



Rep. Lou Lang

Filed: 5/28/2005

09400HB1921ham005

LRB094 02932 AMC 47348 a

1 AMENDMENT TO HOUSE BILL 1921

2 AMENDMENT NO. _____. Amend House Bill 1921 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Executive Reorganization Implementation
5 Act is amended by changing Section 3.1 as follows:

6 (15 ILCS 15/3.1) (from Ch. 127, par. 1803.1)

7 Sec. 3.1. "Agency directly responsible to the Governor" or
8 "agency" means any office, officer, division, or part thereof,
9 and any other office, nonelective officer, department,
10 division, bureau, board, or commission in the executive branch
11 of State government, except that it does not apply to any
12 agency whose primary function is service to the General
13 Assembly or the Judicial Branch of State government, or to any
14 agency administered by the Attorney General, Secretary of
15 State, State Comptroller or State Treasurer. In addition the
16 term does not apply to the following agencies created by law
17 with the primary responsibility of exercising regulatory or
18 adjudicatory functions independently of the Governor:

- 19 (1) the State Board of Elections;
- 20 (2) the State Board of Education;
- 21 (3) the Illinois Commerce Commission;
- 22 (4) the Illinois Workers' Compensation Commission;
- 23 (5) the Civil Service Commission;
- 24 (6) the Fair Employment Practices Commission;

- 1 (7) the Pollution Control Board;
- 2 (8) the Department of State Police Merit Board;i
- 3 (9) The Illinois Gaming Board.
- 4 (Source: P.A. 93-721, eff. 1-1-05.)

5 Section 10. The Riverboat Gambling Act is amended by
6 changing Sections 4, 5, and 13 and by adding Section 5.2 as
7 follows:

8 (230 ILCS 10/4) (from Ch. 120, par. 2404)

9 Sec. 4. Definitions. As used in this Act:

10 (a) "Board" means the Illinois Gaming Board.

11 (b) "Occupational license" means a license issued by the
12 Board to a person or entity to perform an occupation which the
13 Board has identified as requiring a license to engage in
14 riverboat gambling in Illinois.

15 (c) "Gambling game" includes, but is not limited to,
16 baccarat, twenty-one, poker, craps, slot machine, video game of
17 chance, roulette wheel, klondike table, punchboard, faro
18 layout, keno layout, numbers ticket, push card, jar ticket, or
19 pull tab which is authorized by the Board as a wagering device
20 under this Act.

21 (d) "Riverboat" means a self-propelled excursion boat, a
22 permanently moored barge, or permanently moored barges that are
23 permanently fixed together to operate as one vessel, on which
24 lawful gambling is authorized and licensed as provided in this
25 Act.

26 (e) "Managers license" means a license issued by the Board
27 to a person or entity to manage gambling operations conducted
28 by the State pursuant to Section 7.3 ~~7.2~~.

29 (f) "Dock" means the location where a riverboat moors for
30 the purpose of embarking passengers for and disembarking
31 passengers from the riverboat.

32 (g) "Gross receipts" means the total amount of money

1 exchanged for the purchase of chips, tokens or electronic cards
2 by riverboat patrons.

3 (h) "Adjusted gross receipts" means the gross receipts less
4 winnings paid to wagerers.

5 (i) "Cheat" means to alter the selection of criteria which
6 determine the result of a gambling game or the amount or
7 frequency of payment in a gambling game.

8 (j) (Blank). ~~"Department" means the Department of Revenue.~~

9 (k) "Gambling operation" means the conduct of authorized
10 gambling games upon a riverboat.

11 (l) "License bid" means the lump sum amount of money that
12 an applicant bids and agrees to pay the State in return for an
13 owners license that is re-issued on or after July 1, 2003.

14 (m) The terms "minority person" and "female" shall have the
15 same meaning as defined in Section 2 of the Business Enterprise
16 for Minorities, Females, and Persons with Disabilities Act.

17 (Source: P.A. 92-600, eff. 6-28-02; 93-28, eff. 6-20-03;
18 revisory 1-28-04.)

19 (230 ILCS 10/5) (from Ch. 120, par. 2405)

20 Sec. 5. Gaming Board.

21 (a) (1) There is hereby established the ~~within the~~
22 ~~Department of Revenue an~~ Illinois Gaming Board, l which shall
23 have the powers and duties specified in this Act, and all other
24 powers necessary and proper to fully and effectively execute
25 this Act for the purpose of administering, regulating, and
26 enforcing the system of riverboat gambling established by this
27 Act. Its jurisdiction shall extend under this Act to every
28 person, association, corporation, partnership and trust
29 involved in riverboat gambling operations in the State of
30 Illinois.

31 (2) The Board shall consist of 5 members to be appointed by
32 the Governor with the advice and consent of the Senate, one of
33 whom shall be designated by the Governor to be chairman. Each

1 member shall have a reasonable knowledge of the practice,
2 procedure and principles of gambling operations. Each member
3 shall either be a resident of Illinois or shall certify that he
4 will become a resident of Illinois before taking office. At
5 least one member shall be experienced in law enforcement and
6 criminal investigation, at least one member shall be a
7 certified public accountant experienced in accounting and
8 auditing, and at least one member shall be a lawyer licensed to
9 practice law in Illinois.

10 (3) The terms of office of the Board members shall be 3
11 years, except that the terms of office of the initial Board
12 members appointed pursuant to this Act will commence from the
13 effective date of this Act and run as follows: one for a term
14 ending July 1, 1991, 2 for a term ending July 1, 1992, and 2 for
15 a term ending July 1, 1993. Upon the expiration of the
16 foregoing terms, the successors of such members shall serve a
17 term for 3 years and until their successors are appointed and
18 qualified for like terms. Vacancies in the Board shall be
19 filled for the unexpired term in like manner as original
20 appointments. Each member of the Board shall be eligible for
21 reappointment at the discretion of the Governor with the advice
22 and consent of the Senate.

23 (4) Each member of the Board shall receive \$300 for each
24 day the Board meets and for each day the member conducts any
25 hearing pursuant to this Act. Each member of the Board shall
26 also be reimbursed for all actual and necessary expenses and
27 disbursements incurred in the execution of official duties.

28 (5) No person shall be appointed a member of the Board or
29 continue to be a member of the Board who is, or whose spouse,
30 child or parent is, a member of the board of directors of, or a
31 person financially interested in, any gambling operation
32 subject to the jurisdiction of this Board, or any race track,
33 race meeting, racing association or the operations thereof
34 subject to the jurisdiction of the Illinois Racing Board. No

1 Board member shall hold any other public office ~~for which he~~
2 ~~shall receive compensation other than necessary travel or other~~
3 ~~incidental expenses~~. No person shall be a member of the Board
4 who is not of good moral character or who has been convicted
5 of, or is under indictment for, a felony under the laws of
6 Illinois or any other state, or the United States.

7 (5.5) No member of the Board shall engage in any political
8 activity. For the purposes of this Section, "political" means
9 any activity in support of or in connection with any campaign
10 for elective office or any political organization, but does not
11 include activities (i) relating to the support or opposition of
12 any executive, legislative, or administrative action (as those
13 terms are defined in Section 2 of the Lobbyist Registration
14 Act), (ii) relating to collective bargaining, or (iii) that are
15 otherwise in furtherance of the person's official State duties
16 or governmental and public service functions.

17 (6) Any member of the Board may be removed by the Governor
18 for neglect of duty, misfeasance, malfeasance, or nonfeasance
19 in office or for engaging in any political activity.

20 (7) Before entering upon the discharge of the duties of his
21 office, each member of the Board shall take an oath that he
22 will faithfully execute the duties of his office according to
23 the laws of the State and the rules and regulations adopted
24 therewith and shall give bond to the State of Illinois,
25 approved by the Governor, in the sum of \$25,000. Every such
26 bond, when duly executed and approved, shall be recorded in the
27 office of the Secretary of State. Whenever the Governor
28 determines that the bond of any member of the Board has become
29 or is likely to become invalid or insufficient, he shall
30 require such member forthwith to renew his bond, which is to be
31 approved by the Governor. Any member of the Board who fails to
32 take oath and give bond within 30 days from the date of his
33 appointment, or who fails to renew his bond within 30 days
34 after it is demanded by the Governor, shall be guilty of

1 neglect of duty and may be removed by the Governor. The cost of
2 any bond given by any member of the Board under this Section
3 shall be taken to be a part of the necessary expenses of the
4 Board.

5 (8) ~~The~~ Upon the request of the Board, ~~the Department~~ shall
6 employ such personnel as may be necessary to carry out its ~~the~~
7 functions ~~of the Board~~. No person shall be employed to serve
8 the Board who is, or whose spouse, parent or child is, an
9 official of, or has a financial interest in or financial
10 relation with, any operator engaged in gambling operations
11 within this State or any organization engaged in conducting
12 horse racing within this State. Any employee violating these
13 prohibitions shall be subject to termination of employment.

14 (9) An Administrator shall perform any and all duties that
15 the Board shall assign him. The salary of the Administrator
16 shall be determined by the Board ~~and approved by the Director~~
17 ~~of the Department~~ and, in addition, he shall be reimbursed for
18 all actual and necessary expenses incurred by him in discharge
19 of his official duties. The Administrator shall keep records of
20 all proceedings of the Board and shall preserve all records,
21 books, documents and other papers belonging to the Board or
22 entrusted to its care. The Administrator shall devote his full
23 time to the duties of the office and shall not hold any other
24 office or employment.

25 (b) The Board shall have general responsibility for the
26 implementation of this Act. Its duties include, without
27 limitation, the following:

28 (1) To decide promptly and in reasonable order all
29 license applications. Any party aggrieved by an action of
30 the Board denying, suspending, revoking, restricting or
31 refusing to renew a license may request a hearing before
32 the Board. A request for a hearing must be made to the
33 Board in writing within 5 days after service of notice of
34 the action of the Board. Notice of the action of the Board

1 shall be served either by personal delivery or by certified
2 mail, postage prepaid, to the aggrieved party. Notice
3 served by certified mail shall be deemed complete on the
4 business day following the date of such mailing. The Board
5 shall conduct all requested hearings promptly and in
6 reasonable order;

7 (2) To conduct all hearings pertaining to civil
8 violations of this Act or rules and regulations promulgated
9 hereunder;

10 (3) To promulgate such rules and regulations as in its
11 judgment may be necessary to protect or enhance the
12 credibility and integrity of gambling operations
13 authorized by this Act and the regulatory process
14 hereunder;

15 (4) To provide for the establishment and collection of
16 all license and registration fees and taxes imposed by this
17 Act and the rules and regulations issued pursuant hereto.
18 All such fees and taxes shall be deposited into the State
19 Gaming Fund;

20 (5) To provide for the levy and collection of penalties
21 and fines for the violation of provisions of this Act and
22 the rules and regulations promulgated hereunder. All such
23 fines and penalties shall be deposited into the Education
24 Assistance Fund, created by Public Act 86-0018, of the
25 State of Illinois;

26 (6) To be present through its inspectors and agents any
27 time gambling operations are conducted on any riverboat for
28 the purpose of certifying the revenue thereof, receiving
29 complaints from the public, and conducting such other
30 investigations into the conduct of the gambling games and
31 the maintenance of the equipment as from time to time the
32 Board may deem necessary and proper;

33 (7) To review and rule upon any complaint by a licensee
34 regarding any investigative procedures of the State which

1 are unnecessarily disruptive of gambling operations. The
2 need to inspect and investigate shall be presumed at all
3 times. The disruption of a licensee's operations shall be
4 proved by clear and convincing evidence, and establish
5 that: (A) the procedures had no reasonable law enforcement
6 purposes, and (B) the procedures were so disruptive as to
7 unreasonably inhibit gambling operations;

8 (8) To hold at least one meeting each quarter of the
9 fiscal year. In addition, special meetings may be called by
10 the Chairman or any 2 Board members upon 72 hours written
11 notice to each member. All Board meetings shall be subject
12 to the Open Meetings Act. Three members of the Board shall
13 constitute a quorum, and 3 votes shall be required for any
14 final determination by the Board. The Board shall keep a
15 complete and accurate record of all its meetings. A
16 majority of the members of the Board shall constitute a
17 quorum for the transaction of any business, for the
18 performance of any duty, or for the exercise of any power
19 which this Act requires the Board members to transact,
20 perform or exercise en banc, except that, upon order of the
21 Board, one of the Board members or an administrative law
22 judge designated by the Board may conduct any hearing
23 provided for under this Act or by Board rule and may
24 recommend findings and decisions to the Board. The Board
25 member or administrative law judge conducting such hearing
26 shall have all powers and rights granted to the Board in
27 this Act. The record made at the time of the hearing shall
28 be reviewed by the Board, or a majority thereof, and the
29 findings and decision of the majority of the Board shall
30 constitute the order of the Board in such case;

31 (9) To maintain records which are separate and distinct
32 from the records of any other State board or commission.
33 Such records shall be available for public inspection and
34 shall accurately reflect all Board proceedings;

1 (10) To file a written annual report with the Governor
2 on or before March 1 each year and such additional reports
3 as the Governor may request. The annual report shall
4 include a statement of receipts and disbursements by the
5 Board, actions taken by the Board, and any additional
6 information and recommendations which the Board may deem
7 valuable or which the Governor may request;

8 (11) (Blank); and

9 (12) (Blank). ~~To assume responsibility for the~~
10 ~~administration and enforcement of the Bingo License and Tax~~
11 ~~Act, the Charitable Games Act, and the Pull Tabs and Jar~~
12 ~~Games Act if such responsibility is delegated to it by the~~
13 ~~Director of Revenue.~~

14 (c) The Board shall have jurisdiction over and shall
15 supervise all gambling operations governed by this Act. The
16 Board shall have all powers necessary and proper to fully and
17 effectively execute the provisions of this Act, including, but
18 not limited to, the following:

19 (1) To investigate applicants and determine the
20 eligibility of applicants for licenses and to select among
21 competing applicants the applicants which best serve the
22 interests of the citizens of Illinois.

23 (2) To have jurisdiction and supervision over all
24 riverboat gambling operations in this State and all persons
25 on riverboats where gambling operations are conducted.

26 (3) To promulgate rules and regulations for the purpose
27 of administering the provisions of this Act and to
28 prescribe rules, regulations and conditions under which
29 all riverboat gambling in the State shall be conducted.
30 Such rules and regulations are to provide for the
31 prevention of practices detrimental to the public interest
32 and for the best interests of riverboat gambling, including
33 rules and regulations regarding the inspection of such
34 riverboats and the review of any permits or licenses

1 necessary to operate a riverboat under any laws or
2 regulations applicable to riverboats, and to impose
3 penalties for violations thereof.

4 (4) To enter the office, riverboats, facilities, or
5 other places of business of a licensee, where evidence of
6 the compliance or noncompliance with the provisions of this
7 Act is likely to be found.

8 (5) To investigate alleged violations of this Act or
9 the rules of the Board and to take appropriate disciplinary
10 action against a licensee or a holder of an occupational
11 license for a violation, or institute appropriate legal
12 action for enforcement, or both.

13 (6) To adopt standards for the licensing of all persons
14 under this Act, as well as for electronic or mechanical
15 gambling games, and to establish fees for such licenses.

16 (7) To adopt appropriate standards for all riverboats
17 and facilities.

18 (8) To require that the records, including financial or
19 other statements of any licensee under this Act, shall be
20 kept in such manner as prescribed by the Board and that any
21 such licensee involved in the ownership or management of
22 gambling operations submit to the Board an annual balance
23 sheet and profit and loss statement, list of the
24 stockholders or other persons having a 1% or greater
25 beneficial interest in the gambling activities of each
26 licensee, and any other information the Board deems
27 necessary in order to effectively administer this Act and
28 all rules, regulations, orders and final decisions
29 promulgated under this Act.

30 (9) To conduct hearings, issue subpoenas for the
31 attendance of witnesses and subpoenas duces tecum for the
32 production of books, records and other pertinent documents
33 in accordance with the Illinois Administrative Procedure
34 Act, and to administer oaths and affirmations to the

1 witnesses, when, in the judgment of the Board, it is
2 necessary to administer or enforce this Act or the Board
3 rules.

4 (10) To prescribe a form to be used by any licensee
5 involved in the ownership or management of gambling
6 operations as an application for employment for their
7 employees.

8 (11) To revoke or suspend licenses, as the Board may
9 see fit and in compliance with applicable laws of the State
10 regarding administrative procedures, and to review
11 applications for the renewal of licenses. The Board may
12 suspend an owners license, without notice or hearing upon a
13 determination that the safety or health of patrons or
14 employees is jeopardized by continuing a riverboat's
15 operation. The suspension may remain in effect until the
16 Board determines that the cause for suspension has been
17 abated. The Board may revoke the owners license upon a
18 determination that the owner has not made satisfactory
19 progress toward abating the hazard.

20 (12) To eject or exclude or authorize the ejection or
21 exclusion of, any person from riverboat gambling
22 facilities where such person is in violation of this Act,
23 rules and regulations thereunder, or final orders of the
24 Board, or where such person's conduct or reputation is such
25 that his presence within the riverboat gambling facilities
26 may, in the opinion of the Board, call into question the
27 honesty and integrity of the gambling operations or
28 interfere with orderly conduct thereof; provided that the
29 propriety of such ejection or exclusion is subject to
30 subsequent hearing by the Board.

31 (13) To require all licensees of gambling operations to
32 utilize a cashless wagering system whereby all players'
33 money is converted to tokens, electronic cards, or chips
34 which shall be used only for wagering in the gambling

1 establishment.

2 (14) (Blank).

3 (15) To suspend, revoke or restrict licenses, to
4 require the removal of a licensee or an employee of a
5 licensee for a violation of this Act or a Board rule or for
6 engaging in a fraudulent practice, and to impose civil
7 penalties of up to \$5,000 against individuals and up to
8 \$10,000 or an amount equal to the daily gross receipts,
9 whichever is larger, against licensees for each violation
10 of any provision of the Act, any rules adopted by the
11 Board, any order of the Board or any other action which, in
12 the Board's discretion, is a detriment or impediment to
13 riverboat gambling operations.

14 (16) To hire employees to gather information, conduct
15 investigations and carry out any other tasks contemplated
16 under this Act.

17 (17) To establish minimum levels of insurance to be
18 maintained by licensees.

19 (18) To authorize a licensee to sell or serve alcoholic
20 liquors, wine or beer as defined in the Liquor Control Act
21 of 1934 on board a riverboat and to have exclusive
22 authority to establish the hours for sale and consumption
23 of alcoholic liquor on board a riverboat, notwithstanding
24 any provision of the Liquor Control Act of 1934 or any
25 local ordinance, and regardless of whether the riverboat
26 makes excursions. The establishment of the hours for sale
27 and consumption of alcoholic liquor on board a riverboat is
28 an exclusive power and function of the State. A home rule
29 unit may not establish the hours for sale and consumption
30 of alcoholic liquor on board a riverboat. This amendatory
31 Act of 1991 is a denial and limitation of home rule powers
32 and functions under subsection (h) of Section 6 of Article
33 VII of the Illinois Constitution.

34 (19) After consultation with the U.S. Army Corps of

1 Engineers, to establish binding emergency orders upon the
2 concurrence of a majority of the members of the Board
3 regarding the navigability of water, relative to
4 excursions, in the event of extreme weather conditions,
5 acts of God or other extreme circumstances.

6 (20) To delegate the execution of any of its powers
7 under this Act for the purpose of administering and
8 enforcing this Act and its rules and regulations hereunder.

9 (20.5) To approve any contract entered into on its
10 behalf.

11 (21) To take any other action as may be reasonable or
12 appropriate to enforce this Act and rules and regulations
13 hereunder.

14 (d) The Board may seek and shall receive the cooperation of
15 the Department of State Police in conducting background
16 investigations of applicants and in fulfilling its
17 responsibilities under this Section. Costs incurred by the
18 Department of State Police as a result of such cooperation
19 shall be paid by the Board in conformance with the requirements
20 of Section 2605-400 of the Department of State Police Law (20
21 ILCS 2605/2605-400).

22 (e) The Board must authorize to each investigator and to
23 any other employee of the Board exercising the powers of a
24 peace officer a distinct badge that, on its face, (i) clearly
25 states that the badge is authorized by the Board and (ii)
26 contains a unique identifying number. No other badge shall be
27 authorized by the Board.

28 (Source: P.A. 91-40, eff. 1-1-00; 91-239, eff. 1-1-00; 91-883,
29 eff. 1-1-01.)

30 (230 ILCS 10/5.2 new)

31 Sec. 5.2. Separation from Department of Revenue. On the
32 effective date of this amendatory Act of the 94th General
33 Assembly, all of the powers, duties, assets, liabilities,

1 employees, contracts, property, records, pending business, and
2 unexpended appropriations of the Department of Revenue related
3 to the administration and enforcement of this Act, except for
4 the powers, duties, assets, liabilities, employees, contracts,
5 property, records, pending business, and unexpended
6 appropriations related to investigators appointed to conduct
7 investigations, searches, seizures, arrests, and other duties
8 imposed under this Act, are transferred to the Illinois Gaming
9 Board.

10 The status and rights of the transferred employees, and the
11 rights of the State of Illinois and its agencies, under the
12 Personnel Code and applicable collective bargaining agreements
13 or under any pension, retirement, or annuity plan are not
14 affected by that transfer or by any other provision of this
15 amendatory Act of the 94th General Assembly.

16 (230 ILCS 10/13) (from Ch. 120, par. 2413)

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

18 (a) Until January 1, 1998, a tax is imposed on the adjusted
19 gross receipts received from gambling games authorized under
20 this Act at the rate of 20%.

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

26 15% of annual adjusted gross receipts up to and
27 including \$25,000,000;

28 20% of annual adjusted gross receipts in excess of
29 \$25,000,000 but not exceeding \$50,000,000;

30 25% of annual adjusted gross receipts in excess of
31 \$50,000,000 but not exceeding \$75,000,000;

32 30% of annual adjusted gross receipts in excess of
33 \$75,000,000 but not exceeding \$100,000,000;

1 35% of annual adjusted gross receipts in excess of
2 \$100,000,000.

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

10 15% of annual adjusted gross receipts up to and
11 including \$25,000,000;

12 22.5% of annual adjusted gross receipts in excess of
13 \$25,000,000 but not exceeding \$50,000,000;

14 27.5% of annual adjusted gross receipts in excess of
15 \$50,000,000 but not exceeding \$75,000,000;

16 32.5% of annual adjusted gross receipts in excess of
17 \$75,000,000 but not exceeding \$100,000,000;

18 37.5% of annual adjusted gross receipts in excess of
19 \$100,000,000 but not exceeding \$150,000,000;

20 45% of annual adjusted gross receipts in excess of
21 \$150,000,000 but not exceeding \$200,000,000;

22 50% of annual adjusted gross receipts in excess of
23 \$200,000,000.

24 (a-3) Beginning July 1, 2003, a privilege tax is imposed on
25 persons engaged in the business of conducting riverboat
26 gambling operations, other than licensed managers conducting
27 riverboat gambling operations on behalf of the State, based on
28 the adjusted gross receipts received by a licensed owner from
29 gambling games authorized under this Act at the following
30 rates:

31 15% of annual adjusted gross receipts up to and
32 including \$25,000,000;

33 27.5% of annual adjusted gross receipts in excess of
34 \$25,000,000 but not exceeding \$37,500,000;

1 32.5% of annual adjusted gross receipts in excess of
2 \$37,500,000 but not exceeding \$50,000,000;

3 37.5% of annual adjusted gross receipts in excess of
4 \$50,000,000 but not exceeding \$75,000,000;

5 45% of annual adjusted gross receipts in excess of
6 \$75,000,000 but not exceeding \$100,000,000;

7 50% of annual adjusted gross receipts in excess of
8 \$100,000,000 but not exceeding \$250,000,000;

9 70% of annual adjusted gross receipts in excess of
10 \$250,000,000.

11 An amount equal to the amount of wagering taxes collected
12 under this subsection (a-3) that are in addition to the amount
13 of wagering taxes that would have been collected if the
14 wagering tax rates under subsection (a-2) were in effect shall
15 be paid into the Common School Fund.

16 The privilege tax imposed under this subsection (a-3) shall
17 no longer be imposed beginning on the earlier of (i) July 1,
18 2005; (ii) the first date after June 20, 2003 ~~the effective~~
19 ~~date of this amendatory Act of the 93rd General Assembly~~ that
20 riverboat gambling operations are conducted pursuant to a
21 dormant license; or (iii) the first day that riverboat gambling
22 operations are conducted under the authority of an owners
23 license that is in addition to the 10 owners licenses initially
24 authorized under this Act. For the purposes of this subsection
25 (a-3), the term "dormant license" means an owners license that
26 is authorized by this Act under which no riverboat gambling
27 operations are being conducted on June 20, 2003 ~~the effective~~
28 ~~date of this amendatory Act of the 93rd General Assembly~~.

29 (a-4) Beginning on the first day on which the tax imposed
30 under subsection (a-3) is no longer imposed, a privilege tax is
31 imposed on persons engaged in the business of conducting
32 riverboat gambling operations, other than licensed managers
33 conducting riverboat gambling operations on behalf of the
34 State, based on the adjusted gross receipts received by a

1 licensed owner from gambling games authorized under this Act at
2 the following rates:

3 15% of annual adjusted gross receipts up to and
4 including \$25,000,000;

5 22.5% of annual adjusted gross receipts in excess of
6 \$25,000,000 but not exceeding \$50,000,000;

7 27.5% of annual adjusted gross receipts in excess of
8 \$50,000,000 but not exceeding \$75,000,000;

9 32.5% of annual adjusted gross receipts in excess of
10 \$75,000,000 but not exceeding \$100,000,000;

11 37.5% of annual adjusted gross receipts in excess of
12 \$100,000,000 but not exceeding \$150,000,000;

13 45% of annual adjusted gross receipts in excess of
14 \$150,000,000 but not exceeding \$200,000,000;

15 50% of annual adjusted gross receipts in excess of
16 \$200,000,000.

17 (a-8) Riverboat gambling operations conducted by a
18 licensed manager on behalf of the State are not subject to the
19 tax imposed under this Section.

20 (a-10) The taxes imposed by this Section shall be paid by
21 the licensed owner to the Board not later than 3:00 o'clock
22 p.m. of the day after the day when the wagers were made.

23 (b) Until January 1, 1998, 25% of the tax revenue deposited
24 in the State Gaming Fund under this Section shall be paid,
25 subject to appropriation by the General Assembly, to the unit
26 of local government which is designated as the home dock of the
27 riverboat. Beginning January 1, 1998, from the tax revenue
28 deposited in the State Gaming Fund under this Section, an
29 amount equal to 5% of adjusted gross receipts generated by a
30 riverboat shall be paid monthly, subject to appropriation by
31 the General Assembly, to the unit of local government that is
32 designated as the home dock of the riverboat. From the tax
33 revenue deposited in the State Gaming Fund pursuant to
34 riverboat gambling operations conducted by a licensed manager

1 on behalf of the State, an amount equal to 5% of adjusted gross
2 receipts generated pursuant to those riverboat gambling
3 operations shall be paid monthly, subject to appropriation by
4 the General Assembly, to the unit of local government that is
5 designated as the home dock of the riverboat upon which those
6 riverboat gambling operations are conducted.

7 (c) Appropriations, as approved by the General Assembly,
8 may be made from the State Gaming Fund to the Board (i)
9 ~~Department of Revenue and the Department of State Police~~ for
10 the administration and enforcement of this Act, (ii) for
11 distribution to the Department of Revenue and the Department of
12 State Police for the enforcement of this Act, and (iii) for
13 distribution ~~or~~ to the Department of Human Services for the
14 administration of programs to treat problem gambling.

15 (c-5) After the payments required under subsections (b) and
16 (c) have been made, an amount equal to 15% of the adjusted
17 gross receipts of (1) an owners licensee that relocates
18 pursuant to Section 11.2, (2) an owners licensee ~~license~~
19 conducting riverboat gambling operations pursuant to an owners
20 license that is initially issued after June 25, 1999, or (3)
21 the first riverboat gambling operations conducted by a licensed
22 manager on behalf of the State under Section 7.3 ~~7.2~~, whichever
23 comes first, shall be paid from the State Gaming Fund into the
24 Horse Racing Equity Fund.

25 (c-10) Each year the General Assembly shall appropriate
26 from the General Revenue Fund to the Education Assistance Fund
27 an amount equal to the amount paid into the Horse Racing Equity
28 Fund pursuant to subsection (c-5) in the prior calendar year.

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

1 the first riverboat gambling operations conducted by a licensed
2 manager on behalf of the State under Section 7.3 ~~7.2~~, whichever
3 comes first, shall be paid, subject to appropriation from the
4 General Assembly, from the State Gaming Fund to each home rule
5 county with a population of over 3,000,000 inhabitants for the
6 purpose of enhancing the county's criminal justice system.

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

12 (c-25) After the payments required under subsections (b),
13 (c), (c-5) and (c-15) have been made, an amount equal to 2% of
14 the adjusted gross receipts of (1) an owners licensee ~~license~~
15 that relocates pursuant to Section 11.2, (2) an owners licensee
16 ~~license~~ conducting riverboat gambling operations pursuant to
17 an owners license that is initially issued after June 25, 1999,
18 or (3) the first riverboat gambling operations conducted by a
19 licensed manager on behalf of the State under Section 7.3 ~~7.2~~,
20 whichever comes first, shall be paid from the State Gaming Fund
21 to Chicago State University.

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

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

31 (f) To the extent practicable, the Board shall administer
32 and collect the wagering taxes imposed by this Section in a
33 manner consistent with the provisions of Sections 4, 5, 5a, 5b,
34 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, and 10 of the

1 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
2 Penalty and Interest Act.

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

5 Section 99. Effective date. This Act takes effect upon
6 becoming law.".