

1 AMENDMENT TO HOUSE BILL 172

2 AMENDMENT NO. _____. Amend House Bill 172 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Riverboat Gambling Act is amended by
5 changing Section 5 as follows:

6 (230 ILCS 10/5) (from Ch. 120, par. 2405)

7 Sec. 5. Gaming Board.

8 (a) (1) There is hereby established within the
9 Department of Revenue an Illinois Gaming Board which shall
10 have the powers and duties specified in this Act, and all
11 other powers necessary and proper to fully and effectively
12 execute this Act for the purpose of administering,
13 regulating, and enforcing the system of riverboat gambling
14 established by this Act. Its jurisdiction shall extend under
15 this Act to every person, association, corporation,
16 partnership and trust involved in riverboat gambling
17 operations in the State of Illinois.

18 (2) The Board shall consist of 7 5 members to be
19 appointed by the Governor with the advice and consent of the
20 Senate, one of whom shall be designated by the Governor to be
21 chairman. Each member shall have a reasonable knowledge of
22 the practice, procedure and principles of gambling

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

9 (3) The terms of office of the Board members shall be 3
10 years, except as otherwise provided in this paragraph (3).
11 ~~that~~ The terms of office of the initial Board members
12 appointed pursuant to this Act will commence from the
13 effective date of this Act and run as follows: one for a
14 term ending July 1, 1991, 2 for a term ending July 1, 1992,
15 and 2 for a term ending July 1, 1993. The terms of office of
16 the Board members first appointed pursuant to this amendatory
17 Act of the 92nd General Assembly will commence from the
18 effective date of this amendatory Act and run as follows: one
19 for a term ending July 1, 2003 and one for a term ending July
20 1, 2004. Upon the expiration of the foregoing terms, the
21 successors of such members shall serve a term for 3 years and
22 until their successors are appointed and qualified for like
23 terms. Vacancies in the Board shall be filled for the
24 unexpired term in like manner as original appointments. Each
25 member of the Board shall be eligible for reappointment at
26 the discretion of the Governor with the advice and consent of
27 the Senate.

28 (4) Each member of the Board shall receive \$300 for each
29 day the Board meets and for each day the member conducts any
30 hearing pursuant to this Act. Each member of the Board shall
31 also be reimbursed for all actual and necessary expenses and
32 disbursements incurred in the execution of official duties.

33 (5) No person shall be appointed a member of the Board
34 or continue to be a member of the Board who is, or whose

1 spouse, child or parent is, a member of the board of
2 directors of, or a person financially interested in, any
3 gambling operation subject to the jurisdiction of this Board,
4 or any race track, race meeting, racing association or the
5 operations thereof subject to the jurisdiction of the
6 Illinois Racing Board. No Board member shall hold any other
7 public office for which he shall receive compensation other
8 than necessary travel or other incidental expenses. No
9 person shall be a member of the Board who is not of good
10 moral character or who has been convicted of, or is under
11 indictment for, a felony under the laws of Illinois or any
12 other state, or the United States.

13 (6) Any member of the Board may be removed by the
14 Governor for neglect of duty, misfeasance, malfeasance, or
15 nonfeasance in office.

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

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

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

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

24 (1) To decide promptly and in reasonable order all
25 license applications. Any party aggrieved by an action of
26 the Board denying, suspending, revoking, restricting or
27 refusing to renew a license may request a hearing before
28 the Board. A request for a hearing must be made to the
29 Board in writing within 5 days after service of notice of
30 the action of the Board. Notice of the action of the
31 Board shall be served either by personal delivery or by
32 certified mail, postage prepaid, to the aggrieved party.
33 Notice served by certified mail shall be deemed complete
34 on the business day following the date of such mailing.

1 The Board shall conduct all requested hearings promptly
2 and in reasonable order;

3 (2) To conduct all hearings pertaining to civil
4 violations of this Act or rules and regulations
5 promulgated hereunder;

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

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

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

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

30 (7) To review and rule upon any complaint by a
31 licensee regarding any investigative procedures of the
32 State which are unnecessarily disruptive of gambling
33 operations. The need to inspect and investigate shall be
34 presumed at all times. The disruption of a licensee's

1 operations shall be proved by clear and convincing
2 evidence, and establish that: (A) the procedures had no
3 reasonable law enforcement purposes, and (B) the
4 procedures were so disruptive as to unreasonably inhibit
5 gambling operations;

6 (8) To hold at least one meeting each quarter of
7 the fiscal year. In addition, special meetings may be
8 called by the Chairman or any 2 Board members upon 72
9 hours written notice to each member. All Board meetings
10 shall be subject to the Open Meetings Act. Four Three
11 members of the Board shall constitute a quorum, and 4 3
12 votes shall be required for any final determination by
13 the Board. The Board shall keep a complete and accurate
14 record of all its meetings. A majority of the members of
15 the Board shall constitute a quorum for the transaction
16 of any business, for the performance of any duty, or for
17 the exercise of any power which this Act requires the
18 Board members to transact, perform or exercise en banc,
19 except that, upon order of the Board, one of the Board
20 members or an administrative law judge designated by the
21 Board may conduct any hearing provided for under this Act
22 or by Board rule and may recommend findings and decisions
23 to the Board. The Board member or administrative law
24 judge conducting such hearing shall have all powers and
25 rights granted to the Board in this Act. The record made
26 at the time of the hearing shall be reviewed by the
27 Board, or a majority thereof, and the findings and
28 decision of the majority of the Board shall constitute
29 the order of the Board in such case;

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

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

9 (11) (Blank); and

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

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

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

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

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

1 gambling, including rules and regulations regarding the
2 inspection of such riverboats and the review of any
3 permits or licenses necessary to operate a riverboat
4 under any laws or regulations applicable to riverboats,
5 and to impose penalties for violations thereof.

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

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

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

19 (7) To adopt appropriate standards for all
20 riverboats and facilities.

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

34 (9) To conduct hearings, issue subpoenas for the

1 attendance of witnesses and subpoenas duces tecum for the
2 production of books, records and other pertinent
3 documents in accordance with the Illinois Administrative
4 Procedure Act, and to administer oaths and affirmations
5 to the witnesses, when, in the judgment of the Board, it
6 is necessary to administer or enforce this Act or the
7 Board rules.

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

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

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

1 (13) To require all licensees of gambling
2 operations to utilize a cashless wagering system whereby
3 all players' money is converted to tokens, electronic
4 cards, or chips which shall be used only for wagering in
5 the gambling establishment.

6 (14) (Blank).

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

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

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

23 (18) To authorize a licensee to sell or serve
24 alcoholic liquors, wine or beer as defined in the Liquor
25 Control Act of 1934 on board a riverboat and to have
26 exclusive authority to establish the hours for sale and
27 consumption of alcoholic liquor on board a riverboat,
28 notwithstanding any provision of the Liquor Control Act
29 of 1934 or any local ordinance, and regardless of whether
30 the riverboat makes excursions. The establishment of the
31 hours for sale and consumption of alcoholic liquor on
32 board a riverboat is an exclusive power and function of
33 the State. A home rule unit may not establish the hours
34 for sale and consumption of alcoholic liquor on board a

1 riverboat. This amendatory Act of 1991 is a denial and
2 limitation of home rule powers and functions under
3 subsection (h) of Section 6 of Article VII of the
4 Illinois Constitution.

5 (19) After consultation with the U.S. Army Corps of
6 Engineers, to establish binding emergency orders upon the
7 concurrence of a majority of the members of the Board
8 regarding the navigability of water, relative to
9 excursions, in the event of extreme weather conditions,
10 acts of God or other extreme circumstances.

11 (20) To delegate the execution of any of its powers
12 under this Act for the purpose of administering and
13 enforcing this Act and its rules and regulations
14 hereunder.

15 (21) To take any other action as may be reasonable
16 or appropriate to enforce this Act and rules and
17 regulations hereunder.

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

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

32 (Source: P.A. 91-40, eff. 1-1-00; 91-239, eff. 1-1-00;
33 91-883, eff. 1-1-01.)

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