



Sen. Iris Y. Martinez

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LRB096 11596 ASK 23073 a

1 AMENDMENT TO SENATE BILL 2288

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 2288 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Liquor Control Act of 1934 is amended by  
5 changing Sections 3-12 and 6-2 as follows:

6 (235 ILCS 5/3-12) (from Ch. 43, par. 108)

7 Sec. 3-12. Powers and duties of State Commission.

8 (a) The State commission shall have the following powers,  
9 functions and duties:

10 (1) To receive applications and to issue licenses to  
11 manufacturers, foreign importers, importing distributors,  
12 distributors, non-resident dealers, on premise consumption  
13 retailers, off premise sale retailers, special event  
14 retailer licensees, special use permit licenses, auction  
15 liquor licenses, brew pubs, caterer retailers,  
16 non-beverage users, railroads, including owners and

1 lessees of sleeping, dining and cafe cars, airplanes,  
2 boats, brokers, and wine maker's premises licensees in  
3 accordance with the provisions of this Act, and to suspend  
4 or revoke such licenses upon the State commission's  
5 determination, upon notice after hearing, that a licensee  
6 has violated any provision of this Act or any rule or  
7 regulation issued pursuant thereto and in effect for 30  
8 days prior to such violation. Except in the case of an  
9 action taken pursuant to a violation of Section 6-3, 6-5,  
10 or 6-9, any action by the State Commission to suspend or  
11 revoke a licensee's license may be limited to the license  
12 for the specific premises where the violation occurred.

13 In lieu of suspending or revoking a license, the  
14 commission may impose a fine, upon the State commission's  
15 determination and notice after hearing, that a licensee has  
16 violated any provision of this Act or any rule or  
17 regulation issued pursuant thereto and in effect for 30  
18 days prior to such violation. The fine imposed under this  
19 paragraph may not exceed \$500 for each violation. Each day  
20 that the activity, which gave rise to the original fine,  
21 continues is a separate violation. The maximum fine that  
22 may be levied against any licensee, for the period of the  
23 license, shall not exceed \$20,000. The maximum penalty that  
24 may be imposed on a licensee for selling a bottle of  
25 alcoholic liquor with a foreign object in it or serving  
26 from a bottle of alcoholic liquor with a foreign object in

1       it shall be the destruction of that bottle of alcoholic  
2       liquor for the first 10 bottles so sold or served from by  
3       the licensee. For the eleventh bottle of alcoholic liquor  
4       and for each third bottle thereafter sold or served from by  
5       the licensee with a foreign object in it, the maximum  
6       penalty that may be imposed on the licensee is the  
7       destruction of the bottle of alcoholic liquor and a fine of  
8       up to \$50.

9       (1.1) To determine, after notice and hearing, whether a  
10      licensee has been convicted of a gambling offense under any  
11      of subsections (a)(1) through (a)(11) of Section 28-1 or  
12      under Section 28-1.1 of the Criminal Code of 1961 and to  
13      enforce the following penalties: (i) for a first  
14      conviction, a 30-day suspension for all licenses issued to  
15      the licensee under this Act; (ii) for a second conviction  
16      within a 12 month period, revocation or at least a 30-day  
17      suspension for those licenses; and (iii) for a third or  
18      subsequent conviction within a 5 year period, revocation of  
19      those licenses. The State Commission may not delegate its  
20      powers, functions, and duties under this paragraph (1.1) to  
21      any local liquor commission.

22      (2) To adopt such rules and regulations consistent with  
23      the provisions of this Act which shall be necessary to  
24      carry on its functions and duties to the end that the  
25      health, safety and welfare of the People of the State of  
26      Illinois shall be protected and temperance in the

1 consumption of alcoholic liquors shall be fostered and  
2 promoted and to distribute copies of such rules and  
3 regulations to all licensees affected thereby.

4 (3) To call upon other administrative departments of  
5 the State, county and municipal governments, county and  
6 city police departments and upon prosecuting officers for  
7 such information and assistance as it deems necessary in  
8 the performance of its duties.

9 (4) To recommend to local commissioners rules and  
10 regulations, not inconsistent with the law, for the  
11 distribution and sale of alcoholic liquors throughout the  
12 State.

13 (5) To inspect, or cause to be inspected, any premises  
14 in this State where alcoholic liquors are manufactured,  
15 distributed, warehoused, or sold.

16 (5.1) Upon receipt of a complaint or upon having  
17 knowledge that any person is engaged in business as a  
18 manufacturer, importing distributor, distributor, or  
19 retailer without a license or valid license, to notify the  
20 local liquor authority, file a complaint with the State's  
21 Attorney's Office of the county where the incident  
22 occurred, or initiate an investigation with the  
23 appropriate law enforcement officials.

24 (5.2) To issue a cease and desist notice to persons  
25 shipping alcoholic liquor into this State from a point  
26 outside of this State if the shipment is in violation of

1           this Act.

2           (5.3) To receive complaints from licensees, local  
3 officials, law enforcement agencies, organizations, and  
4 persons stating that any licensee has been or is violating  
5 any provision of this Act or the rules and regulations  
6 issued pursuant to this Act. Such complaints shall be in  
7 writing, signed and sworn to by the person making the  
8 complaint, and shall state with specificity the facts in  
9 relation to the alleged violation. If the Commission has  
10 reasonable grounds to believe that the complaint  
11 substantially alleges a violation of this Act or rules and  
12 regulations adopted pursuant to this Act, it shall conduct  
13 an investigation. If, after conducting an investigation,  
14 the Commission is satisfied that the alleged violation did  
15 occur, it shall proceed with disciplinary action against  
16 the licensee as provided in this Act.

17           (6) To hear and determine appeals from orders of a  
18 local commission in accordance with the provisions of this  
19 Act, as hereinafter set forth. Hearings under this  
20 subsection shall be held in Springfield or Chicago, at  
21 whichever location is the more convenient for the majority  
22 of persons who are parties to the hearing.

23           (7) The commission shall establish uniform systems of  
24 accounts to be kept by all retail licensees having more  
25 than 4 employees, and for this purpose the commission may  
26 classify all retail licensees having more than 4 employees

1 and establish a uniform system of accounts for each class  
2 and prescribe the manner in which such accounts shall be  
3 kept. The commission may also prescribe the forms of  
4 accounts to be kept by all retail licensees having more  
5 than 4 employees, including but not limited to accounts of  
6 earnings and expenses and any distribution, payment, or  
7 other distribution of earnings or assets, and any other  
8 forms, records and memoranda which in the judgment of the  
9 commission may be necessary or appropriate to carry out any  
10 of the provisions of this Act, including but not limited to  
11 such forms, records and memoranda as will readily and  
12 accurately disclose at all times the beneficial ownership  
13 of such retail licensed business. The accounts, forms,  
14 records and memoranda shall be available at all reasonable  
15 times for inspection by authorized representatives of the  
16 State commission or by any local liquor control  
17 commissioner or his or her authorized representative. The  
18 commission, may, from time to time, alter, amend or repeal,  
19 in whole or in part, any uniform system of accounts, or the  
20 form and manner of keeping accounts.

21 (8) In the conduct of any hearing authorized to be held  
22 by the commission, to appoint, at the commission's  
23 discretion, hearing officers to conduct hearings involving  
24 complex issues or issues that will require a protracted  
25 period of time to resolve, to examine, or cause to be  
26 examined, under oath, any licensee, and to examine or cause

1 to be examined the books and records of such licensee; to  
2 hear testimony and take proof material for its information  
3 in the discharge of its duties hereunder; to administer or  
4 cause to be administered oaths; for any such purpose to  
5 issue subpoena or subpoenas to require the attendance of  
6 witnesses and the production of books, which shall be  
7 effective in any part of this State, and to adopt rules to  
8 implement its powers under this paragraph (8).

9 Any Circuit Court may by order duly entered, require  
10 the attendance of witnesses and the production of relevant  
11 books subpoenaed by the State commission and the court may  
12 compel obedience to its order by proceedings for contempt.

13 (9) To investigate the administration of laws in  
14 relation to alcoholic liquors in this and other states and  
15 any foreign countries, and to recommend from time to time  
16 to the Governor and through him or her to the legislature  
17 of this State, such amendments to this Act, if any, as it  
18 may think desirable and as will serve to further the  
19 general broad purposes contained in Section 1-2 hereof.

20 (10) To adopt such rules and regulations consistent  
21 with the provisions of this Act which shall be necessary  
22 for the control, sale or disposition of alcoholic liquor  
23 damaged as a result of an accident, wreck, flood, fire or  
24 other similar occurrence.

25 (11) To develop industry educational programs related  
26 to responsible serving and selling, particularly in the

1 areas of overserving consumers and illegal underage  
2 purchasing and consumption of alcoholic beverages.

3 (11.1) To license persons providing education and  
4 training to alcohol beverage sellers and servers under the  
5 Beverage Alcohol Sellers and Servers Education and  
6 Training (BASSET) programs and to develop and administer a  
7 public awareness program in Illinois to reduce or eliminate  
8 the illegal purchase and consumption of alcoholic beverage  
9 products by persons under the age of 21. Application for a  
10 license shall be made on forms provided by the State  
11 Commission.

12 (12) To develop and maintain a repository of license  
13 and regulatory information.

14 (13) On or before January 15, 1994, the Commission  
15 shall issue a written report to the Governor and General  
16 Assembly that is to be based on a comprehensive study of  
17 the impact on and implications for the State of Illinois of  
18 Section 1926 of the Federal ADAMHA Reorganization Act of  
19 1992 (Public Law 102-321). This study shall address the  
20 extent to which Illinois currently complies with the  
21 provisions of P.L. 102-321 and the rules promulgated  
22 pursuant thereto.

23 As part of its report, the Commission shall provide the  
24 following essential information:

25 (i) the number of retail distributors of tobacco  
26 products, by type and geographic area, in the State;



1           (ii) the number of reported citations and  
2           successful convictions, categorized by type and  
3           location of retail distributor, for violation of the  
4           Sale of Tobacco to Minors Act and the Smokeless Tobacco  
5           Limitation Act;

6           (iii) the extent and nature of organized  
7           educational and governmental activities that are  
8           intended to promote, encourage or otherwise secure  
9           compliance with any Illinois laws that prohibit the  
10          sale or distribution of tobacco products to minors; and

11          (iv) the level of access and availability of  
12          tobacco products to individuals under the age of 18.

13          To obtain the data necessary to comply with the  
14          provisions of P.L. 102-321 and the requirements of this  
15          report, the Commission shall conduct random, unannounced  
16          inspections of a geographically and scientifically  
17          representative sample of the State's retail tobacco  
18          distributors.

19          The Commission shall consult with the Department of  
20          Public Health, the Department of Human Services, the  
21          Illinois State Police and any other executive branch  
22          agency, and private organizations that may have  
23          information relevant to this report.

24          The Commission may contract with the Food and Drug  
25          Administration of the U.S. Department of Health and Human  
26          Services to conduct unannounced investigations of Illinois

1 tobacco vendors to determine compliance with federal laws  
2 relating to the illegal sale of cigarettes and smokeless  
3 tobacco products to persons under the age of 18.

4 (14) On or before April 30, 2008 and every 2 years  
5 thereafter, the Commission shall present a written report  
6 to the Governor and the General Assembly that shall be  
7 based on a study of the impact of this amendatory Act of  
8 the 95th General Assembly on the business of soliciting,  
9 selling, and shipping wine from inside and outside of this  
10 State directly to residents of this State. As part of its  
11 report, the Commission shall provide all of the following  
12 information:

13 (A) The amount of State excise and sales tax  
14 revenues generated.

15 (B) The amount of licensing fees received.

16 (C) The number of cases of wine shipped from inside  
17 and outside of this State directly to residents of this  
18 State.

19 (D) The number of alcohol compliance operations  
20 conducted.

21 (E) The number of winery shipper's licenses  
22 issued.

23 (F) The number of each of the following: reported  
24 violations; cease and desist notices issued by the  
25 Commission; notices of violations issued by the  
26 Commission and to the Department of Revenue; and

1 notices and complaints of violations to law  
2 enforcement officials, including, without limitation,  
3 the Illinois Attorney General and the U.S. Department  
4 of Treasury's Alcohol and Tobacco Tax and Trade Bureau.

5 (15) As a means to reduce the underage consumption of  
6 alcoholic liquors, the Commission shall conduct alcohol  
7 compliance operations to investigate whether businesses  
8 that are soliciting, selling, and shipping wine from inside  
9 or outside of this State directly to residents of this  
10 State are licensed by this State or are selling or  
11 attempting to sell wine to persons under 21 years of age in  
12 violation of this Act.

13 (16) The Commission shall, in addition to notifying any  
14 appropriate law enforcement agency, submit notices of  
15 complaints or violations of Sections 6-29 and 6-29.1 by  
16 persons who do not hold a winery shipper's license under  
17 this amendatory Act to the Illinois Attorney General and to  
18 the U.S. Department of Treasury's Alcohol and Tobacco Tax  
19 and Trade Bureau.

20 (17) (A) A person licensed to make wine under the laws  
21 of another state who has a winery shipper's license under  
22 this amendatory Act and annually produces less than 25,000  
23 gallons of wine or a person who has a first-class or  
24 second-class wine manufacturer's license, a first-class or  
25 second-class wine-maker's license, or a limited wine  
26 manufacturer's license under this Act and annually

1 produces less than 25,000 gallons of wine may make  
2 application to the Commission for a self-distribution  
3 exemption to allow the sale of not more than 5,000 gallons  
4 of the exemption holder's wine to retail licensees per  
5 year.

6 (B) In the application, which shall be sworn under  
7 penalty of perjury, such person shall state (1) the  
8 date it was established; (2) its volume of production  
9 and sales for each year since its establishment; (3)  
10 its efforts to establish distributor relationships;  
11 (4) that a self-distribution exemption is necessary to  
12 facilitate the marketing of its wine; and (5) that it  
13 will comply with the liquor and revenue laws of the  
14 United States, this State, and any other state where it  
15 is licensed.

16 (C) The Commission shall approve the application  
17 for a self-distribution exemption if such person: (1)  
18 is in compliance with State revenue and liquor laws;  
19 (2) is not a member of any affiliated group that  
20 produces more than 25,000 gallons of wine per annum or  
21 produces any other alcoholic liquor; (3) will not  
22 annually produce for sale more than 25,000 gallons of  
23 wine; and (4) will not annually sell more than 5,000  
24 gallons of its wine to retail licensees.

25 (D) A self-distribution exemption holder shall  
26 annually certify to the Commission its production of

1 wine in the previous 12 months and its anticipated  
2 production and sales for the next 12 months. The  
3 Commission may fine, suspend, or revoke a  
4 self-distribution exemption after a hearing if it  
5 finds that the exemption holder has made a material  
6 misrepresentation in its application, violated a  
7 revenue or liquor law of Illinois, exceeded production  
8 of 25,000 gallons of wine in any calendar year, or  
9 become part of an affiliated group producing more than  
10 25,000 gallons of wine or any other alcoholic liquor.

11 (E) Except in hearings for violations of this Act  
12 or amendatory Act or a bona fide investigation by duly  
13 sworn law enforcement officials, the Commission, or  
14 its agents, the Commission shall maintain the  
15 production and sales information of a  
16 self-distribution exemption holder as confidential and  
17 shall not release such information to any person.

18 (F) The Commission shall issue regulations  
19 governing self-distribution exemptions consistent with  
20 this Section and this Act.

21 (G) Nothing in this subsection (17) shall prohibit  
22 a self-distribution exemption holder from entering  
23 into or simultaneously having a distribution agreement  
24 with a licensed Illinois distributor.

25 (H) It is the intent of this subsection (17) to  
26 promote and continue orderly markets. The General

1 Assembly finds that in order to preserve Illinois'  
2 regulatory distribution system it is necessary to  
3 create an exception for smaller makers of wine as their  
4 wines are frequently adjusted in varietals, mixes,  
5 vintages, and taste to find and create market niches  
6 sometimes too small for distributor or importing  
7 distributor business strategies. Limited  
8 self-distribution rights will afford and allow smaller  
9 makers of wine access to the marketplace in order to  
10 develop a customer base without impairing the  
11 integrity of the 3-tier system.

12 (b) On or before April 30, 1999, the Commission shall  
13 present a written report to the Governor and the General  
14 Assembly that shall be based on a study of the impact of this  
15 amendatory Act of 1998 on the business of soliciting, selling,  
16 and shipping alcoholic liquor from outside of this State  
17 directly to residents of this State.

18 As part of its report, the Commission shall provide the  
19 following information:

20 (i) the amount of State excise and sales tax revenues  
21 generated as a result of this amendatory Act of 1998;

22 (ii) the amount of licensing fees received as a result  
23 of this amendatory Act of 1998;

24 (iii) the number of reported violations, the number of  
25 cease and desist notices issued by the Commission, the  
26 number of notices of violations issued to the Department of

1 Revenue, and the number of notices and complaints of  
2 violations to law enforcement officials.

3 (Source: P.A. 95-634, eff. 6-1-08.)

4 (235 ILCS 5/6-2) (from Ch. 43, par. 120)

5 Sec. 6-2. Issuance of licenses to certain persons  
6 prohibited.

7 (a) Except as otherwise provided in subsection (b) of this  
8 Section and in paragraph (1) of subsection (a) of Section 3-12,  
9 no license of any kind issued by the State Commission or any  
10 local commission shall be issued to:

11 (1) A person who is not a resident of any city, village  
12 or county in which the premises covered by the license are  
13 located; except in case of railroad or boat licenses.

14 (2) A person who is not of good character and  
15 reputation in the community in which he resides.

16 (3) A person who is not a citizen of the United States.

17 (4) A person who has been convicted of a felony under  
18 any Federal or State law, unless the Commission determines  
19 that such person has been sufficiently rehabilitated to  
20 warrant the public trust after considering matters set  
21 forth in such person's application and the Commission's  
22 investigation. The burden of proof of sufficient  
23 rehabilitation shall be on the applicant.

24 (5) A person who has been convicted of being the keeper  
25 or is keeping a house of ill fame.

1           (6) A person who has been convicted of pandering or  
2 other crime or misdemeanor opposed to decency and morality.

3           (7) A person whose license issued under this Act has  
4 been revoked for cause.

5           (8) A person who at the time of application for renewal  
6 of any license issued hereunder would not be eligible for  
7 such license upon a first application.

8           (9) A copartnership, if any general partnership  
9 thereof, or any limited partnership thereof, owning more  
10 than 5% of the aggregate limited partner interest in such  
11 copartnership would not be eligible to receive a license  
12 hereunder for any reason other than residence within the  
13 political subdivision, unless residency is required by  
14 local ordinance.

15           (10) A corporation or limited liability company, if any  
16 member, officer, manager or director thereof, or any  
17 stockholder or stockholders owning in the aggregate more  
18 than 5% of the stock of such corporation, would not be  
19 eligible to receive a license hereunder for any reason  
20 other than citizenship and residence within the political  
21 subdivision.

22           (10a) A corporation or limited liability company  
23 unless it is incorporated or organized in Illinois, or  
24 unless it is a foreign corporation or foreign limited  
25 liability company which is qualified under the Business  
26 Corporation Act of 1983 or the Limited Liability Company



1 Act to transact business in Illinois. The Commission shall  
2 permit and accept from an applicant for a license under  
3 this Act proof prepared from the Secretary of State's  
4 website that the corporation or limited liability company  
5 is in good standing and is qualified under the Business  
6 Corporation Act of 1983 or the Limited Liability Company  
7 Act to transact business in Illinois.

8 (11) A person whose place of business is conducted by a  
9 manager or agent unless the manager or agent possesses the  
10 same qualifications required by the licensee.

11 (12) A person who has been convicted of a violation of  
12 any Federal or State law concerning the manufacture,  
13 possession or sale of alcoholic liquor, subsequent to the  
14 passage of this Act or has forfeited his bond to appear in  
15 court to answer charges for any such violation.

16 (13) A person who does not beneficially own the  
17 premises for which a license is sought, or does not have a  
18 lease thereon for the full period for which the license is  
19 to be issued.

20 (14) Any law enforcing public official, including  
21 members of local liquor control commissions, any mayor,  
22 alderman, or member of the city council or commission, any  
23 president of the village board of trustees, any member of a  
24 village board of trustees, or any president or member of a  
25 county board; and no such official shall have a direct  
26 interest in the manufacture, sale, or distribution of

1 alcoholic liquor, except that a license may be granted to  
2 such official in relation to premises that are not located  
3 within the territory subject to the jurisdiction of that  
4 official if the issuance of such license is approved by the  
5 State Liquor Control Commission and except that a license  
6 may be granted, in a city or village with a population of  
7 50,000 or less, to any alderman, member of a city council,  
8 or member of a village board of trustees in relation to  
9 premises that are located within the territory subject to  
10 the jurisdiction of that official if (i) the sale of  
11 alcoholic liquor pursuant to the license is incidental to  
12 the selling of food, (ii) the issuance of the license is  
13 approved by the State Commission, (iii) the issuance of the  
14 license is in accordance with all applicable local  
15 ordinances in effect where the premises are located, and  
16 (iv) the official granted a license does not vote on  
17 alcoholic liquor issues pending before the board or council  
18 to which the license holder is elected. Notwithstanding any  
19 provision of this paragraph (14) to the contrary, an  
20 alderman or member of a city council or commission, a  
21 member of a village board of trustees other than the  
22 president of the village board of trustees, or a member of  
23 a county board other than the president of a county board  
24 may have a direct interest in the manufacture, sale, or  
25 distribution of alcoholic liquor as long as he or she is  
26 not a law enforcing public official, a mayor, a village

1 board president, or president of a county board. To prevent  
2 any conflict of interest, the elected official with the  
3 direct interest in the manufacture, sale, or distribution  
4 of alcoholic liquor cannot participate in any meetings,  
5 hearings, or decisions on matters impacting the  
6 manufacture, sale, or distribution of alcoholic liquor.

7 (15) A person who is not a beneficial owner of the  
8 business to be operated by the licensee.

9 (16) A person who has been convicted of a gambling  
10 offense as proscribed by any of subsections (a) (1) ~~(3)~~  
11 through (a) (11) of Section 28-1 of, or as proscribed by  
12 Section 28-1.1 or 28-3 of, the Criminal Code of 1961, or as  
13 proscribed by a statute replaced by any of the aforesaid  
14 statutory provisions.

15 (17) A person or entity to whom a federal wagering  
16 stamp has been issued by the federal government, unless the  
17 person or entity is eligible to be issued a license under  
18 the Raffles Act or the Illinois Pull Tabs and Jar Games  
19 Act.

20 (18) A person who intends to sell alcoholic liquors for  
21 use or consumption on his or her licensed retail premises  
22 who does not have liquor liability insurance coverage for  
23 that premises in an amount that is at least equal to the  
24 maximum liability amounts set out in subsection (a) of  
25 Section 6-21.

26 (b) A criminal conviction of a corporation is not grounds

1 for the denial, suspension, or revocation of a license applied  
2 for or held by the corporation if the criminal conviction was  
3 not the result of a violation of any federal or State law  
4 concerning the manufacture, possession or sale of alcoholic  
5 liquor, the offense that led to the conviction did not result  
6 in any financial gain to the corporation and the corporation  
7 has terminated its relationship with each director, officer,  
8 employee, or controlling shareholder whose actions directly  
9 contributed to the conviction of the corporation. The  
10 Commission shall determine if all provisions of this subsection  
11 (b) have been met before any action on the corporation's  
12 license is initiated. This subsection (b) does not apply to a  
13 corporation that has been convicted of a gambling offense as  
14 described in paragraph (16) of subsection (a) of this Section.

15 (Source: P.A. 94-5, eff. 6-3-05; 94-289, eff. 1-1-06; 94-381,  
16 eff. 7-29-05; 95-331, eff. 8-21-07.)

17 Section 10. The Criminal Code of 1961 is amended by  
18 changing Sections 28-1, 28-2, 28-3, and 28-5 as follows:

19 (720 ILCS 5/28-1) (from Ch. 38, par. 28-1)

20 Sec. 28-1. Gambling.

21 (a) A person commits gambling when he:

22 (1) Plays a game of chance or skill for money or other  
23 thing of value, unless excepted in subsection (b) of this  
24 Section; or

1           (2) Makes a wager upon the result of any game, contest,  
2 or any political nomination, appointment or election; or

3           (3) Operates, keeps, owns, uses, purchases, exhibits,  
4 rents, sells, bargains for the sale or lease of,  
5 manufactures or distributes any gambling device; or

6           (4) Contracts to have or give himself or another the  
7 option to buy or sell, or contracts to buy or sell, at a  
8 future time, any grain or other commodity whatsoever, or  
9 any stock or security of any company, where it is at the  
10 time of making such contract intended by both parties  
11 thereto that the contract to buy or sell, or the option,  
12 whenever exercised, or the contract resulting therefrom,  
13 shall be settled, not by the receipt or delivery of such  
14 property, but by the payment only of differences in prices  
15 thereof; however, the issuance, purchase, sale, exercise,  
16 endorsement or guarantee, by or through a person registered  
17 with the Secretary of State pursuant to Section 8 of the  
18 Illinois Securities Law of 1953, or by or through a person  
19 exempt from such registration under said Section 8, of a  
20 put, call, or other option to buy or sell securities which  
21 have been registered with the Secretary of State or which  
22 are exempt from such registration under Section 3 of the  
23 Illinois Securities Law of 1953 is not gambling within the  
24 meaning of this paragraph (4); or

25           (5) Knowingly owns or possesses any book, instrument or  
26 apparatus by means of which bets or wagers have been, or

1 are, recorded or registered, or knowingly possesses any  
2 money which he has received in the course of a bet or  
3 wager; or

4 (6) Sells pools upon the result of any game or contest  
5 of skill or chance, political nomination, appointment or  
6 election; or

7 (7) Sets up or promotes any lottery or sells, offers to  
8 sell or transfers any ticket or share for any lottery; or

9 (8) Sets up or promotes any policy game or sells,  
10 offers to sell or knowingly possesses or transfers any  
11 policy ticket, slip, record, document or other similar  
12 device; or

13 (9) Knowingly drafts, prints or publishes any lottery  
14 ticket or share, or any policy ticket, slip, record,  
15 document or similar device, except for such activity  
16 related to lotteries, bingo games and raffles authorized by  
17 and conducted in accordance with the laws of Illinois or  
18 any other state or foreign government; or

19 (10) Knowingly advertises any lottery or policy game,  
20 except for such activity related to lotteries, bingo games  
21 and raffles authorized by and conducted in accordance with  
22 the laws of Illinois or any other state; or

23 (11) Knowingly transmits information as to wagers,  
24 betting odds, or changes in betting odds by telephone,  
25 telegraph, radio, semaphore or similar means; or knowingly  
26 installs or maintains equipment for the transmission or

1 receipt of such information; except that nothing in this  
2 subdivision (11) prohibits transmission or receipt of such  
3 information for use in news reporting of sporting events or  
4 contests; or

5 (12) Knowingly establishes, maintains, or operates an  
6 Internet site that permits a person to play a game of  
7 chance or skill for money or other thing of value by means  
8 of the Internet or to make a wager upon the result of any  
9 game, contest, political nomination, appointment, or  
10 election by means of the Internet.

11 (b) Participants in any of the following activities shall  
12 not be convicted of gambling therefor:

13 (1) Agreements to compensate for loss caused by the  
14 happening of chance including without limitation contracts  
15 of indemnity or guaranty and life or health or accident  
16 insurance;

17 (2) Offers of prizes, award or compensation to the  
18 actual contestants in any bona fide contest for the  
19 determination of skill, speed, strength or endurance or to  
20 the owners of animals or vehicles entered in such contest;

21 (3) Pari-mutuel betting as authorized by the law of  
22 this State;

23 (4) Manufacture of gambling devices, including the  
24 acquisition of essential parts therefor and the assembly  
25 thereof, for transportation in interstate or foreign  
26 commerce to any place outside this State when such

1 transportation is not prohibited by any applicable Federal  
2 law;

3 (5) The game commonly known as "bingo", when conducted  
4 in accordance with the Bingo License and Tax Act;

5 (6) Lotteries when conducted by the State of Illinois  
6 in accordance with the Illinois Lottery Law;

7 (7) Possession of an antique slot machine that is  
8 neither used nor intended to be used in the operation or  
9 promotion of any unlawful gambling activity or enterprise.  
10 For the purpose of this subparagraph (b) (7), an antique  
11 slot machine is one manufactured 25 years ago or earlier;

12 (8) Raffles when conducted in accordance with the  
13 Raffles Act;

14 (9) Charitable games when conducted in accordance with  
15 the Charitable Games Act;

16 (10) Pull tabs and jar games when conducted under the  
17 Illinois Pull Tabs and Jar Games Act; or

18 (11) Gambling games conducted on riverboats when  
19 authorized by the Riverboat Gambling Act.

20 (c) Sentence.

21 Gambling under subsection (a) (1) or (a) (2) of this Section  
22 is a Class A misdemeanor. Gambling under any of subsections  
23 (a) (3) through (a) (11) of this Section is a Class A  
24 misdemeanor. A second or subsequent conviction under any of  
25 subsections (a) (3) through (a) (11), is a Class 4 felony.  
26 Gambling under subsection (a) (12) of this Section is a Class A



1 misdemeanor. A second or subsequent conviction under  
2 subsection (a) (12) is a Class 4 felony.

3 (c-5) Liquor license suspension or revocation.

4 Upon a conviction of a person licensed under the Liquor  
5 Control Act of 1934 for a gambling offense under any of  
6 subsections (a) (1) through (a) (11) of this Section, the State's  
7 Attorney shall notify the Illinois Liquor Control Commission of  
8 the conviction. The Illinois Liquor Control Commission shall  
9 suspend all licenses issued to such person upon a second  
10 conviction for a gambling offense within a 12 month period, and  
11 shall revoke those licenses upon a third or subsequent  
12 conviction for a gambling offense within a 5 year period.

13 (d) Circumstantial evidence.

14 In prosecutions under subsection (a) (1) through (a) (12) of  
15 this Section circumstantial evidence shall have the same  
16 validity and weight as in any criminal prosecution.

17 (Source: P.A. 91-257, eff. 1-1-00.)

18 (720 ILCS 5/28-3) (from Ch. 38, par. 28-3)

19 Sec. 28-3. Keeping a Gambling Place. A "gambling place" is  
20 any real estate, vehicle, boat or any other property whatsoever  
21 used for the purposes of gambling other than gambling conducted  
22 in the manner authorized by the Riverboat Gambling Act. Any  
23 person who knowingly permits any premises or property owned or  
24 occupied by him or under his control to be used as a gambling  
25 place commits a Class A misdemeanor. Each subsequent offense is

1 a Class 4 felony. When any premises is determined by the  
2 circuit court to be a gambling place:

3 (a) Such premises is a public nuisance and may be proceeded  
4 against as such, and

5 (b) All licenses, permits or certificates issued by the  
6 State of Illinois or any subdivision or public agency thereof  
7 authorizing the serving of food ~~or liquor~~ on such premises  
8 shall be void; and no license, permit or certificate so  
9 cancelled shall be reissued for such premises for a period of  
10 60 days thereafter; nor shall any person convicted of keeping a  
11 gambling place be reissued such license for one year from his  
12 conviction and, after a second conviction of keeping a gambling  
13 place, any such person shall not be reissued such license, and

14 (b-5) All licenses issued by the State of Illinois under  
15 the Liquor Control Act of 1934 authorizing the serving of  
16 liquor on such premises shall be suspended for a period of 60  
17 days thereafter; and upon a second conviction of keeping a  
18 gambling place all licenses issued by the State of Illinois  
19 under the Liquor Control Act of 1934 authorizing the serving of  
20 liquor on such premises shall be revoked.

21 (c) Such premises of any person who knowingly permits  
22 thereon a violation of any Section of this Article shall be  
23 held liable for, and may be sold to pay any unsatisfied  
24 judgment that may be recovered and any unsatisfied fine that  
25 may be levied under any Section of this Article.

26 (Source: P.A. 86-1029.)

1           Section 99. Effective date. This Act takes effect upon  
2    becoming law.".