

1 AMENDMENT TO HOUSE BILL 822

2 AMENDMENT NO. _____. Amend House Bill 822 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Riverboat Gambling Act is amended by
5 adding Sections 11.3, 11.4, and 13.2 and changing Sections 3,
6 4, 7, and 13 as follows:

7 (230 ILCS 10/3) (from Ch. 120, par. 2403)

8 Sec. 3. Riverboat Gambling Authorized.

9 (a) Riverboat gambling operations and the system of
10 wagering incorporated therein, as defined in this Act, are
11 hereby authorized to the extent that they are carried out in
12 accordance with the provisions of this Act.

13 (b) This Act does not apply to the pari-mutuel system of
14 wagering used or intended to be used in connection with the
15 horse-race meetings as authorized under the Illinois Horse
16 Racing Act of 1975, lottery games authorized under the
17 Illinois Lottery Law, bingo authorized under the Bingo
18 License and Tax Act, charitable games authorized under the
19 Charitable Games Act or pull tabs and jar games conducted
20 under the Illinois Pull Tabs and Jar Games Act.

21 (c) Riverboat gambling conducted pursuant to this Act
22 may be authorized upon any water within the State of Illinois

1 or any water other than Lake Michigan which constitutes a
2 boundary of the State of Illinois. An owners licensee that
3 utilizes gaming positions that have been reallocated to it
4 pursuant to Section 11.3 or 11.4 may conduct riverboat
5 gambling operations using those reallocated positions in an
6 area of a building that is on land if that building is the
7 same building in which its other riverboat gambling
8 operations are conducted. A licensee may conduct riverboat
9 gambling authorized under this Act regardless of whether it
10 conducts excursion cruises. A licensee may permit the
11 continuous ingress and egress of passengers for the purpose
12 of gambling.

13 (Source: P.A. 91-40, eff. 6-25-99.)

14 (230 ILCS 10/4) (from Ch. 120, par. 2404)

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

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

17 (b) "Occupational license" means a license issued by the
18 Board to a person or entity to perform an occupation which
19 the Board has identified as requiring a license to engage in
20 riverboat gambling in Illinois.

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

27 (d) "Riverboat" means a self-propelled excursion boat,
28 ~~or~~ a permanently moored barge, or permanently moored barges
29 that are permanently fixed together on which lawful gambling
30 is authorized and licensed as provided in this Act.

31 (e) (Blank).

32 (f) "Dock" means the location where a riverboat moors
33 for the purpose of embarking passengers for and disembarking

1 passengers from the riverboat.

2 (g) "Gross receipts" means the total amount of money
3 exchanged for the purchase of chips, tokens or electronic
4 cards by riverboat patrons.

5 (h) "Adjusted gross receipts" means the gross receipts
6 less winnings paid to wagerers.

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

10 (j) "Department" means the Department of Revenue.

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

13 (Source: P.A. 91-40, eff. 6-25-99.)

14 (230 ILCS 10/7) (from Ch. 120, par. 2407)

15 Sec. 7. Owners Licenses.

16 (a) The Board shall issue owners licenses to persons,
17 firms or corporations which apply for such licenses upon
18 payment to the Board of the non-refundable license fee set by
19 the Board, upon payment of a \$25,000 license fee for the
20 first year of operation and a \$50,000 ~~\$5,000~~ license fee for
21 each succeeding year and upon a determination by the Board
22 that the applicant is eligible for an owners license
23 pursuant to this Act and the rules of the Board. A person,
24 firm or corporation is ineligible to receive an owners
25 license if:

26 (1) the person has been convicted of a felony under
27 the laws of this State, any other state, or the United
28 States;

29 (2) the person has been convicted of any violation
30 of Article 28 of the Criminal Code of 1961, or
31 substantially similar laws of any other jurisdiction;

32 (3) the person has submitted an application for a
33 license under this Act which contains false information;

- 1 (4) the person is a member of the Board;
- 2 (5) a person defined in (1), (2), (3) or (4) is an
- 3 officer, director or managerial employee of the firm or
- 4 corporation;
- 5 (6) the firm or corporation employs a person
- 6 defined in (1), (2), (3) or (4) who participates in the
- 7 management or operation of gambling operations authorized
- 8 under this Act;
- 9 (7) (blank); or
- 10 (8) a license of the person, firm or corporation
- 11 issued under this Act, or a license to own or operate
- 12 gambling facilities in any other jurisdiction, has been
- 13 revoked.
- 14 (b) In determining whether to grant an owners license to
- 15 an applicant, the Board shall consider:
- 16 (1) the character, reputation, experience and
- 17 financial integrity of the applicants and of any other or
- 18 separate person that either:
- 19 (A) controls, directly or indirectly, such
- 20 applicant, or
- 21 (B) is controlled, directly or indirectly, by
- 22 such applicant or by a person which controls,
- 23 directly or indirectly, such applicant;
- 24 (2) the facilities or proposed facilities for the
- 25 conduct of riverboat gambling;
- 26 (3) the highest prospective total revenue to be
- 27 derived by the State from the conduct of riverboat
- 28 gambling;
- 29 (4) the good faith affirmative action plan of each
- 30 applicant to recruit, train and upgrade minorities in all
- 31 employment classifications;
- 32 (5) the financial ability of the applicant to
- 33 purchase and maintain adequate liability and casualty
- 34 insurance;

1 (6) whether the applicant has adequate
2 capitalization to provide and maintain, for the duration
3 of a license, a riverboat; and

4 (7) the extent to which the applicant exceeds or
5 meets other standards for the issuance of an owners
6 license which the Board may adopt by rule.

7 (c) Each owners license shall specify the place where
8 riverboats shall operate and dock.

9 (d) Each applicant shall submit with his application, on
10 forms provided by the Board, 2 sets of his fingerprints.

11 (e) The Board may issue up to 10 licenses authorizing
12 the holders of such licenses to own riverboats. In the
13 application for an owners license, the applicant shall state
14 the dock at which the riverboat is based and the water on
15 which the riverboat will be located. The Board shall issue 5
16 licenses to become effective not earlier than January 1,
17 1991. Three of such licenses shall authorize riverboat
18 gambling on the Mississippi River, or in a municipality that
19 (1) borders on the Mississippi River or is within 5 miles of
20 the city limits of a municipality that borders on the
21 Mississippi River and (2), on the effective date of this
22 amendatory Act of the 92nd General Assembly, has a riverboat
23 conducting riverboat gambling operations pursuant to a
24 license issued under this Act; one of which shall authorize
25 riverboat gambling from a home dock in the city of East St.
26 Louis. One other license shall authorize riverboat gambling
27 on the Illinois River south of Marshall County. The Board
28 shall issue 1 additional license to become effective not
29 earlier than March 1, 1992, which shall authorize riverboat
30 gambling on the Des Plaines River in Will County. The Board
31 may issue 4 additional licenses to become effective not
32 earlier than March 1, 1992. In determining the water upon
33 which riverboats will operate, the Board shall consider the
34 economic benefit which riverboat gambling confers on the

1 State, and shall seek to assure that all regions of the State
2 share in the economic benefits of riverboat gambling.

3 In granting all licenses, the Board may give favorable
4 consideration to economically depressed areas of the State,
5 to applicants presenting plans which provide for significant
6 economic development over a large geographic area, and to
7 applicants who currently operate non-gambling riverboats in
8 Illinois. The Board shall review all applications for owners
9 licenses, and shall inform each applicant of the Board's
10 decision.

11 The Board may revoke the owners license of a licensee
12 which fails to begin conducting gambling within 15 months of
13 receipt of the Board's approval of the application if the
14 Board determines that license revocation is in the best
15 interests of the State.

16 (f) The first 10 owners licenses issued under this Act
17 shall permit the holder to own up to 2 riverboats and
18 equipment thereon for a period of 3 years after the effective
19 date of the license. Holders of the first 10 owners licenses
20 must pay the annual license fee for each of the 3 years
21 during which they are authorized to own riverboats.

22 (g) Upon the termination, expiration, or revocation of
23 each of the first 10 licenses, which shall be issued for a 3
24 year period, all licenses are renewable annually upon payment
25 of the fee and a determination by the Board that the licensee
26 continues to meet all of the requirements of this Act and the
27 Board's rules. However, for licenses renewed on or after May
28 1, 1998, renewal shall be for a period of 4 years, unless the
29 Board sets a shorter period.

30 (h) An owners license shall entitle the licensee to own
31 up to 2 riverboats. A licensee shall limit the number of
32 gambling participants to 1,200 for any such owners license. A
33 licensee may operate both of its riverboats concurrently,
34 provided that the total number of gambling participants on

1 both riverboats does not exceed 1,200. Riverboats licensed to
 2 operate on the Mississippi River and the Illinois River south
 3 of Marshall County shall have an authorized capacity of at
 4 least 500 persons. Any other riverboat licensed under this
 5 Act shall have an authorized capacity of at least 400
 6 persons.

7 (i) A licensed owner is authorized to apply to the Board
 8 for and, if approved therefor, to receive all licenses from
 9 the Board necessary for the operation of a riverboat,
 10 including a liquor license, a license to prepare and serve
 11 food for human consumption, and other necessary licenses.
 12 All use, occupation and excise taxes which apply to the sale
 13 of food and beverages in this State and all taxes imposed on
 14 the sale or use of tangible personal property apply to such
 15 sales aboard the riverboat.

16 (j) The Board may issue a license authorizing a
 17 riverboat to dock in a municipality or approve a relocation
 18 under Section 11.2 only if, prior to the issuance of the
 19 license or approval, the governing body of the municipality
 20 in which the riverboat will dock has by a majority vote
 21 approved the docking of riverboats in the municipality. The
 22 Board may issue a license authorizing a riverboat to dock in
 23 areas of a county outside any municipality or approve a
 24 relocation under Section 11.2 only if, prior to the issuance
 25 of the license or approval, the governing body of the county
 26 has by a majority vote approved of the docking of riverboats
 27 within such areas.

28 (Source: P.A. 91-40, eff. 6-25-99.)

29 (230 ILCS 10/11.3 new)

30 Sec. 11.3. Unused gaming positions of a dormant license.
 31 The Board shall reallocate unused gaming positions as
 32 provided in this Section within 30 days of the effective date
 33 of this amendatory Act of the 92nd General Assembly. The

1 reallocation of gaming positions authorized by this Section
2 shall be made by the Board prior to the reallocation of
3 gaming positions under Section 11.4. The gaming positions
4 authorized by a dormant license shall be divided equally
5 among all eligible licensees and may be used by those
6 eligible licensees as part of their riverboat gambling
7 operations. If an eligible licensee does not elect to obtain
8 some or all of the additional gaming positions authorized to
9 it under this Section, all other eligible licensees may
10 divide those positions equally.

11 As soon as an owners licensee begins conducting riverboat
12 gambling operations authorized by a dormant license, eligible
13 licensees using gaming positions authorized pursuant to this
14 Section shall no longer use those gaming positions.

15 For the purposes of this Section 11.3, the term "eligible
16 licensee" means an owners licensee that was in the top 4 in
17 adjusted gross receipts in calendar year 2001 as determined
18 by the Board and the term "dormant license" means an owners
19 license that is authorized by this Act under which no
20 riverboat gambling operations are being conducting on the
21 effective date of this amendatory Act of the 92nd General
22 Assembly.

23 (230 ILCS 10/11.4 new)

24 Sec. 11.4. Rock Island licensee's unused gaming
25 positions. The Board shall reallocate unused gaming positions
26 as provided in this Section within 30 days after all of the
27 gaming positions subject to reallocation under Section 11.3
28 have been reallocated. Four hundred gaming positions of an
29 owners licensee that conducts riverboat gambling operations
30 from a home dock in Rock Island County shall be divided
31 equally among all eligible licensees and may be used by those
32 eligible licensees as part of the riverboat gambling
33 operations.

1 If an eligible owners licensee does not elect to obtain
2 some or all of the additional gaming positions authorized to
3 it under this Section, all other eligible licensees may
4 divide those positions equally.

5 Eligible licensees that receive additional gaming
6 positions pursuant to this Section may use those positions
7 for a period of one year.

8 As soon as the one-year period is over or as soon as an
9 owners licensee whose gaming positions have been reallocated
10 pursuant to this Section begins conducting riverboat gambling
11 operations from a home dock location that is different from
12 the home dock location from which it conducted riverboat
13 gambling operations on the effective date of this amendatory
14 Act of the 92nd General Assembly, whichever is later, those
15 reallocated gaming positions shall be automatically reclaimed
16 by the owners licensee that was originally entitled to them.

17 At any time after the one-year period is over, if an
18 owners licensee whose gaming positions were reallocated under
19 this Section has not relocated its riverboat gambling
20 operations to a new home dock location, it may reclaim some
21 or all of those gaming positions by notifying all eligible
22 licensees in writing. If a licensee reclaims less than all
23 of its reallocated gaming positions, all eligible licensees
24 that received those positions shall return them on a pro rata
25 basis. If a licensee reclaims some but less than all of its
26 gaming positions, it may later reclaim any portion of the
27 remainder of those positions.

28 An eligible licensee that receives a reallocation of
29 gaming positions under this Section shall no longer use those
30 positions after they have been reclaimed.

31 For purposes of this Section 11.4, the term "eligible
32 licensee" means an owners license that was in the top 4 in
33 adjusted gross receipts in calendar year 2001 as determined
34 by the Board.

1 (230 ILCS 10/13.2 new)

2 Sec. 13.2. Supplemental wagering tax.

3 (a) Beginning on July 1, 2002, a privilege tax is
4 imposed on persons engaged in the business of conducting
5 riverboat gambling operations, based on the adjusted gross
6 receipts received by a licensed owner from gambling games
7 authorized under this Act, at the rate of 10% of annual
8 adjusted gross receipts in excess of \$200,000,000. For the
9 purpose of determining annual adjusted gross receipts in
10 calendar year 2002, annual adjusted gross receipts shall be
11 measured beginning January 1, 2002. In a subsequent year,
12 annual adjusted gross receipts shall be measured beginning on
13 January 1 of that year. The tax imposed pursuant to this
14 Section is in addition to any other tax imposed pursuant to
15 this Act.

16 (b) The taxes imposed by this Section shall be paid by
17 the licensed owner to the Board no later than 3:00 o'clock
18 p.m. of the day after the day when the wagers were made. The
19 Board shall pay all moneys received pursuant to this Section
20 into the Education Assistance Fund at least monthly.

21 (c) To the extent practicable, the Board shall
22 administer and collect the wagering taxes imposed by this
23 Section in a manner consistent with the provisions of
24 Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b,
25 6c, 8, 9, and 10 of the Retailers' Occupation Tax Act and
26 Section 3-7 of the Uniform Penalty and Interest Act.

27 (d) The provisions of this Section shall be inoperative
28 and of no force and effect beginning on the first date after
29 the effective date of this amendatory Act that riverboat
30 gambling operations are conducted pursuant to a dormant
31 license.

32 (e) For the purposes of this Section 13.2, the term
33 "dormant license" means an owners license that is authorized
34 by this Act under which no riverboat gambling operations are

1 being conducted on the effective date of this amendatory Act
2 of the 92nd General Assembly.

3 Section 10. "An Act in relation to gambling, amending
4 named Acts", approved June 25, 1999, Public Act 91-40, is
5 amended by changing Section 30 as follows:

6 (P.A. 91-40, Sec. 30)

7 Sec. 30. Severability. If any provision of this Act
8 (Public Act 91-40) or the application thereof to any person
9 or circumstance is held invalid, that invalidity does not
10 affect the other provisions or applications of the Act which
11 can be given effect without the invalid application or
12 provision, and to this end the provisions of this Act are
13 severable. This severability applies without regard to
14 whether the action challenging the validity was brought
15 before the effective date of this amendatory Act of the 92nd
16 General Assembly.

17 ~~Inseverability.---The-provisions-of-this-Act-are-mutually~~
18 ~~dependent-and-inseverable.---If-any-provision-is-held--invalid~~
19 ~~ether-than-as-applied-to-a-particular-person-or-circumstance,~~
20 ~~then-this-entire-Act-is-invalid.~~

21 (Source: P.A. 91-40, eff. 6-25-99.)

22 Section 99. Effective date. This Act takes effect upon
23 becoming law."