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Rep. Charles G. Morrow III

## Filed: 3/23/2004

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1	AMENDMENT TO HOUSE BILL 2380
2	AMENDMENT NO Amend House Bill 2380 by replacing
3	everything after the enacting clause with the following:
4	"Section 5. The State Finance Act is amended by adding
5	Section 5.625 as follows:
6	(30 ILCS 105/5.625 new)
7	Sec. 5.625. The Universal Service Surcharge Fund.
8	Section 10. The Public Utilities Act is amended by adding
9	Sections 8-207.5 and 9-222.4 as follows:
10	(220 ILCS 5/8-207.5 new)
11	Sec. 8-207.5. Percentage of Income Payment Plan.
12	(a) An electric or gas public utility that provides service
13	to consumers in Illinois shall participate in the Percentage of
14	Income Payment Plan established under the Energy Assistance Act
15	<u>of 1989.</u>
16	(b) As a part of the percentage of income payment plan, an
17	electric or gas public utility shall establish and implement an
18	arrearage forgiveness program for consumers who are
19	participating in the plan. The arrearage forgiveness program
20	shall provide that one-twelfth of a participant's arrearage
21	shall be forgiven for every 3 months of participation in the
22	plan.

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(c) Notwithstanding any other provision of this Act, an
 electric or gas public utility may not disconnect service to
 any residential customer who is a participant in the Percentage
 of Income Payment Plan.

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(220 ILCS 5/9-222.4 new)

6 Sec. 9-222.4. Universal Service Fund Surcharge.

(a) The Commission shall establish a surcharge (universal 7 service rider) to be imposed by a public utility upon gas and 8 9 electricity service provided to consumers in this State. The 10 amount that may be recovered under the universal service rider for a given year shall be limited to the amount by which the 11 cost of gas or electricity provided to consumers participating 12 in the Percentage of Income Payment Plan exceeds the amount 13 paid by those consumers for gas or electricity. The amount of 14 the surcharge shall be adjusted each year to reflect the actual 15 costs incurred during the previous year. 16

17 (b) Moneys received under the universal service rider shall be paid to the Commission and deposited into the Universal 18 Service Surcharge Fund, a special fund hereby created in the 19 20 State Treasury. Subject to appropriation, the moneys in the 21 Universal Service Surcharge Fund shall be used to pay providers of gas or electricity the amount by which the cost of gas or 22 electricity provided to consumers participating in the 23 24 Percentage of Income Payment Plan exceeded the amount paid by 25 those consumers to the provider for that gas or electricity.

26 Section 13. The Riverboat Gambling Act is amended by 27 changing Section 13 as follows:

28 (230 ILCS 10/13) (from Ch. 120, par. 2413)

29 Sec. 13. Wagering tax; rate; distribution.

30 (a) Until January 1, 1998, a tax is imposed on the adjusted
 31 gross receipts received from gambling games authorized under

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1 this Act at the rate of 20%.

(a-1) From January 1, 1998 until July 1, 2002, a privilege
tax is imposed on persons engaged in the business of conducting
riverboat gambling operations, based on the adjusted gross
receipts received by a licensed owner from gambling games
authorized under this Act at the following rates:

7 15% of annual adjusted gross receipts up to and 8 including \$25,000,000;

9 20% of annual adjusted gross receipts in excess of
10 \$25,000,000 but not exceeding \$50,000,000;

11 25% of annual adjusted gross receipts in excess of 12 \$50,000,000 but not exceeding \$75,000,000;

30% of annual adjusted gross receipts in excess of
\$75,000,000 but not exceeding \$100,000,000;

15 35% of annual adjusted gross receipts in excess of 16 \$100,000,000.

(a-2) From July 1, 2002 until July 1, 2003, a privilege tax is imposed on persons engaged in the business of conducting riverboat gambling operations, other than licensed managers conducting riverboat gambling operations on behalf of the State, based on the adjusted gross receipts received by a licensed owner from gambling games authorized under this Act at the following rates:

24 15% of annual adjusted gross receipts up to and 25 including \$25,000,000;

26 22.5% of annual adjusted gross receipts in excess of
27 \$25,000,000 but not exceeding \$50,000,000;

28 27.5% of annual adjusted gross receipts in excess of
29 \$50,000,000 but not exceeding \$75,000,000;

30 32.5% of annual adjusted gross receipts in excess of
\$75,000,000 but not exceeding \$100,000,000;

32 37.5% of annual adjusted gross receipts in excess of 33 \$100,000,000 but not exceeding \$150,000,000;

34 45% of annual adjusted gross receipts in excess of

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\$150,000,000 but not exceeding \$200,000,000;

2 50% of annual adjusted gross receipts in excess of 3 \$200,000,000.

4 (a-3) Beginning July 1, 2003, a privilege tax is imposed on 5 persons engaged in the business of conducting riverboat gambling operations, other than licensed managers conducting 6 7 riverboat gambling operations on behalf of the State, based on the adjusted gross receipts received by a licensed owner from 8 gambling games authorized under this Act at the following 9 10 rates:

15% of annual adjusted gross receipts up to 11 and including \$25,000,000; 12

27.5% of annual adjusted gross receipts in excess of 13 \$25,000,000 but not exceeding \$37,500,000; 14

15 32.5% of annual adjusted gross receipts in excess of \$37,500,000 but not exceeding \$50,000,000; 16

37.5% of annual adjusted gross receipts in excess of 17 18 \$50,000,000 but not exceeding \$75,000,000;

45% of annual adjusted gross receipts in excess of 19 20 \$75,000,000 but not exceeding \$100,000,000;

50% of annual adjusted gross receipts in excess of 21 \$100,000,000 but not exceeding \$250,000,000; 22

70% of annual adjusted gross receipts in excess of 23 24 \$250,000,000.

25 An amount equal to the amount of wagering taxes collected 26 under this subsection (a-3) that are in addition to the amount of wagering taxes that would have been collected if the 27 28 wagering tax rates under subsection (a-2) were in effect shall 29 be paid into the Common School Fund.

The privilege tax imposed under this subsection (a-3) shall 30 31 no longer be imposed beginning on the earlier of (i) July 1, 2005; (ii) the first date after June 20, 2003 the effective 32 date of this amendatory Act of the 93rd General Assembly that 33 riverboat gambling operations are conducted pursuant to a 34

dormant license; or (iii) the first day that riverboat gambling 1 2 operations are conducted under the authority of an owners 3 license that is in addition to the 10 owners licenses initially 4 authorized under this Act. For the purposes of this subsection 5 (a-3), the term "dormant license" means an owners license that is authorized by this Act under which no riverboat gambling 6 7 operations are being conducted on June 20, 2003 the effective date of this amendatory Act of the 93rd General Assembly. 8

(a-4) Beginning on the first day on which the tax imposed 9 10 under subsection (a-3) is no longer imposed, a privilege tax is 11 imposed on persons engaged in the business of conducting riverboat gambling operations, other than licensed managers 12 conducting riverboat gambling operations on behalf of the 13 14 State, based on the adjusted gross receipts received by a 15 licensed owner from gambling games authorized under this Act at 16 the following rates:

17 15% of annual adjusted gross receipts up to and 18 including \$25,000,000;

22.5% of annual adjusted gross receipts in excess of
\$25,000,000 but not exceeding \$50,000,000;

27.5% of annual adjusted gross receipts in excess of
\$50,000,000 but not exceeding \$75,000,000;

32.5% of annual adjusted gross receipts in excess of
\$75,000,000 but not exceeding \$100,000,000;

37.5% of annual adjusted gross receipts in excess of
\$100,000,000 but not exceeding \$150,000,000;

45% of annual adjusted gross receipts in excess of
\$150,000,000 but not exceeding \$200,000,000;

29 50% of annual adjusted gross receipts in excess of
30 \$200,000,000.

31 <u>(a-8)</u> Riverboat gambling operations conducted by a 32 licensed manager on behalf of the State are not subject to the 33 tax imposed under this Section.

34 (a-10) The taxes imposed by this Section shall be paid by

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the licensed owner to the Board not later than 3:00 o'clock p.m. of the day after the day when the wagers were made.

3 (b) Until January 1, 1998, 25% of the tax revenue deposited 4 in the State Gaming Fund under this Section shall be paid, 5 subject to appropriation by the General Assembly, to the unit of local government which is designated as the home dock of the 6 7 riverboat. Beginning January 1, 1998, from the tax revenue deposited in the State Gaming Fund under this Section, an 8 amount equal to 5% of adjusted gross receipts generated by a 9 10 riverboat shall be paid monthly, subject to appropriation by the General Assembly, to the unit of local government that is 11 designated as the home dock of the riverboat. From the tax 12 revenue deposited in the State Gaming Fund pursuant to 13 14 riverboat gambling operations conducted by a licensed manager 15 on behalf of the State, an amount equal to 5% of adjusted gross 16 receipts generated pursuant to those riverboat gambling operations shall be paid monthly, subject to appropriation by 17 18 the General Assembly, to the unit of local government that is 19 designated as the home dock of the riverboat upon which those 20 riverboat gambling operations are conducted.

21 (c) Appropriations, as approved by the General Assembly, may be made from the State Gaming Fund to the Department of 22 23 the Department of State Police for Revenue and the 24 administration and enforcement of this Act, or to the 25 Department of Human Services for the administration of programs 26 to treat problem gambling.

(c-5) After the payments required under subsections (b) and 27 28 (c) have been made, an amount equal to 15% of the adjusted 29 gross receipts of (1) an owners licensee that relocates pursuant to Section 11.2, (2) an owners licensee license 30 31 conducting riverboat gambling operations pursuant to an owners 32 license that is initially issued after June 25, 1999, or (3) the first riverboat gambling operations conducted by a licensed 33 manager on behalf of the State under Section 7.3 7.2, whichever 34

comes first, shall be paid from the State Gaming Fund into the
 Horse Racing Equity Fund.

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 adjusted gross receipts of (1) an owners licensee that 9 10 relocates pursuant to Section 11.2, (2) an owners licensee 11 conducting riverboat gambling operations pursuant to an owners license that is initially issued after June 25, 1999, or (3) 12 13 the first riverboat gambling operations conducted by a licensed manager on behalf of the State under Section 7.3 7.2, whichever 14 15 comes first, shall be paid, subject to appropriation from the 16 General Assembly, from the State Gaming Fund to each home rule county with a population of over 3,000,000 inhabitants for the 17 purpose of enhancing the county's criminal justice system. 18

19 (c-20) Each year the General Assembly shall appropriate 20 from the General Revenue Fund to the Education Assistance Fund 21 an amount equal to the amount paid to each home rule county 22 with a population of over 3,000,000 inhabitants pursuant to 23 subsection (c-15) in the prior calendar year.

24 (c-25) After the payments required under subsections (b), 25 (c),  $(c-5)_{L}$  and (c-15) have been made, an amount equal to 2% of 26 the adjusted gross receipts of (1) an owners licensee license that relocates pursuant to Section 11.2, (2) an owners licensee 27 28 license conducting riverboat gambling operations pursuant to 29 an owners license that is initially issued after June 25, 1999, 30 or (3) the first riverboat gambling operations conducted by a 31 licensed manager on behalf of the State under Section 7.3 7.2, 32 whichever comes first, shall be paid from the State Gaming Fund 33 to Chicago State University.

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(c-30) After the payments required under subsections (b),

(c), (c-5), (c-15), and (c-25) have been made, an amount equal
 to 1% of the adjusted gross receipts of each riverboat shall be
 paid from the State Gaming Fund to the Supplemental Low-Income
 Energy Assistance Fund.
 (c-35) Each year the General Assembly shall appropriate
 from the General Revenue Fund to the Education Assistance Fund

7 <u>an amount equal to the amount paid into the Supplemental</u>
8 <u>Low-Income Energy Assistance Fund pursuant to subsection</u>
9 <u>(c-30) in the prior calendar year.</u>

(d) From time to time, the Board shall transfer the
remainder of the funds generated by this Act into the Education
Assistance Fund, created by Public Act 86-0018, of the State of
Illinois.

(e) Nothing in this Act shall prohibit the unit of local government designated as the home dock of the riverboat from entering into agreements with other units of local government in this State or in other states to share its portion of the tax revenue.

(f) To the extent practicable, the Board shall administer and collect the wagering taxes imposed by this Section in a manner consistent with the provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, and 10 of the Retailers' Occupation Tax Act and Section 3-7 of the Uniform Penalty and Interest Act.

25 (Source: P.A. 92-595, eff. 6-28-02; 93-27, eff. 6-20-03; 93-28, 26 eff. 6-20-03; revised 1-28-04.)

27 Section 15. The Energy Assistance Act of 1989 is amended by 28 adding Section 4.5 as follows:

29 (305 ILCS 20/4.5 new)

30 Sec. 4.5. Percentage of Income Payment Plan.

31 (a) In addition to the energy assistance program
 32 established under Section 4, the Department shall institute a

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Percentage of Income Payment Plan to further ensure the 1 availability of heating and electric service to low income 2 3 citizens. The Department shall implement the plan by rule. The plan shall be consistent with the objectives of this Section. 4 5 The Department shall ensure that the plan is in operation by November 1, 2004, and may enter into such contracts and other 6 7 agreements with local agencies as may be necessary for the 8 purpose of administering the plan.

The plan shall be coordinated with the energy 9 (b) assistance program. Application for benefits shall be made 10 jointly for both the Percentage of Income Payment Plan and the 11 energy assistance program. An applicant for the Percentage of 12 13 Income Payment Plan must also apply for the energy assistance program. In determining benefit distribution under the energy 14 15 assistance program and the Percentage of Income Payment Plan, the Department shall consider utility prices, household size, 16 income, and geographic location. The amounts distributed under 17 the energy assistance program shall not exceed 40% of energy 18 costs for the lowest income level of eligible households nor 19 20 15% of energy costs for the highest income level of eligible 21 households.

22 (c) In order to be eligible for the Percentage of Income Payment Plan, an applicant must have a household income that is 23 at or below 150% of the federal poverty level. A resident 24 25 eligible to participate in the plan shall be required to pay no 26 more than 6% of his or her annual income for gas and electric service. A resident whose household income is at or below 50% 27 of the federal poverty level shall be required to pay no more 28 29 than 3% of his or her annual income for gas and electric service. For purposes of this subsection, a consumer's annual 30 31 gas and electric costs shall be determined after deducting any amounts the consumer receives under the energy assistance 32 33 program and all other energy assistance programs.".