## **104TH GENERAL ASSEMBLY**

# State of Illinois

## 2025 and 2026

#### SB1349

Introduced 1/28/2025, by Sen. Bill Cunningham

### SYNOPSIS AS INTRODUCED:

230 ILCS 45/25-10 230 ILCS 45/25-45

Amends the Sports Wagering Act. Provides that applicants for a master sports wagering license shall pay an application fee of \$250,000 and a license fee of \$15,000,000. Removes provisions concerning the number of master sports wagering licenses to online sports wagering operators and public notice requirements. Provides that a master sports wagering licensee may conduct sports wagering over the Internet or through a mobile application. Removes provisions concerning eligibility requirements for a master sports wagering license, the duty of disclosure for an applicant, and outreach requirements for the Department of Commerce and Economic Opportunity and the Illinois Gaming Board. Makes a conforming change. Effective immediately.

LRB104 07767 LNS 17812 b

1 AN ACT concerning gaming.

# Be it enacted by the People of the State of Illinois, represented in the General Assembly:

Section 5. The Sports Wagering Act is amended by changing
Sections 25-10 and 25-45 as follows:

6 (230 ILCS 45/25-10)

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

8 "Adjusted gross sports wagering receipts" means a master 9 sports wagering licensee's gross sports wagering receipts, 10 less winnings paid to wagerers in such games.

11 "Athlete" means any current or former professional athlete 12 or collegiate athlete.

"Board" means the Illinois Gaming Board.

14 "Covered persons" includes athletes; umpires, referees, 15 and officials; personnel associated with clubs, teams, 16 leagues, and athletic associations; medical professionals 17 (including athletic trainers) who provide services to athletes 18 and players; and the family members and associates of these 19 persons where required to serve the purposes of this Act.

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"Department" means the Department of the Lottery.

21 "Gaming facility" means a facility at which gambling 22 operations are conducted under the Illinois Gambling Act, 23 pari-mutuel wagering is conducted under the Illinois Horse Racing Act of 1975, or sports wagering is conducted under this
 Act.

league data" means 3 "Official statistics, results, outcomes, and other data related to a sports event obtained 4 5 pursuant to an agreement with the relevant sports governing 6 body, or an entity expressly authorized by the sports governing body to provide such information to licensees, that 7 authorizes the use of such data for determining the outcome of 8 9 tier 2 sports wagers on such sports events.

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

"Owners licensee" means the holder of an owners licenseunder the Illinois Gambling Act.

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

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

"Prohibited conduct" includes any statement, action, and other communication intended to influence, manipulate, or control a betting outcome of a sporting contest or of any individual occurrence or performance in a sporting contest in exchange for financial gain or to avoid financial or physical

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

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

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

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

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

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

"Sports wagering" means accepting wagers on sports events or portions of sports events, or on the individual performance statistics of athletes in a sports event or combination of sports events, by any system or method of wagering, including, but not limited to, in person or over the Internet through websites and on mobile devices. "Sports wagering" includes, but is not limited to, single-game bets, teaser bets, parlays, over-under, moneyline, pools, exchange wagering, in-game wagering, in-play bets, proposition bets, and straight bets.

7 "Sports wagering account" means a financial record 8 established by a master sports wagering licensee for an 9 individual patron in which the patron may deposit and withdraw 10 funds for sports wagering and other authorized purchases and 11 to which the master sports wagering licensee may credit 12 winnings or other amounts due to that patron or authorized by 13 that patron.

14 "Tier 1 sports wager" means a sports wager that is 15 determined solely by the final score or final outcome of the 16 sports event and is placed before the sports event has begun.

17 "Tier 2 sports wager" means a sports wager that is not a 18 tier 1 sports wager.

19 "Wager" means a sum of money or thing of value risked on an 20 uncertain occurrence.

21 "Winning bidder" means a qualified applicant for a master
22 sports wagering license chosen through the competitive
23 selection process under Section 25-45.

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

25 (230 ILCS 45/25-45)

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Sec. 25-45. Master sports wagering license issued to an
 online sports wagering operator.

3 (a) The Board may issue master sports wagering licenses to persons to conduct sports wagering over the Internet or 4 5 through a mobile application. The Board shall issue 3 master sports wagering licenses to online sports wagering operators 6 7 for a nonrefundable license fee of \$20,000,000 pursuant to an open and competitive selection process. The master sports 8 9 wagering license issued under this Section may be renewed 10 every 4 years upon payment of a \$1,000,000 renewal fee. To the 11 extent permitted by federal and State law, the Board shall 12 actively seek to achieve racial, ethnic, and geographic 13 diversity when issuing master sports wagering licenses under Section and encourage minority-owned businesses, 14 this women-owned businesses, veteran-owned businesses, 15 and 16 businesses owned by persons with disabilities to apply for 17 licensure.

For the purposes of this subsection (a), "minority-owned business", "women-owned business", and "business owned by persons with disabilities" have the meanings given to those terms in Section 2 of the Business Enterprise for Minorities, Women, and Persons with Disabilities Act.

(b) <u>Applicants shall pay to the Board a nonrefundable</u>
 application fee in the amount of \$250,000. The initial license
 fee for a master sports wagering license issued to an online
 sports wagering operator is \$15,000,000. The master sports

wagering license is valid for 4 years. Applications for the 1 2 initial competitive selection occurring after the effective date of this Act shall be received by the Board within 540 days 3 after the first license is issued under this Act to qualify. 4 5 The Board shall announce the winning bidders for the initial competitive selection within 630 days after the first license 6 is issued under this Act, and this time frame may be extended 7 at the discretion of the Board. 8

9 (c) <u>A licensee may renew the master sports wagering</u> license for a period of 4 years by paying a \$1,000,000 renewal 10 11 fee to the Board. The Board shall provide public notice of its 12 intent to solicit applications for master sports wagering licenses under this Section by posting the notice, application 13 instructions, and materials on its website for at least 30 14 calendar days before the applications are due. Failure by an 15 16 applicant to submit all required information may result in the 17 application being disgualified. The Board may notify an applicant that its application is incomplete and provide an 18 opportunity to cure by rule. Application instructions shall 19 20 include a brief overview of the selection process and how 21 applications are scored.

(d) <u>A master sports wagering licensee may conduct sports</u>
wagering over the Internet or through a mobile application. To
be eligible for a master sports wagering license under this
Section, an applicant must: (1) be at least 21 years of age;
(2) not have been convicted of a felony offense or a violation

of Article 28 of the Criminal Code of 1961 or the Criminal Code of 2012 or a similar statute of any other jurisdiction; (3) not have been convicted of a crime involving dishonesty or moral turpitude; (4) have demonstrated a level of skill or knowledge that the Board determines to be necessary in order to operate sports wagering; and (5) have met standards for the holding of a license as adopted by rules of the Board.

The Board may adopt rules to establish additional 8 9 qualifications and requirements to preserve the integrity and security of sports wagering in this State and to promote and 10 11 maintain a competitive sports wagering market. After the close 12 of the application period, the Board shall determine whether the applications meet the mandatory minimum qualification 13 criteria and conduct a comprehensive, fair, and impartial 14 evaluation of all qualified applications. 15

16 (e) <u>(Blank).</u> The Board shall open all qualified 17 applications in a public forum and disclose the applicants' 18 names. The Board shall summarize the terms of the proposals 19 and make the summaries available to the public on its website.

(f) (Blank). Not more than 90 days after the publication of the qualified applications, the Board shall identify the winning bidders. In granting the licenses, the Board may give favorable consideration to qualified applicants presenting plans that provide for economic development and community engagement. To the extent permitted by federal and State law, the Board may give favorable consideration to qualified

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- 1 applicants demonstrating commitment to diversity in the 2 workplace.

(g) (Blank). Upon selection of the winning bidders, the Board shall have a reasonable period of time to ensure compliance with all applicable statutory and regulatory eriteria before issuing the licenses. If the Board determines a winning bidder does not satisfy all applicable statutory and regulatory criteria, the Board shall select another bidder from the remaining qualified applicants.

10 (h) <u>(Blank).</u> Nothing in this Section is intended to confer 11 a property or other right, duty, privilege, or interest 12 entitling an applicant to an administrative hearing upon 13 denial of an application.

(i) (Blank). Upon issuance of a master sports wagering 14 license to a winning bidder, the information and plans 15 provided in the application become a condition of the license. 16 17 A master sports wagering licensee under this Section has a duty to disclose any material changes to the application. 18 Failure to comply with the conditions or requirements in the 19 application may subject the master sports wagering licensee 20 under this Section to discipline, including, but not limited 21 22 to, fines, suspension, and revocation of its license, pursuant 23 to rules adopted by the Board.

(j) (Blank). The Board shall disseminate information about
 the licensing process through media demonstrated to reach
 large numbers of business owners and entrepreneurs who are

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minorities, women, veterans, and persons with disabilities.

(k) <u>(Blank).</u> The Department of Commerce and Economic Opportunity, in conjunction with the Board, shall conduct ongoing, thorough, and comprehensive outreach to businesses owned by minorities, women, veterans, and persons with disabilities about contracting and entrepreneurial opportunities in sports wagering. This outreach shall include, but not be limited to:

9 (1) cooperating and collaborating with other State 10 boards, commissions, and agencies; public and private 11 universities and community colleges; and local governments 12 to target outreach efforts; and

13 (2) working with organizations serving minorities,
 14 women, and persons with disabilities to establish and
 15 conduct training for employment in sports wagering.

16 (1) <u>(Blank)</u>. The Board shall partner with the Department 17 of Labor, the Department of Financial and Professional 18 Regulation, and the Department of Commerce and Economic 19 Opportunity to identify employment opportunities within the 20 sports wagering industry for job seekers and dislocated 21 workers.

(m) By March 1, 2020, the Board shall prepare a request for proposals to conduct a study of the online sports wagering industry and market to determine whether there is a compelling interest in implementing remedial measures, including the application of the Business Enterprise Program under the Business Enterprise for Minorities, Women, and Persons with Disabilities Act or a similar program to assist minorities, women, and persons with disabilities in the sports wagering industry.

5 As a part of the study, the Board shall evaluate race and 6 gender-neutral programs or other methods that may be used to 7 address the needs of minority and women applicants and 8 minority-owned women-owned businesses and seeking to 9 participate in the sports wagering industry. The Board shall 10 submit to the General Assembly and publish on its website the 11 results of this study by August 1, 2020.

12 If, as a result of the study conducted under this 13 subsection (m), the Board finds that there is a compelling 14 interest in implementing remedial measures, the Board may 15 adopt rules, including emergency rules, to implement remedial 16 measures, if necessary and to the extent permitted by State 17 and federal law, based on the findings of the study conducted 18 under this subsection (m).

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

20 Section 99. Effective date. This Act takes effect upon 21 becoming law.

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