating this Section shall be

1 guilty of a Class B misdemeanor; provided, that if any offense
2 under this Section is a subsequent offense, the offender shall
3 be guilty of a Class 4 felony.

4 (Source: P.A. 97-464, eff. 10-15-11.)

5 (20 ILCS 1605/14.3)

6 Sec. 14.3. Misuse of proprietary material prohibited.
7 Except as may be provided in Section 7.11, or by bona fide sale
8 or by prior authorization from the ~~Department or the~~ Division,
9 or otherwise by law, all premiums, promotional and other
10 proprietary material produced or acquired by the Division
11 ~~Department~~ as part of its advertising and promotional
12 activities shall remain the property of the Division
13 ~~Department~~. Nothing herein shall be construed to affect the
14 rights or obligations of the Division ~~Department~~ or any other
15 person under federal or State trademark or copyright laws.

16 (Source: P.A. 97-464, eff. 10-15-11.)

17 (20 ILCS 1605/14.4)

18 Sec. 14.4. Investigators.

19 (a) The Division ~~Department~~ has the power to appoint
20 investigators to conduct investigations, searches, seizures,
21 arrests, and other duties required to enforce the provisions
22 of this Act and prevent the perpetration of fraud upon the
23 Division ~~Department~~ or the public. These investigators have
24 and may exercise all the powers of peace officers solely for

1 the purpose of ensuring the integrity of the lottery games
2 operated by the Division ~~Department~~.

3 (b) The Director must authorize to each investigator
4 employed under this Section and to any other employee of the
5 Division ~~Department~~ exercising the powers of a peace officer a
6 distinct badge that, on its face, (i) clearly states that the
7 badge is authorized by the Department and (ii) contains a
8 unique identifying number. No other badge shall be authorized
9 by the Division ~~Department~~.

10 (Source: P.A. 97-1121, eff. 8-27-12; 98-499, eff. 8-16-13.)

11 (20 ILCS 1605/15) (from Ch. 120, par. 1165)

12 Sec. 15. No minor under 18 years of age shall buy a lottery
13 ticket or share. No person shall sell, distribute samples of,
14 or furnish a lottery ticket or share to any minor under 18
15 years of age, buy a lottery ticket or share for any minor under
16 18 years of age, or aid and abet in the purchase of lottery
17 tickets or shares by a minor under 18 years of age.

18 No ticket or share shall be purchased by, and no prize
19 shall be paid to any of the following persons: ~~any member of~~
20 ~~the Board or~~ any officer or other person employed by the
21 Division ~~Board or the Department~~; any spouse, child, brother,
22 sister or parent residing as a member of the same household in
23 the principal place of abode of any such persons; or any minor
24 under 18 years of age.

25 Any violation of this Section by a person other than the

1 purchasing minor shall be a Class B misdemeanor; provided,
2 that if any violation of this Section is a subsequent
3 violation, the offender shall be guilty of a Class 4 felony.
4 Notwithstanding any provision to the contrary, a violation of
5 this Section by a minor under 18 years of age shall be a petty
6 offense.

7 (Source: P.A. 90-346, eff. 8-8-97.)

8 (20 ILCS 1605/19) (from Ch. 120, par. 1169)

9 Sec. 19. The Division ~~Department~~ shall establish an
10 appropriate period for the claiming of prizes for each lottery
11 game offered. Each claim period shall be stated in game rules
12 and written play instructions issued by the Director in
13 accordance with Section 7.1 of this Act. Written play
14 instructions shall be made available to all players through
15 sales agents licensed to sell game tickets or shares. Prizes
16 for lottery games which involve the purchase of a physical
17 lottery ticket may be claimed only by presentation of a valid
18 winning lottery ticket that matches validation records on file
19 with the Lottery; no claim may be honored which is based on the
20 assertion that the ticket was lost or stolen. No lottery
21 ticket which has been altered, mutilated, or fails to pass
22 validation tests shall be deemed to be a winning ticket.

23 If no claim is made for the money within the established
24 claim period, the prize may be included in the prize pool of
25 such special drawing or drawings as the Division ~~Department~~

1 may, from time to time, designate. Unclaimed multi-state game
2 prize money may be included in the multi-state prize pool for
3 such special drawing or drawings as the multi-state game
4 directors may, from time to time, designate. Any bonuses
5 offered by the Division ~~Department~~ to sales agents who sell
6 winning tickets or shares shall be payable to such agents
7 regardless of whether or not the prize money on the ticket or
8 share is claimed, provided that the agent can be identified as
9 the vendor of the winning ticket or share, and that the winning
10 ticket or share was sold on or after January 1, 1984. All
11 unclaimed prize money not included in the prize pool of a
12 special drawing shall be transferred to the Common School
13 Fund.

14 (Source: P.A. 97-464, eff. 10-15-11; 98-499, eff. 8-16-13.)

15 (20 ILCS 1605/20.1) (from Ch. 120, par. 1170.1)

16 Sec. 20.1. Division ~~Department~~ account.

17 (a) The Division ~~Department~~ is authorized to pay validated
18 prizes up to \$25,000 from funds held by the Division
19 ~~Department~~ in an account separate and apart from all public
20 moneys of the State. Moneys in this account shall be
21 administered by the Director exclusively for the purposes of
22 issuing payments to prize winners authorized by this Section.
23 Moneys in this account shall be deposited by the Division
24 ~~Department~~ into the Public Treasurers' Investment Pool
25 established under Section 17 of the State Treasurer Act. The

1 ~~Division Department~~ shall submit vouchers from time to time as
2 needed for reimbursement of this account from moneys
3 appropriated for prizes from the State Lottery Fund.
4 Investment income earned from this account shall be deposited
5 monthly by the ~~Division Department~~ into the Common School
6 Fund. The ~~Division Department~~ shall file quarterly fiscal
7 reports specifying the activity of this account as required
8 under Section 16 of the State Comptroller Act, and shall file
9 quarterly with the General Assembly, the Auditor General, the
10 Comptroller, and the State Treasurer a report indicating the
11 costs associated with this activity.

12 (b) The ~~Division Department~~ is authorized to enter into an
13 interagency agreement with the Office of the Comptroller or
14 any other State agency to establish responsibilities, duties,
15 and procedures for complying with the Comptroller's Offset
16 System under Section 10.05 of the State Comptroller Act. All
17 federal and State tax reporting and withholding requirements
18 relating to prize winners under this Section shall be the
19 responsibility of the ~~Division Department~~. Moneys from this
20 account may not be used to pay amounts to deferred prize
21 winners. Moneys may not be transferred from the State Lottery
22 Fund to this account for payment of prizes under this Section
23 until procedures are implemented to comply with the
24 Comptroller's Offset System and sufficient internal controls
25 are in place to validate prizes.

26 (Source: P.A. 97-464, eff. 10-15-11; 98-499, eff. 8-16-13.)

1 (20 ILCS 1605/21) (from Ch. 120, par. 1171)

2 Sec. 21. All lottery sales agents or distributors shall be
3 liable to the Lottery for any and all tickets accepted or
4 generated by any employee or representative of that agent or
5 distributor, and such tickets shall be deemed to have been
6 purchased by the agent or distributor unless returned to the
7 Lottery within the time and in the manner prescribed by the
8 Director. All moneys received by such agents or distributors
9 from the sale of lottery tickets or shares, less the amount
10 retained as compensation for the sale of the tickets or shares
11 and the amount paid out as prizes, shall be paid over to a
12 lottery representative or deposited in a bank or savings and
13 loan association approved by the State Treasurer, as
14 prescribed by the Director.

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

19 Each payment or deposit shall be accompanied by a report
20 of the agent's receipts and transactions in the sale of
21 lottery tickets in such form and containing such information
22 as the Director may require. Any discrepancies in such
23 receipts and transactions may be resolved as provided by the
24 rules and regulations of the Division ~~Department~~.

25 If any money due the Lottery by a sales agent or

1 distributor is not paid when due or demanded, it shall
2 immediately become delinquent and be billed on a subsequent
3 monthly statement. If on the closing date for any monthly
4 statement a delinquent amount previously billed of more than
5 \$50 remains unpaid, interest in such amount shall be accrued
6 at the rate of 2% per month or fraction thereof from the date
7 when such delinquent amount becomes past due until such
8 delinquent amount, including interest, penalty and other costs
9 and charges that the Division ~~Department~~ may incur in
10 collecting such amounts, is paid. In case any agent or
11 distributor fails to pay any moneys due the Lottery within 30
12 days after a second bill or statement is rendered to the agent
13 or distributor, such amount shall be deemed seriously
14 delinquent and may be referred by the Division ~~Department~~ to a
15 collection agency or credit bureau for collection. Any
16 contract entered into by the Division ~~Department~~ for the
17 collection of seriously delinquent accounts with a collection
18 agency or credit bureau may be satisfied by a commercially
19 reasonable percentage of the delinquent account recouped,
20 which shall be negotiated by the Division ~~Department~~ in
21 accordance with commercially accepted standards. Any costs
22 incurred by the Division ~~Department~~ or others authorized to
23 act in its behalf in collecting such delinquencies may be
24 assessed against the agent or distributor and included as a
25 part of the delinquent account.

26 In case of failure of an agent or distributor to pay a

1 seriously delinquent amount, or any portion thereof, including
2 interest, penalty and costs, the Division ~~Department~~ may issue
3 a Notice of Assessment. In determining amounts shown on the
4 Notice of Assessment, the Division ~~Department~~ shall utilize
5 the financial information available from its records. Such
6 Notice of Assessment shall be prima facie correct and shall be
7 prima facie evidence of delinquent sums due under this Section
8 at any hearing before the Director or any Board, ~~or its~~ Hearing
9 Officers, or at any other legal proceeding. Reproduced copies
10 of any of the Division's ~~Department's~~ records relating to an
11 account, including, but not limited to, notices of assessment,
12 suspension, revocation, and personal liability and any other
13 such notice prepared in the Division's ~~Department's~~ ordinary
14 course of business and books, records, or other documents
15 offered in the name of the Division ~~Department~~, under
16 certificate of the Director or any officer or employee of the
17 Division ~~Department~~ designated in writing by the Director
18 shall, without further proof, be admitted into evidence in any
19 hearing before the Director or any Board, ~~or its~~ Hearing
20 Officers or any legal proceeding and shall be prima facie
21 proof of the information contained therein. The Attorney
22 General may bring suit on behalf of the Division ~~Department~~ to
23 collect all such delinquent amounts, or any portion thereof,
24 including interest, penalty and costs, due the Lottery.

25 Any person who accepts money that is due to the Division
26 ~~Department~~ from the sale of lottery tickets under this Act,

1 but who wilfully fails to remit such payment to the Division
2 ~~Department~~ when due or who purports to make such payment but
3 wilfully fails to do so because his check or other remittance
4 fails to clear the bank or savings and loan association
5 against which it is drawn, in addition to the amount due and in
6 addition to any other penalty provided by law, shall be
7 assessed, and shall pay, a penalty equal to 5% of the
8 deficiency plus any costs or charges incurred by the Division
9 ~~Department~~ in collecting such amount.

10 The Director may make such arrangements for any person(s),
11 banks, savings and loan associations or distributors, to
12 perform such functions, activities or services in connection
13 with the operation of the lottery as he deems advisable
14 pursuant to this Act, the State Comptroller Act, or the rules
15 and regulations of the Division ~~Department~~, and such
16 functions, activities or services shall constitute lawful
17 functions, activities and services of such person(s), banks,
18 savings and loan associations or distributors.

19 All income arising out of any activity or purpose of the
20 Division ~~Department~~ shall, pursuant to the State Finance Act,
21 be paid into the State Treasury except as otherwise provided
22 by the rules and regulations of the Division ~~Department~~ and
23 shall be covered into a special fund to be known as the State
24 Lottery Fund. Banks and savings and loan associations may be
25 compensated for services rendered based upon the activity and
26 amount of funds on deposit.

1 (Source: P.A. 97-464, eff. 10-15-11; 98-499, eff. 8-16-13.)

2 (20 ILCS 1605/21.3) (from Ch. 120, par. 1171.3)

3 Sec. 21.3. Any officer of any corporation licensed as an
4 agent for the sale of Lottery tickets and products shall be
5 personally liable for the total amount of Lottery receipts due
6 the Division ~~Department~~ which are unpaid by the corporation,
7 together with any interest and penalties thereon assessed in
8 accordance with the provision of Section 21 of the Act.

9 The personal liability of a corporate officer as provided
10 herein shall survive the dissolution of the corporation. No
11 action to enforce such personal liability shall be commenced
12 unless a notice of the delinquent account has been sent to such
13 corporate officer at the address shown on the Lottery records
14 or otherwise known to Division ~~Department~~ officials, and no
15 such action shall be commenced after the expiration of 3 years
16 from the date of the Division's ~~Department's~~ notice of
17 delinquent account or the termination of any court proceedings
18 with respect to the issue of the delinquency of a corporation.

19 Procedures for protest and review of a notice of the
20 Division's ~~Department's~~ intention to enforce personal
21 liability against a corporate officer shall be the same as
22 those prescribed for protest and review of the Notice of
23 Assessment as set forth in Section 7.3 of this Act.

24 (Source: P.A. 88-522.)

1 (20 ILCS 1605/21.5)

2 Sec. 21.5. Carolyn Adams Ticket For The Cure.

3 (a) The Division ~~Department~~ shall offer a special instant
4 scratch-off game with the title of "Carolyn Adams Ticket For
5 The Cure". The game shall commence on January 1, 2006 or as
6 soon thereafter, in the discretion of the Director, as is
7 reasonably practical, and shall be discontinued on December
8 31, 2026. The operation of the game shall be governed by this
9 Act and any rules adopted by the Division ~~Department~~. The
10 Division ~~Department~~ must consult with the Carolyn Adams Ticket
11 For The Cure Board, which is established under Section
12 2310-347 of the Department of Public Health Powers and Duties
13 Law of the Civil Administrative Code of Illinois, regarding
14 the design and promotion of the game. If any provision of this
15 Section is inconsistent with any other provision of this Act,
16 then this Section governs.

17 (b) The Carolyn Adams Ticket For The Cure Grant Fund is
18 created as a special fund in the State treasury. The net
19 revenue from the Carolyn Adams Ticket For The Cure special
20 instant scratch-off game shall be deposited into the Fund for
21 appropriation by the General Assembly solely to the Department
22 of Public Health for the purpose of making grants to public or
23 private entities in Illinois for the purpose of funding breast
24 cancer research, and supportive services for breast cancer
25 survivors and those impacted by breast cancer and breast
26 cancer education. In awarding grants, the Department of Public

1 Health shall consider criteria that includes, but is not
2 limited to, projects and initiatives that address disparities
3 in incidence and mortality rates of breast cancer, based on
4 data from the Illinois Cancer Registry, and populations facing
5 barriers to care. The Department of Public Health shall,
6 before grants are awarded, provide copies of all grant
7 applications to the Carolyn Adams Ticket For The Cure Board,
8 receive and review the Board's recommendations and comments,
9 and consult with the Board regarding the grants. For purposes
10 of this Section, the term "research" includes, without
11 limitation, expenditures to develop and advance the
12 understanding, techniques, and modalities effective in the
13 detection, prevention, screening, and treatment of breast
14 cancer and may include clinical trials. The grant funds may
15 not be used for institutional, organizational, or
16 community-based overhead costs, indirect costs, or levies.

17 Moneys received for the purposes of this Section,
18 including, without limitation, net revenue from the special
19 instant scratch-off game and gifts, grants, and awards from
20 any public or private entity, must be deposited into the Fund.
21 Any interest earned on moneys in the Fund must be deposited
22 into the Fund.

23 For purposes of this subsection, "net revenue" means the
24 total amount for which tickets have been sold less the sum of
25 the amount paid out in prizes and the actual administrative
26 expenses of the Division ~~Department~~ solely related to the

1 Ticket For The Cure game.

2 (c) During the time that tickets are sold for the Carolyn
3 Adams Ticket For The Cure game, the Division ~~Department~~ shall
4 not unreasonably diminish the efforts devoted to marketing any
5 other instant scratch-off lottery game.

6 (d) The Division ~~Department~~ may adopt any rules necessary
7 to implement and administer the provisions of this Section.

8 (Source: P.A. 98-499, eff. 8-16-13; 99-917, eff. 12-30-16.)

9 (20 ILCS 1605/21.6)

10 Sec. 21.6. Scratch-off for Illinois veterans.

11 (a) The Division ~~Department~~ shall offer a special instant
12 scratch-off game for the benefit of Illinois veterans. The
13 game shall commence on January 1, 2006 or as soon thereafter,
14 at the discretion of the Director, as is reasonably practical.
15 The operation of the game shall be governed by this Act and any
16 rules adopted by the Division ~~Department~~. If any provision of
17 this Section is inconsistent with any other provision of this
18 Act, then this Section governs.

19 (b) The Illinois Veterans Assistance Fund is created as a
20 special fund in the State treasury. The net revenue from the
21 Illinois veterans scratch-off game shall be deposited into the
22 Fund for appropriation by the General Assembly solely to the
23 Department of Veterans' Affairs for making grants, funding
24 additional services, or conducting additional research
25 projects relating to each of the following:

- 1 (i) veterans' post traumatic stress disorder;
- 2 (ii) veterans' homelessness;
- 3 (iii) the health insurance costs of veterans;
- 4 (iv) veterans' disability benefits, including but not
5 limited to, disability benefits provided by veterans
6 service organizations and veterans assistance commissions
7 or centers;
- 8 (v) the long-term care of veterans; provided that,
9 beginning with moneys appropriated for fiscal year 2008,
10 no more than 20% of such moneys shall be used for health
11 insurance costs; and
- 12 (vi) veteran employment and employment training.

13 In order to expend moneys from this special fund,
14 beginning with moneys appropriated for fiscal year 2008, the
15 Director of Veterans' Affairs shall appoint a 3-member funding
16 authorization committee. The Director shall designate one of
17 the members as chairperson. The committee shall meet on a
18 quarterly basis, at a minimum, and shall authorize expenditure
19 of moneys from the special fund by a two-thirds vote.
20 Decisions of the committee shall not take effect unless and
21 until approved by the Director of Veterans' Affairs. Each
22 member of the committee shall serve until a replacement is
23 named by the Director of Veterans' Affairs. One member of the
24 committee shall be a member of the Veterans' Advisory Council.

25 Moneys collected from the special instant scratch-off game
26 shall be used only as a supplemental financial resource and

1 shall not supplant existing moneys that the Department of
2 Veterans' Affairs may currently expend for the purposes set
3 forth in items (i) through (v).

4 Moneys received for the purposes of this Section,
5 including, without limitation, net revenue from the special
6 instant scratch-off game and from gifts, grants, and awards
7 from any public or private entity, must be deposited into the
8 Fund. Any interest earned on moneys in the Fund must be
9 deposited into the Fund.

10 For purposes of this subsection, "net revenue" means the
11 total amount for which tickets have been sold less the sum of
12 the amount paid out in the prizes and the actual
13 administrative expenses of the Division ~~Department~~ solely
14 related to the scratch-off game under this Section.

15 (c) During the time that tickets are sold for the Illinois
16 veterans scratch-off game, the Division ~~Department~~ shall not
17 unreasonably diminish the efforts devoted to marketing any
18 other instant scratch-off lottery game.

19 (d) The Division ~~Department~~ may adopt any rules necessary
20 to implement and administer the provisions of this Section.

21 (Source: P.A. 100-143, eff. 1-1-18; 100-201, eff. 8-18-17.)

22 (20 ILCS 1605/21.7)

23 Sec. 21.7. Scratch-out Multiple Sclerosis scratch-off
24 game.

25 (a) The Division ~~Department~~ shall offer a special instant

1 scratch-off game for the benefit of research pertaining to
2 multiple sclerosis. The game shall commence on July 1, 2008 or
3 as soon thereafter, in the discretion of the Director, as is
4 reasonably practical. The operation of the game shall be
5 governed by this Act and any rules adopted by the Division
6 ~~Department~~. If any provision of this Section is inconsistent
7 with any other provision of this Act, then this Section
8 governs.

9 (b) The Multiple Sclerosis Research Fund is created as a
10 special fund in the State treasury. The net revenue from the
11 scratch-out multiple sclerosis scratch-off game created under
12 this Section shall be deposited into the Fund for
13 appropriation by the General Assembly to the Department of
14 Public Health for the purpose of making grants to
15 organizations in Illinois that conduct research pertaining to
16 the repair and prevention of damage caused by an acquired
17 demyelinating disease of the central nervous system.

18 Moneys received for the purposes of this Section,
19 including, without limitation, net revenue from the special
20 instant scratch-off game and from gifts, grants, and awards
21 from any public or private entity, must be deposited into the
22 Fund. Any interest earned on moneys in the Fund must be
23 deposited into the Fund.

24 For purposes of this Section, the term "research"
25 includes, without limitation, expenditures to develop and
26 advance the understanding, techniques, and modalities

1 effective for maintaining function, mobility, and strength
2 through preventive physical therapy or other treatments and to
3 develop and advance the repair, and also the prevention, of
4 myelin, neuron, and axon damage caused by an acquired
5 demyelinating disease of the central nervous system and the
6 restoration of function, including but not limited to, nervous
7 system repair or neuroregeneration.

8 The grant funds may not be used for institutional,
9 organizational, or community-based overhead costs, indirect
10 costs, or levies.

11 For purposes of this subsection, "net revenue" means the
12 total amount for which tickets have been sold less the sum of
13 the amount paid out in the prizes and the actual
14 administrative expenses of the Division ~~Department~~ solely
15 related to the scratch-off game under this Section.

16 (c) During the time that tickets are sold for the
17 scratch-out multiple sclerosis scratch-off game, the Division
18 ~~Department~~ shall not unreasonably diminish the efforts devoted
19 to marketing any other instant scratch-off lottery game.

20 (d) The Division ~~Department~~ may adopt any rules necessary
21 to implement and administer the provisions of this Section.

22 (Source: P.A. 97-464, eff. 10-15-11; 98-499, eff. 8-16-13.)

23 (20 ILCS 1605/21.8)

24 Sec. 21.8. Quality of Life scratch-off game.

25 (a) The Division ~~Department~~ shall offer a special instant

1 scratch-off game with the title of "Quality of Life". The game
2 shall commence on July 1, 2007 or as soon thereafter, in the
3 discretion of the Director, as is reasonably practical, and
4 shall be discontinued on December 31, 2025. The operation of
5 the game is governed by this Act and by any rules adopted by
6 the Division ~~Department~~. The Division ~~Department~~ must consult
7 with the Quality of Life Board, which is established under
8 Section 2310-348 of the Department of Public Health Powers and
9 Duties Law of the Civil Administrative Code of Illinois,
10 regarding the design and promotion of the game. If any
11 provision of this Section is inconsistent with any other
12 provision of this Act, then this Section governs.

13 (b) The Quality of Life Endowment Fund is created as a
14 special fund in the State treasury. The net revenue from the
15 Quality of Life special instant scratch-off game must be
16 deposited into the Fund for appropriation by the General
17 Assembly solely to the Department of Public Health for the
18 purpose of HIV/AIDS-prevention education and for making grants
19 to public or private entities in Illinois for the purpose of
20 funding organizations that serve the highest at-risk
21 categories for contracting HIV or developing AIDS. Grants
22 shall be targeted to serve at-risk populations in proportion
23 to the distribution of recent reported Illinois HIV/AIDS cases
24 among risk groups as reported by the Illinois Department of
25 Public Health. The recipient organizations must be engaged in
26 HIV/AIDS-prevention education and HIV/AIDS healthcare

1 treatment. The Division ~~Department~~ must, before grants are
2 awarded, provide copies of all grant applications to the
3 Quality of Life Board, receive and review the Board's
4 recommendations and comments, and consult with the Board
5 regarding the grants. Organizational size will determine an
6 organization's competitive slot in the "Request for Proposal"
7 process. Organizations with an annual budget of \$300,000 or
8 less will compete with like size organizations for 50% of the
9 Quality of Life annual fund. Organizations with an annual
10 budget of \$300,001 to \$700,000 will compete with like
11 organizations for 25% of the Quality of Life annual fund, and
12 organizations with an annual budget of \$700,001 and upward
13 will compete with like organizations for 25% of the Quality of
14 Life annual fund. The Division ~~lottery~~ may designate a
15 percentage of proceeds for marketing purposes ~~purpose~~. The
16 grant funds may not be used for institutional, organizational,
17 or community-based overhead costs, indirect costs, or levies.

18 Grants awarded from the Fund are intended to augment the
19 current and future State funding for the prevention and
20 treatment of HIV/AIDS and are not intended to replace that
21 funding.

22 Moneys received for the purposes of this Section,
23 including, without limitation, net revenue from the special
24 instant scratch-off game and gifts, grants, and awards from
25 any public or private entity, must be deposited into the Fund.
26 Any interest earned on moneys in the Fund must be deposited

1 into the Fund.

2 For purposes of this subsection, "net revenue" means the
3 total amount for which tickets have been sold less the sum of
4 the amount paid out in prizes and the actual administrative
5 expenses of the Division ~~Department~~ solely related to the
6 Quality of Life game.

7 (c) During the time that tickets are sold for the Quality
8 of Life game, the Division ~~Department~~ shall not unreasonably
9 diminish the efforts devoted to marketing any other instant
10 scratch-off lottery game.

11 (d) The Division ~~Department~~ may adopt any rules necessary
12 to implement and administer the provisions of this Section in
13 consultation with the Quality of Life Board.

14 (Source: P.A. 98-499, eff. 8-16-13; 99-791, eff. 8-12-16.)

15 (20 ILCS 1605/21.9)

16 Sec. 21.9. Go For The Gold scratch-off game.

17 (a) The Division ~~Department~~ shall offer a special instant
18 scratch-off game with the title of "Go For The Gold". The game
19 must commence on July 1, 2014 or as soon thereafter, at the
20 discretion of the Director, as is reasonably practical. The
21 operation of the game is governed by this Act and by any rules
22 adopted by the Division ~~Department~~. If any provision of this
23 Section is inconsistent with any other provision of this Act,
24 then this Section governs.

25 (b) The Special Olympics Illinois and Special Children's

1 Charities Fund is created as a special fund in the State
2 treasury. The net revenue from the Go For The Gold special
3 instant scratch-off game must be deposited into the Special
4 Olympics Illinois and Special Children's Charities Fund for
5 appropriation by the General Assembly solely to the Department
6 of Human Services, which must distribute the moneys as
7 follows: (i) 75% of the moneys to Special Olympics Illinois to
8 support the statewide training, competitions, and programs for
9 future Special Olympics athletes; and (ii) 25% of the moneys
10 to Special Children's Charities to support the City of
11 Chicago-wide training, competitions, and programs for future
12 Special Olympics athletes. The moneys may not be used for
13 institutional, organizational, or community-based overhead
14 costs, indirect costs, or levies.

15 Moneys received for the purposes of this Section,
16 including, without limitation, net revenue from the special
17 instant scratch-off game and gifts, grants, and awards from
18 any public or private entity, must be deposited into the
19 Special Olympics and Special Children's Charities Fund. Any
20 interest earned on moneys in the Special Olympics and Special
21 Children's Charities Fund must be deposited into the Special
22 Olympics and Special Children's Charities Fund.

23 For purposes of this subsection, "net revenue" means the
24 total amount for which tickets have been sold less the sum of
25 the amount paid out in prizes and the actual administrative
26 expenses of the Division ~~Department~~ solely related to the Go

1 For The Gold game.

2 (c) During the time that tickets are sold for the Go For
3 The Gold game, the Division ~~Department~~ shall not unreasonably
4 diminish the efforts devoted to marketing any other instant
5 scratch-off lottery game.

6 (d) The Division ~~Department~~ may adopt any rules necessary
7 to implement and administer the provisions of this Section.

8 (Source: P.A. 98-649, eff. 6-16-14.)

9 (20 ILCS 1605/21.10)

10 Sec. 21.10. Scratch-off for State police memorials.

11 (a) The Division ~~Department~~ shall offer a special instant
12 scratch-off game for the benefit of State police memorials.
13 The game shall commence on January 1, 2019 or as soon
14 thereafter, at the discretion of the Director, as is
15 reasonably practical. The operation of the game shall be
16 governed by this Act and any rules adopted by the Division
17 ~~Department~~. If any provision of this Section is inconsistent
18 with any other provision of this Act, then this Section
19 governs.

20 (b) The net revenue from the State police memorials
21 scratch-off game shall be deposited into the Criminal Justice
22 Information Projects Fund and distributed equally, as soon as
23 practical but at least on a monthly basis, to the Chicago
24 Police Memorial Foundation Fund, the Police Memorial Committee
25 Fund, and the Illinois State Police Memorial Park Fund. Moneys

1 transferred to the funds under this Section shall be used,
2 subject to appropriation, to fund grants for building and
3 maintaining memorials and parks; holding annual memorial
4 commemorations; giving scholarships to children of officers
5 killed or catastrophically injured in the line of duty, or
6 those interested in pursuing a career in law enforcement;
7 providing financial assistance to police officers and their
8 families when a police officer is killed or injured in the line
9 of duty; and providing financial assistance to officers for
10 the purchase or replacement of bulletproof vests to be used in
11 the line of duty.

12 For purposes of this subsection, "net revenue" means the
13 total amount for which tickets have been sold less the sum of
14 the amount paid out in the prizes and the actual
15 administrative expenses of the Division ~~Department~~ solely
16 related to the scratch-off game under this Section.

17 (c) During the time that tickets are sold for the State
18 police memorials scratch-off game, the Division ~~Department~~
19 shall not unreasonably diminish the efforts devoted to
20 marketing any other instant scratch-off lottery game.

21 (d) The Division ~~Department~~ may adopt any rules necessary
22 to implement and administer the provisions of this Section.

23 (Source: P.A. 100-647, eff. 7-30-18; 101-81, eff. 7-12-19.)

24 (20 ILCS 1605/21.11)

25 Sec. 21.11. Scratch-off for homelessness prevention

1 programs.

2 (a) The Division ~~Department~~ shall offer a special instant
3 scratch-off game to fund homelessness prevention programs. The
4 game shall commence on July 1, 2019 or as soon thereafter, at
5 the discretion of the Director, as is reasonably practical.
6 The operation of the game shall be governed by this Act and any
7 rules adopted by the Division ~~Department~~. If any provision of
8 this Section is inconsistent with any other provision of this
9 Act, then this Section governs.

10 (b) The Homelessness Prevention Revenue Fund is created as
11 a special fund in the State treasury. The net revenue from the
12 scratch-off game to fund homelessness prevention programs
13 shall be deposited into the Homelessness Prevention Revenue
14 Fund. Subject to appropriation, moneys in the Fund shall be
15 used by the Department of Human Services solely for grants to
16 homelessness prevention and assistance projects under the
17 Homelessness Prevention Act.

18 As used in this subsection, "net revenue" means the total
19 amount for which tickets have been sold less the sum of the
20 amount paid out in the prizes and the actual administrative
21 expenses of the Division ~~Department~~ solely related to the
22 scratch-off game under this Section.

23 (c) During the time that tickets are sold for the
24 scratch-off game to fund homelessness prevention programs, the
25 Division ~~Department~~ shall not unreasonably diminish the
26 efforts devoted to marketing any other instant scratch-off

1 lottery game.

2 (d) The Division ~~Department~~ may adopt any rules necessary
3 to implement and administer the provisions of this Section.

4 (e) Nothing in this Section shall be construed to affect
5 any revenue that any Homelessness Prevention line item
6 receives through the General Revenue Fund or the Illinois
7 Affordable Housing Trust Fund.

8 (Source: P.A. 100-1068, eff. 8-24-18; 101-81, eff. 7-12-19.)

9 (20 ILCS 1605/21.12)

10 Sec. 21.12. Scratch-off for school STEAM programs.

11 (a) The Division ~~Department~~ shall offer a special instant
12 scratch-off game for the benefit of school STEAM programming.
13 The game shall commence on January 1, 2020 or as soon
14 thereafter, at the discretion of the Director, as is
15 reasonably practical, and shall be discontinued on January 1,
16 2021. The operation of the game shall be governed by the Act
17 and any rules adopted by the Division ~~Department~~. If any
18 provision of this Section is inconsistent with any other
19 provision of this Act, then this Section governs.

20 (b) The net revenue from the scratch-off for school STEAM
21 programs shall be deposited into the School STEAM Grant
22 Program Fund as soon as practical, but at least on a monthly
23 basis. Moneys deposited into the Fund under this Section shall
24 be used, subject to appropriation, by the State Board of
25 Education to fund school STEAM grants pursuant to Section

1 2-3.119a of the School Code.

2 For purposes of this subsection, "net revenue" means the
3 total amount for which tickets have been sold less the sum of
4 the amount paid out in the prizes and the actual
5 administrative expenses of the Division ~~Department~~ solely
6 related to the scratch-off game under this Section.

7 (c) During the time that tickets are sold for the school
8 STEAM programs scratch-off game, the Division ~~Department~~ shall
9 not unreasonably diminish the efforts devoted to marketing any
10 other instant scratch-off lottery game.

11 (d) The Division ~~Department~~ may adopt any rules necessary
12 to implement and administer the provisions of this Section.

13 (Source: P.A. 101-561, eff. 8-23-19.)

14 (20 ILCS 1605/21.13)

15 Sec. 21.13. Scratch-off for Alzheimer's care, support,
16 education, and awareness.

17 (a) The Division ~~Department~~ shall offer a special instant
18 scratch-off game for the benefit of Alzheimer's care, support,
19 education, and awareness. The game shall commence on January
20 1, 2020 or as soon thereafter, at the discretion of the
21 Director, as is reasonably practical, and shall be
22 discontinued on January 1, 2022. The operation of the game
23 shall be governed by this Act and any rules adopted by the
24 Division ~~Department~~. If any provision of this Section is
25 inconsistent with any other provision of this Act, then this

1 Section governs.

2 (b) The net revenue from the Alzheimer's care, support,
3 education, and awareness scratch-off game shall be deposited
4 into the Alzheimer's Awareness Fund.

5 Moneys received for the purposes of this Section,
6 including, without limitation, net revenue from the special
7 instant scratch-off game and from gifts, grants, and awards
8 from any public or private entity, must be deposited into the
9 Fund. Any interest earned on moneys in the Fund must be
10 deposited into the Fund.

11 For the purposes of this subsection, "net revenue" means
12 the total amount for which tickets have been sold less the sum
13 of the amount paid out in the prizes and the actual
14 administrative expenses of the Division ~~Department~~ solely
15 related to the scratch-off game under this Section.

16 (c) During the time that tickets are sold for the
17 Alzheimer's care, support, education, and awareness
18 scratch-off game, the Division ~~Department~~ shall not
19 unreasonably diminish the efforts devoted to marketing any
20 other instant scratch-off lottery game.

21 (d) The Division ~~Department~~ may adopt any rules necessary
22 to implement and administer the provisions of this Section.

23 (Source: P.A. 101-561, eff. 8-23-19; 101-645, eff. 6-26-20.)

24 (20 ILCS 1605/24) (from Ch. 120, par. 1174)

25 Sec. 24. The State Comptroller shall conduct a preaudit of

1 all accounts and transactions of the Division ~~Department~~ in
2 connection with the operation of the State Lottery under the
3 State Comptroller Act, excluding payments issued by the
4 Division ~~Department~~ for prizes of \$25,000 or less.

5 The Auditor General or a certified public accountant firm
6 appointed by him shall conduct an annual post-audit of all
7 accounts and transactions of the Division ~~Department~~ in
8 connection with the operation of the State Lottery and other
9 special post audits as the Auditor General, the Legislative
10 Audit Commission, or the General Assembly deems necessary. The
11 annual post-audits shall include payments made by lottery
12 sales agents of prizes of less than \$600 authorized under
13 Section 20, and payments made by the Division ~~Department~~ of
14 prizes up to \$25,000 authorized under Section 20.1. The
15 Auditor General or his agent conducting an audit under this
16 Act shall have access and authority to examine any and all
17 records of the Division ~~Department~~ ~~or the Board~~, its
18 distributing agents and its licensees.

19 (Source: P.A. 94-776, eff. 5-19-06.)

20 (20 ILCS 1605/25) (from Ch. 120, par. 1175)

21 Sec. 25. Any party adversely affected by a final order or
22 determination of the Director or the Division ~~Board or the~~
23 ~~Department~~ may obtain judicial review, by filing a petition
24 for review within 35 days after the entry of the order or other
25 final action complained of, pursuant to the provisions of the

1 Administrative Review Law, as amended and the rules adopted
2 pursuant thereto.

3 (Source: P.A. 82-783.)

4 (20 ILCS 1605/6 rep.)

5 (20 ILCS 1605/7.6 rep.)

6 Section 110. The Illinois Lottery Law is amended by
7 repealing Sections 6 and 7.6.

8 Section 115. The Illinois Horse Racing Act of 1975 is
9 amended by changing Sections 2, 2.5, 3.01, 3.04, 3.07, 3.075,
10 3.080, 3.11, 3.12, 3.13, 3.17, 3.18, 3.19, 3.29, 3.35, 4, 9,
11 10, 12, 12.1, 12.2, 13, 14, 14a, 15, 15.1, 15.2, 15.3, 15.4,
12 15.5, 16, 18, 19, 19.5, 20, 20.1, 20.5, 21, 23, 24, 25, 26,
13 26.9, 27, 27.2, 28, 28.1, 30, 30.5, 31, 31.1, 32, 32.1, 34.3,
14 35, 36, 36a, 37, 38, 39, 40, 45, 46, 49, 51, 54.75, 55, and 56
15 as follows:

16 (230 ILCS 5/2) (from Ch. 8, par. 37-2)

17 Sec. 2. There is hereby created and established a Division
18 of Horse Racing within the Department of Lottery and Gaming ~~an~~
19 ~~Illinois Racing Board~~ which shall have the powers and duties
20 specified in this Act, and also the powers necessary and
21 proper to enable it to fully and effectively execute all the
22 provisions and purposes of this Act. The jurisdiction,
23 supervision, powers, and duties of the Division ~~Board~~ shall

1 extend under this Act to every person who holds or conducts any
2 meeting within the State of Illinois where horse racing is
3 permitted for any stake, purse or reward.

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

5 (230 ILCS 5/2.5)

6 Sec. 2.5. Separation from Department of Revenue. On the
7 effective date of this amendatory Act of the 96th General
8 Assembly, all of the powers, duties, assets, liabilities,
9 employees, contracts, property, records, pending business, and
10 unexpended appropriations of the Department of Revenue related
11 to the administration and enforcement of this Act are
12 transferred to the former Illinois Racing Board.

13 The status and rights of the transferred employees, and
14 the rights of the State of Illinois and its agencies, under the
15 Personnel Code and applicable collective bargaining agreements
16 or under any pension, retirement, or annuity plan are not
17 affected (except as provided in the Illinois Pension Code) by
18 that transfer or by any other provision of this amendatory Act
19 of the 96th General Assembly.

20 (Source: P.A. 96-796, eff. 10-29-09.)

21 (230 ILCS 5/3.01) (from Ch. 8, par. 37-3.01)

22 Sec. 3.01. "Division" means the Division of Horse Racing
23 within the Department of Lottery and Gaming ~~"Board" means the~~
24 ~~Illinois Racing Board.~~

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

2 (230 ILCS 5/3.04) (from Ch. 8, par. 37-3.04)

3 Sec. 3.04. "Director of mutuels" means the individual
4 representing the Division Board in the supervision and
5 verification of the pari-mutuel wagering pool totals for each
6 racing day, which verification shall be the basis for
7 computing State privilege or pari-mutuel taxes, licensee
8 commissions and purses.

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

10 (230 ILCS 5/3.07) (from Ch. 8, par. 37-3.07)

11 Sec. 3.07. "Horse race meeting" or "race meeting" or
12 "meeting" shall mean the whole period of time, whether
13 consecutive dates or those instances where nonconsecutive
14 dates are granted, for which an organization license to race
15 has been granted to any one organization licensee by the
16 Division Board.

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

18 (230 ILCS 5/3.075)

19 Sec. 3.075. (a) "Host track" means the organization
20 licensee (i) conducting live thoroughbred racing between the
21 hours of 6:30 a.m. and 6:30 p.m. from the first day to the last
22 day of its horse racing meet as awarded by the Division Board
23 (including all days within that period when no live racing

1 occurs), except as otherwise provided in subsections (c) and
2 (e) of this Section, or (ii) conducting live standardbred
3 racing between the hours of 6:30 p.m. to 6:30 a.m. of the
4 following day from the first day to the last day of its horse
5 racing meet as awarded by the Division Board (including all
6 days within that period when no live racing occurs, except as
7 otherwise provided in subsections (b), (d), and (e) of this
8 Section); provided that the organization licensee conducts
9 live racing no fewer than 5 days per week with no fewer than 9
10 races per day, unless a lesser schedule of live racing is the
11 result of (1) weather, unsafe track conditions, or other acts
12 of God; (2) an agreement between the organization licensee and
13 the associations representing the largest number of owners,
14 trainers, and standardbred drivers who race horses at that
15 organization licensee's race meeting, with the Division's
16 ~~Board's~~ consent; or (3) a decision by the Division Board after
17 a public hearing (in which the associations representing the
18 owners, trainers, jockeys, or standardbred drivers who race
19 horses at that organization licensee's race meeting shall
20 participate) either at the time racing dates are awarded or
21 after those dates are awarded due to changed financial
22 circumstances, upon a written petition from the organization
23 licensee, accompanied by supporting financial data as
24 requested by the Division Board, stating that the organization
25 licensee has and will continue to incur significant financial
26 losses. No organization licensee conducting its race meeting

1 in a county bordering the Mississippi River and having a
2 population greater than 230,000 may be a host track for its
3 race meeting.

4 (b) (Blank).

5 (c) (Blank).

6 (d) Notwithstanding the provisions of subsection (a) of
7 this Section and except as otherwise provided in subsection
8 (e) of this Section, in the event that 2 organization
9 licensees conduct their standardbred race meetings
10 concurrently on any date after January 1, 1996, between the
11 hours of 6:30 p.m. and 6:30 a.m., the organization licensee
12 awarded the most racing dates between 6:30 p.m. and 6:30 a.m.
13 during the calendar year in which that concurrent racing
14 occurs will be deemed the host track, provided that the 2
15 organization licensees collectively conduct live standardbred
16 racing between 6:30 p.m. and 6:30 a.m. during the week in which
17 concurrent race meetings occur no less than 5 days per week
18 with no less than 9 races per day. During each week of the
19 calendar year in which 2 organization licensees are conducting
20 live standardbred race meetings between 6:30 p.m. and 6:30
21 a.m., if there is any day in that week on which only one
22 organization licensee is conducting a standardbred race
23 meeting between 6:30 p.m. and 6:30 a.m., that organization
24 licensee shall be the host track provided that the 2
25 organization licensees collectively conduct live standardbred
26 racing between 6:30 p.m. and 6:30 a.m. during the week in which

1 concurrent race meetings occur no less than 5 days per week
2 with no less than 9 races per day. During each week of the
3 calendar year in which 2 organization licensees are
4 concurrently conducting live standardbred race meetings on one
5 or more days between 6:30 p.m. and 6:30 a.m., if there is any
6 day in that week on which no organization licensee is
7 conducting a standardbred race meeting between 6:30 p.m. and
8 6:30 a.m., the organization licensee conducting a standardbred
9 race meeting during that week and time period that has been
10 awarded the most racing dates during the calendar year between
11 6:30 p.m. and 6:30 a.m. shall be the host track, provided that
12 the 2 organization licensees collectively conduct live
13 standardbred racing between 6:30 p.m. and 6:30 a.m. during the
14 week in which concurrent race meetings occur no less than 5
15 days per week with no less than 9 races per day. The
16 requirement in this subsection (d) that live racing be
17 conducted no less than 5 days per week with no less than 9
18 races per day shall be subject to exceptions set forth in items
19 (1), (2), and (3) of subsection (a) of Section 3.075.

20 (e) During any calendar period in which no organization
21 licensee has been awarded a thoroughbred race meeting, the
22 host track, between the hours of 6:30 a.m. and 6:30 p.m. of
23 such period, shall be an organization licensee determined by
24 the Division Board, provided the organization licensee has
25 been awarded a thoroughbred race meeting in the current year
26 and is eligible to be a host track.

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

2 (230 ILCS 5/3.080)

3 Sec. 3.080. "Simulcast program" means the program of
4 simultaneously televised horse races, including (i) the signal
5 of any out-of-state horse race selected by the host track
6 subject to the disapproval of the Division Board, (ii) the
7 signals of live racing of all organization licensees, which
8 must be included by the host track; and (iii) the signal of
9 live racing at the DuQuoin and Springfield State fairs, if
10 mandated by the Division Board.

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

12 (230 ILCS 5/3.11) (from Ch. 8, par. 37-3.11)

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

19 (Source: P.A. 101-31, eff. 6-28-19.)

20 (230 ILCS 5/3.12) (from Ch. 8, par. 37-3.12)

21 Sec. 3.12. Pari-mutuel system of wagering. "Pari-mutuel
22 system of wagering" means a form of wagering on the outcome of
23 horse races in which wagers are made in various denominations

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

6 (Source: P.A. 101-31, eff. 6-28-19.)

7 (230 ILCS 5/3.13) (from Ch. 8, par. 37-3.13)

8 Sec. 3.13. "Pari-mutuel pool" or "mutuel pool" or "pool"
9 means the total money wagered by patrons and held by a licensee
10 under the pari-mutuel system on any horse or horses in a
11 particular race. There is a separate mutuel pool for win,
12 place and show, and for each of the various forms of betting as
13 defined by the rules and regulations of the Division Board.
14 Subject to the prior consent of the Division Board, any such
15 pool may be supplemented by a licensee in order to guarantee a
16 minimum distribution.

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

18 (230 ILCS 5/3.17) (from Ch. 8, par. 37-3.17)

19 Sec. 3.17. "Racing days" (or dates) are days within a
20 horse race meeting on which an organization licensee is
21 authorized by the Division Board to conduct horse racing.

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

23 (230 ILCS 5/3.18) (from Ch. 8, par. 37-3.18)

1 Sec. 3.18. "Director" means the Director of the Division
2 of Horse Racing of the Department of Lottery and Gaming.

3 ~~"Executive Director" means the executive director of the~~
4 ~~Illinois Racing Board.~~

5 (Source: P.A. 84-531.)

6 (230 ILCS 5/3.19) (from Ch. 8, par. 37-3.19)

7 Sec. 3.19. "Stewards" means the steward or stewards
8 representing the Division Board, the steward or stewards
9 representing the organization licensee, and any other steward
10 or stewards whose duty it shall be to supervise any horse race
11 meeting as may be provided for by rules and regulations of the
12 Division Board; such rules and regulations shall specify the
13 number of stewards to be appointed, the method and manner of
14 their appointment, and their powers, authority and duties.
15 Stewards shall have the power to administer oaths and
16 affirmations.

17 (Source: P.A. 83-589.)

18 (230 ILCS 5/3.29)

19 Sec. 3.29. Advance deposit wagering. "Advance deposit
20 wagering" means a method of pari-mutuel wagering in which an
21 individual may establish an account, deposit money into the
22 account, and use the account balance to pay for pari-mutuel
23 wagering authorized by this Act. An advance deposit wager may
24 be placed in person at a wagering facility or from any other

1 location via a telephone-type device or any other electronic
2 means. Any person who accepts an advance deposit wager who is
3 not licensed by the Division Board as an advance deposit
4 wagering licensee shall be considered in violation of this Act
5 and the Criminal Code of 2012. Any advance deposit wager
6 placed in person at a wagering facility shall be deemed to have
7 been placed at that wagering facility.

8 (Source: P.A. 96-762, eff. 8-25-09; 97-1150, eff. 1-25-13.)

9 (230 ILCS 5/3.35)

10 Sec. 3.35. Organization gaming license. "Organization
11 gaming license" means a license issued by the Department of
12 Lottery and Gaming ~~Illinois Gaming Board~~ under Section 7.7 of
13 the Illinois Gambling Act authorizing gaming pursuant to that
14 Section at an organization gaming facility.

15 (Source: P.A. 101-31, eff. 6-28-19.)

16 (230 ILCS 5/4) (from Ch. 8, par. 37-4)

17 Sec. 4. The Division Board shall consist of 11 members to
18 be appointed by the Governor with the advice and consent of the
19 Senate, not more than 6 of whom shall be of the same political
20 party, and one of whom shall be designated by the Governor to
21 be chairman. Each member shall have a reasonable knowledge of
22 harness or thoroughbred racing practices and procedure and of
23 the principles of harness or thoroughbred racing and breeding
24 and, at the time of his appointment, shall be a resident of the

1 State of Illinois and shall have resided therein for a period
2 of at least 5 years next preceding his appointment and
3 qualification and he shall be a qualified voter therein and
4 not less than 25 years of age.

5 (Source: P.A. 91-798, eff. 7-9-00.)

6 (230 ILCS 5/9) (from Ch. 8, par. 37-9)

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

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

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

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

23 (b) The Division Board is vested with the full power to
24 promulgate reasonable rules and regulations for the purpose of
25 administering the provisions of this Act and to prescribe
26 reasonable rules, regulations and conditions under which all

1 horse race meetings or wagering in the State shall be
2 conducted. Such reasonable rules and regulations are to
3 provide for the prevention of practices detrimental to the
4 public interest and to promote the best interests of horse
5 racing and to impose penalties for violations thereof.

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

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

19 (e) The Division Board, and any person or persons to whom
20 it delegates this power, may eject or exclude from any race
21 meeting or the facilities of any licensee, or any part
22 thereof, any occupation licensee or any other individual whose
23 conduct or reputation is such that his presence on those
24 facilities may, in the opinion of the Division Board, call
25 into question the honesty and integrity of horse racing or
26 wagering or interfere with the orderly conduct of horse racing

1 or wagering; provided, however, that no person shall be
2 excluded or ejected from the facilities of any licensee solely
3 on the grounds of race, color, creed, national origin,
4 ancestry, or sex. The power to eject or exclude an occupation
5 licensee or other individual may be exercised for just cause
6 by the licensee or the Division Board, subject to subsequent
7 hearing by the Division Board as to the propriety of said
8 exclusion.

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

18 (g) The Division Board may require that the records,
19 including financial or other statements of any licensee or any
20 person affiliated with the licensee who is involved directly
21 or indirectly in the activities of any licensee as regulated
22 under this Act to the extent that those financial or other
23 statements relate to such activities be kept in such manner as
24 prescribed by the Division Board, and that Division Board
25 employees shall have access to those records during reasonable
26 business hours. Within 120 days of the end of its fiscal year,

1 each licensee shall transmit to the Division Board an audit of
2 the financial transactions and condition of the licensee's
3 total operations. All audits shall be conducted by certified
4 public accountants. Each certified public accountant must be
5 registered in the State of Illinois under the Illinois Public
6 Accounting Act. The compensation for each certified public
7 accountant shall be paid directly by the licensee to the
8 certified public accountant. A licensee shall also submit any
9 other financial or related information the Division Board
10 deems necessary to effectively administer this Act and all
11 rules, regulations, and final decisions promulgated under this
12 Act.

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

25 (i) The Division Board shall require that there shall be 3
26 stewards at each horse race meeting, at least 2 of whom shall

1 be named and appointed by the Board. Stewards appointed or
2 approved by the Division Board, while performing duties
3 required by this Act or by the Division Board, shall be
4 entitled to the same rights and immunities as granted to
5 Division Board members and Board employees in Section 10 of
6 this Act.

7 (j) The Division Board may discharge any Division Board
8 employee who fails or refuses for any reason to comply with the
9 rules and regulations of the Division Board, or who, in the
10 opinion of the Director Board, is guilty of fraud, dishonesty
11 or who is proven to be incompetent. The Division Board shall
12 have no right or power to determine who shall be officers,
13 directors or employees of any licensee, or their salaries
14 except the Division Board may, by rule, require that all or any
15 officials or employees in charge of or whose duties relate to
16 the actual running of races be approved by the Division Board.

17 (k) The Division Board is vested with the power to appoint
18 delegates to execute any of the powers granted to it under this
19 Section for the purpose of administering this Act and any
20 rules or regulations promulgated in accordance with this Act.

21 (l) The Division Board is vested with the power to impose
22 civil penalties of up to \$5,000 against an individual and up to
23 \$10,000 against a licensee for each violation of any provision
24 of this Act, any rules adopted by the Division Board, any order
25 of the Division Board or any other action which, in the
26 Director's Board's discretion, is a detriment or impediment to

1 horse racing or wagering. Beginning on the date when any
2 organization licensee begins conducting gaming pursuant to an
3 organization gaming license issued under the Illinois Gambling
4 Act, the power granted to the Division Board pursuant to this
5 subsection (l) shall authorize the Division Board to impose
6 penalties of up to \$10,000 against an individual and up to
7 \$25,000 against a licensee. All such civil penalties shall be
8 deposited into the Horse Racing Fund.

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

12 (n) The Division Board shall have the power to issue a
13 license to any county fair, or its agent, authorizing the
14 conduct of the pari-mutuel system of wagering. The Division
15 ~~Board~~ is vested with the full power to promulgate reasonable
16 rules, regulations and conditions under which all horse race
17 meetings licensed pursuant to this subsection shall be held
18 and conducted, including rules, regulations and conditions for
19 the conduct of the pari-mutuel system of wagering. The rules,
20 regulations and conditions shall provide for the prevention of
21 practices detrimental to the public interest and for the best
22 interests of horse racing, and shall prescribe penalties for
23 violations thereof. Any authority granted the Division Board
24 under this Act shall extend to its jurisdiction and
25 supervision over county fairs, or their agents, licensed
26 pursuant to this subsection. However, the Division Board may

1 waive any provision of this Act or its rules or regulations
2 which would otherwise apply to such county fairs or their
3 agents.

4 (o) Whenever the Division Board is authorized or required
5 by law to consider some aspect of criminal history record
6 information for the purpose of carrying out its statutory
7 powers and responsibilities, then, upon request and payment of
8 fees in conformance with the requirements of Section 2605-400
9 of the Department of State Police Law ~~(20 ILCS 2605/2605-400)~~,
10 the Illinois ~~Department of State Police~~ are ~~is~~ authorized to
11 furnish, pursuant to positive identification, such information
12 contained in State files as is necessary to fulfill the
13 request.

14 (p) To insure the convenience, comfort, and wagering
15 accessibility of race track patrons, to provide for the
16 maximization of State revenue, and to generate increases in
17 purse allotments to the horsemen, the Division Board shall
18 require any licensee to staff the pari-mutuel department with
19 adequate personnel.

20 (Source: P.A. 101-31, eff. 6-28-19.)

21 (230 ILCS 5/10) (from Ch. 8, par. 37-10)

22 Sec. 10. Any Division Board member or Board employee who
23 is subject to any civil action arising from any act executed by
24 him while serving as a Division Board member or Board employee
25 shall be represented by the Attorney General. All costs of

1 defending such law suit and satisfaction of any judgment
2 rendered against a Division ~~Board member or Board~~ employee
3 shall be incurred by the Division ~~Board~~. Any Division ~~Board~~
4 ~~member or Board~~ employee is entitled to the benefit of this
5 Section provided the act was committed in good faith.

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

7 (230 ILCS 5/12) (from Ch. 8, par. 37-12)

8 Sec. 12. (a) ~~Board members shall employ under the~~
9 ~~"Personnel Code", as now or hereafter amended, such~~
10 ~~representatives, accountants, clerks, stenographers,~~
11 ~~inspectors, and other employees as may be necessary.~~ No person
12 shall be appointed or hold any office or position under the
13 Division ~~Board~~ who, or any member of whose family, is:

14 (1) an official of, or has any financial or ownership
15 interest in any licensee or occupation licensee engaged in
16 conducting racing within this State, or,

17 (2) an owner, trainer, jockey, or harness driver of a
18 horse competing at a race meeting under the jurisdiction
19 of the Board.

20 (b) Any employee violating the prohibitions set forth in
21 subsection (a) of this Section shall be subject to the
22 termination of his or her employment. If the Division ~~Board~~
23 determines that an employee is in violation of subsection (a)
24 of this Section and should be discharged, it must observe the
25 procedures outlined in the "Personnel Code", as now or

1 hereafter amended, as they apply to discharge proceedings.

2 ~~(c) No person employed by the Board during the 12 months~~
3 ~~preceding the effective date of this Act shall be terminated~~
4 ~~from employment due to a violation of the prohibitions set~~
5 ~~forth in subsection (a) of this Section.~~

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

7 (230 ILCS 5/12.1) (from Ch. 8, par. 37-12.1)

8 Sec. 12.1. (a) The General Assembly finds that the
9 Illinois Racing Industry does not include a fair proportion of
10 minority or female workers.

11 Therefore, the General Assembly urges that the job
12 training institutes, trade associations and employers involved
13 in the Illinois Horse Racing Industry take affirmative action
14 to encourage equal employment opportunity to all workers
15 regardless of race, color, creed or sex.

16 Before an organization license, inter-track wagering
17 license or inter-track wagering location license can be
18 granted, the applicant for any such license shall execute and
19 file with the Division Board a good faith affirmative action
20 plan to recruit, train and upgrade minorities and females in
21 all classifications with the applicant for license. One year
22 after issuance of any such license, and each year thereafter,
23 the licensee shall file a report with the Division Board
24 evidencing and certifying compliance with the originally filed
25 affirmative action plan.

1 (b) At least 10% of the total amount of all State contracts
2 for the infrastructure improvement of any race track grounds
3 in this State shall be let to minority-owned businesses or
4 women-owned businesses. "State contract", "minority-owned
5 business" and "women-owned business" shall have the meanings
6 ascribed to them under the Business Enterprise for Minorities,
7 Women, and Persons with Disabilities Act.

8 (Source: P.A. 100-391, eff. 8-25-17.)

9 (230 ILCS 5/12.2)

10 Sec. 12.2. Business enterprise program.

11 (a) For the purposes of this Section, the terms
12 "minority", "minority-owned business", "woman", "women-owned
13 business", "person with a disability", and "business owned by
14 a person with a disability" have the meanings ascribed to them
15 in the Business Enterprise for Minorities, Women, and Persons
16 with Disabilities Act.

17 (b) The Division Board shall, by rule, establish goals for
18 the award of contracts by each organization licensee or
19 inter-track wagering licensee to businesses owned by
20 minorities, women, and persons with disabilities, expressed as
21 percentages of an organization licensee's or inter-track
22 wagering licensee's total dollar amount of contracts awarded
23 during each calendar year. Each organization licensee or
24 inter-track wagering licensee must make every effort to meet
25 the goals established by the Division Board pursuant to this

1 Section. When setting the goals for the award of contracts,
2 the Division Board shall not include contracts where: (1)
3 licensees are purchasing goods or services from vendors or
4 suppliers or in markets where there are no or a limited number
5 of minority-owned businesses, women-owned businesses, or
6 businesses owned by persons with disabilities that would be
7 sufficient to satisfy the goal; (2) there are no or a limited
8 number of suppliers licensed by the Division Board; (3) the
9 licensee or its parent company owns a company that provides
10 the goods or services; or (4) the goods or services are
11 provided to the licensee by a publicly traded company.

12 (c) Each organization licensee or inter-track wagering
13 licensee shall file with the Division Board an annual report
14 of its utilization of minority-owned businesses, women-owned
15 businesses, and businesses owned by persons with disabilities
16 during the preceding calendar year. The reports shall include
17 a self-evaluation of the efforts of the organization licensee
18 or inter-track wagering licensee to meet its goals under this
19 Section.

20 (d) The organization licensee or inter-track wagering
21 licensee shall have the right to request a waiver from the
22 requirements of this Section. The Division Board shall grant
23 the waiver where the organization licensee or inter-track
24 wagering licensee demonstrates that there has been made a good
25 faith effort to comply with the goals for participation by
26 minority-owned businesses, women-owned businesses, and

1 businesses owned by persons with disabilities.

2 (e) If the Division Board determines that its goals and
3 policies are not being met by any organization licensee or
4 inter-track wagering licensee, then the Division Board may:

5 (1) adopt remedies for such violations; and

6 (2) recommend that the organization licensee or
7 inter-track wagering licensee provide additional
8 opportunities for participation by minority-owned
9 businesses, women-owned businesses, and businesses owned
10 by persons with disabilities; such recommendations may
11 include, but shall not be limited to:

12 (A) assurances of stronger and better focused
13 solicitation efforts to obtain more minority-owned
14 businesses, women-owned businesses, and businesses
15 owned by persons with disabilities as potential
16 sources of supply;

17 (B) division of job or project requirements, when
18 economically feasible, into tasks or quantities to
19 permit participation of minority-owned businesses,
20 women-owned businesses, and businesses owned by
21 persons with disabilities;

22 (C) elimination of extended experience or
23 capitalization requirements, when programmatically
24 feasible, to permit participation of minority-owned
25 businesses, women-owned businesses, and businesses
26 owned by persons with disabilities;

1 (D) identification of specific proposed contracts
2 as particularly attractive or appropriate for
3 participation by minority-owned businesses,
4 women-owned businesses, and businesses owned by
5 persons with disabilities, such identification to
6 result from and be coupled with the efforts of items
7 (A) through (C); and

8 (E) implementation of regulations established for
9 the use of the sheltered market process.

10 (f) The Division Board shall file, no later than March 1 of
11 each year, an annual report that shall detail the level of
12 achievement toward the goals specified in this Section over
13 the 3 most recent fiscal years. The annual report shall
14 include, but need not be limited to:

15 (1) a summary detailing expenditures subject to the
16 goals, the actual goals specified, and the goals attained
17 by each organization licensee or inter-track wagering
18 licensee;

19 (2) a summary of the number of contracts awarded and
20 the average contract amount by each organization licensee
21 or inter-track wagering licensee;

22 (3) an analysis of the level of overall goal
23 achievement concerning purchases from minority-owned
24 businesses, women-owned businesses, and businesses owned
25 by persons with disabilities;

26 (4) an analysis of the number of minority-owned

1 businesses, women-owned businesses, and businesses owned
2 by persons with disabilities that are certified under the
3 program as well as the number of those businesses that
4 received State procurement contracts; and

5 (5) (blank).

6 (Source: P.A. 99-78, eff. 7-20-15; 99-891, eff. 1-1-17;
7 100-391, eff. 8-25-17.)

8 (230 ILCS 5/13) (from Ch. 8, par. 37-13)

9 Sec. 13. The Director shall serve as the executive officer
10 of the Division. ~~executive director shall perform any and all~~
11 ~~duties that the Board shall assign him. The salary of the~~
12 ~~executive director shall be determined by the Board and, in~~
13 ~~addition, he shall be reimbursed for all actual and necessary~~
14 ~~expenses incurred by him in discharge of his official duties.~~
15 The Director ~~executive director~~ shall keep records of all
16 proceedings of the Board and shall preserve all records,
17 books, documents and other papers belonging to the Division
18 ~~Board~~ or entrusted to its care. The Director ~~executive~~
19 ~~director~~ shall devote his full time to the duties of the office
20 and shall not hold any other office or employment.

21 (Source: P.A. 84-531.)

22 (230 ILCS 5/14) (from Ch. 8, par. 37-14)

23 Sec. 14. (a) (Blank). ~~The Board shall hold regular and~~
24 ~~special meetings at such times and places as may be necessary~~

1 ~~to perform properly and effectively all duties required under~~
2 ~~this Act. A majority of the members of the Board shall~~
3 ~~constitute a quorum for the transaction of any business, for~~
4 ~~the performance of any duty, or for the exercise of any power~~
5 ~~which this Act requires the Board members to transact, perform~~
6 ~~or exercise en banc, except that upon order of the Board one of~~
7 ~~the Board members may conduct the hearing provided in Section~~
8 ~~16. The Board member conducting such hearing shall have all~~
9 ~~powers and rights granted to the Board in this Act. The record~~
10 ~~made at the hearing shall be reviewed by the Board, or a~~
11 ~~majority thereof, and the findings and decision of the~~
12 ~~majority of the Board shall constitute the order of the Board~~
13 ~~in such case.~~

14 (b) (Blank). ~~The Board shall obtain a court reporter who~~
15 ~~will be present at each regular and special meeting and~~
16 ~~proceeding and who shall make accurate transcriptions thereof~~
17 ~~except that when in the judgment of the Board an emergency~~
18 ~~situation requires a meeting by teleconference, the executive~~
19 ~~director shall prepare minutes of the meeting indicating the~~
20 ~~date and time of the meeting and which members of the Board~~
21 ~~were present or absent, summarizing all matters proposed,~~
22 ~~deliberated, or decided at the meeting, and indicating the~~
23 ~~results of all votes taken. The public shall be allowed to~~
24 ~~listen to the proceedings of that meeting at all Board branch~~
25 ~~offices.~~

26 (c) (Blank). ~~The Board shall provide records which are~~

1 ~~separate and distinct from the records of any other State~~
2 ~~board or commission. Such records shall be available for~~
3 ~~public inspection and shall accurately reflect all Board~~
4 ~~proceedings.~~

5 (d) The Division Board shall file a written annual report
6 with the Governor on or before March 1 each year and such
7 additional reports as the Governor may request. The annual
8 report shall include a statement of receipts and disbursements
9 by the Division Board, actions taken by the Division Board, a
10 report on the industry's progress toward the policy objectives
11 established in Section 1.2 of this Act, and any additional
12 information and recommendations which the Division Board may
13 deem valuable or which the Governor may request.

14 (e) The Division Board shall maintain a branch office on
15 the ground of every organization licensee during the
16 organization licensee's race meeting, which office shall be
17 kept open throughout the time the race meeting is held. The
18 Division Board shall designate ~~one of its members, or~~ an
19 authorized agent of the Division Board who shall have the
20 authority to act for the Division Board, to be in charge of the
21 branch office during the time it is required to be kept open.

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

23 (230 ILCS 5/14a) (from Ch. 8, par. 37-14a)

24 Sec. 14a. The Division Board may employ hearing officers
25 qualified by professional training or previous experience

1 according to rules established by the Division Board. The
2 Division Board shall also establish rules providing for the
3 disqualification of hearing officers for bias or conflict of
4 interest. Such hearing officers shall, under the direction of
5 the Division Board, take testimony of witnesses, examine
6 accounts, records, books, papers and facilities, either by
7 holding hearings or making independent investigations, in any
8 matter referred to them by the Division Board; and make report
9 thereof to the Division Board, and attend at hearings before
10 the Director Board when so directed by the Director Board, for
11 the purpose of explaining their investigations and the result
12 thereof to the Division Board and the parties interested; and
13 perform such other duties as the Division Board may direct,
14 subject to its orders. The Director Board may make final
15 administrative decisions based upon reports presented to it
16 and investigations and hearings conducted by hearing officers.
17 (Source: P.A. 89-16, eff. 5-30-95.)

18 (230 ILCS 5/15) (from Ch. 8, par. 37-15)

19 Sec. 15. (a) The Division Board shall, in its discretion,
20 issue occupation licenses to horse owners, trainers, harness
21 drivers, jockeys, agents, apprentices, grooms, stable foremen,
22 exercise persons, veterinarians, valets, blacksmiths,
23 concessionaires and others designated by the Division Board
24 whose work, in whole or in part, is conducted upon facilities
25 within the State. Such occupation licenses will be obtained

1 prior to the persons engaging in their vocation upon such
2 facilities. The Division Board shall not license pari-mutuel
3 clerks, parking attendants, security guards and employees of
4 concessionaires. No occupation license shall be required of
5 any person who works at facilities within this State as a
6 pari-mutuel clerk, parking attendant, security guard or as an
7 employee of a concessionaire. Concessionaires of the Illinois
8 State Fair and DuQuoin State Fair and employees of the
9 Illinois Department of Agriculture shall not be required to
10 obtain an occupation license by the Division Board.

11 (b) Each application for an occupation license shall be on
12 forms prescribed by the Division Board. Such license, when
13 issued, shall be for the period ending December 31 of each
14 year, except that the Division Board in its discretion may
15 grant 3-year licenses. The application shall be accompanied by
16 a fee of not more than \$25 per year or, in the case of 3-year
17 occupation license applications, a fee of not more than \$60.
18 Each applicant shall set forth in the application his full
19 name and address, and if he had been issued prior occupation
20 licenses or has been licensed in any other state under any
21 other name, such name, his age, whether or not a permit or
22 license issued to him in any other state has been suspended or
23 revoked and if so whether such suspension or revocation is in
24 effect at the time of the application, and such other
25 information as the Division Board may require. Fees for
26 registration of stable names shall not exceed \$50.00.

1 Beginning on the date when any organization licensee begins
2 conducting gaming pursuant to an organization gaming license
3 issued under the Illinois Gambling Act, the fee for
4 registration of stable names shall not exceed \$150, and the
5 application fee for an occupation license shall not exceed
6 \$75, per year or, in the case of a 3-year occupation license
7 application, the fee shall not exceed \$180.

8 (c) The Division Board may in its discretion refuse an
9 occupation license to any person:

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

11 (2) who is unqualified to perform the duties required
12 of such applicant;

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

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

17 or

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

20 (d) The Division Board may suspend or revoke any
21 occupation license:

22 (1) for violation of any of the provisions of this
23 Act; or

24 (2) for violation of any of the rules or regulations
25 of the Division Board; or

26 (3) for any cause which, if known to the Division

1 ~~Board~~, would have justified the Division Board in refusing
2 to issue such occupation license; or

3 (4) for any other just cause.

4 (e) Each applicant shall submit his or her fingerprints
5 to the Department of State Police in the form and manner
6 prescribed by the Department of State Police. These
7 fingerprints shall be checked against the fingerprint records
8 now and hereafter filed in the Department of State Police and
9 Federal Bureau of Investigation criminal history records
10 databases. The Illinois ~~Department of~~ State Police shall
11 charge a fee for conducting the criminal history records
12 check, which shall be deposited in the State Police Services
13 Fund and shall not exceed the actual cost of the records check.
14 The Illinois ~~Department of~~ State Police shall furnish,
15 pursuant to positive identification, records of conviction to
16 the Division Board. Each applicant for licensure shall submit
17 with his occupation license application, on forms provided by
18 the Division Board, 2 sets of his fingerprints. All such
19 applicants shall appear in person at the location designated
20 by the Division Board for the purpose of submitting such sets
21 of fingerprints; however, with the prior approval of a State
22 steward, an applicant may have such sets of fingerprints taken
23 by an official law enforcement agency and submitted to the
24 Division Board.

25 (f) The Division Board may, in its discretion, issue an
26 occupation license without submission of fingerprints if an

1 applicant has been duly licensed in another recognized racing
2 jurisdiction after submitting fingerprints that were subjected
3 to a Federal Bureau of Investigation criminal history
4 background check in that jurisdiction.

5 (g) Beginning on the date when any organization licensee
6 begins conducting gaming pursuant to an organization gaming
7 license issued under the Illinois Gambling Act, the Division
8 ~~Board~~ may charge each applicant a reasonable nonrefundable fee
9 to defray the costs associated with the background
10 investigation conducted by the Division ~~Board~~. This fee shall
11 be exclusive of any other fee or fees charged in connection
12 with an application for and, if applicable, the issuance of,
13 an organization gaming license. If the costs of the
14 investigation exceed the amount of the fee charged, the
15 Division ~~Board~~ shall immediately notify the applicant of the
16 additional amount owed, payment of which must be submitted to
17 the Division ~~Board~~ within 7 days after such notification. All
18 information, records, interviews, reports, statements,
19 memoranda, or other data supplied to or used by the Division
20 ~~Board~~ in the course of its review or investigation of an
21 applicant for a license or renewal under this Act shall be
22 privileged, strictly confidential, and shall be used only for
23 the purpose of evaluating an applicant for a license or a
24 renewal. Such information, records, interviews, reports,
25 statements, memoranda, or other data shall not be admissible
26 as evidence, nor discoverable, in any action of any kind in any

1 court or before any tribunal, board, agency, or person, except
2 for any action deemed necessary by the Division Board.

3 (Source: P.A. 101-31, eff. 6-28-19.)

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

5 Sec. 15.1. Upon collection of the fee accompanying the
6 application for an occupation license, the Division Board
7 shall be authorized to make daily temporary deposits of the
8 fees, for a period not to exceed 7 days, with the horsemen's
9 bookkeeper at a race meeting. The horsemen's bookkeeper shall
10 issue a check, payable to the order of the Division of Horse
11 Racing Illinois Racing Board, for monies deposited under this
12 Section within 24 hours of receipt of the monies. Provided
13 however, upon the issuance of the check by the horsemen's
14 bookkeeper the check shall be deposited into the Horse Racing
15 Fund.

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

17 (230 ILCS 5/15.2) (from Ch. 8, par. 37-15.2)

18 Sec. 15.2. (a) No pari-mutuel clerk, parking attendant or
19 security guard employed by a licensee at a wagering facility
20 shall commit any of the following acts: theft; fraud; wagering
21 during the course of employment; touting; bookmaking; or any
22 other act which is detrimental to the best interests of racing
23 in Illinois. For purposes of this Section:

24 (1) "Theft" means the act of knowingly:

1 (A) obtaining or exerting unauthorized control
2 over State revenue or revenue of a licensee; or

3 (B) by deception obtaining control over patron
4 dollars.

5 (2) "Fraud" means the act of knowingly providing
6 false, misleading or deceptive information to a federal,
7 State or local governmental body.

8 (3) "Wagering" means the act of placing a wager at a
9 wagering facility on the outcome of a horse race under the
10 jurisdiction of the Division Board by a pari-mutuel clerk
11 during the course of employment.

12 (4) "Touting" means the act of soliciting anything of
13 value in exchange for information regarding the outcome of
14 a horse race on which wagers are made at a wagering
15 facility under the jurisdiction of the Division Board.

16 (5) "Bookmaking" means the act of accepting a wager
17 from an individual with the intent to withhold the wager
18 from being placed by the individual at a wagering
19 facility.

20 (b) A licensee, or occupation licensee upon receiving
21 information that a pari-mutuel clerk, parking attendant or
22 security guard in his employ has been accused of committing
23 any act prohibited by subsection (a) of this Section shall:

24 (1) give immediate written notice of such accusation
25 to the stewards of the race meeting and to the accused
26 pari-mutuel clerk, parking attendant or security guard,

1 and

2 (2) give written notice of such accusation within a
3 reasonable time to the Division Board.

4 The Division Board may impose a civil penalty authorized
5 by subsection (1) of Section 9 of this Act against a licensee
6 or occupation licensee who fails to give any notice required
7 by this subsection.

8 (c) Upon receiving the notice required by subsection (b)
9 of this Section the stewards shall conduct an inquiry into the
10 matter.

11 If the stewards determine that the accused has committed
12 any of the acts prohibited by subsection (a) of this Section,
13 they may exclude the accused or declare that person ineligible
14 for employment at any pari-mutuel race meeting or wagering
15 facility under the jurisdiction of the Division Board. A
16 person so excluded or declared ineligible for employment may
17 request a hearing before the Division Board as provided in
18 Section 16 of this Act.

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

20 (230 ILCS 5/15.3) (from Ch. 8, par. 37-15.3)

21 Sec. 15.3. Any person who makes application for an
22 employment position as a pari-mutuel clerk, parking attendant
23 or security guard with a licensee, where such position would
24 involve work conducted in whole or in part at a wagering
25 facility within this State shall be required to fill out an

1 employment application form prescribed by the Division
2 ~~Illinois Racing Board~~. Such application form shall require the
3 applicant to state the following:

4 (a) whether the applicant has ever been convicted of a
5 felony offense under the laws of this State, the laws of any
6 other state, or the laws of the United States;

7 (b) whether the applicant has ever been convicted of a
8 misdemeanor offense under the laws of this State, the laws of
9 any other state, or the laws of the United States, which
10 offense involved dishonesty, fraud, deception or moral
11 turpitude;

12 (c) whether the applicant has ever been excluded by the
13 Division Board or any other jurisdiction where wagering is
14 conducted;

15 (d) whether the applicant has ever committed an act of
16 touting, bookmaking, theft, or fraud, as those terms are
17 defined in Section 15.2 of this Act; and

18 (e) any other information that the Division Board may deem
19 necessary to carry out the purposes of Public Act 84-1468.

20 The applicant shall sign the application form and certify
21 that, under the penalties of perjury of this State, the
22 statements set forth in the application form are true and
23 correct.

24 The licensee shall, upon its decision to hire the
25 applicant, forward a copy of the application form to the
26 Division Board. The Division Board shall review the

1 application form immediately upon receipt.

2 The Division's ~~Board's~~ review of the application form
3 shall include an inquiry as to whether the applicant has been
4 accused of any of the acts prohibited under Section 15.2 of
5 this Act and, if the Division ~~Board~~ does find that the
6 applicant has been so accused, it shall conduct an
7 investigation to determine whether, by a standard of
8 reasonable certainty, the applicant committed the act. If the
9 Division ~~Board~~ determines that the applicant did commit any of
10 the acts prohibited under that Section, it may exclude the
11 applicant or declare that the applicant is ineligible for
12 employment.

13 The Division ~~Board~~ may declare an applicant ineligible for
14 employment if it finds that the applicant has been previously
15 excluded by the Division ~~Board~~. In making such a declaration,
16 the Division ~~Board~~ shall consider: (a) the reasons the
17 applicant had been previously excluded; (b) the period of time
18 that has elapsed since the applicant was excluded; and (c) how
19 the previous exclusion relates to the applicant's ability to
20 perform the duties of the employment position for which he or
21 she is applying.

22 When the Division ~~Board~~ excludes an applicant or declares
23 an applicant ineligible for employment, it shall immediately
24 notify such applicant and the licensee of its action. A person
25 so excluded or declared ineligible for employment may request
26 a hearing before the Division ~~Board~~ in accordance with Section

1 16 of this Act.

2 No licensee may employ a pari-mutuel clerk, parking
3 attendant or security guard at a wagering facility after such
4 licensee has been notified that such person has been declared
5 ineligible by the Division Board.

6 Nothing herein shall be construed to limit the Division's
7 ~~Board's~~ exclusionary authority under Section 16.

8 Sections 15.2 and 15.3 of this Act shall apply to any
9 person who holds an employment position as a pari-mutuel
10 clerk, parking attendant, or security guard subsequent to July
11 1, 1987 with a licensee. All such employees employed prior to
12 July 1, 1987 shall be required to file employment applications
13 with the Division Board, and the information required under
14 subparagraphs (a) through (e) of this Section pertaining to
15 conduct or activities prior to July 1, 1987 shall only be used
16 by the Division Board in its determination to exclude an
17 applicant or its declaration that an applicant is ineligible
18 for employment based on conduct that occurs after July 1,
19 1987.

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

21 (230 ILCS 5/15.4) (from Ch. 8, par. 37-15.4)

22 Sec. 15.4. The Division Board shall take disciplinary
23 action authorized by subsection (d) of Section 9 of this Act or
24 impose a civil penalty authorized by subsection (1) of Section
25 9 of this Act against any licensee which requires, as a

1 condition precedent to employment, membership in any labor
2 organization or association. Nothing in this Section shall
3 prohibit an agreement between a labor organization or
4 association and any such licensee which requires that, once
5 employed, an employee be a member of the labor organization or
6 association.

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

8 (230 ILCS 5/15.5)

9 Sec. 15.5. Labor agreements.

10 (a) This Section applies to each entity subject to this
11 Act that has at least 10 employees on average over the 12
12 months preceding application for an organization gaming
13 license.

14 (b) Before an organization gaming license may be granted
15 or renewed, the applicant or licensee seeking an organization
16 gaming license or renewal shall:

17 (1) Enter into, and observe, the terms of a collective
18 bargaining agreement with any labor organization seeking
19 to represent a majority of the licensee's employees in a
20 bargaining unit consisting of all non-supervisory and
21 non-management employees in the classifications identified
22 by the labor organization. Any new employees hired by the
23 licensee who perform work substantially similar to current
24 employees in an existing bargaining unit already
25 represented by a labor organization at the facility shall

1 be incorporated into that existing bargaining unit.

2 (2) Upon written notice by a labor organization of its
3 desire to represent employees in a designated bargaining
4 unit, the licensee shall:

5 (A) provide the names, classifications, and home
6 addresses of each and every employee in the identified
7 bargaining unit;

8 (B) refrain from expressing any views on the
9 question whether its employees should be represented
10 by a labor organization;

11 (C) refrain from restraining or coercing its
12 employees in choosing to be represented or not
13 represented by a labor organization; and

14 (D) allow designated representatives of the labor
15 organization access to its non-work areas for the
16 purpose of meeting privately with its employees during
17 non-working times.

18 (3) Upon a showing of majority interest, to be
19 certified through card check by the Federal Mediation and
20 Conciliation Service or from a designated arbitrator from
21 a permanent panel of arbitrators appointed by the Division
22 ~~Illinois Racing Board~~, the licensee and the labor
23 organization shall immediately enter into negotiations for
24 a collective bargaining agreement.

25 (4) If the parties are unable to conclude a labor
26 agreement within 60 days following the date of

1 certification, the terms of the agreement shall be set by
2 an arbitrator jointly selected by the parties from a panel
3 of arbitrators designated by the Division ~~Illinois Racing~~
4 ~~Board~~, who shall issue a final and binding award within
5 120 days after the date of certification, if the parties
6 fail to conclude an agreement by that date. Except with
7 regard to the minimum requirements in paragraph (5), the
8 arbitrator shall be guided by the terms of labor
9 agreements covering the same or similar classifications of
10 employees within 100 miles of the facility or facilities
11 for which the agreement is negotiated. The arbitrator
12 shall also resolve all disputes regarding the scope and
13 composition of the bargaining unit covered under the labor
14 agreement. The licensee and the labor organization shall
15 share equally the expenses of the arbitrator. No labor
16 agreement shall cover employees in a bargaining unit for
17 which another labor organization has been certified as a
18 bargaining representative under this Act and that
19 continues to actively represent such employees.

20 (5) All labor agreements required under this Section
21 shall, at a minimum, include a:

22 (A) term of at least 3 years;

23 (B) prohibition on strikes or other work stoppages
24 by the labor organization and the represented
25 employees during the term of the labor agreement; and

26 (C) restriction on subcontracting any work

1 performed on or about the licensee's premises as part
2 of its normal operations except by mutual agreement
3 with the labor organization, and then only to a person
4 or firm that is signatory to a labor agreement with a
5 labor organization that has indicated its interest in
6 representing the employees of the subcontractor,
7 provided, the subcontractor's employees are not
8 lawfully represented by another labor organization.

9 (6) A copy of the fully executed labor agreement shall
10 be submitted to the Division ~~Illinois Racing Board~~ prior
11 to the issuance or renewal of any organization gaming
12 license required under this Act.

13 (c) Upon the expiration of a labor agreement required
14 under this Section, the parties shall negotiate a successor
15 agreement under the procedures set forth in paragraphs (4) and
16 (5) of subsection (b), except that the negotiation and
17 arbitration procedures shall commence upon the last effective
18 day of the expiring labor agreement.

19 (d) The provisions of this Section, except for paragraph
20 (2) of subsection (b), do not apply to any entity that is
21 covered, or subsequently becomes covered, under the National
22 Labor Relations Act, 29 U.S.C. 151 et seq. However, nothing in
23 this Act shall affect or diminish the validity and
24 enforceability of any collective bargaining agreement entered
25 into during the period that this Act applies.

26 (Source: P.A. 101-651, eff. 8-7-20.)

1 (230 ILCS 5/16) (from Ch. 8, par. 37-16)

2 Sec. 16. (a) The Division Board shall, in accordance with
3 Section 15, have the power to revoke or suspend an occupation
4 license, and the steward or judges at a race meeting shall have
5 the power to suspend an occupation license of any horse owner,
6 trainer, harness driver, jockey, agent, apprentice, groom,
7 stable foreman, exercise boy, veterinarian, valet, blacksmith
8 or concessionaire whose work, in whole or in part, is
9 conducted at facilities within the State, or to determine the
10 eligibility for employment at a wagering facility of a
11 pari-mutuel clerk, parking attendant or security guard. The
12 Illinois Administrative Procedure Act shall not apply to the
13 actions of the Division Board or of the stewards or judges at a
14 race meeting, and those actions shall instead be subject to
15 the procedures outlined in subsections (b) through (e) of this
16 Section.

17 The Division Board may refuse to issue or may suspend the
18 occupation license of any person who fails to file a return, or
19 to pay the tax, penalty or interest shown in a filed return, or
20 to pay any final assessment of tax, penalty or interest, as
21 required by any tax Act administered by the Illinois
22 Department of Revenue, until such time as the requirements of
23 any such tax Act are satisfied.

24 (b) In the event the Division Board, for violation of the
25 provisions of this Act or the rules and regulations of the

1 Division Board or other just cause, refuses, revokes or
2 suspends an occupation license, or a steward or the judges at
3 any race meeting suspend an occupation license of any horse
4 owner, trainer, harness driver, jockey, agent, apprentice,
5 groom, stable foreman, exercise person, veterinarian, valet,
6 blacksmith, concessionaire or other occupation licensee whose
7 work, in whole or in part is conducted at facilities within the
8 State and owned by a licensee, or declare a person ineligible
9 for employment, then the occupation license of the person or
10 his eligibility for employment shall be suspended pending a
11 hearing before the Director ~~of the Board~~.

12 (c) The person affected by such action at any race meeting
13 may request a hearing before the Director Board within 5 days
14 after receipt of notice of the suspension from the Division
15 ~~Board~~, the steward or the judges at any race meeting. The
16 hearing shall be held by the Director Board within 7 days after
17 such request has been received by the Director Board. Any
18 action of a steward or the judges with respect to any
19 occupation license or eligibility for employment may be heard
20 before the Director on his or her ~~by the Board on its~~ own
21 motion by giving the aggrieved party at least 3 days' notice in
22 writing of the time and place of the hearing.

23 (d) All hearings before the Director ~~by the Board~~ under
24 this Section shall be held at such place in the State as the
25 Director Board may designate and any notice provided for shall
26 be served by mailing it postage prepaid by certified mail to

1 the parties affected. Any such notice so mailed is deemed to
2 have been served on the business day next following the date of
3 such mailing.

4 (e) The Director Board in conducting such hearings shall
5 not be bound by technical rules of evidence, but all evidence
6 offered before the Director Board shall be reduced to writing
7 and shall, with petition and exhibits, if any, and the
8 findings of the Director Board, be permanently preserved and
9 constitute the record of the Director Board in such case. The
10 Director Board may require that appellants bear reasonable
11 costs of the production of hearing transcripts. Any of the
12 parties affected in such hearing may be represented by counsel
13 and introduce evidence. At the request of the Director Board,
14 the Attorney General shall assist and participate in the
15 conduct of such hearing.

16 (f) The Director ~~Every member of the Board~~ has the power to
17 administer oaths and affirmations, certify all official acts,
18 issue subpoenas, compel the attendance and testimony of
19 witnesses and the production of papers, books, accounts, and
20 documents.

21 (g) Any person who is served with a subpoena (issued by the
22 Director Board ~~or any member thereof~~) to appear and testify,
23 or to produce books, papers, accounts or documents in the
24 course of an inquiry or hearing conducted under this Act, and
25 who refuses or neglects to appear or to testify or to produce
26 books, papers, accounts and documents relative to the hearings

1 as commanded in such subpoenas, may be punished by the Circuit
2 Court in the county where the violation is committed in the
3 same manner as the Circuit Court may punish such refusal or
4 neglect in a case filed in court.

5 (h) In case of disobedience to a subpoena, the Director
6 ~~Board~~ may petition the Circuit Court in the county where the
7 violation was committed for an order requiring the attendance
8 and testimony of witnesses or the production of documentary
9 evidence or both. A copy of such petition shall be served by
10 personal notice or by registered or certified mail upon the
11 person who has failed to obey that subpoena, and such person
12 shall be advised in writing that a hearing upon the petition
13 will be requested in a court room to be designated in that
14 notice before the judge occupying the courtroom on a specified
15 date and at a specified time.

16 (i) The court, upon the filing of such a petition, may
17 order the person refusing to obey the subpoena to appear
18 before the Director ~~Board~~ at a designated time, or to there
19 produce documentary evidence, if so ordered, or to give
20 evidence relating to the subject matter of the hearing. Any
21 failure to obey such order of the Circuit Court may be punished
22 by that court as a civil or criminal contempt upon itself.

23 (j) The Director ~~Board, any member thereof or any~~
24 ~~applicant~~ may, in connection with any hearing before the
25 Director ~~Board~~, cause the deposition of witnesses within or
26 without the State to be taken on oral or written

1 interrogatories in the manner prescribed for depositions in
2 the courts of this State.

3 (k) At the conclusion of such hearing, the Director shall
4 make his or her ~~Board shall make its~~ findings which shall be
5 the basis of the refusal, suspension or revocation of the
6 occupation license or other action taken by the Division
7 ~~Board~~. Such findings and the action of the Director ~~Board~~
8 shall be final. However, the action of the Director ~~Board~~ and
9 the propriety thereof are subject to review under Section 46.
10 (Source: P.A. 89-16, eff. 5-30-95.)

11 (230 ILCS 5/18) (from Ch. 8, par. 37-18)

12 Sec. 18. (a) Together with its application, each applicant
13 for racing dates shall deliver to the Division ~~Board~~ a
14 certified check or bank draft payable to the order of the
15 Division ~~Board~~ for \$1,000. In the event the applicant applies
16 for racing dates in 2 or 3 successive calendar years as
17 provided in subsection (b) of Section 21, the fee shall be
18 \$2,000. Filing fees shall not be refunded in the event the
19 application is denied. Beginning on the date when any
20 organization licensee begins conducting gaming pursuant to an
21 organization gaming license issued under the Illinois Gambling
22 Act, the application fee for racing dates imposed by this
23 subsection (a) shall be \$10,000 and the application fee for
24 racing dates in 2 or 3 successive calendar years as provided in
25 subsection (b) of Section 21 shall be \$20,000. All filing fees

1 shall be deposited into the Horse Racing Fund.

2 (b) In addition to the filing fee imposed by subsection
3 (a) and the fees provided in subsection (j) of Section 20, each
4 organization licensee shall pay a license fee of \$100 for each
5 racing program on which its daily pari-mutuel handle is
6 \$400,000 or more but less than \$700,000, and a license fee of
7 \$200 for each racing program on which its daily pari-mutuel
8 handle is \$700,000 or more. The additional fees required to be
9 paid under this Section by this amendatory Act of 1982 shall be
10 remitted by the organization licensee to the Division ~~Illinois~~
11 ~~Racing Board~~ with each day's graduated privilege tax or
12 pari-mutuel tax and breakage as provided under Section 27.
13 Beginning on the date when any organization licensee begins
14 conducting gaming pursuant to an organization gaming license
15 issued under the Illinois Gambling Act, the license fee
16 imposed by this subsection (b) shall be \$200 for each racing
17 program on which the organization licensee's daily pari-mutuel
18 handle is \$100,000 or more, but less than \$400,000, and the
19 license fee imposed by this subsection (b) shall be \$400 for
20 each racing program on which the organization licensee's daily
21 pari-mutuel handle is \$400,000 or more.

22 (c) Sections 11-42-1, 11-42-5, and 11-54-1 of the Illinois
23 Municipal Code shall not apply to any license under this Act.

24 (Source: P.A. 101-31, eff. 6-28-19.)

25 (230 ILCS 5/19) (from Ch. 8, par. 37-19)

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

3 (1) except as provided in subsection (c) of Section 21
4 of this Act, to any person at any place within 35 miles of
5 any other place licensed by the Division Board to hold a
6 race meeting on the same date during the same hours, the
7 mileage measurement used in this subsection (a) shall be
8 certified to the Division Board by the Bureau of Systems
9 and Services in the Illinois Department of Transportation
10 as the most commonly used public way of vehicular travel;

11 (2) to any person in default in the payment of any
12 obligation or debt due the State under this Act, provided
13 no applicant shall be deemed in default in the payment of
14 any obligation or debt due to the State under this Act as
15 long as there is pending a hearing of any kind relevant to
16 such matter;

17 (3) to any person who has been convicted of the
18 violation of any law of the United States or any State law
19 which provided as all or part of its penalty imprisonment
20 in any penal institution; to any person against whom there
21 is pending a Federal or State criminal charge; to any
22 person who is or has been connected with or engaged in the
23 operation of any illegal business; to any person who does
24 not enjoy a general reputation in his community of being
25 an honest, upright, law-abiding person; provided that none
26 of the matters set forth in this subparagraph (3) shall

1 make any person ineligible to be granted an organization
2 license if the Division Board determines, based on
3 circumstances of any such case, that the granting of a
4 license would not be detrimental to the interests of horse
5 racing and of the public;

6 (4) to any person who does not at the time of
7 application for the organization license own or have a
8 contract or lease for the possession of a finished race
9 track suitable for the type of racing intended to be held
10 by the applicant and for the accommodation of the public.

11 (b) (Blank).

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

20 (Source: P.A. 101-31, eff. 6-28-19.)

21 (230 ILCS 5/19.5)

22 Sec. 19.5. Standardbred racetrack in Cook County.
23 Notwithstanding anything in this Act to the contrary, in
24 addition to organization licenses issued by the Division Board
25 on the effective date of this amendatory Act of the 101st

1 General Assembly, the Division ~~Board~~ shall issue an
2 organization license limited to standardbred racing to a
3 racetrack located in one of the following townships of Cook
4 County: Bloom, Bremen, Calumet, Orland, Rich, Thornton, or
5 Worth. This additional organization license shall not be
6 issued within a 35-mile radius of another organization license
7 issued by the former Illinois Racing Board on the effective
8 date of this amendatory Act of the 101st General Assembly,
9 unless the person having operating control of such racetrack
10 has given written consent to the organization licensee
11 applicant, which consent must be filed with the Division ~~Board~~
12 at or prior to the time application is made. The organization
13 license shall be granted upon application, and the licensee
14 shall have all of the current and future rights of existing
15 Illinois racetracks, including, but not limited to, the
16 ability to obtain an inter-track wagering license, the ability
17 to obtain inter-track wagering location licenses, the ability
18 to obtain an organization gaming license pursuant to the
19 Illinois Gambling Act with 1,200 gaming positions, and the
20 ability to offer Internet wagering on horse racing.

21 (Source: P.A. 101-31, eff. 6-28-19.)

22 (230 ILCS 5/20) (from Ch. 8, par. 37-20)

23 Sec. 20. (a) Any person desiring to conduct a horse race
24 meeting may apply to the Division ~~Board~~ for an organization
25 license. The application shall be made on a form prescribed

1 and furnished by the Division Board. The application shall
2 specify:

3 (1) the dates on which it intends to conduct the horse
4 race meeting, which dates shall be provided under Section
5 21;

6 (2) the hours of each racing day between which it
7 intends to hold or conduct horse racing at such meeting;

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

10 (4) any other information the Division Board may
11 reasonably require.

12 (b) A separate application for an organization license
13 shall be filed for each horse race meeting which such person
14 proposes to hold. Any such application, if made by an
15 individual, or by any individual as trustee, shall be signed
16 and verified under oath by such individual. If the application
17 is made by individuals, then it shall be signed and verified
18 under oath by at least 2 of the individuals; if the application
19 is made by a partnership, an association, a corporation, a
20 corporate trustee, a limited liability company, or any other
21 entity, it shall be signed by an authorized officer, a
22 partner, a member, or a manager, as the case may be, of the
23 entity.

24 (c) The application shall specify:

25 (1) the name of the persons, association, trust, or
26 corporation making such application;

1 (2) the principal address of the applicant;

2 (3) if the applicant is a trustee, the names and
3 addresses of the beneficiaries; if the applicant is a
4 corporation, the names and addresses of all officers,
5 stockholders and directors; or if such stockholders hold
6 stock as a nominee or fiduciary, the names and addresses
7 of the parties who are the beneficial owners thereof or
8 who are beneficially interested therein; if the applicant
9 is a partnership, the names and addresses of all partners,
10 general or limited; if the applicant is a limited
11 liability company, the names and addresses of the manager
12 and members; and if the applicant is any other entity, the
13 names and addresses of all officers or other authorized
14 persons of the entity.

15 (d) The applicant shall execute and file with the Division
16 ~~Board~~ a good faith affirmative action plan to recruit, train,
17 and upgrade minorities in all classifications within the
18 association.

19 (e) With such application there shall be delivered to the
20 Division ~~Board~~ a certified check or bank draft payable to the
21 order of the Division ~~Board~~ for an amount equal to \$1,000. All
22 applications for the issuance of an organization license shall
23 be filed with the Division ~~Board~~ before August 1 of the year
24 prior to the year for which application is made and shall be
25 acted upon by the Division ~~Board~~ at a meeting to be held on
26 such date as shall be fixed by the Division ~~Board~~ during the

1 last 15 days of September of such prior year. At such meeting,
2 the Division Board shall announce the award of the racing
3 meets, live racing schedule, and designation of host track to
4 the applicants and its approval or disapproval of each
5 application. No announcement shall be considered binding until
6 a formal order is executed by the Division Board, which shall
7 be executed no later than October 15 of that prior year. Absent
8 the agreement of the affected organization licensees, the
9 Division Board shall not grant overlapping race meetings to 2
10 or more tracks that are within 100 miles of each other to
11 conduct the thoroughbred racing.

12 (e-1) The Division Board shall award standardbred racing
13 dates to organization licensees with an organization gaming
14 license pursuant to the following schedule:

15 (1) For the first calendar year of operation of
16 gambling games by an organization gaming licensee under
17 this amendatory Act of the 101st General Assembly, when a
18 single entity requests standardbred racing dates, the
19 Division Board shall award no fewer than 100 days of
20 racing. The 100-day requirement may be reduced to no fewer
21 than 80 days if no dates are requested for the first 3
22 months of a calendar year. If more than one entity
23 requests standardbred racing dates, the Division Board
24 shall award no fewer than 140 days of racing between the
25 applicants.

26 (2) For the second calendar year of operation of

1 gambling games by an organization gaming licensee under
2 this amendatory Act of the 101st General Assembly, when a
3 single entity requests standardbred racing dates, the
4 Division Board shall award no fewer than 100 days of
5 racing. The 100-day requirement may be reduced to no fewer
6 than 80 days if no dates are requested for the first 3
7 months of a calendar year. If more than one entity
8 requests standardbred racing dates, the Division Board
9 shall award no fewer than 160 days of racing between the
10 applicants.

11 (3) For the third calendar year of operation of
12 gambling games by an organization gaming licensee under
13 this amendatory Act of the 101st General Assembly, and
14 each calendar year thereafter, when a single entity
15 requests standardbred racing dates, the Division Board
16 shall award no fewer than 120 days of racing. The 120-day
17 requirement may be reduced to no fewer than 100 days if no
18 dates are requested for the first 3 months of a calendar
19 year. If more than one entity requests standardbred racing
20 dates, the Division Board shall award no fewer than 200
21 days of racing between the applicants.

22 An organization licensee shall apply for racing dates
23 pursuant to this subsection (e-1). In awarding racing dates
24 under this subsection (e-1), the Division Board shall have the
25 discretion to allocate those standardbred racing dates among
26 these organization licensees.

1 (e-2) The Division Board shall award thoroughbred racing
2 days to Cook County organization licensees pursuant to the
3 following schedule:

4 (1) During the first year in which only one
5 organization licensee is awarded an organization gaming
6 license, the Division Board shall award no fewer than 110
7 days of racing.

8 During the second year in which only one organization
9 licensee is awarded an organization gaming license, the
10 Division Board shall award no fewer than 115 racing days.

11 During the third year and every year thereafter, in
12 which only one organization licensee is awarded an
13 organization gaming license, the Division Board shall
14 award no fewer than 120 racing days.

15 (2) During the first year in which 2 organization
16 licensees are awarded an organization gaming license, the
17 Division Board shall award no fewer than 139 total racing
18 days.

19 During the second year in which 2 organization
20 licensees are awarded an organization gaming license, the
21 Division Board shall award no fewer than 160 total racing
22 days.

23 During the third year and every year thereafter in
24 which 2 organization licensees are awarded an organization
25 gaming license, the Division Board shall award no fewer
26 than 174 total racing days.

1 A Cook County organization licensee shall apply for racing
2 dates pursuant to this subsection (e-2). In awarding racing
3 dates under this subsection (e-2), the Division Board shall
4 have the discretion to allocate those thoroughbred racing
5 dates among these Cook County organization licensees.

6 (e-3) In awarding racing dates for calendar year 2020 and
7 thereafter in connection with a racetrack in Madison County,
8 the Division Board shall award racing dates and such
9 organization licensee shall run at least 700 thoroughbred
10 races at the racetrack in Madison County each year.

11 Notwithstanding Section 7.7 of the Illinois Gambling Act
12 or any provision of this Act other than subsection (e-4.5),
13 for each calendar year for which an organization gaming
14 licensee located in Madison County requests racing dates
15 resulting in less than 700 live thoroughbred races at its
16 racetrack facility, the organization gaming licensee may not
17 conduct gaming pursuant to an organization gaming license
18 issued under the Illinois Gambling Act for the calendar year
19 of such requested live races.

20 (e-4) Notwithstanding the provisions of Section 7.7 of the
21 Illinois Gambling Act or any provision of this Act other than
22 subsections (e-3) and (e-4.5), for each calendar year for
23 which an organization gaming licensee requests thoroughbred
24 racing dates which results in a number of live races under its
25 organization license that is less than the total number of
26 live races which it conducted in 2017 at its racetrack

1 facility, the organization gaming licensee may not conduct
2 gaming pursuant to its organization gaming license for the
3 calendar year of such requested live races.

4 (e-4.1) Notwithstanding the provisions of Section 7.7 of
5 the Illinois Gambling Act or any provision of this Act other
6 than subsections (e-3) and (e-4.5), for each calendar year for
7 which an organization licensee requests racing dates for
8 standardbred racing which results in a number of live races
9 that is less than the total number of live races required in
10 subsection (e-1), the organization gaming licensee may not
11 conduct gaming pursuant to its organization gaming license for
12 the calendar year of such requested live races.

13 (e-4.5) The Division Board shall award the minimum live
14 racing guarantees contained in subsections (e-1), (e-2), and
15 (e-3) to ensure that each organization licensee shall
16 individually run a sufficient number of races per year to
17 qualify for an organization gaming license under this Act. The
18 General Assembly finds that the minimum live racing guarantees
19 contained in subsections (e-1), (e-2), and (e-3) are in the
20 best interest of the sport of horse racing, and that such
21 guarantees may only be reduced in the calendar year in which
22 they will be conducted in the limited circumstances described
23 in this subsection. The Division Board may decrease the number
24 of racing days without affecting an organization licensee's
25 ability to conduct gaming pursuant to an organization gaming
26 license issued under the Illinois Gambling Act only if the

1 Director Board determines, after notice and hearing, that:

2 (i) a decrease is necessary to maintain a sufficient
3 number of betting interests per race to ensure the
4 integrity of racing;

5 (ii) there are unsafe track conditions due to weather
6 or acts of God;

7 (iii) there is an agreement between an organization
8 licensee and the breed association that is applicable to
9 the involved live racing guarantee, such association
10 representing either the largest number of thoroughbred
11 owners and trainers or the largest number of standardbred
12 owners, trainers and drivers who race horses at the
13 involved organization licensee's racing meeting, so long
14 as the agreement does not compromise the integrity of the
15 sport of horse racing; or

16 (iv) the horse population or purse levels are
17 insufficient to provide the number of racing opportunities
18 otherwise required in this Act.

19 In decreasing the number of racing dates in accordance
20 with this subsection, the Director Board shall hold a hearing
21 and shall provide the public and all interested parties notice
22 and an opportunity to be heard. The Director Board shall
23 accept testimony from all interested parties, including any
24 association representing owners, trainers, jockeys, or drivers
25 who will be affected by the decrease in racing dates. The
26 Director Board shall provide a written explanation of the

1 reasons for the decrease and the Board's findings. The written
2 explanation shall include a listing and content of all
3 communication between any party and any Division Illinois
4 ~~Racing Board member or~~ staff that does not take place at a
5 public hearing before the Director ~~meeting of the Board~~.

6 (e-5) In reviewing an application for the purpose of
7 granting an organization license consistent with the best
8 interests of the public and the sport of horse racing, the
9 Director ~~Board~~ shall consider:

10 (1) the character, reputation, experience, and
11 financial integrity of the applicant and of any other
12 separate person that either:

13 (i) controls the applicant, directly or
14 indirectly, or

15 (ii) is controlled, directly or indirectly, by
16 that applicant or by a person who controls, directly
17 or indirectly, that applicant;

18 (2) the applicant's facilities or proposed facilities
19 for conducting horse racing;

20 (3) the total revenue without regard to Section 32.1
21 to be derived by the State and horsemen from the
22 applicant's conducting a race meeting;

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

26 (5) the applicant's financial ability to purchase and

1 maintain adequate liability and casualty insurance;

2 (6) the applicant's proposed and prior year's
3 promotional and marketing activities and expenditures of
4 the applicant associated with those activities;

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

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

11 In granting organization licenses and allocating dates for
12 horse race meetings, the Division Board shall have discretion
13 to determine an overall schedule, including required
14 simulcasts of Illinois races by host tracks that will, in its
15 judgment, be conducive to the best interests of the public and
16 the sport of horse racing.

17 (e-10) The Illinois Administrative Procedure Act shall
18 apply to administrative procedures of the Director and the
19 Division Board under this Act for the granting of an
20 organization license, except that (1) notwithstanding the
21 provisions of subsection (b) of Section 10-40 of the Illinois
22 Administrative Procedure Act regarding cross-examination, the
23 Division Board may prescribe rules limiting the right of an
24 applicant or participant in any proceeding to award an
25 organization license to conduct cross-examination of witnesses
26 at that proceeding where that cross-examination would unduly

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

22 (f) The Division Board may allot racing dates to an
23 organization licensee for more than one calendar year but for
24 no more than 3 successive calendar years in advance, provided
25 that the Division Board shall review such allotment for more
26 than one calendar year prior to each year for which such

1 allotment has been made. The granting of an organization
2 license to a person constitutes a privilege to conduct a horse
3 race meeting under the provisions of this Act, and no person
4 granted an organization license shall be deemed to have a
5 vested interest, property right, or future expectation to
6 receive an organization license in any subsequent year as a
7 result of the granting of an organization license.
8 Organization licenses shall be subject to revocation if the
9 organization licensee has violated any provision of this Act
10 or the rules and regulations promulgated under this Act or has
11 been convicted of a crime or has failed to disclose or has
12 stated falsely any information called for in the application
13 for an organization license. Any organization license
14 revocation proceeding shall be in accordance with Section 16
15 regarding suspension and revocation of occupation licenses.

16 (f-5) If, (i) an applicant does not file an acceptance of
17 the racing dates awarded by the Division Board as required
18 under part (1) of subsection (h) of this Section 20, or (ii) an
19 organization licensee has its license suspended or revoked
20 under this Act, the Director Board, upon conducting an
21 emergency hearing as provided for in this Act, may reaward on
22 an emergency basis pursuant to rules established by the
23 Division Board, racing dates not accepted or the racing dates
24 associated with any suspension or revocation period to one or
25 more organization licensees, new applicants, or any
26 combination thereof, upon terms and conditions that the

1 Division Board determines are in the best interest of racing,
2 provided, the organization licensees or new applicants
3 receiving the awarded racing dates file an acceptance of those
4 reawarded racing dates as required under paragraph (1) of
5 subsection (h) of this Section 20 and comply with the other
6 provisions of this Act. The Illinois Administrative Procedure
7 Act shall not apply to the administrative procedures of the
8 Division Board in conducting the emergency hearing and the
9 reallocation of racing dates on an emergency basis.

10 (g) (Blank).

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

16 Each applicant notified shall, within 10 days after
17 receipt of the final executed order of the Division Board
18 awarding racing dates:

19 (1) file with the Division Board an acceptance of such
20 award in the form prescribed by the Division Board;

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

23 (3) file with the Division Board the bonds required in
24 Sections 21 and 25 at least 20 days prior to the first day
25 of each race meeting.

26 Upon compliance with the provisions of paragraphs (1), (2),

1 and (3) of this subsection (h), the applicant shall be issued
2 an organization license.

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

6 (Source: P.A. 101-31, eff. 6-28-19.)

7 (230 ILCS 5/20.1)

8 Sec. 20.1. Authority of licensees.

9 (a) Notwithstanding anything in this Act to the contrary,
10 an organization licensee shall have authority to:

11 (1) determine prices charged for goods and services;

12 (2) determine prices charged for wagering products,
13 subject to Sections 26 and 26.2 of this Act;

14 (3) determine its hours of operation, subject to at
15 least 30 days prior notice to the Division Board ~~Board~~ if such
16 hours are different than provided such licensee's racing
17 dates application; and

18 (4) otherwise manage its business operations.

19 (b) The Division Board ~~Board~~ may disapprove of any business
20 practices by organization licensees identified in subsection
21 (a) of this Section if the Division Board ~~Board~~ finds that such
22 practices are detrimental to the public interest.

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

24 (230 ILCS 5/20.5)

1 Sec. 20.5. (Repealed).

2 (Source: P.A. 89-16, eff. 5-30-95. Repealed by 91-40, eff.
3 6-25-99.)

4 (230 ILCS 5/21) (from Ch. 8, par. 37-21)

5 Sec. 21. (a) Applications for organization licenses must
6 be filed with the Division Board at a time and place prescribed
7 by the rules and regulations of the Division Board. The
8 Division Board shall examine the applications within 21 days
9 after the date allowed for filing with respect to their
10 conformity with this Act and such rules and regulations as may
11 be prescribed by the Division Board. If any application does
12 not comply with this Act or the rules and regulations
13 prescribed by the Division Board, such application may be
14 rejected and an organization license refused to the applicant,
15 or the Division Board may, within 21 days of the receipt of
16 such application, advise the applicant of the deficiencies of
17 the application under the Act or the rules and regulations of
18 the Division Board, and require the submittal of an amended
19 application within a reasonable time determined by the
20 Division Board; and upon submittal of the amended application
21 by the applicant, the Division Board may consider the
22 application consistent with the process described in
23 subsection (e-5) of Section 20 of this Act. If it is found to
24 be in compliance with this Act and the rules and regulations of
25 the Division Board, the Division Board may then issue an

1 organization license to such applicant.

2 (b) The Division Board may exercise discretion in granting
3 racing dates to qualified applicants different from those
4 requested by the applicants in their applications. However, if
5 all eligible applicants for organization licenses whose tracks
6 are located within 100 miles of each other execute and submit
7 to the Division Board a written agreement among such
8 applicants as to the award of racing dates, including where
9 applicable racing programs, for up to 3 consecutive years,
10 then subject to annual review of each applicant's compliance
11 with Division Board rules and regulations, provisions of this
12 Act and conditions contained in annual dates orders issued by
13 the Division Board, the Division Board may grant such dates
14 and programs to such applicants as so agreed by them if the
15 Board determines that the grant of these racing dates is in the
16 best interests of racing. The Division Board shall treat any
17 such agreement as the agreement signatories' joint and several
18 application for racing dates during the term of the agreement.

19 (c) Where 2 or more applicants propose to conduct horse
20 race meetings within 35 miles of each other, as certified to
21 the Division Board under Section 19 (a) (1) of this Act, on
22 conflicting dates, the Division Board may determine and grant
23 the number of racing days to be awarded to the several
24 applicants in accordance with the provisions of subsection
25 (e-5) of Section 20 of this Act.

26 (d) (Blank).

1 (e) Prior to the issuance of an organization license, the
2 applicant shall file with the Division Board a bond payable to
3 the State of Illinois in the sum of \$200,000, executed by the
4 applicant and a surety company or companies authorized to do
5 business in this State, and conditioned upon the payment by
6 the organization licensee of all taxes due under Section 27,
7 other monies due and payable under this Act, all purses due and
8 payable, and that the organization licensee will upon
9 presentation of the winning ticket or tickets distribute all
10 sums due to the patrons of pari-mutuel pools. Beginning on the
11 date when any organization licensee begins conducting gaming
12 pursuant to an organization gaming license issued under the
13 Illinois Gambling Act, the amount of the bond required under
14 this subsection (e) shall be \$500,000.

15 (f) Each organization license shall specify the person to
16 whom it is issued, the dates upon which horse racing is
17 permitted, and the location, place, track, or enclosure where
18 the horse race meeting is to be held.

19 (g) Any person who owns one or more race tracks within the
20 State may seek, in its own name, a separate organization
21 license for each race track.

22 (h) All racing conducted under such organization license
23 is subject to this Act and to the rules and regulations from
24 time to time prescribed by the Division Board, and every such
25 organization license issued by the Division Board shall
26 contain a recital to that effect.

1 (i) Each such organization licensee may provide that at
2 least one race per day may be devoted to the racing of quarter
3 horses, appaloosas, arabians, or paints.

4 (j) In acting on applications for organization licenses,
5 the Division Board shall give weight to an organization
6 license which has implemented a good faith affirmative action
7 effort to recruit, train and upgrade minorities in all
8 classifications within the organization license.

9 (Source: P.A. 101-31, eff. 6-28-19.)

10 (230 ILCS 5/23) (from Ch. 8, par. 37-23)

11 Sec. 23. (a) The Division Board shall promulgate as part
12 of its rules and regulations a set of minimum standards
13 (including, but not limited to, a workers' compensation plan)
14 to be observed by race tracks.

15 (b) The failure of a person who has been awarded racing
16 dates to observe the minimum standards to be promulgated by
17 the Division Board under subsection (a) of this Section shall
18 result in the mandatory suspension of the organization license
19 of that person by the Division Board. The suspended
20 organization license of the person shall not be reinstated
21 until the minimum standards are observed. Those persons and
22 tracks which apply for dates shall not be granted organization
23 licenses if they are not in observance of the minimum
24 standards to be promulgated by the Division Board under
25 subsection (a) of this Section.

1 The Division Board may refuse to issue or may suspend the
2 organization license of any person who fails to file a return,
3 or to pay the tax, penalty or interest shown in a filed return,
4 or to pay any final assessment of tax, penalty or interest, as
5 required by any tax Act administered by the Illinois
6 Department of Revenue, until such time as the requirements of
7 any such tax Act are satisfied.

8 (c) The Division Board shall consider the operational
9 needs of the Illinois State Fair and the DuQuoin State Fair as
10 this Section applies to the Illinois Department of
11 Agriculture. In considering the operational needs of the
12 Illinois Department of Agriculture, the Division Board may
13 waive any rule or portion of a rule when the physical
14 structure, improvement cost or other use of the facilities
15 prohibits compliance within this Act or the Division's Board's
16 rules.

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

18 (230 ILCS 5/24) (from Ch. 8, par. 37-24)

19 Sec. 24. (a) No license shall be issued to or held by an
20 organization licensee unless all of its officers, directors,
21 and holders of ownership interests of at least 5% are first
22 approved by the Division Board. The Division Board shall not
23 give approval of an organization license application to any
24 person who has been convicted of or is under an indictment for
25 a crime of moral turpitude or has violated any provision of the

1 racing law of this State or any rules of the Division Board.

2 (b) An organization licensee must notify the Division
3 ~~Board~~ within 10 days of any change in the holders of a direct
4 or indirect interest in the ownership of the organization
5 licensee. The Division Board may, after a hearing before the
6 Director, revoke the organization license of any person who
7 registers on its books or knowingly permits a direct or
8 indirect interest in the ownership of that person without
9 notifying the Division Board of the name of the holder in
10 interest within this period.

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

16 (d) No person which has been granted an organization
17 license to hold a race meeting shall give to any public
18 official or member of his family, directly or indirectly, for
19 or without consideration, any interest in the person. The
20 Division Board shall, after a hearing before the Director,
21 revoke the organization license granted to a person which has
22 violated this subsection.

23 (e) (Blank).

24 (f) No organization licensee or concessionaire or officer,
25 director or holder or controller of 5% or more legal or
26 beneficial interest in any organization licensee or concession

1 shall make any sort of gift or contribution that is prohibited
2 under Article 10 of the State Officials and Employees Ethics
3 Act or pay or give any money or other thing of value to any
4 person who is a public official, or a candidate or nominee for
5 public office if that payment or gift is prohibited under
6 Article 10 of the State Officials and Employees Ethics Act.

7 (Source: P.A. 101-31, eff. 6-28-19.)

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

9 Sec. 25. Admission charge; bond; fine.

10 (a) There shall be paid to the Division Board ~~Board~~ at such time
11 or times as it shall prescribe, the sum of fifteen cents (15¢)
12 for each person entering the grounds or enclosure of each
13 organization licensee and inter-track wagering licensee upon a
14 ticket of admission except as provided in subsection (g) of
15 Section 27 of this Act. If tickets are issued for more than one
16 day then the sum of fifteen cents (15¢) shall be paid for each
17 person using such ticket on each day that the same shall be
18 used. Provided, however, that no charge shall be made on
19 tickets of admission issued to and in the name of directors,
20 officers, agents or employees of the organization licensee, or
21 inter-track wagering licensee, or to owners, trainers,
22 jockeys, drivers and their employees or to any person or
23 persons entering the grounds or enclosure for the transaction
24 of business in connection with such race meeting. The
25 organization licensee or inter-track wagering licensee may, if

1 it desires, collect such amount from each ticket holder in
2 addition to the amount or amounts charged for such ticket of
3 admission. Beginning on the date when any organization
4 licensee begins conducting gaming pursuant to an organization
5 gaming license issued under the Illinois Gambling Act, the
6 admission charge imposed by this subsection (a) shall be 40
7 cents for each person entering the grounds or enclosure of
8 each organization licensee and inter-track wagering licensee
9 upon a ticket of admission, and if such tickets are issued for
10 more than one day, 40 cents shall be paid for each person using
11 such ticket on each day that the same shall be used.

12 (b) Accurate records and books shall at all times be kept
13 and maintained by the organization licensees and inter-track
14 wagering licensees showing the admission tickets issued and
15 used on each racing day and the attendance thereat of each
16 horse racing meeting. The Division ~~Board~~ or its duly
17 authorized representative or representatives shall at all
18 reasonable times have access to the admission records of any
19 organization licensee and inter-track wagering licensee for
20 the purpose of examining and checking the same and
21 ascertaining whether or not the proper amount has been or is
22 being paid the State of Illinois as herein provided. The
23 Division ~~Board~~ shall also require, before issuing any license,
24 that the licensee shall execute and deliver to it a bond,
25 payable to the State of Illinois, in such sum as it shall
26 determine, not, however, in excess of fifty thousand dollars

1 (\$50,000), with a surety or sureties to be approved by it,
2 conditioned for the payment of all sums due and payable or
3 collected by it under this Section upon admission fees
4 received for any particular racing meetings. The Division
5 ~~Board~~ may also from time to time require sworn statements of
6 the number or numbers of such admissions and may prescribe
7 blanks upon which such reports shall be made. Any organization
8 licensee or inter-track wagering licensee failing or refusing
9 to pay the amount found to be due as herein provided, shall be
10 deemed guilty of a business offense and upon conviction shall
11 be punished by a fine of not more than five thousand dollars
12 (\$5,000) in addition to the amount due from such organization
13 licensee or inter-track wagering licensee as herein provided.
14 All fines paid into court by an organization licensee or
15 inter-track wagering licensee found guilty of violating this
16 Section shall be transmitted and paid over by the clerk of the
17 court to the Division ~~Board~~. Beginning on the date when any
18 organization licensee begins conducting gaming pursuant to an
19 organization gaming license issued under the Illinois Gambling
20 Act, any fine imposed pursuant to this subsection (b) shall
21 not exceed \$10,000.

22 (Source: P.A. 101-31, eff. 6-28-19.)

23 (230 ILCS 5/26) (from Ch. 8, par. 37-26)

24 Sec. 26. Wagering.

25 (a) Any licensee may conduct and supervise the pari-mutuel

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

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

23 (b-5) An individual may place a wager under the
24 pari-mutuel system from any licensed location authorized under
25 this Act provided that wager is electronically recorded in the
26 manner described in Section 3.12 of this Act. Any wager made

1 electronically by an individual while physically on the
2 premises of a licensee shall be deemed to have been made at the
3 premises of that licensee.

4 (c) (Blank).

5 (c-5) The sum held by any licensee for payment of
6 outstanding pari-mutuel tickets, if unclaimed prior to
7 December 31 of the next year, shall be retained by the licensee
8 for payment of such tickets until that date. Within 10 days
9 thereafter, the balance of such sum remaining unclaimed, less
10 any uncashed supplements contributed by such licensee for the
11 purpose of guaranteeing minimum distributions of any
12 pari-mutuel pool, shall be evenly distributed to the purse
13 account of the organization licensee and the organization
14 licensee, except that the balance of the sum of all
15 outstanding pari-mutuel tickets generated from simulcast
16 wagering and inter-track wagering by an organization licensee
17 located in a county with a population in excess of 230,000 and
18 borders the Mississippi River or any licensee that derives its
19 license from that organization licensee shall be evenly
20 distributed to the purse account of the organization licensee
21 and the organization licensee.

22 (d) A pari-mutuel ticket shall be honored until December
23 31 of the next calendar year, and the licensee shall pay the
24 same and may charge the amount thereof against unpaid money
25 similarly accumulated on account of pari-mutuel tickets not
26 presented for payment.

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

10 (f) Notwithstanding the other provisions of this Act, an
11 organization licensee may contract with an entity in another
12 state or country to permit any legal wagering entity in
13 another state or country to accept wagers solely within such
14 other state or country on races conducted by the organization
15 licensee in this State. Beginning January 1, 2000, these
16 wagers shall not be subject to State taxation. Until January
17 1, 2000, when the out-of-State entity conducts a pari-mutuel
18 pool separate from the organization licensee, a privilege tax
19 equal to 7 1/2% of all monies received by the organization
20 licensee from entities in other states or countries pursuant
21 to such contracts is imposed on the organization licensee, and
22 such privilege tax shall be remitted to the Department of
23 Revenue within 48 hours of receipt of the moneys from the
24 simulcast. When the out-of-State entity conducts a combined
25 pari-mutuel pool with the organization licensee, the tax shall
26 be 10% of all monies received by the organization licensee

1 with 25% of the receipts from this 10% tax to be distributed to
2 the county in which the race was conducted.

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

11 (g) A host track may accept interstate simulcast wagers on
12 horse races conducted in other states or countries and shall
13 control the number of signals and types of breeds of racing in
14 its simulcast program, subject to the disapproval of the
15 Division Board. The Division Board may prohibit a simulcast
16 program only if it finds that the simulcast program is clearly
17 adverse to the integrity of racing. The host track simulcast
18 program shall include the signal of live racing of all
19 organization licensees. All non-host licensees and advance
20 deposit wagering licensees shall carry the signal of and
21 accept wagers on live racing of all organization licensees.
22 Advance deposit wagering licensees shall not be permitted to
23 accept out-of-state wagers on any Illinois signal provided
24 pursuant to this Section without the approval and consent of
25 the organization licensee providing the signal. For one year
26 after August 15, 2014 (the effective date of Public Act

1 98-968), non-host licensees may carry the host track simulcast
2 program and shall accept wagers on all races included as part
3 of the simulcast program of horse races conducted at race
4 tracks located within North America upon which wagering is
5 permitted. For a period of one year after August 15, 2014 (the
6 effective date of Public Act 98-968), on horse races conducted
7 at race tracks located outside of North America, non-host
8 licensees may accept wagers on all races included as part of
9 the simulcast program upon which wagering is permitted.
10 Beginning August 15, 2015 (one year after the effective date
11 of Public Act 98-968), non-host licensees may carry the host
12 track simulcast program and shall accept wagers on all races
13 included as part of the simulcast program upon which wagering
14 is permitted. All organization licensees shall provide their
15 live signal to all advance deposit wagering licensees for a
16 simulcast commission fee not to exceed 6% of the advance
17 deposit wagering licensee's Illinois handle on the
18 organization licensee's signal without prior approval by the
19 Division Board. The Division Board may adopt rules under which
20 it may permit simulcast commission fees in excess of 6%. The
21 Division Board shall adopt rules limiting the interstate
22 commission fees charged to an advance deposit wagering
23 licensee. The Division Board shall adopt rules regarding
24 advance deposit wagering on interstate simulcast races that
25 shall reflect, among other things, the General Assembly's
26 desire to maximize revenues to the State, horsemen purses, and

1 organization licensees. However, organization licensees
2 providing live signals pursuant to the requirements of this
3 subsection (g) may petition the Division Board to withhold
4 their live signals from an advance deposit wagering licensee
5 if the organization licensee discovers and the Division Board
6 finds reputable or credible information that the advance
7 deposit wagering licensee is under investigation by another
8 state or federal governmental agency, the advance deposit
9 wagering licensee's license has been suspended in another
10 state, or the advance deposit wagering licensee's license is
11 in revocation proceedings in another state. The organization
12 licensee's provision of their live signal to an advance
13 deposit wagering licensee under this subsection (g) pertains
14 to wagers placed from within Illinois. Advance deposit
15 wagering licensees may place advance deposit wagering
16 terminals at wagering facilities as a convenience to
17 customers. The advance deposit wagering licensee shall not
18 charge or collect any fee from purses for the placement of the
19 advance deposit wagering terminals. The costs and expenses of
20 the host track and non-host licensees associated with
21 interstate simulcast wagering, other than the interstate
22 commission fee, shall be borne by the host track and all
23 non-host licensees incurring these costs. The interstate
24 commission fee shall not exceed 5% of Illinois handle on the
25 interstate simulcast race or races without prior approval of
26 the Division Board. The Division Board shall promulgate rules

1 under which it may permit interstate commission fees in excess
2 of 5%. The interstate commission fee and other fees charged by
3 the sending racetrack, including, but not limited to,
4 satellite decoder fees, shall be uniformly applied to the host
5 track and all non-host licensees.

6 Notwithstanding any other provision of this Act, an
7 organization licensee, with the consent of the horsemen
8 association representing the largest number of owners,
9 trainers, jockeys, or standardbred drivers who race horses at
10 that organization licensee's racing meeting, may maintain a
11 system whereby advance deposit wagering may take place or an
12 organization licensee, with the consent of the horsemen
13 association representing the largest number of owners,
14 trainers, jockeys, or standardbred drivers who race horses at
15 that organization licensee's racing meeting, may contract with
16 another person to carry out a system of advance deposit
17 wagering. Such consent may not be unreasonably withheld. Only
18 with respect to an appeal to the Division Board that consent
19 for an organization licensee that maintains its own advance
20 deposit wagering system is being unreasonably withheld, the
21 Division Board shall issue a final order within 30 days after
22 initiation of the appeal, and the organization licensee's
23 advance deposit wagering system may remain operational during
24 that 30-day period. The actions of any organization licensee
25 who conducts advance deposit wagering or any person who has a
26 contract with an organization licensee to conduct advance

1 deposit wagering who conducts advance deposit wagering on or
2 after January 1, 2013 and prior to June 7, 2013 (the effective
3 date of Public Act 98-18) taken in reliance on the changes made
4 to this subsection (g) by Public Act 98-18 are hereby
5 validated, provided payment of all applicable pari-mutuel
6 taxes are remitted to the Division Board. All advance deposit
7 wagers placed from within Illinois must be placed through a
8 Division-approved ~~Board-approved~~ advance deposit wagering
9 licensee; no other entity may accept an advance deposit wager
10 from a person within Illinois. All advance deposit wagering is
11 subject to any rules adopted by the Division Board. The
12 Division Board may adopt rules necessary to regulate advance
13 deposit wagering through the use of emergency rulemaking in
14 accordance with Section 5-45 of the Illinois Administrative
15 Procedure Act. The General Assembly finds that the adoption of
16 rules to regulate advance deposit wagering is deemed an
17 emergency and necessary for the public interest, safety, and
18 welfare. An advance deposit wagering licensee may retain all
19 moneys as agreed to by contract with an organization licensee.
20 Any moneys retained by the organization licensee from advance
21 deposit wagering, not including moneys retained by the advance
22 deposit wagering licensee, shall be paid 50% to the
23 organization licensee's purse account and 50% to the
24 organization licensee. With the exception of any organization
25 licensee that is owned by a publicly traded company that is
26 incorporated in a state other than Illinois and advance

1 deposit wagering licensees under contract with such
2 organization licensees, organization licensees that maintain
3 advance deposit wagering systems and advance deposit wagering
4 licensees that contract with organization licensees shall
5 provide sufficiently detailed monthly accountings to the
6 horsemen association representing the largest number of
7 owners, trainers, jockeys, or standardbred drivers who race
8 horses at that organization licensee's racing meeting so that
9 the horsemen association, as an interested party, can confirm
10 the accuracy of the amounts paid to the purse account at the
11 horsemen association's affiliated organization licensee from
12 advance deposit wagering. If more than one breed races at the
13 same race track facility, then the 50% of the moneys to be paid
14 to an organization licensee's purse account shall be allocated
15 among all organization licensees' purse accounts operating at
16 that race track facility proportionately based on the actual
17 number of host days that the Division Board grants to that
18 breed at that race track facility in the current calendar
19 year. To the extent any fees from advance deposit wagering
20 conducted in Illinois for wagers in Illinois or other states
21 have been placed in escrow or otherwise withheld from wagers
22 pending a determination of the legality of advance deposit
23 wagering, no action shall be brought to declare such wagers or
24 the disbursement of any fees previously escrowed illegal.

25 (1) Between the hours of 6:30 a.m. and 6:30 p.m. an
26 inter-track wagering licensee other than the host track

1 may supplement the host track simulcast program with
2 additional simulcast races or race programs, provided that
3 between January 1 and the third Friday in February of any
4 year, inclusive, if no live thoroughbred racing is
5 occurring in Illinois during this period, only
6 thoroughbred races may be used for supplemental interstate
7 simulcast purposes. The Division ~~Board~~ shall withhold
8 approval for a supplemental interstate simulcast only if
9 it finds that the simulcast is clearly adverse to the
10 integrity of racing. A supplemental interstate simulcast
11 may be transmitted from an inter-track wagering licensee
12 to its affiliated non-host licensees. The interstate
13 commission fee for a supplemental interstate simulcast
14 shall be paid by the non-host licensee and its affiliated
15 non-host licensees receiving the simulcast.

16 (2) Between the hours of 6:30 p.m. and 6:30 a.m. an
17 inter-track wagering licensee other than the host track
18 may receive supplemental interstate simulcasts only with
19 the consent of the host track, except when the Division
20 ~~Board~~ finds that the simulcast is clearly adverse to the
21 integrity of racing. Consent granted under this paragraph
22 (2) to any inter-track wagering licensee shall be deemed
23 consent to all non-host licensees. The interstate
24 commission fee for the supplemental interstate simulcast
25 shall be paid by all participating non-host licensees.

26 (3) Each licensee conducting interstate simulcast

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

17 (4) A licensee who receives an interstate simulcast
18 may combine its gross or net pools with pools at the
19 sending racetracks pursuant to rules established by the
20 Division ~~Board~~. All licensees combining their gross pools
21 at a sending racetrack shall adopt the takeout percentages
22 of the sending racetrack. A licensee may also establish a
23 separate pool and takeout structure for wagering purposes
24 on races conducted at race tracks outside of the State of
25 Illinois. The licensee may permit pari-mutuel wagers
26 placed in other states or countries to be combined with

1 its gross or net wagering pools or other wagering pools.

2 (5) After the payment of the interstate commission fee
3 (except for the interstate commission fee on a
4 supplemental interstate simulcast, which shall be paid by
5 the host track and by each non-host licensee through the
6 host track) and all applicable State and local taxes,
7 except as provided in subsection (g) of Section 27 of this
8 Act, the remainder of moneys retained from simulcast
9 wagering pursuant to this subsection (g), and Section 26.2
10 shall be divided as follows:

11 (A) For interstate simulcast wagers made at a host
12 track, 50% to the host track and 50% to purses at the
13 host track.

14 (B) For wagers placed on interstate simulcast
15 races, supplemental simulcasts as defined in
16 subparagraphs (1) and (2), and separately pooled races
17 conducted outside of the State of Illinois made at a
18 non-host licensee, 25% to the host track, 25% to the
19 non-host licensee, and 50% to the purses at the host
20 track.

21 (6) Notwithstanding any provision in this Act to the
22 contrary, non-host licensees who derive their licenses
23 from a track located in a county with a population in
24 excess of 230,000 and that borders the Mississippi River
25 may receive supplemental interstate simulcast races at all
26 times subject to Division Board approval, which shall be

1 withheld only upon a finding that a supplemental
2 interstate simulcast is clearly adverse to the integrity
3 of racing.

4 (7) Effective January 1, 2017, notwithstanding any
5 provision of this Act to the contrary, after payment of
6 all applicable State and local taxes and interstate
7 commission fees, non-host licensees who derive their
8 licenses from a track located in a county with a
9 population in excess of 230,000 and that borders the
10 Mississippi River shall retain 50% of the retention from
11 interstate simulcast wagers and shall pay 50% to purses at
12 the track from which the non-host licensee derives its
13 license.

14 (7.1) Notwithstanding any other provision of this Act
15 to the contrary, if no standardbred racing is conducted at
16 a racetrack located in Madison County during any calendar
17 year beginning on or after January 1, 2002, all moneys
18 derived by that racetrack from simulcast wagering and
19 inter-track wagering that (1) are to be used for purses
20 and (2) are generated between the hours of 6:30 p.m. and
21 6:30 a.m. during that calendar year shall be paid as
22 follows:

23 (A) If the licensee that conducts horse racing at
24 that racetrack requests from the Division Board ~~Board~~ at
25 least as many racing dates as were conducted in
26 calendar year 2000, 80% shall be paid to its

1 thoroughbred purse account; and

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

17 (7.2) Notwithstanding any other provision of this Act
18 to the contrary, if no thoroughbred racing is conducted at
19 a racetrack located in Madison County during any calendar
20 year beginning on or after January 1, 2002, all moneys
21 derived by that racetrack from simulcast wagering and
22 inter-track wagering that (1) are to be used for purses
23 and (2) are generated between the hours of 6:30 a.m. and
24 6:30 p.m. during that calendar year shall be deposited as
25 follows:

26 (A) If the licensee that conducts horse racing at

1 that racetrack requests from the Division ~~Board~~ at
2 least as many racing dates as were conducted in
3 calendar year 2000, 80% shall be deposited into its
4 standardbred purse account; and

5 (B) Twenty percent shall be deposited into the
6 Illinois Colt Stakes Purse Distribution Fund. Moneys
7 deposited into the Illinois Colt Stakes Purse
8 Distribution Fund pursuant to this subparagraph (B)
9 shall be paid to Illinois conceived and foaled
10 thoroughbred breeders' programs and to thoroughbred
11 purses for races conducted at any county fairgrounds
12 for Illinois conceived and foaled horses at the
13 discretion of the Department of Agriculture, with the
14 advice and assistance of the Illinois Thoroughbred
15 Breeders Fund Advisory Board. The moneys deposited
16 into the Illinois Colt Stakes Purse Distribution Fund
17 pursuant to this subparagraph (B) shall be deposited
18 within 2 weeks after the day they were generated,
19 shall be in addition to and not in lieu of any other
20 moneys paid to thoroughbred purses under this Act, and
21 shall not be commingled with other moneys deposited
22 into that Fund.

23 ~~(7.3) (Blank).~~

24 ~~(7.4) (Blank).~~

25 (8) Notwithstanding any provision in this Act to the
26 contrary, an organization licensee from a track located in

1 a county with a population in excess of 230,000 and that
2 borders the Mississippi River and its affiliated non-host
3 licensees shall not be entitled to share in any retention
4 generated on racing, inter-track wagering, or simulcast
5 wagering at any other Illinois wagering facility.

6 (8.1) Notwithstanding any provisions in this Act to
7 the contrary, if 2 organization licensees are conducting
8 standardbred race meetings concurrently between the hours
9 of 6:30 p.m. and 6:30 a.m., after payment of all
10 applicable State and local taxes and interstate commission
11 fees, the remainder of the amount retained from simulcast
12 wagering otherwise attributable to the host track and to
13 host track purses shall be split daily between the 2
14 organization licensees and the purses at the tracks of the
15 2 organization licensees, respectively, based on each
16 organization licensee's share of the total live handle for
17 that day, provided that this provision shall not apply to
18 any non-host licensee that derives its license from a
19 track located in a county with a population in excess of
20 230,000 and that borders the Mississippi River.

21 (9) (Blank).

22 (10) (Blank).

23 (11) (Blank).

24 (12) The Division ~~Board~~ shall have authority to compel
25 all host tracks to receive the simulcast of any or all
26 races conducted at the Springfield or DuQuoin State

1 fairgrounds and include all such races as part of their
2 simulcast programs.

3 (13) Notwithstanding any other provision of this Act,
4 in the event that the total Illinois pari-mutuel handle on
5 Illinois horse races at all wagering facilities in any
6 calendar year is less than 75% of the total Illinois
7 pari-mutuel handle on Illinois horse races at all such
8 wagering facilities for calendar year 1994, then each
9 wagering facility that has an annual total Illinois
10 pari-mutuel handle on Illinois horse races that is less
11 than 75% of the total Illinois pari-mutuel handle on
12 Illinois horse races at such wagering facility for
13 calendar year 1994, shall be permitted to receive, from
14 any amount otherwise payable to the purse account at the
15 race track with which the wagering facility is affiliated
16 in the succeeding calendar year, an amount equal to 2% of
17 the differential in total Illinois pari-mutuel handle on
18 Illinois horse races at the wagering facility between that
19 calendar year in question and 1994 provided, however, that
20 a wagering facility shall not be entitled to any such
21 payment until the Division Board ~~Board~~ certifies in writing to
22 the wagering facility the amount to which the wagering
23 facility is entitled and a schedule for payment of the
24 amount to the wagering facility, based on: (i) the racing
25 dates awarded to the race track affiliated with the
26 wagering facility during the succeeding year; (ii) the

1 sums available or anticipated to be available in the purse
2 account of the race track affiliated with the wagering
3 facility for purses during the succeeding year; and (iii)
4 the need to ensure reasonable purse levels during the
5 payment period. The Division's ~~Board's~~ certification shall
6 be provided no later than January 31 of the succeeding
7 year. In the event a wagering facility entitled to a
8 payment under this paragraph (13) is affiliated with a
9 race track that maintains purse accounts for both
10 standardbred and thoroughbred racing, the amount to be
11 paid to the wagering facility shall be divided between
12 each purse account pro rata, based on the amount of
13 Illinois handle on Illinois standardbred and thoroughbred
14 racing respectively at the wagering facility during the
15 previous calendar year. Annually, the General Assembly
16 shall appropriate sufficient funds from the General
17 Revenue Fund to the Department of Agriculture for payment
18 into the thoroughbred and standardbred horse racing purse
19 accounts at Illinois pari-mutuel tracks. The amount paid
20 to each purse account shall be the amount certified by the
21 Division ~~Illinois Racing Board~~ in January to be
22 transferred from each account to each eligible racing
23 facility in accordance with the provisions of this
24 Section. Beginning in the calendar year in which an
25 organization licensee that is eligible to receive payment
26 under this paragraph (13) begins to receive funds from

1 gaming pursuant to an organization gaming license issued
2 under the Illinois Gambling Act, the amount of the payment
3 due to all wagering facilities licensed under that
4 organization licensee under this paragraph (13) shall be
5 the amount certified by the Division Board in January of
6 that year. An organization licensee and its related
7 wagering facilities shall no longer be able to receive
8 payments under this paragraph (13) beginning in the year
9 subsequent to the first year in which the organization
10 licensee begins to receive funds from gaming pursuant to
11 an organization gaming license issued under the Illinois
12 Gambling Act.

13 (h) The Division Board may approve and license the conduct
14 of inter-track wagering and simulcast wagering by inter-track
15 wagering licensees and inter-track wagering location licensees
16 subject to the following terms and conditions:

17 (1) Any person licensed to conduct a race meeting (i)
18 at a track where 60 or more days of racing were conducted
19 during the immediately preceding calendar year or where
20 over the 5 immediately preceding calendar years an average
21 of 30 or more days of racing were conducted annually may be
22 issued an inter-track wagering license; (ii) at a track
23 located in a county that is bounded by the Mississippi
24 River, which has a population of less than 150,000
25 according to the 1990 decennial census, and an average of
26 at least 60 days of racing per year between 1985 and 1993

1 may be issued an inter-track wagering license; (iii) at a
2 track awarded standardbred racing dates; or (iv) at a
3 track located in Madison County that conducted at least
4 100 days of live racing during the immediately preceding
5 calendar year may be issued an inter-track wagering
6 license, unless a lesser schedule of live racing is the
7 result of (A) weather, unsafe track conditions, or other
8 acts of God; (B) an agreement between the organization
9 licensee and the associations representing the largest
10 number of owners, trainers, jockeys, or standardbred
11 drivers who race horses at that organization licensee's
12 racing meeting; or (C) a finding by the Division Board of
13 extraordinary circumstances and that it was in the best
14 interest of the public and the sport to conduct fewer than
15 100 days of live racing. Any such person having operating
16 control of the racing facility may receive inter-track
17 wagering location licenses. An eligible race track located
18 in a county that has a population of more than 230,000 and
19 that is bounded by the Mississippi River may establish up
20 to 9 inter-track wagering locations, an eligible race
21 track located in Stickney Township in Cook County may
22 establish up to 16 inter-track wagering locations, and an
23 eligible race track located in Palatine Township in Cook
24 County may establish up to 18 inter-track wagering
25 locations. An eligible racetrack conducting standardbred
26 racing may have up to 16 inter-track wagering locations.

1 An application for said license shall be filed with the
2 Division Board prior to such dates as may be fixed by the
3 Division Board. With an application for an inter-track
4 wagering location license there shall be delivered to the
5 Division Board a certified check or bank draft payable to
6 the order of the Division Board for an amount equal to
7 \$500. The application shall be on forms prescribed and
8 furnished by the Division Board. The application shall
9 comply with all other rules, regulations and conditions
10 imposed by the Division Board in connection therewith.

11 (2) The Division Board shall examine the applications
12 with respect to their conformity with this Act and the
13 rules and regulations imposed by the Division Board. If
14 found to be in compliance with the Act and rules and
15 regulations of the Division Board, the Division Board may
16 then issue a license to conduct inter-track wagering and
17 simulcast wagering to such applicant. All such
18 applications shall be acted upon by the Division Board at
19 a meeting to be held on such date as may be fixed by the
20 Division Board.

21 (3) In granting licenses to conduct inter-track
22 wagering and simulcast wagering, the Division Board shall
23 give due consideration to the best interests of the
24 public, of horse racing, and of maximizing revenue to the
25 State.

26 (4) Prior to the issuance of a license to conduct

1 inter-track wagering and simulcast wagering, the applicant
2 shall file with the Division Board a bond payable to the
3 State of Illinois in the sum of \$50,000, executed by the
4 applicant and a surety company or companies authorized to
5 do business in this State, and conditioned upon (i) the
6 payment by the licensee of all taxes due under Section 27
7 or 27.1 and any other monies due and payable under this
8 Act, and (ii) distribution by the licensee, upon
9 presentation of the winning ticket or tickets, of all sums
10 payable to the patrons of pari-mutuel pools.

11 (5) Each license to conduct inter-track wagering and
12 simulcast wagering shall specify the person to whom it is
13 issued, the dates on which such wagering is permitted, and
14 the track or location where the wagering is to be
15 conducted.

16 (6) All wagering under such license is subject to this
17 Act and to the rules and regulations from time to time
18 prescribed by the Division Board, and every such license
19 issued by the Division Board shall contain a recital to
20 that effect.

21 (7) An inter-track wagering licensee or inter-track
22 wagering location licensee may accept wagers at the track
23 or location where it is licensed, or as otherwise provided
24 under this Act.

25 (8) Inter-track wagering or simulcast wagering shall
26 not be conducted at any track less than 4 miles from a

1 track at which a racing meeting is in progress.

2 (8.1) Inter-track wagering location licensees who
3 derive their licenses from a particular organization
4 licensee shall conduct inter-track wagering and simulcast
5 wagering only at locations that are within 160 miles of
6 that race track where the particular organization licensee
7 is licensed to conduct racing. However, inter-track
8 wagering and simulcast wagering shall not be conducted by
9 those licensees at any location within 5 miles of any race
10 track at which a horse race meeting has been licensed in
11 the current year, unless the person having operating
12 control of such race track has given its written consent
13 to such inter-track wagering location licensees, which
14 consent must be filed with the Division Board at or prior
15 to the time application is made. In the case of any
16 inter-track wagering location licensee initially licensed
17 after December 31, 2013, inter-track wagering and
18 simulcast wagering shall not be conducted by those
19 inter-track wagering location licensees that are located
20 outside the City of Chicago at any location within 8 miles
21 of any race track at which a horse race meeting has been
22 licensed in the current year, unless the person having
23 operating control of such race track has given its written
24 consent to such inter-track wagering location licensees,
25 which consent must be filed with the Division Board at or
26 prior to the time application is made.

1 (8.2) Inter-track wagering or simulcast wagering shall
2 not be conducted by an inter-track wagering location
3 licensee at any location within 100 feet of an existing
4 church, an existing elementary or secondary public school,
5 or an existing elementary or secondary private school
6 registered with or recognized by the State Board of
7 Education. The distance of 100 feet shall be measured to
8 the nearest part of any building used for worship
9 services, education programs, or conducting inter-track
10 wagering by an inter-track wagering location licensee, and
11 not to property boundaries. However, inter-track wagering
12 or simulcast wagering may be conducted at a site within
13 100 feet of a church or school if such church or school has
14 been erected or established after the Division ~~Board~~
15 issues the original inter-track wagering location license
16 at the site in question. Inter-track wagering location
17 licensees may conduct inter-track wagering and simulcast
18 wagering only in areas that are zoned for commercial or
19 manufacturing purposes or in areas for which a special use
20 has been approved by the local zoning authority. However,
21 no license to conduct inter-track wagering and simulcast
22 wagering shall be granted by the Division ~~Board~~ with
23 respect to any inter-track wagering location within the
24 jurisdiction of any local zoning authority which has, by
25 ordinance or by resolution, prohibited the establishment
26 of an inter-track wagering location within its

1 jurisdiction. However, inter-track wagering and simulcast
2 wagering may be conducted at a site if such ordinance or
3 resolution is enacted after the Division Board licenses
4 the original inter-track wagering location licensee for
5 the site in question.

6 (9) (Blank).

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

17 (10.1) Except as provided in subsection (g) of Section
18 27 of this Act, inter-track wagering location licensees
19 shall pay 1% of the pari-mutuel handle at each location to
20 the municipality in which such location is situated and 1%
21 of the pari-mutuel handle at each location to the county
22 in which such location is situated. In the event that an
23 inter-track wagering location licensee is situated in an
24 unincorporated area of a county, such licensee shall pay
25 2% of the pari-mutuel handle from such location to such
26 county. Inter-track wagering location licensees must pay

1 the handle percentage required under this paragraph to the
2 municipality and county no later than the 20th of the
3 month following the month such handle was generated.

4 (10.2) Notwithstanding any other provision of this
5 Act, with respect to inter-track wagering at a race track
6 located in a county that has a population of more than
7 230,000 and that is bounded by the Mississippi River ("the
8 first race track"), or at a facility operated by an
9 inter-track wagering licensee or inter-track wagering
10 location licensee that derives its license from the
11 organization licensee that operates the first race track,
12 on races conducted at the first race track or on races
13 conducted at another Illinois race track and
14 simultaneously televised to the first race track or to a
15 facility operated by an inter-track wagering licensee or
16 inter-track wagering location licensee that derives its
17 license from the organization licensee that operates the
18 first race track, those moneys shall be allocated as
19 follows:

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

24 (B) That portion of all moneys wagered on
25 thoroughbred racing that is required under this Act to
26 be paid to purses shall be paid to purses for

1 thoroughbred races.

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

22 (B) From the sums permitted to be retained pursuant to
23 this Act each inter-track wagering location licensee shall
24 pay (i) the privilege or pari-mutuel tax to the State;
25 (ii) 4.75% of the pari-mutuel handle on inter-track
26 wagering at such location on races as purses, except that

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

1 applicable; then (II) the amounts redistributed to each
2 inter-track wagering location licensee as described in
3 subpart (I) shall be further redistributed as provided in
4 subparagraph (B) of paragraph (5) of subsection (g) of
5 this Section 26 provided first, that the shares of those
6 amounts, which are to be redistributed to the host track
7 or to purses at the host track under subparagraph (B) of
8 paragraph (5) of subsection (g) of this Section 26 shall
9 be redistributed based on each host track's pro rata share
10 of the total inter-track wagering and simulcast wagering
11 handle at all host tracks during the calendar year in
12 question, and second, that any amounts redistributed as
13 described in part (I) to an inter-track wagering location
14 licensee that accepts wagers on races conducted by an
15 organization licensee that conducts a race meet in a
16 county with a population in excess of 230,000 and that
17 borders the Mississippi River shall be further
18 redistributed, effective January 1, 2017, as provided in
19 paragraph (7) of subsection (g) of this Section 26, with
20 the portion of that further redistribution allocated to
21 purses at that organization licensee to be divided between
22 standardbred purses and thoroughbred purses based on the
23 amounts otherwise allocated to purses at that organization
24 licensee during the calendar year in question; and (iv) 8%
25 of the pari-mutuel handle on inter-track wagering wagered
26 at such location to satisfy all costs and expenses of

1 conducting its wagering. The remainder of the monies
2 retained by the inter-track wagering location licensee
3 shall be allocated 40% to the location licensee and 60% to
4 the organization licensee which provides the Illinois
5 races to the location, except that an inter-track wagering
6 location licensee that derives its license from a track
7 located in a county with a population in excess of 230,000
8 and that borders the Mississippi River shall not divide
9 any remaining retention with the organization licensee
10 that provides the race or races and an inter-track
11 wagering location licensee that accepts wagers on races
12 conducted by an organization licensee that conducts a race
13 meet in a county with a population in excess of 230,000 and
14 that borders the Mississippi River shall not divide any
15 remaining retention with the organization licensee.
16 Notwithstanding the provisions of clauses (ii) and (iv) of
17 this paragraph, in the case of the additional inter-track
18 wagering location licenses authorized under paragraph (1)
19 of this subsection (h) by Public Act 87-110, those
20 licensees shall pay the following amounts as purses:
21 during the first 12 months the licensee is in operation,
22 5.25% of the pari-mutuel handle wagered at the location on
23 races; during the second 12 months, 5.25%; during the
24 third 12 months, 5.75%; during the fourth 12 months,
25 6.25%; and during the fifth 12 months and thereafter,
26 6.75%. The following amounts shall be retained by the

1 licensee to satisfy all costs and expenses of conducting
2 its wagering: during the first 12 months the licensee is
3 in operation, 8.25% of the pari-mutuel handle wagered at
4 the location; during the second 12 months, 8.25%; during
5 the third 12 months, 7.75%; during the fourth 12 months,
6 7.25%; and during the fifth 12 months and thereafter,
7 6.75%. For additional inter-track wagering location
8 licensees authorized under Public Act 89-16, purses for
9 the first 12 months the licensee is in operation shall be
10 5.75% of the pari-mutuel wagered at the location, purses
11 for the second 12 months the licensee is in operation
12 shall be 6.25%, and purses thereafter shall be 6.75%. For
13 additional inter-track location licensees authorized under
14 Public Act 89-16, the licensee shall be allowed to retain
15 to satisfy all costs and expenses: 7.75% of the
16 pari-mutuel handle wagered at the location during its
17 first 12 months of operation, 7.25% during its second 12
18 months of operation, and 6.75% thereafter.

19 (C) There is hereby created the Horse Racing Tax
20 Allocation Fund which shall remain in existence until
21 December 31, 1999. Moneys remaining in the Fund after
22 December 31, 1999 shall be paid into the General Revenue
23 Fund. Until January 1, 2000, all monies paid into the
24 Horse Racing Tax Allocation Fund pursuant to this
25 paragraph (11) by inter-track wagering location licensees
26 located in park districts of 500,000 population or less,

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

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

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

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

1 conservation district and is the county seat of a
2 county that (i) is contiguous to the state of Indiana
3 and (ii) has a 1990 population of 88,257 according to
4 the United States Bureau of the Census, except that if
5 the conservation district does not maintain a museum,
6 the monies shall be allocated equally between the
7 county and the municipality in which the inter-track
8 wagering location licensee is located for general
9 purposes) or to a municipal recreation board for park
10 purposes (if an inter-track wagering location licensee
11 is located in a municipality that is not included
12 within any park district and park maintenance is the
13 function of the municipal recreation board and the
14 municipality has a 1990 population of 9,302 according
15 to the United States Bureau of the Census); provided
16 that the monies are distributed to each park district
17 or conservation district or municipality that does not
18 have a park district in an amount equal to
19 four-sevenths of the amount collected by each
20 inter-track wagering location licensee within the park
21 district or conservation district or municipality for
22 the Fund. Monies that were paid into the Horse Racing
23 Tax Allocation Fund before August 9, 1991 (the
24 effective date of Public Act 87-110) by an inter-track
25 wagering location licensee located in a municipality
26 that is not included within any park district but is

1 included within a conservation district as provided in
2 this paragraph shall, as soon as practicable after
3 August 9, 1991 (the effective date of Public Act
4 87-110), be allocated and paid to that conservation
5 district as provided in this paragraph. Any park
6 district or municipality not maintaining a museum may
7 deposit the monies in the corporate fund of the park
8 district or municipality where the inter-track
9 wagering location is located, to be used for general
10 purposes; and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

26 (C) The Division Board, and any person or persons

1 to whom it delegates this power, may eject or exclude
2 from any licensee's facilities, any person whose
3 conduct or reputation is such that his presence on
4 such premises may, in the opinion of the Division
5 ~~Board~~, call into the question the honesty and
6 integrity of, or interfere with the orderly conduct of
7 such wagering; provided, however, that no person shall
8 be excluded or ejected from such premises solely on
9 the grounds of race, color, creed, national origin,
10 ancestry, or sex.

11 (D) (Blank).

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

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

25 (G) The Division ~~Board~~ is vested with the power to
26 impose civil penalties of up to \$5,000 against

1 individuals and up to \$10,000 against licensees for
2 each violation of any provision of this Act relating
3 to the conduct of this wagering, any rules adopted by
4 the Division Board, any order of the Division Board or
5 any other action which in the Division's Board's
6 discretion, is a detriment or impediment to such
7 wagering.

8 (13) The Department of Agriculture may enter into
9 agreements with licensees authorizing such licensees to
10 conduct inter-track wagering on races to be held at the
11 licensed race meetings conducted by the Department of
12 Agriculture. Such agreement shall specify the races of the
13 Department of Agriculture's licensed race meeting upon
14 which the licensees will conduct wagering. In the event
15 that a licensee conducts inter-track pari-mutuel wagering
16 on races from the Illinois State Fair or DuQuoin State
17 Fair which are in addition to the licensee's previously
18 approved racing program, those races shall be considered a
19 separate racing day for the purpose of determining the
20 daily handle and computing the privilege or pari-mutuel
21 tax on that daily handle as provided in Sections 27 and
22 27.1. Such agreements shall be approved by the Division
23 ~~Board~~ before such wagering may be conducted. In
24 determining whether to grant approval, the Division Board
25 shall give due consideration to the best interests of the
26 public and of horse racing. The provisions of paragraphs

1 (1), (8), (8.1), and (8.2) of subsection (h) of this
2 Section which are not specified in this paragraph (13)
3 shall not apply to licensed race meetings conducted by the
4 Department of Agriculture at the Illinois State Fair in
5 Sangamon County or the DuQuoin State Fair in Perry County,
6 or to any wagering conducted on those race meetings.

7 (14) An inter-track wagering location license
8 authorized by the Board in 2016 that is owned and operated
9 by a race track in Rock Island County shall be transferred
10 to a commonly owned race track in Cook County on August 12,
11 2016 (the effective date of Public Act 99-757). The
12 licensee shall retain its status in relation to purse
13 distribution under paragraph (11) of this subsection (h)
14 following the transfer to the new entity. The pari-mutuel
15 tax credit under Section 32.1 shall not be applied toward
16 any pari-mutuel tax obligation of the inter-track wagering
17 location licensee of the license that is transferred under
18 this paragraph (14).

19 (i) Notwithstanding the other provisions of this Act, the
20 conduct of wagering at wagering facilities is authorized on
21 all days, except as limited by subsection (b) of Section 19 of
22 this Act.

23 (Source: P.A. 100-201, eff. 8-18-17; 100-627, eff. 7-20-18;
24 100-1152, eff. 12-14-18; 101-31, eff. 6-28-19; 101-52, eff.
25 7-12-19; 101-81, eff. 7-12-19; 101-109, eff. 7-19-19; revised
26 9-27-19.)

1 (230 ILCS 5/26.9)

2 Sec. 26.9. Beginning on February 1, 2014, in addition to
3 the surcharge imposed in Sections 26.3, 26.4, 26.5, 26.7, and
4 26.8 of this Act, each licensee shall impose a surcharge of
5 0.2% on winning wagers and winnings from wagers. The surcharge
6 shall be deducted from winnings prior to payout. All amounts
7 collected from the surcharges imposed under this Section shall
8 be remitted to the Division Board. From amounts collected
9 under this Section, the Division Board shall deposit an amount
10 not to exceed \$100,000 annually into the Quarter Horse Purse
11 Fund and all remaining amounts into the Horse Racing Fund.

12 (Source: P.A. 100-627, eff. 7-20-18; 101-31, eff. 6-28-19.)

13 (230 ILCS 5/27) (from Ch. 8, par. 37-27)

14 Sec. 27. (a) In addition to the organization license fee
15 provided by this Act, until January 1, 2000, a graduated
16 privilege tax is hereby imposed for conducting the pari-mutuel
17 system of wagering permitted under this Act. Until January 1,
18 2000, except as provided in subsection (g) of Section 27 of
19 this Act, all of the breakage of each racing day held by any
20 licensee in the State shall be paid to the State. Until January
21 1, 2000, such daily graduated privilege tax shall be paid by
22 the licensee from the amount permitted to be retained under
23 this Act. Until January 1, 2000, each day's graduated
24 privilege tax, breakage, and Horse Racing Tax Allocation funds

1 shall be remitted to the Department of Revenue within 48 hours
2 after the close of the racing day upon which it is assessed or
3 within such other time as the Division Board prescribes. The
4 privilege tax hereby imposed, until January 1, 2000, shall be
5 a flat tax at the rate of 2% of the daily pari-mutuel handle
6 except as provided in Section 27.1.

7 In addition, every organization licensee, except as
8 provided in Section 27.1 of this Act, which conducts multiple
9 wagering shall pay, until January 1, 2000, as a privilege tax
10 on multiple wagers an amount equal to 1.25% of all moneys
11 wagered each day on such multiple wagers, plus an additional
12 amount equal to 3.5% of the amount wagered each day on any
13 other multiple wager which involves a single betting interest
14 on 3 or more horses. The licensee shall remit the amount of
15 such taxes to the Department of Revenue within 48 hours after
16 the close of the racing day on which it is assessed or within
17 such other time as the Division Board prescribes.

18 This subsection (a) shall be inoperative and of no force
19 and effect on and after January 1, 2000.

20 (a-5) Beginning on January 1, 2000, a flat pari-mutuel tax
21 at the rate of 1.5% of the daily pari-mutuel handle is imposed
22 at all pari-mutuel wagering facilities and on advance deposit
23 wagering from a location other than a wagering facility,
24 except as otherwise provided for in this subsection (a-5). In
25 addition to the pari-mutuel tax imposed on advance deposit
26 wagering pursuant to this subsection (a-5), beginning on

1 August 24, 2012 (the effective date of Public Act 97-1060), an
2 additional pari-mutuel tax at the rate of 0.25% shall be
3 imposed on advance deposit wagering. Until August 25, 2012,
4 the additional 0.25% pari-mutuel tax imposed on advance
5 deposit wagering by Public Act 96-972 shall be deposited into
6 the Quarter Horse Purse Fund, which shall be created as a
7 non-appropriated trust fund administered by the Division Board
8 for grants to thoroughbred organization licensees for payment
9 of purses for quarter horse races conducted by the
10 organization licensee. Beginning on August 26, 2012, the
11 additional 0.25% pari-mutuel tax imposed on advance deposit
12 wagering shall be deposited into the Standardbred Purse Fund,
13 which shall be created as a non-appropriated trust fund
14 administered by the Division Board, for grants to the
15 standardbred organization licensees for payment of purses for
16 standardbred horse races conducted by the organization
17 licensee. Thoroughbred organization licensees may petition the
18 Division Board to conduct quarter horse racing and receive
19 purse grants from the Quarter Horse Purse Fund. The Division
20 ~~Board~~ shall have complete discretion in distributing the
21 Quarter Horse Purse Fund to the petitioning organization
22 licensees. Beginning on July 26, 2010 (the effective date of
23 Public Act 96-1287), a pari-mutuel tax at the rate of 0.75% of
24 the daily pari-mutuel handle is imposed at a pari-mutuel
25 facility whose license is derived from a track located in a
26 county that borders the Mississippi River and conducted live

1 racing in the previous year. The pari-mutuel tax imposed by
2 this subsection (a-5) shall be remitted to the Department of
3 Revenue within 48 hours after the close of the racing day upon
4 which it is assessed or within such other time as the Division
5 ~~Board~~ prescribes.

6 (a-10) Beginning on the date when an organization licensee
7 begins conducting gaming pursuant to an organization gaming
8 license, the following pari-mutuel tax is imposed upon an
9 organization licensee on Illinois races at the licensee's
10 racetrack:

11 1.5% of the pari-mutuel handle at or below the average
12 daily pari-mutuel handle for 2011.

13 2% of the pari-mutuel handle above the average daily
14 pari-mutuel handle for 2011 up to 125% of the average
15 daily pari-mutuel handle for 2011.

16 2.5% of the pari-mutuel handle 125% or more above the
17 average daily pari-mutuel handle for 2011 up to 150% of
18 the average daily pari-mutuel handle for 2011.

19 3% of the pari-mutuel handle 150% or more above the
20 average daily pari-mutuel handle for 2011 up to 175% of
21 the average daily pari-mutuel handle for 2011.

22 3.5% of the pari-mutuel handle 175% or more above the
23 average daily pari-mutuel handle for 2011.

24 The pari-mutuel tax imposed by this subsection (a-10)
25 shall be remitted to the Division ~~Board~~ within 48 hours after
26 the close of the racing day upon which it is assessed or within

1 such other time as the Division Board prescribes.

2 (b) On or before December 31, 1999, in the event that any
3 organization licensee conducts 2 separate programs of races on
4 any day, each such program shall be considered a separate
5 racing day for purposes of determining the daily handle and
6 computing the privilege tax on such daily handle as provided
7 in subsection (a) of this Section.

8 (c) Licensees shall at all times keep accurate books and
9 records of all monies wagered on each day of a race meeting and
10 of the taxes paid to the Department of Revenue under the
11 provisions of this Section. The Division Board or its duly
12 authorized representative or representatives shall at all
13 reasonable times have access to such records for the purpose
14 of examining and checking the same and ascertaining whether
15 the proper amount of taxes is being paid as provided. The
16 Division Board shall require verified reports and a statement
17 of the total of all monies wagered daily at each wagering
18 facility upon which the taxes are assessed and may prescribe
19 forms upon which such reports and statement shall be made.

20 (d) Before a license is issued or re-issued, the licensee
21 shall post a bond in the sum of \$500,000 to the State of
22 Illinois. The bond shall be used to guarantee that the
23 licensee faithfully makes the payments, keeps the books and
24 records, ~~and~~ makes reports, and conducts games of chance in
25 conformity with this Act and the rules adopted by the Division
26 Board. The bond shall not be canceled by a surety on less than

1 30 days' notice in writing to the Division Board. If a bond is
2 canceled and the licensee fails to file a new bond with the
3 Division Board in the required amount on or before the
4 effective date of cancellation, the licensee's license shall
5 be revoked. The total and aggregate liability of the surety on
6 the bond is limited to the amount specified in the bond.

7 (e) No other license fee, privilege tax, excise tax, or
8 racing fee, except as provided in this Act, shall be assessed
9 or collected from any such licensee by the State.

10 (f) No other license fee, privilege tax, excise tax or
11 racing fee shall be assessed or collected from any such
12 licensee by units of local government except as provided in
13 paragraph 10.1 of subsection (h) and subsection (f) of Section
14 26 of this Act. However, any municipality that has a
15 Division-licensed Board-licensed horse race meeting at a race
16 track wholly within its corporate boundaries or a township
17 that has a Division-licensed Board-licensed horse race meeting
18 at a race track wholly within the unincorporated area of the
19 township may charge a local amusement tax not to exceed 10¢ per
20 admission to such horse race meeting by the enactment of an
21 ordinance. However, any municipality or county that has a
22 Division-licensed Board-licensed inter-track wagering location
23 facility wholly within its corporate boundaries may each
24 impose an admission fee not to exceed \$1.00 per admission to
25 such inter-track wagering location facility, so that a total
26 of not more than \$2.00 per admission may be imposed. Except as

1 provided in subparagraph (g) of Section 27 of this Act, the
2 inter-track wagering location licensee shall collect any and
3 all such fees. Inter-track wagering location licensees must
4 pay the admission fees required under this subsection (f) to
5 the municipality and county no later than the 20th of the month
6 following the month such admission fees were imposed. ~~as the~~
7 ~~Board prescribes~~

8 (g) Notwithstanding any provision in this Act to the
9 contrary, if in any calendar year the total taxes and fees from
10 wagering on live racing and from inter-track wagering required
11 to be collected from licensees and distributed under this Act
12 to all State and local governmental authorities exceeds the
13 amount of such taxes and fees distributed to each State and
14 local governmental authority to which each State and local
15 governmental authority was entitled under this Act for
16 calendar year 1994, then the first \$11 million of that excess
17 amount shall be allocated at the earliest possible date for
18 distribution as purse money for the succeeding calendar year.
19 Upon reaching the 1994 level, and until the excess amount of
20 taxes and fees exceeds \$11 million, the Division Board shall
21 direct all licensees to cease paying the subject taxes and
22 fees and the Division Board shall direct all licensees to
23 allocate any such excess amount for purses as follows:

24 (i) the excess amount shall be initially divided
25 between thoroughbred and standardbred purses based on the
26 thoroughbred's and standardbred's respective percentages

1 of total Illinois live wagering in calendar year 1994;

2 (ii) each thoroughbred and standardbred organization
3 licensee issued an organization licensee in that
4 succeeding allocation year shall be allocated an amount
5 equal to the product of its percentage of total Illinois
6 live thoroughbred or standardbred wagering in calendar
7 year 1994 (the total to be determined based on the sum of
8 1994 on-track wagering for all organization licensees
9 issued organization licenses in both the allocation year
10 and the preceding year) multiplied by the total amount
11 allocated for standardbred or thoroughbred purses,
12 provided that the first \$1,500,000 of the amount allocated
13 to standardbred purses under item (i) shall be allocated
14 to the Department of Agriculture to be expended with the
15 assistance and advice of the Illinois Standardbred
16 Breeders Funds Advisory Board for the purposes listed in
17 subsection (g) of Section 31 of this Act, before the
18 amount allocated to standardbred purses under item (i) is
19 allocated to standardbred organization licensees in the
20 succeeding allocation year.

21 To the extent the excess amount of taxes and fees to be
22 collected and distributed to State and local governmental
23 authorities exceeds \$11 million, that excess amount shall be
24 collected and distributed to State and local authorities as
25 provided for under this Act.

26 (Source: P.A. 100-627, eff. 7-20-18; 101-31, eff. 6-28-19;

1 101-52, eff. 7-12-19; revised 8-28-19.)

2 (230 ILCS 5/27.2)

3 Sec. 27.2. Withholding of delinquent child support.

4 (a) From winnings required to be reported to the Internal
5 Revenue Service and subject to withholding on Form W-2G,
6 organization licensees and advance deposit wagering licensees
7 licensed under this Act shall withhold up to the full amount of
8 winnings necessary to pay the winner's past due child support
9 amount as certified by the Department of Healthcare and Family
10 Services under Section 10-17.15 of the Illinois Public Aid
11 Code. Amounts withheld shall be paid to the Department of
12 Healthcare and Family Services by the organization licensee or
13 the advance deposit wagering licensee, as applicable.

14 (b) For withholding of winnings, the organization licensee
15 or advance deposit wagering licensee shall be entitled to an
16 administrative fee not to exceed the lesser of 4% of the total
17 amount of cash winnings paid to the gambling winner or \$150.

18 (c) In no event may the total amount withheld from the cash
19 payout, including the administrative fee, exceed the total
20 cash winnings claimed by the obligor. If the cash payout
21 claimed is greater than the amount sufficient to satisfy the
22 obligor's delinquent child support payments, the organization
23 licensee or advance deposit wagering licensee shall pay the
24 obligor the remaining balance of the payout, less the
25 administrative fee authorized by subsection (b) of this

1 Section, at the time it is claimed.

2 (d) An organization licensee or an advance deposit
3 wagering licensee that in good faith complies with the
4 requirements of this Section shall not be liable to the gaming
5 winner or any other individual or entity.

6 (e) For an organization licensee under this Act, an agent
7 of the Division Board (such as an employee of the Division
8 Board) shall be responsible for notifying the person
9 identified as being delinquent in child support payments that
10 the organization licensee is required by law to withhold all
11 or a portion of his or her winnings. This notification must be
12 provided at the time the winnings are withheld.

13 (f) The provisions of this Section shall be operative on
14 and after the date that rules are adopted by the Department of
15 Healthcare and Family Services pursuant to Section 10-17.15 of
16 the Illinois Public Aid Code.

17 (g) The delinquent child support required to be withheld
18 under this Section and the administrative fee under subsection
19 (b) of this Section have priority over any secured or
20 unsecured claim on cash winnings, except claims for federal or
21 State taxes that are required to be withheld under federal or
22 State law.

23 (Source: P.A. 98-318, eff. 8-12-13.)

24 (230 ILCS 5/28) (from Ch. 8, par. 37-28)

25 Sec. 28. Except as provided in subsection (g) of Section

1 27 of this Act, moneys collected shall be distributed
2 according to the provisions of this Section 28.

3 (a) Thirty per cent of the total of all monies received by
4 the State as privilege taxes shall be paid into the
5 Metropolitan Exposition, Auditorium and Office Building Fund
6 in the State Treasury.

7 (b) In addition, 4.5% of the total of all monies received
8 by the State as privilege taxes shall be paid into the State
9 treasury into a special Fund to be known as the Metropolitan
10 Exposition, Auditorium and Office Building Fund.

11 (c) Fifty per cent of the total of all monies received by
12 the State as privilege taxes under the provisions of this Act
13 shall be paid into the Agricultural Premium Fund.

14 (d) Seven per cent of the total of all monies received by
15 the State as privilege taxes shall be paid into the Fair and
16 Exposition Fund in the State treasury; provided, however, that
17 when all bonds issued prior to July 1, 1984 by the Metropolitan
18 Fair and Exposition Authority shall have been paid or payment
19 shall have been provided for upon a refunding of those bonds,
20 thereafter 1/12 of \$1,665,662 of such monies shall be paid
21 each month into the Build Illinois Fund, and the remainder
22 into the Fair and Exposition Fund. All excess monies shall be
23 allocated to the Department of Agriculture for distribution to
24 county fairs for premiums and rehabilitation as set forth in
25 the Agricultural Fair Act.

26 (e) The monies provided for in Section 30 shall be paid

1 into the Illinois Thoroughbred Breeders Fund.

2 (f) The monies provided for in Section 31 shall be paid
3 into the Illinois Standardbred Breeders Fund.

4 (g) Until January 1, 2000, that part representing 1/2 of
5 the total breakage in Thoroughbred, Harness, Appaloosa,
6 Arabian, and Quarter Horse racing in the State shall be paid
7 into the Illinois Race Track Improvement Fund as established
8 in Section 32.

9 (h) All other monies received by the Division Board under
10 this Act shall be paid into the Horse Racing Fund.

11 (i) The salaries of the Division Board members, secretary,
12 stewards, directors of mutuels, veterinarians,
13 representatives, accountants, clerks, stenographers,
14 inspectors and other employees of the Division Board, and all
15 expenses of the Division Board incident to the administration
16 of this Act, including, but not limited to, all expenses and
17 salaries incident to the taking of saliva and urine samples in
18 accordance with the rules and regulations of the Division
19 ~~Board~~ shall be paid out of the Agricultural Premium Fund.

20 (j) The Agricultural Premium Fund shall also be used:

21 (1) for the expenses of operating the Illinois State
22 Fair and the DuQuoin State Fair, including the payment of
23 prize money or premiums;

24 (2) for the distribution to county fairs, vocational
25 agriculture section fairs, agricultural societies, and
26 agricultural extension clubs in accordance with the

1 Agricultural Fair Act, as amended;

2 (3) for payment of prize monies and premiums awarded
3 and for expenses incurred in connection with the
4 International Livestock Exposition and the Mid-Continent
5 Livestock Exposition held in Illinois, which premiums, and
6 awards must be approved, and paid by the Illinois
7 Department of Agriculture;

8 (4) for personal service of county agricultural
9 advisors and county home advisors;

10 (5) for distribution to agricultural home economic
11 extension councils in accordance with "An Act in relation
12 to additional support and finance for the Agricultural and
13 Home Economic Extension Councils in the several counties
14 in this State and making an appropriation therefor",
15 approved July 24, 1967, as amended;

16 (6) for research on equine disease, including a
17 development center therefor;

18 (7) for training scholarships for study on equine
19 diseases to students at the University of Illinois College
20 of Veterinary Medicine;

21 (8) for the rehabilitation, repair and maintenance of
22 the Illinois and DuQuoin State Fair Grounds and the
23 structures and facilities thereon and the construction of
24 permanent improvements on such Fair Grounds, including
25 such structures, facilities and property located on such
26 State Fair Grounds which are under the custody and control

1 of the Department of Agriculture;

2 (9) (blank);

3 (10) for the expenses of the Department of Commerce
4 and Economic Opportunity under Sections 605-620, 605-625,
5 and 605-630 of the Department of Commerce and Economic
6 Opportunity Law (20 ILCS 605/605-620, 605/605-625, and
7 605/605-630);

8 (11) for remodeling, expanding, and reconstructing
9 facilities destroyed by fire of any Fair and Exposition
10 Authority in counties with a population of 1,000,000 or
11 more inhabitants;

12 (12) for the purpose of assisting in the care and
13 general rehabilitation of veterans with disabilities of
14 any war and their surviving spouses and orphans;

15 (13) for expenses of the Department of State Police
16 for duties performed under this Act;

17 (14) for the Department of Agriculture for soil
18 surveys and soil and water conservation purposes;

19 (15) for the Department of Agriculture for grants to
20 the City of Chicago for conducting the Chicagofest;

21 (16) for the State Comptroller for grants and
22 operating expenses authorized by the Illinois Global
23 Partnership Act.

24 (k) To the extent that monies paid by the Division Board ~~Board~~ to
25 the Agricultural Premium Fund are in the opinion of the
26 Governor in excess of the amount necessary for the purposes

1 herein stated, the Governor shall notify the Comptroller and
2 the State Treasurer of such fact, who, upon receipt of such
3 notification, shall transfer such excess monies from the
4 Agricultural Premium Fund to the General Revenue Fund.

5 (Source: P.A. 99-143, eff. 7-27-15; 99-933, eff. 1-27-17;
6 100-110, eff. 8-15-17; 100-863, eff. 8-14-18.)

7 (230 ILCS 5/28.1)

8 Sec. 28.1. Payments.

9 (a) Beginning on January 1, 2000, moneys collected by the
10 Department of Revenue and the Division ~~Racing Board~~ pursuant
11 to Section 26 or Section 27 of this Act shall be deposited into
12 the Horse Racing Fund, which is hereby created as a special
13 fund in the State Treasury.

14 (b) Appropriations, as approved by the General Assembly,
15 may be made from the Horse Racing Fund to the Division ~~Board~~ to
16 pay the salaries of the Division ~~Board members,~~ secretary,
17 stewards, directors of mutuels, veterinarians,
18 representatives, accountants, clerks, stenographers,
19 inspectors and other employees of the Division ~~Board~~, and all
20 expenses of the Division ~~Board~~ incident to the administration
21 of this Act, including, but not limited to, all expenses and
22 salaries incident to the taking of saliva and urine samples in
23 accordance with the rules and regulations of the Division
24 ~~Board~~.

25 (c) (Blank).

1 (d) Beginning January 1, 2000, payments to all programs in
2 existence on the effective date of this amendatory Act of 1999
3 that are identified in Sections 26(c), 26(f), 26(h)(11)(C),
4 and 28, subsections (a), (b), (c), (d), (e), (f), (g), and (h)
5 of Section 30, and subsections (a), (b), (c), (d), (e), (f),
6 (g), and (h) of Section 31 shall be made from the General
7 Revenue Fund at the funding levels determined by amounts paid
8 under this Act in calendar year 1998. Beginning on the
9 effective date of this amendatory Act of the 93rd General
10 Assembly, payments to the Peoria Park District shall be made
11 from the General Revenue Fund at the funding level determined
12 by amounts paid to that park district for museum purposes
13 under this Act in calendar year 1994.

14 If an inter-track wagering location licensee's facility
15 changes its location, then the payments associated with that
16 facility under this subsection (d) for museum purposes shall
17 be paid to the park district in the area where the facility
18 relocates, and the payments shall be used for museum purposes.
19 If the facility does not relocate to a park district, then the
20 payments shall be paid to the taxing district that is
21 responsible for park or museum expenditures.

22 (e) Beginning July 1, 2006, the payment authorized under
23 subsection (d) to museums and aquariums located in park
24 districts of over 500,000 population shall be paid to museums,
25 aquariums, and zoos in amounts determined by Museums in the
26 Park, an association of museums, aquariums, and zoos located

1 on Chicago Park District property.

2 (f) Beginning July 1, 2007, the Children's Discovery
3 Museum in Normal, Illinois shall receive payments from the
4 General Revenue Fund at the funding level determined by the
5 amounts paid to the Miller Park Zoo in Bloomington, Illinois
6 under this Section in calendar year 2006.

7 (Source: P.A. 98-624, eff. 1-29-14.)

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
24 foaled or Illinois foaled horses or both. No horses shall be
25 permitted to start in such races unless duly registered under

1 the rules 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 Division Board, be eliminated for that day and
8 substitute 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 101st General Assembly, the Illinois Thoroughbred Breeders
14 Fund shall become a non-appropriated trust fund held separate
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 gaming pursuant to an organization
24 gaming license issued under the Illinois Gambling Act after
25 the effective date of this amendatory Act of the 101st General
26 Assembly shall be in addition to tax and fee amounts paid under

1 this Section for calendar year 2019 and thereafter.

2 (e) The Illinois Thoroughbred Breeders Fund shall be
3 administered by the Department of Agriculture with the advice
4 and assistance of the Advisory Board created in subsection (f)
5 of this Section.

6 (f) The Illinois Thoroughbred Breeders Fund Advisory Board
7 shall consist of the Director of the Department of
8 Agriculture, who shall serve as Chairman; The Director or his
9 or her designee ~~a member of the Illinois Racing Board,~~
10 ~~designated by it;~~ 2 representatives of the organization
11 licensees conducting thoroughbred racing meetings, recommended
12 by them; 2 representatives of the Illinois Thoroughbred
13 Breeders and Owners Foundation, recommended by it; one
14 representative of the Horsemen's Benevolent Protective
15 Association; and one representative from the Illinois
16 Thoroughbred Horsemen's Association. Advisory Board members
17 shall serve for 2 years commencing January 1 of each odd
18 numbered year. If representatives of the organization
19 licensees conducting thoroughbred racing meetings, the
20 Illinois Thoroughbred Breeders and Owners Foundation, the
21 Horsemen's Benevolent Protection Association, and the Illinois
22 Thoroughbred Horsemen's Association have not been recommended
23 by January 1, of each odd numbered year, the Director of the
24 Department of Agriculture shall make an appointment for the
25 organization failing to so recommend a member of the Advisory
26 Board. Advisory Board members shall receive no compensation

1 for their services as members but shall be reimbursed for all
2 actual and necessary expenses and disbursements incurred in
3 the execution of their official duties.

4 (g) Monies expended from the Illinois Thoroughbred
5 Breeders Fund shall be expended by the Department of
6 Agriculture, with the advice and assistance of the Illinois
7 Thoroughbred Breeders Fund Advisory Board, for the following
8 purposes only:

9 (1) To provide purse supplements to owners of horses
10 participating in races limited to Illinois conceived and
11 foaled and Illinois foaled horses. Any such purse
12 supplements shall not be included in and shall be paid in
13 addition to any purses, stakes, or breeders' awards
14 offered by each organization licensee as determined by
15 agreement between such organization licensee and an
16 organization representing the horsemen. No monies from the
17 Illinois Thoroughbred Breeders Fund shall be used to
18 provide purse supplements for claiming races in which the
19 minimum claiming price is less than \$7,500.

20 (2) To provide stakes and awards to be paid to the
21 owners of the winning horses in certain races limited to
22 Illinois conceived and foaled and Illinois foaled horses
23 designated as stakes races.

24 (2.5) To provide an award to the owner or owners of an
25 Illinois conceived and foaled or Illinois foaled horse
26 that wins a maiden special weight, an allowance, overnight

1 handicap race, or claiming race with claiming price of
2 \$10,000 or more providing the race is not restricted to
3 Illinois conceived and foaled or Illinois foaled horses.
4 Awards shall also be provided to the owner or owners of
5 Illinois conceived and foaled and Illinois foaled horses
6 that place second or third in those races. To the extent
7 that additional moneys are required to pay the minimum
8 additional awards of 40% of the purse the horse earns for
9 placing first, second or third in those races for Illinois
10 foaled horses and of 60% of the purse the horse earns for
11 placing first, second or third in those races for Illinois
12 conceived and foaled horses, those moneys shall be
13 provided from the purse account at the track where earned.

14 (3) To provide stallion awards to the owner or owners
15 of any stallion that is duly registered with the Illinois
16 Thoroughbred Breeders Fund Program whose duly registered
17 Illinois conceived and foaled offspring wins a race
18 conducted at an Illinois thoroughbred racing meeting other
19 than a claiming race, provided that the stallion stood
20 service within Illinois at the time the offspring was
21 conceived and that the stallion did not stand for service
22 outside of Illinois at any time during the year in which
23 the offspring was conceived.

24 (4) To provide \$75,000 annually for purses to be
25 distributed to county fairs that provide for the running
26 of races during each county fair exclusively for the

1 thoroughbreds conceived and foaled in Illinois. The
2 conditions of the races shall be developed by the county
3 fair association and reviewed by the Department with the
4 advice and assistance of the Illinois Thoroughbred
5 Breeders Fund Advisory Board. There shall be no wagering
6 of any kind on the running of Illinois conceived and
7 foaled races at county fairs.

8 (4.1) To provide purse money for an Illinois stallion
9 stakes program.

10 (5) No less than 90% of all monies expended from the
11 Illinois Thoroughbred Breeders Fund shall be expended for
12 the purposes in (1), (2), (2.5), (3), (4), (4.1), and (5)
13 as shown above.

14 (6) To provide for educational programs regarding the
15 thoroughbred breeding industry.

16 (7) To provide for research programs concerning the
17 health, development and care of the thoroughbred horse.

18 (8) To provide for a scholarship and training program
19 for students of equine veterinary medicine.

20 (9) To provide for dissemination of public information
21 designed to promote the breeding of thoroughbred horses in
22 Illinois.

23 (10) To provide for all expenses incurred in the
24 administration of the Illinois Thoroughbred Breeders Fund.

25 (h) The Illinois Thoroughbred Breeders Fund is not subject
26 to administrative charges or chargebacks, including, but not

1 limited to, those authorized under Section 8h of the State
2 Finance Act.

3 (i) A sum equal to 13% of the first prize money of every
4 purse won by an Illinois foaled or Illinois conceived and
5 foaled horse in races not limited to Illinois foaled horses or
6 Illinois conceived and foaled horses, or both, shall be paid
7 by the organization licensee conducting the horse race
8 meeting. Such sum shall be paid 50% from the organization
9 licensee's share of the money wagered and 50% from the purse
10 account as follows: 11 1/2% to the breeder of the winning horse
11 and 1 1/2% to the organization representing thoroughbred
12 breeders and owners who representative serves on the Illinois
13 Thoroughbred Breeders Fund Advisory Board for verifying the
14 amounts of breeders' awards earned, ensuring their
15 distribution in accordance with this Act, and servicing and
16 promoting the Illinois thoroughbred horse racing industry.
17 Beginning in the calendar year in which an organization
18 licensee that is eligible to receive payments under paragraph
19 (13) of subsection (g) of Section 26 of this Act begins to
20 receive funds from gaming pursuant to an organization gaming
21 license issued under the Illinois Gambling Act, a sum equal to
22 21 1/2% of the first prize money of every purse won by an
23 Illinois foaled or an Illinois conceived and foaled horse in
24 races not limited to an Illinois conceived and foaled horse,
25 or both, shall be paid 30% from the organization licensee's
26 account and 70% from the purse account as follows: 20% to the

1 breeder of the winning horse and 1 1/2% to the organization
2 representing thoroughbred breeders and owners whose
3 representatives serve on the Illinois Thoroughbred Breeders
4 Fund Advisory Board for verifying the amounts of breeders'
5 awards earned, ensuring their distribution in accordance with
6 this Act, and servicing and promoting the Illinois
7 Thoroughbred racing industry. The organization representing
8 thoroughbred breeders and owners shall cause all expenditures
9 of monies received under this subsection (i) to be audited at
10 least annually by a registered public accountant. The
11 organization shall file copies of each annual audit with the
12 Division Racing Board, the Clerk of the House of
13 Representatives and the Secretary of the Senate, and shall
14 make copies of each annual audit available to the public upon
15 request and upon payment of the reasonable cost of
16 photocopying the requested number of copies. Such payments
17 shall not reduce any award to the owner of the horse or reduce
18 the taxes payable under this Act. Upon completion of its
19 racing meet, each organization licensee shall deliver to the
20 organization representing thoroughbred breeders and owners
21 whose representative serves on the Illinois Thoroughbred
22 Breeders Fund Advisory Board a listing of all the Illinois
23 foaled and the Illinois conceived and foaled horses which won
24 breeders' awards and the amount of such breeders' awards under
25 this subsection to verify accuracy of payments and assure
26 proper distribution of breeders' awards in accordance with the

1 provisions of this Act. Such payments shall be delivered by
2 the organization licensee within 30 days of the end of each
3 race meeting.

4 (j) A sum equal to 13% of the first prize money won in
5 every race limited to Illinois foaled horses or Illinois
6 conceived and foaled horses, or both, shall be paid in the
7 following manner by the organization licensee conducting the
8 horse race meeting, 50% from the organization licensee's share
9 of the money wagered and 50% from the purse account as follows:
10 11 1/2% to the breeders of the horses in each such race which
11 are the official first, second, third, and fourth finishers
12 and 1 1/2% to the organization representing thoroughbred
13 breeders and owners whose representatives serve on the
14 Illinois Thoroughbred Breeders Fund Advisory Board for
15 verifying the amounts of breeders' awards earned, ensuring
16 their proper distribution in accordance with this Act, and
17 servicing and promoting the Illinois horse racing industry.
18 Beginning in the calendar year in which an organization
19 licensee that is eligible to receive payments under paragraph
20 (13) of subsection (g) of Section 26 of this Act begins to
21 receive funds from gaming pursuant to an organization gaming
22 license issued under the Illinois Gambling Act, a sum of 21
23 1/2% of every purse in a race limited to Illinois foaled horses
24 or Illinois conceived and foaled horses, or both, shall be
25 paid by the organization licensee conducting the horse race
26 meeting. Such sum shall be paid 30% from the organization

1 licensee's account and 70% from the purse account as follows:
2 20% to the breeders of the horses in each such race who are
3 official first, second, third and fourth finishers and 1 1/2%
4 to the organization representing thoroughbred breeders and
5 owners whose representatives serve on the Illinois
6 Thoroughbred Breeders Fund Advisory Board for verifying the
7 amounts of breeders' awards earned, ensuring their proper
8 distribution in accordance with this Act, and servicing and
9 promoting the Illinois thoroughbred horse racing industry. The
10 organization representing thoroughbred breeders and owners
11 shall cause all expenditures of moneys received under this
12 subsection (j) to be audited at least annually by a registered
13 public accountant. The organization shall file copies of each
14 annual audit with the Division Racing Board, the Clerk of the
15 House of Representatives and the Secretary of the Senate, and
16 shall make copies of each annual audit available to the public
17 upon request and upon payment of the reasonable cost of
18 photocopying the requested number of copies. The copies of the
19 audit to the General Assembly shall be filed with the Clerk of
20 the House of Representatives and the Secretary of the Senate
21 in electronic form only, in the manner that the Clerk and the
22 Secretary shall direct.

23 The amounts paid to the breeders in accordance with this
24 subsection shall be distributed as follows:

- 25 (1) 60% of such sum shall be paid to the breeder of the
26 horse which finishes in the official first position;

1 (2) 20% of such sum shall be paid to the breeder of the
2 horse which finishes in the official second position;

3 (3) 15% of such sum shall be paid to the breeder of the
4 horse which finishes in the official third position; and

5 (4) 5% of such sum shall be paid to the breeder of the
6 horse which finishes in the official fourth position.

7 Such payments shall not reduce any award to the owners of a
8 horse or reduce the taxes payable under this Act. Upon
9 completion of its racing meet, each organization licensee
10 shall deliver to the organization representing thoroughbred
11 breeders and owners whose representative serves on the
12 Illinois Thoroughbred Breeders Fund Advisory Board a listing
13 of all the Illinois foaled and the Illinois conceived and
14 foaled horses which won breeders' awards and the amount of
15 such breeders' awards in accordance with the provisions of
16 this Act. Such payments shall be delivered by the organization
17 licensee within 30 days of the end of each race meeting.

18 (k) The term "breeder", as used herein, means the owner of
19 the mare at the time the foal is dropped. An "Illinois foaled
20 horse" is a foal dropped by a mare which enters this State on
21 or before December 1, in the year in which the horse is bred,
22 provided the mare remains continuously in this State until its
23 foal is born. An "Illinois foaled horse" also means a foal born
24 of a mare in the same year as the mare enters this State on or
25 before March 1, and remains in this State at least 30 days
26 after foaling, is bred back during the season of the foaling to

1 an Illinois Registered Stallion (unless a veterinarian
2 certifies that the mare should not be bred for health
3 reasons), and is not bred to a stallion standing in any other
4 state during the season of foaling. An "Illinois foaled horse"
5 also means a foal born in Illinois of a mare purchased at
6 public auction subsequent to the mare entering this State on
7 or before March 1 of the foaling year providing the mare is
8 owned solely by one or more Illinois residents or an Illinois
9 entity that is entirely owned by one or more Illinois
10 residents.

11 (1) The Department of Agriculture shall, by rule, with the
12 advice and assistance of the Illinois Thoroughbred Breeders
13 Fund Advisory Board:

14 (1) Qualify stallions for Illinois breeding; such
15 stallions to stand for service within the State of
16 Illinois at the time of a foal's conception. Such stallion
17 must not stand for service at any place outside the State
18 of Illinois during the calendar year in which the foal is
19 conceived. The Department of Agriculture may assess and
20 collect an application fee of up to \$500 for the
21 registration of Illinois-eligible stallions. All fees
22 collected are to be held in trust accounts for the
23 purposes set forth in this Act and in accordance with
24 Section 205-15 of the Department of Agriculture Law.

25 (2) Provide for the registration of Illinois conceived
26 and foaled horses and Illinois foaled horses. No such

1 horse shall compete in the races limited to Illinois
2 conceived and foaled horses or Illinois foaled horses or
3 both unless registered with the Department of Agriculture.
4 The Department of Agriculture may prescribe such forms as
5 are necessary to determine the eligibility of such horses.
6 The Department of Agriculture may assess and collect
7 application fees for the registration of Illinois-eligible
8 foals. All fees collected are to be held in trust accounts
9 for the purposes set forth in this Act and in accordance
10 with Section 205-15 of the Department of Agriculture Law.
11 No person shall knowingly prepare or cause preparation of
12 an application for registration of such foals containing
13 false information.

14 (m) The Department of Agriculture, with the advice and
15 assistance of the Illinois Thoroughbred Breeders Fund Advisory
16 Board, shall provide that certain races limited to Illinois
17 conceived and foaled and Illinois foaled horses be stakes
18 races and determine the total amount of stakes and awards to be
19 paid to the owners of the winning horses in such races.

20 In determining the stakes races and the amount of awards
21 for such races, the Department of Agriculture shall consider
22 factors, including but not limited to, the amount of money
23 appropriated for the Illinois Thoroughbred Breeders Fund
24 program, organization licensees' contributions, availability
25 of stakes caliber horses as demonstrated by past performances,
26 whether the race can be coordinated into the proposed racing

1 dates within organization licensees' racing dates, opportunity
2 for colts and fillies and various age groups to race, public
3 wagering on such races, and the previous racing schedule.

4 (n) The Division Board and the organization licensee shall
5 notify the Department of the conditions and minimum purses for
6 races limited to Illinois conceived and foaled and Illinois
7 foaled horses conducted for each organization licensee
8 conducting a thoroughbred racing meeting. The Department of
9 Agriculture with the advice and assistance of the Illinois
10 Thoroughbred Breeders Fund Advisory Board may allocate monies
11 for purse supplements for such races. In determining whether
12 to allocate money and the amount, the Department of
13 Agriculture shall consider factors, including but not limited
14 to, the amount of money appropriated for the Illinois
15 Thoroughbred Breeders Fund program, the number of races that
16 may occur, and the organization licensee's purse structure.

17 (o) (Blank).

18 (Source: P.A. 101-31, eff. 6-28-19.)

19 (230 ILCS 5/30.5)

20 Sec. 30.5. Illinois Racing Quarter Horse Breeders Fund.

21 (a) The General Assembly declares that it is the policy of
22 this State to encourage the breeding of racing quarter horses
23 in this State and the ownership of such horses by residents of
24 this State in order to provide for sufficient numbers of high
25 quality racing quarter horses in this State and to establish

1 and preserve the agricultural and commercial benefits of such
2 breeding and racing industries to the State of Illinois. It is
3 the intent of the General Assembly to further this policy by
4 the provisions of this Act.

5 (b) There is hereby created a special fund in the State
6 Treasury to be known as the Illinois Racing Quarter Horse
7 Breeders Fund. Except as provided in subsection (g) of Section
8 27 of this Act, 8.5% of all the moneys received by the State as
9 pari-mutuel taxes on quarter horse racing shall be paid into
10 the Illinois Racing Quarter Horse Breeders Fund. The Illinois
11 Racing Quarter Horse Breeders Fund shall not be subject to
12 administrative charges or chargebacks, including, but not
13 limited to, those authorized under Section 8h of the State
14 Finance Act.

15 (c) The Illinois Racing Quarter Horse Breeders Fund shall
16 be administered by the Department of Agriculture with the
17 advice and assistance of the Advisory Board created in
18 subsection (d) of this Section.

19 (d) The Illinois Racing Quarter Horse Breeders Fund
20 Advisory Board shall consist of the Director of the Department
21 of Agriculture, who shall serve as Chairman; the Director or
22 his or her designee ~~a member of the Illinois Racing Board,~~
23 ~~designated by it;~~ one representative of the organization
24 licensees conducting pari-mutuel quarter horse racing
25 meetings, recommended by them; 2 representatives of the
26 Illinois Running Quarter Horse Association, recommended by it;

1 and the Superintendent of Fairs and Promotions from the
2 Department of Agriculture. Advisory Board members shall serve
3 for 2 years commencing January 1 of each odd numbered year. If
4 representatives have not been recommended by January 1 of each
5 odd numbered year, the Director of the Department of
6 Agriculture may make an appointment for the organization
7 failing to so recommend a member of the Advisory Board.
8 Advisory Board members shall receive no compensation for their
9 services as members but may be reimbursed for all actual and
10 necessary expenses and disbursements incurred in the execution
11 of their official duties.

12 (e) Moneys in the Illinois Racing Quarter Horse Breeders
13 Fund shall be expended by the Department of Agriculture, with
14 the advice and assistance of the Illinois Racing Quarter Horse
15 Breeders Fund Advisory Board, for the following purposes only:

16 (1) To provide stakes and awards to be paid to the
17 owners of the winning horses in certain races. This
18 provision is limited to Illinois conceived and foaled
19 horses.

20 (2) To provide an award to the owner or owners of an
21 Illinois conceived and foaled horse that wins a race when
22 pari-mutuel wagering is conducted; providing the race is
23 not restricted to Illinois conceived and foaled horses.

24 (3) To provide purse money for an Illinois stallion
25 stakes program.

26 (4) To provide for purses to be distributed for the

1 running of races during the Illinois State Fair and the
2 DuQuoin State Fair exclusively for quarter horses
3 conceived and foaled in Illinois.

4 (5) To provide for purses to be distributed for the
5 running of races at Illinois county fairs exclusively for
6 quarter horses conceived and foaled in Illinois.

7 (6) To provide for purses to be distributed for
8 running races exclusively for quarter horses conceived and
9 foaled in Illinois at locations in Illinois determined by
10 the Department of Agriculture with advice and consent of
11 the Illinois Racing Quarter Horse Breeders Fund Advisory
12 Board.

13 (7) No less than 90% of all moneys appropriated from
14 the Illinois Racing Quarter Horse Breeders Fund shall be
15 expended for the purposes in items (1), (2), (3), (4), and
16 (5) of this subsection (e).

17 (8) To provide for research programs concerning the
18 health, development, and care of racing quarter horses.

19 (9) To provide for dissemination of public information
20 designed to promote the breeding of racing quarter horses
21 in Illinois.

22 (10) To provide for expenses incurred in the
23 administration of the Illinois Racing Quarter Horse
24 Breeders Fund.

25 (f) The Department of Agriculture shall, by rule, with the
26 advice and assistance of the Illinois Racing Quarter Horse

1 Breeders Fund Advisory Board:

2 (1) Qualify stallions for Illinois breeding; such
3 stallions to stand for service within the State of
4 Illinois, at the time of a foal's conception. Such
5 stallion must not stand for service at any place outside
6 the State of Illinois during the calendar year in which
7 the foal is conceived. The Department of Agriculture may
8 assess and collect application fees for the registration
9 of Illinois-eligible stallions. All fees collected are to
10 be paid into the Illinois Racing Quarter Horse Breeders
11 Fund.

12 (2) Provide for the registration of Illinois conceived
13 and foaled horses. No such horse shall compete in the
14 races limited to Illinois conceived and foaled horses
15 unless it is registered with the Department of
16 Agriculture. The Department of Agriculture may prescribe
17 such forms as are necessary to determine the eligibility
18 of such horses. The Department of Agriculture may assess
19 and collect application fees for the registration of
20 Illinois-eligible foals. All fees collected are to be paid
21 into the Illinois Racing Quarter Horse Breeders Fund. No
22 person shall knowingly prepare or cause preparation of an
23 application for registration of such foals that contains
24 false information.

25 (g) The Department of Agriculture, with the advice and
26 assistance of the Illinois Racing Quarter Horse Breeders Fund

1 Advisory Board, shall provide that certain races limited to
2 Illinois conceived and foaled be stakes races and determine
3 the total amount of stakes and awards to be paid to the owners
4 of the winning horses in such races.

5 (Source: P.A. 101-31, eff. 6-28-19.)

6 (230 ILCS 5/31) (from Ch. 8, par. 37-31)

7 Sec. 31. (a) The General Assembly declares that it is the
8 policy of this State to encourage the breeding of standardbred
9 horses in this State and the ownership of such horses by
10 residents of this State in order to provide for: sufficient
11 numbers of high quality standardbred horses to participate in
12 harness racing meetings in this State, and to establish and
13 preserve the agricultural and commercial benefits of such
14 breeding and racing industries to the State of Illinois. It is
15 the intent of the General Assembly to further this policy by
16 the provisions of this Section of this Act.

17 (b) Each organization licensee conducting a harness racing
18 meeting pursuant to this Act shall provide for at least two
19 races each race program limited to Illinois conceived and
20 foaled horses. A minimum of 6 races shall be conducted each
21 week limited to Illinois conceived and foaled horses. No
22 horses shall be permitted to start in such races unless duly
23 registered under the rules of the Department of Agriculture.

24 (b-5) Organization licensees, not including the Illinois
25 State Fair or the DuQuoin State Fair, shall provide stake

1 races and early closer races for Illinois conceived and foaled
2 horses so that purses distributed for such races shall be no
3 less than 17% of total purses distributed for harness racing
4 in that calendar year in addition to any stakes payments and
5 starting fees contributed by horse owners.

6 (b-10) Each organization licensee conducting a harness
7 racing meeting pursuant to this Act shall provide an owner
8 award to be paid from the purse account equal to 12% of the
9 amount earned by Illinois conceived and foaled horses
10 finishing in the first 3 positions in races that are not
11 restricted to Illinois conceived and foaled horses. The owner
12 awards shall not be paid on races below the \$10,000 claiming
13 class.

14 (c) Conditions of races under subsection (b) shall be
15 commensurate with past performance, quality and class of
16 Illinois conceived and foaled horses available. If, however,
17 sufficient competition cannot be had among horses of that
18 class on any day, the races may, with consent of the Division
19 ~~Board~~, be eliminated for that day and substitute races
20 provided.

21 (d) There is hereby created a special fund of the State
22 Treasury to be known as the Illinois Standardbred Breeders
23 Fund. Beginning on June 28, 2019 (the effective date of Public
24 Act 101-31) ~~this amendatory Act of the 101st General Assembly,~~
25 the Illinois Standardbred Breeders Fund shall become a
26 non-appropriated trust fund held separate and apart from State

1 moneys. Expenditures from this Fund shall no longer be subject
2 to appropriation.

3 During the calendar year 1981, and each year thereafter,
4 except as provided in subsection (g) of Section 27 of this Act,
5 eight and one-half per cent of all the monies received by the
6 State as privilege taxes on harness racing meetings shall be
7 paid into the Illinois Standardbred Breeders Fund.

8 (e) Notwithstanding any provision of law to the contrary,
9 amounts deposited into the Illinois Standardbred Breeders Fund
10 from revenues generated by gaming pursuant to an organization
11 gaming license issued under the Illinois Gambling Act after
12 June 28, 2019 (the effective date of Public Act 101-31) ~~this~~
13 ~~amendatory Act of the 101st General Assembly~~ shall be in
14 addition to tax and fee amounts paid under this Section for
15 calendar year 2019 and thereafter. The Illinois Standardbred
16 Breeders Fund shall be administered by the Department of
17 Agriculture with the assistance and advice of the Advisory
18 Board created in subsection (f) of this Section.

19 (f) The Illinois Standardbred Breeders Fund Advisory Board
20 is hereby created. The Advisory Board shall consist of the
21 Director of the Department of Agriculture, who shall serve as
22 Chairman; the Superintendent of the Illinois State Fair; the
23 Director or his or her designee ~~a member of the Illinois Racing~~
24 ~~Board, designated by it;~~ a representative of the largest
25 association of Illinois standardbred owners and breeders,
26 recommended by it; a representative of a statewide association

1 representing agricultural fairs in Illinois, recommended by
2 it, such representative to be from a fair at which Illinois
3 conceived and foaled racing is conducted; a representative of
4 the organization licensees conducting harness racing meetings,
5 recommended by them; a representative of the Breeder's
6 Committee of the association representing the largest number
7 of standardbred owners, breeders, trainers, caretakers, and
8 drivers, recommended by it; and a representative of the
9 association representing the largest number of standardbred
10 owners, breeders, trainers, caretakers, and drivers,
11 recommended by it. Advisory Board members shall serve for 2
12 years commencing January 1 of each odd numbered year. If
13 representatives of the largest association of Illinois
14 standardbred owners and breeders, a statewide association of
15 agricultural fairs in Illinois, the association representing
16 the largest number of standardbred owners, breeders, trainers,
17 caretakers, and drivers, a member of the Breeder's Committee
18 of the association representing the largest number of
19 standardbred owners, breeders, trainers, caretakers, and
20 drivers, and the organization licensees conducting harness
21 racing meetings have not been recommended by January 1 of each
22 odd numbered year, the Director of the Department of
23 Agriculture shall make an appointment for the organization
24 failing to so recommend a member of the Advisory Board.
25 Advisory Board members shall receive no compensation for their
26 services as members but shall be reimbursed for all actual and

1 necessary expenses and disbursements incurred in the execution
2 of their official duties.

3 (g) Monies expended from the Illinois Standardbred
4 Breeders Fund shall be expended by the Department of
5 Agriculture, with the assistance and advice of the Illinois
6 Standardbred Breeders Fund Advisory Board for the following
7 purposes only:

8 1. To provide purses for races limited to Illinois
9 conceived and foaled horses at the State Fair and the
10 DuQuoin State Fair.

11 2. To provide purses for races limited to Illinois
12 conceived and foaled horses at county fairs.

13 3. To provide purse supplements for races limited to
14 Illinois conceived and foaled horses conducted by
15 associations conducting harness racing meetings.

16 4. No less than 75% of all monies in the Illinois
17 Standardbred Breeders Fund shall be expended for purses in
18 1, 2, and 3 as shown above.

19 5. In the discretion of the Department of Agriculture
20 to provide awards to harness breeders of Illinois
21 conceived and foaled horses which win races conducted by
22 organization licensees conducting harness racing meetings.
23 A breeder is the owner of a mare at the time of conception.
24 No more than 10% of all monies appropriated from the
25 Illinois Standardbred Breeders Fund shall be expended for
26 such harness breeders awards. No more than 25% of the

1 amount expended for harness breeders awards shall be
2 expended for expenses incurred in the administration of
3 such harness breeders awards.

4 6. To pay for the improvement of racing facilities
5 located at the State Fair and County fairs.

6 7. To pay the expenses incurred in the administration
7 of the Illinois Standardbred Breeders Fund.

8 8. To promote the sport of harness racing, including
9 grants up to a maximum of \$7,500 per fair per year for
10 conducting pari-mutuel wagering during the advertised
11 dates of a county fair.

12 9. To pay up to \$50,000 annually for the Department of
13 Agriculture to conduct drug testing at county fairs racing
14 standardbred horses.

15 (h) The Illinois Standardbred Breeders Fund is not subject
16 to administrative charges or chargebacks, including, but not
17 limited to, those authorized under Section 8h of the State
18 Finance Act.

19 (i) A sum equal to 13% of the first prize money of the
20 gross purse won by an Illinois conceived and foaled horse
21 shall be paid 50% by the organization licensee conducting the
22 horse race meeting to the breeder of such winning horse from
23 the organization licensee's account and 50% from the purse
24 account of the licensee. Such payment shall not reduce any
25 award to the owner of the horse or reduce the taxes payable
26 under this Act. Such payment shall be delivered by the

1 organization licensee at the end of each quarter.

2 (j) The Department of Agriculture shall, by rule, with the
3 assistance and advice of the Illinois Standardbred Breeders
4 Fund Advisory Board:

5 1. Qualify stallions for Illinois Standardbred
6 Breeders Fund breeding; such stallion shall be owned by a
7 resident of the State of Illinois or by an Illinois
8 corporation all of whose shareholders, directors, officers
9 and incorporators are residents of the State of Illinois.
10 Such stallion shall stand for service at and within the
11 State of Illinois at the time of a foal's conception, and
12 such stallion must not stand for service at any place, nor
13 may semen from such stallion be transported, outside the
14 State of Illinois during that calendar year in which the
15 foal is conceived and that the owner of the stallion was
16 for the 12 months prior, a resident of Illinois. However,
17 from January 1, 2018 until January 1, 2022, semen from an
18 Illinois stallion may be transported outside the State of
19 Illinois. The articles of agreement of any partnership,
20 joint venture, limited partnership, syndicate, association
21 or corporation and any bylaws and stock certificates must
22 contain a restriction that provides that the ownership or
23 transfer of interest by any one of the persons a party to
24 the agreement can only be made to a person who qualifies as
25 an Illinois resident.

26 2. Provide for the registration of Illinois conceived

1 and foaled horses and no such horse shall compete in the
2 races limited to Illinois conceived and foaled horses
3 unless registered with the Department of Agriculture. The
4 Department of Agriculture may prescribe such forms as may
5 be necessary to determine the eligibility of such horses.
6 No person shall knowingly prepare or cause preparation of
7 an application for registration of such foals containing
8 false information. A mare (dam) must be in the State at
9 least 30 days prior to foaling or remain in the State at
10 least 30 days at the time of foaling. However, the
11 requirement that a mare (dam) must be in the State at least
12 30 days before foaling or remain in the State at least 30
13 days at the time of foaling shall not be in effect from
14 January 1, 2018 until January 1, 2022. Beginning with the
15 1996 breeding season and for foals of 1997 and thereafter,
16 a foal conceived by transported semen may be eligible for
17 Illinois conceived and foaled registration provided all
18 breeding and foaling requirements are met. The stallion
19 must be qualified for Illinois Standardbred Breeders Fund
20 breeding at the time of conception and the mare must be
21 inseminated within the State of Illinois. The foal must be
22 dropped in Illinois and properly registered with the
23 Department of Agriculture in accordance with this Act.
24 However, from January 1, 2018 until January 1, 2022, the
25 requirement for a mare to be inseminated within the State
26 of Illinois and the requirement for a foal to be dropped in

1 Illinois are inapplicable.

2 3. Provide that at least a 5-day racing program shall
3 be conducted at the State Fair each year, unless an
4 alternate racing program is requested by the Illinois
5 Standardbred Breeders Fund Advisory Board, which program
6 shall include at least the following races limited to
7 Illinois conceived and foaled horses: (a) a 2-year-old ~~two~~
8 ~~year-old~~ Trot and Pace, and Filly Division of each; (b) a
9 3-year-old ~~three year-old~~ Trot and Pace, and Filly
10 Division of each; (c) an aged Trot and Pace, and Mare
11 Division of each.

12 4. Provide for the payment of nominating, sustaining
13 and starting fees for races promoting the sport of harness
14 racing and for the races to be conducted at the State Fair
15 as provided in subsection (j) 3 of this Section provided
16 that the nominating, sustaining and starting payment
17 required from an entrant shall not exceed 2% of the purse
18 of such race. All nominating, sustaining and starting
19 payments shall be held for the benefit of entrants and
20 shall be paid out as part of the respective purses for such
21 races. Nominating, sustaining and starting fees shall be
22 held in trust accounts for the purposes as set forth in
23 this Act and in accordance with Section 205-15 of the
24 Department of Agriculture Law.

25 5. Provide for the registration with the Department of
26 Agriculture of Colt Associations or county fairs desiring

1 to sponsor races at county fairs.

2 6. Provide for the promotion of producing standardbred
3 racehorses by providing a bonus award program for owners
4 of 2-year-old horses that win multiple major stakes races
5 that are limited to Illinois conceived and foaled horses.

6 (k) The Department of Agriculture, with the advice and
7 assistance of the Illinois Standardbred Breeders Fund Advisory
8 Board, may allocate monies for purse supplements for such
9 races. In determining whether to allocate money and the
10 amount, the Department of Agriculture shall consider factors,
11 including, but not limited to, the amount of money
12 appropriated for the Illinois Standardbred Breeders Fund
13 program, the number of races that may occur, and an
14 organization licensee's purse structure. The organization
15 licensee shall notify the Department of Agriculture of the
16 conditions and minimum purses for races limited to Illinois
17 conceived and foaled horses to be conducted by each
18 organization licensee conducting a harness racing meeting for
19 which purse supplements have been negotiated.

20 (l) All races held at county fairs and the State Fair which
21 receive funds from the Illinois Standardbred Breeders Fund
22 shall be conducted in accordance with the rules of the United
23 States Trotting Association unless otherwise modified by the
24 Department of Agriculture.

25 (m) At all standardbred race meetings held or conducted
26 under authority of a license granted by the Division Board,

1 and at all standardbred races held at county fairs which are
2 approved by the Department of Agriculture or at the Illinois
3 or DuQuoin State Fairs, no one shall jog, train, warm up or
4 drive a standardbred horse unless he or she is wearing a
5 protective safety helmet, with the chin strap fastened and in
6 place, which meets the standards and requirements as set forth
7 in the 1984 Standard for Protective Headgear for Use in
8 Harness Racing and Other Equestrian Sports published by the
9 Snell Memorial Foundation, or any standards and requirements
10 for headgear the Division ~~Illinois Racing Board~~ may approve.
11 Any other standards and requirements so approved by the
12 Division ~~Board~~ shall equal or exceed those published by the
13 Snell Memorial Foundation. Any equestrian helmet bearing the
14 Snell label shall be deemed to have met those standards and
15 requirements.

16 (Source: P.A. 100-777, eff. 8-10-18; 101-31, eff. 6-28-19;
17 101-157, eff. 7-26-19; revised 9-27-19.)

18 (230 ILCS 5/31.1) (from Ch. 8, par. 37-31.1)

19 Sec. 31.1. (a) Unless subsection (a-5) applies,
20 organization licensees collectively shall contribute annually
21 to charity the sum of \$750,000 to non-profit organizations
22 that provide medical and family, counseling, and similar
23 services to persons who reside or work on the backstretch of
24 Illinois racetracks. Unless subsection (a-5) applies, these
25 contributions shall be collected as follows: (i) no later than

1 July 1st of each year the Division Board shall assess each
2 organization licensee, except those tracks located in Madison
3 County, which tracks shall pay \$30,000 annually apiece into
4 the Division Board charity fund, that amount which equals
5 \$690,000 multiplied by the amount of pari-mutuel wagering
6 handled by the organization licensee in the year preceding
7 assessment and divided by the total pari-mutuel wagering
8 handled by all Illinois organization licensees, except those
9 tracks located in Madison and Rock Island counties, in the
10 year preceding assessment; (ii) notice of the assessed
11 contribution shall be mailed to each organization licensee;
12 (iii) within thirty days of its receipt of such notice, each
13 organization licensee shall remit the assessed contribution to
14 the Division Board. Unless subsection (a-5) applies, if an
15 organization licensee commences operation of gaming at its
16 facility pursuant to an organization gaming license under the
17 Illinois Gambling Act, then the organization licensee shall
18 contribute an additional \$83,000 per year beginning in the
19 year subsequent to the first year in which the organization
20 licensee begins receiving funds from gaming pursuant to an
21 organization gaming license. If an organization licensee
22 wilfully fails to so remit the contribution, the Division
23 ~~Board~~ may revoke its license to conduct horse racing.

24 (a-5) If (1) an organization licensee that did not operate
25 live racing in 2017 is awarded racing dates in 2018 or in any
26 subsequent year and (2) all organization licensees are

1 operating gaming pursuant to an organization gaming license
2 under the Illinois Gambling Act, then subsection (a) does not
3 apply and organization licensees collectively shall contribute
4 annually to charity the sum of \$1,000,000 to non-profit
5 organizations that provide medical and family, counseling, and
6 similar services to persons who reside or work on the
7 backstretch of Illinois racetracks. These contributions shall
8 be collected as follows: (i) no later than July 1st of each
9 year the Division Board shall assess each organization
10 licensee an amount based on the proportionate amount of live
11 racing days in the calendar year for which the Division Board
12 has awarded to the organization licensee out of the total
13 aggregate number of live racing days awarded; (ii) notice of
14 the assessed contribution shall be mailed to each organization
15 licensee; (iii) within 30 days after its receipt of such
16 notice, each organization licensee shall remit the assessed
17 contribution to the Division Board. If an organization
18 licensee willfully fails to so remit the contribution, the
19 Division Board may revoke its license to conduct horse racing.

20 (b) No later than October 1st of each year, any qualified
21 charitable organization seeking an allotment of contributed
22 funds shall submit to the Division Board an application for
23 those funds, using the Division's Board's approved form. No
24 later than December 31st of each year, the Division Board
25 shall distribute all such amounts collected that year to such
26 charitable organization applicants.

1 (Source: P.A. 101-31, eff. 6-28-19.)

2 (230 ILCS 5/32) (from Ch. 8, par. 37-32)

3 Sec. 32. Illinois Race Track Improvement Fund. Within 30
4 days after the effective date of this Act, the Division Board ~~Board~~
5 shall cause all moneys previously deposited in the Illinois
6 Race Track Improvement Fund to be remitted to the racetrack
7 from which the licensee derives its license in accordance to
8 the amounts generated by each licensee.

9 (Source: P.A. 91-40, eff. 1-1-00.)

10 (230 ILCS 5/32.1)

11 Sec. 32.1. Pari-mutuel tax credit; statewide racetrack
12 real estate equalization.

13 (a) In order to encourage new investment in Illinois
14 racetrack facilities and mitigate differing real estate tax
15 burdens among all racetracks, the licensees affiliated or
16 associated with each racetrack that has been awarded live
17 racing dates in the current year shall receive an immediate
18 pari-mutuel tax credit in an amount equal to the greater of (i)
19 50% of the amount of the real estate taxes paid in the prior
20 year attributable to that racetrack, or (ii) the amount by
21 which the real estate taxes paid in the prior year
22 attributable to that racetrack exceeds 60% of the average real
23 estate taxes paid in the prior year for all racetracks awarded
24 live horse racing meets in the current year.

1 Each year, regardless of whether the organization licensee
2 conducted live racing in the year of certification, the
3 Division Board shall certify in writing, prior to December 31,
4 the real estate taxes paid in that year for each racetrack and
5 the amount of the pari-mutuel tax credit that each
6 organization licensee, inter-track wagering licensee, and
7 inter-track wagering location licensee that derives its
8 license from such racetrack is entitled in the succeeding
9 calendar year. The real estate taxes considered under this
10 Section for any racetrack shall be those taxes on the real
11 estate parcels and related facilities used to conduct a horse
12 race meeting and inter-track wagering at such racetrack under
13 this Act. In no event shall the amount of the tax credit under
14 this Section exceed the amount of pari-mutuel taxes otherwise
15 calculated under this Act. The amount of the tax credit under
16 this Section shall be retained by each licensee and shall not
17 be subject to any reallocation or further distribution under
18 this Act. The Board may promulgate emergency rules to
19 implement this Section.

20 (b) If the organization licensee is operating gaming
21 pursuant to an organization gaming license issued under the
22 Illinois Gambling Act, except the organization licensee
23 described in Section 19.5, then, for the 5-year period
24 beginning on the January 1 of the calendar year immediately
25 following the calendar year during which an organization
26 licensee begins conducting gaming operations pursuant to an

1 organization gaming license issued under the Illinois Gambling
2 Act, the organization licensee shall make capital
3 expenditures, in an amount equal to no less than 50% of the tax
4 credit under this Section, to the improvement and maintenance
5 of the backstretch, including, but not limited to, backstretch
6 barns, dormitories, and services for backstretch workers.
7 Those capital expenditures must be in addition to, and not in
8 lieu of, the capital expenditures made for backstretch
9 improvements in calendar year 2015, as reported to the
10 ~~Division Board~~ in the organization licensee's application for
11 racing dates and as certified by the Division Board. The
12 organization licensee is required to annually submit the list
13 and amounts of these capital expenditures to the Division
14 ~~Board~~ by January 30th of the year following the expenditure.

15 (c) If the organization licensee is conducting gaming in
16 accordance with paragraph (b), then, after the 5-year period
17 beginning on January 1 of the calendar year immediately
18 following the calendar year during which an organization
19 licensee begins conducting gaming operations pursuant to an
20 organization gaming license issued under the Illinois Gambling
21 Act, the organization license is ineligible to receive a tax
22 credit under this Section.

23 (Source: P.A. 100-201, eff. 8-18-17; 101-31, eff. 6-28-19.)

24 (230 ILCS 5/34.3)

25 Sec. 34.3. Drug testing. The Division ~~Illinois Racing~~

1 ~~Board~~ and the Department of Agriculture shall jointly
2 establish a program for the purpose of conducting drug testing
3 of horses at county fairs and shall adopt any rules necessary
4 for enforcement of the program. The rules shall include
5 appropriate penalties for violations.

6 (Source: P.A. 101-31, eff. 6-28-19.)

7 (230 ILCS 5/35) (from Ch. 8, par. 37-35)

8 Sec. 35. Any person holding or conducting any meeting
9 within the State at which racing of horses shall be permitted
10 for any stake, purse or reward or any person or persons aiding,
11 assisting or abetting in the holding or conducting of such
12 meeting where racing is held or conducted contrary to or in
13 violation of any of the provisions and requirements of this
14 Act shall be guilty of a Class 4 felony. For the purpose of
15 this Section, each day of racing in violation of the
16 provisions of this Act shall be considered as a separate and
17 distinct offense. Any failure by any member of the Division
18 ~~Board~~ to make public any violation of this Act within a
19 reasonable time of learning thereof shall be punished as a
20 Class A misdemeanor and issuance of a license prior to
21 compliance with Section 20 shall be punishable as a Class A
22 misdemeanor.

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

24 (230 ILCS 5/36) (from Ch. 8, par. 37-36)

1 Sec. 36. (a) Whoever administers or conspires to
2 administer to any horse a hypnotic, narcotic, stimulant,
3 depressant or any chemical substance which may affect the
4 speed of a horse at any time in any race where the purse or any
5 part of the purse is made of money authorized by any Section of
6 this Act, except those chemical substances permitted by ruling
7 of the Director Board, internally, externally or by hypodermic
8 method in a race or prior thereto, or whoever knowingly enters
9 a horse in any race within a period of 24 hours after any
10 hypnotic, narcotic, stimulant, depressant or any other
11 chemical substance which may affect the speed of a horse at any
12 time, except those chemical substances permitted by ruling of
13 the Director Board, has been administered to such horse either
14 internally or externally or by hypodermic method for the
15 purpose of increasing or retarding the speed of such horse
16 shall be guilty of a Class 4 felony. The Division Board shall
17 suspend or revoke such violator's license.

18 (b) The term "hypnotic" as used in this Section includes
19 all barbituric acid preparations and derivatives.

20 (c) The term "narcotic" as used in this Section includes
21 opium and all its alkaloids, salts, preparations and
22 derivatives, cocaine and all its salts, preparations and
23 derivatives and substitutes.

24 (d) The provisions of this Section and the treatment
25 authorized in this Section apply to horses entered in and
26 competing in race meetings as defined in Section 3.07 of this

1 Act and to horses entered in and competing at any county fair.
2 (Source: P.A. 101-31, eff. 6-28-19.)

3 (230 ILCS 5/36a) (from Ch. 8, par. 37-36a)

4 Sec. 36a. (a) It is recognized that there are horses which
5 exhibit symptoms of epistaxis or respiratory tract hemorrhage
6 which with proper treatment are sound and able to compete in
7 races. The Division Board shall establish by rule the
8 appropriate standards for the administration of furosemide
9 (Lasix) or other Division-approved ~~Board-approved~~ bleeder
10 medications in such circumstances.

11 (b) Every horse entered to race shall be placed in a
12 security area as designated by the Division Board. The
13 Division Board, in designating a security area, shall not
14 require that a horse be placed in a barn or stall other than
15 the barn or stall assigned to that horse by the racing
16 secretary. The barn or stall shall be posted as a security
17 area. The trainer of record shall be responsible for the
18 security of the horse and barn or stall area. The security area
19 shall be under the supervision of the Division Board.

20 No unauthorized person shall approach the security area.
21 If any unauthorized person does approach the security area, a
22 report of the incident is to be made immediately to one of the
23 State veterinarians or the stewards, or a board investigator.

24 The provisions of this Section 36a and the treatment
25 authorized herein shall apply to and be available only for

1 horses entered in and competing in race meetings as defined in
2 Section 3.07 of this Act.

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

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

5 Sec. 37. (a) It shall be unlawful for any person:

6 (1) to use or conspire to use any battery, buzzer,
7 electrical, mechanical or other appliances other than the
8 ordinary whip or spur for the purpose of stimulating or
9 depressing a horse or affecting its speed in a race or workout
10 or at any time; or

11 (2) to sponge a horse's nostrils or windpipe or use any
12 method injurious or otherwise for the purpose of stimulating
13 or depressing a horse or affecting its speed in a race or a
14 workout at any time; or

15 (3) to have in his possession within the confines of a race
16 track, sheds, buildings or grounds, or within the confines of
17 a stable, shed, building or ground where horses are kept which
18 are eligible to race over a race track of any racing
19 association or licensee, any appliance other than the ordinary
20 whip or spur which may or can be used for the purpose of
21 stimulating or depressing a horse or affecting its speed at
22 any time; or

23 (4) to have in his possession with the intent to sell, give
24 away or exchange any of such instrumentalities.

25 (b) Such possession of such instrumentalities by anyone

1 within the confines of a race track, stables, sheds, buildings
2 or grounds where horses are kept which are eligible to race
3 over the race tracks of any racing association or licensee
4 shall be prima facie evidence of intention to so use such
5 instrumentalities.

6 (c) Any persons who violate this Section shall be guilty
7 of a Class 4 felony. The Division Board ~~Board~~ shall suspend or revoke
8 such violator's license.

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

10 (230 ILCS 5/38) (from Ch. 8, par. 37-38)

11 Sec. 38. (a) It is unlawful for any person knowingly to
12 enter or cause to be entered any horse - mare, stallion,
13 gelding, colt or filly - for competition or knowingly to
14 compete with any horse - mare, stallion, gelding, colt or
15 filly -- entered for competition under any name other than its
16 true name or out of its proper class for any purse, prize,
17 premium, stake or sweepstakes offered or given by any
18 agricultural or other society, association or persons in the
19 State where such prize, purse, premium, stake or sweepstakes
20 is to be decided by a contest of speed.

21 (b) Any person who violates this Section is guilty of a
22 Class 4 felony. The Division Board ~~Board~~ shall suspend or revoke the
23 violator's license.

24 (c) The true name of any horse -- mare, stallion, gelding,
25 colt or filly -- for the purpose of entry for competition or

1 performance in any contest of speed shall be the name under
2 which the horse has publicly performed and shall not be
3 changed after having once so performed or contested for a
4 prize, purse, premium, stake or sweepstakes, except as
5 provided by the code of printed rules of the society or
6 association under which the contest is advertised to be
7 conducted.

8 (d) It is further provided that the official records shall
9 be received in all courts as evidence upon the trial of any
10 person under this Section.

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

12 (230 ILCS 5/39) (from Ch. 8, par. 37-39)

13 Sec. 39. (a) It shall be unlawful for any person to engage
14 directly or indirectly or for any person to conspire with or to
15 aid, assist or abet any other person in the engagement or
16 commission of any corrupt act or practice, including, but not
17 limited to:

18 (1) the giving or offering or promising to give,
19 directly or indirectly, a bribe in any form to any public
20 official or person having official duties in relation to
21 any race or race horse or to any trainer, jockey or agent
22 or to any other person having charge of, or access to, any
23 race horse;

24 (2) the passing or attempting to pass or the cashing
25 or attempting to cash any altered or fraudulent mutuel

1 ticket;

2 (3) the unauthorized sale or the attempt to make an
3 unauthorized sale of any race track admission ticket.

4 (b) Any person who violates this Section is guilty of a
5 Class 4 felony.

6 (c) If any person who violates this Section is licensed
7 under this Act, the Division Board shall suspend or revoke the
8 organization or occupation license of that person, in addition
9 to the penalty and fine imposed in subsection (b).

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

11 (230 ILCS 5/40) (from Ch. 8, par. 37-40)

12 Sec. 40. (a) The imposition of any fine or penalty
13 provided in this Act shall not preclude the Division Board in
14 its rules and regulations from imposing a fine or penalty for
15 any other action which, in the Division's Board's discretion,
16 is a detriment or impediment to horse racing.

17 (b) The Director of Agriculture or his or her authorized
18 representative shall impose the following monetary penalties
19 and hold administrative hearings as required for failure to
20 submit the following applications, lists, or reports within
21 the time period, date or manner required by statute or rule or
22 for removing a foal from Illinois prior to inspection:

23 (1) late filing of a renewal application for offering
24 or standing stallion for service:

25 (A) if an application is submitted no more than 30

1 days late, \$50;

2 (B) if an application is submitted no more than 45
3 days late, \$150; or

4 (C) if an application is submitted more than 45
5 days late, if filing of the application is allowed
6 under an administrative hearing, \$250;

7 (2) late filing of list or report of mares bred:

8 (A) if a list or report is submitted no more than
9 30 days late, \$50;

10 (B) if a list or report is submitted no more than
11 60 days late, \$150; or

12 (C) if a list or report is submitted more than 60
13 days late, if filing of the list or report is allowed
14 under an administrative hearing, \$250;

15 (3) filing an Illinois foaled thoroughbred mare status
16 report after the statutory deadline as provided in
17 subsection (k) of Section 30 of this Act:

18 (A) if a report is submitted no more than 30 days
19 late, \$50;

20 (B) if a report is submitted no more than 90 days
21 late, \$150;

22 (C) if a report is submitted no more than 150 days
23 late, \$250; or

24 (D) if a report is submitted more than 150 days
25 late, if filing of the report is allowed under an
26 administrative hearing, \$500;

1 (4) late filing of application for foal eligibility
2 certificate:

3 (A) if an application is submitted no more than 30
4 days late, \$50;

5 (B) if an application is submitted no more than 90
6 days late, \$150;

7 (C) if an application is submitted no more than
8 150 days late, \$250; or

9 (D) if an application is submitted more than 150
10 days late, if filing of the application is allowed
11 under an administrative hearing, \$500;

12 (5) failure to report the intent to remove a foal from
13 Illinois prior to inspection, identification and
14 certification by a Department of Agriculture investigator,
15 \$50; and

16 (6) if a list or report of mares bred is incomplete,
17 \$50 per mare not included on the list or report.

18 Any person upon whom monetary penalties are imposed under
19 this Section 3 times within a 5-year period shall have any
20 further monetary penalties imposed at double the amounts set
21 forth above. All monies assessed and collected for violations
22 relating to thoroughbreds shall be paid into the Illinois
23 Thoroughbred Breeders Fund. All monies assessed and collected
24 for violations relating to standardbreds shall be paid into
25 the Illinois Standardbred Breeders Fund.

26 (Source: P.A. 100-201, eff. 8-18-17; 101-31, eff. 6-28-19.)

1 (230 ILCS 5/45) (from Ch. 8, par. 37-45)

2 Sec. 45. It shall be the duty of the Attorney General and
3 the various State's attorneys in this State in cooperation
4 with the Department of State Police to enforce this Act. The
5 Governor may, upon request of the Department of State Police,
6 order the law enforcing officers of the various cities and
7 counties to assign a sufficient number of deputies to aid
8 members of the Department of State Police in preventing horse
9 racing at any track within the respective jurisdiction of such
10 cities or counties an organization license for which has been
11 refused, suspended or revoked by the Division ~~Board~~. The
12 Governor may similarly assign such deputies to aid the
13 Department of State Police when, by his determination,
14 additional forces are needed to preserve the health, welfare
15 or safety of any person or animal within the grounds of any
16 race track in the State.

17 (Source: P.A. 84-25.)

18 (230 ILCS 5/46) (from Ch. 8, par. 37-46)

19 Sec. 46. All final decisions of the Director or the
20 Division ~~Board~~ hereunder shall be subject to judicial review
21 pursuant to the provisions of the "Administrative Review Law",
22 as now or hereafter amended, and the rules adopted pursuant
23 thereto. The term "administrative decision" is as defined in
24 Section 3-101 of the Administrative Review Law, as now or

1 hereafter amended.

2 (Source: P.A. 83-1539.)

3 (230 ILCS 5/49) (from Ch. 8, par. 37-49)

4 Sec. 49. The General Assembly declares that it is the
5 policy of this State to foster the running of the Hambletonian
6 Stakes in Illinois. Should the Hambletonian stakes no longer
7 be run in Illinois then it is the policy of the State to foster
8 a race or races at the DuQuoin State Fair, the Illinois State
9 Fair, and the Illinois county fairs for the benefit of the
10 harness horse racing industry. In order to further this
11 policy, the Division Board shall keep a record of the moneys
12 deposited in the Agricultural Premium Fund which are derived
13 from the third and fourth races conducted on each Friday and
14 Saturday during each harness racing meeting licensed under
15 this Act, provided that each such Friday and Saturday program
16 has at least 11 races. Each year, from the moneys in the
17 Agricultural Premium Fund provided from such races, an
18 appropriation shall be made to the Department of Agriculture
19 to be used to supplement the purses offered for, and for other
20 expenses in connection with, the Hambletonian Stakes or other
21 harness races as authorized in this Section.

22 (Source: P.A. 86-1458.)

23 (230 ILCS 5/51) (from Ch. 8, par. 37-51)

24 Sec. 51. (a) (Blank).

1 (b) All proceedings respecting acts done before the
2 effective date of this Act shall be determined in accordance
3 with law and regulations enforced at the time the acts
4 occurred. All proceedings instituted for actions taken after
5 the effective date of this Act shall be governed by this Act.

6 (c) All rules and regulations of the Division Board
7 relating to subjects embraced by this Act shall remain in full
8 force and effect unless repealed, amended or superseded by
9 rules and regulations issued under this Act.

10 (d) All orders entered, licenses granted, and pending
11 proceedings instituted by the Division Board relating to
12 subjects embraced within this Act shall remain in full force
13 and effect until superseded by actions taken under this Act.

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

15 (230 ILCS 5/54.75)

16 Sec. 54.75. Horse Racing Equity Trust Fund.

17 (a) There is created a Fund to be known as the Horse Racing
18 Equity Trust Fund, which is a non-appropriated trust fund held
19 separate and apart from State moneys. The Fund shall consist
20 of moneys paid into it by owners licensees under the Illinois
21 Gambling Act for the purposes described in this Section. The
22 Fund shall be administered by the Division Board. Moneys in
23 the Fund shall be distributed as directed and certified by the
24 Division Board in accordance with the provisions of subsection

25 (b).

1 (b) The moneys deposited into the Fund, plus any accrued
2 interest on those moneys, shall be distributed within 10 days
3 after those moneys are deposited into the Fund as follows:

4 (1) Sixty percent of all moneys distributed under this
5 subsection shall be distributed to organization licensees
6 to be distributed at their race meetings as purses.
7 Fifty-seven percent of the amount distributed under this
8 paragraph (1) shall be distributed for thoroughbred race
9 meetings and 43% shall be distributed for standardbred
10 race meetings. Within each breed, moneys shall be
11 allocated to each organization licensee's purse fund in
12 accordance with the ratio between the purses generated for
13 that breed by that licensee during the prior calendar year
14 and the total purses generated throughout the State for
15 that breed during the prior calendar year by licensees in
16 the current calendar year.

17 (2) The remaining 40% of the moneys distributed under
18 this subsection (b) shall be distributed as follows:

19 (A) 11% shall be distributed to any person (or its
20 successors or assigns) who had operating control of a
21 racetrack that conducted live racing in 2002 at a
22 racetrack in a county with at least 230,000
23 inhabitants that borders the Mississippi River and is
24 a licensee in the current year; and

25 (B) the remaining 89% shall be distributed pro
26 rata according to the aggregate proportion of total

1 handle from wagering on live races conducted in
2 Illinois (irrespective of where the wagers are placed)
3 for calendar years 2004 and 2005 to any person (or its
4 successors or assigns) who (i) had majority operating
5 control of a racing facility at which live racing was
6 conducted in calendar year 2002, (ii) is a licensee in
7 the current year, and (iii) is not eligible to receive
8 moneys under subparagraph (A) of this paragraph (2).

9 The moneys received by an organization licensee
10 under this paragraph (2) shall be used by each
11 organization licensee to improve, maintain, market,
12 and otherwise operate its racing facilities to conduct
13 live racing, which shall include backstretch services
14 and capital improvements related to live racing and
15 the backstretch. Any organization licensees sharing
16 common ownership may pool the moneys received and
17 spent at all racing facilities commonly owned in order
18 to meet these requirements.

19 If any person identified in this paragraph (2) becomes
20 ineligible to receive moneys from the Fund, such amount
21 shall be redistributed among the remaining persons in
22 proportion to their percentages otherwise calculated.

23 (c) The Division ~~Board~~ shall monitor organization
24 licensees to ensure that moneys paid to organization licensees
25 under this Section are distributed by the organization
26 licensees as provided in subsection (b).

1 (Source: P.A. 101-31, eff. 6-28-19.)

2 (230 ILCS 5/55)

3 Sec. 55. Study concerning account wagering and fixed odds
4 wagering. The Division Board shall study whether it would be
5 in the best interests of the horse racing industry and the
6 State of Illinois to authorize account wagering and fixed odds
7 wagering. The Division Board shall file a written report
8 containing its findings with the General Assembly no later
9 than December 31, 1999.

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

11 (230 ILCS 5/56)

12 Sec. 56. Gaming pursuant to an organization gaming
13 license.

14 (a) A person, firm, corporation, partnership, or limited
15 liability company having operating control of a racetrack may
16 apply to the Department of Lottery and Gaming Board for an
17 organization gaming license. An organization gaming license
18 shall authorize its holder to conduct gaming on the grounds of
19 the racetrack of which the organization gaming licensee has
20 operating control. Only one organization gaming license may be
21 awarded for any racetrack. A holder of an organization gaming
22 license shall be subject to the Illinois Gambling Act and
23 rules of the Department of Lottery and Gaming ~~Illinois Gaming~~
24 ~~Board~~ concerning gaming pursuant to an organization gaming

1 license issued under the Illinois Gambling Act. If the person,
2 firm, corporation, or limited liability company having
3 operating control of a racetrack is found by the Department of
4 Lottery and Gaming ~~Illinois Gaming Board~~ to be unsuitable for
5 an organization gaming license under the Illinois Gambling Act
6 and rules of the Department of Lottery and Gaming Board, that
7 person, firm, corporation, or limited liability company shall
8 not be granted an organization gaming license. Each license
9 shall specify the number of gaming positions that its holder
10 may operate.

11 An organization gaming licensee may not permit patrons
12 under 21 years of age to be present in its organization gaming
13 facility, but the licensee may accept wagers on live racing
14 and inter-track wagers at its organization gaming facility.

15 (b) For purposes of this subsection, "adjusted gross
16 receipts" means an organization gaming licensee's gross
17 receipts less winnings paid to wagerers and shall also include
18 any amounts that would otherwise be deducted pursuant to
19 subsection (a-9) of Section 13 of the Illinois Gambling Act.
20 The adjusted gross receipts by an organization gaming licensee
21 from gaming pursuant to an organization gaming license issued
22 under the Illinois Gambling Act remaining after the payment of
23 taxes under Section 13 of the Illinois Gambling Act shall be
24 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 \$93,000,000;

4 20% of annual adjusted gross receipts in excess of
5 \$93,000,000 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 If 2 different breeds race at the same racetrack in
11 the same calendar year, the purse moneys allocated under
12 this subsection (b) shall be divided pro rata based on
13 live racing days awarded by the Division Board to that
14 race track for each breed. However, the ratio may not
15 exceed 60% for either breed, except if one breed is
16 awarded fewer than 20 live racing days, in which case the
17 purse moneys allocated shall be divided pro rata based on
18 live racing days.

19 (2) The remainder shall be retained by the
20 organization gaming licensee.

21 (c) Annually, from the purse account of an organization
22 licensee racing thoroughbred horses in this State, except for
23 in Madison County, an amount equal to 12% of the gaming
24 receipts from gaming pursuant to an organization gaming
25 license placed into the purse accounts shall be paid to the
26 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 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 gaming receipts from gaming
11 pursuant to an organization gaming license placed into the
12 purse accounts shall be paid to the Illinois Thoroughbred
13 Breeders Fund and shall be used for owner awards; a stallion
14 program pursuant to paragraph (3) of subsection (g) of Section
15 30 of this Act; and Illinois conceived and foaled stakes races
16 pursuant to paragraph (2) of subsection (g) of Section 30 of
17 this Act, as specifically designated by the horsemen
18 association representing the largest number of owners and
19 trainers who race at the organization licensee's race
20 meetings.

21 Annually, from the amounts generated for purses from all
22 sources, including, but not limited to, amounts generated from
23 wagering conducted by organization licensees, organization
24 gaming licensees, inter-track wagering licensees, inter-track
25 wagering locations licensees, and advance deposit wagering
26 licensees, or an organization licensee to the purse account of

1 an organization licensee conducting thoroughbred races at a
2 track in Madison County, an amount equal to 10% of adjusted
3 gross receipts as defined in subsection (b) of this Section
4 shall be paid to the horsemen association representing the
5 largest number of owners and trainers who race at the
6 organization licensee's race meets, to be used to for
7 operational expenses and may be also used for after care
8 programs for retired thoroughbred race horses, backstretch
9 laundry and kitchen facilities, a health insurance or
10 retirement program, the Future Farmers of America, and such
11 other programs.

12 Annually, from the purse account of organization licensees
13 conducting thoroughbred races at racetracks in Cook County,
14 \$100,000 shall be paid for division and equal distribution to
15 the animal sciences department of each Illinois public
16 university system engaged in equine research and education on
17 or before the effective date of this amendatory Act of the
18 101st General Assembly for equine research and education.

19 (d) Annually, from the purse account of an organization
20 licensee racing standardbred horses, an amount equal to 15% of
21 the gaming receipts from gaming pursuant to an organization
22 gaming license placed into that purse account shall be paid to
23 the Illinois Standardbred Breeders Fund. Moneys deposited into
24 the Illinois Standardbred Breeders Fund shall be used for
25 standardbred racing as authorized in paragraphs 1, 2, 3, 8,
26 and 9 of subsection (g) of Section 31 of this Act and for bonus

1 awards as authorized under paragraph 6 of subsection (j) of
2 Section 31 of this Act.

3 (Source: P.A. 101-31, eff. 6-28-19.)

4 (230 ILCS 5/5 rep.)

5 (230 ILCS 5/6 rep.)

6 (230 ILCS 5/7 rep.)

7 (230 ILCS 5/8 rep.)

8 Section 120. The Illinois Horse Racing Act of 1975 is
9 amended by repealing Sections 5, 6, 7, and 8.

10 Section 125. The Illinois Gambling Act is amended by
11 changing Sections 2, 4, 5, 5.1, 5.2, 5.3, 6, 7, 7.1, 7.3, 7.4,
12 7.5, 7.6, 7.7, 7.10, 7.11, 7.12, 8, 9, 10, 11, 11.2, 12, 13,
13 13.05, 14, 15, 16, 17, 17.1, 18, 18.1, and 22 as follows:

14 (230 ILCS 10/2) (from Ch. 120, par. 2402)

15 Sec. 2. Legislative intent.

16 (a) This Act is intended to benefit the people of the State
17 of Illinois by assisting economic development, promoting
18 Illinois tourism, and increasing the amount of revenues
19 available to the State to assist and support education, and to
20 defray State expenses.

21 (b) While authorization of riverboat and casino gambling
22 will enhance investment, beautification, development and
23 tourism in Illinois, it is recognized that it will do so

1 successfully only if public confidence and trust in the
2 credibility and integrity of the gambling operations and the
3 regulatory process is maintained. Therefore, regulatory
4 provisions of this Act are designed to strictly regulate the
5 facilities, persons, associations and practices related to
6 gambling operations pursuant to the police powers of the
7 State, including comprehensive law enforcement supervision.

8 (c) The Division of Casino Gambling of the Department of
9 Lottery and Gaming ~~Illinois Gaming Board~~ established under
10 this Act should, as soon as possible, inform each applicant
11 for an owners license of the Division's ~~Board's~~ intent to
12 grant or deny a license.

13 (Source: P.A. 101-31, eff. 6-28-19.)

14 (230 ILCS 10/4) (from Ch. 120, par. 2404)

15 Sec. 4. Definitions. As used in this Act:

16 ~~"Board" means the Illinois Gaming Board.~~

17 "Director" means the Director of the Division of Casino
18 Gaming of the Department of Lottery and Gaming.

19 "Division" means the Division of Casino Gambling of the
20 Department of Lottery and Gaming.

21 "Occupational license" means a license issued by the
22 Division ~~Board~~ to a person or entity to perform an occupation
23 which the Division ~~Board~~ has identified as requiring a license
24 to engage in riverboat gambling, casino gambling, or gaming
25 pursuant to an organization gaming license issued under this

1 Act in Illinois.

2 "Gambling game" includes, but is not limited to, baccarat,
3 twenty-one, poker, craps, slot machine, video game of chance,
4 roulette wheel, klondike table, punchboard, faro layout, keno
5 layout, numbers ticket, push card, jar ticket, or pull tab
6 which is authorized by the Division Board as a wagering device
7 under this Act.

8 "Riverboat" means a self-propelled excursion boat, a
9 permanently moored barge, or permanently moored barges that
10 are permanently fixed together to operate as one vessel, on
11 which lawful gambling is authorized and licensed as provided
12 in this Act.

13 "Slot machine" means any mechanical, electrical, or other
14 device, contrivance, or machine that is authorized by the
15 Division Board as a wagering device under this Act which, upon
16 insertion of a coin, currency, token, or similar object
17 therein, or upon payment of any consideration whatsoever, is
18 available to play or operate, the play or operation of which
19 may deliver or entitle the person playing or operating the
20 machine to receive cash, premiums, merchandise, tokens, or
21 anything of value whatsoever, whether the payoff is made
22 automatically from the machine or in any other manner
23 whatsoever. A slot machine:

24 (1) may utilize spinning reels or video displays or
25 both;

26 (2) may or may not dispense coins, tickets, or tokens

1 to winning patrons;

2 (3) may use an electronic credit system for receiving
3 wagers and making payouts; and

4 (4) may simulate a table game.

5 "Slot machine" does not include table games authorized by
6 the Division Board as a wagering device under this Act.

7 "Managers license" means a license issued by the Division
8 ~~Board~~ to a person or entity to manage gambling operations
9 conducted by the State pursuant to Section 7.3.

10 "Dock" means the location where a riverboat moors for the
11 purpose of embarking passengers for and disembarking
12 passengers from the riverboat.

13 "Gross receipts" means the total amount of money exchanged
14 for the purchase of chips, tokens, or electronic cards by
15 riverboat patrons.

16 "Adjusted gross receipts" means the gross receipts less
17 winnings paid to wagerers.

18 "Cheat" means to alter the selection of criteria which
19 determine the result of a gambling game or the amount or
20 frequency of payment in a gambling game.

21 "Gambling operation" means the conduct of gambling games
22 authorized under this Act upon a riverboat or in a casino or
23 authorized under this Act and the Illinois Horse Racing Act of
24 1975 at an organization gaming facility.

25 "License bid" means the lump sum amount of money that an
26 applicant bids and agrees to pay the State in return for an

1 owners license that is issued or re-issued on or after July 1,
2 2003.

3 "Table game" means a live gaming apparatus upon which
4 gaming is conducted or that determines an outcome that is the
5 object of a wager, including, but not limited to, baccarat,
6 twenty-one, blackjack, poker, craps, roulette wheel, klondike
7 table, punchboard, faro layout, keno layout, numbers ticket,
8 push card, jar ticket, pull tab, or other similar games that
9 are authorized by the Division Board ~~Board~~ as a wagering device
10 under this Act. "Table game" does not include slot machines or
11 video games of chance.

12 The terms "minority person", "woman", and "person with a
13 disability" shall have the same meaning as defined in Section
14 2 of the Business Enterprise for Minorities, Women, and
15 Persons with Disabilities Act.

16 "Casino" means a facility at which lawful gambling is
17 authorized as provided in this Act.

18 "Owners license" means a license to conduct riverboat or
19 casino gambling operations, but does not include an
20 organization gaming license.

21 "Licensed owner" means a person who holds an owners
22 license.

23 "Organization gaming facility" means that portion of an
24 organization licensee's racetrack facilities at which gaming
25 authorized under Section 7.7 is conducted.

26 "Organization gaming license" means a license issued by

1 the Division ~~Illinois Gaming Board~~ under Section 7.7 of this
2 Act authorizing gaming pursuant to that Section at an
3 organization gaming facility.

4 "Organization gaming licensee" means an entity that holds
5 an organization gaming license.

6 "Organization licensee" means an entity authorized by the
7 Division of Horse Racing ~~Illinois Racing Board~~ to conduct
8 pari-mutuel wagering in accordance with the Illinois Horse
9 Racing Act of 1975. With respect only to gaming pursuant to an
10 organization gaming license, "organization licensee" includes
11 the authorization for gaming created under subsection (a) of
12 Section 56 of the Illinois Horse Racing Act of 1975.

13 (Source: P.A. 100-391, eff. 8-25-17; 101-31, eff. 6-28-19.)

14 (230 ILCS 10/5) (from Ch. 120, par. 2405)

15 Sec. 5. Division of Casino Gambling ~~Gaming Board~~.

16 (a) (1) There is hereby established Division of Casino
17 Gaming of the Department of Lottery and Gaming ~~the Illinois~~
18 ~~Gaming Board~~, which shall have the powers and duties specified
19 in this Act, and all other powers necessary and proper to fully
20 and effectively execute this Act for the purpose of
21 administering, regulating, and enforcing the system of
22 riverboat and casino gambling established by this Act and
23 gaming pursuant to an organization gaming license issued under
24 this Act. Its jurisdiction shall extend under this Act to
25 every person, association, corporation, partnership and trust

1 involved in riverboat and casino gambling operations and
2 gaming pursuant to an organization gaming license issued under
3 this Act in the State of Illinois.

4 (2) (Blank). ~~The Board shall consist of 5 members to be~~
5 ~~appointed by the Governor with the advice and consent of the~~
6 ~~Senate, one of whom shall be designated by the Governor to be~~
7 ~~chairperson. Each member shall have a reasonable knowledge of~~
8 ~~the practice, procedure and principles of gambling operations.~~
9 ~~Each member shall either be a resident of Illinois or shall~~
10 ~~certify that he or she will become a resident of Illinois~~
11 ~~before taking office.~~

12 ~~On and after the effective date of this amendatory Act of~~
13 ~~the 101st General Assembly, new appointees to the Board must~~
14 ~~include the following:~~

15 ~~(A) One member who has received, at a minimum, a~~
16 ~~bachelor's degree from an accredited school and at least~~
17 ~~10 years of verifiable experience in the fields of~~
18 ~~investigation and law enforcement.~~

19 ~~(B) One member who is a certified public accountant~~
20 ~~with experience in auditing and with knowledge of complex~~
21 ~~corporate structures and transactions.~~

22 ~~(C) One member who has 5 years' experience as a~~
23 ~~principal, senior officer, or director of a company or~~
24 ~~business with either material responsibility for the daily~~
25 ~~operations and management of the overall company or~~
26 ~~business or material responsibility for the policy making~~

1 ~~of the company or business.~~

2 ~~(D) One member who is an attorney licensed to practice~~
3 ~~law in Illinois for at least 5 years.~~

4 ~~Notwithstanding any provision of this subsection (a), the~~
5 ~~requirements of subparagraphs (A) through (D) of this~~
6 ~~paragraph (2) shall not apply to any person reappointed~~
7 ~~pursuant to paragraph (3).~~

8 ~~No more than 3 members of the Board may be from the same~~
9 ~~political party. No Board member shall, within a period of one~~
10 ~~year immediately preceding nomination, have been employed or~~
11 ~~received compensation or fees for services from a person or~~
12 ~~entity, or its parent or affiliate, that has engaged in~~
13 ~~business with the Board, a licensee, or a licensee under the~~
14 ~~Illinois Horse Racing Act of 1975. Board members must publicly~~
15 ~~disclose all prior affiliations with gaming interests,~~
16 ~~including any compensation, fees, bonuses, salaries, and other~~
17 ~~reimbursement received from a person or entity, or its parent~~
18 ~~or affiliate, that has engaged in business with the Board, a~~
19 ~~licensee, or a licensee under the Illinois Horse Racing Act of~~
20 ~~1975. This disclosure must be made within 30 days after~~
21 ~~nomination but prior to confirmation by the Senate and must be~~
22 ~~made available to the members of the Senate.~~

23 (3) (Blank). ~~The terms of office of the Board members~~
24 ~~shall be 3 years, except that the terms of office of the~~
25 ~~initial Board members appointed pursuant to this Act will~~
26 ~~commence from the effective date of this Act and run as~~

1 ~~follows: one for a term ending July 1, 1991, 2 for a term~~
2 ~~ending July 1, 1992, and 2 for a term ending July 1, 1993. Upon~~
3 ~~the expiration of the foregoing terms, the successors of such~~
4 ~~members shall serve a term for 3 years and until their~~
5 ~~successors are appointed and qualified for like terms.~~
6 ~~Vacancies in the Board shall be filled for the unexpired term~~
7 ~~in like manner as original appointments. Each member of the~~
8 ~~Board shall be eligible for reappointment at the discretion of~~
9 ~~the Governor with the advice and consent of the Senate.~~

10 (4) (Blank). ~~Each member of the Board shall receive \$300~~
11 ~~for each day the Board meets and for each day the member~~
12 ~~conducts any hearing pursuant to this Act. Each member of the~~
13 ~~Board shall also be reimbursed for all actual and necessary~~
14 ~~expenses and disbursements incurred in the execution of~~
15 ~~official duties.~~

16 (5) (Blank). ~~No person shall be appointed a member of the~~
17 ~~Board or continue to be a member of the Board who is, or whose~~
18 ~~spouse, child or parent is, a member of the board of directors~~
19 ~~of, or a person financially interested in, any gambling~~
20 ~~operation subject to the jurisdiction of this Board, or any~~
21 ~~race track, race meeting, racing association or the operations~~
22 ~~thereof subject to the jurisdiction of the Illinois Racing~~
23 ~~Board. No Board member shall hold any other public office. No~~
24 ~~person shall be a member of the Board who is not of good moral~~
25 ~~character or who has been convicted of, or is under indictment~~
26 ~~for, a felony under the laws of Illinois or any other state, or~~

1 ~~the United States.~~

2 (5.5) (Blank). ~~No member of the Board shall engage in any~~
3 ~~political activity. For the purposes of this Section,~~
4 ~~"political" means any activity in support of or in connection~~
5 ~~with any campaign for federal, State, or local elective office~~
6 ~~or any political organization, but does not include activities~~
7 ~~(i) relating to the support or opposition of any executive,~~
8 ~~legislative, or administrative action (as those terms are~~
9 ~~defined in Section 2 of the Lobbyist Registration Act), (ii)~~
10 ~~relating to collective bargaining, or (iii) that are otherwise~~
11 ~~in furtherance of the person's official State duties or~~
12 ~~governmental and public service functions.~~

13 (6) (Blank). ~~Any member of the Board may be removed by the~~
14 ~~Governor for neglect of duty, misfeasance, malfeasance, or~~
15 ~~nonfeasance in office or for engaging in any political~~
16 ~~activity.~~

17 (7) (Blank). ~~Before entering upon the discharge of the~~
18 ~~duties of his office, each member of the Board shall take an~~
19 ~~oath that he will faithfully execute the duties of his office~~
20 ~~according to the laws of the State and the rules and~~
21 ~~regulations adopted therewith and shall give bond to the State~~
22 ~~of Illinois, approved by the Governor, in the sum of \$25,000.~~
23 ~~Every such bond, when duly executed and approved, shall be~~
24 ~~recorded in the office of the Secretary of State. Whenever the~~
25 ~~Governor determines that the bond of any member of the Board~~
26 ~~has become or is likely to become invalid or insufficient, he~~

1 ~~shall require such member forthwith to renew his bond, which~~
2 ~~is to be approved by the Governor. Any member of the Board who~~
3 ~~fails to take oath and give bond within 30 days from the date~~
4 ~~of his appointment, or who fails to renew his bond within 30~~
5 ~~days after it is demanded by the Governor, shall be guilty of~~
6 ~~neglect of duty and may be removed by the Governor. The cost of~~
7 ~~any bond given by any member of the Board under this Section~~
8 ~~shall be taken to be a part of the necessary expenses of the~~
9 ~~Board.~~

10 (7.5) For the examination of all mechanical,
11 electromechanical, or electronic table games, slot machines,
12 slot accounting systems, sports wagering systems, and other
13 electronic gaming equipment, and the field inspection of such
14 systems, games, and machines, for compliance with this Act,
15 the Division Board shall utilize the services of independent
16 outside testing laboratories that have been accredited in
17 accordance with ISO/IEC 17025 by an accreditation body that is
18 a signatory to the International Laboratory Accreditation
19 Cooperation Mutual Recognition Agreement signifying they are
20 qualified to perform such examinations. Notwithstanding any
21 law to the contrary, the Division Board shall consider the
22 licensing of independent outside testing laboratory applicants
23 in accordance with procedures established by the Division
24 ~~Board~~ by rule. The Board shall not withhold its approval of an
25 independent outside testing laboratory license applicant that
26 has been accredited as required under this paragraph (7.5) and

1 is licensed in gaming jurisdictions comparable to Illinois.
2 Upon the finalization of required rules, the Division Board
3 shall license independent testing laboratories and accept the
4 test reports of any licensed testing laboratory of the
5 system's, game's, or machine manufacturer's choice,
6 notwithstanding the existence of contracts between the
7 Division Board and any independent testing laboratory.

8 (8) The Division Board shall employ such personnel as may
9 be necessary to carry out its functions and shall determine
10 the salaries of all personnel, except those personnel whose
11 salaries are determined under the terms of a collective
12 bargaining agreement. No person shall be employed to serve the
13 Division Board who is, or whose spouse, parent or child is, an
14 official of, or has a financial interest in or financial
15 relation with, any operator engaged in gambling operations
16 within this State or any organization engaged in conducting
17 horse racing within this State. For the one year immediately
18 preceding employment, an employee shall not have been employed
19 or 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 Division Board, a licensee, or a licensee
22 under the Illinois Horse Racing Act of 1975. Any employee
23 violating these prohibitions shall be subject to termination
24 of employment.

25 (9) An Administrator shall perform any and all duties that
26 the Division Board shall assign him. The salary of the

1 Administrator shall be determined by the Division Board and,
2 in addition, he shall be reimbursed for all actual and
3 necessary expenses incurred by him in discharge of his
4 official duties. The Administrator shall keep records of all
5 proceedings of hearings before the Director ~~the Board~~ and
6 shall preserve all records, books, documents and other papers
7 belonging to the Division Board or entrusted to its care. The
8 Administrator shall devote his full time to the duties of the
9 office and shall not hold any other office or employment.

10 (b) The Division Board shall have general responsibility
11 for the implementation of this Act. Its duties include,
12 without limitation, the following:

13 (1) To decide promptly and in reasonable order all
14 license applications. Any party aggrieved by an action of
15 the Board denying, suspending, revoking, restricting or
16 refusing to renew a license may request a hearing before
17 the Director Board. A request for a hearing must be made to
18 the Director Board in writing within 5 days after service
19 of notice of the action of the Division Board. Notice of
20 the action of the Division Board shall be served either by
21 personal delivery or by certified mail, postage prepaid,
22 to the aggrieved party. Notice served by certified mail
23 shall be deemed complete on the business day following the
24 date of such mailing. The Director Board shall conduct any
25 such hearings promptly and in reasonable order;

26 (2) To conduct all hearings pertaining to civil

1 violations of this Act or rules and regulations
2 promulgated hereunder;

3 (3) To promulgate such rules and regulations as in its
4 judgment may be necessary to protect or enhance the
5 credibility and integrity of gambling operations
6 authorized by this Act and the regulatory process
7 hereunder;

8 (4) To provide for the establishment and collection of
9 all license and registration fees and taxes imposed by
10 this Act and the rules and regulations issued pursuant
11 hereto. All such fees and taxes shall be deposited into
12 the State Gaming Fund;

13 (5) To provide for the levy and collection of
14 penalties and fines for the violation of provisions of
15 this Act and the rules and regulations promulgated
16 hereunder. All such fines and penalties shall be deposited
17 into the Education Assistance Fund, created by Public Act
18 86-0018, of the State of Illinois;

19 (6) To be present through its inspectors and agents
20 any time gambling operations are conducted on any
21 riverboat, in any casino, or at any organization gaming
22 facility for the purpose of certifying the revenue
23 thereof, receiving complaints from the public, and
24 conducting such other investigations into the conduct of
25 the gambling games and the maintenance of the equipment as
26 from time to time the Division Board may deem necessary

1 and proper;

2 (7) To review and rule upon any complaint by a
3 licensee regarding any investigative procedures of the
4 State which are unnecessarily disruptive of gambling
5 operations. The need to inspect and investigate shall be
6 presumed at all times. The disruption of a licensee's
7 operations shall be proved by clear and convincing
8 evidence, and establish that: (A) the procedures had no
9 reasonable law enforcement purposes, and (B) the
10 procedures were so disruptive as to unreasonably inhibit
11 gambling operations;

12 (8) (Blank) ~~To hold at least one meeting each quarter~~
13 ~~of the fiscal year. In addition, special meetings may be~~
14 ~~called by the Chairman or any 2 Board members upon 72 hours~~
15 ~~written notice to each member. All Board meetings shall be~~
16 ~~subject to the Open Meetings Act. Three members of the~~
17 ~~Board shall constitute a quorum, and 3 votes shall be~~
18 ~~required for any final determination by the Board. The~~
19 ~~Board shall keep a complete and accurate record of all its~~
20 ~~meetings. A majority of the members of the Board shall~~
21 ~~constitute a quorum for the transaction of any business,~~
22 ~~for the performance of any duty, or for the exercise of any~~
23 ~~power which this Act requires the Board members to~~
24 ~~transact, perform or exercise en banc, except that, upon~~
25 ~~order of the Board, one of the Board members or an~~
26 ~~administrative law judge designated by the Board may~~

1 ~~conduct any hearing provided for under this Act or by~~
2 ~~Board rule and may recommend findings and decisions to the~~
3 ~~Board. The Board member or administrative law judge~~
4 ~~conducting such hearing shall have all powers and rights~~
5 ~~granted to the Board in this Act. The record made at the~~
6 ~~time of the hearing shall be reviewed by the Board, or a~~
7 ~~majority thereof, and the findings and decision of the~~
8 ~~majority of the Board shall constitute the order of the~~
9 ~~Board in such case;~~

10 (9) To maintain records which are separate and
11 distinct from the records of any other State board or
12 commission. Such records shall be available for public
13 inspection and shall accurately reflect all ~~Board~~
14 proceedings before the Director;

15 (10) To file a written annual report with the Governor
16 on or before July 1 each year and such additional reports
17 as the Governor may request. The annual report shall
18 include a statement of receipts and disbursements by the
19 Division Board, actions taken by the Division Board, and
20 any additional information and recommendations which the
21 Board may deem valuable or which the Governor may request;

22 (11) (Blank);

23 (12) (Blank);

24 (13) (Blank) ~~To assume responsibility for~~
25 ~~administration and enforcement of the Video Gaming Act;~~

26 (13.1) To assume responsibility for the administration

1 and enforcement of operations at organization gaming
2 facilities pursuant to this Act and the Illinois Horse
3 Racing Act of 1975;

4 (13.2) (Blank) ~~To assume responsibility for the~~
5 ~~administration and enforcement of the Sports Wagering Act;~~
6 and

7 (14) To adopt, by rule, a code of conduct governing
8 Division ~~Board members and~~ employees that ensure, to the
9 maximum extent possible, that persons subject to this Code
10 avoid situations, relationships, or associations that may
11 represent or lead to a conflict of interest.

12 Internal controls and changes submitted by licensees must
13 be reviewed and either approved or denied with cause within 90
14 days after receipt of submission is deemed final by the
15 Division ~~Illinois Gaming Board~~. In the event an internal
16 control submission or change does not meet the standards set
17 by the Division ~~Board~~, staff of the Division ~~Board~~ must
18 provide technical assistance to the licensee to rectify such
19 deficiencies within 90 days after the initial submission and
20 the revised submission must be reviewed and approved or denied
21 with cause within 90 days after the date the revised
22 submission is deemed final by the Division ~~Board~~. For the
23 purposes of this paragraph, "with cause" means that the
24 approval of the submission would jeopardize the integrity of
25 gaming. In the event the Division ~~Board~~ staff has not acted
26 within the timeframe, the submission shall be deemed approved.

1 (c) The Division Board shall have jurisdiction over and
2 shall supervise all gambling operations governed by this Act.
3 The Division Board shall have all powers necessary and proper
4 to fully and effectively execute the provisions of this Act,
5 including, but not limited to, the following:

6 (1) To investigate applicants and determine the
7 eligibility of applicants for licenses and to select among
8 competing applicants the applicants which best serve the
9 interests of the citizens of Illinois.

10 (2) To have jurisdiction and supervision over all
11 riverboat gambling operations authorized under this Act
12 and all persons in places where gambling operations are
13 conducted.

14 (3) To promulgate rules and regulations for the
15 purpose of administering the provisions of this Act and to
16 prescribe rules, regulations and conditions under which
17 all gambling operations subject to this Act shall be
18 conducted. Such rules and regulations are to provide for
19 the prevention of practices detrimental to the public
20 interest and for the best interests of riverboat gambling,
21 including rules and regulations regarding the inspection
22 of organization gaming facilities, casinos, and
23 riverboats, and the review of any permits or licenses
24 necessary to operate a riverboat, casino, or organization
25 gaming facility under any laws or regulations applicable
26 to riverboats, casinos, or organization gaming facilities

1 and to impose penalties for violations thereof.

2 (4) To enter the office, riverboats, casinos,
3 organization gaming facilities, and other facilities, or
4 other places of business of a licensee, where evidence of
5 the compliance or noncompliance with the provisions of
6 this Act is likely to be found.

7 (5) To investigate alleged violations of this Act or
8 the rules of the Division Board and to take appropriate
9 disciplinary action against a licensee or a holder of an
10 occupational license for a violation, or institute
11 appropriate legal action for enforcement, or both.

12 (6) To adopt standards for the licensing of all
13 persons and entities under this Act, as well as for
14 electronic or mechanical gambling games, and to establish
15 fees for such licenses.

16 (7) To adopt appropriate standards for all
17 organization gaming facilities, riverboats, casinos, and
18 other facilities authorized under this Act.

19 (8) To require that the records, including financial
20 or other statements of any licensee under this Act, shall
21 be kept in such manner as prescribed by the Division Board
22 and that any such licensee involved in the ownership or
23 management of gambling operations submit to the Division
24 ~~Board~~ an annual balance sheet and profit and loss
25 statement, list of the stockholders or other persons
26 having a 1% or greater beneficial interest in the gambling

1 activities of each licensee, and any other information the
2 Division Board deems necessary in order to effectively
3 administer this Act and all rules, regulations, orders and
4 final decisions promulgated under this Act.

5 (9) To conduct hearings, issue subpoenas for the
6 attendance of witnesses and subpoenas duces tecum for the
7 production of books, records and other pertinent documents
8 in accordance with the Illinois Administrative Procedure
9 Act, and to administer oaths and affirmations to the
10 witnesses, when, in the judgment of the Division Board, it
11 is necessary to administer or enforce this Act or the
12 Division Board rules.

13 (10) To prescribe a form to be used by any licensee
14 involved in the ownership or management of gambling
15 operations as an application for employment for their
16 employees.

17 (11) To revoke or suspend licenses, as the Division
18 Board may see fit and in compliance with applicable laws
19 of the State regarding administrative procedures, and to
20 review applications for the renewal of licenses. The
21 Division Board may suspend an owners license or an
22 organization gaming license without notice or hearing upon
23 a determination that the safety or health of patrons or
24 employees is jeopardized by continuing a gambling
25 operation conducted under that license. The suspension may
26 remain in effect until the Division Board determines that

1 the cause for suspension has been abated. The Division
2 ~~Board~~ may revoke an owners license or organization gaming
3 license upon a determination that the licensee has not
4 made satisfactory progress toward abating the hazard.

5 (12) To eject or exclude or authorize the ejection or
6 exclusion of, any person from gambling facilities where
7 that person is in violation of this Act, rules and
8 regulations thereunder, or final orders of the Division
9 ~~Board~~, or where such person's conduct or reputation is
10 such that his or her presence within the gambling
11 facilities may, in the opinion of the Division Board, call
12 into question the honesty and integrity of the gambling
13 operations or interfere with the orderly conduct thereof;
14 provided that the propriety of such ejection or exclusion
15 is subject to subsequent hearing by the Division Board.

16 (13) To require all licensees of gambling operations
17 to utilize a cashless wagering system whereby all players'
18 money is converted to tokens, electronic cards, or chips
19 which shall be used only for wagering in the gambling
20 establishment.

21 (14) (Blank).

22 (15) To suspend, revoke or restrict licenses, to
23 require the removal of a licensee or an employee of a
24 licensee for a violation of this Act or a Division Board
25 rule or for engaging in a fraudulent practice, and to
26 impose civil penalties of up to \$5,000 against individuals

1 and up to \$10,000 or an amount equal to the daily gross
2 receipts, whichever is larger, against licensees for each
3 violation of any provision of the Act, any rules adopted
4 by the Division Board, any order of the Division Board or
5 any other action which, in the Division's Board's
6 discretion, is a detriment or impediment to gambling
7 operations.

8 (16) To hire employees to gather information, conduct
9 investigations and carry out any other tasks contemplated
10 under this Act.

11 (17) To establish minimum levels of insurance to be
12 maintained by licensees.

13 (18) To authorize a licensee to sell or serve
14 alcoholic liquors, wine or beer as defined in the Liquor
15 Control Act of 1934 on board a riverboat or in a casino and
16 to have exclusive authority to establish the hours for
17 sale and consumption of alcoholic liquor on board a
18 riverboat or in a casino, notwithstanding any provision of
19 the Liquor Control Act of 1934 or any local ordinance, and
20 regardless of whether the riverboat makes excursions. The
21 establishment of the hours for sale and consumption of
22 alcoholic liquor on board a riverboat or in a casino is an
23 exclusive power and function of the State. A home rule
24 unit may not establish the hours for sale and consumption
25 of alcoholic liquor on board a riverboat or in a casino.
26 This subdivision (18) is a denial and limitation of home

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

3 (19) After consultation with the U.S. Army Corps of
4 Engineers, to establish binding emergency orders upon the
5 concurrence of a majority of the members of the Division
6 ~~Board~~ regarding the navigability of water, relative to
7 excursions, in the event of extreme weather conditions,
8 acts of God or other extreme circumstances.

9 (20) To delegate the execution of any of its powers
10 under this Act for the purpose of administering and
11 enforcing this Act and the rules adopted by the Division
12 ~~Board~~.

13 (20.5) To approve any contract entered into on its
14 behalf.

15 (20.6) To appoint investigators to conduct
16 investigations, searches, seizures, arrests, and other
17 duties imposed under this Act, as deemed necessary by the
18 Division ~~Board~~. These investigators have and may exercise
19 all of the rights and powers of peace officers, provided
20 that these powers shall be limited to offenses or
21 violations occurring or committed in a casino, in an
22 organization gaming facility, or on a riverboat or dock,
23 as defined in subsections (d) and (f) of Section 4, or as
24 otherwise provided by this Act or any other law.

25 (20.7) To contract with the Department of State Police
26 for the use of trained and qualified State police officers

1 and with the Department of Revenue for the use of trained
2 and qualified Department of Revenue investigators to
3 conduct investigations, searches, seizures, arrests, and
4 other duties imposed under this Act and to exercise all of
5 the rights and powers of peace officers, provided that the
6 powers of Department of Revenue investigators under this
7 subdivision (20.7) shall be limited to offenses or
8 violations occurring or committed in a casino, in an
9 organization gaming facility, or on a riverboat or dock,
10 as defined in subsections (d) and (f) of Section 4, or as
11 otherwise provided by this Act or any other law. In the
12 event the Department of State Police or the Department of
13 Revenue is unable to fill contracted police or
14 investigative positions, the Division Board ~~Board~~ may appoint
15 investigators to fill those positions pursuant to
16 subdivision (20.6).

17 (21) To adopt rules concerning the conduct of gaming
18 pursuant to an organization gaming license issued under
19 this Act.

20 (22) To have the same jurisdiction and supervision
21 over casinos and organization gaming facilities as the
22 Division Board ~~Board~~ has over riverboats, including, but not
23 limited to, the power to (i) investigate, review, and
24 approve contracts as that power is applied to riverboats,
25 (ii) adopt rules for administering the provisions of this
26 Act, (iii) adopt standards for the licensing of all

1 persons involved with a casino or organization gaming
2 facility, (iv) investigate alleged violations of this Act
3 by any person involved with a casino or organization
4 gaming facility, and (v) require that records, including
5 financial or other statements of any casino or
6 organization gaming facility, shall be kept in such manner
7 as prescribed by the Division Board.

8 (23) To take any other action as may be reasonable or
9 appropriate to enforce this Act and the rules adopted by
10 the Division Board.

11 (d) The Division Board may seek and shall receive the
12 cooperation of the Department of State Police in conducting
13 background investigations of applicants and in fulfilling its
14 responsibilities under this Section. Costs incurred by the
15 Department of State Police as a result of such cooperation
16 shall be paid by the Division Board in conformance with the
17 requirements of Section 2605-400 of the Department of State
18 Police Law.

19 (e) The Division Board must authorize to each investigator
20 and to any other employee of the Division Board exercising the
21 powers of a peace officer a distinct badge that, on its face,
22 (i) clearly states that the badge is authorized by the
23 Division Board and (ii) contains a unique identifying number.
24 No other badge shall be authorized by the Division Board.

25 (Source: P.A. 100-1152, eff. 12-14-18; 101-31, eff. 6-28-19.)

1 (230 ILCS 10/5.1) (from Ch. 120, par. 2405.1)

2 Sec. 5.1. Disclosure of records.

3 (a) Notwithstanding any applicable statutory provision to
4 the contrary, the Division ~~Board~~ shall, on written request
5 from any person, provide information furnished by an applicant
6 or licensee concerning the applicant or licensee, his
7 products, services or gambling enterprises and his business
8 holdings, as follows:

9 (1) The name, business address and business telephone
10 number of any applicant or licensee.

11 (2) An identification of any applicant or licensee
12 including, if an applicant or licensee is not an
13 individual, the names and addresses of all stockholders
14 and directors, if the entity is a corporation; the names
15 and addresses of all members, if the entity is a limited
16 liability company; the names and addresses of all
17 partners, both general and limited, if the entity is a
18 partnership; and the names and addresses of all
19 beneficiaries, if the entity is a trust. If an applicant
20 or licensee has a pending registration statement filed
21 with the Securities and Exchange Commission, only the
22 names of those persons or entities holding interest of 5%
23 or more must be provided.

24 (3) An identification of any business, including, if
25 applicable, the state of incorporation or registration, in
26 which an applicant or licensee or an applicant's or

1 licensee's spouse or children has an equity interest of
2 more than 1%. If an applicant or licensee is a
3 corporation, partnership or other business entity, the
4 applicant or licensee shall identify any other
5 corporation, partnership or business entity in which it
6 has an equity interest of 1% or more, including, if
7 applicable, the state of incorporation or registration.
8 This information need not be provided by a corporation,
9 partnership or other business entity that has a pending
10 registration statement filed with the Securities and
11 Exchange Commission.

12 (4) Whether an applicant or licensee has been
13 indicted, convicted, pleaded guilty or nolo contendere, or
14 forfeited bail concerning any criminal offense under the
15 laws of any jurisdiction, either felony or misdemeanor
16 (except for traffic violations), including the date, the
17 name and location of the court, arresting agency and
18 prosecuting agency, the case number, the offense, the
19 disposition and the location and length of incarceration.

20 (5) Whether an applicant or licensee has had any
21 license or certificate issued by a licensing authority in
22 Illinois or any other jurisdiction denied, restricted,
23 suspended, revoked or not renewed and a statement
24 describing the facts and circumstances concerning the
25 denial, restriction, suspension, revocation or
26 non-renewal, including the licensing authority, the date

1 each such action was taken, and the reason for each such
2 action.

3 (6) Whether an applicant or licensee has ever filed or
4 had filed against it a proceeding in bankruptcy or has
5 ever been involved in any formal process to adjust, defer,
6 suspend or otherwise work out the payment of any debt
7 including the date of filing, the name and location of the
8 court, the case and number of the disposition.

9 (7) Whether an applicant or licensee has filed, or
10 been served with a complaint or other notice filed with
11 any public body, regarding the delinquency in the payment
12 of, or a dispute over the filings concerning the payment
13 of, any tax required under federal, State or local law,
14 including the amount, type of tax, the taxing agency and
15 time periods involved.

16 (8) A statement listing the names and titles of all
17 public officials or officers of any unit of government,
18 and relatives of said public officials or officers who,
19 directly or indirectly, own any financial interest in,
20 have any beneficial interest in, are the creditors of or
21 hold any debt instrument issued by, or hold or have any
22 interest in any contractual or service relationship with,
23 an applicant or licensee.

24 (9) Whether an applicant or licensee has made,
25 directly or indirectly, any political contribution, or any
26 loans, donations or other payments, to any candidate or

1 office holder, within 5 years from the date of filing the
2 application, including the amount and the method of
3 payment.

4 (10) The name and business telephone number of the
5 counsel representing an applicant or licensee in matters
6 before the Division Board.

7 (11) A description of any proposed or approved
8 gambling operation, including the type of boat, home dock,
9 or casino or gaming location, expected economic benefit to
10 the community, anticipated or actual number of employees,
11 any statement from an applicant or licensee regarding
12 compliance with federal and State affirmative action
13 guidelines, projected or actual admissions and projected
14 or actual adjusted gross gaming receipts.

15 (12) A description of the product or service to be
16 supplied by an applicant for a supplier's license.

17 (b) Notwithstanding any applicable statutory provision to
18 the contrary, the Division Board shall, on written request
19 from any person, also provide the following information:

20 (1) The amount of the wagering tax and admission tax
21 paid daily to the State of Illinois by the holder of an
22 owner's license.

23 (2) Whenever the Division Board finds an applicant for
24 an owner's license unsuitable for licensing, a copy of the
25 written letter outlining the reasons for the denial.

26 (3) Whenever the Division Board has refused to grant

1 leave for an applicant to withdraw his application, a copy
2 of the letter outlining the reasons for the refusal.

3 (c) Subject to the above provisions, the Division Board
4 shall not disclose any information which would be barred by:

5 (1) Section 7 of the Freedom of Information Act; or

6 (2) The statutes, rules, regulations or
7 intergovernmental agreements of any jurisdiction.

8 (d) The Division Board may assess fees for the copying of
9 information in accordance with Section 6 of the Freedom of
10 Information Act.

11 (Source: P.A. 101-31, eff. 6-28-19.)

12 (230 ILCS 10/5.2)

13 Sec. 5.2. Separation from Department of Revenue. As of
14 July 1, 2009, all of the powers, duties, assets, liabilities,
15 employees, contracts, property, records, pending business, and
16 unexpended appropriations of the Department of Revenue related
17 to the administration and enforcement of this Act are
18 transferred to the former Illinois Gaming Board.

19 The status and rights of the transferred employees, and
20 the rights of the State of Illinois and its agencies, under the
21 Personnel Code and applicable collective bargaining agreements
22 or under any pension, retirement, or annuity plan are not
23 affected (except as provided in Sections 14-110 and 18-127 of
24 the Illinois Pension Code) by that transfer or by any other
25 provision of this amendatory Act of the 96th General Assembly.

1 This Section is declarative of existing law.

2 (Source: P.A. 96-1392, eff. 1-1-11.)

3 (230 ILCS 10/5.3)

4 Sec. 5.3. Ethical conduct.

5 (a) Officials and employees of the corporate authority of
6 a host community must carry out their duties and
7 responsibilities in such a manner as to promote and preserve
8 public trust and confidence in the integrity and conduct of
9 gaming.

10 (b) Officials and employees of the corporate authority of
11 a host community shall not use or attempt to use his or her
12 official position to secure or attempt to secure any
13 privilege, advantage, favor, or influence for himself or
14 herself or others.

15 (c) Officials and employees of the corporate authority of
16 a host community may not have a financial interest, directly
17 or indirectly, in his or her own name or in the name of any
18 other person, partnership, association, trust, corporation, or
19 other entity in any contract or subcontract for the
20 performance of any work for a riverboat or casino that is
21 located in the host community. This prohibition shall extend
22 to the holding or acquisition of an interest in any entity
23 identified by Division Board action that, in the Division's
24 ~~Board's~~ judgment, could represent the potential for or the
25 appearance of a financial interest. The holding or acquisition

1 of an interest in such entities through an indirect means,
2 such as through a mutual fund, shall not be prohibited, except
3 that the Division Board may identify specific investments or
4 funds that, in its judgment, are so influenced by gaming
5 holdings as to represent the potential for or the appearance
6 of a conflict of interest.

7 (d) Officials and employees of the corporate authority of
8 a host community may not accept any gift, gratuity, service,
9 compensation, travel, lodging, or thing of value, with the
10 exception of unsolicited items of an incidental nature, from
11 any person, corporation, or entity doing business with the
12 riverboat or casino that is located in the host community.

13 (e) Officials and employees of the corporate authority of
14 a host community shall not, during the period that the person
15 is an official or employee of the corporate authority or for a
16 period of 2 years immediately after leaving such office,
17 knowingly accept employment or receive compensation or fees
18 for services from a person or entity, or its parent or
19 affiliate, that has engaged in business with the riverboat or
20 casino that is located in the host community that resulted in
21 contracts with an aggregate value of at least \$25,000 or if
22 that official or employee has made a decision that directly
23 applied to the person or entity, or its parent or affiliate.

24 (f) A spouse, child, or parent of an official or employee
25 of the corporate authority of a host community may not have a
26 financial interest, directly or indirectly, in his or her own

1 name or in the name of any other person, partnership,
2 association, trust, corporation, or other entity in any
3 contract or subcontract for the performance of any work for a
4 riverboat or casino in the host community. This prohibition
5 shall extend to the holding or acquisition of an interest in
6 any entity identified by Division Board action that, in the
7 judgment of the Division Board, could represent the potential
8 for or the appearance of a conflict of interest. The holding or
9 acquisition of an interest in such entities through an
10 indirect means, such as through a mutual fund, shall not be
11 prohibited, except that the Division Board may identify
12 specific investments or funds that, in its judgment, are so
13 influenced by gaming holdings as to represent the potential
14 for or the appearance of a conflict of interest.

15 (g) A spouse, child, or parent of an official or employee
16 of the corporate authority of a host community may not accept
17 any gift, gratuity, service, compensation, travel, lodging, or
18 thing of value, with the exception of unsolicited items of an
19 incidental nature, from any person, corporation, or entity
20 doing business with the riverboat or casino that is located in
21 the host community.

22 (h) A spouse, child, or parent of an official or employee
23 of the corporate authority of a host community may not, during
24 the period that the person is an official of the corporate
25 authority or for a period of 2 years immediately after leaving
26 such office or employment, knowingly accept employment or

1 receive compensation or fees for services from a person or
2 entity, or its parent or affiliate, that has engaged in
3 business with the riverboat or casino that is located in the
4 host community that resulted in contracts with an aggregate
5 value of at least \$25,000 or if that official or employee has
6 made a decision that directly applied to the person or entity,
7 or its parent or affiliate.

8 (i) Officials and employees of the corporate authority of
9 a host community shall not attempt, in any way, to influence
10 any person or entity doing business with the riverboat or
11 casino that is located in the host community or any officer,
12 agent, or employee thereof to hire or contract with any person
13 or entity for any compensated work.

14 (j) Any communication between an official of the corporate
15 authority of a host community and any applicant for an owners
16 license in the host community, or an officer, director, or
17 employee of a riverboat or casino in the host community,
18 concerning any matter relating in any way to gaming shall be
19 disclosed to the Division Board. Such disclosure shall be in
20 writing by the official within 30 days after the communication
21 and shall be filed with the Division Board. Disclosure must
22 consist of the date of the communication, the identity and job
23 title of the person with whom the communication was made, a
24 brief summary of the communication, the action requested or
25 recommended, all responses made, the identity and job title of
26 the person making the response, and any other pertinent

1 information. Public disclosure of the written summary provided
2 to the Division Board ~~and the Gaming Board~~ shall be subject to
3 the exemptions provided under the Freedom of Information Act.

4 This subsection (j) shall not apply to communications
5 regarding traffic, law enforcement, security, environmental
6 issues, city services, transportation, or other routine
7 matters concerning the ordinary operations of the riverboat or
8 casino. For purposes of this subsection (j), "ordinary
9 operations" means operations relating to the casino or
10 riverboat facility other than the conduct of gambling
11 activities, and "routine matters" includes the application
12 for, issuance of, renewal of, and other processes associated
13 with municipal permits and licenses.

14 (k) Any official or employee who violates any provision of
15 this Section is guilty of a Class 4 felony.

16 (l) For purposes of this Section, "host community" or
17 "host municipality" means a unit of local government that
18 contains a riverboat or casino within its borders.

19 (Source: P.A. 101-31, eff. 6-28-19.)

20 (230 ILCS 10/6) (from Ch. 120, par. 2406)

21 Sec. 6. Application for owners license.

22 (a) A qualified person may apply to the Division Board ~~Board~~ for
23 an owners license to conduct a gambling operation as provided
24 in this Act. The application shall be made on forms provided by
25 the Division Board ~~Board~~ and shall contain such information as the

1 Division Board prescribes, including but not limited to the
2 identity of the riverboat on which such gambling operation is
3 to be conducted, if applicable, and the exact location where
4 such riverboat or casino will be located, a certification that
5 the riverboat will be registered under this Act at all times
6 during which gambling operations are conducted on board,
7 detailed information regarding the ownership and management of
8 the applicant, and detailed personal information regarding the
9 applicant. Any application for an owners license to be
10 re-issued on or after June 1, 2003 shall also include the
11 applicant's license bid in a form prescribed by the Division
12 Board. Information provided on the application shall be used
13 as a basis for a thorough background investigation which the
14 Division Board shall conduct with respect to each applicant.
15 An incomplete application shall be cause for denial of a
16 license by the Division Board.

17 (a-5) In addition to any other information required under
18 this Section, each application for an owners license must
19 include the following information:

20 (1) The history and success of the applicant and each
21 person and entity disclosed under subsection (c) of this
22 Section in developing tourism facilities ancillary to
23 gaming, if applicable.

24 (2) The likelihood that granting a license to the
25 applicant will lead to the creation of quality, living
26 wage jobs and permanent, full-time jobs for residents of

1 the State and residents of the unit of local government
2 that is designated as the home dock of the proposed
3 facility where gambling is to be conducted by the
4 applicant.

5 (3) The projected number of jobs that would be created
6 if the license is granted and the projected number of new
7 employees at the proposed facility where gambling is to be
8 conducted by the applicant.

9 (4) The record, if any, of the applicant and its
10 developer in meeting commitments to local agencies,
11 community-based organizations, and employees at other
12 locations where the applicant or its developer has
13 performed similar functions as they would perform if the
14 applicant were granted a license.

15 (5) Identification of adverse effects that might be
16 caused by the proposed facility where gambling is to be
17 conducted by the applicant, including the costs of meeting
18 increased demand for public health care, child care,
19 public transportation, affordable housing, and social
20 services, and a plan to mitigate those adverse effects.

21 (6) The record, if any, of the applicant and its
22 developer regarding compliance with:

23 (A) federal, state, and local discrimination, wage
24 and hour, disability, and occupational and
25 environmental health and safety laws; and

26 (B) state and local labor relations and employment

1 laws.

2 (7) The applicant's record, if any, in dealing with
3 its employees and their representatives at other
4 locations.

5 (8) A plan concerning the utilization of
6 minority-owned and women-owned businesses and concerning
7 the hiring of minorities and women.

8 (9) Evidence the applicant used its best efforts to
9 reach a goal of 25% ownership representation by minority
10 persons and 5% ownership representation by women.

11 (b) Applicants shall submit with their application all
12 documents, resolutions, and letters of support from the
13 governing body that represents the municipality or county
14 wherein the licensee will be located.

15 (c) Each applicant shall disclose the identity of every
16 person or entity having a greater than 1% direct or indirect
17 pecuniary interest in the gambling operation with respect to
18 which the license is sought. If the disclosed entity is a
19 trust, the application shall disclose the names and addresses
20 of all beneficiaries; if a corporation, the names and
21 addresses of all stockholders and directors; if a partnership,
22 the names and addresses of all partners, both general and
23 limited.

24 (d) An application shall be filed and considered in
25 accordance with the rules of the Division Board. Each
26 application shall be accompanied by a nonrefundable

1 application fee of \$250,000. In addition, a nonrefundable fee
2 of \$50,000 shall be paid at the time of filing to defray the
3 costs associated with the background investigation conducted
4 by the Division Board. If the costs of the investigation
5 exceed \$50,000, the applicant shall pay the additional amount
6 to the Division Board within 7 days after requested by the
7 Division Board. If the costs of the investigation are less
8 than \$50,000, the applicant shall receive a refund of the
9 remaining amount. All information, records, interviews,
10 reports, statements, memoranda or other data supplied to or
11 used by the Division Board in the course of its review or
12 investigation of an application for a license or a renewal
13 under this Act shall be privileged, strictly confidential and
14 shall be used only for the purpose of evaluating an applicant
15 for a license or a renewal. Such information, records,
16 interviews, reports, statements, memoranda or other data shall
17 not be admissible as evidence, nor discoverable in any action
18 of any kind in any court or before any tribunal, board, agency
19 or person, except for any action deemed necessary by the
20 Division Board. The application fee shall be deposited into
21 the State Gaming Fund.

22 (e) The Division Board shall charge each applicant a fee
23 set by the Department of State Police to defray the costs
24 associated with the search and classification of fingerprints
25 obtained by the Division Board with respect to the applicant's
26 application. These fees shall be paid into the State Police

1 Services Fund. In order to expedite the application process,
2 the Division Board may establish rules allowing applicants to
3 acquire criminal background checks and financial integrity
4 reviews as part of the initial application process from a list
5 of vendors approved by the Division Board.

6 (f) The licensed owner shall be the person primarily
7 responsible for the boat or casino itself. Only one gambling
8 operation may be authorized by the Division Board on any
9 riverboat or in any casino. The applicant must identify the
10 riverboat or premises it intends to use and certify that the
11 riverboat or premises: (1) has the authorized capacity
12 required in this Act; (2) is accessible to persons with
13 disabilities; and (3) is fully registered and licensed in
14 accordance with any applicable laws.

15 (g) A person who knowingly makes a false statement on an
16 application is guilty of a Class A misdemeanor.

17 (Source: P.A. 101-31, eff. 6-28-19.)

18 (230 ILCS 10/7) (from Ch. 120, par. 2407)

19 Sec. 7. Owners licenses.

20 (a) The Division Board shall issue owners licenses to
21 persons or entities that apply for such licenses upon payment
22 to the Division Board of the non-refundable license fee as
23 provided in subsection (e) or (e-5) and upon a determination
24 by the Division Board that the applicant is eligible for an
25 owners license pursuant to this Act and the rules of the

1 ~~Division Board.~~ From December 15, 2008 (the effective date of
2 Public Act 95-1008) ~~this amendatory Act of the 95th General~~
3 ~~Assembly~~ until (i) 3 years after December 15, 2008 (the
4 effective date of Public Act 95-1008) ~~this amendatory Act of~~
5 ~~the 95th General Assembly~~, (ii) the date any organization
6 licensee begins to operate a slot machine or video game of
7 chance under the Illinois Horse Racing Act of 1975 or this Act,
8 (iii) the date that payments begin under subsection (c-5) of
9 Section 13 of this Act, (iv) the wagering tax imposed under
10 Section 13 of this Act is increased by law to reflect a tax
11 rate that is at least as stringent or more stringent than the
12 tax rate contained in subsection (a-3) of Section 13, or (v)
13 when an owners licensee holding a license issued pursuant to
14 Section 7.1 of this Act begins conducting gaming, whichever
15 occurs first, as a condition of licensure and as an
16 alternative source of payment for those funds payable under
17 subsection (c-5) of Section 13 of this Act, any owners
18 licensee that holds or receives its owners license on or after
19 May 26, 2006 (the effective date of Public Act 94-804) ~~this~~
20 ~~amendatory Act of the 94th General Assembly~~, other than an
21 owners licensee operating a riverboat with adjusted gross
22 receipts in calendar year 2004 of less than \$200,000,000, must
23 pay into the Horse Racing Equity Trust Fund, in addition to any
24 other payments required under this Act, an amount equal to 3%
25 of the adjusted gross receipts received by the owners
26 licensee. The payments required under this Section shall be

1 made by the owners licensee to the State Treasurer no later
2 than 3:00 o'clock p.m. of the day after the day when the
3 adjusted gross receipts were received by the owners licensee.
4 A person or entity is ineligible to receive an owners license
5 if:

6 (1) the person has been convicted of a felony under
7 the laws of this State, any other state, or the United
8 States;

9 (2) the person has been convicted of any violation of
10 Article 28 of the Criminal Code of 1961 or the Criminal
11 Code of 2012, or substantially similar laws of any other
12 jurisdiction;

13 (3) the person has submitted an application for a
14 license under this Act which contains false information;

15 (4) (blank) ~~the person is a member of the Board;~~

16 (5) a person defined in (1), (2), (3), or (4) is an
17 officer, director, or managerial employee of the entity;

18 (6) the entity employs a person defined in (1), (2),
19 (3), or (4) who participates in the management or
20 operation of gambling operations authorized under this
21 Act;

22 (7) (blank); or

23 (8) a license of the person or entity issued under
24 this Act, or a license to own or operate gambling
25 facilities in any other jurisdiction, has been revoked.

26 The Division ~~Board~~ is expressly prohibited from making

1 changes to the requirement that licensees make payment into
2 the Horse Racing Equity Trust Fund without the express
3 authority of the Illinois General Assembly and making any
4 other rule to implement or interpret Public Act 95-1008 ~~this~~
5 ~~amendatory Act of the 95th General Assembly~~. For the purposes
6 of this paragraph, "rules" is given the meaning given to that
7 term in Section 1-70 of the Illinois Administrative Procedure
8 Act.

9 (b) In determining whether to grant an owners license to
10 an applicant, the Division ~~Board~~ shall consider:

11 (1) the character, reputation, experience, and
12 financial integrity of the applicants and of any other or
13 separate person that either:

14 (A) controls, directly or indirectly, such
15 applicant; ~~or~~

16 (B) is controlled, directly or indirectly, by such
17 applicant or by a person which controls, directly or
18 indirectly, such applicant;

19 (2) the facilities or proposed facilities for the
20 conduct of gambling;

21 (3) the highest prospective total revenue to be
22 derived by the State from the conduct of gambling;

23 (4) the extent to which the ownership of the applicant
24 reflects the diversity of the State by including minority
25 persons, women, and persons with a disability and the good
26 faith affirmative action plan of each applicant to

1 recruit, train and upgrade minority persons, women, and
2 persons with a disability in all employment
3 classifications; the Division Board shall further consider
4 granting an owners license and giving preference to an
5 applicant under this Section to applicants in which
6 minority persons and women hold ownership interest of at
7 least 16% and 4%, respectively;~~i-~~

8 (4.5) the extent to which the ownership of the
9 applicant includes veterans of service in the armed forces
10 of the United States, and the good faith affirmative
11 action plan of each applicant to recruit, train, and
12 upgrade veterans of service in the armed forces of the
13 United States in all employment classifications;

14 (5) the financial ability of the applicant to purchase
15 and maintain adequate liability and casualty insurance;

16 (6) whether the applicant has adequate capitalization
17 to provide and maintain, for the duration of a license, a
18 riverboat or casino;

19 (7) the extent to which the applicant exceeds or meets
20 other standards for the issuance of an owners license
21 which the Division Board may adopt by rule;

22 (8) the amount of the applicant's license bid;

23 (9) the extent to which the applicant or the proposed
24 host municipality plans to enter into revenue sharing
25 agreements with communities other than the host
26 municipality; and

1 (10) the extent to which the ownership of an applicant
2 includes the most qualified number of minority persons,
3 women, and persons with a disability.

4 (c) Each owners license shall specify the place where the
5 casino shall operate or the riverboat shall operate and dock.

6 (d) Each applicant shall submit with his or her
7 application, on forms provided by the Division Board, 2 sets
8 of his or her fingerprints.

9 (e) In addition to any licenses authorized under
10 subsection (e-5) of this Section, the Division Board may issue
11 up to 10 licenses authorizing the holders of such licenses to
12 own riverboats. In the application for an owners license, the
13 applicant shall state the dock at which the riverboat is based
14 and the water on which the riverboat will be located. The
15 Division Board shall issue 5 licenses to become effective not
16 earlier than January 1, 1991. Three of such licenses shall
17 authorize riverboat gambling on the Mississippi River, or,
18 with approval by the municipality in which the riverboat was
19 docked on August 7, 2003 and with Division Board approval, be
20 authorized to relocate to a new location, in a municipality
21 that (1) borders on the Mississippi River or is within 5 miles
22 of the city limits of a municipality that borders on the
23 Mississippi River and (2) on August 7, 2003, had a riverboat
24 conducting riverboat gambling operations pursuant to a license
25 issued under this Act; one of which shall authorize riverboat
26 gambling from a home dock in the city of East St. Louis; and

1 one of which shall authorize riverboat gambling from a home
2 dock in the City of Alton. One other license shall authorize
3 riverboat gambling on the Illinois River in the City of East
4 Peoria or, with Division ~~Board~~ approval, shall authorize
5 land-based gambling operations anywhere within the corporate
6 limits of the City of Peoria. The Division ~~Board~~ shall issue
7 one additional license to become effective not earlier than
8 March 1, 1992, which shall authorize riverboat gambling on the
9 Des Plaines River in Will County. The Division ~~Board~~ may issue
10 4 additional licenses to become effective not earlier than
11 March 1, 1992. In determining the water upon which riverboats
12 will operate, the Division ~~Board~~ shall consider the economic
13 benefit which riverboat gambling confers on the State, and
14 shall seek to assure that all regions of the State share in the
15 economic benefits of riverboat gambling.

16 In granting all licenses, the Division ~~Board~~ may give
17 favorable consideration to economically depressed areas of the
18 State, to applicants presenting plans which provide for
19 significant economic development over a large geographic area,
20 and to applicants who currently operate non-gambling
21 riverboats in Illinois. The Board shall review all
22 applications for owners licenses, and shall inform each
23 applicant of the Division's ~~Board's~~ decision. The Division
24 ~~Board~~ may grant an owners license to an applicant that has not
25 submitted the highest license bid, but if it does not select
26 the highest bidder, the Division ~~Board~~ shall issue a written

1 decision explaining why another applicant was selected and
2 identifying the factors set forth in this Section that favored
3 the winning bidder. The fee for issuance or renewal of a
4 license pursuant to this subsection (e) shall be \$250,000.

5 (e-5) In addition to licenses authorized under subsection
6 (e) of this Section:

7 (1) the Division Board may issue one owners license
8 authorizing the conduct of casino gambling in the City of
9 Chicago;

10 (2) the Division Board may issue one owners license
11 authorizing the conduct of riverboat gambling in the City
12 of Danville;

13 (3) the Division Board may issue one owners license
14 authorizing the conduct of riverboat gambling in the City
15 of Waukegan;

16 (4) the Division Board may issue one owners license
17 authorizing the conduct of riverboat gambling in the City
18 of Rockford;

19 (5) the Division Board may issue one owners license
20 authorizing the conduct of riverboat gambling in a
21 municipality that is wholly or partially located in one of
22 the following townships of Cook County: Bloom, Bremen,
23 Calumet, Rich, Thornton, or Worth Township; and

24 (6) the Division Board may issue one owners license
25 authorizing the conduct of riverboat gambling in the
26 unincorporated area of Williamson County adjacent to the

1 Big Muddy River.

2 Except for the license authorized under paragraph (1),
3 each application for a license pursuant to this subsection
4 (e-5) shall be submitted to the Division ~~Board~~ no later than
5 120 days after June 28, 2019 (the effective date of Public Act
6 101-31). All applications for a license under this subsection
7 (e-5) shall include the nonrefundable application fee and the
8 nonrefundable background investigation fee as provided in
9 subsection (d) of Section 6 of this Act. In the event that an
10 applicant submits an application for a license pursuant to
11 this subsection (e-5) prior to June 28, 2019 (the effective
12 date of Public Act 101-31), such applicant shall submit the
13 nonrefundable application fee and background investigation fee
14 as provided in subsection (d) of Section 6 of this Act no later
15 than 6 months after June 28, 2019 (the effective date of Public
16 Act 101-31).

17 The Division ~~Board~~ shall consider issuing a license
18 pursuant to paragraphs (1) through (6) of this subsection only
19 after the corporate authority of the municipality or the
20 county board of the county in which the riverboat or casino
21 shall be located has certified to the Division ~~Board~~ the
22 following:

23 (i) that the applicant has negotiated with the
24 corporate authority or county board in good faith;

25 (ii) that the applicant and the corporate authority or
26 county board have mutually agreed on the permanent

1 location of the riverboat or casino;

2 (iii) that the applicant and the corporate authority
3 or county board have mutually agreed on the temporary
4 location of the riverboat or casino;

5 (iv) that the applicant and the corporate authority or
6 the county board have mutually agreed on the percentage of
7 revenues that will be shared with the municipality or
8 county, if any;

9 (v) that the applicant and the corporate authority or
10 county board have mutually agreed on any zoning,
11 licensing, public health, or other issues that are within
12 the jurisdiction of the municipality or county;

13 (vi) that the corporate authority or county board has
14 passed a resolution or ordinance in support of the
15 riverboat or casino in the municipality or county;

16 (vii) the applicant for a license under paragraph (1)
17 has made a public presentation concerning its casino
18 proposal; and

19 (viii) the applicant for a license under paragraph (1)
20 has prepared a summary of its casino proposal and such
21 summary has been posted on a public website of the
22 municipality or the county.

23 At least 7 days before the corporate authority of a
24 municipality or county board of the county submits a
25 certification to the Division ~~Board~~ concerning items (i)
26 through (viii) of this subsection, it shall hold a public

1 hearing to discuss items (i) through (viii), as well as any
2 other details concerning the proposed riverboat or casino in
3 the municipality or county. The corporate authority or county
4 board must subsequently memorialize the details concerning the
5 proposed riverboat or casino in a resolution that must be
6 adopted by a majority of the corporate authority or county
7 board before any certification is sent to the Division Board.
8 The Division Board shall not alter, amend, change, or
9 otherwise interfere with any agreement between the applicant
10 and the corporate authority of the municipality or county
11 board of the county regarding the location of any temporary or
12 permanent facility.

13 In addition, within 10 days after June 28, 2019 (the
14 effective date of Public Act 101-31), the Board, with consent
15 and at the expense of the City of Chicago, shall select and
16 retain the services of a nationally recognized casino gaming
17 feasibility consultant. Within 45 days after June 28, 2019
18 (the effective date of Public Act 101-31), the consultant
19 shall prepare and deliver to the Board a study concerning the
20 feasibility of, and the ability to finance, a casino in the
21 City of Chicago. The feasibility study shall be delivered to
22 the Mayor of the City of Chicago, the Governor, the President
23 of the Senate, and the Speaker of the House of
24 Representatives. Ninety days after receipt of the feasibility
25 study, the Board shall make a determination, based on the
26 results of the feasibility study, whether to recommend to the

1 General Assembly that the terms of the license under paragraph
2 (1) of this subsection (e-5) should be modified. The Board may
3 begin accepting applications for the owners license under
4 paragraph (1) of this subsection (e-5) upon the determination
5 to issue such an owners license.

6 In addition, prior to the Division Board ~~Board~~ issuing the
7 owners license authorized under paragraph (4) of subsection
8 (e-5), an impact study shall be completed to determine what
9 location in the city will provide the greater impact to the
10 region, including the creation of jobs and the generation of
11 tax revenue.

12 (e-10) The licenses authorized under subsection (e-5) of
13 this Section shall be issued within 12 months after the date
14 the license application is submitted. If the Division Board ~~Board~~
15 does not issue the licenses within that time period, then the
16 Division Board ~~Board~~ shall give a written explanation to the
17 applicant as to why it has not reached a determination and when
18 it reasonably expects to make a determination. The fee for the
19 issuance or renewal of a license issued pursuant to this
20 subsection (e-10) shall be \$250,000. Additionally, a licensee
21 located outside of Cook County shall pay a minimum initial fee
22 of \$17,500 per gaming position, and a licensee located in Cook
23 County shall pay a minimum initial fee of \$30,000 per gaming
24 position. The initial fees payable under this subsection
25 (e-10) shall be deposited into the Rebuild Illinois Projects
26 Fund. If at any point after June 1, 2020 there are no pending

1 applications for a license under subsection (e-5) and not all
2 licenses authorized under subsection (e-5) have been issued,
3 then the Division Board shall reopen the license application
4 process for those licenses authorized under subsection (e-5)
5 that have not been issued. The Division Board shall follow the
6 licensing process provided in subsection (e-5) with all time
7 frames tied to the last date of a final order issued by the
8 Division Board under subsection (e-5) rather than the
9 effective date of the amendatory Act.

10 (e-15) Each licensee of a license authorized under
11 subsection (e-5) of this Section shall make a reconciliation
12 payment 3 years after the date the licensee begins operating
13 in an amount equal to 75% of the adjusted gross receipts for
14 the most lucrative 12-month period of operations, minus an
15 amount equal to the initial payment per gaming position paid
16 by the specific licensee. Each licensee shall pay a
17 \$15,000,000 reconciliation fee upon issuance of an owners
18 license. If this calculation results in a negative amount,
19 then the licensee is not entitled to any reimbursement of fees
20 previously paid. This reconciliation payment may be made in
21 installments over a period of no more than 6 years.

22 All payments by licensees under this subsection (e-15)
23 shall be deposited into the Rebuild Illinois Projects Fund.

24 (e-20) In addition to any other revocation powers granted
25 to the Division Board under this Act, the Division Board may
26 revoke the owners license of a licensee which fails to begin

1 conducting gambling within 15 months of receipt of the
2 Division's Board's approval of the application if the Division
3 ~~Board~~ determines that license revocation is in the best
4 interests of the State.

5 (f) The first 10 owners licenses issued under this Act
6 shall permit the holder to own up to 2 riverboats and equipment
7 thereon for a period of 3 years after the effective date of the
8 license. Holders of the first 10 owners licenses must pay the
9 annual license fee for each of the 3 years during which they
10 are authorized to own riverboats.

11 (g) Upon the termination, expiration, or revocation of
12 each of the first 10 licenses, which shall be issued for a
13 3-year period, all licenses are renewable annually upon
14 payment of the fee and a determination by the Division Board
15 that the licensee continues to meet all of the requirements of
16 this Act and the Division's Board's rules. However, for
17 licenses renewed on or after May 1, 1998, renewal shall be for
18 a period of 4 years, unless the Division Board sets a shorter
19 period.

20 (h) An owners license, except for an owners license issued
21 under subsection (e-5) of this Section, shall entitle the
22 licensee to own up to 2 riverboats.

23 An owners licensee of a casino or riverboat that is
24 located in the City of Chicago pursuant to paragraph (1) of
25 subsection (e-5) of this Section shall limit the number of
26 gaming positions to 4,000 for such owner. An owners licensee

1 authorized under subsection (e) or paragraph (2), (3), (4), or
2 (5) of subsection (e-5) of this Section shall limit the number
3 of gaming positions to 2,000 for any such owners license. An
4 owners licensee authorized under paragraph (6) of subsection
5 (e-5) of this Section shall limit the number of gaming
6 positions to 1,200 for such owner. The initial fee for each
7 gaming position obtained on or after June 28, 2019 (the
8 effective date of Public Act 101-31) shall be a minimum of
9 \$17,500 for licensees not located in Cook County and a minimum
10 of \$30,000 for licensees located in Cook County, in addition
11 to the reconciliation payment, as set forth in subsection
12 (e-15) of this Section. The fees under this subsection (h)
13 shall be deposited into the Rebuild Illinois Projects Fund.
14 The fees under this subsection (h) that are paid by an owners
15 licensee authorized under subsection (e) shall be paid by July
16 1, 2021.

17 Each owners licensee under subsection (e) of this Section
18 shall reserve its gaming positions within 30 days after June
19 28, 2019 (the effective date of Public Act 101-31). The
20 Division Board may grant an extension to this 30-day period,
21 provided that the owners licensee submits a written request
22 and explanation as to why it is unable to reserve its positions
23 within the 30-day period.

24 Each owners licensee under subsection (e-5) of this
25 Section shall reserve its gaming positions within 30 days
26 after issuance of its owners license. The Division Board may

1 grant an extension to this 30-day period, provided that the
2 owners licensee submits a written request and explanation as
3 to why it is unable to reserve its positions within the 30-day
4 period.

5 A licensee may operate both of its riverboats
6 concurrently, provided that the total number of gaming
7 positions on both riverboats does not exceed the limit
8 established pursuant to this subsection. Riverboats licensed
9 to operate on the Mississippi River and the Illinois River
10 south of Marshall County shall have an authorized capacity of
11 at least 500 persons. Any other riverboat licensed under this
12 Act shall have an authorized capacity of at least 400 persons.

13 (h-5) An owners licensee who conducted gambling operations
14 prior to January 1, 2012 and obtains positions pursuant to
15 Public Act 101-31 shall make a reconciliation payment 3 years
16 after any additional gaming positions begin operating in an
17 amount equal to 75% of the owners licensee's average gross
18 receipts for the most lucrative 12-month period of operations
19 minus an amount equal to the initial fee that the owners
20 licensee paid per additional gaming position. For purposes of
21 this subsection (h-5), "average gross receipts" means (i) the
22 increase in adjusted gross receipts for the most lucrative
23 12-month period of operations over the adjusted gross receipts
24 for 2019, multiplied by (ii) the percentage derived by
25 dividing the number of additional gaming positions that an
26 owners licensee had obtained by the total number of gaming

1 positions operated by the owners licensee. If this calculation
2 results in a negative amount, then the owners licensee is not
3 entitled to any reimbursement of fees previously paid. This
4 reconciliation payment may be made in installments over a
5 period of no more than 6 years. These reconciliation payments
6 shall be deposited into the Rebuild Illinois Projects Fund.

7 (i) A licensed owner is authorized to apply to the
8 Division Board for and, if approved therefor, to receive all
9 licenses from the Division Board necessary for the operation
10 of a riverboat or casino, including a liquor license, a
11 license to prepare and serve food for human consumption, and
12 other necessary licenses. All use, occupation, and excise
13 taxes which apply to the sale of food and beverages in this
14 State and all taxes imposed on the sale or use of tangible
15 personal property apply to such sales aboard the riverboat or
16 in the casino.

17 (j) The Division Board may issue or re-issue a license
18 authorizing a riverboat to dock in a municipality or approve a
19 relocation under Section 11.2 only if, prior to the issuance
20 or re-issuance of the license or approval, the governing body
21 of the municipality in which the riverboat will dock has by a
22 majority vote approved the docking of riverboats in the
23 municipality. The Division Board may issue or re-issue a
24 license authorizing a riverboat to dock in areas of a county
25 outside any municipality or approve a relocation under Section
26 11.2 only if, prior to the issuance or re-issuance of the

1 license or approval, the governing body of the county has by a
2 majority vote approved of the docking of riverboats within
3 such areas.

4 (k) An owners licensee may conduct land-based gambling
5 operations upon approval by the Division Board and payment of
6 a fee of \$250,000, which shall be deposited into the State
7 Gaming Fund.

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
13 an owners licensee and upon a showing of good cause by the
14 owners licensee, the Division Board shall extend the period
15 during which the licensee may conduct gaming at a temporary
16 facility by up to 12 months. The Division Board shall make
17 rules concerning the conduct of gaming from temporary
18 facilities.

19 (Source: P.A. 100-391, eff. 8-25-17; 100-1152, eff. 12-14-18;
20 101-31, eff. 6-28-19; 101-648, eff. 6-30-20; revised 8-19-20.)

21 (230 ILCS 10/7.1)

22 Sec. 7.1. Re-issuance of revoked or non-renewed owners
23 licenses.

24 (a) If an owners license terminates or expires without
25 renewal or the Division Board revokes or determines not to

1 renew an owners license (including, without limitation, an
2 owners license for a licensee that was not conducting
3 riverboat gambling operations on January 1, 1998) and that
4 revocation or determination is final, the Division Board may
5 re-issue such license to a qualified applicant pursuant to an
6 open and competitive bidding process, as set forth in Section
7 7.5, and subject to the maximum number of authorized licenses
8 set forth in Section 7(e).

9 (b) To be a qualified applicant, a person, firm, or
10 corporation cannot be ineligible to receive an owners license
11 under Section 7(a) and must submit an application for an
12 owners license that complies with Section 6. Each such
13 applicant must also submit evidence to the Division Board that
14 minority persons and women hold ownership interests in the
15 applicant of at least 16% and 4% respectively.

16 (c) Notwithstanding anything to the contrary in Section
17 7(e), an applicant may apply to the Division Board for
18 approval of relocation of a re-issued license to a new home
19 dock location authorized under Section 3(c) upon receipt of
20 the approval from the municipality or county, as the case may
21 be, pursuant to Section 7(j).

22 (d) In determining whether to grant a re-issued owners
23 license to an applicant, the Division Board shall consider all
24 of the factors set forth in Sections 7(b) and (e) as well as
25 the amount of the applicant's license bid. The Division Board
26 may grant the re-issued owners license to an applicant that

1 has not submitted the highest license bid, but if it does not
2 select the highest bidder, the Division Board shall issue a
3 written decision explaining why another applicant was selected
4 and identifying the factors set forth in Sections 7(b) and (e)
5 that favored the winning bidder.

6 (e) Re-issued owners licenses shall be subject to annual
7 license fees as provided for in Section 7(a) and shall be
8 governed by the provisions of Sections 7(f), (g), (h), and
9 (i).

10 (Source: P.A. 100-391, eff. 8-25-17.)

11 (230 ILCS 10/7.3)

12 Sec. 7.3. State conduct of gambling operations.

13 (a) If, after reviewing each application for a re-issued
14 license, the Division Board determines that the highest
15 prospective total revenue to the State would be derived from
16 State conduct of the gambling operation in lieu of re-issuing
17 the license, the Division Board shall inform each applicant of
18 its decision. The Division Board shall thereafter have the
19 authority, without obtaining an owners license, to conduct
20 casino or riverboat gambling operations as previously
21 authorized by the terminated, expired, revoked, or nonrenewed
22 license through a licensed manager selected pursuant to an
23 open and competitive bidding process as set forth in Section
24 7.5 and as provided in Section 7.4.

25 (b) The Division Board may locate any casino or riverboat

1 on which a gambling operation is conducted by the State in any
2 home dock or other location authorized by Section 3(c) upon
3 receipt of approval from a majority vote of the governing body
4 of the municipality or county, as the case may be, in which the
5 riverboat will dock.

6 (c) The Division ~~Board~~ shall have jurisdiction over and
7 shall supervise all gambling operations conducted by the State
8 provided for in this Act and shall have all powers necessary
9 and proper to fully and effectively execute the provisions of
10 this Act relating to gambling operations conducted by the
11 State.

12 (d) The maximum number of owners licenses authorized under
13 Section 7 shall be reduced by one for each instance in which
14 the Division ~~Board~~ authorizes the State to conduct a casino or
15 riverboat gambling operation under subsection (a) in lieu of
16 re-issuing a license to an applicant under Section 7.1.

17 (Source: P.A. 101-31, eff. 6-28-19.)

18 (230 ILCS 10/7.4)

19 Sec. 7.4. Managers licenses.

20 (a) A qualified person may apply to the Division ~~Board~~ for
21 a managers license to operate and manage any gambling
22 operation conducted by the State. The application shall be
23 made on forms provided by the Division ~~Board~~ and shall contain
24 such information as the Division ~~Board~~ prescribes, including
25 but not limited to information required in Sections 6(a), (b),

1 and (c) and information relating to the applicant's proposed
2 price to manage State gambling operations and to provide the
3 riverboat, gambling equipment, and supplies necessary to
4 conduct State gambling operations.

5 (b) Each applicant must submit evidence to the Division
6 ~~Board~~ that minority persons and women hold ownership interests
7 in the applicant of at least 16% and 4%, respectively.

8 (c) A person, firm, or corporation is ineligible to
9 receive a managers license if:

10 (1) the person has been convicted of a felony under
11 the laws of this State, any other state, or the United
12 States;

13 (2) the person has been convicted of any violation of
14 Article 28 of the Criminal Code of 1961 or the Criminal
15 Code of 2012, or substantially similar laws of any other
16 jurisdiction;

17 (3) the person has submitted an application for a
18 license under this Act which contains false information;

19 (4) (blank) ~~the person is a member of the Board;~~

20 (5) a person defined in (1), (2), (3), or (4) is an
21 officer, director, or managerial employee of the firm or
22 corporation;

23 (6) the firm or corporation employs a person defined
24 in (1), (2), (3), or (4) who participates in the
25 management or operation of gambling operations authorized
26 under this Act; or

1 (7) a license of the person, firm, or corporation
2 issued under this Act, or a license to own or operate
3 gambling facilities in any other jurisdiction, has been
4 revoked.

5 (d) Each applicant shall submit with his or her
6 application, on forms prescribed by the Division Board, 2 sets
7 of his or her fingerprints.

8 (e) The Division Board shall charge each applicant a fee,
9 set by the Division Board, to defray the costs associated with
10 the background investigation conducted by the Division Board.

11 (f) A person who knowingly makes a false statement on an
12 application is guilty of a Class A misdemeanor.

13 (g) The managers license shall be for a term not to exceed
14 10 years, shall be renewable at the Division's Board's option,
15 and shall contain such terms and provisions as the Division
16 ~~Board~~ deems necessary to protect or enhance the credibility
17 and integrity of State gambling operations, achieve the
18 highest prospective total revenue to the State, and otherwise
19 serve the interests of the citizens of Illinois.

20 (h) Issuance of a managers license shall be subject to an
21 open and competitive bidding process. The Division Board may
22 select an applicant other than the lowest bidder by price. If
23 it does not select the lowest bidder, the Division Board shall
24 issue a notice of who the lowest bidder was and a written
25 decision as to why another bidder was selected.

26 (Source: P.A. 100-391, eff. 8-25-17.)

1 (230 ILCS 10/7.5)

2 Sec. 7.5. Competitive bidding. When the Division Board
3 determines that (i) it will re-issue an owners license
4 pursuant to an open and competitive bidding process, as set
5 forth in Section 7.1, (ii) it will issue a managers license
6 pursuant to an open and competitive bidding process, as set
7 forth in Section 7.4, or (iii) it will issue an owners license
8 pursuant to an open and competitive bidding process, as set
9 forth in Section 7.12, the open and competitive bidding
10 process shall adhere to the following procedures:

11 (1) The Division Board shall make applications for
12 owners and managers licenses available to the public and
13 allow a reasonable time for applicants to submit
14 applications to the Division Board.

15 (2) During the filing period for owners or managers
16 license applications, the Division Board may retain the
17 services of an investment banking firm to assist the
18 Division Board in conducting the open and competitive
19 bidding process.

20 (3) After receiving all of the bid proposals, the
21 Division Board shall open all of the proposals in a public
22 forum and disclose the prospective owners or managers
23 names, venture partners, if any, and, in the case of
24 applicants for owners licenses, the locations of the
25 proposed development sites.

1 (4) The Division Board shall summarize the terms of
2 the proposals and may make this summary available to the
3 public.

4 (5) The Division Board shall evaluate the proposals
5 within a reasonable time and select no more than 3 final
6 applicants to make presentations of their proposals to the
7 Division Board.

8 (6) The final applicants shall make their
9 presentations to the Division Board on the same day during
10 an open session of the Division Board.

11 (7) As soon as practicable after the public
12 presentations by the final applicants, the Division Board,
13 in its discretion, may conduct further negotiations among
14 the 3 final applicants. During such negotiations, each
15 final applicant may increase its license bid or otherwise
16 enhance its bid proposal. At the conclusion of such
17 negotiations, the Division Board shall select the winning
18 proposal. In the case of negotiations for an owners
19 license, the Division Board may, at the conclusion of such
20 negotiations, make the determination allowed under Section
21 7.3(a).

22 (8) Upon selection of a winning bid, the Division
23 ~~Board~~ shall evaluate the winning bid within a reasonable
24 period of time for licensee suitability in accordance with
25 all applicable statutory and regulatory criteria.

26 (9) If the winning bidder is unable or otherwise fails

1 to consummate the transaction, (including if the Division
2 ~~Board~~ determines that the winning bidder does not satisfy
3 the suitability requirements), the Division ~~Board~~ may, on
4 the same criteria, select from the remaining bidders or
5 make the determination allowed under Section 7.3(a).

6 (Source: P.A. 101-31, eff. 6-28-19.)

7 (230 ILCS 10/7.6)

8 Sec. 7.6. Business enterprise program.

9 (a) For the purposes of this Section, the terms
10 "minority", "minority-owned business", "woman", "women-owned
11 business", "person with a disability", and "business owned by
12 a person with a disability" have the meanings ascribed to them
13 in the Business Enterprise for Minorities, Women, and Persons
14 with Disabilities Act.

15 (b) The Division ~~Board~~ shall, by rule, establish goals for
16 the award of contracts by each owners licensee to businesses
17 owned by minorities, women, and persons with disabilities,
18 expressed as percentages of an owners licensee's total dollar
19 amount of contracts awarded during each calendar year. Each
20 owners licensee must make every effort to meet the goals
21 established by the Division ~~Board~~ pursuant to this Section.
22 When setting the goals for the award of contracts, the
23 Division ~~Board~~ shall not include contracts where: (1) any
24 purchasing mandates would be dependent upon the availability
25 of minority-owned businesses, women-owned businesses, and

1 businesses owned by persons with disabilities ready, willing,
2 and able with capacity to provide quality goods and services
3 to a gaming operation at reasonable prices; (2) there are no or
4 a limited number of licensed suppliers as defined by this Act
5 for the goods or services provided to the licensee; (3) the
6 licensee or its parent company owns a company that provides
7 the goods or services; or (4) the goods or services are
8 provided to the licensee by a publicly traded company.

9 (c) Each owners licensee shall file with the Division
10 ~~Board~~ an annual report of its utilization of minority-owned
11 businesses, women-owned businesses, and businesses owned by
12 persons with disabilities during the preceding calendar year.
13 The reports shall include a self-evaluation of the efforts of
14 the owners licensee to meet its goals under this Section.

15 (c-5) The Division ~~Board~~ shall, by rule, establish goals
16 for the award of contracts by each owners licensee to
17 businesses owned by veterans of service in the armed forces of
18 the United States, expressed as percentages of an owners
19 licensee's total dollar amount of contracts awarded during
20 each calendar year. When setting the goals for the award of
21 contracts, the Division ~~Board~~ shall not include contracts
22 where: (1) any purchasing mandates would be dependent upon the
23 availability of veteran-owned businesses ready, willing, and
24 able with capacity to provide quality goods and services to a
25 gaming operation at reasonable prices; (2) there are no or a
26 limited number of licensed suppliers as defined in this Act

1 for the goods or services provided to the licensee; (3) the
2 licensee or its parent company owns a company that provides
3 the goods or services; or (4) the goods or services are
4 provided to the licensee by a publicly traded company.

5 Each owners licensee shall file with the Division Board an
6 annual report of its utilization of veteran-owned businesses
7 during the preceding calendar year. The reports shall include
8 a self-evaluation of the efforts of the owners licensee to
9 meet its goals under this Section.

10 (d) The owners licensee shall have the right to request a
11 waiver from the requirements of this Section. The Division
12 ~~Board~~ shall grant the waiver where the owners licensee
13 demonstrates that there has been made a good faith effort to
14 comply with the goals for participation by minority-owned
15 businesses, women-owned businesses, businesses owned by
16 persons with disabilities, and veteran-owned businesses.

17 (e) If the Division Board determines that its goals and
18 policies are not being met by any owners licensee, then the
19 Division Board may:

20 (1) adopt remedies for such violations; and

21 (2) recommend that the owners licensee provide
22 additional opportunities for participation by
23 minority-owned businesses, women-owned businesses,
24 businesses owned by persons with disabilities, and
25 veteran-owned businesses; such recommendations may
26 include, but shall not be limited to:

1 (A) assurances of stronger and better focused
2 solicitation efforts to obtain more minority-owned
3 businesses, women-owned businesses, businesses owned
4 by persons with disabilities, and veteran-owned
5 businesses as potential sources of supply;

6 (B) division of job or project requirements, when
7 economically feasible, into tasks or quantities to
8 permit participation of minority-owned businesses,
9 women-owned businesses, businesses owned by persons
10 with disabilities, and veteran-owned businesses;

11 (C) elimination of extended experience or
12 capitalization requirements, when programmatically
13 feasible, to permit participation of minority-owned
14 businesses, women-owned businesses, businesses owned
15 by persons with disabilities, and veteran-owned
16 businesses;

17 (D) identification of specific proposed contracts
18 as particularly attractive or appropriate for
19 participation by minority-owned businesses,
20 women-owned businesses, businesses owned by persons
21 with disabilities, and veteran-owned businesses, such
22 identification to result from and be coupled with the
23 efforts of items (A) through (C); and

24 (E) implementation of regulations established for
25 the use of the sheltered market process.

26 (f) The Division Board shall file, no later than March 1 of

1 each year, an annual report that shall detail the level of
2 achievement toward the goals specified in this Section over
3 the 3 most recent fiscal years. The annual report shall
4 include, but need not be limited to:

5 (1) a summary detailing expenditures subject to the
6 goals, the actual goals specified, and the goals attained
7 by each owners licensee; and

8 (2) an analysis of the level of overall goal
9 achievement concerning purchases from minority-owned
10 businesses, women-owned businesses, businesses owned by
11 persons with disabilities, and veteran-owned businesses.

12 (Source: P.A. 99-78, eff. 7-20-15; 100-391, eff. 8-25-17;
13 100-1152, eff. 12-14-18.)

14 (230 ILCS 10/7.7)

15 Sec. 7.7. Organization gaming licenses.

16 (a) The Division ~~Illinois Gaming Board~~ shall award one
17 organization gaming license to each person or entity having
18 operating control of a racetrack that applies under Section 56
19 of the Illinois Horse Racing Act of 1975, subject to the
20 application and eligibility requirements of this Section.
21 Within 60 days after the effective date of this amendatory Act
22 of the 101st General Assembly, a person or entity having
23 operating control of a racetrack may submit an application for
24 an organization gaming license. The application shall be made
25 on such forms as provided by the Division ~~Board~~ and shall

1 contain such information as the Division Board prescribes,
2 including, but not limited to, the identity of any racetrack
3 at which gaming will be conducted pursuant to an organization
4 gaming license, detailed information regarding the ownership
5 and management of the applicant, and detailed personal
6 information regarding the applicant. The application shall
7 specify the number of gaming positions the applicant intends
8 to use and the place where the organization gaming facility
9 will operate. A person who knowingly makes a false statement
10 on an application is guilty of a Class A misdemeanor.

11 Each applicant shall disclose the identity of every person
12 or entity having a direct or indirect pecuniary interest
13 greater than 1% in any racetrack with respect to which the
14 license is sought. If the disclosed entity is a corporation,
15 the applicant shall disclose the names and addresses of all
16 officers, stockholders, and directors. If the disclosed entity
17 is a limited liability company, the applicant shall disclose
18 the names and addresses of all members and managers. If the
19 disclosed entity is a partnership, the applicant shall
20 disclose the names and addresses of all partners, both general
21 and limited. If the disclosed entity is a trust, the applicant
22 shall disclose the names and addresses of all beneficiaries.

23 An application shall be filed and considered in accordance
24 with the rules of the Division Board. Each application for an
25 organization gaming license shall include a nonrefundable
26 application fee of \$250,000. In addition, a nonrefundable fee

1 of \$50,000 shall be paid at the time of filing to defray the
2 costs associated with background investigations conducted by
3 the Division Board. If the costs of the background
4 investigation exceed \$50,000, the applicant shall pay the
5 additional amount to the Division Board within 7 days after a
6 request by the Division Board. If the costs of the
7 investigation are less than \$50,000, the applicant shall
8 receive a refund of the remaining amount. All information,
9 records, interviews, reports, statements, memoranda, or other
10 data supplied to or used by the Division Board in the course of
11 this review or investigation of an applicant for an
12 organization gaming license under this Act shall be privileged
13 and strictly confidential and shall be used only for the
14 purpose of evaluating an applicant for an organization gaming
15 license or a renewal. Such information, records, interviews,
16 reports, statements, memoranda, or other data shall not be
17 admissible as evidence nor discoverable in any action of any
18 kind in any court or before any tribunal, board, agency or
19 person, except for any action deemed necessary by the Division
20 Board. The application fee shall be deposited into the State
21 Gaming Fund.

22 Any applicant or key person, including the applicant's
23 owners, officers, directors (if a corporation), managers and
24 members (if a limited liability company), and partners (if a
25 partnership), for an organization gaming license shall have
26 his or her fingerprints submitted to the Department of State

1 Police in an electronic format that complies with the form and
2 manner for requesting and furnishing criminal history record
3 information as prescribed by the Department of State Police.
4 These fingerprints shall be checked against the Department of
5 State Police and Federal Bureau of Investigation criminal
6 history record databases now and hereafter filed, including,
7 but not limited to, civil, criminal, and latent fingerprint
8 databases. The Department of State Police shall charge
9 applicants a fee for conducting the criminal history records
10 check, which shall be deposited into the State Police Services
11 Fund and shall not exceed the actual cost of the records check.
12 The Department of State Police shall furnish, pursuant to
13 positive identification, records of Illinois criminal history
14 to the Department.

15 (b) The Division Board shall determine within 120 days
16 after receiving an application for an organization gaming
17 license whether to grant an organization gaming license to the
18 applicant. If the Division Board does not make a determination
19 within that time period, then the Division Board shall give a
20 written explanation to the applicant as to why it has not
21 reached a determination and when it reasonably expects to make
22 a determination.

23 The organization gaming licensee shall purchase up to the
24 amount of gaming positions authorized under this Act within
25 120 days after receiving its organization gaming license. If
26 an organization gaming licensee is prepared to purchase the

1 gaming positions, but is temporarily prohibited from doing so
2 by order of a court of competent jurisdiction or the Division
3 ~~Board~~, then the 120-day period is tolled until a resolution is
4 reached.

5 An organization gaming license shall authorize its holder
6 to conduct gaming under this Act at its racetracks on the same
7 days of the year and hours of the day that owners licenses are
8 allowed to operate under approval of the Division Board.

9 An organization gaming license and any renewal of an
10 organization gaming license shall authorize gaming pursuant to
11 this Section for a period of 4 years. The fee for the issuance
12 or renewal of an organization gaming license shall be
13 \$250,000.

14 All payments by licensees under this subsection (b) shall
15 be deposited into the Rebuild Illinois Projects Fund.

16 (c) To be eligible to conduct gaming under this Section, a
17 person or entity having operating control of a racetrack must
18 (i) obtain an organization gaming license, (ii) hold an
19 organization license under the Illinois Horse Racing Act of
20 1975, (iii) hold an inter-track wagering license, (iv) pay an
21 initial fee of \$30,000 per gaming position from organization
22 gaming licensees where gaming is conducted in Cook County and,
23 except as provided in subsection (c-5), \$17,500 for
24 organization gaming licensees where gaming is conducted
25 outside of Cook County before beginning to conduct gaming plus
26 make the reconciliation payment required under subsection (k),

1 (v) conduct live racing in accordance with subsections (e-1),
2 (e-2), and (e-3) of Section 20 of the Illinois Horse Racing Act
3 of 1975, (vi) meet the requirements of subsection (a) of
4 Section 56 of the Illinois Horse Racing Act of 1975, (vii) for
5 organization licensees conducting standardbred race meetings,
6 keep backstretch barns and dormitories open and operational
7 year-round unless a lesser schedule is mutually agreed to by
8 the organization licensee and the horsemen association racing
9 at that organization licensee's race meeting, (viii) for
10 organization licensees conducting thoroughbred race meetings,
11 the organization licensee must maintain accident medical
12 expense liability insurance coverage of \$1,000,000 for
13 jockeys, and (ix) meet all other requirements of this Act that
14 apply to owners licensees.

15 An organization gaming licensee may enter into a joint
16 venture with a licensed owner to own, manage, conduct, or
17 otherwise operate the organization gaming licensee's
18 organization gaming facilities, unless the organization gaming
19 licensee has a parent company or other affiliated company that
20 is, directly or indirectly, wholly owned by a parent company
21 that is also licensed to conduct organization gaming, casino
22 gaming, or their equivalent in another state.

23 All payments by licensees under this subsection (c) shall
24 be deposited into the Rebuild Illinois Projects Fund.

25 (c-5) A person or entity having operating control of a
26 racetrack located in Madison County shall only pay the initial

1 fees specified in subsection (c) for 540 of the gaming
2 positions authorized under the license.

3 (d) A person or entity is ineligible to receive an
4 organization gaming license if:

5 (1) the person or entity has been convicted of a
6 felony under the laws of this State, any other state, or
7 the United States, including a conviction under the
8 Racketeer Influenced and Corrupt Organizations Act;

9 (2) the person or entity has been convicted of any
10 violation of Article 28 of the Criminal Code of 2012, or
11 substantially similar laws of any other jurisdiction;

12 (3) the person or entity has submitted an application
13 for a license under this Act that contains false
14 information;

15 (4) (blank) the person is a member of the Board;

16 (5) a person defined in (1), (2), (3), or (4) of this
17 subsection (d) is an officer, director, or managerial
18 employee of the entity;

19 (6) the person or entity employs a person defined in
20 (1), (2), (3), or (4) of this subsection (d) who
21 participates in the management or operation of gambling
22 operations authorized under this Act; or

23 (7) a license of the person or entity issued under
24 this Act or a license to own or operate gambling
25 facilities in any other jurisdiction has been revoked.

26 (e) The Division ~~Board~~ may approve gaming positions

1 pursuant to an organization gaming license statewide as
2 provided in this Section. The authority to operate gaming
3 positions under this Section shall be allocated as follows: up
4 to 1,200 gaming positions for any organization gaming licensee
5 in Cook County and up to 900 gaming positions for any
6 organization gaming licensee outside of Cook County.

7 (f) Each applicant for an organization gaming license
8 shall specify in its application for licensure the number of
9 gaming positions it will operate, up to the applicable
10 limitation set forth in subsection (e) of this Section. Any
11 unreserved gaming positions that are not specified shall be
12 forfeited and retained by the Division Board. For the purposes
13 of this subsection (f), an organization gaming licensee that
14 did not conduct live racing in 2010 and is located within 3
15 miles of the Mississippi River may reserve up to 900 positions
16 and shall not be penalized under this Section for not
17 operating those positions until it meets the requirements of
18 subsection (e) of this Section, but such licensee shall not
19 request unreserved gaming positions under this subsection (f)
20 until its 900 positions are all operational.

21 Thereafter, the Division Board shall publish the number of
22 unreserved gaming positions and shall accept requests for
23 additional positions from any organization gaming licensee
24 that initially reserved all of the positions that were
25 offered. The Division Board shall allocate expeditiously the
26 unreserved gaming positions to requesting organization gaming

1 licensees in a manner that maximizes revenue to the State. The
2 Division Board may allocate any such unused gaming positions
3 pursuant to an open and competitive bidding process, as
4 provided under Section 7.5 of this Act. This process shall
5 continue until all unreserved gaming positions have been
6 purchased. All positions obtained pursuant to this process and
7 all positions the organization gaming licensee specified it
8 would operate in its application must be in operation within
9 18 months after they were obtained or the organization gaming
10 licensee forfeits the right to operate those positions, but is
11 not entitled to a refund of any fees paid. The Division Board
12 may, after holding a public hearing, grant extensions so long
13 as the organization gaming licensee is working in good faith
14 to make the positions operational. The extension may be for a
15 period of 6 months. If, after the period of the extension, the
16 organization gaming licensee has not made the positions
17 operational, then another public hearing must be held by the
18 Division Board before it may grant another extension.

19 Unreserved gaming positions retained from and allocated to
20 organization gaming licensees by the Division Board pursuant
21 to this subsection (f) shall not be allocated to owners
22 licensees under this Act.

23 For the purpose of this subsection (f), the unreserved
24 gaming positions for each organization gaming licensee shall
25 be the applicable limitation set forth in subsection (e) of
26 this Section, less the number of reserved gaming positions by

1 such organization gaming licensee, and the total unreserved
2 gaming positions shall be the aggregate of the unreserved
3 gaming positions for all organization gaming licensees.

4 (g) An organization gaming licensee is authorized to
5 conduct the following at a racetrack:

6 (1) slot machine gambling;

7 (2) video game of chance gambling;

8 (3) gambling with electronic gambling games as defined
9 in this Act or defined by the Division Illinois Gaming
10 Board; and

11 (4) table games.

12 (h) Subject to the approval of the Division Illinois
13 Gaming Board, an organization gaming licensee may make
14 modification or additions to any existing buildings and
15 structures to comply with the requirements of this Act. The
16 Division Illinois Gaming Board shall make its decision after
17 consulting with the Division of Horse Racing Illinois Racing
18 Board. In no case, however, shall the Division Illinois Gaming
19 Board approve any modification or addition that alters the
20 grounds of the organization licensee such that the act of live
21 racing is an ancillary activity to gaming authorized under
22 this Section. Gaming authorized under this Section may take
23 place in existing structures where inter-track wagering is
24 conducted at the racetrack or a facility within 300 yards of
25 the racetrack in accordance with the provisions of this Act
26 and the Illinois Horse Racing Act of 1975.

1 (i) An organization gaming licensee may conduct gaming at
2 a temporary facility pending the construction of a permanent
3 facility or the remodeling or relocation of an existing
4 facility to accommodate gaming participants for up to 24
5 months after the temporary facility begins to conduct gaming
6 authorized under this Section. Upon request by an organization
7 gaming licensee and upon a showing of good cause by the
8 organization gaming licensee, the Division Board shall extend
9 the period during which the licensee may conduct gaming
10 authorized under this Section at a temporary facility by up to
11 12 months. The Division Board shall make rules concerning the
12 conduct of gaming authorized under this Section from temporary
13 facilities.

14 The gaming authorized under this Section may take place in
15 existing structures where inter-track wagering is conducted at
16 the racetrack or a facility within 300 yards of the racetrack
17 in accordance with the provisions of this Act and the Illinois
18 Horse Racing Act of 1975.

19 (i-5) Under no circumstances shall an organization gaming
20 licensee conduct gaming at any State or county fair.

21 (j) The Division ~~Illinois Gaming Board~~ must adopt
22 emergency rules in accordance with Section 5-45 of the
23 Illinois Administrative Procedure Act as necessary to ensure
24 compliance with the provisions of this amendatory Act of the
25 101st General Assembly concerning the conduct of gaming by an
26 organization gaming licensee. The adoption of emergency rules

1 authorized by this subsection (j) shall be deemed to be
2 necessary for the public interest, safety, and welfare.

3 (k) Each organization gaming licensee who obtains gaming
4 positions must make a reconciliation payment 3 years after the
5 date the organization gaming licensee begins operating the
6 positions in an amount equal to 75% of the difference between
7 its adjusted gross receipts from gaming authorized under this
8 Section and amounts paid to its purse accounts pursuant to
9 item (1) of subsection (b) of Section 56 of the Illinois Horse
10 Racing Act of 1975 for the 12-month period for which such
11 difference was the largest, minus an amount equal to the
12 initial per position fee paid by the organization gaming
13 licensee. If this calculation results in a negative amount,
14 then the organization gaming licensee is not entitled to any
15 reimbursement of fees previously paid. This reconciliation
16 payment may be made in installments over a period of no more
17 than 6 years.

18 All payments by licensees under this subsection (k) shall
19 be deposited into the Rebuild Illinois Projects Fund.

20 (l) As soon as practical after a request is made by the
21 Division ~~Illinois Gaming Board~~, to minimize duplicate
22 submissions by the applicant, the Division of Horse Racing
23 ~~Illinois Racing Board~~ must provide information on an applicant
24 for an organization gaming license to the Division ~~Illinois~~
25 ~~Gaming Board~~.

26 (Source: P.A. 101-31, eff. 6-28-19; 101-597, eff. 12-6-19;

1 101-648, eff. 6-30-20.)

2 (230 ILCS 10/7.10)

3 Sec. 7.10. Diversity program.

4 (a) Each owners licensee, organization gaming licensee,
5 and suppliers licensee shall establish and maintain a
6 diversity program to ensure non-discrimination in the award
7 and administration of contracts. The programs shall establish
8 goals of awarding not less than 25% of the annual dollar value
9 of all contracts, purchase orders, or other agreements to
10 minority-owned businesses and 5% of the annual dollar value of
11 all contracts to women-owned businesses.

12 (b) Each owners licensee, organization gaming licensee,
13 and suppliers licensee shall establish and maintain a
14 diversity program designed to promote equal opportunity for
15 employment. The program shall establish hiring goals as the
16 Division Board and each licensee determines appropriate. The
17 Division Board shall monitor the progress of the gaming
18 licensee's progress with respect to the program's goals.

19 (c) No later than May 31 of each year, each licensee shall
20 report to the Division Board (1) the number of respective
21 employees and the number of its respective employees who have
22 designated themselves as members of a minority group and
23 gender and (2) the total goals achieved under subsection (a)
24 of this Section as a percentage of the total contracts awarded
25 by the license. In addition, all licensees shall submit a

1 report with respect to the minority-owned and women-owned
2 businesses program created in this Section to the Division
3 Board.

4 (d) When considering whether to re-issue or renew a
5 license to an owners licensee, organization gaming licensee,
6 or suppliers licensee, the Division Board shall take into
7 account the licensee's success in complying with the
8 provisions of this Section. If an owners licensee,
9 organization gaming licensee, or suppliers licensee has not
10 satisfied the goals contained in this Section, the Division
11 Board shall require a written explanation as to why the
12 licensee is not in compliance and shall require the licensee
13 to file multi-year metrics designed to achieve compliance with
14 the provisions by the next renewal period, consistent with
15 State and federal law.

16 (Source: P.A. 101-31, eff. 6-28-19.)

17 (230 ILCS 10/7.11)

18 Sec. 7.11. Annual report on diversity.

19 (a) Each licensee that receives a license under Sections
20 7, 7.1, and 7.7 shall execute and file a report with the
21 Division Board no later than December 31 of each year that
22 shall contain, but not be limited to, the following
23 information:

24 (i) a good faith affirmative action plan to recruit,
25 train, and upgrade minority persons, women, and persons

1 with a disability in all employment classifications;

2 (ii) the total dollar amount of contracts that were
3 awarded to businesses owned by minority persons, women,
4 and persons with a disability;

5 (iii) the total number of businesses owned by minority
6 persons, women, and persons with a disability that were
7 utilized by the licensee;

8 (iv) the utilization of businesses owned by minority
9 persons, women, and persons with disabilities during the
10 preceding year; and

11 (v) the outreach efforts used by the licensee to
12 attract investors and businesses consisting of minority
13 persons, women, and persons with a disability.

14 (b) The Division ~~Board~~ shall forward a copy of each
15 licensee's annual reports to the General Assembly no later
16 than February 1 of each year. The reports to the General
17 Assembly shall be filed with the Clerk of the House of
18 Representatives and the Secretary of the Senate in electronic
19 form only, in the manner that the Clerk and the Secretary shall
20 direct.

21 (Source: P.A. 101-31, eff. 6-28-19.)

22 (230 ILCS 10/7.12)

23 Sec. 7.12. Issuance of new owners licenses.

24 (a) Owners licenses newly authorized pursuant to this
25 amendatory Act of the 101st General Assembly may be issued by

1 the Division Board to a qualified applicant pursuant to an
2 open and competitive bidding process, as set forth in Section
3 7.5, and subject to the maximum number of authorized licenses
4 set forth in subsection (e-5) of Section 7 of this Act.

5 (b) To be a qualified applicant, a person or entity may not
6 be ineligible to receive an owners license under subsection
7 (a) of Section 7 of this Act and must submit an application for
8 an owners license that complies with Section 6 of this Act.

9 (c) In determining whether to grant an owners license to
10 an applicant, the Division Board shall consider all of the
11 factors set forth in subsections (b) and (e-10) of Section 7 of
12 this Act, as well as the amount of the applicant's license bid.
13 The Division Board may grant the owners license to an
14 applicant that has not submitted the highest license bid, but
15 if it does not select the highest bidder, the Division Board
16 shall issue a written decision explaining why another
17 applicant was selected and identifying the factors set forth
18 in subsections (b) and (e-10) of Section 7 of this Act that
19 favored the winning bidder.

20 (Source: P.A. 101-31, eff. 6-28-19.)

21 (230 ILCS 10/8) (from Ch. 120, par. 2408)

22 Sec. 8. Suppliers licenses.

23 (a) The Division Board may issue a suppliers license to
24 such persons, firms or corporations which apply therefor upon
25 the payment of a non-refundable application fee set by the

1 ~~Division Board~~, upon a determination by the ~~Division Board~~
2 that the applicant is eligible for a suppliers license and
3 upon payment of a \$5,000 annual license fee.

4 (b) The holder of a suppliers license is authorized to
5 sell or lease, and to contract to sell or lease, gambling
6 equipment and supplies to any licensee involved in the
7 ownership or management of gambling operations.

8 (c) Gambling supplies and equipment may not be distributed
9 unless supplies and equipment conform to standards adopted by
10 rules of the ~~Division Board~~.

11 (d) A person, firm or corporation is ineligible to receive
12 a suppliers license if:

13 (1) the person has been convicted of a felony under
14 the laws of this State, any other state, or the United
15 States;

16 (2) the person has been convicted of any violation of
17 Article 28 of the Criminal Code of 1961 or the Criminal
18 Code of 2012, or substantially similar laws of any other
19 jurisdiction;

20 (3) the person has submitted an application for a
21 license under this Act which contains false information;

22 (4) (blank) ~~the person is a member of the Board;~~

23 (5) the entity is one in which a person defined in (1),
24 (2), (3) or (4), is an officer, director or managerial
25 employee;

26 (6) the firm or corporation employs a person who

1 participates in the management or operation of gambling
2 authorized under this Act;

3 (7) the license of the person, firm or corporation
4 issued under this Act, or a license to own or operate
5 gambling facilities in any other jurisdiction, has been
6 revoked.

7 (e) Any person that supplies any equipment, devices, or
8 supplies to a licensed gambling operation must first obtain a
9 suppliers license. A supplier shall furnish to the Division
10 ~~Board~~ a list of all equipment, devices and supplies offered
11 for sale or lease in connection with gambling games authorized
12 under this Act. A supplier shall keep books and records for the
13 furnishing of equipment, devices and supplies to gambling
14 operations separate and distinct from any other business that
15 the supplier might operate. A supplier shall file a quarterly
16 return with the Division ~~Board~~ listing all sales and leases. A
17 supplier shall permanently affix its name or a distinctive
18 logo or other mark or design element identifying the
19 manufacturer or supplier to all its equipment, devices, and
20 supplies, except gaming chips without a value impressed,
21 engraved, or imprinted on it, for gambling operations. The
22 Division ~~Board~~ may waive this requirement for any specific
23 product or products if it determines that the requirement is
24 not necessary to protect the integrity of the game. Items
25 purchased from a licensed supplier may continue to be used
26 even though the supplier subsequently changes its name,

1 distinctive logo, or other mark or design element; undergoes a
2 change in ownership; or ceases to be licensed as a supplier for
3 any reason. Any supplier's equipment, devices or supplies
4 which are used by any person in an unauthorized gambling
5 operation shall be forfeited to the State. A holder of an
6 owners license or an organization gaming license may own its
7 own equipment, devices and supplies. Each holder of an owners
8 license or an organization gaming license under the Act shall
9 file an annual report listing its inventories of gambling
10 equipment, devices and supplies.

11 (f) Any person who knowingly makes a false statement on an
12 application is guilty of a Class A misdemeanor.

13 (g) Any gambling equipment, devices and supplies provided
14 by any licensed supplier may either be repaired on the
15 riverboat, in the casino, or at the organization gaming
16 facility or removed from the riverboat, casino, or
17 organization gaming facility to a facility owned by the holder
18 of an owners license, organization gaming license, or
19 suppliers license for repair.

20 (Source: P.A. 101-31, eff. 6-28-19.)

21 (230 ILCS 10/9) (from Ch. 120, par. 2409)

22 Sec. 9. Occupational licenses.

23 (a) The Division Board ~~Board~~ may issue an occupational license
24 to an applicant upon the payment of a non-refundable fee set by
25 the Division Board, upon a determination by the Division Board

1 that the applicant is eligible for an occupational license and
2 upon payment of an annual license fee in an amount to be
3 established. To be eligible for an occupational license, an
4 applicant must:

5 (1) be at least 21 years of age if the applicant will
6 perform any function involved in gaming by patrons. Any
7 applicant seeking an occupational license for a non-gaming
8 function shall be at least 18 years of age;

9 (2) not have been convicted of a felony offense, a
10 violation of Article 28 of the Criminal Code of 1961 or the
11 Criminal Code of 2012, or a similar statute of any other
12 jurisdiction;

13 (2.5) not have been convicted of a crime, other than a
14 crime described in item (2) of this subsection (a),
15 involving dishonesty or moral turpitude, except that the
16 Division ~~Board~~ may, in its discretion, issue an
17 occupational license to a person who has been convicted of
18 a crime described in this item (2.5) more than 10 years
19 prior to his or her application and has not subsequently
20 been convicted of any other crime;

21 (3) have demonstrated a level of skill or knowledge
22 which the Division ~~Board~~ determines to be necessary in
23 order to operate gambling aboard a riverboat, in a casino,
24 or at an organization gaming facility; and

25 (4) have met standards for the holding of an
26 occupational license as adopted by rules of the Division

1 ~~Board~~. Such rules shall provide that any person or entity
2 seeking an occupational license to manage gambling
3 operations under this Act shall be subject to background
4 inquiries and further requirements similar to those
5 required of applicants for an owners license. Furthermore,
6 such rules shall provide that each such entity shall be
7 permitted to manage gambling operations for only one
8 licensed owner.

9 (b) Each application for an occupational license shall be
10 on forms prescribed by the Division ~~Board~~ and shall contain
11 all information required by the Division ~~Board~~. The applicant
12 shall set forth in the application: whether he has been issued
13 prior gambling related licenses; whether he has been licensed
14 in any other state under any other name, and, if so, such name
15 and his age; and whether or not a permit or license issued to
16 him in any other state has been suspended, restricted or
17 revoked, and, if so, for what period of time.

18 (c) Each applicant shall submit with his application, on
19 forms provided by the Division ~~Board~~, 2 sets of his
20 fingerprints. The Division ~~Board~~ shall charge each applicant a
21 fee set by the Department of State Police to defray the costs
22 associated with the search and classification of fingerprints
23 obtained by the Division ~~Board~~ with respect to the applicant's
24 application. These fees shall be paid into the State Police
25 Services Fund.

26 (d) The Division ~~Board~~ may in its discretion refuse an

1 occupational license to any person: (1) who is unqualified to
2 perform the duties required of such applicant; (2) who fails
3 to disclose or states falsely any information called for in
4 the application; (3) who has been found guilty of a violation
5 of this Act or whose prior gambling related license or
6 application therefor has been suspended, restricted, revoked
7 or denied for just cause in any other state; or (4) for any
8 other just cause.

9 (e) The Division Board ~~Board~~ may suspend, revoke or restrict any
10 occupational licensee: (1) for violation of any provision of
11 this Act; (2) for violation of any of the rules and regulations
12 of the Division Board; (3) for any cause which, if known to the
13 Division Board, would have disqualified the applicant from
14 receiving such license; or (4) for default in the payment of
15 any obligation or debt due to the State of Illinois; or (5) for
16 any other just cause.

17 (f) A person who knowingly makes a false statement on an
18 application is guilty of a Class A misdemeanor.

19 (g) Any license issued pursuant to this Section shall be
20 valid for a period of one year from the date of issuance.

21 (h) Nothing in this Act shall be interpreted to prohibit a
22 licensed owner or organization gaming licensee from entering
23 into an agreement with a public community college or a school
24 approved under the Private Business and Vocational Schools Act
25 of 2012 for the training of any occupational licensee. Any
26 training offered by such a school shall be in accordance with a

1 written agreement between the licensed owner or organization
2 gaming licensee and the school.

3 (i) Any training provided for occupational licensees may
4 be conducted either at the site of the gambling facility or at
5 a school with which a licensed owner or organization gaming
6 licensee has entered into an agreement pursuant to subsection
7 (h).

8 (Source: P.A. 101-31, eff. 6-28-19.)

9 (230 ILCS 10/10) (from Ch. 120, par. 2410)

10 Sec. 10. Bond of licensee. Before an owners license is
11 issued or re-issued or a managers license is issued, the
12 licensee shall post a bond in the sum of \$200,000 to the State
13 of Illinois. The bond shall be used to guarantee that the
14 licensee faithfully makes the payments, keeps his books and
15 records and makes reports, and conducts his games of chance in
16 conformity with this Act and the rules adopted by the Division
17 ~~Board~~. The bond shall not be canceled by a surety on less than
18 30 days notice in writing to the Division ~~Board~~. If a bond is
19 canceled and the licensee fails to file a new bond with the
20 Division ~~Board~~ in the required amount on or before the
21 effective date of cancellation, the licensee's license shall
22 be revoked. The total and aggregate liability of the surety on
23 the bond is limited to the amount specified in the bond.

24 (Source: P.A. 93-28, eff. 6-20-03.)

1 (230 ILCS 10/11) (from Ch. 120, par. 2411)

2 Sec. 11. Conduct of gambling. Gambling may be conducted by
3 licensed owners or licensed managers on behalf of the State
4 aboard riverboats. Gambling may be conducted by organization
5 gaming licensees at organization gaming facilities. Gambling
6 authorized under this Section is subject to the following
7 standards:

8 (1) A licensee may conduct riverboat gambling
9 authorized under this Act regardless of whether it
10 conducts excursion cruises. A licensee may permit the
11 continuous ingress and egress of patrons on a riverboat
12 not used for excursion cruises for the purpose of
13 gambling. Excursion cruises shall not exceed 4 hours for a
14 round trip. However, the Division Board ~~Board~~ may grant express
15 approval for an extended cruise on a case-by-case basis.

16 (1.5) An owners licensee may conduct gambling
17 operations authorized under this Act 24 hours a day.

18 (2) (Blank).

19 (3) Minimum and maximum wagers on games shall be set
20 by the licensee.

21 (4) Agents of the Division Board ~~Board~~ and the Department of
22 State Police may board and inspect any riverboat, enter
23 and inspect any portion of a casino, or enter and inspect
24 any portion of an organization gaming facility at any time
25 for the purpose of determining whether this Act is being
26 complied with. Every riverboat, if under way and being

1 hailed by a law enforcement officer or agent of the
2 Division Board, must stop immediately and lay to.

3 (5) Employees of the Division Board shall have the
4 right to be present on the riverboat or in the casino or on
5 adjacent facilities under the control of the licensee and
6 at the organization gaming facility under the control of
7 the organization gaming licensee.

8 (6) Gambling equipment and supplies customarily used
9 in conducting gambling must be purchased or leased only
10 from suppliers licensed for such purpose under this Act.
11 The Division Board may approve the transfer, sale, or
12 lease of gambling equipment and supplies by a licensed
13 owner from or to an affiliate of the licensed owner as long
14 as the gambling equipment and supplies were initially
15 acquired from a supplier licensed in Illinois.

16 (7) Persons licensed under this Act shall permit no
17 form of wagering on gambling games except as permitted by
18 this Act.

19 (8) Wagers may be received only from a person present
20 on a licensed riverboat, in a casino, or at an
21 organization gaming facility. No person present on a
22 licensed riverboat, in a casino, or at an organization
23 gaming facility shall place or attempt to place a wager on
24 behalf of another person who is not present on the
25 riverboat, in a casino, or at the organization gaming
26 facility.

1 (9) Wagering, including gaming authorized under
2 Section 7.7, shall not be conducted with money or other
3 negotiable currency.

4 (10) A person under age 21 shall not be permitted on an
5 area of a riverboat or casino where gambling is being
6 conducted or at an organization gaming facility where
7 gambling is being conducted, except for a person at least
8 18 years of age who is an employee of the riverboat or
9 casino gambling operation or gaming operation. No employee
10 under age 21 shall perform any function involved in
11 gambling by the patrons. No person under age 21 shall be
12 permitted to make a wager under this Act, and any winnings
13 that are a result of a wager by a person under age 21,
14 whether or not paid by a licensee, shall be treated as
15 winnings for the privilege tax purposes, confiscated, and
16 forfeited to the State and deposited into the Education
17 Assistance Fund.

18 (11) Gambling excursion cruises are permitted only
19 when the waterway for which the riverboat is licensed is
20 navigable, as determined by the Division Board in
21 consultation with the U.S. Army Corps of Engineers. This
22 paragraph (11) does not limit the ability of a licensee to
23 conduct gambling authorized under this Act when gambling
24 excursion cruises are not permitted.

25 (12) All tickets, chips, or electronic cards used to
26 make wagers must be purchased (i) from a licensed owner or

1 manager, in the case of a riverboat, either aboard a
2 riverboat or at an onshore facility which has been
3 approved by the Division Board and which is located where
4 the riverboat docks, (ii) in the case of a casino, from a
5 licensed owner at the casino, or (iii) from an
6 organization gaming licensee at the organization gaming
7 facility. The tickets, chips, or electronic cards may be
8 purchased by means of an agreement under which the owner
9 or manager extends credit to the patron. Such tickets,
10 chips, or electronic cards may be used while aboard the
11 riverboat, in the casino, or at the organization gaming
12 facility only for the purpose of making wagers on gambling
13 games.

14 (13) Notwithstanding any other Section of this Act, in
15 addition to the other licenses authorized under this Act,
16 the Division Board may issue special event licenses
17 allowing persons who are not otherwise licensed to conduct
18 riverboat gambling to conduct such gambling on a specified
19 date or series of dates. Riverboat gambling under such a
20 license may take place on a riverboat not normally used
21 for riverboat gambling. The Division Board shall establish
22 standards, fees and fines for, and limitations upon, such
23 licenses, which may differ from the standards, fees, fines
24 and limitations otherwise applicable under this Act. All
25 such fees shall be deposited into the State Gaming Fund.
26 All such fines shall be deposited into the Education

1 Assistance Fund, created by Public Act 86-0018, of the
2 State of Illinois.

3 (14) In addition to the above, gambling must be
4 conducted in accordance with all rules adopted by the
5 Division Board.

6 (Source: P.A. 101-31, eff. 6-28-19.)

7 (230 ILCS 10/11.2)

8 Sec. 11.2. Relocation of riverboat home dock.

9 (a) A licensee that was not conducting riverboat gambling
10 on January 1, 1998 may apply to the Division Board for renewal
11 and approval of relocation to a new home dock location
12 authorized under Section 3(c) and the Division Board shall
13 grant the application and approval upon receipt by the
14 licensee of approval from the new municipality or county, as
15 the case may be, in which the licensee wishes to relocate
16 pursuant to Section 7(j).

17 (b) Any licensee that relocates its home dock pursuant to
18 this Section shall attain a level of at least 20% minority
19 person and woman ownership, at least 16% and 4% respectively,
20 within a time period prescribed by the Division Board, but not
21 to exceed 12 months from the date the licensee begins
22 conducting gambling at the new home dock location. The
23 12-month period shall be extended by the amount of time
24 necessary to conduct a background investigation pursuant to
25 Section 6. For the purposes of this Section, the terms "woman"

1 and "minority person" have the meanings provided in Section 2
2 of the Business Enterprise for Minorities, Women, and Persons
3 with Disabilities Act.

4 (Source: P.A. 100-391, eff. 8-25-17.)

5 (230 ILCS 10/12) (from Ch. 120, par. 2412)

6 Sec. 12. Admission tax; fees.

7 (a) A tax is hereby imposed upon admissions to riverboat
8 and casino gambling facilities operated by licensed owners
9 authorized pursuant to this Act. Until July 1, 2002, the rate
10 is \$2 per person admitted. From July 1, 2002 until July 1,
11 2003, the rate is \$3 per person admitted. From July 1, 2003
12 until August 23, 2005 (the effective date of Public Act
13 94-673), for a licensee that admitted 1,000,000 persons or
14 fewer in the previous calendar year, the rate is \$3 per person
15 admitted; for a licensee that admitted more than 1,000,000 but
16 no more than 2,300,000 persons in the previous calendar year,
17 the rate is \$4 per person admitted; and for a licensee that
18 admitted more than 2,300,000 persons in the previous calendar
19 year, the rate is \$5 per person admitted. Beginning on August
20 23, 2005 (the effective date of Public Act 94-673), for a
21 licensee that admitted 1,000,000 persons or fewer in calendar
22 year 2004, the rate is \$2 per person admitted, and for all
23 other licensees, including licensees that were not conducting
24 gambling operations in 2004, the rate is \$3 per person
25 admitted. This admission tax is imposed upon the licensed

1 owner conducting gambling.

2 (1) The admission tax shall be paid for each
3 admission, except that a person who exits a riverboat
4 gambling facility and reenters that riverboat gambling
5 facility within the same gaming day shall be subject only
6 to the initial admission tax.

7 (2) (Blank).

8 (3) The riverboat licensee may issue tax-free passes
9 to actual and necessary officials and employees of the
10 licensee or other persons actually working on the
11 riverboat.

12 (4) The number and issuance of tax-free passes is
13 subject to the rules of the Division Board, and a list of
14 all persons to whom the tax-free passes are issued shall
15 be filed with the Division Board.

16 (a-5) A fee is hereby imposed upon admissions operated by
17 licensed managers on behalf of the State pursuant to Section
18 7.3 at the rates provided in this subsection (a-5). For a
19 licensee that admitted 1,000,000 persons or fewer in the
20 previous calendar year, the rate is \$3 per person admitted;
21 for a licensee that admitted more than 1,000,000 but no more
22 than 2,300,000 persons in the previous calendar year, the rate
23 is \$4 per person admitted; and for a licensee that admitted
24 more than 2,300,000 persons in the previous calendar year, the
25 rate is \$5 per person admitted.

26 (1) The admission fee shall be paid for each

1 admission.

2 (2) (Blank).

3 (3) The licensed manager may issue fee-free passes to
4 actual and necessary officials and employees of the
5 manager or other persons actually working on the
6 riverboat.

7 (4) The number and issuance of fee-free passes is
8 subject to the rules of the Division Board, and a list of
9 all persons to whom the fee-free passes are issued shall
10 be filed with the Division Board.

11 (b) Except as provided in subsection (b-5), from the tax
12 imposed under subsection (a) and the fee imposed under
13 subsection (a-5), a municipality shall receive from the State
14 \$1 for each person embarking on a riverboat docked within the
15 municipality or entering a casino located within the
16 municipality, and a county shall receive \$1 for each person
17 entering a casino or embarking on a riverboat docked within
18 the county but outside the boundaries of any municipality. The
19 municipality's or county's share shall be collected by the
20 Division Board on behalf of the State and remitted quarterly
21 by the State, subject to appropriation, to the treasurer of
22 the unit of local government for deposit in the general fund.

23 (b-5) From the tax imposed under subsection (a) and the
24 fee imposed under subsection (a-5), \$1 for each person
25 embarking on a riverboat designated in paragraph (4) of
26 subsection (e-5) of Section 7 shall be divided as follows:

1 \$0.70 to the City of Rockford, \$0.05 to the City of Loves Park,
2 \$0.05 to the Village of Machesney Park, and \$0.20 to Winnebago
3 County.

4 The municipality's or county's share shall be collected by
5 the Division Board ~~Board~~ on behalf of the State and remitted monthly
6 by the State, subject to appropriation, to the treasurer of
7 the unit of local government for deposit in the general fund.

8 (b-10) From the tax imposed under subsection (a) and the
9 fee imposed under subsection (a-5), \$1 for each person
10 embarking on a riverboat or entering a casino designated in
11 paragraph (1) of subsection (e-5) of Section 7 shall be
12 divided as follows: \$0.70 to the City of Chicago, \$0.15 to the
13 Village of Maywood, and \$0.15 to the Village of Summit.

14 The municipality's or county's share shall be collected by
15 the Division Board ~~Board~~ on behalf of the State and remitted monthly
16 by the State, subject to appropriation, to the treasurer of
17 the unit of local government for deposit in the general fund.

18 (b-15) From the tax imposed under subsection (a) and the
19 fee imposed under subsection (a-5), \$1 for each person
20 embarking on a riverboat or entering a casino designated in
21 paragraph (2) of subsection (e-5) of Section 7 shall be
22 divided as follows: \$0.70 to the City of Danville and \$0.30 to
23 Vermilion County.

24 The municipality's or county's share shall be collected by
25 the Division Board ~~Board~~ on behalf of the State and remitted monthly
26 by the State, subject to appropriation, to the treasurer of

1 the unit of local government for deposit in the general fund.

2 (c) The licensed owner shall pay the entire admission tax
3 to the Division Board and the licensed manager shall pay the
4 entire admission fee to the Division Board. Such payments
5 shall be made daily. Accompanying each payment shall be a
6 return on forms provided by the Division Board which shall
7 include other information regarding admissions as the Division
8 ~~Board~~ may require. Failure to submit either the payment or the
9 return within the specified time may result in suspension or
10 revocation of the owners or managers license.

11 (c-5) A tax is imposed on admissions to organization
12 gaming facilities at the rate of \$3 per person admitted by an
13 organization gaming licensee. The tax is imposed upon the
14 organization gaming licensee.

15 (1) The admission tax shall be paid for each
16 admission, except that a person who exits an organization
17 gaming facility and reenters that organization gaming
18 facility within the same gaming day, as the term "gaming
19 day" is defined by the Division Board by rule, shall be
20 subject only to the initial admission tax. The Division
21 ~~Board~~ shall establish, by rule, a procedure to determine
22 whether a person admitted to an organization gaming
23 facility has paid the admission tax.

24 (2) An organization gaming licensee may issue tax-free
25 passes to actual and necessary officials and employees of
26 the licensee and other persons associated with its gaming

1 operations.

2 (3) The number and issuance of tax-free passes is
3 subject to the rules of the Division Board, and a list of
4 all persons to whom the tax-free passes are issued shall
5 be filed with the Division Board.

6 (4) The organization gaming licensee shall pay the
7 entire admission tax to the Division Board.

8 Such payments shall be made daily. Accompanying each
9 payment shall be a return on forms provided by the Division
10 Board, which shall include other information regarding
11 admission as the Division Board may require. Failure to submit
12 either the payment or the return within the specified time may
13 result in suspension or revocation of the organization gaming
14 license.

15 From the tax imposed under this subsection (c-5), a
16 municipality other than the Village of Stickney or the City of
17 Collinsville in which an organization gaming facility is
18 located, or if the organization gaming facility is not located
19 within a municipality, then the county in which the
20 organization gaming facility is located, except as otherwise
21 provided in this Section, shall receive, subject to
22 appropriation, \$1 for each person who enters the organization
23 gaming facility. For each admission to the organization gaming
24 facility in excess of 1,500,000 in a year, from the tax imposed
25 under this subsection (c-5), the county in which the
26 organization gaming facility is located shall receive, subject

1 to appropriation, \$0.30, which shall be in addition to any
2 other moneys paid to the county under this Section.

3 From the tax imposed under this subsection (c-5) on an
4 organization gaming facility located in the Village of
5 Stickney, \$1 for each person who enters the organization
6 gaming facility shall be distributed as follows, subject to
7 appropriation: \$0.24 to the Village of Stickney, \$0.49 to the
8 Town of Cicero, \$0.05 to the City of Berwyn, and \$0.17 to the
9 Stickney Public Health District, and \$0.05 to the City of
10 Bridgeview.

11 From the tax imposed under this subsection (c-5) on an
12 organization gaming facility located in the City of
13 Collinsville, the following shall each receive 10 cents for
14 each person who enters the organization gaming facility,
15 subject to appropriation: the Village of Alorton; the Village
16 of Washington Park; State Park Place; the Village of Fairmont
17 City; the City of Centreville; the Village of Brooklyn; the
18 City of Venice; the City of Madison; the Village of
19 Caseyville; and the Village of Pontoon Beach.

20 On the 25th day of each month, all amounts remaining after
21 payments required under this subsection (c-5) have been made
22 shall be transferred into the Capital Projects Fund.

23 (d) The Division Board ~~Board~~ shall administer and collect the
24 admission tax imposed by this Section, to the extent
25 practicable, in a manner consistent with the provisions of
26 Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b,

1 6c, 8, 9 and 10 of the Retailers' Occupation Tax Act and
2 Section 3-7 of the Uniform Penalty and Interest Act.

3 (Source: P.A. 101-31, eff. 6-28-19.)

4 (230 ILCS 10/13) (from Ch. 120, par. 2413)

5 Sec. 13. Wagering tax; rate; distribution.

6 (a) Until January 1, 1998, a tax is imposed on the adjusted
7 gross receipts received from gambling games authorized under
8 this Act at the rate of 20%.

9 (a-1) From January 1, 1998 until July 1, 2002, a privilege
10 tax is imposed on persons engaged in the business of
11 conducting riverboat gambling operations, based on the
12 adjusted gross receipts received by a licensed owner from
13 gambling games authorized under this Act at the following
14 rates:

15 15% of annual adjusted gross receipts up to and
16 including \$25,000,000;

17 20% of annual adjusted gross receipts in excess of
18 \$25,000,000 but not exceeding \$50,000,000;

19 25% of annual adjusted gross receipts in excess of
20 \$50,000,000 but not exceeding \$75,000,000;

21 30% of annual adjusted gross receipts in excess of
22 \$75,000,000 but not exceeding \$100,000,000;

23 35% of annual adjusted gross receipts in excess of
24 \$100,000,000.

25 (a-2) From July 1, 2002 until July 1, 2003, a privilege tax

1 is imposed on persons engaged in the business of conducting
2 riverboat gambling operations, other than licensed managers
3 conducting riverboat gambling operations on behalf of the
4 State, based on the adjusted gross receipts received by a
5 licensed owner from gambling games authorized under this Act
6 at the following rates:

7 15% of annual adjusted gross receipts up to and
8 including \$25,000,000;

9 22.5% of annual adjusted gross receipts in excess of
10 \$25,000,000 but not exceeding \$50,000,000;

11 27.5% of annual adjusted gross receipts in excess of
12 \$50,000,000 but not exceeding \$75,000,000;

13 32.5% of annual adjusted gross receipts in excess of
14 \$75,000,000 but not exceeding \$100,000,000;

15 37.5% of annual adjusted gross receipts in excess of
16 \$100,000,000 but not exceeding \$150,000,000;

17 45% of annual adjusted gross receipts in excess of
18 \$150,000,000 but not exceeding \$200,000,000;

19 50% of annual adjusted gross receipts in excess of
20 \$200,000,000.

21 (a-3) Beginning July 1, 2003, a privilege tax is imposed
22 on persons engaged in the business of conducting riverboat
23 gambling operations, other than licensed managers conducting
24 riverboat gambling operations on behalf of the State, based on
25 the adjusted gross receipts received by a licensed owner from
26 gambling games authorized under this Act at the following

1 rates:

2 15% of annual adjusted gross receipts up to and
3 including \$25,000,000;

4 27.5% of annual adjusted gross receipts in excess of
5 \$25,000,000 but not exceeding \$37,500,000;

6 32.5% of annual adjusted gross receipts in excess of
7 \$37,500,000 but not exceeding \$50,000,000;

8 37.5% of annual adjusted gross receipts in excess of
9 \$50,000,000 but not exceeding \$75,000,000;

10 45% of annual adjusted gross receipts in excess of
11 \$75,000,000 but not exceeding \$100,000,000;

12 50% of annual adjusted gross receipts in excess of
13 \$100,000,000 but not exceeding \$250,000,000;

14 70% of annual adjusted gross receipts in excess of
15 \$250,000,000.

16 An amount equal to the amount of wagering taxes collected
17 under this subsection (a-3) that are in addition to the amount
18 of wagering taxes that would have been collected if the
19 wagering tax rates under subsection (a-2) were in effect shall
20 be paid into the Common School Fund.

21 The privilege tax imposed under this subsection (a-3)
22 shall no longer be imposed beginning on the earlier of (i) July
23 1, 2005; (ii) the first date after June 20, 2003 that riverboat
24 gambling operations are conducted pursuant to a dormant
25 license; or (iii) the first day that riverboat gambling
26 operations are conducted under the authority of an owners

1 license that is in addition to the 10 owners licenses
2 initially authorized under this Act. For the purposes of this
3 subsection (a-3), the term "dormant license" means an owners
4 license that is authorized by this Act under which no
5 riverboat gambling operations are being conducted on June 20,
6 2003.

7 (a-4) Beginning on the first day on which the tax imposed
8 under subsection (a-3) is no longer imposed and ending upon
9 the imposition of the privilege tax under subsection (a-5) of
10 this Section, a privilege tax is imposed on persons engaged in
11 the business of conducting gambling operations, other than
12 licensed managers conducting riverboat gambling operations on
13 behalf of the State, based on the adjusted gross receipts
14 received by a licensed owner from gambling games authorized
15 under this Act at the following rates:

16 15% of annual adjusted gross receipts up to and
17 including \$25,000,000;

18 22.5% of annual adjusted gross receipts in excess of
19 \$25,000,000 but not exceeding \$50,000,000;

20 27.5% of annual adjusted gross receipts in excess of
21 \$50,000,000 but not exceeding \$75,000,000;

22 32.5% of annual adjusted gross receipts in excess of
23 \$75,000,000 but not exceeding \$100,000,000;

24 37.5% of annual adjusted gross receipts in excess of
25 \$100,000,000 but not exceeding \$150,000,000;

26 45% of annual adjusted gross receipts in excess of

1 \$150,000,000 but not exceeding \$200,000,000;
2 50% of annual adjusted gross receipts in excess of
3 \$200,000,000.

4 For the imposition of the privilege tax in this subsection
5 (a-4), amounts paid pursuant to item (1) of subsection (b) of
6 Section 56 of the Illinois Horse Racing Act of 1975 shall not
7 be included in the determination of adjusted gross receipts.

8 (a-5)(1) Beginning on July 1, 2020, a privilege tax is
9 imposed on persons engaged in the business of conducting
10 gambling operations, other than the owners licensee under
11 paragraph (1) of subsection (e-5) of Section 7 and licensed
12 managers conducting riverboat gambling operations on behalf of
13 the State, based on the adjusted gross receipts received by
14 such licensee from the gambling games authorized under this
15 Act. The privilege tax for all gambling games other than table
16 games, including, but not limited to, slot machines, video
17 game of chance gambling, and electronic gambling games shall
18 be at the following rates:

19 15% of annual adjusted gross receipts up to and
20 including \$25,000,000;

21 22.5% of annual adjusted gross receipts in excess of
22 \$25,000,000 but not exceeding \$50,000,000;

23 27.5% of annual adjusted gross receipts in excess of
24 \$50,000,000 but not exceeding \$75,000,000;

25 32.5% of annual adjusted gross receipts in excess of
26 \$75,000,000 but not exceeding \$100,000,000;

1 37.5% of annual adjusted gross receipts in excess of
2 \$100,000,000 but not exceeding \$150,000,000;

3 45% of annual adjusted gross receipts in excess of
4 \$150,000,000 but not exceeding \$200,000,000;

5 50% of annual adjusted gross receipts in excess of
6 \$200,000,000.

7 The privilege tax for table games shall be at the
8 following rates:

9 15% of annual adjusted gross receipts up to and
10 including \$25,000,000;

11 20% of annual adjusted gross receipts in excess of
12 \$25,000,000.

13 For the imposition of the privilege tax in this subsection
14 (a-5), amounts paid pursuant to item (1) of subsection (b) of
15 Section 56 of the Illinois Horse Racing Act of 1975 shall not
16 be included in the determination of adjusted gross receipts.

17 (2) Beginning on the first day that an owners licensee
18 under paragraph (1) of subsection (e-5) of Section 7 conducts
19 gambling operations, either in a temporary facility or a
20 permanent facility, a privilege tax is imposed on persons
21 engaged in the business of conducting gambling operations
22 under paragraph (1) of subsection (e-5) of Section 7, other
23 than licensed managers conducting riverboat gambling
24 operations on behalf of the State, based on the adjusted gross
25 receipts received by such licensee from the gambling games
26 authorized under this Act. The privilege tax for all gambling

1 games other than table games, including, but not limited to,
2 slot machines, video game of chance gambling, and electronic
3 gambling games shall be at the following rates:

4 12% of annual adjusted gross receipts up to and
5 including \$25,000,000 to the State and 10.5% of annual
6 adjusted gross receipts up to and including \$25,000,000 to
7 the City of Chicago;

8 16% of annual adjusted gross receipts in excess of
9 \$25,000,000 but not exceeding \$50,000,000 to the State and
10 14% of annual adjusted gross receipts in excess of
11 \$25,000,000 but not exceeding \$50,000,000 to the City of
12 Chicago;

13 20.1% of annual adjusted gross receipts in excess of
14 \$50,000,000 but not exceeding \$75,000,000 to the State and
15 17.4% of annual adjusted gross receipts in excess of
16 \$50,000,000 but not exceeding \$75,000,000 to the City of
17 Chicago;

18 21.4% of annual adjusted gross receipts in excess of
19 \$75,000,000 but not exceeding \$100,000,000 to the State
20 and 18.6% of annual adjusted gross receipts in excess of
21 \$75,000,000 but not exceeding \$100,000,000 to the City of
22 Chicago;

23 22.7% of annual adjusted gross receipts in excess of
24 \$100,000,000 but not exceeding \$150,000,000 to the State
25 and 19.8% of annual adjusted gross receipts in excess of
26 \$100,000,000 but not exceeding \$150,000,000 to the City of

1 Chicago;

2 24.1% of annual adjusted gross receipts in excess of
3 \$150,000,000 but not exceeding \$225,000,000 to the State
4 and 20.9% of annual adjusted gross receipts in excess of
5 \$150,000,000 but not exceeding \$225,000,000 to the City of
6 Chicago;

7 26.8% of annual adjusted gross receipts in excess of
8 \$225,000,000 but not exceeding \$1,000,000,000 to the State
9 and 23.2% of annual adjusted gross receipts in excess of
10 \$225,000,000 but not exceeding \$1,000,000,000 to the City
11 of Chicago;

12 40% of annual adjusted gross receipts in excess of
13 \$1,000,000,000 to the State and 34.7% of annual gross
14 receipts in excess of \$1,000,000,000 to the City of
15 Chicago.

16 The privilege tax for table games shall be at the
17 following rates:

18 8.1% of annual adjusted gross receipts up to and
19 including \$25,000,000 to the State and 6.9% of annual
20 adjusted gross receipts up to and including \$25,000,000 to
21 the City of Chicago;

22 10.7% of annual adjusted gross receipts in excess of
23 \$25,000,000 but not exceeding \$75,000,000 to the State and
24 9.3% of annual adjusted gross receipts in excess of
25 \$25,000,000 but not exceeding \$75,000,000 to the City of
26 Chicago;

1 11.2% of annual adjusted gross receipts in excess of
2 \$75,000,000 but not exceeding \$175,000,000 to the State
3 and 9.8% of annual adjusted gross receipts in excess of
4 \$75,000,000 but not exceeding \$175,000,000 to the City of
5 Chicago;

6 13.5% of annual adjusted gross receipts in excess of
7 \$175,000,000 but not exceeding \$225,000,000 to the State
8 and 11.5% of annual adjusted gross receipts in excess of
9 \$175,000,000 but not exceeding \$225,000,000 to the City of
10 Chicago;

11 15.1% of annual adjusted gross receipts in excess of
12 \$225,000,000 but not exceeding \$275,000,000 to the State
13 and 12.9% of annual adjusted gross receipts in excess of
14 \$225,000,000 but not exceeding \$275,000,000 to the City of
15 Chicago;

16 16.2% of annual adjusted gross receipts in excess of
17 \$275,000,000 but not exceeding \$375,000,000 to the State
18 and 13.8% of annual adjusted gross receipts in excess of
19 \$275,000,000 but not exceeding \$375,000,000 to the City of
20 Chicago;

21 18.9% of annual adjusted gross receipts in excess of
22 \$375,000,000 to the State and 16.1% of annual gross
23 receipts in excess of \$375,000,000 to the City of Chicago.

24 For the imposition of the privilege tax in this subsection
25 (a-5), amounts paid pursuant to item (1) of subsection (b) of
26 Section 56 of the Illinois Horse Racing Act of 1975 shall not

1 be included in the determination of adjusted gross receipts.

2 Notwithstanding the provisions of this subsection (a-5),
3 for the first 10 years that the privilege tax is imposed under
4 this subsection (a-5), the privilege tax shall be imposed on
5 the modified annual adjusted gross receipts of a riverboat or
6 casino conducting gambling operations in the City of East St.
7 Louis, unless:

8 (1) the riverboat or casino fails to employ at least
9 450 people;

10 (2) the riverboat or casino fails to maintain
11 operations in a manner consistent with this Act or is not a
12 viable riverboat or casino subject to the approval of the
13 Division Board; or

14 (3) the owners licensee is not an entity in which
15 employees participate in an employee stock ownership plan.

16 As used in this subsection (a-5), "modified annual
17 adjusted gross receipts" means:

18 (A) for calendar year 2020, the annual adjusted gross
19 receipts for the current year minus the difference between
20 an amount equal to the average annual adjusted gross
21 receipts from a riverboat or casino conducting gambling
22 operations in the City of East St. Louis for 2014, 2015,
23 2016, 2017, and 2018 and the annual adjusted gross
24 receipts for 2018;

25 (B) for calendar year 2021, the annual adjusted gross
26 receipts for the current year minus the difference between

1 an amount equal to the average annual adjusted gross
2 receipts from a riverboat or casino conducting gambling
3 operations in the City of East St. Louis for 2014, 2015,
4 2016, 2017, and 2018 and the annual adjusted gross
5 receipts for 2019; and

6 (C) for calendar years 2022 through 2029, the annual
7 adjusted gross receipts for the current year minus the
8 difference between an amount equal to the average annual
9 adjusted gross receipts from a riverboat or casino
10 conducting gambling operations in the City of East St.
11 Louis for 3 years preceding the current year and the
12 annual adjusted gross receipts for the immediately
13 preceding year.

14 (a-6) From June 28, 2019 (the effective date of Public Act
15 101-31) until June 30, 2023, an owners licensee that conducted
16 gambling operations prior to January 1, 2011 shall receive a
17 dollar-for-dollar credit against the tax imposed under this
18 Section for any renovation or construction costs paid by the
19 owners licensee, but in no event shall the credit exceed
20 \$2,000,000.

21 Additionally, from June 28, 2019 (the effective date of
22 Public Act 101-31) until December 31, 2022, an owners licensee
23 that (i) is located within 15 miles of the Missouri border, and
24 (ii) has at least 3 riverboats, casinos, or their equivalent
25 within a 45-mile radius, may be authorized to relocate to a new
26 location with the approval of both the unit of local

1 government designated as the home dock and the Division Board,
2 so long as the new location is within the same unit of local
3 government and no more than 3 miles away from its original
4 location. Such owners licensee shall receive a credit against
5 the tax imposed under this Section equal to 8% of the total
6 project costs, as approved by the Division Board, for any
7 renovation or construction costs paid by the owners licensee
8 for the construction of the new facility, provided that the
9 new facility is operational by July 1, 2022. In determining
10 whether or not to approve a relocation, the Division Board
11 must consider the extent to which the relocation will diminish
12 the gaming revenues received by other Illinois gaming
13 facilities.

14 (a-7) Beginning in the initial adjustment year and through
15 the final adjustment year, if the total obligation imposed
16 pursuant to either subsection (a-5) or (a-6) will result in an
17 owners licensee receiving less after-tax adjusted gross
18 receipts than it received in calendar year 2018, then the
19 total amount of privilege taxes that the owners licensee is
20 required to pay for that calendar year shall be reduced to the
21 extent necessary so that the after-tax adjusted gross receipts
22 in that calendar year equals the after-tax adjusted gross
23 receipts in calendar year 2018, but the privilege tax
24 reduction shall not exceed the annual adjustment cap. If
25 pursuant to this subsection (a-7), the total obligation
26 imposed pursuant to either subsection (a-5) or (a-6) shall be

1 reduced, then the owners licensee shall not receive a refund
2 from the State at the end of the subject calendar year but
3 instead shall be able to apply that amount as a credit against
4 any payments it owes to the State in the following calendar
5 year to satisfy its total obligation under either subsection
6 (a-5) or (a-6). The credit for the final adjustment year shall
7 occur in the calendar year following the final adjustment
8 year.

9 If an owners licensee that conducted gambling operations
10 prior to January 1, 2019 expands its riverboat or casino,
11 including, but not limited to, with respect to its gaming
12 floor, additional non-gaming amenities such as restaurants,
13 bars, and hotels and other additional facilities, and incurs
14 construction and other costs related to such expansion from
15 June 28, 2019 (the effective date of Public Act 101-31) until
16 June 28, 2024 (the 5th anniversary of the effective date of
17 Public Act 101-31), then for each \$15,000,000 spent for any
18 such construction or other costs related to expansion paid by
19 the owners licensee, the final adjustment year shall be
20 extended by one year and the annual adjustment cap shall
21 increase by 0.2% of adjusted gross receipts during each
22 calendar year until and including the final adjustment year.
23 No further modifications to the final adjustment year or
24 annual adjustment cap shall be made after \$75,000,000 is
25 incurred in construction or other costs related to expansion
26 so that the final adjustment year shall not extend beyond the

1 9th calendar year after the initial adjustment year, not
2 including the initial adjustment year, and the annual
3 adjustment cap shall not exceed 4% of adjusted gross receipts
4 in a particular calendar year. Construction and other costs
5 related to expansion shall include all project related costs,
6 including, but not limited to, all hard and soft costs,
7 financing costs, on or off-site ground, road or utility work,
8 cost of gaming equipment and all other personal property,
9 initial fees assessed for each incremental gaming position,
10 and the cost of incremental land acquired for such expansion.
11 Soft costs shall include, but not be limited to, legal fees,
12 architect, engineering and design costs, other consultant
13 costs, insurance cost, permitting costs, and pre-opening costs
14 related to the expansion, including, but not limited to, any
15 of the following: marketing, real estate taxes, personnel,
16 training, travel and out-of-pocket expenses, supply,
17 inventory, and other costs, and any other project related soft
18 costs.

19 To be eligible for the tax credits in subsection (a-6),
20 all construction contracts shall include a requirement that
21 the contractor enter into a project labor agreement with the
22 building and construction trades council with geographic
23 jurisdiction of the location of the proposed gaming facility.

24 Notwithstanding any other provision of this subsection
25 (a-7), this subsection (a-7) does not apply to an owners
26 licensee unless such owners licensee spends at least

1 \$15,000,000 on construction and other costs related to its
2 expansion, excluding the initial fees assessed for each
3 incremental gaming position.

4 This subsection (a-7) does not apply to owners licensees
5 authorized pursuant to subsection (e-5) of Section 7 of this
6 Act.

7 For purposes of this subsection (a-7):

8 "Building and construction trades council" means any
9 organization representing multiple construction entities that
10 are monitoring or attentive to compliance with public or
11 workers' safety laws, wage and hour requirements, or other
12 statutory requirements or that are making or maintaining
13 collective bargaining agreements.

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) June 28, 2021 (24 months after the effective date
22 of Public Act 101-31);

23 provided the initial adjustment year shall not commence
24 earlier than June 28, 2020 (12 months after the effective date
25 of Public Act 101-31).

26 "Final adjustment year" means the 2nd calendar year after

1 the initial adjustment year, not including the initial
2 adjustment year, and as may be extended further as described
3 in this subsection (a-7).

4 "Annual adjustment cap" means 3% of adjusted gross
5 receipts in a particular calendar year, and as may be
6 increased further as otherwise described in this subsection
7 (a-7).

8 (a-8) Riverboat gambling operations conducted by a
9 licensed manager on behalf of the State are not subject to the
10 tax imposed under this Section.

11 (a-9) Beginning on January 1, 2020, the calculation of
12 gross receipts or adjusted gross receipts, for the purposes of
13 this Section, for a riverboat, a casino, or an organization
14 gaming facility shall not include the dollar amount of
15 non-cashable vouchers, coupons, and electronic promotions
16 redeemed by wagerers upon the riverboat, in the casino, or in
17 the organization gaming facility up to and including an amount
18 not to exceed 20% of a riverboat's, a casino's, or an
19 organization gaming facility's adjusted gross receipts.

20 The Division ~~Illinois Gaming Board~~ shall submit to the
21 General Assembly a comprehensive report no later than March
22 31, 2023 detailing, at a minimum, the effect of removing
23 non-cashable vouchers, coupons, and electronic promotions from
24 this calculation on net gaming revenues to the State in
25 calendar years 2020 through 2022, the increase or reduction in
26 wagerers as a result of removing non-cashable vouchers,

1 coupons, and electronic promotions from this calculation, the
2 effect of the tax rates in subsection (a-5) on net gaming
3 revenues to this State, and proposed modifications to the
4 calculation.

5 (a-10) The taxes imposed by this Section shall be paid by
6 the licensed owner or the organization gaming licensee to the
7 Division Board ~~Board~~ not later than 5:00 o'clock p.m. of the day
8 after the day when the wagers were made.

9 (a-15) If the privilege tax imposed under subsection (a-3)
10 is no longer imposed pursuant to item (i) of the last paragraph
11 of subsection (a-3), then by June 15 of each year, each owners
12 licensee, other than an owners licensee that admitted
13 1,000,000 persons or fewer in calendar year 2004, must, in
14 addition to the payment of all amounts otherwise due under
15 this Section, pay to the Division Board ~~Board~~ a reconciliation
16 payment in the amount, if any, by which the licensed owner's
17 base amount exceeds the amount of net privilege tax paid by the
18 licensed owner to the Division Board ~~Board~~ in the then current State
19 fiscal year. A licensed owner's net privilege tax obligation
20 due for the balance of the State fiscal year shall be reduced
21 up to the total of the amount paid by the licensed owner in its
22 June 15 reconciliation payment. The obligation imposed by this
23 subsection (a-15) is binding on any person, firm, corporation,
24 or other entity that acquires an ownership interest in any
25 such owners license. The obligation imposed under this
26 subsection (a-15) terminates on the earliest of: (i) July 1,

1 2007, (ii) the first day after the effective date of this
2 amendatory Act of the 94th General Assembly that riverboat
3 gambling operations are conducted pursuant to a dormant
4 license, (iii) the first day that riverboat gambling
5 operations are conducted under the authority of an owners
6 license that is in addition to the 10 owners licenses
7 initially authorized under this Act, or (iv) the first day
8 that a licensee under the Illinois Horse Racing Act of 1975
9 conducts gaming operations with slot machines or other
10 electronic gaming devices. The Division Board must reduce the
11 obligation imposed under this subsection (a-15) by an amount
12 the Division Board deems reasonable for any of the following
13 reasons: (A) an act or acts of God, (B) an act of bioterrorism
14 or terrorism or a bioterrorism or terrorism threat that was
15 investigated by a law enforcement agency, or (C) a condition
16 beyond the control of the owners licensee that does not result
17 from any act or omission by the owners licensee or any of its
18 agents and that poses a hazardous threat to the health and
19 safety of patrons. If an owners licensee pays an amount in
20 excess of its liability under this Section, the Division Board
21 shall apply the overpayment to future payments required under
22 this Section.

23 For purposes of this subsection (a-15):

24 "Act of God" means an incident caused by the operation of
25 an extraordinary force that cannot be foreseen, that cannot be
26 avoided by the exercise of due care, and for which no person

1 can be held liable.

2 "Base amount" means the following:

3 For a riverboat in Alton, \$31,000,000.

4 For a riverboat in East Peoria, \$43,000,000.

5 For the Empress riverboat in Joliet, \$86,000,000.

6 For a riverboat in Metropolis, \$45,000,000.

7 For the Harrah's riverboat in Joliet, \$114,000,000.

8 For a riverboat in Aurora, \$86,000,000.

9 For a riverboat in East St. Louis, \$48,500,000.

10 For a riverboat in Elgin, \$198,000,000.

11 "Dormant license" has the meaning ascribed to it in
12 subsection (a-3).

13 "Net privilege tax" means all privilege taxes paid by a
14 licensed owner to the Division Board under this Section, less
15 all payments made from the State Gaming Fund pursuant to
16 subsection (b) of this Section.

17 The changes made to this subsection (a-15) by Public Act
18 94-839 are intended to restate and clarify the intent of
19 Public Act 94-673 with respect to the amount of the payments
20 required to be made under this subsection by an owners
21 licensee to the Division Board.

22 (b) From the tax revenue from riverboat or casino gambling
23 deposited in the State Gaming Fund under this Section, an
24 amount equal to 5% of adjusted gross receipts generated by a
25 riverboat or a casino, other than a riverboat or casino
26 designated in paragraph (1), (3), or (4) of subsection (e-5)

1 of Section 7, shall be paid monthly, subject to appropriation
2 by the General Assembly, to the unit of local government in
3 which the casino is located or that is designated as the home
4 dock of the riverboat. Notwithstanding anything to the
5 contrary, beginning on the first day that an owners licensee
6 under paragraph (1), (2), (3), (4), (5), or (6) of subsection
7 (e-5) of Section 7 conducts gambling operations, either in a
8 temporary facility or a permanent facility, and for 2 years
9 thereafter, a unit of local government designated as the home
10 dock of a riverboat whose license was issued before January 1,
11 2019, other than a riverboat conducting gambling operations in
12 the City of East St. Louis, shall not receive less under this
13 subsection (b) than the amount the unit of local government
14 received under this subsection (b) in calendar year 2018.
15 Notwithstanding anything to the contrary and because the City
16 of East St. Louis is a financially distressed city, beginning
17 on the first day that an owners licensee under paragraph (1),
18 (2), (3), (4), (5), or (6) of subsection (e-5) of Section 7
19 conducts gambling operations, either in a temporary facility
20 or a permanent facility, and for 10 years thereafter, a unit of
21 local government designated as the home dock of a riverboat
22 conducting gambling operations in the City of East St. Louis
23 shall not receive less under this subsection (b) than the
24 amount the unit of local government received under this
25 subsection (b) in calendar year 2018.

26 From the tax revenue deposited in the State Gaming Fund

1 pursuant to riverboat or casino gambling operations conducted
2 by a licensed manager on behalf of the State, an amount equal
3 to 5% of adjusted gross receipts generated pursuant to those
4 riverboat or casino gambling operations shall be paid monthly,
5 subject to appropriation by the General Assembly, to the unit
6 of local government that is designated as the home dock of the
7 riverboat upon which those riverboat gambling operations are
8 conducted or in which the casino is located.

9 From the tax revenue from riverboat or casino gambling
10 deposited in the State Gaming Fund under this Section, an
11 amount equal to 5% of the adjusted gross receipts generated by
12 a riverboat designated in paragraph (3) of subsection (e-5) of
13 Section 7 shall be divided and remitted monthly, subject to
14 appropriation, as follows: 70% to Waukegan, 10% to Park City,
15 15% to North Chicago, and 5% to Lake County.

16 From the tax revenue from riverboat or casino gambling
17 deposited in the State Gaming Fund under this Section, an
18 amount equal to 5% of the adjusted gross receipts generated by
19 a riverboat designated in paragraph (4) of subsection (e-5) of
20 Section 7 shall be remitted monthly, subject to appropriation,
21 as follows: 70% to the City of Rockford, 5% to the City of
22 Loves Park, 5% to the Village of Machesney, and 20% to
23 Winnebago County.

24 From the tax revenue from riverboat or casino gambling
25 deposited in the State Gaming Fund under this Section, an
26 amount equal to 5% of the adjusted gross receipts generated by

1 a riverboat designated in paragraph (5) of subsection (e-5) of
2 Section 7 shall be remitted monthly, subject to appropriation,
3 as follows: 2% to the unit of local government in which the
4 riverboat or casino is located, and 3% shall be distributed:
5 (A) in accordance with a regional capital development plan
6 entered into by the following communities: Village of Beecher,
7 City of Blue Island, Village of Burnham, City of Calumet City,
8 Village of Calumet Park, City of Chicago Heights, City of
9 Country Club Hills, Village of Crestwood, Village of Crete,
10 Village of Dixmoor, Village of Dolton, Village of East Hazel
11 Crest, Village of Flossmoor, Village of Ford Heights, Village
12 of Glenwood, City of Harvey, Village of Hazel Crest, Village
13 of Homewood, Village of Lansing, Village of Lynwood, City of
14 Markham, Village of Matteson, Village of Midlothian, Village
15 of Monee, City of Oak Forest, Village of Olympia Fields,
16 Village of Orland Hills, Village of Orland Park, City of Palos
17 Heights, Village of Park Forest, Village of Phoenix, Village
18 of Posen, Village of Richton Park, Village of Riverdale,
19 Village of Robbins, Village of Sauk Village, Village of South
20 Chicago Heights, Village of South Holland, Village of Steger,
21 Village of Thornton, Village of Tinley Park, Village of
22 University Park and Village of Worth; or (B) if no regional
23 capital development plan exists, equally among the communities
24 listed in item (A) to be used for capital expenditures or
25 public pension payments, or both.

26 Units of local government may refund any portion of the

1 payment that they receive pursuant to this subsection (b) to
2 the riverboat or casino.

3 (b-4) Beginning on the first day the licensee under
4 paragraph (5) of subsection (e-5) of Section 7 conducts
5 gambling operations, either in a temporary facility or a
6 permanent facility, and ending on July 31, 2042, from the tax
7 revenue deposited in the State Gaming Fund under this Section,
8 \$5,000,000 shall be paid annually, subject to appropriation,
9 to the host municipality of that owners licensee of a license
10 issued or re-issued pursuant to Section 7.1 of this Act before
11 January 1, 2012. Payments received by the host municipality
12 pursuant to this subsection (b-4) may not be shared with any
13 other unit of local government.

14 (b-5) Beginning on June 28, 2019 (the effective date of
15 Public Act 101-31), from the tax revenue deposited in the
16 State Gaming Fund under this Section, an amount equal to 3% of
17 adjusted gross receipts generated by each organization gaming
18 facility located outside Madison County shall be paid monthly,
19 subject to appropriation by the General Assembly, to a
20 municipality other than the Village of Stickney in which each
21 organization gaming facility is located or, if the
22 organization gaming facility is not located within a
23 municipality, to the county in which the organization gaming
24 facility is located, except as otherwise provided in this
25 Section. From the tax revenue deposited in the State Gaming
26 Fund under this Section, an amount equal to 3% of adjusted

1 gross receipts generated by an organization gaming facility
2 located in the Village of Stickney shall be paid monthly,
3 subject to appropriation by the General Assembly, as follows:
4 25% to the Village of Stickney, 5% to the City of Berwyn, 50%
5 to the Town of Cicero, and 20% to the Stickney Public Health
6 District.

7 From the tax revenue deposited in the State Gaming Fund
8 under this Section, an amount equal to 5% of adjusted gross
9 receipts generated by an organization gaming facility located
10 in the City of Collinsville shall be paid monthly, subject to
11 appropriation by the General Assembly, as follows: 30% to the
12 City of Alton, 30% to the City of East St. Louis, and 40% to
13 the City of Collinsville.

14 Municipalities and counties may refund any portion of the
15 payment that they receive pursuant to this subsection (b-5) to
16 the organization gaming facility.

17 (b-6) Beginning on June 28, 2019 (the effective date of
18 Public Act 101-31), from the tax revenue deposited in the
19 State Gaming Fund under this Section, an amount equal to 2% of
20 adjusted gross receipts generated by an organization gaming
21 facility located outside Madison County shall be paid monthly,
22 subject to appropriation by the General Assembly, to the
23 county in which the organization gaming facility is located
24 for the purposes of its criminal justice system or health care
25 system.

26 Counties may refund any portion of the payment that they

1 receive pursuant to this subsection (b-6) to the organization
2 gaming facility.

3 (b-7) From the tax revenue from the organization gaming
4 licensee located in one of the following townships of Cook
5 County: Bloom, Bremen, Calumet, Orland, Rich, Thornton, or
6 Worth, an amount equal to 5% of the adjusted gross receipts
7 generated by that organization gaming licensee shall be
8 remitted monthly, subject to appropriation, as follows: 2% to
9 the unit of local government in which the organization gaming
10 licensee is located, and 3% shall be distributed: (A) in
11 accordance with a regional capital development plan entered
12 into by the following communities: Village of Beecher, City of
13 Blue Island, Village of Burnham, City of Calumet City, Village
14 of Calumet Park, City of Chicago Heights, City of Country Club
15 Hills, Village of Crestwood, Village of Crete, Village of
16 Dixmoor, Village of Dolton, Village of East Hazel Crest,
17 Village of Flossmoor, Village of Ford Heights, Village of
18 Glenwood, City of Harvey, Village of Hazel Crest, Village of
19 Homewood, Village of Lansing, Village of Lynwood, City of
20 Markham, Village of Matteson, Village of Midlothian, Village
21 of Monee, City of Oak Forest, Village of Olympia Fields,
22 Village of Orland Hills, Village of Orland Park, City of Palos
23 Heights, Village of Park Forest, Village of Phoenix, Village
24 of Posen, Village of Richton Park, Village of Riverdale,
25 Village of Robbins, Village of Sauk Village, Village of South
26 Chicago Heights, Village of South Holland, Village of Steger,

1 Village of Thornton, Village of Tinley Park, Village of
2 University Park, and Village of Worth; or (B) if no regional
3 capital development plan exists, equally among the communities
4 listed in item (A) to be used for capital expenditures or
5 public pension payments, or both.

6 (b-8) In lieu of the payments under subsection (b) of this
7 Section, from the tax revenue deposited in the State Gaming
8 Fund pursuant to riverboat or casino gambling operations
9 conducted by an owners licensee under paragraph (1) of
10 subsection (e-5) of Section 7, an amount equal to the tax
11 revenue generated from the privilege tax imposed by paragraph
12 (2) of subsection (a-5) that is to be paid to the City of
13 Chicago shall be paid monthly, subject to appropriation by the
14 General Assembly, as follows: (1) an amount equal to 0.5% of
15 the annual adjusted gross receipts generated by the owners
16 licensee under paragraph (1) of subsection (e-5) of Section 7
17 to the home rule county in which the owners licensee is located
18 for the purpose of enhancing the county's criminal justice
19 system; and (2) the balance to the City of Chicago and shall be
20 expended or obligated by the City of Chicago for pension
21 payments in accordance with Public Act 99-506.

22 (c) Appropriations, as approved by the General Assembly,
23 may be made from the State Gaming Fund to the Division Board ~~Board~~
24 (i) for the administration and enforcement of this Act and the
25 Video Gaming Act, (ii) for distribution to the Department of
26 State Police and to the Department of Revenue for the

1 enforcement of this Act and the Video Gaming Act, and (iii) to
2 the Department of Human Services for the administration of
3 programs to treat problem gambling, including problem gambling
4 from sports wagering. The Division's ~~Board's~~ annual
5 appropriations request must separately state its funding needs
6 for the regulation of gaming authorized under Section 7.7,
7 riverboat gaming, casino gaming, video gaming, and sports
8 wagering.

9 (c-2) An amount equal to 2% of the adjusted gross receipts
10 generated by an organization gaming facility located within a
11 home rule county with a population of over 3,000,000
12 inhabitants shall be paid, subject to appropriation from the
13 General Assembly, from the State Gaming Fund to the home rule
14 county in which the organization gaming licensee is located
15 for the purpose of enhancing the county's criminal justice
16 system.

17 (c-3) Appropriations, as approved by the General Assembly,
18 may be made from the tax revenue deposited into the State
19 Gaming Fund from organization gaming licensees pursuant to
20 this Section for the administration and enforcement of this
21 Act.

22 (c-4) After payments required under subsections (b),
23 (b-5), (b-6), (b-7), (c), (c-2), and (c-3) have been made from
24 the tax revenue from organization gaming licensees deposited
25 into the State Gaming Fund under this Section, all remaining
26 amounts from organization gaming licensees shall be

1 transferred into the Capital Projects Fund.

2 (c-5) (Blank).

3 (c-10) Each year the General Assembly shall appropriate
4 from the General Revenue Fund to the Education Assistance Fund
5 an amount equal to the amount paid into the Horse Racing Equity
6 Fund pursuant to subsection (c-5) in the prior calendar year.

7 (c-15) After the payments required under subsections (b),
8 (c), and (c-5) have been made, an amount equal to 2% of the
9 adjusted gross receipts of (1) an owners licensee that
10 relocates pursuant to Section 11.2, (2) an owners licensee
11 conducting riverboat gambling operations pursuant to an owners
12 license that is initially issued after June 25, 1999, or (3)
13 the first riverboat gambling operations conducted by a
14 licensed manager on behalf of the State under Section 7.3,
15 whichever comes first, shall be paid, subject to appropriation
16 from the General Assembly, from the State Gaming Fund to each
17 home rule county with a population of over 3,000,000
18 inhabitants for the purpose of enhancing the county's criminal
19 justice system.

20 (c-20) Each year the General Assembly shall appropriate
21 from the General Revenue Fund to the Education Assistance Fund
22 an amount equal to the amount paid to each home rule county
23 with a population of over 3,000,000 inhabitants pursuant to
24 subsection (c-15) in the prior calendar year.

25 (c-21) After the payments required under subsections (b),
26 (b-4), (b-5), (b-6), (b-7), (b-8), (c), (c-3), and (c-4) have

1 been made, an amount equal to 0.5% of the adjusted gross
2 receipts generated by the owners licensee under paragraph (1)
3 of subsection (e-5) of Section 7 shall be paid monthly,
4 subject to appropriation from the General Assembly, from the
5 State Gaming Fund to the home rule county in which the owners
6 licensee is located for the purpose of enhancing the county's
7 criminal justice system.

8 (c-22) After the payments required under subsections (b),
9 (b-4), (b-5), (b-6), (b-7), (b-8), (c), (c-3), (c-4), and
10 (c-21) have been made, an amount equal to 2% of the adjusted
11 gross receipts generated by the owners licensee under
12 paragraph (5) of subsection (e-5) of Section 7 shall be paid,
13 subject to appropriation from the General Assembly, from the
14 State Gaming Fund to the home rule county in which the owners
15 licensee is located for the purpose of enhancing the county's
16 criminal justice system.

17 (c-25) From July 1, 2013 and each July 1 thereafter
18 through July 1, 2019, \$1,600,000 shall be transferred from the
19 State Gaming Fund to the Chicago State University Education
20 Improvement Fund.

21 On July 1, 2020 and each July 1 thereafter, \$3,000,000
22 shall be transferred from the State Gaming Fund to the Chicago
23 State University Education Improvement Fund.

24 (c-30) On July 1, 2013 or as soon as possible thereafter,
25 \$92,000,000 shall be transferred from the State Gaming Fund to
26 the School Infrastructure Fund and \$23,000,000 shall be

1 transferred from the State Gaming Fund to the Horse Racing
2 Equity Fund.

3 (c-35) Beginning on July 1, 2013, in addition to any
4 amount transferred under subsection (c-30) of this Section,
5 \$5,530,000 shall be transferred monthly from the State Gaming
6 Fund to the School Infrastructure Fund.

7 (d) From time to time, the Division Board shall transfer
8 the remainder of the funds generated by this Act into the
9 Education Assistance Fund, created by Public Act 86-0018, of
10 the State of Illinois.

11 (e) Nothing in this Act shall prohibit the unit of local
12 government designated as the home dock of the riverboat from
13 entering into agreements with other units of local government
14 in this State or in other states to share its portion of the
15 tax revenue.

16 (f) To the extent practicable, the Division Board shall
17 administer and collect the wagering taxes imposed by this
18 Section in a manner consistent with the provisions of Sections
19 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9,
20 and 10 of the Retailers' Occupation Tax Act and Section 3-7 of
21 the Uniform Penalty and Interest Act.

22 (Source: P.A. 101-31, Article 25, Section 25-910, eff.
23 6-28-19; 101-31, Article 35, Section 35-55, eff. 6-28-19;
24 101-648, eff. 6-30-20.)

25 (230 ILCS 10/13.05)

1 Sec. 13.05. Withholding of delinquent child support.

2 (a) From winnings required to be reported to the Internal
3 Revenue Service on Form W-2G, an owners licensee or a licensee
4 that operates one or more facilities or gaming locations at
5 which lawful gambling is authorized as provided in this Act
6 shall withhold up to the full amount of winnings necessary to
7 pay the winner's past due child support amount as certified by
8 the Department of Healthcare and Family Services under Section
9 10-17.15 of the Illinois Public Aid Code. Amounts withheld
10 shall be paid to the Department of Healthcare and Family
11 Services by the owners licensee or casino operator licensee,
12 as applicable.

13 (b) For withholding of winnings, the licensee shall be
14 entitled to an administrative fee not to exceed the lesser of
15 4% of the total amount of cash winnings paid to the gambling
16 winner or \$150.

17 (c) In no event may the total amount withheld from the cash
18 payout, including the administrative fee, exceed the total
19 cash winnings claimed by the obligor. If the cash payout
20 claimed is greater than the amount sufficient to satisfy the
21 obligor's delinquent child support payments, the licensee
22 shall pay the obligor the remaining balance of the payout,
23 less the administrative fee authorized by subsection (b) of
24 this Section, at the time it is claimed.

25 (d) A licensee who in good faith complies with the
26 requirements of this Section shall not be liable to the gaming

1 winner or any other individual or entity.

2 (e) Upon request of a licensed owner under this Act, an
3 agent of the Division Board (such as a gaming special agent
4 employed by the Division Board, a State police officer, or a
5 revenue agent) shall be responsible for notifying the person
6 identified as being delinquent in child support payments that
7 the licensed owner is required by law to withhold all or a
8 portion of his or her winnings. If given, this notification
9 must be provided at the time the winnings are withheld.

10 (f) The provisions of this Section shall be operative on
11 and after the date that rules are adopted by the Department of
12 Healthcare and Family Services pursuant to Section 10-17.15 of
13 the Illinois Public Aid Code.

14 (g) The delinquent child support required to be withheld
15 under this Section and the administrative fee under subsection
16 (b) of this Section have priority over any secured or
17 unsecured claim on cash winnings, except claims for federal or
18 State taxes that are required to be withheld under federal or
19 State law.

20 (Source: P.A. 98-318, eff. 8-12-13.)

21 (230 ILCS 10/14) (from Ch. 120, par. 2414)

22 Sec. 14. Licensees - Records - Reports - Supervision.

23 (a) Licensed owners and organization gaming licensees
24 shall keep books and records so as to clearly show the
25 following:

- 1 (1) The amount received daily from admission fees.
- 2 (2) The total amount of gross receipts.
- 3 (3) The total amount of the adjusted gross receipts.

4 (b) Licensed owners and organization gaming licensees
5 shall furnish to the Division Board reports and information as
6 the Division Board may require with respect to its activities
7 on forms designed and supplied for such purpose by the
8 Division Board.

9 (c) The books and records kept by a licensed owner as
10 provided by this Section are public records and the
11 examination, publication, and dissemination of the books and
12 records are governed by the provisions of The Freedom of
13 Information Act.

14 (Source: P.A. 101-31, eff. 6-28-19.)

15 (230 ILCS 10/15) (from Ch. 120, par. 2415)

16 Sec. 15. Audit of licensee operations. Annually, the
17 licensed owner, manager, or organization gaming licensee shall
18 transmit to the Division Board an audit of the financial
19 transactions and condition of the licensee's or manager's
20 total operations. Additionally, within 90 days after the end
21 of each quarter of each fiscal year, the licensed owner,
22 manager, or organization gaming licensee shall transmit to the
23 Division Board a compliance report on engagement procedures
24 determined by the Division Board. All audits and compliance
25 engagements shall be conducted by certified public accountants

1 selected by the Division ~~Board~~. Each certified public
2 accountant must be registered in the State of Illinois under
3 the Illinois Public Accounting Act. The compensation for each
4 certified public accountant shall be paid directly by the
5 licensed owner, manager, or organization gaming licensee to
6 the certified public accountant.

7 (Source: P.A. 101-31, eff. 6-28-19.)

8 (230 ILCS 10/16) (from Ch. 120, par. 2416)

9 Sec. 16. Annual Report of Division ~~Board~~. The Division
10 ~~Board~~ shall make an annual report to the Governor, for the
11 period ending December 31 of each year. Included in the report
12 shall be an account of the Division ~~Board~~ actions, its
13 financial position and results of operation under this Act,
14 the practical results attained under this Act and any
15 recommendations for legislation which the Division ~~Board~~ deems
16 advisable.

17 (Source: P.A. 86-1029.)

18 (230 ILCS 10/17) (from Ch. 120, par. 2417)

19 Sec. 17. Administrative procedures. The Illinois
20 Administrative Procedure Act shall apply to all administrative
21 rules and procedures of the Division ~~Board~~ under this Act and
22 the Video Gaming Act, except that: (1) subsection (b) of
23 Section 5-10 of the Illinois Administrative Procedure Act does
24 not apply to final orders, decisions and opinions of the

1 Division Board; (2) subsection (a) of Section 5-10 of the
2 Illinois Administrative Procedure Act does not apply to forms
3 established by the Division Board for use under this Act and or
4 the Video Gaming Act; (3) the provisions of Section 10-45 of
5 the Illinois Administrative Procedure Act regarding proposals
6 for decision are excluded under this Act and the Video Gaming
7 Act; and (4) the provisions of subsection (d) of Section 10-65
8 of the Illinois Administrative Procedure Act do not apply so
9 as to prevent summary suspension of any license pending
10 revocation or other action, which suspension shall remain in
11 effect unless modified by the Division Board or unless the
12 Division's Board's decision is reversed on the merits upon
13 judicial review.

14 (Source: P.A. 101-31, eff. 6-28-19.)

15 (230 ILCS 10/17.1) (from Ch. 120, par. 2417.1)

16 Sec. 17.1. Judicial review.

17 (a) Jurisdiction and venue for the judicial review of a
18 final order of the Division Board relating to licensed owners,
19 suppliers, organization gaming licensees, and special event
20 licenses is vested in the Appellate Court of the judicial
21 district in which Sangamon County is located. A petition for
22 judicial review of a final order of the Division Board must be
23 filed in the Appellate Court, within 35 days from the date that
24 a copy of the decision sought to be reviewed was served upon
25 the party affected by the decision.

1 (b) Judicial review of all other final orders of the
2 Division Board shall be conducted in accordance with the
3 Administrative Review Law.

4 (Source: P.A. 101-31, eff. 6-28-19.)

5 (230 ILCS 10/18) (from Ch. 120, par. 2418)

6 Sec. 18. Prohibited Activities - Penalty.

7 (a) A person is guilty of a Class A misdemeanor for doing
8 any of the following:

9 (1) Conducting gambling where wagering is used or to
10 be used without a license issued by the Division Board.

11 (2) Conducting gambling where wagering is permitted
12 other than in the manner specified by Section 11.

13 (b) A person is guilty of a Class B misdemeanor for doing
14 any of the following:

15 (1) permitting a person under 21 years to make a
16 wager; or

17 (2) violating paragraph (12) of subsection (a) of
18 Section 11 of this Act.

19 (c) A person wagering or accepting a wager at any location
20 outside the riverboat, casino, or organization gaming facility
21 in violation of paragraph (1) or (2) of subsection (a) of
22 Section 28-1 of the Criminal Code of 2012 is subject to the
23 penalties provided in that Section.

24 (d) A person commits a Class 4 felony and, in addition,
25 shall be barred for life from gambling operations under the

1 jurisdiction of the Division Board, if the person does any of
2 the following:

3 (1) Offers, promises, or gives anything of value or
4 benefit to a person who is connected with a riverboat or
5 casino owner or organization gaming licensee, including,
6 but not limited to, an officer or employee of a licensed
7 owner, organization gaming licensee, or holder of an
8 occupational license pursuant to an agreement or
9 arrangement or with the intent that the promise or thing
10 of value or benefit will influence the actions of the
11 person to whom the offer, promise, or gift was made in
12 order to affect or attempt to affect the outcome of a
13 gambling game, or to influence official action of an
14 employee of the Division ~~a member of the Board~~.

15 (2) Solicits or knowingly accepts or receives a
16 promise of anything of value or benefit while the person
17 is connected with a riverboat, casino, or organization
18 gaming facility, including, but not limited to, an officer
19 or employee of a licensed owner or organization gaming
20 licensee, or the holder of an occupational license,
21 pursuant to an understanding or arrangement or with the
22 intent that the promise or thing of value or benefit will
23 influence the actions of the person to affect or attempt
24 to affect the outcome of a gambling game, or to influence
25 official action of an employee of the Division ~~a member of~~
26 ~~the Board~~.

1 (3) Uses or possesses with the intent to use a device
2 to assist:

3 (i) In projecting the outcome of the game.

4 (ii) In keeping track of the cards played.

5 (iii) In analyzing the probability of the
6 occurrence of an event relating to the gambling game.

7 (iv) In analyzing the strategy for playing or
8 betting to be used in the game except as permitted by
9 the Division Board.

10 (4) Cheats at a gambling game.

11 (5) Manufactures, sells, or distributes any cards,
12 chips, dice, game or device which is intended to be used to
13 violate any provision of this Act.

14 (6) Alters or misrepresents the outcome of a gambling
15 game on which wagers have been made after the outcome is
16 made sure but before it is revealed to the players.

17 (7) Places a bet after acquiring knowledge, not
18 available to all players, of the outcome of the gambling
19 game which is subject of the bet or to aid a person in
20 acquiring the knowledge for the purpose of placing a bet
21 contingent on that outcome.

22 (8) Claims, collects, or takes, or attempts to claim,
23 collect, or take, money or anything of value in or from the
24 gambling games, with intent to defraud, without having
25 made a wager contingent on winning a gambling game, or
26 claims, collects, or takes an amount of money or thing of

1 value of greater value than the amount won.

2 (9) Uses counterfeit chips or tokens in a gambling
3 game.

4 (10) Possesses any key or device designed for the
5 purpose of opening, entering, or affecting the operation
6 of a gambling game, drop box, or an electronic or
7 mechanical device connected with the gambling game or for
8 removing coins, tokens, chips or other contents of a
9 gambling game. This paragraph (10) does not apply to a
10 gambling licensee or employee of a gambling licensee
11 acting in furtherance of the employee's employment.

12 (e) The possession of more than one of the devices
13 described in subsection (d), paragraphs (3), (5), or (10)
14 permits a rebuttable presumption that the possessor intended
15 to use the devices for cheating.

16 (f) A person under the age of 21 who, except as authorized
17 under paragraph (10) of Section 11, enters upon a riverboat or
18 in a casino or organization gaming facility commits a petty
19 offense and is subject to a fine of not less than \$100 or more
20 than \$250 for a first offense and of not less than \$200 or more
21 than \$500 for a second or subsequent offense.

22 An action to prosecute any crime occurring on a riverboat
23 shall be tried in the county of the dock at which the riverboat
24 is based. An action to prosecute any crime occurring in a
25 casino or organization gaming facility shall be tried in the
26 county in which the casino or organization gaming facility is

1 located.

2 (Source: P.A. 101-31, eff. 6-28-19.)

3 (230 ILCS 10/18.1)

4 Sec. 18.1. Distribution of certain fines. If a fine is
5 imposed on an owners licensee or an organization gaming
6 licensee for knowingly sending marketing or promotional
7 materials to any person placed on the self-exclusion list,
8 then the Division Board shall distribute an amount equal to
9 15% of the fine imposed to the unit of local government in
10 which the casino, riverboat, or organization gaming facility
11 is located for the purpose of awarding grants to non-profit
12 entities that assist gambling addicts.

13 (Source: P.A. 101-31, eff. 6-28-19.)

14 (230 ILCS 10/22) (from Ch. 120, par. 2422)

15 Sec. 22. Criminal history record information. Whenever the
16 Division Board is authorized or required by law to consider
17 some aspect of criminal history record information for the
18 purpose of carrying out its statutory powers and
19 responsibilities, the Division Board shall, in the form and
20 manner required by the Department of State Police and the
21 Federal Bureau of Investigation, cause to be conducted a
22 criminal history record investigation to obtain any
23 information currently or thereafter contained in the files of
24 the Department of State Police or the Federal Bureau of

1 Investigation, including, but not limited to, civil, criminal,
2 and latent fingerprint databases. Each applicant for
3 occupational licensing under Section 9 or key person as
4 defined by the Division Board in administrative rules shall
5 submit his or her fingerprints to the Department of State
6 Police in the form and manner prescribed by the Department of
7 State Police. These fingerprints shall be checked against the
8 fingerprint records now and hereafter filed in the Department
9 of State Police and Federal Bureau of Investigation criminal
10 history records databases, including, but not limited to,
11 civil, criminal, and latent fingerprint databases. The
12 Department of State Police shall charge a fee for conducting
13 the criminal history records check, which shall be deposited
14 in the State Police Services Fund and shall not exceed the
15 actual cost of the records check. The Department of State
16 Police shall provide, on the Division's Board's request,
17 information concerning any criminal charges, and their
18 disposition, currently or thereafter filed against any
19 applicant, key person, or holder of any license or for
20 determinations of suitability. Information obtained as a
21 result of an investigation under this Section shall be used in
22 determining eligibility for any license. Upon request and
23 payment of fees in conformance with the requirements of
24 Section 2605-400 of the Department of State Police Law (20
25 ILCS 2605/2605-400), the Department of State Police is
26 authorized to furnish, pursuant to positive identification,

1 such information contained in State files as is necessary to
2 fulfill the request.

3 (Source: P.A. 101-597, eff. 12-6-19.)

4 Section 130. The Video Gaming Act is amended by changing
5 Sections 5, 15, 20, 25, 26, 35, 43, 45, 50, 57, 58, 60, 78, 79,
6 79.5, 80, and 85 as follows:

7 (230 ILCS 40/5)

8 Sec. 5. Definitions. As used in this Act:

9 ~~"Board" means the Illinois Gaming Board.~~

10 "Credit" means one, 5, 10, or 25 cents either won or
11 purchased by a player.

12 "Distributor" means an individual, partnership,
13 corporation, or limited liability company licensed under this
14 Act to buy, sell, lease, or distribute video gaming terminals
15 or major components or parts of video gaming terminals to or
16 from terminal operators.

17 "Director" means the Director of Video Gaming of the
18 Department of Lottery and Gaming.

19 "Division" means the Division of Video Gaming of the
20 Department of Lottery and Gaming.

21 "Electronic card" means a card purchased from a licensed
22 establishment, licensed fraternal establishment, licensed
23 veterans establishment, licensed truck stop establishment, or
24 licensed large truck stop establishment for use in that

1 establishment as a substitute for cash in the conduct of
2 gaming on a video gaming terminal.

3 "Electronic voucher" means a voucher printed by an
4 electronic video game machine that is redeemable in the
5 licensed establishment for which it was issued.

6 "In-location bonus jackpot" means one or more video gaming
7 terminals at a single licensed establishment that allows for
8 wagers placed on such video gaming terminals to contribute to
9 a cumulative maximum jackpot of up to \$10,000.

10 "Terminal operator" means an individual, partnership,
11 corporation, or limited liability company that is licensed
12 under this Act and that owns, services, and maintains video
13 gaming terminals for placement in licensed establishments,
14 licensed truck stop establishments, licensed large truck stop
15 establishments, licensed fraternal establishments, or licensed
16 veterans establishments.

17 "Licensed technician" means an individual who is licensed
18 under this Act to repair, service, and maintain video gaming
19 terminals.

20 "Licensed terminal handler" means a person, including but
21 not limited to an employee or independent contractor working
22 for a manufacturer, distributor, supplier, technician, or
23 terminal operator, who is licensed under this Act to possess
24 or control a video gaming terminal or to have access to the
25 inner workings of a video gaming terminal. A licensed terminal
26 handler does not include an individual, partnership,

1 corporation, or limited liability company defined as a
2 manufacturer, distributor, supplier, technician, or terminal
3 operator under this Act.

4 "Manufacturer" means an individual, partnership,
5 corporation, or limited liability company that is licensed
6 under this Act and that manufactures or assembles video gaming
7 terminals.

8 "Supplier" means an individual, partnership, corporation,
9 or limited liability company that is licensed under this Act
10 to supply major components or parts to video gaming terminals
11 to licensed terminal operators.

12 "Net terminal income" means money put into a video gaming
13 terminal minus credits paid out to players.

14 "Video gaming terminal" means any electronic video game
15 machine that, upon insertion of cash, electronic cards or
16 vouchers, or any combination thereof, is available to play or
17 simulate the play of a video game, including but not limited to
18 video poker, line up, and blackjack, as authorized by the
19 Division Board ~~Board~~ utilizing a video display and microprocessors
20 in which the player may receive free games or credits that can
21 be redeemed for cash. The term does not include a machine that
22 directly dispenses coins, cash, or tokens or is for amusement
23 purposes only.

24 "Licensed establishment" means any licensed retail
25 establishment where alcoholic liquor is drawn, poured, mixed,
26 or otherwise served for consumption on the premises, whether

1 the establishment operates on a nonprofit or for-profit basis.

2 "Licensed establishment" includes any such establishment that
3 has a contractual relationship with an inter-track wagering
4 location licensee licensed under the Illinois Horse Racing Act
5 of 1975, provided any contractual relationship shall not
6 include any transfer or offer of revenue from the operation of
7 video gaming under this Act to any licensee licensed under the
8 Illinois Horse Racing Act of 1975. Provided, however, that the
9 licensed establishment that has such a contractual
10 relationship with an inter-track wagering location licensee
11 may not, itself, be (i) an inter-track wagering location
12 licensee, (ii) the corporate parent or subsidiary of any
13 licensee licensed under the Illinois Horse Racing Act of 1975,
14 or (iii) the corporate subsidiary of a corporation that is
15 also the corporate parent or subsidiary of any licensee
16 licensed under the Illinois Horse Racing Act of 1975.

17 "Licensed establishment" does not include a facility operated
18 by an organization licensee, an inter-track wagering licensee,
19 or an inter-track wagering location licensee licensed under
20 the Illinois Horse Racing Act of 1975 or a riverboat licensed
21 under the Illinois Gambling Act, except as provided in this
22 paragraph. The changes made to this definition by Public Act
23 98-587 are declarative of existing law.

24 "Licensed fraternal establishment" means the location
25 where a qualified fraternal organization that derives its
26 charter from a national fraternal organization regularly

1 meets.

2 "Licensed veterans establishment" means the location where
3 a qualified veterans organization that derives its charter
4 from a national veterans organization regularly meets.

5 "Licensed truck stop establishment" means a facility (i)
6 that is at least a 3-acre facility with a convenience store,
7 (ii) with separate diesel islands for fueling commercial motor
8 vehicles, (iii) that sells at retail more than 10,000 gallons
9 of diesel or biodiesel fuel per month, and (iv) with parking
10 spaces for commercial motor vehicles. "Commercial motor
11 vehicles" has the same meaning as defined in Section 18b-101
12 of the Illinois Vehicle Code. The requirement of item (iii) of
13 this paragraph may be met by showing that estimated future
14 sales or past sales average at least 10,000 gallons per month.

15 "Licensed large truck stop establishment" means a facility
16 located within 3 road miles from a freeway interchange, as
17 measured in accordance with the Department of Transportation's
18 rules regarding the criteria for the installation of business
19 signs: (i) that is at least a 3-acre facility with a
20 convenience store, (ii) with separate diesel islands for
21 fueling commercial motor vehicles, (iii) that sells at retail
22 more than 50,000 gallons of diesel or biodiesel fuel per
23 month, and (iv) with parking spaces for commercial motor
24 vehicles. "Commercial motor vehicles" has the same meaning as
25 defined in Section 18b-101 of the Illinois Vehicle Code. The
26 requirement of item (iii) of this paragraph may be met by

1 showing that estimated future sales or past sales average at
2 least 50,000 gallons per month.

3 (Source: P.A. 101-31, eff. 6-28-19.)

4 (230 ILCS 40/15)

5 Sec. 15. Minimum requirements for licensing and
6 registration. Every video gaming terminal offered for play
7 shall first be tested and approved pursuant to the rules of the
8 Division Board, and each video gaming terminal offered in this
9 State for play shall conform to an approved model. For the
10 examination of video gaming machines and associated equipment
11 as required by this Section, the Division Board shall utilize
12 the services of independent outside testing laboratories that
13 have been accredited in accordance with ISO/IEC 17025 by an
14 accreditation body that is a signatory to the International
15 Laboratory Accreditation Cooperation Mutual Recognition
16 Agreement signifying they are qualified to perform such
17 examinations. Notwithstanding any law to the contrary, the
18 Division Board shall consider the licensing of independent
19 outside testing laboratory applicants in accordance with
20 procedures established by the Division Board by rule. The
21 Board shall not withhold its approval of an independent
22 outside testing laboratory license applicant that has been
23 accredited as required by this Section and is licensed in
24 gaming jurisdictions comparable to Illinois. Upon the
25 finalization of required rules, the Division Board shall

1 license independent testing laboratories and accept the test
2 reports of any licensed testing laboratory of the video gaming
3 machine's or associated equipment manufacturer's choice,
4 notwithstanding the existence of contracts between the
5 Division Board and any independent testing laboratory. Every
6 video gaming terminal offered in this State for play must meet
7 minimum standards approved by the Division Board. Each
8 approved model shall, at a minimum, meet the following
9 criteria:

10 (1) It must conform to all requirements of federal law
11 and regulations, including FCC Class A Emissions
12 Standards.

13 (2) It must theoretically pay out a mathematically
14 demonstrable percentage during the expected lifetime of
15 the machine of all amounts played, which must not be less
16 than 80%. The Division Board shall establish a maximum
17 payout percentage for approved models by rule. Video
18 gaming terminals that may be affected by skill must meet
19 this standard when using a method of play that will
20 provide the greatest return to the player over a period of
21 continuous play.

22 (3) It must use a random selection process to
23 determine the outcome of each play of a game. The random
24 selection process must meet 99% confidence limits using a
25 standard chi-squared test for (randomness) goodness of
26 fit.

1 (4) It must display an accurate representation of the
2 game outcome.

3 (5) It must not automatically alter pay tables or any
4 function of the video gaming terminal based on internal
5 computation of hold percentage or have any means of
6 manipulation that affects the random selection process or
7 probabilities of winning a game.

8 (6) It must not be adversely affected by static
9 discharge or other electromagnetic interference.

10 (7) It must be capable of detecting and displaying the
11 following conditions during idle states or on demand:
12 power reset; door open; and door just closed.

13 (8) It must have the capacity to display complete play
14 history (outcome, intermediate play steps, credits
15 available, bets placed, credits paid, and credits cashed
16 out) for the most recent game played and 10 games prior
17 thereto.

18 (9) The theoretical payback percentage of a video
19 gaming terminal must not be capable of being changed
20 without making a hardware or software change in the video
21 gaming terminal, either on site or via the central
22 communications system.

23 (10) Video gaming terminals must be designed so that
24 replacement of parts or modules required for normal
25 maintenance does not necessitate replacement of the
26 electromechanical meters.

1 (11) It must have nonresettable meters housed in a
2 locked area of the terminal that keep a permanent record
3 of all cash inserted into the machine, all winnings made
4 by the terminal printer, credits played in for video
5 gaming terminals, and credits won by video gaming players.
6 The video gaming terminal must provide the means for
7 on-demand display of stored information as determined by
8 the Division Board.

9 (12) Electronically stored meter information required
10 by this Section must be preserved for a minimum of 180 days
11 after a power loss to the service.

12 (13) It must have one or more mechanisms that accept
13 cash in the form of bills. The mechanisms shall be
14 designed to prevent obtaining credits without paying by
15 stringing, slamming, drilling, or other means. If such
16 attempts at physical tampering are made, the video gaming
17 terminal shall suspend itself from operating until reset.

18 (14) It shall have accounting software that keeps an
19 electronic record which includes, but is not limited to,
20 the following: total cash inserted into the video gaming
21 terminal; the value of winning tickets claimed by players;
22 the total credits played; the total credits awarded by a
23 video gaming terminal; and pay back percentage credited to
24 players of each video game.

25 (15) It shall be linked by a central communications
26 system to provide auditing program information as approved

1 by the Division Board. The central communications system
2 shall use a standard industry protocol, as defined by the
3 Gaming Standards Association, and shall have the
4 functionality to enable the Division Board or its designee
5 to activate or deactivate individual gaming devices from
6 the central communications system. In no event may the
7 communications system approved by the Division Board limit
8 participation to only one manufacturer of video gaming
9 terminals by either the cost in implementing the necessary
10 program modifications to communicate or the inability to
11 communicate with the central communications system.

12 (16) The Division Board, in its discretion, may
13 require video gaming terminals to display Amber Alert
14 messages if the Division Board makes a finding that it
15 would be economically and technically feasible and pose no
16 risk to the integrity and security of the central
17 communications system and video gaming terminals.

18 Licensed terminal handlers shall have access to video
19 gaming terminals, including, but not limited to, logic door
20 access, without the physical presence or supervision of the
21 Division Board or its agent to perform, in coordination with
22 and with project approval from the central communication
23 system provider:

24 (i) the clearing of the random access memory and
25 reprogramming of the video gaming terminal;

26 (ii) the installation of new video gaming terminal

1 software and software upgrades that have been approved by
2 the Division Board;

3 (iii) the placement, connection to the central
4 communication system, and go-live operation of video
5 gaming terminals at a licensed establishment, licensed
6 truck stop establishment, licensed large truck stop
7 establishment, licensed fraternal establishment, or
8 licensed veterans establishment;

9 (iv) the repair and maintenance of a video gaming
10 terminal located at a licensed establishment, licensed
11 truck stop establishment, licensed large truck stop
12 establishment, licensed fraternal establishment, or
13 licensed veterans establishment, including, but not
14 limited to, the replacement of the video gaming terminal
15 with a new video gaming terminal;

16 (v) the temporary movement, disconnection,
17 replacement, and reconnection of video gaming terminals to
18 allow for physical improvements and repairs at a licensed
19 establishment, licensed truck stop establishment, licensed
20 large truck stop establishment, licensed fraternal
21 establishment, or licensed veterans establishment, such as
22 replacement of flooring, interior repairs, and other
23 similar activities; and

24 (vi) such other functions as the Division Board may
25 otherwise authorize.

26 The Division Board shall, at a licensed terminal

1 operator's expense, cause all keys and other required devices
2 to be provided to a terminal operator necessary to allow the
3 licensed terminal handler access to the logic door to the
4 terminal operator's video gaming terminals.

5 The Division Board may adopt rules to establish additional
6 criteria to preserve the integrity and security of video
7 gaming in this State. The central communications system vendor
8 may be licensed as a video gaming terminal manufacturer or a
9 video gaming terminal distributor, or both, but in no event
10 shall the central communications system vendor be licensed as
11 a video gaming terminal operator.

12 The Division Board shall not permit the development of
13 information or the use by any licensee of gaming device or
14 individual game performance data. Nothing in this Act shall
15 inhibit or prohibit the Division Board from the use of gaming
16 device or individual game performance data in its regulatory
17 duties. The Division Board shall adopt rules to ensure that
18 all licensees are treated and all licensees act in a
19 non-discriminatory manner and develop processes and penalties
20 to enforce those rules.

21 (Source: P.A. 101-31, eff. 6-28-19.)

22 (230 ILCS 40/20)

23 Sec. 20. Video gaming terminal payouts.

24 (a) A video gaming terminal may not directly dispense
25 coins, cash, tokens, or any other article of exchange or value

1 except for receipt tickets. Tickets shall be dispensed by
2 pressing the ticket dispensing button on the video gaming
3 terminal at the end of one's turn or play. The ticket shall
4 indicate the total amount of credits and the cash award, the
5 time of day in a 24-hour format showing hours and minutes, the
6 date, the terminal serial number, the sequential number of the
7 ticket, and an encrypted validation number from which the
8 validity of the prize may be determined. The player shall turn
9 in this ticket to the appropriate person at the licensed
10 establishment, licensed truck stop establishment, licensed
11 large truck stop establishment, licensed fraternal
12 establishment, or licensed veterans establishment to receive
13 the cash award.

14 (b) The cost of the credit shall be one cent, 5 cents, 10
15 cents, 25 cents, or \$1, and the maximum wager played per hand
16 shall not exceed \$4. No cash award for the maximum wager on any
17 individual hand shall exceed \$1,199. No cash award for the
18 maximum wager on a jackpot, progressive or otherwise, shall
19 exceed \$10,000.

20 (c) In-location bonus jackpot games are hereby authorized.
21 ~~The Board shall adopt emergency rules pursuant to Section 5-45~~
22 ~~of the Illinois Administrative Procedure Act to implement this~~
23 ~~subsection (c) within 90 days after the effective date of this~~
24 ~~amendatory Act of the 101st General Assembly.~~ Jackpot winnings
25 from in-location progressive games shall be paid by the
26 terminal operator to the player not later than 3 days after

1 winning such a jackpot.

2 (Source: P.A. 101-31, eff. 6-28-19.)

3 (230 ILCS 40/25)

4 Sec. 25. Restriction of licensees.

5 (a) Manufacturer. A person may not be licensed as a
6 manufacturer of a video gaming terminal in Illinois unless the
7 person has a valid manufacturer's license issued under this
8 Act. A manufacturer may only sell video gaming terminals for
9 use in Illinois to persons having a valid distributor's
10 license.

11 (b) Distributor. A person may not sell, distribute, or
12 lease or market a video gaming terminal in Illinois unless the
13 person has a valid distributor's license issued under this
14 Act. A distributor may only sell video gaming terminals for
15 use in Illinois to persons having a valid distributor's or
16 terminal operator's license.

17 (c) Terminal operator. A person may not own, maintain, or
18 place a video gaming terminal unless he has a valid terminal
19 operator's license issued under this Act. A terminal operator
20 may only place video gaming terminals for use in Illinois in
21 licensed establishments, licensed truck stop establishments,
22 licensed large truck stop establishments, licensed fraternal
23 establishments, and licensed veterans establishments. No
24 terminal operator may give anything of value, including but
25 not limited to a loan or financing arrangement, to a licensed

1 establishment, licensed truck stop establishment, licensed
2 large truck stop establishment, licensed fraternal
3 establishment, or licensed veterans establishment as any
4 incentive or inducement to locate video terminals in that
5 establishment. Of the after-tax profits from a video gaming
6 terminal, 50% shall be paid to the terminal operator and 50%
7 shall be paid to the licensed establishment, licensed truck
8 stop establishment, licensed large truck stop establishment,
9 licensed fraternal establishment, or licensed veterans
10 establishment, notwithstanding any agreement to the contrary.
11 A video terminal operator that violates one or more
12 requirements of this subsection is guilty of a Class 4 felony
13 and is subject to termination of his or her license by the
14 Division Board.

15 (d) Licensed technician. A person may not service,
16 maintain, or repair a video gaming terminal in this State
17 unless he or she (1) has a valid technician's license issued
18 under this Act, (2) is a terminal operator, or (3) is employed
19 by a terminal operator, distributor, or manufacturer.

20 (d-5) Licensed terminal handler. No person, including, but
21 not limited to, an employee or independent contractor working
22 for a manufacturer, distributor, supplier, technician, or
23 terminal operator licensed pursuant to this Act, shall have
24 possession or control of a video gaming terminal, or access to
25 the inner workings of a video gaming terminal, unless that
26 person possesses a valid terminal handler's license issued

1 under this Act.

2 (e) Licensed establishment. No video gaming terminal may
3 be placed in any licensed establishment, licensed veterans
4 establishment, licensed truck stop establishment, licensed
5 large truck stop establishment, or licensed fraternal
6 establishment unless the owner or agent of the owner of the
7 licensed establishment, licensed veterans establishment,
8 licensed truck stop establishment, licensed large truck stop
9 establishment, or licensed fraternal establishment has entered
10 into a written use agreement with the terminal operator for
11 placement of the terminals. A copy of the use agreement shall
12 be on file in the terminal operator's place of business and
13 available for inspection by individuals authorized by the
14 Division Board. A licensed establishment, licensed truck stop
15 establishment, licensed veterans establishment, or licensed
16 fraternal establishment may operate up to 6 video gaming
17 terminals on its premises at any time. A licensed large truck
18 stop establishment may operate up to 10 video gaming terminals
19 on its premises at any time.

20 (f) (Blank).

21 (g) Financial interest restrictions. As used in this Act,
22 "substantial interest" in a partnership, a corporation, an
23 organization, an association, a business, or a limited
24 liability company means:

25 (A) When, with respect to a sole proprietorship, an
26 individual or his or her spouse owns, operates, manages,

1 or conducts, directly or indirectly, the organization,
2 association, or business, or any part thereof; or

3 (B) When, with respect to a partnership, the
4 individual or his or her spouse shares in any of the
5 profits, or potential profits, of the partnership
6 activities; or

7 (C) When, with respect to a corporation, an individual
8 or his or her spouse is an officer or director, or the
9 individual or his or her spouse is a holder, directly or
10 beneficially, of 5% or more of any class of stock of the
11 corporation; or

12 (D) When, with respect to an organization not covered
13 in (A), (B) or (C) above, an individual or his or her
14 spouse is an officer or manages the business affairs, or
15 the individual or his or her spouse is the owner of or
16 otherwise controls 10% or more of the assets of the
17 organization; or

18 (E) When an individual or his or her spouse furnishes
19 5% or more of the capital, whether in cash, goods, or
20 services, for the operation of any business, association,
21 or organization during any calendar year; or

22 (F) When, with respect to a limited liability company,
23 an individual or his or her spouse is a member, or the
24 individual or his or her spouse is a holder, directly or
25 beneficially, of 5% or more of the membership interest of
26 the limited liability company.

1 For purposes of this subsection (g), "individual" includes
2 all individuals or their spouses whose combined interest would
3 qualify as a substantial interest under this subsection (g)
4 and whose activities with respect to an organization,
5 association, or business are so closely aligned or coordinated
6 as to constitute the activities of a single entity.

7 (h) Location restriction. A licensed establishment,
8 licensed truck stop establishment, licensed large truck stop
9 establishment, licensed fraternal establishment, or licensed
10 veterans establishment that is (i) located within 1,000 feet
11 of a facility operated by an organization licensee licensed
12 under the Illinois Horse Racing Act of 1975 or the home dock of
13 a riverboat licensed under the Illinois Gambling Act or (ii)
14 located within 100 feet of a school or a place of worship under
15 the Religious Corporation Act, is ineligible to operate a
16 video gaming terminal. The location restrictions in this
17 subsection (h) do not apply if (A) a facility operated by an
18 organization licensee, a school, or a place of worship moves
19 to or is established within the restricted area after a
20 licensed establishment, licensed truck stop establishment,
21 licensed large truck stop establishment, licensed fraternal
22 establishment, or licensed veterans establishment becomes
23 licensed under this Act or (B) a school or place of worship
24 moves to or is established within the restricted area after a
25 licensed establishment, licensed truck stop establishment,
26 licensed large truck stop establishment, licensed fraternal

1 establishment, or licensed veterans establishment obtains its
2 original liquor license. For the purpose of this subsection,
3 "school" means an elementary or secondary public school, or an
4 elementary or secondary private school registered with or
5 recognized by the State Board of Education.

6 Notwithstanding the provisions of this subsection (h), the
7 Division Board may waive the requirement that a licensed
8 establishment, licensed truck stop establishment, licensed
9 large truck stop establishment, licensed fraternal
10 establishment, or licensed veterans establishment not be
11 located within 1,000 feet from a facility operated by an
12 organization licensee licensed under the Illinois Horse Racing
13 Act of 1975 or the home dock of a riverboat licensed under the
14 Illinois Gambling Act. The Division Board shall not grant such
15 waiver if there is any common ownership or control, shared
16 business activity, or contractual arrangement of any type
17 between the establishment and the organization licensee or
18 owners licensee of a riverboat. The Division Board shall adopt
19 rules to implement the provisions of this paragraph.

20 (h-5) Restrictions on licenses in malls. The Division
21 ~~Board~~ shall not grant an application to become a licensed
22 video gaming location if the Division Board determines that
23 granting the application would more likely than not cause a
24 terminal operator, individually or in combination with other
25 terminal operators, licensed video gaming location, or other
26 person or entity, to operate the video gaming terminals in 2 or

1 more licensed video gaming locations as a single video gaming
2 operation.

3 (1) In making determinations under this subsection
4 (h-5), factors to be considered by the Division Board
5 shall include, but not be limited to, the following:

6 (A) the physical aspects of the location;

7 (B) the ownership, control, or management of the
8 location;

9 (C) any arrangements, understandings, or
10 agreements, written or otherwise, among or involving
11 any persons or entities that involve the conducting of
12 any video gaming business or the sharing of costs or
13 revenues; and

14 (D) the manner in which any terminal operator or
15 other related entity markets, advertises, or otherwise
16 describes any location or locations to any other
17 person or entity or to the public.

18 (2) The Division Board shall presume, subject to
19 rebuttal, that the granting of an application to become a
20 licensed video gaming location within a mall will cause a
21 terminal operator, individually or in combination with
22 other persons or entities, to operate the video gaming
23 terminals in 2 or more licensed video gaming locations as
24 a single video gaming operation if the Division Board
25 determines that granting the license would create a local
26 concentration of licensed video gaming locations.

1 For the purposes of this subsection (h-5):

2 "Mall" means a building, or adjoining or connected
3 buildings, containing 4 or more separate locations.

4 "Video gaming operation" means the conducting of video
5 gaming and all related activities.

6 "Location" means a space within a mall containing a
7 separate business, a place for a separate business, or a place
8 subject to a separate leasing arrangement by the mall owner.

9 "Licensed video gaming location" means a licensed
10 establishment, licensed fraternal establishment, licensed
11 veterans establishment, licensed truck stop establishment, or
12 licensed large truck stop.

13 "Local concentration of licensed video gaming locations"
14 means that the combined number of licensed video gaming
15 locations within a mall exceed half of the separate locations
16 within the mall.

17 (i) Undue economic concentration. In addition to
18 considering all other requirements under this Act, in deciding
19 whether to approve the operation of video gaming terminals by
20 a terminal operator in a location, the Division Board shall
21 consider the impact of any economic concentration of such
22 operation of video gaming terminals. The Division Board shall
23 not allow a terminal operator to operate video gaming
24 terminals if the Division Board determines such operation will
25 result in undue economic concentration. For purposes of this
26 Section, "undue economic concentration" means that a terminal

1 operator would have such actual or potential influence over
2 video gaming terminals in Illinois as to:

3 (1) substantially impede or suppress competition among
4 terminal operators;

5 (2) adversely impact the economic stability of the
6 video gaming industry in Illinois; or

7 (3) negatively impact the purposes of the Video Gaming
8 Act.

9 The Division ~~Board~~ shall adopt rules concerning undue
10 economic concentration with respect to the operation of video
11 gaming terminals in Illinois. The rules shall include, but not
12 be limited to, (i) limitations on the number of video gaming
13 terminals operated by any terminal operator within a defined
14 geographic radius and (ii) guidelines on the discontinuation
15 of operation of any such video gaming terminals the Division
16 ~~Board~~ determines will cause undue economic concentration.

17 (j) The provisions of the Illinois Antitrust Act are fully
18 and equally applicable to the activities of any licensee under
19 this Act.

20 (Source: P.A. 101-31, eff. 6-28-19.)

21 (230 ILCS 40/26)

22 Sec. 26. Residency requirement. Each licensed distributor,
23 terminal operator, and person with a substantial interest in a
24 licensed distributor or terminal operator must be an Illinois
25 resident. However, if an out-of-state distributor or terminal

1 operator has performed its respective business within Illinois
2 for at least 48 months prior to the effective date of this Act,
3 the out-of-state person may be eligible for licensing under
4 this Act, upon application to and approval of the Division
5 ~~Board~~. The Division Board shall adopt rules to implement this
6 Section.

7 (Source: P.A. 96-38, eff. 7-13-09.)

8 (230 ILCS 40/35)

9 Sec. 35. Display of license; confiscation; violation as
10 felony.

11 (a) Each video gaming terminal shall be licensed by the
12 Division Board before placement or operation on the premises
13 of a licensed establishment, licensed truck stop
14 establishment, licensed large truck stop establishment,
15 licensed fraternal establishment, or licensed veterans
16 establishment. The license of each video gaming terminal shall
17 be maintained at the location where the video gaming terminal
18 is operated. Failure to do so is a petty offense with a fine
19 not to exceed \$100. Any licensed establishment, licensed truck
20 stop establishment, licensed large truck stop establishment,
21 licensed fraternal establishment, or licensed veterans
22 establishment used for the conduct of gambling games in
23 violation of this Act shall be considered a gambling place in
24 violation of Section 28-3 of the Criminal Code of 2012. Every
25 gambling device found in a licensed establishment, licensed

1 truck stop establishment, licensed large truck stop
2 establishment, licensed fraternal establishment, or licensed
3 veterans establishment operating gambling games in violation
4 of this Act shall be subject to seizure, confiscation, and
5 destruction as provided in Section 28-5 of the Criminal Code
6 of 2012. Any license issued under the Liquor Control Act of
7 1934 to any owner or operator of a licensed establishment,
8 licensed truck stop establishment, licensed large truck stop
9 establishment, licensed fraternal establishment, or licensed
10 veterans establishment that operates or permits the operation
11 of a video gaming terminal within its establishment in
12 violation of this Act shall be immediately revoked. No person
13 may own, operate, have in his or her possession or custody or
14 under his or her control, or permit to be kept in any place
15 under his or her possession or control, any device that awards
16 credits and contains a circuit, meter, or switch capable of
17 removing and recording the removal of credits when the award
18 of credits is dependent upon chance.

19 Nothing in this Section shall be deemed to prohibit the
20 use of a game device only if the game device is used in an
21 activity that is not gambling under subsection (b) of Section
22 28-1 of the Criminal Code of 2012.

23 A violation of this Section is a Class 4 felony. All
24 devices that are owned, operated, or possessed in violation of
25 this Section are hereby declared to be public nuisances and
26 shall be subject to seizure, confiscation, and destruction as

1 provided in Section 28-5 of the Criminal Code of 2012.

2 The provisions of this Section do not apply to devices or
3 electronic video game terminals licensed pursuant to this Act.
4 A video gaming terminal operated for amusement only and
5 bearing a valid amusement tax sticker shall not be subject to
6 this Section until 30 days after the Division Board
7 establishes that the central communications system is
8 functional.

9 (b) (1) The odds of winning each video game shall be posted
10 on or near each video gaming terminal. The manner in which the
11 odds are calculated and how they are posted shall be
12 determined by the Division Board by rule.

13 (2) No video gaming terminal licensed under this Act may
14 be played except during the legal hours of operation allowed
15 for the consumption of alcoholic beverages at the licensed
16 establishment, licensed fraternal establishment, or licensed
17 veterans establishment. A licensed establishment, licensed
18 fraternal establishment, or licensed veterans establishment
19 that violates this subsection is subject to termination of its
20 license by the Division Board.

21 (Source: P.A. 101-31, eff. 6-28-19.)

22 (230 ILCS 40/43)

23 Sec. 43. Notice of alleged violation of Section 40. In all
24 instances of an alleged violation of Section 40, the Division
25 Board or its agents or designees shall provide written notice

1 of the alleged violation to the affected licensed
2 establishment, licensed fraternal establishment, licensed
3 veterans establishment, or licensed truck stop establishment
4 within 15 days after the alleged occurrence of the violation.
5 (Source: P.A. 101-318, eff. 8-9-19.)

6 (230 ILCS 40/45)

7 Sec. 45. Issuance of license.

8 (a) The burden is upon each applicant to demonstrate his
9 suitability for licensure. Each video gaming terminal
10 manufacturer, distributor, supplier, operator, handler,
11 licensed establishment, licensed truck stop establishment,
12 licensed large truck stop establishment, licensed fraternal
13 establishment, and licensed veterans establishment shall be
14 licensed by the Division Board. The Division Board may issue
15 or deny a license under this Act to any person pursuant to the
16 same criteria set forth in Section 9 of the Illinois Gambling
17 Act.

18 (a-5) The Division Board shall not grant a license to a
19 person who has facilitated, enabled, or participated in the
20 use of coin-operated devices for gambling purposes or who is
21 under the significant influence or control of such a person.
22 For the purposes of this Act, "facilitated, enabled, or
23 participated in the use of coin-operated amusement devices for
24 gambling purposes" means that the person has been convicted of
25 any violation of Article 28 of the Criminal Code of 1961 or the

1 Criminal Code of 2012. If there is pending legal action
2 against a person for any such violation, then the Division
3 ~~Board~~ shall delay the licensure of that person until the legal
4 action is resolved.

5 (b) Each person seeking and possessing a license as a
6 video gaming terminal manufacturer, distributor, supplier,
7 operator, handler, licensed establishment, licensed truck stop
8 establishment, licensed large truck stop establishment,
9 licensed fraternal establishment, or licensed veterans
10 establishment shall submit to a background investigation
11 conducted by the Division ~~Board~~ with the assistance of the
12 State Police or other law enforcement. To the extent that the
13 corporate structure of the applicant allows, the background
14 investigation shall include any or all of the following as the
15 Division ~~Board~~ deems appropriate or as provided by rule for
16 each category of licensure: (i) each beneficiary of a trust,
17 (ii) each partner of a partnership, (iii) each member of a
18 limited liability company, (iv) each director and officer of a
19 publicly or non-publicly held corporation, (v) each
20 stockholder of a non-publicly held corporation, (vi) each
21 stockholder of 5% or more of a publicly held corporation, or
22 (vii) each stockholder of 5% or more in a parent or subsidiary
23 corporation.

24 (c) Each person seeking and possessing a license as a
25 video gaming terminal manufacturer, distributor, supplier,
26 operator, handler, licensed establishment, licensed truck stop

1 establishment, licensed large truck stop establishment,
2 licensed fraternal establishment, or licensed veterans
3 establishment shall disclose the identity of every person,
4 association, trust, corporation, or limited liability company
5 having a greater than 1% direct or indirect pecuniary interest
6 in the video gaming terminal operation for which the license
7 is sought. If the disclosed entity is a trust, the application
8 shall disclose the names and addresses of the beneficiaries;
9 if a corporation, the names and addresses of all stockholders
10 and directors; if a limited liability company, the names and
11 addresses of all members; or if a partnership, the names and
12 addresses of all partners, both general and limited.

13 (d) No person may be licensed as a video gaming terminal
14 manufacturer, distributor, supplier, operator, handler,
15 licensed establishment, licensed truck stop establishment,
16 licensed large truck stop establishment, licensed fraternal
17 establishment, or licensed veterans establishment if that
18 person has been found by the Division Board to:

19 (1) have a background, including a criminal record,
20 reputation, habits, social or business associations, or
21 prior activities that pose a threat to the public
22 interests of the State or to the security and integrity of
23 video gaming;

24 (2) create or enhance the dangers of unsuitable,
25 unfair, or illegal practices, methods, and activities in
26 the conduct of video gaming; or

1 (3) present questionable business practices and
2 financial arrangements incidental to the conduct of video
3 gaming activities.

4 (e) Any applicant for any license under this Act has the
5 burden of proving his or her qualifications to the
6 satisfaction of the Division Board. The Division Board may
7 adopt rules to establish additional qualifications and
8 requirements to preserve the integrity and security of video
9 gaming in this State.

10 (f) A non-refundable application fee shall be paid at the
11 time an application for a license is filed with the Division
12 ~~Board~~ in the following amounts:

- 13 (1) Manufacturer \$5,000
- 14 (2) Distributor..... \$5,000
- 15 (3) Terminal operator \$5,000
- 16 (4) Supplier \$2,500
- 17 (5) Technician \$100
- 18 (6) Terminal Handler \$100
- 19 (7) Licensed establishment, licensed truck stop
20 establishment, licensed large truck stop establishment,
21 licensed fraternal establishment, or licensed
22 veterans establishment \$100

23 (g) The Division Board shall establish an annual fee for
24 each license not to exceed the following:

- 25 (1) Manufacturer \$10,000
- 26 (2) Distributor..... \$10,000

- 1 (3) Terminal operator \$5,000
- 2 (4) Supplier \$2,000
- 3 (5) Technician \$100
- 4 (6) Licensed establishment, licensed truck stop
- 5 establishment, licensed large truck stop establishment,
- 6 licensed fraternal establishment, or licensed
- 7 veterans establishment \$100
- 8 (7) Video gaming terminal \$100
- 9 (8) Terminal Handler \$100

10 (h) A terminal operator and a licensed establishment,
 11 licensed truck stop establishment, licensed large truck stop
 12 establishment, licensed fraternal establishment, or licensed
 13 veterans establishment shall equally split the fees specified
 14 in item (7) of subsection (g).

15 (Source: P.A. 100-1152, eff. 12-14-18; 101-31, eff. 6-28-19.)

16 (230 ILCS 40/50)

17 Sec. 50. Distribution of license fees.

18 (a) All fees collected under Section 45 shall be deposited
 19 into the State Gaming Fund.

20 (b) Fees collected under Section 45 shall be used as
 21 follows:

22 (1) Twenty-five percent shall be paid, subject to
 23 appropriation by the General Assembly, to the Department
 24 of Human Services for administration of programs for the
 25 treatment of compulsive gambling.

1 (2) Seventy-five percent shall be used for the
2 administration of this Act.

3 (c) All licenses issued by the Division Board under this
4 Act are renewable annually unless sooner cancelled or
5 terminated. No license issued under this Act is transferable
6 or assignable.

7 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09.)

8 (230 ILCS 40/57)

9 Sec. 57. Insurance. Each terminal operator shall maintain
10 liability insurance on any gaming device that it places in a
11 licensed video gaming location in an amount set by the
12 Division Board.

13 (Source: P.A. 96-34, eff. 7-13-09; 96-1410, eff. 7-30-10.)

14 (230 ILCS 40/58)

15 Sec. 58. Location of terminals. Video gaming terminals in
16 a licensed establishment, licensed fraternal establishment, or
17 licensed veterans establishment must be located in an area
18 that is restricted to persons over 21 years of age and the
19 entrance to the area must be within the view of at least one
20 employee of the establishment who is over 21 years of age.

21 The placement of video gaming terminals in licensed
22 establishments, licensed truck stop establishments, licensed
23 large truck stop establishments, licensed fraternal
24 establishments, and licensed veterans establishments shall be

1 subject to the rules promulgated by the Division Board
2 pursuant to the Illinois Administrative Procedure Act.

3 (Source: P.A. 101-31, eff. 6-28-19; 101-318, eff. 8-9-19;
4 revised 9-20-19.)

5 (230 ILCS 40/60)

6 Sec. 60. Imposition and distribution of tax.

7 (a) A tax of 30% is imposed on net terminal income and
8 shall be collected by the Division Board.

9 Of the tax collected under this subsection (a),
10 five-sixths shall be deposited into the Capital Projects Fund
11 and one-sixth shall be deposited into the Local Government
12 Video Gaming Distributive Fund.

13 (b) Beginning on July 1, 2019, an additional tax of 3% is
14 imposed on net terminal income and shall be collected by the
15 Division Board.

16 Beginning on July 1, 2020, an additional tax of 1% is
17 imposed on net terminal income and shall be collected by the
18 Division Board.

19 The tax collected under this subsection (b) shall be
20 deposited into the Capital Projects Fund.

21 (c) Revenues generated from the play of video gaming
22 terminals shall be deposited by the terminal operator, who is
23 responsible for tax payments, in a specially created, separate
24 bank account maintained by the video gaming terminal operator
25 to allow for electronic fund transfers of moneys for tax

1 payment.

2 (d) Each licensed establishment, licensed truck stop
3 establishment, licensed large truck stop establishment,
4 licensed fraternal establishment, and licensed veterans
5 establishment shall maintain an adequate video gaming fund,
6 with the amount to be determined by the Division Board.

7 (e) The State's percentage of net terminal income shall be
8 reported and remitted to the Division Board within 15 days
9 after the 15th day of each month and within 15 days after the
10 end of each month by the video terminal operator. A video
11 terminal operator who falsely reports or fails to report the
12 amount due required by this Section is guilty of a Class 4
13 felony and is subject to termination of his or her license by
14 the Division Board. Each video terminal operator shall keep a
15 record of net terminal income in such form as the Division
16 Board may require. All payments not remitted when due shall be
17 paid together with a penalty assessment on the unpaid balance
18 at a rate of 1.5% per month.

19 (Source: P.A. 101-31, eff. 6-28-19.)

20 (230 ILCS 40/78)

21 Sec. 78. Authority of the Department of Lottery and Gaming
22 ~~Illinois Gaming Board.~~

23 (a) The Division of Video Gaming of the Department of
24 Lottery and Gaming Board shall have jurisdiction over and
25 shall supervise all gaming operations governed by this Act.

1 The Division ~~Board~~ shall have all powers necessary and proper
2 to fully and effectively execute the provisions of this Act,
3 including, but not limited to, the following:

4 (1) To investigate applicants and determine the
5 eligibility of applicants for licenses and to select among
6 competing applicants the applicants which best serve the
7 interests of the citizens of Illinois.

8 (2) To have jurisdiction and supervision over all
9 video gaming operations in this State and all persons in
10 establishments where video gaming operations are
11 conducted.

12 (3) To adopt rules for the purpose of administering
13 the provisions of this Act and to prescribe rules,
14 regulations, and conditions under which all video gaming
15 in the State shall be conducted. Such rules and
16 regulations are to provide for the prevention of practices
17 detrimental to the public interest and for the best
18 interests of video gaming, including rules and regulations
19 (i) regarding the inspection of such establishments and
20 the review of any permits or licenses necessary to operate
21 an establishment under any laws or regulations applicable
22 to establishments, (ii) to impose penalties for violations
23 of this Act and its rules, and (iii) establishing
24 standards for advertising video gaming.

25 (b) (Blank) ~~The Board shall adopt emergency rules to~~
26 ~~administer this Act in accordance with Section 5-45 of the~~

1 ~~Illinois Administrative Procedure Act. For the purposes of the~~
2 ~~Illinois Administrative Procedure Act, the General Assembly~~
3 ~~finds that the adoption of rules to implement this Act is~~
4 ~~deemed an emergency and necessary to the public interest,~~
5 ~~safety, and welfare.~~

6 (Source: P.A. 98-31, eff. 6-24-13.)

7 (230 ILCS 40/79)

8 Sec. 79. Investigators. Investigators appointed by the
9 Division Board pursuant to the powers conferred upon the
10 Division Board by paragraph (20.6) of subsection (c) of
11 Section 5 of the Illinois Gambling Act and Section 80 of this
12 Act shall have authority to conduct investigations, searches,
13 seizures, arrests, and other duties imposed under this Act and
14 the Illinois Gambling Act, as deemed necessary by the Division
15 Board. These investigators have and may exercise all of the
16 rights and powers of peace officers, provided that these
17 powers shall be (1) limited to offenses or violations
18 occurring or committed in connection with conduct subject to
19 this Act, including, but not limited to, the manufacture,
20 distribution, supply, operation, placement, service,
21 maintenance, or play of video gaming terminals and the
22 distribution of profits and collection of revenues resulting
23 from such play, and (2) exercised, to the fullest extent
24 practicable, in cooperation with the local police department
25 of the applicable municipality or, if these powers are

1 exercised outside the boundaries of an incorporated
2 municipality or within a municipality that does not have its
3 own police department, in cooperation with the police
4 department whose jurisdiction encompasses the applicable
5 locality.

6 (Source: P.A. 101-31, eff. 6-28-19.)

7 (230 ILCS 40/79.5)

8 Sec. 79.5. Enforcement actions. The Division ~~Board~~ shall
9 establish a policy and standards for compliance operations to
10 investigate whether a licensed establishment, licensed
11 fraternal establishment, licensed veterans establishment, or a
12 licensed truck stop establishment is: (1) permitting any
13 person under the age of 21 years to use or play a video gaming
14 terminal in violation of this Act; or (2) furnishing alcoholic
15 liquor to persons under 21 years of age in violation of the
16 Liquor Control Act of 1934.

17 The policy and standards for compliance operations under
18 this Section shall be similar to the model policy and
19 guidelines for the operation of alcohol and tobacco compliance
20 checks by local law enforcement officers adopted by the
21 Illinois Law Enforcement Training Standards Board pursuant to
22 subsection (c) of Section 6-16.1 of the Liquor Control Act of
23 1934. ~~The Board shall adopt the policy and standards in the~~
24 ~~form of emergency rulemaking that shall be adopted no later~~
25 ~~than 90 days after the effective date of this amendatory Act of~~

1 ~~the 101st General Assembly and shall be immediately followed~~
2 ~~by permanent rulemaking on the same subject.~~

3 A licensed establishment, licensed fraternal
4 establishment, licensed veterans establishment, or licensed
5 truck stop establishment that is the subject of an enforcement
6 action under this Section and is found, pursuant to the
7 enforcement action, to be in compliance with this Act shall be
8 notified by the Division Board that no violation was found
9 within 30 days after the finding.

10 (Source: P.A. 101-318, eff. 8-9-19.)

11 (230 ILCS 40/80)

12 Sec. 80. Applicability of Illinois Gambling Act. The
13 provisions of the Illinois Gambling Act, and all rules
14 promulgated thereunder, shall apply to the Video Gaming Act,
15 except where there is a conflict between the 2 Acts. In the
16 event of a conflict between the 2 Acts, the provisions of the
17 Illinois Gambling Act shall prevail. All current supplier
18 licensees under the Illinois Gambling Act shall be entitled to
19 licensure under the Video Gaming Act as manufacturers,
20 distributors, or suppliers without additional Division Board
21 investigation or approval, except by vote of the Division
22 ~~Board~~; however, they are required to pay application and
23 annual fees under this Act. All provisions of the Uniform
24 Penalty and Interest Act shall apply, as far as practicable,
25 to the subject matter of this Act to the same extent as if such

1 provisions were included herein.

2 (Source: P.A. 100-1152, eff. 12-14-18; 101-31, eff. 6-28-19.)

3 Section 135. The Sports Wagering Act is amended by
4 changing Sections 25-10, 25-15, 25-20, 25-25, 25-30, 25-35,
5 25-40, 25-45, 25-50, 25-55, 25-60, 25-70, 25-75, 25-85, 25-90,
6 25-100, and 25-105 as follows:

7 (230 ILCS 45/25-10)

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

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

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

14 ~~"Board" means the Illinois Gaming Board.~~

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

21 "Department" means the Department of ~~the~~ Lottery and
22 Gaming.

23 "Director" means the Director of Video Gaming of the
24 Department of Lottery and Gaming.

1 "Division" means the Division of Video Gaming of the
2 Department of Lottery and Gaming.

3 "Gaming facility" means a facility at which gambling
4 operations are conducted under the Illinois Gambling Act,
5 pari-mutuel wagering is conducted under the Illinois Horse
6 Racing Act of 1975, or sports wagering is conducted under this
7 Act.

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

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

17 "Owners licensee" means the holder of an owners license
18 under the Illinois Gambling Act.

19 "Person" means an individual, partnership, committee,
20 association, corporation, or any other organization or group
21 of persons.

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

1 "Prohibited conduct" includes any statement, action, and
2 other communication intended to influence, manipulate, or
3 control a betting outcome of a sporting contest or of any
4 individual occurrence or performance in a sporting contest in
5 exchange for financial gain or to avoid financial or physical
6 harm. "Prohibited conduct" includes statements, actions, and
7 communications made to a covered person by a third party, such
8 as a family member or through social media. "Prohibited
9 conduct" does not include statements, actions, or
10 communications made or sanctioned by a team or sports
11 governing body.

12 "Qualified applicant" means an applicant for a license
13 under this Act whose application meets the mandatory minimum
14 qualification criteria as required by the Division Board.

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

17 "Sports event" means a professional sport or athletic
18 event, a collegiate sport or athletic event, a motor race
19 event, or any other event or competition of relative skill
20 authorized by the Division Board under this Act.

21 "Sports facility" means a facility that hosts sports
22 events and holds a seating capacity greater than 17,000
23 persons.

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

1 "Sports wagering" means accepting wagers on sports events
2 or portions of sports events, or on the individual performance
3 statistics of athletes in a sports event or combination of
4 sports events, by any system or method of wagering, including,
5 but not limited to, in person or over the Internet through
6 websites and on mobile devices. "Sports wagering" includes,
7 but is not limited to, single-game bets, teaser bets, parlays,
8 over-under, moneyline, pools, exchange wagering, in-game
9 wagering, in-play bets, proposition bets, and straight bets.

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

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

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

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

24 "Winning bidder" means a qualified applicant for a master
25 sports wagering license chosen through the competitive
26 selection process under Section 25-45.

1 (Source: P.A. 101-31, eff. 6-28-19.)

2 (230 ILCS 45/25-15)

3 Sec. 25-15. Division Board ~~Board~~ duties and powers.

4 (a) Except for sports wagering conducted under Section
5 25-70, the Division Board ~~Board~~ shall have the authority to regulate
6 the conduct of sports wagering under this Act.

7 (b) The Division Board ~~Board~~ may adopt any rules the Division
8 ~~Board~~ considers necessary for the successful implementation,
9 administration, and enforcement of this Act, except for
10 Section 25-70. Rules proposed by the Division Board ~~Board~~ may be
11 adopted as emergency rules pursuant to Section 5-45 of the
12 Illinois Administrative Procedure Act.

13 (c) The Division Board ~~Board~~ shall levy and collect all fees,
14 surcharges, civil penalties, and monthly taxes on adjusted
15 gross sports wagering receipts imposed by this Act and deposit
16 all moneys into the Sports Wagering Fund, except as otherwise
17 provided under this Act.

18 (d) The Division Board ~~Board~~ may exercise any other powers
19 necessary to enforce the provisions of this Act that it
20 regulates and the rules of the Division Board ~~Board~~.

21 (e) The Division Board ~~Board~~ shall adopt rules for a license to
22 be employed by a master sports wagering licensee when the
23 employee works in a designated gaming area that has sports
24 wagering or performs duties in furtherance of or associated
25 with the operation of sports wagering by the master sports

1 wagering licensee (occupational license), which shall require
2 an annual license fee of \$250. License fees shall be deposited
3 into the State Gaming Fund and used for the administration of
4 this Act.

5 (f) The Division Board ~~Board~~ may require that licensees share,
6 in real time and at the sports wagering account level,
7 information regarding a wagerer, amount and type of wager, the
8 time the wager was placed, the location of the wager,
9 including the Internet protocol address, if applicable, the
10 outcome of the wager, and records of abnormal wagering
11 activity. Information shared under this subsection (f) must be
12 submitted in the form and manner as required by rule. If a
13 sports governing body has notified the Division Board ~~Board~~ that
14 real-time information sharing for wagers placed on its sports
15 events is necessary and desirable, licensees may share the
16 same information in the form and manner required by the
17 Division Board ~~Board~~ by rule with the sports governing body or its
18 designee with respect to wagers on its sports events subject
19 to applicable federal, State, or local laws or regulations,
20 including, without limitation, privacy laws and regulations.
21 Such information may be provided in anonymized form and may be
22 used by a sports governing body solely for integrity purposes.
23 For purposes of this subsection (f), "real-time" means a
24 commercially reasonable periodic interval.

25 (g) A master sports wagering licensee, professional sports
26 team, league, or association, sports governing body, or

1 institution of higher education may submit to the Division
2 ~~Board~~ in writing a request to prohibit a type or form of
3 wagering if the master sports wagering licensee, professional
4 sports team, league, or association, sports governing body, or
5 institution of higher education believes that such wagering by
6 type or form is contrary to public policy, unfair to
7 consumers, or affects the integrity of a particular sport or
8 the sports betting industry. The Division ~~Board~~ shall grant
9 the request upon a demonstration of good cause from the
10 requester and consultation with licensees. The Division ~~Board~~
11 shall respond to a request pursuant to this subsection (g)
12 concerning a particular event before the start of the event
13 or, if it is not feasible to respond before the start of the
14 event, as soon as practicable.

15 (h) The Division ~~Board~~ and master sports wagering
16 licensees may cooperate with investigations conducted by
17 sports governing bodies or law enforcement agencies,
18 including, but not limited to, providing and facilitating the
19 provision of account-level betting information and audio or
20 video files relating to persons placing wagers.

21 (i) A master sports wagering licensee shall make
22 commercially reasonable efforts to promptly notify the
23 Division ~~Board~~ any information relating to:

24 (1) criminal or disciplinary proceedings commenced
25 against the master sports wagering licensee in connection
26 with its operations;

1 (2) abnormal wagering activity or patterns that may
2 indicate a concern with the integrity of a sports event or
3 sports events;

4 (3) any potential breach of the relevant sports
5 governing body's internal rules and codes of conduct
6 pertaining to sports wagering that a licensee has
7 knowledge of;

8 (4) any other conduct that corrupts a wagering outcome
9 of a sports event or sports events for purposes of
10 financial gain, including match fixing; and

11 (5) suspicious or illegal wagering activities,
12 including use of funds derived from illegal activity,
13 wagers to conceal or launder funds derived from illegal
14 activity, using agents to place wagers, and using false
15 identification.

16 A master sports wagering licensee shall also make
17 commercially reasonable efforts to promptly report information
18 relating to conduct described in paragraphs (2), (3), and (4)
19 of this subsection (i) to the relevant sports governing body.

20 (Source: P.A. 101-31, eff. 6-28-19.)

21 (230 ILCS 45/25-20)

22 Sec. 25-20. Licenses required.

23 (a) No person may engage in any activity in connection
24 with sports wagering in this State unless all necessary
25 licenses have been obtained in accordance with this Act and

1 the rules of the Division Board and the Department. The
2 following licenses shall be issued under this Act:

- 3 (1) master sports wagering license;
- 4 (2) occupational license;
- 5 (3) supplier license;
- 6 (4) management services provider license;
- 7 (5) tier 2 official league data provider license; and
- 8 (6) central system provider license.

9 No person or entity may engage in a sports wagering
10 operation or activity without first obtaining the appropriate
11 license.

12 (b) An applicant for a license issued under this Act shall
13 submit an application to the Division Board in the form the
14 Division Board requires. The applicant shall submit
15 fingerprints for a national criminal records check by the
16 Illinois Department of State Police and the Federal Bureau of
17 Investigation. The fingerprints shall be furnished by the
18 applicant's owners, officers, and directors (if a
19 corporation), managers and members (if a limited liability
20 company), and partners (if a partnership). The fingerprints
21 shall be accompanied by a signed authorization for the release
22 of information by the Federal Bureau of Investigation. The
23 Division Board may require additional background checks on
24 licensees when they apply for license renewal, and an
25 applicant convicted of a disqualifying offense shall not be
26 licensed.

1 (c) Each master sports wagering licensee shall display the
2 license conspicuously in the licensee's place of business or
3 have the license available for inspection by an agent of the
4 Division Board or a law enforcement agency.

5 (d) Each holder of an occupational license shall carry the
6 license and have some indicia of licensure prominently
7 displayed on his or her person when present in a gaming
8 facility licensed under this Act at all times, in accordance
9 with the rules of the Division Board.

10 (e) Each person licensed under this Act shall give the
11 Division Board written notice within 30 days after a material
12 change to information provided in the licensee's application
13 for a license or renewal.

14 (Source: P.A. 101-31, eff. 6-28-19; 101-597, eff. 12-6-19.)

15 (230 ILCS 45/25-25)

16 Sec. 25-25. Sports wagering authorized.

17 (a) Notwithstanding any provision of law to the contrary,
18 the operation of sports wagering is only lawful when conducted
19 in accordance with the provisions of this Act and the rules of
20 the Department of Lottery and Gaming ~~Illinois Gaming Board and~~
21 ~~the Department of the Lottery~~.

22 (b) A person placing a wager under this Act shall be at
23 least 21 years of age.

24 (c) A licensee under this Act may not accept a wager on a
25 minor league sports event.

1 (d) A licensee under this Act may not accept a wager for a
2 sports event involving an Illinois collegiate team.

3 (e) A licensee under this Act may only accept a wager from
4 a person physically located in the State.

5 (f) Master sports wagering licensees may use any data
6 source for determining the results of all tier 1 sports
7 wagers.

8 (g) A sports governing body headquartered in the United
9 States may notify the Division Board that it desires to supply
10 official league data to master sports wagering licensees for
11 determining the results of tier 2 sports wagers. Such
12 notification shall be made in the form and manner as the
13 Division Board may require. If a sports governing body does
14 not notify the Division Board of its desire to supply official
15 league data, a master sports wagering licensee may use any
16 data source for determining the results of any and all tier 2
17 sports wagers on sports contests for that sports governing
18 body.

19 Within 30 days of a sports governing body notifying the
20 Division Board, master sports wagering licensees shall use
21 only official league data to determine the results of tier 2
22 sports wagers on sports events sanctioned by that sports
23 governing body, unless: (1) the sports governing body or
24 designee cannot provide a feed of official league data to
25 determine the results of a particular type of tier 2 sports
26 wager, in which case master sports wagering licensees may use

1 any data source for determining the results of the applicable
2 tier 2 sports wager until such time as such data feed becomes
3 available on commercially reasonable terms; or (2) a master
4 sports wagering licensee can demonstrate to the Division Board
5 that the sports governing body or its designee cannot provide
6 a feed of official league data to the master sports wagering
7 licensee on commercially reasonable terms. During the pendency
8 of the Division's Board's determination, such master sports
9 wagering licensee may use any data source for determining the
10 results of any and all tier 2 sports wagers.

11 (h) A licensee under this Act may not accept wagers on a
12 kindergarten through 12th grade sports event.

13 (Source: P.A. 101-31, eff. 6-28-19.)

14 (230 ILCS 45/25-30)

15 Sec. 25-30. Master sports wagering license issued to an
16 organization licensee.

17 (a) An organization licensee may apply to the Division
18 ~~Board~~ for a master sports wagering license. To the extent
19 permitted by federal and State law, the Division Board shall
20 actively seek to achieve racial, ethnic, and geographic
21 diversity when issuing master sports wagering licenses to
22 organization licensees and encourage minority-owned
23 businesses, women-owned businesses, veteran-owned businesses,
24 and businesses owned by persons with disabilities to apply for
25 licensure. Additionally, the report published under subsection

1 (m) of Section 25-45 shall impact the issuance of the master
2 sports wagering license to the extent permitted by federal and
3 State law.

4 For the purposes of this subsection (a), "minority-owned
5 business", "women-owned business", and "business owned by
6 persons with disabilities" have the meanings given to those
7 terms in Section 2 of the Business Enterprise for Minorities,
8 Women, and Persons with Disabilities Act.

9 (b) Except as otherwise provided in this subsection (b),
10 the initial license fee for a master sports wagering license
11 for an organization licensee is 5% of its handle from the
12 preceding calendar year or the lowest amount that is required
13 to be paid as an initial license fee by an owners licensee
14 under subsection (b) of Section 25-35, whichever is greater.
15 No initial license fee shall exceed \$10,000,000. An
16 organization licensee licensed on the effective date of this
17 Act shall pay the initial master sports wagering license fee
18 by July 1, 2021. For an organization licensee licensed after
19 the effective date of this Act, the master sports wagering
20 license fee shall be \$5,000,000, but the amount shall be
21 adjusted 12 months after the organization licensee begins
22 racing operations based on 5% of its handle from the first 12
23 months of racing operations. The master sports wagering
24 license is valid for 4 years.

25 (c) The organization licensee may renew the master sports
26 wagering license for a period of 4 years by paying a \$1,000,000

1 renewal fee to the Division Board.

2 (d) An organization licensee issued a master sports
3 wagering license may conduct sports wagering:

4 (1) at its facility at which inter-track wagering is
5 conducted pursuant to an inter-track wagering license
6 under the Illinois Horse Racing Act of 1975;

7 (2) at 3 inter-track wagering locations if the
8 inter-track wagering location licensee from which it
9 derives its license is an organization licensee that is
10 issued a master sports wagering license; and

11 (3) over the Internet or through a mobile application.

12 (e) The sports wagering offered over the Internet or
13 through a mobile application shall only be offered under
14 either the same brand as the organization licensee is
15 operating under or a brand owned by a direct or indirect
16 holding company that owns at least an 80% interest in that
17 organization licensee on the effective date of this Act.

18 (f) Until issuance of the first license under Section
19 25-45, an individual must create a sports wagering account in
20 person at a facility under paragraph (1) or (2) of subsection
21 (d) to participate in sports wagering offered over the
22 Internet or through a mobile application.

23 (Source: P.A. 101-31, eff. 6-28-19; 101-648, eff. 6-30-20.)

24 (230 ILCS 45/25-35)

25 Sec. 25-35. Master sports wagering license issued to an

1 owners licensee.

2 (a) An owners licensee may apply to the Division Board for
3 a master sports wagering license. To the extent permitted by
4 federal and State law, the Division Board shall actively seek
5 to achieve racial, ethnic, and geographic diversity when
6 issuing master sports wagering licenses to owners licensees
7 and encourage minority-owned businesses, women-owned
8 businesses, veteran-owned businesses, and businesses owned by
9 persons with disabilities to apply for licensure.
10 Additionally, the report published under subsection (m) of
11 Section 25-45 shall impact the issuance of the master sports
12 wagering license to the extent permitted by federal and State
13 law.

14 For the purposes of this subsection (a), "minority-owned
15 business", "women-owned business", and "business owned by
16 persons with disabilities" have the meanings given to those
17 terms in Section 2 of the Business Enterprise for Minorities,
18 Women, and Persons with Disabilities Act.

19 (b) Except as otherwise provided in subsection (b-5), the
20 initial license fee for a master sports wagering license for
21 an owners licensee is 5% of its adjusted gross receipts from
22 the preceding calendar year. No initial license fee shall
23 exceed \$10,000,000. An owners licensee licensed on the
24 effective date of this Act shall pay the initial master sports
25 wagering license fee by July 1, 2021. The master sports
26 wagering license is valid for 4 years.

1 (b-5) For an owners licensee licensed after the effective
2 date of this Act, the master sports wagering license fee shall
3 be \$5,000,000, but the amount shall be adjusted 12 months
4 after the owners licensee begins gambling operations under the
5 Illinois Gambling Act based on 5% of its adjusted gross
6 receipts from the first 12 months of gambling operations. The
7 master sports wagering license is valid for 4 years.

8 (c) The owners licensee may renew the master sports
9 wagering license for a period of 4 years by paying a \$1,000,000
10 renewal fee to the Division Board.

11 (d) An owners licensee issued a master sports wagering
12 license may conduct sports wagering:

13 (1) at its facility in this State that is authorized
14 to conduct gambling operations under the Illinois Gambling
15 Act; and

16 (2) over the Internet or through a mobile application.

17 (e) The sports wagering offered over the Internet or
18 through a mobile application shall only be offered under
19 either the same brand as the owners licensee is operating
20 under or a brand owned by a direct or indirect holding company
21 that owns at least an 80% interest in that owners licensee on
22 the effective date of this Act.

23 (f) Until issuance of the first license under Section
24 25-45, an individual must create a sports wagering account in
25 person at a facility under paragraph (1) of subsection (d) to
26 participate in sports wagering offered over the Internet or

1 through a mobile application.

2 (Source: P.A. 101-31, eff. 6-28-19; 101-648, eff. 6-30-20.)

3 (230 ILCS 45/25-40)

4 Sec. 25-40. Master sports wagering license issued to a
5 sports facility.

6 (a) As used in this Section, "designee" means a master
7 sports wagering licensee under Section 25-30, 25-35, or 25-45
8 or a management services provider licensee.

9 (b) A sports facility or a designee contracted to operate
10 sports wagering at or within a 5-block radius of the sports
11 facility may apply to the Division Board ~~Board~~ for a master sports
12 wagering license. To the extent permitted by federal and State
13 law, the Division Board ~~Board~~ shall actively seek to achieve racial,
14 ethnic, and geographic diversity when issuing master sports
15 wagering licenses to sports facilities or their designees and
16 encourage minority-owned businesses, women-owned businesses,
17 veteran-owned businesses, and businesses owned by persons with
18 disabilities to apply for licensure. Additionally, the report
19 published under subsection (m) of Section 25-45 shall impact
20 the issuance of the master sports wagering license to the
21 extent permitted by federal and State law.

22 For the purposes of this subsection (b), "minority-owned
23 business", "women-owned business", and "business owned by
24 persons with disabilities" have the meanings given to those
25 terms in Section 2 of the Business Enterprise for Minorities,

1 Women, and Persons with Disabilities Act.

2 (c) The Division Board may issue up to 7 master sports
3 wagering licenses to sports facilities or their designees that
4 meet the requirements for licensure as determined by rule by
5 the Division Board. If more than 7 qualified applicants apply
6 for a master sports wagering license under this Section, the
7 licenses shall be granted in the order in which the
8 applications were received. If a license is denied, revoked,
9 or not renewed, the Division Board may begin a new application
10 process and issue a license under this Section in the order in
11 which the application was received.

12 (d) The initial license fee for a master sports wagering
13 license for a sports facility is \$10,000,000. The master
14 sports wagering license is valid for 4 years.

15 (e) The sports facility or its designee may renew the
16 master sports wagering license for a period of 4 years by
17 paying a \$1,000,000 renewal fee to the Division Board.

18 (f) A sports facility or its designee issued a master
19 sports wagering license may conduct sports wagering at or
20 within a 5-block radius of the sports facility.

21 (g) A sports facility or its designee issued a master
22 sports wagering license may conduct sports wagering over the
23 Internet within the sports facility or within a 5-block radius
24 of the sports facility.

25 (h) The sports wagering offered by a sports facility or
26 its designee over the Internet or through a mobile application

1 shall be offered under the same brand as the sports facility is
2 operating under, the brand the designee is operating under, or
3 a combination thereof.

4 (i) Until issuance of the first license under Section
5 25-45, an individual must register in person at a sports
6 facility or the designee's facility to participate in sports
7 wagering offered over the Internet or through a mobile
8 application.

9 (Source: P.A. 101-31, eff. 6-28-19.)

10 (230 ILCS 45/25-45)

11 Sec. 25-45. Master sports wagering license issued to an
12 online sports wagering operator.

13 (a) The Division ~~Board~~ shall issue 3 master sports
14 wagering licenses to online sports wagering operators for a
15 nonrefundable license fee of \$20,000,000 pursuant to an open
16 and competitive selection process. The master sports wagering
17 license issued under this Section may be renewed every 4 years
18 upon payment of a \$1,000,000 renewal fee. To the extent
19 permitted by federal and State law, the Division ~~Board~~ shall
20 actively seek to achieve racial, ethnic, and geographic
21 diversity when issuing master sports wagering licenses under
22 this Section and encourage minority-owned businesses,
23 women-owned businesses, veteran-owned businesses, and
24 businesses owned by persons with disabilities to apply for
25 licensure.

1 For the purposes of this subsection (a), "minority-owned
2 business", "women-owned business", and "business owned by
3 persons with disabilities" have the meanings given to those
4 terms in Section 2 of the Business Enterprise for Minorities,
5 Women, and Persons with Disabilities Act.

6 (b) Applications for the initial competitive selection
7 occurring after the effective date of this Act shall be
8 received by the Division Board within 540 days after the first
9 license is issued under this Act to qualify. The Division
10 ~~Board~~ shall announce the winning bidders for the initial
11 competitive selection within 630 days after the first license
12 is issued under this Act, and this time frame may be extended
13 at the discretion of the Division Board.

14 (c) The Division Board shall provide public notice of its
15 intent to solicit applications for master sports wagering
16 licenses under this Section by posting the notice, application
17 instructions, and materials on its website for at least 30
18 calendar days before the applications are due. Failure by an
19 applicant to submit all required information may result in the
20 application being disqualified. The Division Board may notify
21 an applicant that its application is incomplete and provide an
22 opportunity to cure by rule. Application instructions shall
23 include a brief overview of the selection process and how
24 applications are scored.

25 (d) To be eligible for a master sports wagering license
26 under this Section, an applicant must: (1) be at least 21 years

1 of age; (2) not have been convicted of a felony offense or a
2 violation of Article 28 of the Criminal Code of 1961 or the
3 Criminal Code of 2012 or a similar statute of any other
4 jurisdiction; (3) not have been convicted of a crime involving
5 dishonesty or moral turpitude; (4) have demonstrated a level
6 of skill or knowledge that the Division Board determines to be
7 necessary in order to operate sports wagering; and (5) have
8 met standards for the holding of a license as adopted by rules
9 of the Division Board.

10 The Division Board may adopt rules to establish additional
11 qualifications and requirements to preserve the integrity and
12 security of sports wagering in this State and to promote and
13 maintain a competitive sports wagering market. After the close
14 of the application period, the Division Board shall determine
15 whether the applications meet the mandatory minimum
16 qualification criteria and conduct a comprehensive, fair, and
17 impartial evaluation of all qualified applications.

18 (e) The Division Board shall open all qualified
19 applications in a public forum and disclose the applicants'
20 names. The Division Board shall summarize the terms of the
21 proposals and make the summaries available to the public on
22 its website.

23 (f) Not more than 90 days after the publication of the
24 qualified applications, the Division Board shall identify the
25 winning bidders. In granting the licenses, the Division Board
26 may give favorable consideration to qualified applicants

1 presenting plans that provide for economic development and
2 community engagement. To the extent permitted by federal and
3 State law, the Division Board may give favorable consideration
4 to qualified applicants demonstrating commitment to diversity
5 in the workplace.

6 (g) Upon selection of the winning bidders, the Division
7 ~~Board~~ shall have a reasonable period of time to ensure
8 compliance with all applicable statutory and regulatory
9 criteria before issuing the licenses. If the Division Board
10 determines a winning bidder does not satisfy all applicable
11 statutory and regulatory criteria, the Division Board shall
12 select another bidder from the remaining qualified applicants.

13 (h) Nothing in this Section is intended to confer a
14 property or other right, duty, privilege, or interest
15 entitling an applicant to an administrative hearing upon
16 denial of an application.

17 (i) Upon issuance of a master sports wagering license to a
18 winning bidder, the information and plans provided in the
19 application become a condition of the license. A master sports
20 wagering licensee under this Section has a duty to disclose
21 any material changes to the application. Failure to comply
22 with the conditions or requirements in the application may
23 subject the master sports wagering licensee under this Section
24 to discipline, including, but not limited to, fines,
25 suspension, and revocation of its license, pursuant to rules
26 adopted by the Division Board.

1 (j) The Division Board shall disseminate information about
2 the licensing process through media demonstrated to reach
3 large numbers of business owners and entrepreneurs who are
4 minorities, women, veterans, and persons with disabilities.

5 (k) The Department of Commerce and Economic Opportunity,
6 in conjunction with the Division Board, shall conduct ongoing,
7 thorough, and comprehensive outreach to businesses owned by
8 minorities, women, veterans, and persons with disabilities
9 about contracting and entrepreneurial opportunities in sports
10 wagering. This outreach shall include, but not be limited to:

11 (1) cooperating and collaborating with other State
12 boards, commissions, and agencies; public and private
13 universities and community colleges; and local governments
14 to target outreach efforts; and

15 (2) working with organizations serving minorities,
16 women, and persons with disabilities to establish and
17 conduct training for employment in sports wagering.

18 (l) The Division Board shall partner with the Department
19 of Labor, the Department of Financial and Professional
20 Regulation, and the Department of Commerce and Economic
21 Opportunity to identify employment opportunities within the
22 sports wagering industry for job seekers and dislocated
23 workers.

24 (m) By March 1, 2020, the Division Board shall prepare a
25 request for proposals to conduct a study of the online sports
26 wagering industry and market to determine whether there is a

1 compelling interest in implementing remedial measures,
2 including the application of the Business Enterprise Program
3 under the Business Enterprise for Minorities, Women, and
4 Persons with Disabilities Act or a similar program to assist
5 minorities, women, and persons with disabilities in the sports
6 wagering industry.

7 As a part of the study, the Division Board shall evaluate
8 race and gender-neutral programs or other methods that may be
9 used to address the needs of minority and women applicants and
10 minority-owned and women-owned businesses seeking to
11 participate in the sports wagering industry. The Division
12 ~~Board~~ shall submit to the General Assembly and publish on its
13 website the results of this study by August 1, 2020.

14 If, as a result of the study conducted under this
15 subsection (m), the Division Board finds that there is a
16 compelling interest in implementing remedial measures, the
17 Division Board may adopt rules, including emergency rules, to
18 implement remedial measures, if necessary and to the extent
19 permitted by State and federal law, based on the findings of
20 the study conducted under this subsection (m).

21 (Source: P.A. 101-31, eff. 6-28-19.)

22 (230 ILCS 45/25-50)

23 Sec. 25-50. Supplier license.

24 (a) The Division Board may issue a supplier license to a
25 person to sell or lease sports wagering equipment, systems, or

1 other gaming items to conduct sports wagering and offer
2 services related to the equipment or other gaming items and
3 data to a master sports wagering licensee while the license is
4 active.

5 (b) The Division Board may adopt rules establishing
6 additional requirements for a supplier and any system or other
7 equipment utilized for sports wagering. The Division Board may
8 accept licensing by another jurisdiction that it specifically
9 determines to have similar licensing requirements as evidence
10 the applicant meets supplier licensing requirements.

11 (c) An applicant for a supplier license shall demonstrate
12 that the equipment, system, or services that the applicant
13 plans to offer to the master sports wagering licensee conforms
14 to standards established by the Division Board and applicable
15 State law. The Division Board may accept approval by another
16 jurisdiction that it specifically determines have similar
17 equipment standards as evidence the applicant meets the
18 standards established by the Division Board and applicable
19 State law.

20 (d) Applicants shall pay to the Division Board a
21 nonrefundable license and application fee in the amount of
22 \$150,000. After the initial 4-year term, the Division Board
23 shall renew supplier licenses annually thereafter. Renewal of
24 a supplier license shall be granted to a renewal applicant who
25 has continued to comply with all applicable statutory and
26 regulatory requirements, upon submission of the

1 Division-issued ~~Board-issued~~ renewal form and payment of a
2 \$150,000 renewal fee.

3 (e) A supplier shall submit to the Division ~~Board~~ a list of
4 all sports wagering equipment and services sold, delivered, or
5 offered to a master sports wagering licensee in this State, as
6 required by the Division ~~Board~~, all of which must be tested and
7 approved by an independent testing laboratory approved by the
8 Division ~~Board~~. A master sports wagering licensee may continue
9 to use supplies acquired from a licensed supplier, even if a
10 supplier's license expires or is otherwise canceled, unless
11 the Division ~~Board~~ finds a defect in the supplies.

12 (Source: P.A. 101-31, eff. 6-28-19.)

13 (230 ILCS 45/25-55)

14 Sec. 25-55. Management services provider license.

15 (a) A master sports wagering licensee may contract with an
16 entity to conduct that operation in accordance with the rules
17 of the Division ~~Board~~ and the provisions of this Act. That
18 entity shall obtain a license as a management services
19 provider before the execution of any such contract, and the
20 management services provider license shall be issued pursuant
21 to the provisions of this Act and any rules adopted by the
22 Division ~~Board~~.

23 (b) Each applicant for a management services provider
24 license shall meet all requirements for licensure and pay a
25 nonrefundable license and application fee of \$1,000,000. The

1 Division Board may adopt rules establishing additional
2 requirements for an authorized management services provider.
3 The Division Board may accept licensing by another
4 jurisdiction that it specifically determines to have similar
5 licensing requirements as evidence the applicant meets
6 authorized management services provider licensing
7 requirements.

8 (c) Management services provider licenses shall be renewed
9 every 4 years to licensees who continue to be in compliance
10 with all requirements and who pay the renewal fee of \$500,000.

11 (d) A person who shares in revenue shall be licensed under
12 this Section.

13 (Source: P.A. 101-31, eff. 6-28-19.)

14 (230 ILCS 45/25-60)

15 Sec. 25-60. Tier 2 official league data provider license.

16 (a) A sports governing body or a sports league,
17 organization, or association or a vendor authorized by such
18 sports governing body or sports league, organization, or
19 association to distribute tier 2 official league data may
20 apply to the Division Board for a tier 2 official league data
21 provider license.

22 (b) A tier 2 official league data provider licensee may
23 provide a master sports wagering licensee with official league
24 data for tier 2 sports wagers. No sports governing body or
25 sports league, organization, or association or a vendor

1 authorized by such sports governing body or sports league,
2 organization, or association may provide tier 2 official
3 league data to a master sports wagering licensee without a
4 tier 2 official league data provider license.

5 Notwithstanding the provisions of this Section, the
6 licensing and fee requirements of this Section shall not apply
7 if, under subsection (g) of Section 25-25, master sports
8 wagering licensees are not required to use official league
9 data to determine the results of tier 2 sports wagers.

10 (c) The initial license fee for a tier 2 official league
11 data provider license is payable to the Division Board at the
12 end of the first year of licensure based on the amount of data
13 sold to master sports wagering licensees as official league
14 data as follows:

15 (1) for data sales up to and including \$500,000, the
16 fee is \$30,000;

17 (2) for data sales in excess of \$500,000 and up to and
18 including \$750,000, the fee is \$60,000;

19 (3) for data sales in excess of \$750,000 and up to and
20 including \$1,000,000, the fee is \$125,000;

21 (4) for data sales in excess of \$1,000,000 and up to
22 and including \$1,500,000, the fee is \$250,000;

23 (5) for data sales in excess of \$1,500,000 and up to
24 and including \$2,000,000, the fee is \$375,000; and

25 (6) for data sales in excess of \$2,000,000, the fee is
26 \$500,000.

1 The license is valid for 3 years.

2 (d) The tier 2 official league data provider licensee may
3 renew the license for 3 years by paying a renewal fee to the
4 Division ~~Board~~ based on the amount of data sold to master
5 sports wagering licensees as official league data in the
6 immediately preceding year as provided in paragraphs (1)
7 through (6) of subsection (c).

8 (Source: P.A. 101-31, eff. 6-28-19.)

9 (230 ILCS 45/25-70)

10 (Section scheduled to be repealed on January 1, 2024)

11 Sec. 25-70. Lottery sports wagering pilot program.

12 (a) As used in this Section:

13 "Central system" means the hardware, software,
14 peripherals, and network components provided by the
15 Department's central system provider that link and support all
16 required sports lottery terminals and the central site and
17 that are unique and separate from the lottery central system
18 for draw and instant games.

19 "Central system provider" means an individual,
20 partnership, corporation, or limited liability company that
21 has been licensed for the purpose of providing and maintaining
22 a central system and the related management facilities
23 specifically for the management of sports lottery terminals.

24 "Electronic card" means a card purchased from a lottery
25 retailer.

1 "Lottery retailer" means a location licensed by the
2 Department to sell lottery tickets or shares.

3 "Sports lottery systems" means systems provided by the
4 central system provider consisting of sports wagering
5 products, risk management, operations, and support services.

6 "Sports lottery terminal" means a terminal linked to the
7 central system in which bills or coins are deposited or an
8 electronic card is inserted in order to place wagers on a
9 sports event and lottery offerings.

10 (b) The Department shall issue one central system provider
11 license pursuant to an open and competitive bidding process
12 that uses the following procedures:

13 (1) The Department shall make applications for the
14 central system provider license available to the public
15 and allow a reasonable time for applicants to submit
16 applications to the Department.

17 (2) During the filing period for central system
18 provider license applications, the Department may retain
19 professional services to assist the Department in
20 conducting the open and competitive bidding process.

21 (3) After receiving all of the bid proposals, the
22 Department shall open all of the proposals in a public
23 forum and disclose the prospective central system provider
24 names and venture partners, if any.

25 (4) The Department shall summarize the terms of the
26 bid proposals and may make this summary available to the

1 public.

2 (5) The Department shall evaluate the bid proposals
3 within a reasonable time and select no more than 3 final
4 applicants to make presentations of their bid proposals to
5 the Department.

6 (6) The final applicants shall make their
7 presentations to the Department on the same day during an
8 open session of the Department.

9 (7) As soon as practicable after the public
10 presentations by the final applicants, the Department, in
11 its discretion, may conduct further negotiations among the
12 3 final applicants. At the conclusion of such
13 negotiations, the Department shall select the winning bid.

14 (8) Upon selection of the winning bid, the Department
15 shall evaluate the winning bid within a reasonable period
16 of time for licensee suitability in accordance with all
17 applicable statutory and regulatory criteria.

18 (9) If the winning bidder is unable or otherwise fails
19 to consummate the transaction, (including if the
20 Department determines that the winning bidder does not
21 satisfy the suitability requirements), the Department may,
22 on the same criteria, select from the remaining bidders.

23 (10) The winning bidder shall pay \$20,000,000 to the
24 Department upon being issued the central system provider
25 license.

26 (c) Every sports lottery terminal offered in this State

1 for play shall first be tested and approved pursuant to the
2 rules of the Department, and each sports lottery terminal
3 offered in this State for play shall conform to an approved
4 model. For the examination of sports lottery terminals and
5 associated equipment as required by this Section, the central
6 system provider may utilize the services of one or more
7 independent outside testing laboratories that have been
8 accredited by a national accreditation body and that, in the
9 judgment of the Department, are qualified to perform such
10 examinations. Every sports lottery terminal offered in this
11 State for play must meet minimum standards set by an
12 independent outside testing laboratory approved by the
13 Department.

14 (d) During the first 360 days after the effective date of
15 this Act, sport lottery terminals may be placed in no more than
16 2,500 Lottery retail locations in the State. Sports lottery
17 terminals may be placed in an additional 2,500 Lottery retail
18 locations during the second year after the effective date of
19 this Act.

20 (e) A sports lottery terminal may not directly dispense
21 coins, cash, tokens, or any other article of exchange or value
22 except for receipt tickets. Tickets shall be dispensed by
23 pressing the ticket dispensing button on the sports lottery
24 terminal at the end of the placement of one's wager or wagers.
25 The ticket shall indicate the total amount wagered, odds for
26 each wager placed, and the cash award for each bet placed, the

1 time of day in a 24-hour format showing hours and minutes, the
2 date, the terminal serial number, the sequential number of the
3 ticket, and an encrypted validation number from which the
4 validity of the prize may be determined. The player shall turn
5 in this ticket to the appropriate person at a lottery retailer
6 to receive the cash award.

7 (f) No lottery retailer may cause or permit any person
8 under the age of 21 years to use a sports lottery terminal or
9 sports wagering application. A lottery retailer who knowingly
10 causes or permits a person under the age of 21 years to use a
11 sports lottery terminal or sports wagering application is
12 guilty of a business offense and shall be fined an amount not
13 to exceed \$5,000.

14 (g) A sports lottery terminal shall only accept parlay
15 wagers and fixed odds parlay wagers. The Department shall, by
16 rule, establish the total amount, as a percentage, of all
17 wagers placed that a lottery retailer may retain.

18 (h) The Department shall have jurisdiction over and shall
19 supervise all lottery sports wagering operations governed by
20 this Section. The Department shall have all powers necessary
21 and proper to fully and effectively execute the provisions of
22 this Section, including, but not limited to, the following:

23 (1) To investigate applicants and determine the
24 eligibility of applicants for licenses and to select among
25 competing applicants the applicants which best serve the
26 interests of the citizens of Illinois.

1 (2) To have jurisdiction and supervision over all
2 lottery sports wagering operations in this State.

3 (3) To adopt rules for the purpose of administering
4 the provisions of this Section and to adopt rules and
5 conditions under which all lottery sports wagering in the
6 State shall be conducted. Such rules are to provide for
7 the prevention of practices detrimental to the public
8 interest and for the best interests of lottery sports
9 wagering, including rules (i) regarding the inspection of
10 such licensees necessary to operate a lottery retailer
11 under any laws or rules applicable to licensees, (ii) to
12 impose penalties for violations of the Act and its rules,
13 and (iii) establishing standards for advertising lottery
14 sports wagering.

15 (i) The Department shall adopt emergency rules to
16 administer this Section in accordance with Section 5-45 of the
17 Illinois Administrative Procedure Act. For the purposes of the
18 Illinois Administrative Procedure Act, the General Assembly
19 finds that the adoption of rules to implement this Section is
20 deemed an emergency and necessary to the public interest,
21 safety, and welfare.

22 (j) For the privilege of operating lottery sports wagering
23 under this Section, all proceeds minus net of proceeds
24 returned to players shall be electronically transferred daily
25 or weekly, at the discretion of the Director of ~~the~~ Lottery,
26 into the State Lottery Fund. After amounts owed to the central

1 system provider and licensed agents, as determined by the
2 Department, are paid from the moneys deposited into the State
3 Lottery Fund under this subsection, the remainder shall be
4 transferred on the 15th of each month to the Capital Projects
5 Fund.

6 (k) This Section is repealed on January 1, 2024.

7 (Source: P.A. 101-31, eff. 6-28-19.)

8 (230 ILCS 45/25-75)

9 Sec. 25-75. Reporting prohibited conduct; investigations
10 of prohibited conduct.

11 (a) The Division Board shall establish a hotline or other
12 method of communication that allows any person to
13 confidentially report information about prohibited conduct to
14 the Division Board.

15 (b) The Division Board shall investigate all reasonable
16 allegations of prohibited conduct and refer any allegations it
17 deems credible to the appropriate law enforcement entity.

18 (c) The identity of any reporting person shall remain
19 confidential unless that person authorizes disclosure of his
20 or her identity or until such time as the allegation of
21 prohibited conduct is referred to law enforcement.

22 (d) If the Division Board receives a complaint of
23 prohibited conduct by an athlete, the Division Board shall
24 notify the appropriate sports governing body of the athlete to
25 review the complaint as provided by rule.

1 (e) The Division ~~Board~~ shall adopt emergency rules to
2 administer this Section in accordance with Section 5-45 of the
3 Illinois Administrative Procedure Act.

4 (f) The Division ~~Board~~ shall adopt rules governing
5 investigations of prohibited conduct and referrals to law
6 enforcement entities.

7 (Source: P.A. 101-31, eff. 6-28-19.)

8 (230 ILCS 45/25-85)

9 Sec. 25-85. Supplier diversity goals for sports wagering.

10 (a) As used in this Section only, "licensee" means a
11 licensee under this Act other than an occupational licensee.

12 (b) The public policy of this State is to collaboratively
13 work with companies that serve Illinois residents to improve
14 their supplier diversity in a non-antagonistic manner.

15 (c) The ~~Board and the~~ Department shall require all
16 licensees under this Act to submit an annual report by April
17 15, 2020 and every April 15 thereafter, in a searchable Adobe
18 PDF format, on all procurement goals and actual spending for
19 businesses owned by women, minorities, veterans, and persons
20 with disabilities and small business enterprises in the
21 previous calendar year. These goals shall be expressed as a
22 percentage of the total work performed by the entity
23 submitting the report, and the actual spending for all
24 businesses owned by women, minorities, veterans, and persons
25 with disabilities and small business enterprises shall also be

1 expressed as a percentage of the total work performed by the
2 entity submitting the report.

3 (d) Each licensee in its annual report shall include the
4 following information:

5 (1) an explanation of the plan for the next year to
6 increase participation;

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

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

10 (4) an outline of the plan to alert and encourage
11 potential vendors in that area to seek business from the
12 licensee;

13 (5) an explanation of the challenges faced in finding
14 quality vendors and offer any suggestions for what the
15 Division Board ~~Board~~ could do to be helpful to identify those
16 vendors;

17 (6) a list of the certifications the licensee
18 recognizes;

19 (7) the point of contact for any potential vendor who
20 wishes to do business with the licensee and explain the
21 process for a vendor to enroll with the licensee as a
22 businesses owned by women, minorities, veterans, or
23 persons with disabilities; and

24 (8) any particular success stories to encourage other
25 licensee to emulate best practices.

26 (e) Each annual report shall include as much

1 State-specific data as possible. If the submitting entity does
2 not submit State-specific data, then the licensee shall
3 include any national data it does have and explain why it could
4 not submit State-specific data and how it intends to do so in
5 future reports, if possible.

6 (f) Each annual report shall include the rules,
7 regulations, and definitions used for the procurement goals in
8 the licensee's annual report.

9 (g) The Division Board, ~~Department~~, and all licensees
10 shall hold an annual workshop and job fair open to the public
11 in 2020 and every year thereafter on the state of supplier
12 diversity to collaboratively seek solutions to structural
13 impediments to achieving stated goals, including testimony
14 from each licensee as well as subject matter experts and
15 advocates. The ~~Board and~~ Department shall publish a database
16 on its website ~~their websites~~ of the point of contact for
17 licensees they regulate under this Act for supplier diversity,
18 along with a list of certifications each licensee recognizes
19 from the information submitted in each annual report. The
20 ~~Board and~~ Department shall publish each annual report on its
21 website ~~their websites~~ and shall maintain each annual report
22 for at least 5 years.

23 (Source: P.A. 101-31, eff. 6-28-19.)

24 (230 ILCS 45/25-90)

25 Sec. 25-90. Tax; Sports Wagering Fund.

1 (a) For the privilege of holding a license to operate
2 sports wagering under this Act, this State shall impose and
3 collect 15% of a master sports wagering licensee's adjusted
4 gross sports wagering receipts from sports wagering. The
5 accrual method of accounting shall be used for purposes of
6 calculating the amount of the tax owed by the licensee.

7 The taxes levied and collected pursuant to this subsection
8 (a) are due and payable to the Division Board no later than the
9 last day of the month following the calendar month in which the
10 adjusted gross sports wagering receipts were received and the
11 tax obligation was accrued.

12 (a-5) In addition to the tax imposed under subsection (a)
13 of this Section, for the privilege of holding a license to
14 operate sports wagering under this Act, the State shall impose
15 and collect 2% of the adjusted gross receipts from sports
16 wagers that are placed within a home rule county with a
17 population of over 3,000,000 inhabitants, which shall be paid,
18 subject to appropriation from the General Assembly, from the
19 Sports Wagering Fund to that home rule county for the purpose
20 of enhancing the county's criminal justice system.

21 (b) The Sports Wagering Fund is hereby created as special
22 fund in the State treasury. Except as otherwise provided in
23 this Act, all moneys collected under this Act by the Division
24 ~~Board~~ shall be deposited into the Sports Wagering Fund. On the
25 25th of each month, any moneys remaining in the Sports
26 Wagering Fund shall be transferred to the Capital Projects

1 Fund.

2 (Source: P.A. 101-31, eff. 6-28-19.)

3 (230 ILCS 45/25-100)

4 Sec. 25-100. Voluntary self-exclusion program for sports
5 wagering. Any resident, or non-resident if allowed to
6 participate in sports wagering, may voluntarily prohibit
7 himself or herself from establishing a sports wagering account
8 with a licensee under this Act. The ~~Board and~~ Department shall
9 incorporate the voluntary self-exclusion program for sports
10 wagering into any existing self-exclusion program that it
11 operates on the effective date of this Act.

12 (Source: P.A. 101-31, eff. 6-28-19.)

13 (230 ILCS 45/25-105)

14 Sec. 25-105. Report to General Assembly. On or before
15 January 15, 2021 and every January 15 thereafter, the Division
16 ~~Board~~ shall provide a report to the General Assembly on sports
17 wagering conducted under this Act.

18 (Source: P.A. 101-31, eff. 6-28-19.)

19 Section 140. The State Fair Gaming Act is amended by
20 changing Sections 30-5, 30-10, 30-20, and 30-25 as follows:

21 (230 ILCS 50/30-5)

22 Sec. 30-5. Definitions. As used in this Act:

1 ~~"Board" means the Illinois Gaming Board.~~

2 "Department" means the Department of Agriculture.

3 "Division" means the Division of Video Gaming of the
4 Department of Lottery and Gaming.

5 "State Fair" has the meaning given to that term in the
6 State Fair Act.

7 (Source: P.A. 101-31, eff. 6-28-19; 101-648, eff. 6-30-20.)

8 (230 ILCS 50/30-10)

9 Sec. 30-10. Gaming at the State Fair.

10 (a) The Division ~~Board~~ shall issue a licensed
11 establishment license to the Department to operate video
12 gaming at the Illinois State Fairgrounds and at the DuQuoin
13 State Fairgrounds. The Department shall select, under the
14 Illinois Procurement Code, Division-licensed ~~Board-licensed~~
15 terminal operators for an operational period not to exceed 3
16 years. At the conclusion of each 3-year cycle, the Illinois
17 Procurement Code shall be used to determine the new terminal
18 operators.

19 (b) Moneys bid by the terminal operators shall be
20 deposited into the State Fairgrounds Capital Improvements and
21 Harness Racing Fund.

22 (Source: P.A. 101-31, eff. 6-28-19; 101-648, eff. 6-30-20.)

23 (230 ILCS 50/30-20)

24 Sec. 30-20. Revenue.

1 (a) Notwithstanding any other law to the contrary, a tax
2 is imposed at the rate of 35% of net terminal income received
3 from video gaming under this Act, which shall be remitted to
4 the Division Board and deposited into the State Fairgrounds
5 Capital Improvements and Harness Racing Fund.

6 (b) There is created within the State treasury the State
7 Fairgrounds Capital Improvements and Harness Racing Fund. The
8 Department of Agriculture shall use moneys in the State
9 Fairgrounds Capital Improvements and Harness Racing Fund as
10 follows and in the order of priority:

11 (1) to provide support for a harness race meeting
12 produced by an organization licensee under the Illinois
13 Horse Racing Act of 1975 and which shall consist of up to
14 30 days of live racing per year at the Illinois State
15 Fairgrounds in Springfield;

16 (2) to repair and rehabilitate fairgrounds'
17 backstretch facilities to such a level as determined by
18 the Department of Agriculture to be required to carry out
19 a program of live harness racing; and

20 (3) for the overall repair and rehabilitation of the
21 capital infrastructure of: (i) the Illinois State
22 Fairgrounds in Springfield, and (ii) the DuQuoin State
23 Fairgrounds in DuQuoin, and for no other purpose.

24 Notwithstanding any other law to the contrary, the entire
25 State share of tax revenues from the race meetings under
26 paragraph (1) of this subsection (c) shall be reinvested into

1 the State Fairgrounds Capital Improvements and Harness Racing
2 Fund.

3 (Source: P.A. 101-31, eff. 6-28-19.)

4 (230 ILCS 50/30-25)

5 Sec. 30-25. Rules. The Division Board ~~Board~~ and the Department
6 of Agriculture may adopt rules for the implementation of this
7 Act.

8 (Source: P.A. 101-31, eff. 6-28-19.)

9 Section 145. The Open Meetings Act is amended by changing
10 Section 2 as follows:

11 (5 ILCS 120/2) (from Ch. 102, par. 42)

12 Sec. 2. Open meetings.

13 (a) Openness required. All meetings of public bodies shall
14 be open to the public unless excepted in subsection (c) and
15 closed in accordance with Section 2a.

16 (b) Construction of exceptions. The exceptions contained
17 in subsection (c) are in derogation of the requirement that
18 public bodies meet in the open, and therefore, the exceptions
19 are to be strictly construed, extending only to subjects
20 clearly within their scope. The exceptions authorize but do
21 not require the holding of a closed meeting to discuss a
22 subject included within an enumerated exception.

23 (c) Exceptions. A public body may hold closed meetings to

1 consider the following subjects:

2 (1) The appointment, employment, compensation,
3 discipline, performance, or dismissal of specific
4 employees, specific individuals who serve as independent
5 contractors in a park, recreational, or educational
6 setting, or specific volunteers of the public body or
7 legal counsel for the public body, including hearing
8 testimony on a complaint lodged against an employee, a
9 specific individual who serves as an independent
10 contractor in a park, recreational, or educational
11 setting, or a volunteer of the public body or against
12 legal counsel for the public body to determine its
13 validity. However, a meeting to consider an increase in
14 compensation to a specific employee of a public body that
15 is subject to the Local Government Wage Increase
16 Transparency Act may not be closed and shall be open to the
17 public and posted and held in accordance with this Act.

18 (2) Collective negotiating matters between the public
19 body and its employees or their representatives, or
20 deliberations concerning salary schedules for one or more
21 classes of employees.

22 (3) The selection of a person to fill a public office,
23 as defined in this Act, including a vacancy in a public
24 office, when the public body is given power to appoint
25 under law or ordinance, or the discipline, performance or
26 removal of the occupant of a public office, when the

1 public body is given power to remove the occupant under
2 law or ordinance.

3 (4) Evidence or testimony presented in open hearing,
4 or in closed hearing where specifically authorized by law,
5 to a quasi-adjudicative body, as defined in this Act,
6 provided that the body prepares and makes available for
7 public inspection a written decision setting forth its
8 determinative reasoning.

9 (5) The purchase or lease of real property for the use
10 of the public body, including meetings held for the
11 purpose of discussing whether a particular parcel should
12 be acquired.

13 (6) The setting of a price for sale or lease of
14 property owned by the public body.

15 (7) The sale or purchase of securities, investments,
16 or investment contracts. This exception shall not apply to
17 the investment of assets or income of funds deposited into
18 the Illinois Prepaid Tuition Trust Fund.

19 (8) Security procedures, school building safety and
20 security, and the use of personnel and equipment to
21 respond to an actual, a threatened, or a reasonably
22 potential danger to the safety of employees, students,
23 staff, the public, or public property.

24 (9) Student disciplinary cases.

25 (10) The placement of individual students in special
26 education programs and other matters relating to

1 individual students.

2 (11) Litigation, when an action against, affecting or
3 on behalf of the particular public body has been filed and
4 is pending before a court or administrative tribunal, or
5 when the public body finds that an action is probable or
6 imminent, in which case the basis for the finding shall be
7 recorded and entered into the minutes of the closed
8 meeting.

9 (12) The establishment of reserves or settlement of
10 claims as provided in the Local Governmental and
11 Governmental Employees Tort Immunity Act, if otherwise the
12 disposition of a claim or potential claim might be
13 prejudiced, or the review or discussion of claims, loss or
14 risk management information, records, data, advice or
15 communications from or with respect to any insurer of the
16 public body or any intergovernmental risk management
17 association or self insurance pool of which the public
18 body is a member.

19 (13) Conciliation of complaints of discrimination in
20 the sale or rental of housing, when closed meetings are
21 authorized by the law or ordinance prescribing fair
22 housing practices and creating a commission or
23 administrative agency for their enforcement.

24 (14) Informant sources, the hiring or assignment of
25 undercover personnel or equipment, or ongoing, prior or
26 future criminal investigations, when discussed by a public

1 body with criminal investigatory responsibilities.

2 (15) Professional ethics or performance when
3 considered by an advisory body appointed to advise a
4 licensing or regulatory agency on matters germane to the
5 advisory body's field of competence.

6 (16) Self evaluation, practices and procedures or
7 professional ethics, when meeting with a representative of
8 a statewide association of which the public body is a
9 member.

10 (17) The recruitment, credentialing, discipline or
11 formal peer review of physicians or other health care
12 professionals, or for the discussion of matters protected
13 under the federal Patient Safety and Quality Improvement
14 Act of 2005, and the regulations promulgated thereunder,
15 including 42 C.F.R. Part 3 (73 FR 70732), or the federal
16 Health Insurance Portability and Accountability Act of
17 1996, and the regulations promulgated thereunder,
18 including 45 C.F.R. Parts 160, 162, and 164, by a
19 hospital, or other institution providing medical care,
20 that is operated by the public body.

21 (18) Deliberations for decisions of the Prisoner
22 Review Board.

23 (19) Review or discussion of applications received
24 under the Experimental Organ Transplantation Procedures
25 Act.

26 (20) The classification and discussion of matters

1 classified as confidential or continued confidential by
2 the State Government Suggestion Award Board.

3 (21) Discussion of minutes of meetings lawfully closed
4 under this Act, whether for purposes of approval by the
5 body of the minutes or semi-annual review of the minutes
6 as mandated by Section 2.06.

7 (22) Deliberations for decisions of the State
8 Emergency Medical Services Disciplinary Review Board.

9 (23) The operation by a municipality of a municipal
10 utility or the operation of a municipal power agency or
11 municipal natural gas agency when the discussion involves
12 (i) contracts relating to the purchase, sale, or delivery
13 of electricity or natural gas or (ii) the results or
14 conclusions of load forecast studies.

15 (24) Meetings of a residential health care facility
16 resident sexual assault and death review team or the
17 Executive Council under the Abuse Prevention Review Team
18 Act.

19 (25) Meetings of an independent team of experts under
20 Brian's Law.

21 (26) Meetings of a mortality review team appointed
22 under the Department of Juvenile Justice Mortality Review
23 Team Act.

24 (27) (Blank).

25 (28) Correspondence and records (i) that may not be
26 disclosed under Section 11-9 of the Illinois Public Aid

1 Code or (ii) that pertain to appeals under Section 11-8 of
2 the Illinois Public Aid Code.

3 (29) Meetings between internal or external auditors
4 and governmental audit committees, finance committees, and
5 their equivalents, when the discussion involves internal
6 control weaknesses, identification of potential fraud risk
7 areas, known or suspected frauds, and fraud interviews
8 conducted in accordance with generally accepted auditing
9 standards of the United States of America.

10 (30) Those meetings or portions of meetings of a
11 fatality review team or the Illinois Fatality Review Team
12 Advisory Council during which a review of the death of an
13 eligible adult in which abuse or neglect is suspected,
14 alleged, or substantiated is conducted pursuant to Section
15 of the Adult Protective Services Act.

16 (31) Meetings and deliberations for decisions of the
17 Concealed Carry Licensing Review Board under the Firearm
18 Concealed Carry Act.

19 (32) Meetings between the Regional Transportation
20 Authority Board and its Service Boards when the discussion
21 involves review by the Regional Transportation Authority
22 Board of employment contracts under Section 28d of the
23 Metropolitan Transit Authority Act and Sections 3A.18 and
24 3B.26 of the Regional Transportation Authority Act.

25 (33) Those meetings or portions of meetings of the
26 advisory committee and peer review subcommittee created

1 under Section 320 of the Illinois Controlled Substances
2 Act during which specific controlled substance prescriber,
3 dispenser, or patient information is discussed.

4 (34) Meetings of the Tax Increment Financing Reform
5 Task Force under Section 2505-800 of the Department of
6 Revenue Law of the Civil Administrative Code of Illinois.

7 (35) Meetings of the group established to discuss
8 Medicaid capitation rates under Section 5-30.8 of the
9 Illinois Public Aid Code.

10 (36) Those deliberations or portions of deliberations
11 for decisions of any Division of the Department of Lottery
12 and Gaming ~~the Illinois Gaming Board~~ in which there is
13 discussed any of the following: (i) personal, commercial,
14 financial, or other information obtained from any source
15 that is privileged, proprietary, confidential, or a trade
16 secret; or (ii) information specifically exempted from the
17 disclosure by federal or State law.

18 (d) Definitions. For purposes of this Section:

19 "Employee" means a person employed by a public body whose
20 relationship with the public body constitutes an
21 employer-employee relationship under the usual common law
22 rules, and who is not an independent contractor.

23 "Public office" means a position created by or under the
24 Constitution or laws of this State, the occupant of which is
25 charged with the exercise of some portion of the sovereign
26 power of this State. The term "public office" shall include

1 members of the public body, but it shall not include
2 organizational positions filled by members thereof, whether
3 established by law or by a public body itself, that exist to
4 assist the body in the conduct of its business.

5 "Quasi-adjudicative body" means an administrative body
6 charged by law or ordinance with the responsibility to conduct
7 hearings, receive evidence or testimony and make
8 determinations based thereon, but does not include local
9 electoral boards when such bodies are considering petition
10 challenges.

11 (e) Final action. No final action may be taken at a closed
12 meeting. Final action shall be preceded by a public recital of
13 the nature of the matter being considered and other
14 information that will inform the public of the business being
15 conducted.

16 (Source: P.A. 100-201, eff. 8-18-17; 100-465, eff. 8-31-17;
17 100-646, eff. 7-27-18; 101-31, eff. 6-28-19; 101-459, eff.
18 8-23-19; revised 9-27-19.)

19 Section 150. The Illinois Public Labor Relations Act is
20 amended by changing Section 3 as follows:

21 (5 ILCS 315/3) (from Ch. 48, par. 1603)

22 Sec. 3. Definitions. As used in this Act, unless the
23 context otherwise requires:

24 (a) "Board" means the Illinois Labor Relations Board or,

1 with respect to a matter over which the jurisdiction of the
2 Board is assigned to the State Panel or the Local Panel under
3 Section 5, the panel having jurisdiction over the matter.

4 (b) "Collective bargaining" means bargaining over terms
5 and conditions of employment, including hours, wages, and
6 other conditions of employment, as detailed in Section 7 and
7 which are not excluded by Section 4.

8 (c) "Confidential employee" means an employee who, in the
9 regular course of his or her duties, assists and acts in a
10 confidential capacity to persons who formulate, determine, and
11 effectuate management policies with regard to labor relations
12 or who, in the regular course of his or her duties, has
13 authorized access to information relating to the effectuation
14 or review of the employer's collective bargaining policies.

15 (d) "Craft employees" means skilled journeymen, crafts
16 persons, and their apprentices and helpers.

17 (e) "Essential services employees" means those public
18 employees performing functions so essential that the
19 interruption or termination of the function will constitute a
20 clear and present danger to the health and safety of the
21 persons in the affected community.

22 (f) "Exclusive representative", except with respect to
23 non-State fire fighters and paramedics employed by fire
24 departments and fire protection districts, non-State peace
25 officers, and peace officers in the Department of State
26 Police, means the labor organization that has been (i)

1 designated by the Board as the representative of a majority of
2 public employees in an appropriate bargaining unit in
3 accordance with the procedures contained in this Act, (ii)
4 historically recognized by the State of Illinois or any
5 political subdivision of the State before July 1, 1984 (the
6 effective date of this Act) as the exclusive representative of
7 the employees in an appropriate bargaining unit, (iii) after
8 July 1, 1984 (the effective date of this Act) recognized by an
9 employer upon evidence, acceptable to the Board, that the
10 labor organization has been designated as the exclusive
11 representative by a majority of the employees in an
12 appropriate bargaining unit; (iv) recognized as the exclusive
13 representative of personal assistants under Executive Order
14 2003-8 prior to the effective date of this amendatory Act of
15 the 93rd General Assembly, and the organization shall be
16 considered to be the exclusive representative of the personal
17 assistants as defined in this Section; or (v) recognized as
18 the exclusive representative of child and day care home
19 providers, including licensed and license exempt providers,
20 pursuant to an election held under Executive Order 2005-1
21 prior to the effective date of this amendatory Act of the 94th
22 General Assembly, and the organization shall be considered to
23 be the exclusive representative of the child and day care home
24 providers as defined in this Section.

25 With respect to non-State fire fighters and paramedics
26 employed by fire departments and fire protection districts,

1 non-State peace officers, and peace officers in the Department
2 of State Police, "exclusive representative" means the labor
3 organization that has been (i) designated by the Board as the
4 representative of a majority of peace officers or fire
5 fighters in an appropriate bargaining unit in accordance with
6 the procedures contained in this Act, (ii) historically
7 recognized by the State of Illinois or any political
8 subdivision of the State before January 1, 1986 (the effective
9 date of this amendatory Act of 1985) as the exclusive
10 representative by a majority of the peace officers or fire
11 fighters in an appropriate bargaining unit, or (iii) after
12 January 1, 1986 (the effective date of this amendatory Act of
13 1985) recognized by an employer upon evidence, acceptable to
14 the Board, that the labor organization has been designated as
15 the exclusive representative by a majority of the peace
16 officers or fire fighters in an appropriate bargaining unit.

17 Where a historical pattern of representation exists for
18 the workers of a water system that was owned by a public
19 utility, as defined in Section 3-105 of the Public Utilities
20 Act, prior to becoming certified employees of a municipality
21 or municipalities once the municipality or municipalities have
22 acquired the water system as authorized in Section 11-124-5 of
23 the Illinois Municipal Code, the Board shall find the labor
24 organization that has historically represented the workers to
25 be the exclusive representative under this Act, and shall find
26 the unit represented by the exclusive representative to be the

1 appropriate unit.

2 (g) "Fair share agreement" means an agreement between the
3 employer and an employee organization under which all or any
4 of the employees in a collective bargaining unit are required
5 to pay their proportionate share of the costs of the
6 collective bargaining process, contract administration, and
7 pursuing matters affecting wages, hours, and other conditions
8 of employment, but not to exceed the amount of dues uniformly
9 required of members. The amount certified by the exclusive
10 representative shall not include any fees for contributions
11 related to the election or support of any candidate for
12 political office. Nothing in this subsection (g) shall
13 preclude an employee from making voluntary political
14 contributions in conjunction with his or her fair share
15 payment.

16 (g-1) "Fire fighter" means, for the purposes of this Act
17 only, any person who has been or is hereafter appointed to a
18 fire department or fire protection district or employed by a
19 state university and sworn or commissioned to perform fire
20 fighter duties or paramedic duties, including paramedics
21 employed by a unit of local government, except that the
22 following persons are not included: part-time fire fighters,
23 auxiliary, reserve or voluntary fire fighters, including paid
24 on-call fire fighters, clerks and dispatchers or other
25 civilian employees of a fire department or fire protection
26 district who are not routinely expected to perform fire

1 fighter duties, or elected officials.

2 (g-2) "General Assembly of the State of Illinois" means
3 the legislative branch of the government of the State of
4 Illinois, as provided for under Article IV of the Constitution
5 of the State of Illinois, and includes but is not limited to
6 the House of Representatives, the Senate, the Speaker of the
7 House of Representatives, the Minority Leader of the House of
8 Representatives, the President of the Senate, the Minority
9 Leader of the Senate, the Joint Committee on Legislative
10 Support Services and any legislative support services agency
11 listed in the Legislative Commission Reorganization Act of
12 1984.

13 (h) "Governing body" means, in the case of the State, the
14 State Panel of the Illinois Labor Relations Board, the
15 Director of the Department of Central Management Services, and
16 the Director of the Department of Labor; the county board in
17 the case of a county; the corporate authorities in the case of
18 a municipality; and the appropriate body authorized to provide
19 for expenditures of its funds in the case of any other unit of
20 government.

21 (i) "Labor organization" means any organization in which
22 public employees participate and that exists for the purpose,
23 in whole or in part, of dealing with a public employer
24 concerning wages, hours, and other terms and conditions of
25 employment, including the settlement of grievances.

26 (i-5) "Legislative liaison" means a person who is an

1 employee of a State agency, the Attorney General, the
2 Secretary of State, the Comptroller, or the Treasurer, as the
3 case may be, and whose job duties require the person to
4 regularly communicate in the course of his or her employment
5 with any official or staff of the General Assembly of the State
6 of Illinois for the purpose of influencing any legislative
7 action.

8 (j) "Managerial employee" means an individual who is
9 engaged predominantly in executive and management functions
10 and is charged with the responsibility of directing the
11 effectuation of management policies and practices. With
12 respect only to State employees in positions under the
13 jurisdiction of the Attorney General, Secretary of State,
14 Comptroller, or Treasurer (i) that were certified in a
15 bargaining unit on or after December 2, 2008, (ii) for which a
16 petition is filed with the Illinois Public Labor Relations
17 Board on or after April 5, 2013 (the effective date of Public
18 Act 97-1172), or (iii) for which a petition is pending before
19 the Illinois Public Labor Relations Board on that date,
20 "managerial employee" means an individual who is engaged in
21 executive and management functions or who is charged with the
22 effectuation of management policies and practices or who
23 represents management interests by taking or recommending
24 discretionary actions that effectively control or implement
25 policy. Nothing in this definition prohibits an individual
26 from also meeting the definition of "supervisor" under

1 subsection (r) of this Section.

2 (k) "Peace officer" means, for the purposes of this Act
3 only, any persons who have been or are hereafter appointed to a
4 police force, department, or agency and sworn or commissioned
5 to perform police duties, except that the following persons
6 are not included: part-time police officers, special police
7 officers, auxiliary police as defined by Section 3.1-30-20 of
8 the Illinois Municipal Code, night watchmen, "merchant
9 police", court security officers as defined by Section
10 3-6012.1 of the Counties Code, temporary employees, traffic
11 guards or wardens, civilian parking meter and parking
12 facilities personnel or other individuals specially appointed
13 to aid or direct traffic at or near schools or public functions
14 or to aid in civil defense or disaster, parking enforcement
15 employees who are not commissioned as peace officers and who
16 are not armed and who are not routinely expected to effect
17 arrests, parking lot attendants, clerks and dispatchers or
18 other civilian employees of a police department who are not
19 routinely expected to effect arrests, or elected officials.

20 (l) "Person" includes one or more individuals, labor
21 organizations, public employees, associations, corporations,
22 legal representatives, trustees, trustees in bankruptcy,
23 receivers, or the State of Illinois or any political
24 subdivision of the State or governing body, but does not
25 include the General Assembly of the State of Illinois or any
26 individual employed by the General Assembly of the State of

1 Illinois.

2 (m) "Professional employee" means any employee engaged in
3 work predominantly intellectual and varied in character rather
4 than routine mental, manual, mechanical or physical work;
5 involving the consistent exercise of discretion and adjustment
6 in its performance; of such a character that the output
7 produced or the result accomplished cannot be standardized in
8 relation to a given period of time; and requiring advanced
9 knowledge in a field of science or learning customarily
10 acquired by a prolonged course of specialized intellectual
11 instruction and study in an institution of higher learning or
12 a hospital, as distinguished from a general academic education
13 or from apprenticeship or from training in the performance of
14 routine mental, manual, or physical processes; or any employee
15 who has completed the courses of specialized intellectual
16 instruction and study prescribed in this subsection (m) and is
17 performing related work under the supervision of a
18 professional person to qualify to become a professional
19 employee as defined in this subsection (m).

20 (n) "Public employee" or "employee", for the purposes of
21 this Act, means any individual employed by a public employer,
22 including (i) interns and residents at public hospitals, (ii)
23 as of the effective date of this amendatory Act of the 93rd
24 General Assembly, but not before, personal assistants working
25 under the Home Services Program under Section 3 of the
26 Rehabilitation of Persons with Disabilities Act, subject to

1 the limitations set forth in this Act and in the
2 Rehabilitation of Persons with Disabilities Act, (iii) as of
3 the effective date of this amendatory Act of the 94th General
4 Assembly, but not before, child and day care home providers
5 participating in the child care assistance program under
6 Section 9A-11 of the Illinois Public Aid Code, subject to the
7 limitations set forth in this Act and in Section 9A-11 of the
8 Illinois Public Aid Code, (iv) as of January 29, 2013 (the
9 effective date of Public Act 97-1158), but not before except
10 as otherwise provided in this subsection (n), home care and
11 home health workers who function as personal assistants and
12 individual maintenance home health workers and who also work
13 under the Home Services Program under Section 3 of the
14 Rehabilitation of Persons with Disabilities Act, no matter
15 whether the State provides those services through direct
16 fee-for-service arrangements, with the assistance of a managed
17 care organization or other intermediary, or otherwise, (v)
18 beginning on the effective date of this amendatory Act of the
19 98th General Assembly and notwithstanding any other provision
20 of this Act, any person employed by a public employer and who
21 is classified as or who holds the employment title of Chief
22 Stationary Engineer, Assistant Chief Stationary Engineer,
23 Sewage Plant Operator, Water Plant Operator, Stationary
24 Engineer, Plant Operating Engineer, and any other employee who
25 holds the position of: Civil Engineer V, Civil Engineer VI,
26 Civil Engineer VII, Technical Manager I, Technical Manager II,

1 Technical Manager III, Technical Manager IV, Technical Manager
2 V, Technical Manager VI, Realty Specialist III, Realty
3 Specialist IV, Realty Specialist V, Technical Advisor I,
4 Technical Advisor II, Technical Advisor III, Technical Advisor
5 IV, or Technical Advisor V employed by the Department of
6 Transportation who is in a position which is certified in a
7 bargaining unit on or before the effective date of this
8 amendatory Act of the 98th General Assembly, and (vi)
9 beginning on the effective date of this amendatory Act of the
10 98th General Assembly and notwithstanding any other provision
11 of this Act, any mental health administrator in the Department
12 of Corrections who is classified as or who holds the position
13 of Public Service Administrator (Option 8K), any employee of
14 the Office of the Inspector General in the Department of Human
15 Services who is classified as or who holds the position of
16 Public Service Administrator (Option 7), any Deputy of
17 Intelligence in the Department of Corrections who is
18 classified as or who holds the position of Public Service
19 Administrator (Option 7), and any employee of the Department
20 of State Police who handles issues concerning the Illinois
21 State Police Sex Offender Registry and who is classified as or
22 holds the position of Public Service Administrator (Option 7),
23 but excluding all of the following: employees of the General
24 Assembly of the State of Illinois; elected officials;
25 executive heads of a department; members of boards or
26 commissions; the Executive Inspectors General; any special

1 Executive Inspectors General; employees of each Office of an
2 Executive Inspector General; commissioners and employees of
3 the Executive Ethics Commission; the Auditor General's
4 Inspector General; employees of the Office of the Auditor
5 General's Inspector General; the Legislative Inspector
6 General; any special Legislative Inspectors General; employees
7 of the Office of the Legislative Inspector General;
8 commissioners and employees of the Legislative Ethics
9 Commission; employees of any agency, board or commission
10 created by this Act; employees appointed to State positions of
11 a temporary or emergency nature; all employees of school
12 districts and higher education institutions except
13 firefighters and peace officers employed by a state university
14 and except peace officers employed by a school district in its
15 own police department in existence on the effective date of
16 this amendatory Act of the 96th General Assembly; managerial
17 employees; short-term employees; legislative liaisons; a
18 person who is a State employee under the jurisdiction of the
19 Office of the Attorney General who is licensed to practice law
20 or whose position authorizes, either directly or indirectly,
21 meaningful input into government decision-making on issues
22 where there is room for principled disagreement on goals or
23 their implementation; a person who is a State employee under
24 the jurisdiction of the Office of the Comptroller who holds
25 the position of Public Service Administrator or whose position
26 is otherwise exempt under the Comptroller Merit Employment

1 Code; a person who is a State employee under the jurisdiction
2 of the Secretary of State who holds the position
3 classification of Executive I or higher, whose position
4 authorizes, either directly or indirectly, meaningful input
5 into government decision-making on issues where there is room
6 for principled disagreement on goals or their implementation,
7 or who is otherwise exempt under the Secretary of State Merit
8 Employment Code; employees in the Office of the Secretary of
9 State who are completely exempt from jurisdiction B of the
10 Secretary of State Merit Employment Code and who are in
11 Rutan-exempt positions on or after April 5, 2013 (the
12 effective date of Public Act 97-1172); a person who is a State
13 employee under the jurisdiction of the Treasurer who holds a
14 position that is exempt from the State Treasurer Employment
15 Code; any employee of a State agency who (i) holds the title or
16 position of, or exercises substantially similar duties as a
17 legislative liaison, Agency General Counsel, Agency Chief of
18 Staff, Agency Executive Director, Agency Deputy Director,
19 Agency Chief Fiscal Officer, Agency Human Resources Director,
20 Public Information Officer, or Chief Information Officer and
21 (ii) was neither included in a bargaining unit nor subject to
22 an active petition for certification in a bargaining unit; any
23 employee of a State agency who (i) is in a position that is
24 Rutan-exempt, as designated by the employer, and completely
25 exempt from jurisdiction B of the Personnel Code and (ii) was
26 neither included in a bargaining unit nor subject to an active

1 petition for certification in a bargaining unit; any term
2 appointed employee of a State agency pursuant to Section 8b.18
3 or 8b.19 of the Personnel Code who was neither included in a
4 bargaining unit nor subject to an active petition for
5 certification in a bargaining unit; any employment position
6 properly designated pursuant to Section 6.1 of this Act;
7 confidential employees; independent contractors; and
8 supervisors except as provided in this Act.

9 Home care and home health workers who function as personal
10 assistants and individual maintenance home health workers and
11 who also work under the Home Services Program under Section 3
12 of the Rehabilitation of Persons with Disabilities Act shall
13 not be considered public employees for any purposes not
14 specifically provided for in Public Act 93-204 or Public Act
15 97-1158, including but not limited to, purposes of vicarious
16 liability in tort and purposes of statutory retirement or
17 health insurance benefits. Home care and home health workers
18 who function as personal assistants and individual maintenance
19 home health workers and who also work under the Home Services
20 Program under Section 3 of the Rehabilitation of Persons with
21 Disabilities Act shall not be covered by the State Employees
22 Group Insurance Act of 1971 (5 ILCS 375/).

23 Child and day care home providers shall not be considered
24 public employees for any purposes not specifically provided
25 for in this amendatory Act of the 94th General Assembly,
26 including but not limited to, purposes of vicarious liability

1 in tort and purposes of statutory retirement or health
2 insurance benefits. Child and day care home providers shall
3 not be covered by the State Employees Group Insurance Act of
4 1971.

5 Notwithstanding Section 9, subsection (c), or any other
6 provisions of this Act, all peace officers above the rank of
7 captain in municipalities with more than 1,000,000 inhabitants
8 shall be excluded from this Act.

9 (o) Except as otherwise in subsection (o-5), "public
10 employer" or "employer" means the State of Illinois; any
11 political subdivision of the State, unit of local government
12 or school district; authorities including departments,
13 divisions, bureaus, boards, commissions, or other agencies of
14 the foregoing entities; and any person acting within the scope
15 of his or her authority, express or implied, on behalf of those
16 entities in dealing with its employees. As of the effective
17 date of the amendatory Act of the 93rd General Assembly, but
18 not before, the State of Illinois shall be considered the
19 employer of the personal assistants working under the Home
20 Services Program under Section 3 of the Rehabilitation of
21 Persons with Disabilities Act, subject to the limitations set
22 forth in this Act and in the Rehabilitation of Persons with
23 Disabilities Act. As of January 29, 2013 (the effective date
24 of Public Act 97-1158), but not before except as otherwise
25 provided in this subsection (o), the State shall be considered
26 the employer of home care and home health workers who function

1 as personal assistants and individual maintenance home health
2 workers and who also work under the Home Services Program
3 under Section 3 of the Rehabilitation of Persons with
4 Disabilities Act, no matter whether the State provides those
5 services through direct fee-for-service arrangements, with the
6 assistance of a managed care organization or other
7 intermediary, or otherwise, but subject to the limitations set
8 forth in this Act and the Rehabilitation of Persons with
9 Disabilities Act. The State shall not be considered to be the
10 employer of home care and home health workers who function as
11 personal assistants and individual maintenance home health
12 workers and who also work under the Home Services Program
13 under Section 3 of the Rehabilitation of Persons with
14 Disabilities Act, for any purposes not specifically provided
15 for in Public Act 93-204 or Public Act 97-1158, including but
16 not limited to, purposes of vicarious liability in tort and
17 purposes of statutory retirement or health insurance benefits.
18 Home care and home health workers who function as personal
19 assistants and individual maintenance home health workers and
20 who also work under the Home Services Program under Section 3
21 of the Rehabilitation of Persons with Disabilities Act shall
22 not be covered by the State Employees Group Insurance Act of
23 1971 (5 ILCS 375/). As of the effective date of this amendatory
24 Act of the 94th General Assembly but not before, the State of
25 Illinois shall be considered the employer of the day and child
26 care home providers participating in the child care assistance

1 program under Section 9A-11 of the Illinois Public Aid Code,
2 subject to the limitations set forth in this Act and in Section
3 9A-11 of the Illinois Public Aid Code. The State shall not be
4 considered to be the employer of child and day care home
5 providers for any purposes not specifically provided for in
6 this amendatory Act of the 94th General Assembly, including
7 but not limited to, purposes of vicarious liability in tort
8 and purposes of statutory retirement or health insurance
9 benefits. Child and day care home providers shall not be
10 covered by the State Employees Group Insurance Act of 1971.

11 "Public employer" or "employer" as used in this Act,
12 however, does not mean and shall not include the General
13 Assembly of the State of Illinois, the Executive Ethics
14 Commission, the Offices of the Executive Inspectors General,
15 the Legislative Ethics Commission, the Office of the
16 Legislative Inspector General, the Office of the Auditor
17 General's Inspector General, the Office of the Governor, the
18 Governor's Office of Management and Budget, the Illinois
19 Finance Authority, the Office of the Lieutenant Governor, the
20 State Board of Elections, and educational employers or
21 employers as defined in the Illinois Educational Labor
22 Relations Act, except with respect to a state university in
23 its employment of firefighters and peace officers and except
24 with respect to a school district in the employment of peace
25 officers in its own police department in existence on the
26 effective date of this amendatory Act of the 96th General

1 Assembly. County boards and county sheriffs shall be
2 designated as joint or co-employers of county peace officers
3 appointed under the authority of a county sheriff. Nothing in
4 this subsection (o) shall be construed to prevent the State
5 Panel or the Local Panel from determining that employers are
6 joint or co-employers.

7 (o-5) With respect to wages, fringe benefits, hours,
8 holidays, vacations, proficiency examinations, sick leave, and
9 other conditions of employment, the public employer of public
10 employees who are court reporters, as defined in the Court
11 Reporters Act, shall be determined as follows:

12 (1) For court reporters employed by the Cook County
13 Judicial Circuit, the chief judge of the Cook County
14 Circuit Court is the public employer and employer
15 representative.

16 (2) For court reporters employed by the 12th, 18th,
17 19th, and, on and after December 4, 2006, the 22nd
18 judicial circuits, a group consisting of the chief judges
19 of those circuits, acting jointly by majority vote, is the
20 public employer and employer representative.

21 (3) For court reporters employed by all other judicial
22 circuits, a group consisting of the chief judges of those
23 circuits, acting jointly by majority vote, is the public
24 employer and employer representative.

25 (p) "Security employee" means an employee who is
26 responsible for the supervision and control of inmates at

1 correctional facilities. The term also includes other
2 non-security employees in bargaining units having the majority
3 of employees being responsible for the supervision and control
4 of inmates at correctional facilities.

5 (q) "Short-term employee" means an employee who is
6 employed for less than 2 consecutive calendar quarters during
7 a calendar year and who does not have a reasonable assurance
8 that he or she will be rehired by the same employer for the
9 same service in a subsequent calendar year.

10 (q-5) "State agency" means an agency directly responsible
11 to the Governor, as defined in Section 3.1 of the Executive
12 Reorganization Implementation Act, and the Illinois Commerce
13 Commission, the Illinois Workers' Compensation Commission, the
14 Civil Service Commission, the Pollution Control Board, the
15 Department of Lottery and Gaming ~~Illinois Racing Board~~, and
16 the Department of State Police Merit Board.

17 (r) "Supervisor" is:

18 (1) An employee whose principal work is substantially
19 different from that of his or her subordinates and who has
20 authority, in the interest of the employer, to hire,
21 transfer, suspend, lay off, recall, promote, discharge,
22 direct, reward, or discipline employees, to adjust their
23 grievances, or to effectively recommend any of those
24 actions, if the exercise of that authority is not of a
25 merely routine or clerical nature, but requires the
26 consistent use of independent judgment. Except with

1 respect to police employment, the term "supervisor"
2 includes only those individuals who devote a preponderance
3 of their employment time to exercising that authority,
4 State supervisors notwithstanding. Nothing in this
5 definition prohibits an individual from also meeting the
6 definition of "managerial employee" under subsection (j)
7 of this Section. In addition, in determining supervisory
8 status in police employment, rank shall not be
9 determinative. The Board shall consider, as evidence of
10 bargaining unit inclusion or exclusion, the common law
11 enforcement policies and relationships between police
12 officer ranks and certification under applicable civil
13 service law, ordinances, personnel codes, or Division 2.1
14 of Article 10 of the Illinois Municipal Code, but these
15 factors shall not be the sole or predominant factors
16 considered by the Board in determining police supervisory
17 status.

18 Notwithstanding the provisions of the preceding
19 paragraph, in determining supervisory status in fire
20 fighter employment, no fire fighter shall be excluded as a
21 supervisor who has established representation rights under
22 Section 9 of this Act. Further, in new fire fighter units,
23 employees shall consist of fire fighters of the rank of
24 company officer and below. If a company officer otherwise
25 qualifies as a supervisor under the preceding paragraph,
26 however, he or she shall not be included in the fire

1 fighter unit. If there is no rank between that of chief and
2 the highest company officer, the employer may designate a
3 position on each shift as a Shift Commander, and the
4 persons occupying those positions shall be supervisors.
5 All other ranks above that of company officer shall be
6 supervisors.

7 (2) With respect only to State employees in positions
8 under the jurisdiction of the Attorney General, Secretary
9 of State, Comptroller, or Treasurer (i) that were
10 certified in a bargaining unit on or after December 2,
11 2008, (ii) for which a petition is filed with the Illinois
12 Public Labor Relations Board on or after April 5, 2013
13 (the effective date of Public Act 97-1172), or (iii) for
14 which a petition is pending before the Illinois Public
15 Labor Relations Board on that date, an employee who
16 qualifies as a supervisor under (A) Section 152 of the
17 National Labor Relations Act and (B) orders of the
18 National Labor Relations Board interpreting that provision
19 or decisions of courts reviewing decisions of the National
20 Labor Relations Board.

21 (s) (1) "Unit" means a class of jobs or positions that are
22 held by employees whose collective interests may suitably be
23 represented by a labor organization for collective bargaining.
24 Except with respect to non-State fire fighters and paramedics
25 employed by fire departments and fire protection districts,
26 non-State peace officers, and peace officers in the Department

1 of State Police, a bargaining unit determined by the Board
2 shall not include both employees and supervisors, or
3 supervisors only, except as provided in paragraph (2) of this
4 subsection (s) and except for bargaining units in existence on
5 July 1, 1984 (the effective date of this Act). With respect to
6 non-State fire fighters and paramedics employed by fire
7 departments and fire protection districts, non-State peace
8 officers, and peace officers in the Department of State
9 Police, a bargaining unit determined by the Board shall not
10 include both supervisors and nonsupervisors, or supervisors
11 only, except as provided in paragraph (2) of this subsection
12 (s) and except for bargaining units in existence on January 1,
13 1986 (the effective date of this amendatory Act of 1985). A
14 bargaining unit determined by the Board to contain peace
15 officers shall contain no employees other than peace officers
16 unless otherwise agreed to by the employer and the labor
17 organization or labor organizations involved. Notwithstanding
18 any other provision of this Act, a bargaining unit, including
19 a historical bargaining unit, containing sworn peace officers
20 of the Department of Natural Resources (formerly designated
21 the Department of Conservation) shall contain no employees
22 other than such sworn peace officers upon the effective date
23 of this amendatory Act of 1990 or upon the expiration date of
24 any collective bargaining agreement in effect upon the
25 effective date of this amendatory Act of 1990 covering both
26 such sworn peace officers and other employees.

1 (2) Notwithstanding the exclusion of supervisors from
2 bargaining units as provided in paragraph (1) of this
3 subsection (s), a public employer may agree to permit its
4 supervisory employees to form bargaining units and may bargain
5 with those units. This Act shall apply if the public employer
6 chooses to bargain under this subsection.

7 (3) Public employees who are court reporters, as defined
8 in the Court Reporters Act, shall be divided into 3 units for
9 collective bargaining purposes. One unit shall be court
10 reporters employed by the Cook County Judicial Circuit; one
11 unit shall be court reporters employed by the 12th, 18th,
12 19th, and, on and after December 4, 2006, the 22nd judicial
13 circuits; and one unit shall be court reporters employed by
14 all other judicial circuits.

15 (t) "Active petition for certification in a bargaining
16 unit" means a petition for certification filed with the Board
17 under one of the following case numbers: S-RC-11-110;
18 S-RC-11-098; S-UC-11-080; S-RC-11-086; S-RC-11-074;
19 S-RC-11-076; S-RC-11-078; S-UC-11-052; S-UC-11-054;
20 S-RC-11-062; S-RC-11-060; S-RC-11-042; S-RC-11-014;
21 S-RC-11-016; S-RC-11-020; S-RC-11-030; S-RC-11-004;
22 S-RC-10-244; S-RC-10-228; S-RC-10-222; S-RC-10-220;
23 S-RC-10-214; S-RC-10-196; S-RC-10-194; S-RC-10-178;
24 S-RC-10-176; S-RC-10-162; S-RC-10-156; S-RC-10-088;
25 S-RC-10-074; S-RC-10-076; S-RC-10-078; S-RC-10-060;
26 S-RC-10-070; S-RC-10-044; S-RC-10-038; S-RC-10-040;

1 S-RC-10-042; S-RC-10-018; S-RC-10-024; S-RC-10-004;
2 S-RC-10-006; S-RC-10-008; S-RC-10-010; S-RC-10-012;
3 S-RC-09-202; S-RC-09-182; S-RC-09-180; S-RC-09-156;
4 S-UC-09-196; S-UC-09-182; S-RC-08-130; S-RC-07-110; or
5 S-RC-07-100.

6 (Source: P.A. 99-143, eff. 7-27-15; 100-1131, eff. 11-28-18.)

7 Section 155. The State Officials and Employees Ethics Act
8 is amended by changing Sections 5-45 and 5-50 as follows:

9 (5 ILCS 430/5-45)

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

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

22 (a-5) No officer, member, or spouse or immediate family
23 member living with such person shall, during the officer or
24 member's term in office or within a period of 2 years

1 immediately leaving office, hold an ownership interest, other
2 than a passive interest in a publicly traded company, in any
3 gaming license under the Illinois Gambling Act, the Video
4 Gaming Act, the Illinois Horse Racing Act of 1975, or the
5 Sports Wagering Act. Any member of the General Assembly or
6 spouse or immediate family member living with such person who
7 has an ownership interest, other than a passive interest in a
8 publicly traded company, in any gaming license under the
9 Illinois Gambling Act, the Illinois Horse Racing Act of 1975,
10 the Video Gaming Act, or the Sports Wagering Act at the time of
11 the effective date of this amendatory Act of the 101st General
12 Assembly shall divest himself or herself of such ownership
13 within one year after the effective date of this amendatory
14 Act of the 101st General Assembly. No State employee who works
15 for the Department of Lottery and Gaming ~~Illinois Gaming Board~~
16 ~~or Illinois Racing Board~~ or spouse or immediate family member
17 living with such person shall, during State employment or
18 within a period of 2 years immediately after termination of
19 State employment, hold an ownership interest, other than a
20 passive interest in a publicly traded company, in any gaming
21 license under the Illinois Gambling Act, the Video Gaming Act,
22 the Illinois Horse Racing Act of 1975, or the Sports Wagering
23 Act.

24 (a-10) This subsection (a-10) applies on and after June
25 25, 2021. No officer, member, or spouse or immediate family
26 member living with such person, shall, during the officer or

1 member's term in office or within a period of 2 years
2 immediately after leaving office, hold an ownership interest,
3 other than a passive interest in a publicly traded company, in
4 any cannabis business establishment which is licensed under
5 the Cannabis Regulation and Tax Act. Any member of the General
6 Assembly or spouse or immediate family member living with such
7 person who has an ownership interest, other than a passive
8 interest in a publicly traded company, in any cannabis
9 business establishment which is licensed under the Cannabis
10 Regulation and Tax Act at the time of the effective date of
11 this amendatory Act of the 101st General Assembly shall divest
12 himself or herself of such ownership within one year after the
13 effective date of this amendatory Act of the 101st General
14 Assembly.

15 No State employee who works for any State agency that
16 regulates cannabis business establishment license holders who
17 participated personally and substantially in the award of
18 licenses under the Cannabis Regulation and Tax Act or a spouse
19 or immediate family member living with such person shall,
20 during State employment or within a period of 2 years
21 immediately after termination of State employment, hold an
22 ownership interest, other than a passive interest in a
23 publicly traded company, in any cannabis license under the
24 Cannabis Regulation and Tax Act.

25 (b) No former officer of the executive branch or State
26 employee of the executive branch with regulatory or licensing

1 authority, or spouse or immediate family member living with
2 such person, shall, within a period of one year immediately
3 after termination of State employment, knowingly accept
4 employment or receive compensation or fees for services from a
5 person or entity if the officer or State employee, during the
6 year immediately preceding termination of State employment,
7 participated personally and substantially in making a
8 regulatory or licensing decision that directly applied to the
9 person or entity, or its parent or subsidiary.

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

22 The policies required under subsection (c) of this Section
23 shall be filed with the appropriate ethics commission
24 established under this Act or, for the Auditor General, with
25 the Office of the Auditor General.

26 (d) Each Inspector General shall have the authority to

1 determine that additional State positions under his or her
2 jurisdiction, not otherwise subject to the policies required
3 by subsection (c) of this Section, are nonetheless subject to
4 the notification requirement of subsection (f) below due to
5 their involvement in the award of State contracts or in
6 regulatory or licensing decisions.

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

20 (f) Any State employee in a position subject to the
21 policies required by subsection (c) or to a determination
22 under subsection (d), but who does not fall within the
23 prohibition of subsection (h) below, who is offered non-State
24 employment during State employment or within a period of one
25 year immediately after termination of State employment shall,
26 prior to accepting such non-State employment, notify the

1 appropriate Inspector General. Within 10 calendar days after
2 receiving notification from an employee in a position subject
3 to the policies required by subsection (c), such Inspector
4 General shall make a determination as to whether the State
5 employee is restricted from accepting such employment by
6 subsection (a) or (b). In making a determination, in addition
7 to any other relevant information, an Inspector General shall
8 assess the effect of the prospective employment or
9 relationship upon decisions referred to in subsections (a) and
10 (b), based on the totality of the participation by the former
11 officer, member, or State employee in those decisions. A
12 determination by an Inspector General must be in writing,
13 signed and dated by the Inspector General, and delivered to
14 the subject of the determination within 10 calendar days or
15 the person is deemed eligible for the employment opportunity.
16 For purposes of this subsection, "appropriate Inspector
17 General" means (i) for members and employees of the
18 legislative branch, the Legislative Inspector General; (ii)
19 for the Auditor General and employees of the Office of the
20 Auditor General, the Inspector General provided for in Section
21 30-5 of this Act; and (iii) for executive branch officers and
22 employees, the Inspector General having jurisdiction over the
23 officer or employee. Notice of any determination of an
24 Inspector General and of any such appeal shall be given to the
25 ultimate jurisdictional authority, the Attorney General, and
26 the Executive Ethics Commission.

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

6 On appeal, the Ethics Commission or Auditor General shall
7 seek, accept, and consider written public comments regarding a
8 determination. In deciding whether to uphold an Inspector
9 General's determination, the appropriate Ethics Commission or
10 Auditor General shall assess, in addition to any other
11 relevant information, the effect of the prospective employment
12 or relationship upon the decisions referred to in subsections
13 (a) and (b), based on the totality of the participation by the
14 former officer, member, or State employee in those decisions.
15 The Ethics Commission shall decide whether to uphold an
16 Inspector General's determination within 10 calendar days or
17 the person is deemed eligible for the employment opportunity.

18 (h) The following officers, members, or State employees
19 shall not, within a period of one year immediately after
20 termination of office or State employment, knowingly accept
21 employment or receive compensation or fees for services from a
22 person or entity if the person or entity or its parent or
23 subsidiary, during the year immediately preceding termination
24 of State employment, was a party to a State contract or
25 contracts with a cumulative value of \$25,000 or more involving
26 the officer, member, or State employee's State agency, or was

1 the subject of a regulatory or licensing decision involving
2 the officer, member, or State employee's State agency,
3 regardless of whether he or she participated personally and
4 substantially in the award of the State contract or contracts
5 or the making of the regulatory or licensing decision in
6 question:

7 (1) members or officers;

8 (2) members of a commission or board created by the
9 Illinois Constitution;

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

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

15 (5) chief procurement officers, State purchasing
16 officers, and their designees whose duties are directly
17 related to State procurement;

18 (6) chiefs of staff, deputy chiefs of staff, associate
19 chiefs of staff, assistant chiefs of staff, and deputy
20 governors;

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

22 (8) employees of the Illinois Gaming Board.

23 (i) For the purposes of this Section, with respect to
24 officers or employees of a regional transit board, as defined
25 in this Act, the phrase "person or entity" does not include:

26 (i) the United States government, (ii) the State, (iii)

1 municipalities, as defined under Article VII, Section 1 of the
2 Illinois Constitution, (iv) units of local government, as
3 defined under Article VII, Section 1 of the Illinois
4 Constitution, or (v) school districts.

5 (Source: P.A. 101-31, eff. 6-28-19; 101-593, eff. 12-4-19.)

6 (5 ILCS 430/5-50)

7 Sec. 5-50. Ex parte communications; special government
8 agents.

9 (a) This Section applies to ex parte communications made
10 to any agency listed in subsection (e).

11 (b) "Ex parte communication" means any written or oral
12 communication by any person that imparts or requests material
13 information or makes a material argument regarding potential
14 action concerning regulatory, quasi-adjudicatory, investment,
15 or licensing matters pending before or under consideration by
16 the agency. "Ex parte communication" does not include the
17 following: (i) statements by a person publicly made in a
18 public forum; (ii) statements regarding matters of procedure
19 and practice, such as format, the number of copies required,
20 the manner of filing, and the status of a matter; and (iii)
21 statements made by a State employee of the agency to the agency
22 head or other employees of that agency.

23 (b-5) An ex parte communication received by an agency,
24 agency head, or other agency employee from an interested party
25 or his or her official representative or attorney shall

1 promptly be memorialized and made a part of the record.

2 (c) An ex parte communication received by any agency,
3 agency head, or other agency employee, other than an ex parte
4 communication described in subsection (b-5), shall immediately
5 be reported to that agency's ethics officer by the recipient
6 of the communication and by any other employee of that agency
7 who responds to the communication. The ethics officer shall
8 require that the ex parte communication be promptly made a
9 part of the record. The ethics officer shall promptly file the
10 ex parte communication with the Executive Ethics Commission,
11 including all written communications, all written responses to
12 the communications, and a memorandum prepared by the ethics
13 officer stating the nature and substance of all oral
14 communications, the identity and job title of the person to
15 whom each communication was made, all responses made, the
16 identity and job title of the person making each response, the
17 identity of each person from whom the written or oral ex parte
18 communication was received, the individual or entity
19 represented by that person, any action the person requested or
20 recommended, and any other pertinent information. The
21 disclosure shall also contain the date of any ex parte
22 communication.

23 (d) "Interested party" means a person or entity whose
24 rights, privileges, or interests are the subject of or are
25 directly affected by a regulatory, quasi-adjudicatory,
26 investment, or licensing matter.

1 (e) This Section applies to the following agencies:

2 Executive Ethics Commission

3 Illinois Commerce Commission

4 Educational Labor Relations Board

5 State Board of Elections

6 Illinois Gaming Board

7 Health Facilities and Services Review Board

8 Illinois Workers' Compensation Commission

9 Illinois Labor Relations Board

10 Illinois Liquor Control Commission

11 Pollution Control Board

12 Property Tax Appeal Board

13 Department of Lottery and Gaming ~~Illinois Racing Board~~

14 Illinois Purchased Care Review Board

15 Department of State Police Merit Board

16 Motor Vehicle Review Board

17 Prisoner Review Board

18 Civil Service Commission

19 Personnel Review Board for the Treasurer

20 Merit Commission for the Secretary of State

21 Merit Commission for the Office of the Comptroller

22 Court of Claims

23 Board of Review of the Department of Employment Security

24 Department of Insurance

25 Department of Professional Regulation and licensing boards

26 under the Department

1 Department of Public Health and licensing boards under the
2 Department
3 Office of Banks and Real Estate and licensing boards under
4 the Office
5 State Employees Retirement System Board of Trustees
6 Judges Retirement System Board of Trustees
7 General Assembly Retirement System Board of Trustees
8 Illinois Board of Investment
9 State Universities Retirement System Board of Trustees
10 Teachers Retirement System Officers Board of Trustees

11 (f) Any person who fails to (i) report an ex parte
12 communication to an ethics officer, (ii) make information part
13 of the record, or (iii) make a filing with the Executive Ethics
14 Commission as required by this Section or as required by
15 Section 5-165 of the Illinois Administrative Procedure Act
16 violates this Act.

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

18 Section 160. The Executive Reorganization Implementation
19 Act is amended by changing Section 3.1 as follows:

20 (15 ILCS 15/3.1)

21 Sec. 3.1. "Agency directly responsible to the Governor" or
22 "agency" means any office, officer, division, or part thereof,
23 and any other office, nonelective officer, department,
24 division, bureau, board, or commission in the executive branch

1 of State government, except that it does not apply to any
2 agency whose primary function is service to the General
3 Assembly or the Judicial Branch of State government, or to any
4 agency administered by the Attorney General, Secretary of
5 State, State Comptroller or State Treasurer. In addition the
6 term does not apply to the following agencies created by law
7 with the primary responsibility of exercising regulatory or
8 adjudicatory functions independently of the Governor:

9 (1) the State Board of Elections;

10 (2) the State Board of Education;

11 (3) the Illinois Commerce Commission;

12 (4) the Illinois Workers' Compensation Commission;

13 (5) the Civil Service Commission;

14 (6) the Fair Employment Practices Commission;

15 (7) the Pollution Control Board;

16 (8) the Department of State Police Merit Board;

17 (9) (blank) ~~the Illinois Racing Board;~~

18 (10) the Illinois Power Agency;

19 (11) the Illinois Law Enforcement Training Standards
20 Board; and

21 (12) the Illinois Liquor Control Commission.

22 (Source: P.A. 100-995, eff. 8-20-18; 100-1050, eff. 7-1-19;
23 101-81, eff. 7-12-19.)

24 Section 165. The Department of Public Health Powers and
25 Duties Law of the Civil Administrative Code of Illinois is

1 amended by changing Section 2310-348 as follows:

2 (20 ILCS 2310/2310-348)

3 Sec. 2310-348. The Quality of Life Board.

4 (a) The Quality of Life Board is created as an advisory
5 board within the Department. The Board shall consist of 11
6 members as follows: 2 members appointed by the President of
7 the Senate; one member appointed by the Minority Leader of the
8 Senate; 2 members appointed by the Speaker of the House of
9 Representatives; one member appointed by the Minority Leader
10 of the House of Representatives; 2 members appointed by the
11 Governor, one of whom shall be designated as chair of the Board
12 at the time of appointment; and 3 members appointed by the
13 Director who represent organizations that advocate for the
14 healthcare needs of the first and second highest HIV/AIDS risk
15 groups, one each from the northern Illinois region, the
16 central Illinois region, and the southern Illinois region.

17 The Board members shall serve one 2-year term. If a
18 vacancy occurs in the Board membership, the vacancy shall be
19 filled in the same manner as the initial appointment.

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

24 (c) The Board must:

25 (i) consult with the Division of Lottery of the

1 Department of Lottery and Gaming ~~the Lottery~~ in designing
2 and promoting the Quality of Life special instant
3 scratch-off lottery game; and

4 (ii) review grant applications, make recommendations
5 and comments, and consult with the Department of Public
6 Health in making grants, from amounts appropriated from
7 the Quality of Life Endowment Fund, to public or private
8 entities in Illinois for the purpose of
9 HIV/AIDS-prevention education and for making grants to
10 public or private entities in Illinois for the purpose of
11 funding organizations that serve the highest at-risk
12 categories for contracting HIV or developing AIDS in
13 accordance with Section 21.7 of the Illinois Lottery Law.

14 (d) The Board is discontinued on June 30, 2018.

15 (Source: P.A. 97-464, eff. 10-15-11; 97-1117, eff. 8-27-12.)

16 Section 170. The Department of Revenue Law of the Civil
17 Administrative Code of Illinois is amended by changing Section
18 2505-305 as follows:

19 (20 ILCS 2505/2505-305) (was 20 ILCS 2505/39b15.1)

20 Sec. 2505-305. Investigators.

21 (a) The Department has the power to appoint investigators
22 to conduct all investigations, searches, seizures, arrests,
23 and other duties imposed under the provisions of any law
24 administered by the Department. Except as provided in

1 subsection (c), these investigators have and may exercise all
2 the powers of peace officers solely for the purpose of
3 enforcing taxing measures administered by the Department.

4 (b) The Director must authorize to each investigator
5 employed under this Section and to any other employee of the
6 Department exercising the powers of a peace officer a distinct
7 badge that, on its face, (i) clearly states that the badge is
8 authorized by the Department and (ii) contains a unique
9 identifying number. No other badge shall be authorized by the
10 Department.

11 (c) The Department may enter into agreements with the
12 Department of Lottery and Gaming ~~Illinois Gaming Board~~
13 providing that investigators appointed under this Section
14 shall exercise the peace officer powers set forth in paragraph
15 (20.6) of subsection (c) of Section 5 of the Illinois Gambling
16 Act.

17 (Source: P.A. 101-31, eff. 6-28-19.)

18 Section 175. The State Finance Act is amended by changing
19 Section 6b-2 as follows:

20 (30 ILCS 105/6b-2) (from Ch. 127, par. 142b2)

21 Sec. 6b-2. The Department of Agriculture is authorized to
22 establish and maintain a "Working Cash Account" to receive
23 moneys obtained from the sale of pari-mutuel wagering tickets
24 and to disburse moneys from such account as provided in this

1 Section. The Department shall appoint a custodian who will be
2 responsible for the "Working Cash Account" and who shall be
3 bonded by a \$100,000 penal bond made payable to the people of
4 the State of Illinois, and shall establish accounting and
5 reconciliation procedures to assure the safeguarding of these
6 moneys.

7 Moneys in the Department of Agriculture's "Working Cash
8 Account" shall be used only for the purposes of providing
9 change for ticket windows, paying winning tickets,
10 establishing the winning ticket reserve and purse fund as
11 required by the Division of Horse Racing of the Department of
12 Lottery and Gaming ~~"Illinois Racing Board"~~, paying race
13 purses, and paying Federal and State taxes in relation
14 thereto. That portion of the income received not expended for
15 uses as authorized shall within 10 days after receipt be paid
16 into the Agricultural Premium Fund.

17 The Governor may request at the recommendation of the
18 custodian of the "Working Cash Account" an amount of money not
19 to exceed \$50,000 be transferred from the Agricultural Premium
20 Fund to the "Working Cash Account", to provide change for
21 ticket windows, such transfer to be made within 30 days prior
22 to a racing meet. The custodian shall within 2 working days
23 after the close of a racing meet transfer the money used for
24 change back to the Agricultural Premium Fund. The Department
25 of Agriculture is authorized to pay from the Agricultural
26 Premium Fund the annual license fee, the daily race fee, and

1 other expenses such as track security, stewards, investigators
2 and such other fees as required by the Division of Horse Racing
3 of the Department of Lottery and Gaming ~~Illinois Racing Board~~
4 connected with the holding of a racing meet.

5 The Auditor General shall audit or cause to be audited the
6 above items of income and expenditures.

7 (Source: P.A. 84-1308.)

8 Section 180. The Agricultural Fair Act is amended by
9 changing Section 18 as follows:

10 (30 ILCS 120/18) (from Ch. 85, par. 668)

11 Sec. 18. Money shall be paid into the Fair and Exposition
12 Fund by the Division of Horse Racing of the Department of
13 Lottery and Gaming ~~Illinois Racing Board~~, as provided in
14 Section 28 of the Illinois Horse Racing Act of 1975. The
15 General Assembly shall from time to time make appropriations
16 payable from such fund to the Department for distribution to
17 county fairs. Such appropriations shall be distributed by the
18 Department to county fairs which are eligible to participate
19 in appropriations made from the Agricultural Premium Fund but
20 which elect instead to participate in appropriations made from
21 the Fair and Exposition Fund. If a county has more than one
22 county fair, such fairs shall jointly elect to participate
23 either in appropriations made from the Agricultural Premium
24 Fund or in appropriations made from the Fair and Exposition

1 Fund. All participating county fairs of the same county shall
2 participate in the same appropriation. Except as otherwise
3 allowed by the Director, a participant, to be eligible to
4 expend moneys appropriated from the Fair and Exposition Fund
5 for the purchase of new or additional land construction or
6 maintenance of buildings, grounds, facilities, infrastructure,
7 or any improvement to the grounds must hold the land on which
8 such fair or exposition is to be conducted as a fee or under a
9 lease of at least 20 years, the terms of which require the
10 lessee to have continuous possession of the land during every
11 day of the lease period, or must be owned by the fair
12 association participating in this disbursement, by an
13 agricultural society, or by a fair and exposition authority.
14 (Source: P.A. 99-183, eff. 7-29-15.)

15 Section 185. The Illinois Income Tax Act is amended by
16 changing Section 201 as follows:

17 (35 ILCS 5/201)

18 (Text of Section without the changes made by P.A. 101-8,
19 which did not take effect (see Section 99 of P.A. 101-8))

20 Sec. 201. Tax imposed.

21 (a) In general. A tax measured by net income is hereby
22 imposed on every individual, corporation, trust and estate for
23 each taxable year ending after July 31, 1969 on the privilege
24 of earning or receiving income in or as a resident of this

1 State. Such tax shall be in addition to all other occupation or
2 privilege taxes imposed by this State or by any municipal
3 corporation or political subdivision thereof.

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

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

11 (2) In the case of an individual, trust or estate, for
12 taxable years beginning prior to July 1, 1989 and ending
13 after June 30, 1989, an amount equal to the sum of (i) 2
14 1/2% of the taxpayer's net income for the period prior to
15 July 1, 1989, as calculated under Section 202.3, and (ii)
16 3% of the taxpayer's net income for the period after June
17 30, 1989, as calculated under Section 202.3.

18 (3) In the case of an individual, trust or estate, for
19 taxable years beginning after June 30, 1989, and ending
20 prior to January 1, 2011, an amount equal to 3% of the
21 taxpayer's net income for the taxable year.

22 (4) In the case of an individual, trust, or estate,
23 for taxable years beginning prior to January 1, 2011, and
24 ending after December 31, 2010, an amount equal to the sum
25 of (i) 3% of the taxpayer's net income for the period prior
26 to January 1, 2011, as calculated under Section 202.5, and

1 (ii) 5% of the taxpayer's net income for the period after
2 December 31, 2010, as calculated under Section 202.5.

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

7 (5.1) In the case of an individual, trust, or estate,
8 for taxable years beginning prior to January 1, 2015, and
9 ending after December 31, 2014, an amount equal to the sum
10 of (i) 5% of the taxpayer's net income for the period prior
11 to January 1, 2015, as calculated under Section 202.5, and
12 (ii) 3.75% of the taxpayer's net income for the period
13 after December 31, 2014, as calculated under Section
14 202.5.

15 (5.2) In the case of an individual, trust, or estate,
16 for taxable years beginning on or after January 1, 2015,
17 and ending prior to July 1, 2017, an amount equal to 3.75%
18 of the taxpayer's net income for the taxable year.

19 (5.3) In the case of an individual, trust, or estate,
20 for taxable years beginning prior to July 1, 2017, and
21 ending after June 30, 2017, an amount equal to the sum of
22 (i) 3.75% of the taxpayer's net income for the period
23 prior to July 1, 2017, as calculated under Section 202.5,
24 and (ii) 4.95% of the taxpayer's net income for the period
25 after June 30, 2017, as calculated under Section 202.5.

26 (5.4) In the case of an individual, trust, or estate,

1 for taxable years beginning on or after July 1, 2017, an
2 amount equal to 4.95% of the taxpayer's net income for the
3 taxable year.

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

7 (7) In the case of a corporation, for taxable years
8 beginning prior to July 1, 1989 and ending after June 30,
9 1989, an amount equal to the sum of (i) 4% of the
10 taxpayer's net income for the period prior to July 1,
11 1989, as calculated under Section 202.3, and (ii) 4.8% of
12 the taxpayer's net income for the period after June 30,
13 1989, as calculated under Section 202.3.

14 (8) In the case of a corporation, for taxable years
15 beginning after June 30, 1989, and ending prior to January
16 1, 2011, an amount equal to 4.8% of the taxpayer's net
17 income for the taxable year.

18 (9) In the case of a corporation, for taxable years
19 beginning prior to January 1, 2011, and ending after
20 December 31, 2010, an amount equal to the sum of (i) 4.8%
21 of the taxpayer's net income for the period prior to
22 January 1, 2011, as calculated under Section 202.5, and
23 (ii) 7% of the taxpayer's net income for the period after
24 December 31, 2010, as calculated under Section 202.5.

25 (10) In the case of a corporation, for taxable years
26 beginning on or after January 1, 2011, and ending prior to

1 January 1, 2015, an amount equal to 7% of the taxpayer's
2 net income for the taxable year.

3 (11) In the case of a corporation, for taxable years
4 beginning prior to January 1, 2015, and ending after
5 December 31, 2014, an amount equal to the sum of (i) 7% of
6 the taxpayer's net income for the period prior to January
7 1, 2015, as calculated under Section 202.5, and (ii) 5.25%
8 of the taxpayer's net income for the period after December
9 31, 2014, as calculated under Section 202.5.

10 (12) In the case of a corporation, for taxable years
11 beginning on or after January 1, 2015, and ending prior to
12 July 1, 2017, an amount equal to 5.25% of the taxpayer's
13 net income for the taxable year.

14 (13) In the case of a corporation, for taxable years
15 beginning prior to July 1, 2017, and ending after June 30,
16 2017, an amount equal to the sum of (i) 5.25% of the
17 taxpayer's net income for the period prior to July 1,
18 2017, as calculated under Section 202.5, and (ii) 7% of
19 the taxpayer's net income for the period after June 30,
20 2017, as calculated under Section 202.5.

21 (14) In the case of a corporation, for taxable years
22 beginning on or after July 1, 2017, an amount equal to 7%
23 of the taxpayer's net income for the taxable year.

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

26 (b-5) Surcharge; sale or exchange of assets, properties,

1 and intangibles of organization gaming licensees. For each of
2 taxable years 2019 through 2027, a surcharge is imposed on all
3 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 (i)
6 of an organization licensee under the Illinois Horse Racing
7 Act of 1975 and (ii) of an organization gaming licensee under
8 the Illinois Gambling Act. The amount of the surcharge is
9 equal to the amount of federal income tax liability for the
10 taxable year attributable to those sales and exchanges. The
11 surcharge imposed shall not apply if:

12 (1) the organization gaming license, organization
13 license, or racetrack property 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 licensee or the substantial owners of the initial
18 licensee;

19 (B) cancellation, revocation, or termination of
20 any such license by the Department of Lottery and
21 Gaming ~~Illinois Gaming Board or the Illinois Racing~~
22 ~~Board~~;

23 (C) a determination by the Division of Casino
24 Gambling of the Department of Lottery and Gaming
25 ~~Illinois Gaming Board~~ that transfer of the license is
26 in the best interests of Illinois gaming;

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

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 license when the license was issued; or

11 (2) the controlling interest in the organization
12 gaming license, organization license, or racetrack
13 property is transferred in a transaction to lineal
14 descendants in which no gain or loss is recognized or as a
15 result of a transaction in accordance with Section 351 of
16 the Internal Revenue Code in which no gain or loss is
17 recognized; or

18 (3) live horse racing was not conducted in 2010 at a
19 racetrack located within 3 miles of the Mississippi River
20 under a license issued pursuant to the Illinois Horse
21 Racing Act of 1975.

22 The transfer of an organization gaming license,
23 organization license, or racetrack property by a person other
24 than the initial licensee to receive the organization gaming
25 license is not subject to a surcharge. The Department shall
26 adopt rules necessary to implement and administer this

1 subsection.

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

15 (d) Additional Personal Property Tax Replacement Income
16 Tax Rates. The personal property tax replacement income tax
17 imposed by this subsection and subsection (c) of this Section
18 in the case of a corporation, other than a Subchapter S
19 corporation and except as adjusted by subsection (d-1), shall
20 be an additional amount equal to 2.85% of such taxpayer's net
21 income for the taxable year, except that beginning on January
22 1, 1981, and thereafter, the rate of 2.85% specified in this
23 subsection shall be reduced to 2.5%, and in the case of a
24 partnership, trust or a Subchapter S corporation shall be an
25 additional amount equal to 1.5% of such taxpayer's net income
26 for the taxable year.

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

25 (1) For the purposes of subsection (d-1), in no event
26 shall the sum of the rates of tax imposed by subsections

1 (b) and (d) be reduced below the rate at which the sum of:

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

5 (B) the privilege tax imposed by Section 409 of
6 the Illinois Insurance Code, the fire insurance
7 company tax imposed by Section 12 of the Fire
8 Investigation Act, and the fire department taxes
9 imposed under Section 11-10-1 of the Illinois
10 Municipal Code,

11 equals 1.25% for taxable years ending prior to December
12 31, 2003, or 1.75% for taxable years ending on or after
13 December 31, 2003, of the net taxable premiums written for
14 the taxable year, as described by subsection (1) of
15 Section 409 of the Illinois Insurance Code. This paragraph
16 will in no event increase the rates imposed under
17 subsections (b) and (d).

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

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

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

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

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

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

10 (2) The term "qualified property" means property
11 which:

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

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

24 (C) is acquired by purchase as defined in Section
25 179(d) of the Internal Revenue Code;

26 (D) is used in Illinois by a taxpayer who is

1 primarily engaged in manufacturing, or in mining coal
2 or fluorite, or in retailing, or was placed in service
3 on or after July 1, 2006 in a River Edge Redevelopment
4 Zone established pursuant to the River Edge
5 Redevelopment Zone Act; and

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

10 (3) For purposes of this subsection (e),
11 "manufacturing" means the material staging and production
12 of tangible personal property by procedures commonly
13 regarded as manufacturing, processing, fabrication, or
14 assembling which changes some existing material into new
15 shapes, new qualities, or new combinations. For purposes
16 of this subsection (e) the term "mining" shall have the
17 same meaning as the term "mining" in Section 613(c) of the
18 Internal Revenue Code. For purposes of this subsection
19 (e), the term "retailing" means the sale of tangible
20 personal property for use or consumption and not for
21 resale, or services rendered in conjunction with the sale
22 of tangible personal property for use or consumption and
23 not for resale. For purposes of this subsection (e),
24 "tangible personal property" has the same meaning as when
25 that term is used in the Retailers' Occupation Tax Act,
26 and, for taxable years ending after December 31, 2008,

1 does not include the generation, transmission, or
2 distribution of electricity.

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

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

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

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

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

4 (8) Unless the investment credit is extended by law,
5 the basis of qualified property shall not include costs
6 incurred after December 31, 2018, except for costs
7 incurred pursuant to a binding contract entered into on or
8 before December 31, 2018.

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

25 For taxable years ending on or after December 31,
26 2000, a partner that qualifies its partnership for a

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

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

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

1 subsection (f) to be determined in accordance with the
2 determination of income and distributive share of income
3 under Sections 702 and 704 and Subchapter S of the
4 Internal Revenue Code. The credit shall be .5% of the
5 basis for such property. The credit shall be available
6 only in the taxable year in which the property is placed in
7 service in the Enterprise Zone or River Edge Redevelopment
8 Zone and shall not be allowed to the extent that it would
9 reduce a taxpayer's liability for the tax imposed by
10 subsections (a) and (b) of this Section to below zero. For
11 tax years ending on or after December 31, 1985, the credit
12 shall be allowed for the tax year in which the property is
13 placed in service, or, if the amount of the credit exceeds
14 the tax liability for that year, whether it exceeds the
15 original liability or the liability as later amended, such
16 excess may be carried forward and applied to the tax
17 liability of the 5 taxable years following the excess
18 credit year. The credit shall be applied to the earliest
19 year for which there is a liability. If there is credit
20 from more than one tax year that is available to offset a
21 liability, the credit accruing first in time shall be
22 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
17 tax depreciation purposes is increased after it has been
18 placed 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
2 Zone or River Edge Redevelopment Zone within 48 months
3 after being placed in service, the tax imposed under
4 subsections (a) and (b) of this Section for such taxable
5 year shall be increased. Such increase shall be determined
6 by (i) recomputing the investment credit which would have
7 been allowed for the year in which credit for such
8 property was originally allowed by eliminating such
9 property from such computation, and (ii) subtracting such
10 recomputed credit from the amount of credit previously
11 allowed. For the purposes of this paragraph (6), a
12 reduction of the basis of qualified property resulting
13 from a redetermination of the purchase price shall be
14 deemed a disposition of qualified property to the extent
15 of such reduction.

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

1 employment records with the Illinois Department of
2 Employment Security. If, in any year, the increase in base
3 employment within Illinois over the preceding year is less
4 than 1%, the additional credit shall be limited to that
5 percentage times a fraction, the numerator of which is
6 0.5% and the denominator of which is 1%, but shall not
7 exceed 0.5%.

8 (8) For taxable years beginning on or after January 1,
9 2021, there shall be allowed an Enterprise Zone
10 construction jobs credit against the taxes imposed under
11 subsections (a) and (b) of this Section as provided in
12 Section 13 of the Illinois Enterprise Zone Act.

13 The credit or credits may not reduce the taxpayer's
14 liability to less than zero. If the amount of the credit or
15 credits exceeds the taxpayer's liability, the excess may
16 be carried forward and applied against the taxpayer's
17 liability in succeeding calendar years in the same manner
18 provided under paragraph (4) of Section 211 of this Act.
19 The credit or credits shall be applied to the earliest
20 year for which there is a tax liability. If there are
21 credits from more than one taxable year that are available
22 to offset a liability, the earlier credit shall be applied
23 first.

24 For partners, shareholders of Subchapter S
25 corporations, and owners of limited liability companies,
26 if the liability company is treated as a partnership for

1 the purposes of federal and State income taxation, there
2 shall be allowed a credit under this Section to be
3 determined in accordance with the determination of income
4 and distributive share of income under Sections 702 and
5 704 and Subchapter S of the Internal Revenue Code.

6 The total aggregate amount of credits awarded under
7 the Blue Collar Jobs Act (Article 20 of Public Act 101-9
8 ~~this amendatory Act of the 101st General Assembly~~) shall
9 not exceed \$20,000,000 in any State fiscal year.

10 This paragraph (8) is exempt from the provisions of
11 Section 250.

12 (g) (Blank).

13 (h) Investment credit; High Impact Business.

14 (1) Subject to subsections (b) and (b-5) of Section
15 5.5 of the Illinois Enterprise Zone Act, a taxpayer shall
16 be allowed a credit against the tax imposed by subsections
17 (a) and (b) of this Section for investment in qualified
18 property which is placed in service by a Department of
19 Commerce and Economic Opportunity designated High Impact
20 Business. The credit shall be .5% of the basis for such
21 property. The credit shall not be available (i) until the
22 minimum investments in qualified property set forth in
23 subdivision (a)(3)(A) of Section 5.5 of the Illinois
24 Enterprise Zone Act have been satisfied or (ii) until the
25 time authorized in subsection (b-5) of the Illinois
26 Enterprise Zone Act for entities designated as High Impact

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

1 applied first.

2 Changes made in this subdivision (h) (1) by Public Act
3 88-670 restore changes made by Public Act 85-1182 and
4 reflect existing law.

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

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

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

13 (C) is acquired by purchase as defined in Section
14 179(d) of the Internal Revenue Code; and

15 (D) is not eligible for the Enterprise Zone
16 Investment Credit provided by subsection (f) of this
17 Section.

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

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

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

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

21 (7) Beginning with tax years ending after December 31,
22 1996, if a taxpayer qualifies for the credit under this
23 subsection (h) and thereby is granted a tax abatement and
24 the taxpayer relocates its entire facility in violation of
25 the explicit terms and length of the contract under
26 Section 18-183 of the Property Tax Code, the tax imposed

1 under subsections (a) and (b) of this Section shall be
2 increased for the taxable year in which the taxpayer
3 relocated its facility by an amount equal to the amount of
4 credit received by the taxpayer under this subsection (h).

5 (h-5) High Impact Business construction ~~constructions~~ jobs
6 credit. For taxable years beginning on or after January 1,
7 2021, there shall also be allowed a High Impact Business
8 construction jobs credit against the tax imposed under
9 subsections (a) and (b) of this Section as provided in
10 subsections (i) and (j) of Section 5.5 of the Illinois
11 Enterprise Zone Act.

12 The credit or credits may not reduce the taxpayer's
13 liability to less than zero. If the amount of the credit or
14 credits exceeds the taxpayer's liability, the excess may be
15 carried forward and applied against the taxpayer's liability
16 in succeeding calendar years in the manner provided under
17 paragraph (4) of Section 211 of this Act. The credit or credits
18 shall be applied to the earliest year for which there is a tax
19 liability. If there are credits from more than one taxable
20 year that are available to offset a liability, the earlier
21 credit shall be applied first.

22 For partners, shareholders of Subchapter S corporations,
23 and owners of limited liability companies, if the liability
24 company is treated as a partnership for the purposes of
25 federal and State income taxation, there shall be allowed a
26 credit under this Section to be determined in accordance with

1 the determination of income and distributive share of income
2 under Sections 702 and 704 and Subchapter S of the Internal
3 Revenue Code.

4 The total aggregate amount of credits awarded under the
5 Blue Collar Jobs Act (Article 20 of Public Act 101-9 ~~this~~
6 ~~amendatory Act of the 101st General Assembly~~) shall not exceed
7 \$20,000,000 in any State fiscal year.

8 This subsection (h-5) is exempt from the provisions of
9 Section 250.

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

20 Any credit earned on or after December 31, 1986 under this
21 subsection which is unused in the year the credit is computed
22 because it exceeds the tax liability imposed by subsections
23 (a) and (b) for that year (whether it exceeds the original
24 liability or the liability as later amended) may be carried
25 forward and applied to the tax liability imposed by
26 subsections (a) and (b) of the 5 taxable years following the

1 excess credit year, provided that no credit may be carried
2 forward to any year ending on or after December 31, 2003. This
3 credit shall be applied first to the earliest year for which
4 there is a liability. If there is a credit under this
5 subsection from more than one tax year that is available to
6 offset a liability the earliest credit arising under this
7 subsection shall be applied first.

8 If, during any taxable year ending on or after December
9 31, 1986, the tax imposed by subsections (c) and (d) of this
10 Section for which a taxpayer has claimed a credit under this
11 subsection (i) is reduced, the amount of credit for such tax
12 shall also be reduced. Such reduction shall be determined by
13 recomputing the credit to take into account the reduced tax
14 imposed by subsections (c) and (d). If any portion of the
15 reduced amount of credit has been carried to a different
16 taxable year, an amended return shall be filed for such
17 taxable year to reduce the amount of credit claimed.

18 (j) Training expense credit. Beginning with tax years
19 ending on or after December 31, 1986 and prior to December 31,
20 2003, a taxpayer shall be allowed a credit against the tax
21 imposed by subsections (a) and (b) under this Section for all
22 amounts paid or accrued, on behalf of all persons employed by
23 the taxpayer in Illinois or Illinois residents employed
24 outside of Illinois by a taxpayer, for educational or
25 vocational training in semi-technical or technical fields or
26 semi-skilled or skilled fields, which were deducted from gross

1 income in the computation of taxable income. The credit
2 against the tax imposed by subsections (a) and (b) shall be
3 1.6% of such training expenses. For partners, shareholders of
4 subchapter S corporations, and owners of limited liability
5 companies, if the liability company is treated as a
6 partnership for purposes of federal and State income taxation,
7 there shall be allowed a credit under this subsection (j) to be
8 determined in accordance with the determination of income and
9 distributive share of income under Sections 702 and 704 and
10 subchapter S of the Internal Revenue Code.

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

21 (k) Research and development credit. For tax years ending
22 after July 1, 1990 and prior to December 31, 2003, and
23 beginning again for tax years ending on or after December 31,
24 2004, and ending prior to January 1, 2027, a taxpayer shall be
25 allowed a credit against the tax imposed by subsections (a)
26 and (b) of this Section for increasing research activities in

1 this State. The credit allowed against the tax imposed by
2 subsections (a) and (b) shall be equal to 6 1/2% of the
3 qualifying expenditures for increasing research activities in
4 this State. For partners, shareholders of subchapter S
5 corporations, and owners of limited liability companies, if
6 the liability company is treated as a partnership for purposes
7 of federal and State income taxation, there shall be allowed a
8 credit under this subsection to be determined in accordance
9 with the determination of income and distributive share of
10 income under Sections 702 and 704 and subchapter S of the
11 Internal Revenue Code.

12 For purposes of this subsection, "qualifying expenditures"
13 means the qualifying expenditures as defined for the federal
14 credit for increasing research activities which would be
15 allowable under Section 41 of the Internal Revenue Code and
16 which are conducted in this State, "qualifying expenditures
17 for increasing research activities in this State" means the
18 excess of qualifying expenditures for the taxable year in
19 which incurred over qualifying expenditures for the base
20 period, "qualifying expenditures for the base period" means
21 the average of the qualifying expenditures for each year in
22 the base period, and "base period" means the 3 taxable years
23 immediately preceding the taxable year for which the
24 determination is being made.

25 Any credit in excess of the tax liability for the taxable
26 year may be carried forward. A taxpayer may elect to have the

1 unused credit shown on its final completed return carried over
2 as a credit against the tax liability for the following 5
3 taxable years or until it has been fully used, whichever
4 occurs first; provided that no credit earned in a tax year
5 ending prior to December 31, 2003 may be carried forward to any
6 year ending on or after December 31, 2003.

7 If an unused credit is carried forward to a given year from
8 2 or more earlier years, that credit arising in the earliest
9 year will be applied first against the tax liability for the
10 given year. If a tax liability for the given year still
11 remains, the credit from the next earliest year will then be
12 applied, and so on, until all credits have been used or no tax
13 liability for the given year remains. Any remaining unused
14 credit or credits then will be carried forward to the next
15 following year in which a tax liability is incurred, except
16 that no credit can be carried forward to a year which is more
17 than 5 years after the year in which the expense for which the
18 credit is given was incurred.

19 No inference shall be drawn from Public Act 91-644 ~~this~~
20 ~~amendatory Act of the 91st General Assembly~~ in construing this
21 Section for taxable years beginning before January 1, 1999.

22 It is the intent of the General Assembly that the research
23 and development credit under this subsection (k) shall apply
24 continuously for all tax years ending on or after December 31,
25 2004 and ending prior to January 1, 2027, including, but not
26 limited to, the period beginning on January 1, 2016 and ending

1 on July 6, 2017 (the effective date of Public Act 100-22) ~~this~~
2 ~~amendatory Act of the 100th General Assembly~~. All actions
3 taken in reliance on the continuation of the credit under this
4 subsection (k) by any taxpayer are hereby validated.

5 (l) Environmental Remediation Tax Credit.

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

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

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

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

4 (m) Education expense credit. Beginning with tax years
5 ending after December 31, 1999, a taxpayer who is the
6 custodian of one or more qualifying pupils shall be allowed a
7 credit against the tax imposed by subsections (a) and (b) of
8 this Section for qualified education expenses incurred on
9 behalf of the qualifying pupils. The credit shall be equal to
10 25% of qualified education expenses, but in no event may the
11 total credit under this subsection claimed by a family that is
12 the custodian of qualifying pupils exceed (i) \$500 for tax
13 years ending prior to December 31, 2017, and (ii) \$750 for tax
14 years ending on or after December 31, 2017. In no event shall a
15 credit under this subsection reduce the taxpayer's liability
16 under this Act to less than zero. Notwithstanding any other
17 provision of law, for taxable years beginning on or after
18 January 1, 2017, no taxpayer may claim a credit under this
19 subsection (m) if the taxpayer's adjusted gross income for the
20 taxable year exceeds (i) \$500,000, in the case of spouses
21 filing a joint federal tax return or (ii) \$250,000, in the case
22 of all other taxpayers. This subsection is exempt from the
23 provisions of Section 250 of this Act.

24 For purposes of this subsection:

25 "Qualifying pupils" means individuals who (i) are
26 residents of the State of Illinois, (ii) are under the age of

1 21 at the close of the school year for which a credit is
2 sought, and (iii) during the school year for which a credit is
3 sought were full-time pupils enrolled in a kindergarten
4 through twelfth grade education program at any school, as
5 defined in this subsection.

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

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

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

20 (n) River Edge Redevelopment Zone site remediation tax
21 credit.

22 (i) For tax years ending on or after December 31,
23 2006, a taxpayer shall be allowed a credit against the tax
24 imposed by subsections (a) and (b) of this Section for
25 certain amounts paid for unreimbursed eligible remediation
26 costs, as specified in this subsection. For purposes of

1 this Section, "unreimbursed eligible remediation costs"
2 means costs approved by the Illinois Environmental
3 Protection Agency ("Agency") under Section 58.14a of the
4 Environmental Protection Act that were paid in performing
5 environmental remediation at a site within a River Edge
6 Redevelopment Zone for which a No Further Remediation
7 Letter was issued by the Agency and recorded under Section
8 58.10 of the Environmental Protection Act. The credit must
9 be claimed for the taxable year in which Agency approval
10 of the eligible remediation costs is granted. The credit
11 is not available to any taxpayer if the taxpayer or any
12 related party caused or contributed to, in any material
13 respect, a release of regulated substances on, in, or
14 under the site that was identified and addressed by the
15 remedial action pursuant to the Site Remediation Program
16 of the Environmental Protection Act. Determinations as to
17 credit availability for purposes of this Section shall be
18 made consistent with rules adopted by the Pollution
19 Control Board pursuant to the Illinois Administrative
20 Procedure Act for the administration and enforcement of
21 Section 58.9 of the Environmental Protection Act. For
22 purposes of this Section, "taxpayer" includes a person
23 whose tax attributes the taxpayer has succeeded to under
24 Section 381 of the Internal Revenue Code and "related
25 party" includes the persons disallowed a deduction for
26 losses by paragraphs (b), (c), and (f)(1) of Section 267

1 of the Internal Revenue Code by virtue of being a related
2 taxpayer, as well as any of its partners. The credit
3 allowed against the tax imposed by subsections (a) and (b)
4 shall be equal to 25% of the unreimbursed eligible
5 remediation costs in excess of \$100,000 per site.

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. This
10 credit shall be applied first to the earliest year for
11 which there is a liability. If there is a credit under this
12 subsection from more than one tax year that is available
13 to offset a liability, the earliest credit arising under
14 this subsection shall be applied first. A credit allowed
15 under this subsection may be sold to a buyer as part of a
16 sale of all or part of the remediation site for which the
17 credit was granted. The purchaser of a remediation site
18 and the tax credit shall succeed to the unused credit and
19 remaining carry-forward period of the seller. To perfect
20 the transfer, the assignor shall record the transfer in
21 the chain of title for the site and provide written notice
22 to the Director of the Illinois Department of Revenue of
23 the assignor's intent to sell the remediation site and the
24 amount of the tax credit to be transferred as a portion of
25 the sale. In no event may a credit be transferred to any
26 taxpayer if the taxpayer or a related party would not be

1 eligible under the provisions of subsection (i).

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

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

15 (1) the medical cannabis cultivation center
16 registration, medical cannabis dispensary registration, or
17 the property of a registration is transferred as a result
18 of any of the following:

19 (A) bankruptcy, a receivership, or a debt
20 adjustment initiated by or against the initial
21 registration or the substantial owners of the initial
22 registration;

23 (B) cancellation, revocation, or termination of
24 any registration by the Illinois Department of Public
25 Health;

26 (C) a determination by the Illinois Department of

1 Public Health that transfer of the registration is in
2 the best interests of Illinois qualifying patients as
3 defined by the Compassionate Use of Medical Cannabis
4 Program Act;

5 (D) the death of an owner of the equity interest in
6 a registrant;

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

10 (F) a transfer by a parent company to a wholly
11 owned subsidiary; or

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

16 (2) the cannabis cultivation center registration,
17 medical cannabis dispensary registration, or the
18 controlling interest in a registrant's property is
19 transferred in a transaction to lineal descendants in
20 which 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.

23 (Source: P.A. 100-22, eff. 7-6-17; 101-9, eff. 6-5-19; 101-31,
24 eff. 6-28-19; 101-207, eff. 8-2-19; 101-363, eff. 8-9-19;
25 revised 11-18-20.)

1 (Text of Section with the changes made by P.A. 101-8,
2 which did not take effect (see Section 99 of P.A. 101-8))

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
16 equal to 2 1/2% of the taxpayer's net income for the
17 taxable 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
26 taxable years beginning after June 30, 1989, and ending

1 prior to January 1, 2011, an amount equal to 3% of the
2 taxpayer's net income for the taxable year.

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

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

14 (5.1) In the case of an individual, trust, or estate,
15 for taxable years beginning prior to January 1, 2015, and
16 ending after December 31, 2014, an amount equal to the sum
17 of (i) 5% of the taxpayer's net income for the period prior
18 to January 1, 2015, as calculated under Section 202.5, and
19 (ii) 3.75% of the taxpayer's net income for the period
20 after December 31, 2014, as calculated under Section
21 202.5.

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 July 1, 2017, an amount equal to 3.75%
25 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 July 1, 2017, and
2 ending after June 30, 2017, an amount equal to the sum of
3 (i) 3.75% of the taxpayer's net income for the period
4 prior to July 1, 2017, as calculated under Section 202.5,
5 and (ii) 4.95% of the taxpayer's net income for the period
6 after June 30, 2017, as calculated under Section 202.5.

7 (5.4) In the case of an individual, trust, or estate,
8 for taxable years beginning on or after July 1, 2017 and
9 beginning prior to January 1, 2021, an amount equal to
10 4.95% of the taxpayer's net income for the taxable year.

11 (5.5) In the case of an individual, trust, or estate,
12 for taxable years beginning on or after January 1, 2021,
13 an amount calculated under the rate structure set forth in
14 Section 201.1.

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

18 (7) In the case of a corporation, for taxable years
19 beginning prior to July 1, 1989 and ending after June 30,
20 1989, an amount equal to the sum of (i) 4% of the
21 taxpayer's net income for the period prior to July 1,
22 1989, as calculated under Section 202.3, and (ii) 4.8% of
23 the taxpayer's net income for the period after June 30,
24 1989, as calculated under Section 202.3.

25 (8) In the case of a corporation, for taxable years
26 beginning after June 30, 1989, and ending prior to January

1 1, 2011, an amount equal to 4.8% of the taxpayer's net
2 income for the taxable year.

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

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

14 (11) In the case of a corporation, for taxable years
15 beginning prior to January 1, 2015, and ending after
16 December 31, 2014, an amount equal to the sum of (i) 7% of
17 the taxpayer's net income for the period prior to January
18 1, 2015, as calculated under Section 202.5, and (ii) 5.25%
19 of the taxpayer's net income for the period after December
20 31, 2014, as calculated under Section 202.5.

21 (12) In the case of a corporation, for taxable years
22 beginning on or after January 1, 2015, and ending prior to
23 July 1, 2017, an amount equal to 5.25% of the taxpayer's
24 net income for the taxable year.

25 (13) In the case of a corporation, for taxable years
26 beginning prior to July 1, 2017, and ending after June 30,

1 2017, an amount equal to the sum of (i) 5.25% of the
2 taxpayer's net income for the period prior to July 1,
3 2017, as calculated under Section 202.5, and (ii) 7% of
4 the taxpayer's net income for the period after June 30,
5 2017, as calculated under Section 202.5.

6 (14) In the case of a corporation, for taxable years
7 beginning on or after July 1, 2017 and beginning prior to
8 January 1, 2021, an amount equal to 7% of the taxpayer's
9 net income for the taxable year.

10 (15) In the case of a corporation, for taxable years
11 beginning on or after January 1, 2021, an amount equal to
12 7.99% of the taxpayer's net income for the taxable year.

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

15 (b-5) Surcharge; sale or exchange of assets, properties,
16 and intangibles of organization gaming licensees. For each of
17 taxable years 2019 through 2027, a surcharge is imposed on all
18 taxpayers on income arising from the sale or exchange of
19 capital assets, depreciable business property, real property
20 used in the trade or business, and Section 197 intangibles (i)
21 of an organization licensee under the Illinois Horse Racing
22 Act of 1975 and (ii) of an organization gaming licensee under
23 the Illinois Gambling Act. The amount of the surcharge is
24 equal to the amount of federal income tax liability for the
25 taxable year attributable to those sales and exchanges. The
26 surcharge imposed shall not apply if:

1 (1) the organization gaming license, organization
2 license, or racetrack property is transferred as a result
3 of any of the following:

4 (A) bankruptcy, a receivership, or a debt
5 adjustment initiated by or against the initial
6 licensee or the substantial owners of the initial
7 licensee;

8 (B) cancellation, revocation, or termination of
9 any such license by the Department of Lottery and
10 Gaming ~~Illinois Gaming Board or the Illinois Racing~~
11 ~~Board~~;

12 (C) a determination by the Division of Casino
13 Gambling of the Department of Lottery and Gaming
14 ~~Illinois Gaming Board~~ that transfer of the license is
15 in the best interests of Illinois gaming;

16 (D) the death of an owner of the equity interest in
17 a licensee;

18 (E) the acquisition of a controlling interest in
19 the stock or substantially all of the assets of a
20 publicly traded company;

21 (F) a transfer by a parent company to a wholly
22 owned subsidiary; or

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

26 (2) the controlling interest in the organization

1 gaming license, organization license, or racetrack
2 property is transferred in a transaction to lineal
3 descendants in which no gain or loss is recognized or as a
4 result of a transaction in accordance with Section 351 of
5 the Internal Revenue Code in which no gain or loss is
6 recognized; or

7 (3) live horse racing was not conducted in 2010 at a
8 racetrack located within 3 miles of the Mississippi River
9 under a license issued pursuant to the Illinois Horse
10 Racing Act of 1975.

11 The transfer of an organization gaming license,
12 organization license, or racetrack property by a person other
13 than the initial licensee to receive the organization gaming
14 license is not subject to a surcharge. The Department shall
15 adopt rules necessary to implement and administer this
16 subsection.

17 (c) Personal Property Tax Replacement Income Tax.
18 Beginning on July 1, 1979 and thereafter, in addition to such
19 income tax, there is also hereby imposed the Personal Property
20 Tax Replacement Income Tax measured by net income on every
21 corporation (including Subchapter S corporations), partnership
22 and trust, for each taxable year ending after June 30, 1979.
23 Such taxes are imposed on the privilege of earning or
24 receiving income in or as a resident of this State. The
25 Personal Property Tax Replacement Income Tax shall be in
26 addition to the income tax imposed by subsections (a) and (b)

1 of this Section and in addition to all other occupation or
2 privilege taxes imposed by this State or by any municipal
3 corporation or political subdivision thereof.

4 (d) Additional Personal Property Tax Replacement Income
5 Tax Rates. The personal property tax replacement income tax
6 imposed by this subsection and subsection (c) of this Section
7 in the case of a corporation, other than a Subchapter S
8 corporation and except as adjusted by subsection (d-1), shall
9 be an additional amount equal to 2.85% of such taxpayer's net
10 income for the taxable year, except that beginning on January
11 1, 1981, and thereafter, the rate of 2.85% specified in this
12 subsection shall be reduced to 2.5%, and in the case of a
13 partnership, trust or a Subchapter S corporation shall be an
14 additional amount equal to 1.5% of such taxpayer's net income
15 for the taxable year.

16 (d-1) Rate reduction for certain foreign insurers. In the
17 case of a foreign insurer, as defined by Section 35A-5 of the
18 Illinois Insurance Code, whose state or country of domicile
19 imposes on insurers domiciled in Illinois a retaliatory tax
20 (excluding any insurer whose premiums from reinsurance assumed
21 are 50% or more of its total insurance premiums as determined
22 under paragraph (2) of subsection (b) of Section 304, except
23 that for purposes of this determination premiums from
24 reinsurance do not include premiums from inter-affiliate
25 reinsurance arrangements), beginning with taxable years ending
26 on or after December 31, 1999, the sum of the rates of tax

1 imposed by subsections (b) and (d) shall be reduced (but not
2 increased) to the rate at which the total amount of tax imposed
3 under this Act, net of all credits allowed under this Act,
4 shall equal (i) the total amount of tax that would be imposed
5 on the foreign insurer's net income allocable to Illinois for
6 the taxable year by such foreign insurer's state or country of
7 domicile if that net income were subject to all income taxes
8 and taxes measured by net income imposed by such foreign
9 insurer's state or country of domicile, net of all credits
10 allowed or (ii) a rate of zero if no such tax is imposed on
11 such income by the foreign insurer's state of domicile. For
12 the purposes of this subsection (d-1), an inter-affiliate
13 includes a mutual insurer under common management.

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

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

20 (B) the privilege tax imposed by Section 409 of
21 the Illinois Insurance Code, the fire insurance
22 company tax imposed by Section 12 of the Fire
23 Investigation Act, and the fire department taxes
24 imposed under Section 11-10-1 of the Illinois
25 Municipal Code,

26 equals 1.25% for taxable years ending prior to December

1 31, 2003, or 1.75% for taxable years ending on or after
2 December 31, 2003, of the net taxable premiums written for
3 the taxable year, as described by subsection (1) of
4 Section 409 of the Illinois Insurance Code. This paragraph
5 will in no event increase the rates imposed under
6 subsections (b) and (d).

7 (2) Any reduction in the rates of tax imposed by this
8 subsection shall be applied first against the rates
9 imposed by subsection (b) and only after the tax imposed
10 by subsection (a) net of all credits allowed under this
11 Section other than the credit allowed under subsection (i)
12 has been reduced to zero, against the rates imposed by
13 subsection (d).

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

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

19 (1) A taxpayer shall be allowed a credit equal to .5%
20 of the basis of qualified property placed in service
21 during the taxable year, provided such property is placed
22 in service on or after July 1, 1984. There shall be allowed
23 an additional credit equal to .5% of the basis of
24 qualified property placed in service during the taxable
25 year, provided such property is placed in service on or
26 after July 1, 1986, and the taxpayer's base employment

1 within Illinois has increased by 1% or more over the
2 preceding year as determined by the taxpayer's employment
3 records filed with the Illinois Department of Employment
4 Security. Taxpayers who are new to Illinois shall be
5 deemed to have met the 1% growth in base employment for the
6 first year in which they file employment records with the
7 Illinois Department of Employment Security. The provisions
8 added to this Section by Public Act 85-1200 (and restored
9 by Public Act 87-895) shall be construed as declaratory of
10 existing law and not as a new enactment. If, in any year,
11 the increase in base employment within Illinois over the
12 preceding year is less than 1%, the additional credit
13 shall be limited to that percentage times a fraction, the
14 numerator of which is .5% and the denominator of which is
15 1%, but shall not exceed .5%. The investment credit shall
16 not be allowed to the extent that it would reduce a
17 taxpayer's liability in any tax year below zero, nor may
18 any credit for qualified property be allowed for any year
19 other than the year in which the property was placed in
20 service in Illinois. For tax years ending on or after
21 December 31, 1987, and on or before December 31, 1988, the
22 credit shall be allowed for the tax year in which the
23 property is placed in service, or, if the amount of the
24 credit exceeds the tax liability for that year, whether it
25 exceeds the original liability or the liability as later
26 amended, such excess may be carried forward and applied to

1 the tax liability of the 5 taxable years following the
2 excess credit years if the taxpayer (i) makes investments
3 which cause the creation of a minimum of 2,000 full-time
4 equivalent jobs in Illinois, (ii) is located in an
5 enterprise zone established pursuant to the Illinois
6 Enterprise Zone Act and (iii) is certified by the
7 Department of Commerce and Community Affairs (now
8 Department of Commerce and Economic Opportunity) as
9 complying with the requirements specified in clause (i)
10 and (ii) by July 1, 1986. The Department of Commerce and
11 Community Affairs (now Department of Commerce and Economic
12 Opportunity) shall notify the Department of Revenue of all
13 such certifications immediately. For tax years ending
14 after December 31, 1988, the credit shall be allowed for
15 the tax year in which the property is placed in service,
16 or, if the amount of the credit exceeds the tax liability
17 for that year, whether it exceeds the original liability
18 or the liability as later amended, such excess may be
19 carried forward and applied to the tax liability of the 5
20 taxable years following the excess credit years. The
21 credit shall be applied to the earliest year for which
22 there is a liability. If there is credit from more than one
23 tax year that is available to offset a liability, earlier
24 credit shall be applied first.

25 (2) The term "qualified property" means property
26 which:

1 (A) is tangible, whether new or used, including
2 buildings and structural components of buildings and
3 signs that are real property, but not including land
4 or improvements to real property that are not a
5 structural component of a building such as
6 landscaping, sewer lines, local access roads, fencing,
7 parking lots, and other appurtenances;

8 (B) is depreciable pursuant to Section 167 of the
9 Internal Revenue Code, except that "3-year property"
10 as defined in Section 168(c)(2)(A) of that Code is not
11 eligible for the credit provided by this subsection
12 (e);

13 (C) is acquired by purchase as defined in Section
14 179(d) of the Internal Revenue Code;

15 (D) is used in Illinois by a taxpayer who is
16 primarily engaged in manufacturing, or in mining coal
17 or fluorite, or in retailing, or was placed in service
18 on or after July 1, 2006 in a River Edge Redevelopment
19 Zone established pursuant to the River Edge
20 Redevelopment Zone Act; and

21 (E) has not previously been used in Illinois in
22 such a manner and by such a person as would qualify for
23 the credit provided by this subsection (e) or
24 subsection (f).

25 (3) For purposes of this subsection (e),
26 "manufacturing" means the material staging and production

1 of tangible personal property by procedures commonly
2 regarded as manufacturing, processing, fabrication, or
3 assembling which changes some existing material into new
4 shapes, new qualities, or new combinations. For purposes
5 of this subsection (e) the term "mining" shall have the
6 same meaning as the term "mining" in Section 613(c) of the
7 Internal Revenue Code. For purposes of this subsection
8 (e), the term "retailing" means the sale of tangible
9 personal property for use or consumption and not for
10 resale, or services rendered in conjunction with the sale
11 of tangible personal property for use or consumption and
12 not for resale. For purposes of this subsection (e),
13 "tangible personal property" has the same meaning as when
14 that term is used in the Retailers' Occupation Tax Act,
15 and, for taxable years ending after December 31, 2008,
16 does not include the generation, transmission, or
17 distribution of electricity.

18 (4) The basis of qualified property shall be the basis
19 used to compute the depreciation deduction for federal
20 income tax purposes.

21 (5) If the basis of the property for federal income
22 tax depreciation purposes is increased after it has been
23 placed in service in Illinois by the taxpayer, the amount
24 of such increase shall be deemed property placed in
25 service on the date of such increase in basis.

26 (6) The term "placed in service" shall have the same

1 meaning as under Section 46 of the Internal Revenue Code.

2 (7) If during any taxable year, any property ceases to
3 be qualified property in the hands of the taxpayer within
4 48 months after being placed in service, or the situs of
5 any qualified property is moved outside Illinois within 48
6 months after being placed in service, the Personal
7 Property Tax Replacement Income Tax for such taxable year
8 shall be increased. Such increase shall be determined by
9 (i) recomputing the investment credit which would have
10 been allowed for the year in which credit for such
11 property was originally allowed by eliminating such
12 property from such computation and, (ii) subtracting such
13 recomputed credit from the amount of credit previously
14 allowed. For the purposes of this paragraph (7), a
15 reduction of the basis of qualified property resulting
16 from a redetermination of the purchase price shall be
17 deemed a disposition of qualified property to the extent
18 of such reduction.

19 (8) Unless the investment credit is extended by law,
20 the basis of qualified property shall not include costs
21 incurred after December 31, 2018, except for costs
22 incurred pursuant to a binding contract entered into on or
23 before December 31, 2018.

24 (9) Each taxable year ending before December 31, 2000,
25 a partnership may elect to pass through to its partners
26 the credits to which the partnership is entitled under

1 this subsection (e) for the taxable year. A partner may
2 use the credit allocated to him or her under this
3 paragraph only against the tax imposed in subsections (c)
4 and (d) of this Section. If the partnership makes that
5 election, those credits shall be allocated among the
6 partners in the partnership in accordance with the rules
7 set forth in Section 704(b) of the Internal Revenue Code,
8 and the rules promulgated under that Section, and the
9 allocated amount of the credits shall be allowed to the
10 partners for that taxable year. The partnership shall make
11 this election on its Personal Property Tax Replacement
12 Income Tax return for that taxable year. The election to
13 pass through the credits shall be irrevocable.

14 For taxable years ending on or after December 31,
15 2000, a partner that qualifies its partnership for a
16 subtraction under subparagraph (I) of paragraph (2) of
17 subsection (d) of Section 203 or a shareholder that
18 qualifies a Subchapter S corporation for a subtraction
19 under subparagraph (S) of paragraph (2) of subsection (b)
20 of Section 203 shall be allowed a credit under this
21 subsection (e) equal to its share of the credit earned
22 under this subsection (e) during the taxable year by the
23 partnership or Subchapter S corporation, determined in
24 accordance with the determination of income and
25 distributive share of income under Sections 702 and 704
26 and Subchapter S of the Internal Revenue Code. This

1 paragraph is exempt from the provisions of Section 250.

2 (f) Investment credit; Enterprise Zone; River Edge
3 Redevelopment Zone.

4 (1) A taxpayer shall be allowed a credit against the
5 tax imposed by subsections (a) and (b) of this Section for
6 investment in qualified property which is placed in
7 service in an Enterprise Zone created pursuant to the
8 Illinois Enterprise Zone Act or, for property placed in
9 service on or after July 1, 2006, a River Edge
10 Redevelopment Zone established pursuant to the River Edge
11 Redevelopment Zone Act. For partners, shareholders of
12 Subchapter S corporations, and owners of limited liability
13 companies, if the liability company is treated as a
14 partnership for purposes of federal and State income
15 taxation, there shall be allowed a credit under this
16 subsection (f) to be determined in accordance with the
17 determination of income and distributive share of income
18 under Sections 702 and 704 and Subchapter S of the
19 Internal Revenue Code. The credit shall be .5% of the
20 basis for such property. The credit shall be available
21 only in the taxable year in which the property is placed in
22 service in the Enterprise Zone or River Edge Redevelopment
23 Zone 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. For
26 tax years ending on or after December 31, 1985, the credit

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

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

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

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

20 (C) is acquired by purchase as defined in Section
21 179(d) of the Internal Revenue Code;

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

24 (E) has not been previously used in Illinois in
25 such a manner and by such a person as would qualify for
26 the credit provided by this subsection (f) or

1 subsection (e).

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

5 (4) If the basis of the property for federal income
6 tax depreciation purposes is increased after it has been
7 placed in service in the Enterprise Zone or River Edge
8 Redevelopment Zone by the taxpayer, the amount of such
9 increase shall be deemed property placed in service on the
10 date of such increase in basis.

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

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

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

5 (7) There shall be allowed an additional credit equal
6 to 0.5% of the basis of qualified property placed in
7 service during the taxable year in a River Edge
8 Redevelopment Zone, provided such property is placed in
9 service on or after July 1, 2006, and the taxpayer's base
10 employment within Illinois has increased by 1% or more
11 over the preceding year as determined by the taxpayer's
12 employment records filed with the Illinois Department of
13 Employment Security. Taxpayers who are new to Illinois
14 shall be deemed to have met the 1% growth in base
15 employment for the first year in which they file
16 employment records with the Illinois Department of
17 Employment Security. If, in any year, the increase in base
18 employment within Illinois over the preceding year is less
19 than 1%, the additional credit shall be limited to that
20 percentage times a fraction, the numerator of which is
21 0.5% and the denominator of which is 1%, but shall not
22 exceed 0.5%.

23 (8) For taxable years beginning on or after January 1,
24 2021, there shall be allowed an Enterprise Zone
25 construction jobs credit against the taxes imposed under
26 subsections (a) and (b) of this Section as provided in

1 Section 13 of the Illinois Enterprise Zone Act.

2 The credit or credits may not reduce the taxpayer's
3 liability to less than zero. If the amount of the credit or
4 credits exceeds the taxpayer's liability, the excess may
5 be carried forward and applied against the taxpayer's
6 liability in succeeding calendar years in the same manner
7 provided under paragraph (4) of Section 211 of this Act.
8 The credit or credits shall be applied to the earliest
9 year for which there is a tax liability. If there are
10 credits from more than one taxable year that are available
11 to offset a liability, the earlier credit shall be applied
12 first.

13 For partners, shareholders of Subchapter S
14 corporations, and owners of limited liability companies,
15 if the liability company is treated as a partnership for
16 the purposes of federal and State income taxation, there
17 shall be allowed a credit under this Section to be
18 determined in accordance with the determination of income
19 and distributive share of income under Sections 702 and
20 704 and Subchapter S of the Internal Revenue Code.

21 The total aggregate amount of credits awarded under
22 the Blue Collar Jobs Act (Article 20 of Public Act 101-9
23 ~~this amendatory Act of the 101st General Assembly~~) shall
24 not exceed \$20,000,000 in any State fiscal year.

25 This paragraph (8) is exempt from the provisions of
26 Section 250.

1 (g) (Blank).

2 (h) Investment credit; High Impact Business.

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

1 only in the taxable year in which the property is placed in
2 service and shall not be allowed to the extent that it
3 would reduce a taxpayer's liability for the tax imposed by
4 subsections (a) and (b) of this Section to below zero. For
5 tax years ending on or after December 31, 1987, the credit
6 shall be allowed for the tax year in which the property is
7 placed in service, or, if the amount of the credit exceeds
8 the tax liability for that year, whether it exceeds the
9 original liability or the liability as later amended, such
10 excess may be carried forward and applied to the tax
11 liability of the 5 taxable years following the excess
12 credit year. The credit shall be applied to the earliest
13 year for which there is a liability. If there is credit
14 from more than one tax year that is available to offset a
15 liability, the credit accruing first in time shall be
16 applied first.

17 Changes made in this subdivision (h) (1) by Public Act
18 88-670 restore changes made by Public Act 85-1182 and
19 reflect existing law.

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

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

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

1 (h);

2 (C) is acquired by purchase as defined in Section
3 179(d) of the Internal Revenue Code; and

4 (D) is not eligible for the Enterprise Zone
5 Investment Credit provided by subsection (f) of this
6 Section.

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

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

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

18 (6) If during any taxable year ending on or before
19 December 31, 1996, any property ceases to be qualified
20 property in the hands of the taxpayer within 48 months
21 after being placed in service, or the situs of any
22 qualified property is moved outside Illinois within 48
23 months after being placed in service, the tax imposed
24 under subsections (a) and (b) of this Section for such
25 taxable year shall be increased. Such increase shall be
26 determined by (i) recomputing the investment credit which

1 would have been allowed for the year in which credit for
2 such property was originally allowed by eliminating such
3 property from such computation, and (ii) subtracting such
4 recomputed credit from the amount of credit previously
5 allowed. For the purposes of this paragraph (6), a
6 reduction of the basis of qualified property resulting
7 from a redetermination of the purchase price shall be
8 deemed a disposition of qualified property to the extent
9 of such reduction.

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

20 (h-5) High Impact Business construction ~~constructions~~ jobs
21 credit. For taxable years beginning on or after January 1,
22 2021, there shall also be allowed a High Impact Business
23 construction jobs credit against the tax imposed under
24 subsections (a) and (b) of this Section as provided in
25 subsections (i) and (j) of Section 5.5 of the Illinois
26 Enterprise Zone Act.

1 The credit or credits may not reduce the taxpayer's
2 liability to less than zero. If the amount of the credit or
3 credits exceeds the taxpayer's liability, the excess may be
4 carried forward and applied against the taxpayer's liability
5 in succeeding calendar years in the manner provided under
6 paragraph (4) of Section 211 of this Act. The credit or credits
7 shall be applied to the earliest year for which there is a tax
8 liability. If there are credits from more than one taxable
9 year that are available to offset a liability, the earlier
10 credit shall be applied first.

11 For partners, shareholders of Subchapter S corporations,
12 and owners of limited liability companies, if the liability
13 company is treated as a partnership for the purposes of
14 federal and State income taxation, there shall be allowed a
15 credit under this Section to be determined in accordance with
16 the determination of income and distributive share of income
17 under Sections 702 and 704 and Subchapter S of the Internal
18 Revenue Code.

19 The total aggregate amount of credits awarded under the
20 Blue Collar Jobs Act (Article 20 of Public Act 101-9 ~~this~~
21 ~~amendatory Act of the 101st General Assembly~~) shall not exceed
22 \$20,000,000 in any State fiscal year.

23 This subsection (h-5) is exempt from the provisions of
24 Section 250.

25 (i) Credit for Personal Property Tax Replacement Income
26 Tax. For tax years ending prior to December 31, 2003, a credit

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

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

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

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

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

26 Any credit allowed under this subsection which is unused

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

10 (k) Research and development credit. For tax years ending
11 after July 1, 1990 and prior to December 31, 2003, and
12 beginning again for tax years ending on or after December 31,
13 2004, and ending prior to January 1, 2027, a taxpayer shall be
14 allowed a credit against the tax imposed by subsections (a)
15 and (b) of this Section for increasing research activities in
16 this State. The credit allowed against the tax imposed by
17 subsections (a) and (b) shall be equal to 6 1/2% of the
18 qualifying expenditures for increasing research activities in
19 this State. For partners, shareholders of subchapter S
20 corporations, and owners of limited liability companies, if
21 the liability company is treated as a partnership for purposes
22 of federal and State income taxation, there shall be allowed a
23 credit under this subsection to be determined in accordance
24 with the determination of income and distributive share of
25 income under Sections 702 and 704 and subchapter S of the
26 Internal Revenue Code.

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

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

22 If an unused credit is carried forward to a given year from
23 2 or more earlier years, that credit arising in the earliest
24 year will be applied first against the tax liability for the
25 given year. If a tax liability for the given year still
26 remains, the credit from the next earliest year will then be

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

8 No inference shall be drawn from Public Act 91-644 ~~this~~
9 ~~amendatory Act of the 91st General Assembly~~ in construing this
10 Section for taxable years beginning before January 1, 1999.

11 It is the intent of the General Assembly that the research
12 and development credit under this subsection (k) shall apply
13 continuously for all tax years ending on or after December 31,
14 2004 and ending prior to January 1, 2027, including, but not
15 limited to, the period beginning on January 1, 2016 and ending
16 on July 6, 2017 (the effective date of Public Act 100-22) ~~this~~
17 ~~amendatory Act of the 100th General Assembly~~. All actions
18 taken in reliance on the continuation of the credit under this
19 subsection (k) by any taxpayer are hereby validated.

20 (l) Environmental Remediation Tax Credit.

21 (i) For tax years ending after December 31, 1997 and
22 on or before December 31, 2001, a taxpayer shall be
23 allowed a credit against the tax imposed by subsections
24 (a) and (b) of this Section for certain amounts paid for
25 unreimbursed eligible remediation costs, as specified in
26 this subsection. For purposes of this Section,

1 "unreimbursed eligible remediation costs" means costs
2 approved by the Illinois Environmental Protection Agency
3 ("Agency") under Section 58.14 of the Environmental
4 Protection Act that were paid in performing environmental
5 remediation at a site for which a No Further Remediation
6 Letter was issued by the Agency and recorded under Section
7 58.10 of the Environmental Protection Act. The credit must
8 be claimed for the taxable year in which Agency approval
9 of the eligible remediation costs is granted. The credit
10 is not available to any taxpayer if the taxpayer or any
11 related party caused or contributed to, in any material
12 respect, a release of regulated substances on, in, or
13 under the site that was identified and addressed by the
14 remedial action pursuant to the Site Remediation Program
15 of the Environmental Protection Act. After the Pollution
16 Control Board rules are adopted pursuant to the Illinois
17 Administrative Procedure Act for the administration and
18 enforcement of Section 58.9 of the Environmental
19 Protection Act, determinations as to credit availability
20 for purposes of this Section shall be made consistent with
21 those rules. For purposes of this Section, "taxpayer"
22 includes a person whose tax attributes the taxpayer has
23 succeeded to under Section 381 of the Internal Revenue
24 Code and "related party" includes the persons disallowed a
25 deduction for losses by paragraphs (b), (c), and (f)(1) of
26 Section 267 of the Internal Revenue Code by virtue of

1 being a related taxpayer, as well as any of its partners.
2 The credit allowed against the tax imposed by subsections
3 (a) and (b) shall be equal to 25% of the unreimbursed
4 eligible remediation costs in excess of \$100,000 per site,
5 except that the \$100,000 threshold shall not apply to any
6 site contained in an enterprise zone as determined by the
7 Department of Commerce and Community Affairs (now
8 Department of Commerce and Economic Opportunity). The
9 total credit allowed shall not exceed \$40,000 per year
10 with a maximum total of \$150,000 per site. For partners
11 and shareholders of subchapter S corporations, there shall
12 be allowed a credit under this subsection to be determined
13 in accordance with the determination of income and
14 distributive share of income under Sections 702 and 704
15 and subchapter S of the Internal Revenue Code.

16 (ii) A credit allowed under this subsection that is
17 unused in the year the credit is earned may be carried
18 forward to each of the 5 taxable years following the year
19 for which the credit is first earned until it is used. The
20 term "unused credit" does not include any amounts of
21 unreimbursed eligible remediation costs in excess of the
22 maximum credit per site authorized under paragraph (i).
23 This credit shall be applied first to the earliest year
24 for which there is a liability. If there is a credit under
25 this subsection from more than one tax year that is
26 available to offset a liability, the earliest credit

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

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

19 (m) Education expense credit. Beginning with tax years
20 ending after December 31, 1999, a taxpayer who is the
21 custodian of one or more qualifying pupils shall be allowed a
22 credit against the tax imposed by subsections (a) and (b) of
23 this Section for qualified education expenses incurred on
24 behalf of the qualifying pupils. The credit shall be equal to
25 25% of qualified education expenses, but in no event may the
26 total credit under this subsection claimed by a family that is

1 the custodian of qualifying pupils exceed (i) \$500 for tax
2 years ending prior to December 31, 2017, and (ii) \$750 for tax
3 years ending on or after December 31, 2017. In no event shall a
4 credit under this subsection reduce the taxpayer's liability
5 under this Act to less than zero. Notwithstanding any other
6 provision of law, for taxable years beginning on or after
7 January 1, 2017, no taxpayer may claim a credit under this
8 subsection (m) if the taxpayer's adjusted gross income for the
9 taxable year exceeds (i) \$500,000, in the case of spouses
10 filing a joint federal tax return or (ii) \$250,000, in the case
11 of all other taxpayers. This subsection is exempt from the
12 provisions of Section 250 of this Act.

13 For purposes of this subsection:

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

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

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

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

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

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

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

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

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

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

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

20 (o) For each of taxable years during the Compassionate Use
21 of Medical Cannabis Program, a surcharge is imposed on all
22 taxpayers on income arising from the sale or exchange of
23 capital assets, depreciable business property, real property
24 used in the trade or business, and Section 197 intangibles of
25 an organization registrant under the Compassionate Use of
26 Medical Cannabis Program Act. The amount of the surcharge is

1 equal to the amount of federal income tax liability for the
2 taxable year attributable to those sales and exchanges. The
3 surcharge imposed does not apply if:

4 (1) the medical cannabis cultivation center
5 registration, medical cannabis dispensary registration, or
6 the property of a registration is transferred as a result
7 of any of the following:

8 (A) bankruptcy, a receivership, or a debt
9 adjustment initiated by or against the initial
10 registration or the substantial owners of the initial
11 registration;

12 (B) cancellation, revocation, or termination of
13 any registration by the Illinois Department of Public
14 Health;

15 (C) a determination by the Illinois Department of
16 Public Health that transfer of the registration is in
17 the best interests of Illinois qualifying patients as
18 defined by the Compassionate Use of Medical Cannabis
19 Program Act;

20 (D) the death of an owner of the equity interest in
21 a registrant;

22 (E) the acquisition of a controlling interest in
23 the stock or substantially all of the assets of a
24 publicly traded company;

25 (F) a transfer by a parent company to a wholly
26 owned subsidiary; or

1 (G) the transfer or sale to or by one person to
2 another person where both persons were initial owners
3 of the registration when the registration was issued;
4 or

5 (2) the cannabis cultivation center registration,
6 medical cannabis dispensary registration, or the
7 controlling interest in a registrant's property is
8 transferred in a transaction to lineal descendants in
9 which no gain or loss is recognized or as a result of a
10 transaction in accordance with Section 351 of the Internal
11 Revenue Code in which no gain or loss is recognized.

12 (Source: P.A. 100-22, eff. 7-6-17; 101-8, see Section 99 for
13 effective date; 101-9, eff. 6-5-19; 101-31, eff. 6-28-19;
14 101-207, eff. 8-2-19; 101-363, eff. 8-9-19; revised 11-18-20.)

15 Section 190. The Illinois Urban Development Authority Act
16 is amended by changing Section 3 as follows:

17 (70 ILCS 531/3)

18 Sec. 3. Definitions. The following terms, whenever used or
19 referred to in this Act, shall have the following meanings,
20 except in such instances where the context may clearly
21 indicate otherwise:

22 "Authority" means the Illinois Urban Development Authority
23 created by this Act.

24 "Board" means the Illinois Urban Development Authority

1 Board of Directors.

2 "Bonds" shall include bonds, notes, or other evidence of
3 indebtedness.

4 "Commercial project" means any project, including but not
5 limited to one or more buildings and other structures,
6 improvements, machinery, and equipment whether or not on the
7 same site or sites now existing or hereafter acquired,
8 suitable for use by any retail or wholesale concern,
9 distributorship, or agency, any cultural facilities of a
10 for-profit or not-for-profit type including but not limited to
11 educational, theatrical, recreational and entertainment,
12 sports facilities, racetracks, stadiums, convention centers,
13 exhibition halls, arenas, opera houses and theaters,
14 waterfront improvements, swimming pools, boat storage,
15 moorage, docking facilities, restaurants, coliseums, sports
16 training facilities, parking facilities, terminals, hotels and
17 motels, gymnasiums, medical facilities, and port facilities.

18 "Costs incurred in connection with the development,
19 construction, acquisition, or improvement of a project" means
20 the cost of purchase and construction of all lands and
21 improvements in connection with a project and equipment and
22 other property, rights, easements, and franchises acquired
23 that are deemed necessary for such construction; financing
24 charges; interest costs with respect to bonds, notes, and
25 other evidences of indebtedness of the Authority prior to and
26 during construction and for a period of 6 months thereafter;

1 engineering and legal expenses; the costs of plans,
2 specifications, surveys, and estimates of costs and other
3 expenses necessary or incident to determining the feasibility
4 or practicability of any project, together with such other
5 expenses as may be necessary or incident to the financing,
6 insuring, acquisition, and construction of a specific project
7 and the placing of the same in operation.

8 "Develop" or "development" means to do one or more of the
9 following: plan, design, develop, lease, acquire, install,
10 construct, reconstruct, rehabilitate, extend, or expand.

11 "Financial aid" means the expenditure of Authority funds
12 or funds provided by the Authority through the issuance of its
13 revenue bonds, notes, or other evidences of indebtedness for
14 the development, construction, acquisition, or improvement of
15 a project.

16 "Governmental agency" means any federal, State or local
17 governmental body, and any agency or instrumentality thereof,
18 corporate or otherwise.

19 "Governor" means the Governor of the State of Illinois.

20 "Housing project" or "residential project" includes a
21 specific work or improvement undertaken to provide dwelling
22 accommodations, including the acquisition, construction,
23 leasing, or rehabilitation of lands, buildings, and community
24 facilities and in connection therewith to provide nonhousing
25 facilities which are an integral part of a planned large-scale
26 project or new community.

1 "Industrial project" means (1) a capital project,
2 including one or more buildings and other structures,
3 improvements, machinery, and equipment whether or not on the
4 same site or sites now existing or hereafter acquired,
5 suitable for use by any manufacturing, industrial, research,
6 transportation, or commercial enterprise including but not
7 limited to use as a factory, mill, processing plant, assembly
8 plant, packaging plant, fabricating plant, office building,
9 industrial distribution center, warehouse, repair, overhaul or
10 service facility, freight terminal, research facility, test
11 facility, railroad facility, solid waste and wastewater
12 treatment and disposal sites and other pollution control
13 facilities, resource or waste reduction, recovery, treatment
14 and disposal facilities, and including also the sites thereof
15 and other rights in land therefor whether improved or
16 unimproved, site preparation and landscaping and all
17 appurtenances and facilities incidental thereto such as
18 utilities, access roads, railroad sidings, truck docking and
19 similar facilities, parking facilities, dockage, wharfage,
20 railroad roadbed, track, trestle, depot, terminal, switching,
21 and signaling equipment or related equipment and other
22 improvements necessary or convenient thereto; or (2) any land,
23 buildings, machinery or equipment comprising an addition to or
24 renovation, rehabilitation or improvement of any existing
25 capital project.

26 "Lease agreement" means an agreement whereby a project

1 acquired by the Authority by purchase, gift, or lease is
2 leased to any person or corporation that will use or cause the
3 project to be used as a project as defined in this Act upon
4 terms providing for lease rental payments at least sufficient
5 to pay when due all principal of and interest and premium, if
6 any, on any bonds, notes or other evidences of indebtedness of
7 the Authority issued with respect to such project, providing
8 for the maintenance, insurance, and operation of the project
9 on terms satisfactory to the Authority, and providing for
10 disposition of the project upon termination of the lease term,
11 including purchase options or abandonment of the premises,
12 with such other terms as may be deemed desirable by the
13 Authority. The Authority may, directly or indirectly, lease or
14 otherwise transfer property the Authority owns to another and
15 such leased property shall remain tax exempt.

16 "Loan agreement" means any agreement pursuant to which the
17 Authority agrees to loan the proceeds of its bonds, notes, or
18 other evidences of indebtedness issued with respect to a
19 project to any person or corporation that will use or cause the
20 project to be used as a project as defined in this Act upon
21 terms providing for loan repayment installments at least
22 sufficient to pay when due all principal and interest and
23 premium, if any, on any bonds, notes, or other evidences of
24 indebtedness of the Authority issued with respect to the
25 project, providing for maintenance, insurance, and operation
26 of the project on terms satisfactory to the Authority and

1 providing for other matters as may be deemed advisable by the
2 Authority.

3 "Maintain" or "maintenance" includes ordinary maintenance,
4 repair, rehabilitation, capital maintenance, maintenance
5 replacement, and any other categories of maintenance that may
6 be designated by the local, regional, or State transportation
7 agency.

8 "Municipal poverty rate" is the percentage of total
9 population of the municipality having income levels below the
10 poverty level as determined by the Authority based upon the
11 most recent data released by the United States Census Bureau
12 before the beginning of such calendar year.

13 "Occupational license" means a license issued by the
14 Casino Gambling Division of the Department of Lottery and
15 Gaming ~~Illinois Gaming Board~~ to a person or entity to perform
16 an occupation which the Division ~~Illinois Gaming Board~~ has
17 identified as requiring a license to engage in riverboat,
18 dockside, or land-based gambling in Illinois.

19 "Operate" or "operation" means to do one or more of the
20 following: maintain, improve, equip, modify, or otherwise
21 operate.

22 "Person" means any natural person, firm, partnership,
23 corporation, both domestic and foreign, company, association,
24 or joint stock association and includes any trustee, receiver,
25 assignee, or personal representative thereof.

26 "Project" means an industrial, housing, residential,

1 commercial, transportation, or service project, or any
2 combination thereof, provided that all uses shall fall within
3 one of those categories. Any project, of any nature
4 whatsoever, shall automatically include all site improvements
5 and new construction involving sidewalks, sewers, solid waste
6 and wastewater treatment and disposal sites and other
7 pollution control facilities, resource or waste reduction,
8 recovery, treatment and disposal facilities, parks, open
9 spaces, wildlife sanctuaries, streets, highways, and runways.

10 "Revenue bond" means any bond issued by the Authority
11 under the supervision of the Illinois Finance Authority, the
12 principal and interest of which are payable solely from
13 revenues or income derived from any project or activity of the
14 Authority.

15 "Transportation facility" means any new or existing road,
16 highway, toll highway, bridge, tunnel, intermodal facility,
17 intercity or high-speed passenger rail, or other
18 transportation facility or infrastructure, excluding airports.
19 The term "transportation facility" may refer to one or more
20 transportation facilities that are proposed to be developed or
21 operated as part of a single transportation project.

22 "Transportation project" means one or more transportation
23 improvement projects including, but not limited to, new or
24 existing roads or highways, new or expanded intermodal
25 projects, and new or expanded transit projects,
26 transit-oriented development, intercity rail, and passenger

1 rail. "Transportation project" does not include airport
2 projects.

3 (Source: P.A. 98-384, eff. 8-16-13.)

4 Section 195. The Joliet Regional Port District Act is
5 amended by changing Section 5.1 as follows:

6 (70 ILCS 1825/5.1) (from Ch. 19, par. 255.1)

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

20 (Source: P.A. 101-31, eff. 6-28-19.)

21 Section 200. The Raffles and Poker Runs Act is amended by
22 changing Section 1 as follows:

1 (230 ILCS 15/1) (from Ch. 85, par. 2301)

2 Sec. 1. Definitions. For the purposes of this Act the
3 terms defined in this Section have the meanings given them.

4 "Key location" means:

5 (1) For a poker run, the location where the poker run
6 concludes and the prizes are awarded.

7 (2) For a raffle, the location where the winning
8 chances in the raffle are determined.

9 "Law enforcement agency" means an agency of this State or
10 a unit of local government in this State that is vested by law
11 or ordinance with the duty to maintain public order and to
12 enforce criminal laws or ordinances.

13 "Net proceeds" means the gross receipts from the conduct
14 of raffles, less reasonable sums expended for prizes, local
15 license fees and other operating expenses incurred as a result
16 of operating a raffle or poker run.

17 "Poker run" means a prize-awarding event organized by an
18 organization licensed under this Act in which participants
19 travel to multiple predetermined locations, including a key
20 location, to play a randomized game based on an element of
21 chance. "Poker run" includes dice runs, marble runs, or other
22 events where the objective is to build the best hand or highest
23 score by obtaining an item or playing a randomized game at each
24 location.

25 "Raffle" means a form of lottery, as defined in subsection
26 (b) of Section 28-2 of the Criminal Code of 2012, conducted by

1 an organization licensed under this Act, in which:

2 (1) the player pays or agrees to pay something of
3 value for a chance, represented and differentiated by a
4 number or by a combination of numbers or by some other
5 medium, one or more of which chances is to be designated
6 the winning chance; and

7 (2) the winning chance is to be determined through a
8 drawing or by some other method based on an element of
9 chance by an act or set of acts on the part of persons
10 conducting or connected with the lottery, except that the
11 winning chance shall not be determined by the outcome of a
12 publicly exhibited sporting contest.

13 "Raffle" does not include any game designed to simulate:
14 (1) gambling games as defined in the Illinois Riverboat
15 Gambling Act, (2) any casino game approved for play by the
16 Department of Lottery and Gaming ~~Illinois Gaming Board~~, (3)
17 any games provided by a video gaming terminal, as defined in
18 the Video Gaming Act, or (4) a savings promotion raffle
19 authorized under Section 5g of the Illinois Banking Act,
20 Section 7008 of the Savings Bank Act, Section 42.7 of the
21 Illinois Credit Union Act, Section 5136B of the National Bank
22 Act, or Section 4 of the Home Owners' Loan Act.

23 (Source: P.A. 101-109, eff. 7-19-19; revised 12-9-19.)

24 Section 205. The Smoke Free Illinois Act is amended by
25 changing Section 10 as follows:

1 (410 ILCS 82/10)

2 Sec. 10. Definitions. In this Act:

3 "Bar" means an establishment that is devoted to the
4 serving of alcoholic beverages for consumption by guests on
5 the premises and that derives no more than 10% of its gross
6 revenue from the sale of food consumed on the premises. "Bar"
7 includes, but is not limited to, taverns, nightclubs, cocktail
8 lounges, adult entertainment facilities, and cabarets.

9 "Department" means the Department of Public Health.

10 "Employee" means a person who is employed by an employer
11 in consideration for direct or indirect monetary wages or
12 profits or a person who volunteers his or her services for a
13 non-profit entity.

14 "Employer" means a person, business, partnership,
15 association, or corporation, including a municipal
16 corporation, trust, or non-profit entity, that employs the
17 services of one or more individual persons.

18 "Enclosed area" means all space between a floor and a
19 ceiling that is enclosed or partially enclosed with (i) solid
20 walls or windows, exclusive of doorways, or (ii) solid walls
21 with partitions and no windows, exclusive of doorways, that
22 extend from the floor to the ceiling, including, without
23 limitation, lobbies and corridors.

24 "Enclosed or partially enclosed sports arena" means any
25 sports pavilion, stadium, gymnasium, health spa, boxing arena,

1 swimming pool, roller rink, ice rink, bowling alley, or other
2 similar place where members of the general public assemble to
3 engage in physical exercise or participate in athletic
4 competitions or recreational activities or to witness sports,
5 cultural, recreational, or other events.

6 "Gaming equipment or supplies" means gaming
7 equipment/supplies as defined in the Department of Lottery and
8 Gaming Illinois ~~Gaming Board~~ Rules of the Illinois
9 Administrative Code.

10 "Gaming facility" means an establishment utilized
11 primarily for the purposes of gaming and where gaming
12 equipment or supplies are operated for the purposes of
13 accruing business revenue.

14 "Healthcare facility" means an office or institution
15 providing care or treatment of diseases, whether physical,
16 mental, or emotional, or other medical, physiological, or
17 psychological conditions, including, but not limited to,
18 hospitals, rehabilitation hospitals, weight control clinics,
19 nursing homes, homes for the aging or chronically ill,
20 laboratories, and offices of surgeons, chiropractors, physical
21 therapists, physicians, dentists, and all specialists within
22 these professions. "Healthcare facility" includes all waiting
23 rooms, hallways, private rooms, semiprivate rooms, and wards
24 within healthcare facilities.

25 "Place of employment" means any area under the control of
26 a public or private employer that employees are required to

1 enter, leave, or pass through during the course of employment,
2 including, but not limited to entrances and exits to places of
3 employment, including a minimum distance, as set forth in
4 Section 70 of this Act, of 15 feet from entrances, exits,
5 windows that open, and ventilation intakes that serve an
6 enclosed area where smoking is prohibited; offices and work
7 areas; restrooms; conference and classrooms; break rooms and
8 cafeterias; and other common areas. A private residence or
9 home-based business, unless used to provide licensed child
10 care, foster care, adult care, or other similar social service
11 care on the premises, is not a "place of employment", nor are
12 enclosed laboratories, not open to the public, in an
13 accredited university or government facility where the
14 activity of smoking is exclusively conducted for the purpose
15 of medical or scientific health-related research. Rulemaking
16 authority to implement this amendatory Act of the 95th General
17 Assembly, if any, is conditioned on the rules being adopted in
18 accordance with all provisions of the Illinois Administrative
19 Procedure Act and all rules and procedures of the Joint
20 Committee on Administrative Rules; any purported rule not so
21 adopted, for whatever reason, is unauthorized.

22 "Private club" means a not-for-profit association that (1)
23 has been in active and continuous existence for at least 3
24 years prior to the effective date of this amendatory Act of the
25 95th General Assembly, whether incorporated or not, (2) is the
26 owner, lessee, or occupant of a building or portion thereof

1 used exclusively for club purposes at all times, (3) is
2 operated solely for a recreational, fraternal, social,
3 patriotic, political, benevolent, or athletic purpose, but not
4 for pecuniary gain, and (4) only sells alcoholic beverages
5 incidental to its operation. For purposes of this definition,
6 "private club" means an organization that is managed by a
7 board of directors, executive committee, or similar body
8 chosen by the members at an annual meeting, has established
9 bylaws, a constitution, or both to govern its activities, and
10 has been granted an exemption from the payment of federal
11 income tax as a club under 26 U.S.C. 501.

12 "Private residence" means the part of a structure used as
13 a dwelling, including, without limitation: a private home,
14 townhouse, condominium, apartment, mobile home, vacation home,
15 cabin, or cottage. For the purposes of this definition, a
16 hotel, motel, inn, resort, lodge, bed and breakfast or other
17 similar public accommodation, hospital, nursing home, or
18 assisted living facility shall not be considered a private
19 residence.

20 "Public place" means that portion of any building or
21 vehicle used by and open to the public, regardless of whether
22 the building or vehicle is owned in whole or in part by private
23 persons or entities, the State of Illinois, or any other
24 public entity and regardless of whether a fee is charged for
25 admission, including a minimum distance, as set forth in
26 Section 70 of this Act, of 15 feet from entrances, exits,

1 windows that open, and ventilation intakes that serve an
2 enclosed area where smoking is prohibited. A "public place"
3 does not include a private residence unless the private
4 residence is used to provide licensed child care, foster care,
5 or other similar social service care on the premises. A
6 "public place" includes, but is not limited to, hospitals,
7 restaurants, retail stores, offices, commercial
8 establishments, elevators, indoor theaters, libraries,
9 museums, concert halls, public conveyances, educational
10 facilities, nursing homes, auditoriums, enclosed or partially
11 enclosed sports arenas, meeting rooms, schools, exhibition
12 halls, convention facilities, polling places, private clubs,
13 gaming facilities, all government owned vehicles and
14 facilities, including buildings and vehicles owned, leased, or
15 operated by the State or State subcontract, healthcare
16 facilities or clinics, enclosed shopping centers, retail
17 service establishments, financial institutions, educational
18 facilities, ticket areas, public hearing facilities, public
19 restrooms, waiting areas, lobbies, bars, taverns, bowling
20 alleys, skating rinks, reception areas, and no less than 75%
21 of the sleeping quarters within a hotel, motel, resort, inn,
22 lodge, bed and breakfast, or other similar public
23 accommodation that are rented to guests, but excludes private
24 residences.

25 "Restaurant" means (i) an eating establishment, including,
26 but not limited to, coffee shops, cafeterias, sandwich stands,

1 and private and public school cafeterias, that gives or offers
2 for sale food to the public, guests, or employees, and (ii) a
3 kitchen or catering facility in which food is prepared on the
4 premises for serving elsewhere. "Restaurant" includes a bar
5 area within the restaurant.

6 "Retail tobacco store" means a retail establishment that
7 derives more than 80% of its gross revenue from the sale of
8 loose tobacco, plants, or herbs and cigars, cigarettes, pipes,
9 and other smoking devices for burning tobacco and related
10 smoking accessories and in which the sale of other products is
11 merely incidental. "Retail tobacco store" includes an enclosed
12 workplace that manufactures, imports, or distributes tobacco
13 or tobacco products, when, as a necessary and integral part of
14 the process of making, manufacturing, importing, or
15 distributing a tobacco product for the eventual retail sale of
16 that tobacco or tobacco product, tobacco is heated, burned, or
17 smoked, or a lighted tobacco product is tested, provided that
18 the involved business entity: (1) maintains a specially
19 designated area or areas within the workplace for the purpose
20 of the heating, burning, smoking, or lighting activities, and
21 does not create a facility that permits smoking throughout;
22 (2) satisfies the 80% requirement related to gross sales; and
23 (3) delivers tobacco products to consumers, retail
24 establishments, or other wholesale establishments as part of
25 its business. "Retail tobacco store" does not include a
26 tobacco department or section of a larger commercial

1 establishment or any establishment with any type of liquor,
2 food, or restaurant license. Rulemaking authority to implement
3 this amendatory Act of the 95th General Assembly, if any, is
4 conditioned on the rules being adopted in accordance with all
5 provisions of the Illinois Administrative Procedure Act and
6 all rules and procedures of the Joint Committee on
7 Administrative Rules; any purported rule not so adopted, for
8 whatever reason, is unauthorized.

9 "Smoke" or "smoking" means the carrying, smoking, burning,
10 inhaling, or exhaling of any kind of lighted pipe, cigar,
11 cigarette, hookah, weed, herbs, or any other lighted smoking
12 equipment. "Smoke" or "smoking" does not include smoking that
13 is associated with a native recognized religious ceremony,
14 ritual, or activity by American Indians that is in accordance
15 with the federal American Indian Religious Freedom Act, 42
16 U.S.C. 1996 and 1996a.

17 "State agency" has the meaning formerly ascribed to it in
18 subsection (a) of Section 3 of the Illinois Purchasing Act
19 (now repealed).

20 "Unit of local government" has the meaning ascribed to it
21 in Section 1 of Article VII of the Illinois Constitution of
22 1970.

23 (Source: P.A. 95-17, eff. 1-1-08; 95-1029, eff. 2-4-09;
24 96-797, eff. 1-1-10.)

25 Section 210. The Illinois Equine Infectious Anemia Control

1 Act is amended by changing Section 5 as follows:

2 (510 ILCS 65/5) (from Ch. 8, par. 955)

3 Sec. 5. Quarantine and branding of reactors. In the event
4 an Illinois owner voluntarily elects to have his equidae
5 tested and a reactor is found, the reactor shall be (a)
6 quarantined until death or until released by a written notice
7 from the Department and (b) permanently identified with a
8 freezemarking brand which shall be applied by an employee of
9 the Department, a veterinarian in the employ of the Division
10 of Horse Racing of the Department of Lottery and Gaming
11 ~~Illinois Racing Board~~, or an employee of the Animal and Plant
12 Health Inspection Service of the United States Department of
13 Agriculture or any successor agency. The freezemarking brand
14 shall be not less than 2 inches in height, shall be applied to
15 the left side of the neck of the reactor, and the identifying
16 mark shall be "33" followed by the letter "A" and a number
17 designated by the Department to indicate individual
18 identification.

19 Any animal under 12 months of age which reacts positively
20 to an official test for EIA shall be quarantined and retested
21 at 12 months of age. If positive at that time, it shall be
22 subject to permanent identification as a reactor and continue
23 under quarantine. Foals being nursed by reactor dams shall be
24 quarantined until they are weaned from their dams and have a
25 negative official test for EIA not less than 60 days following

1 their weaning.

2 (Source: P.A. 86-223.)

3 Section 215. The Pay-Per-Call Services Consumer Protection
4 Act is amended by changing Section 10 as follows:

5 (815 ILCS 520/10) (from Ch. 134, par. 160)

6 Sec. 10. Rules applicable to the pay-per-call industry.

7 (a) Each sponsor engaged in furnishing any live, recorded,
8 or recorded-interactive audio text information services
9 including, but not limited to, "900" numbers and "976" numbers
10 shall utilize advertising that accurately describes the
11 message content, terms, conditions, and price of the offered
12 service in a clear and understandable manner in all print,
13 broadcast, or telephone advertising and announcements
14 promoting their offers including:

15 (1) The charges for the offer per call or per minute.

16 (2) Any geographic, time of day, or other limitations
17 on the availability of the offer.

18 (3) A requirement that callers under 12 years of age
19 must request parental or adult guardian permission before
20 calling to hear the offer.

21 (4) Display the charges in broadcast advertising with
22 the telephone numbers and a voice announcement of the
23 charges during the course of the commercials.

24 (5) Repeated voice announcements of these charges at

1 regular intervals for commercials in excess of 2 minutes.

2 (6) Charges for all subsequent calls if the program
3 refers to and requires another pay-per-call.

4 (b) The sponsor shall provide a minimum of 12 seconds of
5 delayed timing for information charges and price disclosure
6 message. If the delayed timing period is exceeded, a consumer
7 shall be billed from the time of the initial connection, and
8 transport charges shall be billed to the information provider
9 from the time of the initial connection. If the consumer
10 disconnects the call within the delayed timing period, no
11 information charge shall be billed to the caller. During the
12 delayed timing period, the sponsor shall inform the consumer
13 of all of the following:

14 (1) An accurate description of the service that will
15 be provided to the caller.

16 (2) An accurate summation of the cost of the service
17 including, but not limited to, all of the following:

18 (A) The initial flat rate charge, if any.

19 (B) The per minute charge, if any.

20 (C) The maximum per call charge.

21 (3) That, if the caller disconnects the call within
22 the delayed timing period, the consumer will not be
23 charged for the call.

24 (4) Before the end of the delayed timing period, that
25 the billing will commence after a stated period of not
26 less than 3 seconds.

1 (c) This information shall be provided at the beginning of
2 every call and at least 3 seconds shall be allowed at the end
3 of the message within the delayed timing period for the
4 consumer to hang up without being charged. An introductory
5 message, however, is not required if the cost of the call is \$1
6 or less per minute or the total potential cost of the call is
7 \$5 or less, or if the call is related to polling services,
8 asynchronous technology or political fundraising.

9 (d) Games of chance must, at a minimum, meet the following
10 criteria:

11 (1) The game must be operated as a means of promoting
12 goods or services other than the game itself.

13 (2) A no-purchase alternative method of participating
14 must be available that provides all entrants, including
15 non-purchasers and pay-per-call users, with an equal
16 chance of winning.

17 (3) The prize may not be financed from the proceeds of
18 the program sponsor's billed charges.

19 (4) The prize amount or value is not dependent on the
20 number of entries received.

21 (e) Game programs billed as pay-per-call shall include in
22 the official rules and, in all broadcasts and print
23 advertising of the game, a complete statement that includes
24 all of the following:

25 (1) Declares no purchase is necessary to play for free
26 or that an alternate means of entry is provided.

1 (2) Lists the sponsor's name, starting and closing
2 dates, any age restrictions for the participants, and
3 availability of complete official rules.

4 (3) Provides callers with sufficient information to
5 participate fully in the game.

6 (f) The provisions of subsections (d) and (e) of this
7 Section do not apply to any game of chance sponsored directly
8 or indirectly by the Department of Lottery and Gaming ~~the~~
9 ~~Lottery~~.

10 (Source: P.A. 87-452.)

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