

**SB2378**



**94TH GENERAL ASSEMBLY**  
**State of Illinois**  
**2005 and 2006**  
**SB2378**

Introduced 1/18/2006, by Sen. Terry Link

**SYNOPSIS AS INTRODUCED:**

20 ILCS 1605/7.12 new

Amends the Illinois Lottery Law. Requires the Department of Revenue to establish and maintain a program that allows the purchase of lottery tickets or shares via the Internet through the services of a private vendor. Sets forth requirements for the program. Effective immediately.

LRB094 15734 BDD 50946 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning State government.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Illinois Lottery Law is amended by adding  
5 Section 7.12 as follows:

6 (20 ILCS 1605/7.12 new)

7 Sec. 7.12. Internet sales program.

8 (a) The Department must establish and maintain a program  
9 that allows the purchase of lottery tickets or shares via the  
10 Internet through the services of a private vendor. The  
11 Department must adopt rules necessary for the administration of  
12 this program. The provisions of this Act and the rules adopted  
13 under this Act apply to the sale of lottery tickets or shares  
14 under this program.

15 (b) Only one Internet website may be used for the purpose  
16 of this program. Any product that is offered for sale by  
17 retailers may be sold through the Internet program. The  
18 Internet program must include a process for buyers to establish  
19 an account with the Department through which a buyer may  
20 transfer moneys to pay for tickets. Winners must be notified  
21 electronically of their winnings, and monetary prizes of less  
22 than \$100 must be deposited into the winner's account. Monetary  
23 prizes of \$100 or more must be claimed in the same manner set  
24 forth under Section 19.

25 (c) The Department must enter into a contract with a  
26 private vendor to administer the program. In addition to any  
27 other reasonable qualifications required by the Department,  
28 the vendor must:

29 (1) have 10 or more years experience in handling  
30 Internet sales;

31 (2) possess the ability to maintain an Internet site in  
32 compliance with the the best industry standards with

1 respect to security and the protection of personal  
2 information;

3 (3) possess a demonstrable ability to create and  
4 maintain an Internet site with a high volume of use with an  
5 error rate of less than one-half of 1%; and

6 (4) have a history of financial accountability and  
7 comply with generally accepted accounting principles.

8 (d) The vendor, with the cooperation and approval of the  
9 Department, must establish procedures to establish accounts  
10 and unique identification numbers for each player using the  
11 Internet and to verify the age of each of those players.

12 (e) The vendor is entitled to the same fees that are earned  
13 by sales agents under this Act but is not entitled to a bonus  
14 for selling a winning ticket. The vendor is entitled to a  
15 reasonable fee for each player who establishes an account, the  
16 amount of which must be negotiated between the vendor and the  
17 Department at the time the vendor's services are procured.

18 (f) The vendor must deliver to the Department all moneys  
19 collected through the Internet transactions within 3 days after  
20 their receipt. At the same time, the vendor must deliver to the  
21 Department records of all sales transactions from which those  
22 moneys were collected. The vendor may deduct its fees before  
23 delivering the moneys to the Department.

24 (g) The Department must adopt any rules necessary to  
25 administer the provisions of this Section.

26 Section 99. Effective date. This Act takes effect upon  
27 becoming law.