

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 1. Short title. This Act may be cited as the
5 FY2003 Budget Implementation (Gaming) Act.

6 Section 5. Purpose. It is the purpose of this Act to
7 make the changes in State programs relating to gaming that
8 are necessary to implement the State's FY2003 budget.

9 Section 10. The Riverboat Gambling Act is amended by
10 adding Sections 11.3, 11.4, and 13.2 and changing Sections 4,
11 7, and 13 as follows:

12 (230 ILCS 10/4) (from Ch. 120, par. 2404)

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

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

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

19 (c) "Gambling game" includes, but is not limited to,
20 baccarat, twenty-one, poker, craps, slot machine, video game

1 of chance, roulette wheel, klondike table, punchboard, faro
2 layout, keno layout, numbers ticket, push card, jar ticket,
3 or pull tab which is authorized by the Board as a wagering
4 device under this Act.

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

9 (e) (Blank).

10 (f) "Dock" means the location where a riverboat moors
11 for the purpose of embarking passengers for and disembarking
12 passengers from the riverboat.

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

16 (h) "Adjusted gross receipts" means the gross receipts
17 less winnings paid to wagerers.

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

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

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

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

25 (230 ILCS 10/7) (from Ch. 120, par. 2407)

26 Sec. 7. Owners Licenses.

27 (a) The Board shall issue owners licenses to persons,
28 firms or corporations which apply for such licenses upon
29 payment to the Board of the non-refundable license fee set by
30 the Board, upon payment of a \$25,000 license fee for the
31 first year of operation and a \$50,000 ~~\$5,000~~ license fee for
32 each succeeding year and upon a determination by the Board
33 that the applicant is eligible for an owners license

1 pursuant to this Act and the rules of the Board. A person,
2 firm or corporation is ineligible to receive an owners
3 license if:

4 (1) the person has been convicted of a felony under
5 the laws of this State, any other state, or the United
6 States;

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

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

12 (4) the person is a member of the Board;

13 (5) a person defined in (1), (2), (3) or (4) is an
14 officer, director or managerial employee of the firm or
15 corporation;

16 (6) the firm or corporation employs a person
17 defined in (1), (2), (3) or (4) who participates in the
18 management or operation of gambling operations authorized
19 under this Act;

20 (7) (blank); or

21 (8) a license of the person, firm or corporation
22 issued under this Act, or a license to own or operate
23 gambling facilities in any other jurisdiction, has been
24 revoked.

25 (b) In determining whether to grant an owners license to
26 an applicant, the Board shall consider:

27 (1) the character, reputation, experience and
28 financial integrity of the applicants and of any other or
29 separate person that either:

30 (A) controls, directly or indirectly, such
31 applicant, or

32 (B) is controlled, directly or indirectly, by
33 such applicant or by a person which controls,
34 directly or indirectly, such applicant;

1 (2) the facilities or proposed facilities for the
2 conduct of riverboat gambling;

3 (3) the highest prospective total revenue to be
4 derived by the State from the conduct of riverboat
5 gambling;

6 (4) the good faith affirmative action plan of each
7 applicant to recruit, train and upgrade minorities in all
8 employment classifications;

9 (5) the financial ability of the applicant to
10 purchase and maintain adequate liability and casualty
11 insurance;

12 (6) whether the applicant has adequate
13 capitalization to provide and maintain, for the duration
14 of a license, a riverboat; and

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

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

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

22 (e) The Board shall may issue up--to 10 licenses
23 authorizing the holders of such licenses to own riverboats.
24 In the application for an owners license, the applicant shall
25 state the dock at which the riverboat is based and the water
26 on which the riverboat will be located. The Board shall
27 issue 5 licenses to become effective not earlier than January
28 1, 1991. Three of such licenses shall authorize riverboat
29 gambling on the Mississippi River, or in a municipality that
30 (1) borders on the Mississippi River or is within 5 miles of
31 the city limits of a municipality that borders on the
32 Mississippi River and (2), on the effective date of this
33 amendatory Act of the 92nd General Assembly, has a riverboat
34 conducting riverboat gambling operations pursuant to a

1 license issued under this Act; one of which shall authorize
2 riverboat gambling from a home dock in the city of East St.
3 Louis. One other license shall authorize riverboat gambling
4 on the Illinois River south of Marshall County. The Board
5 shall issue 1 additional license to become effective not
6 earlier than March 1, 1992, which shall authorize riverboat
7 gambling on the Des Plaines River in Will County. The Board
8 may issue 4 additional licenses to become effective not
9 earlier than March 1, 1992. In determining the water upon
10 which riverboats will operate, the Board shall consider the
11 economic benefit which riverboat gambling confers on the
12 State, and shall seek to assure that all regions of the State
13 share in the economic benefits of riverboat gambling.

14 In granting all licenses, the Board may give favorable
15 consideration to economically depressed areas of the State,
16 to applicants presenting plans which provide for significant
17 economic development over a large geographic area, and to
18 applicants who currently operate non-gambling riverboats in
19 Illinois. The Board shall review all applications for owners
20 licenses, and shall inform each applicant of the Board's
21 decision.

22 An owners licensee that receives an owners license
23 authorizing it to begin conducting riverboat gambling
24 operations on or after the effective date of this amendatory
25 Act of the 92nd General Assembly shall attain a level of at
26 least 20% minority person and female ownership, at least 16%
27 and 4% respectively, within a time period prescribed by the
28 Board, but not to exceed 12 months from the date the licensee
29 begins conducting riverboat gambling operations. The
30 12-month period shall be extended by the amount of time
31 necessary to conduct a background investigation pursuant to
32 Section 6. For the purposes of this Section, the terms
33 "female" and "minority person" have the meanings provided in
34 Section 2 of the Business Enterprise for Minorities, Females,

1 and Persons with Disabilities Act.

2 The Board may revoke the owners license of a licensee
3 which fails to begin conducting gambling within 15 months of
4 receipt of the Board's approval of the application if the
5 Board determines that license revocation is in the best
6 interests of the State.

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

13 (g) Upon the termination, expiration, or revocation of
14 each of the first 10 licenses, which shall be issued for a 3
15 year period, all licenses are renewable annually upon payment
16 of the fee and a determination by the Board that the licensee
17 continues to meet all of the requirements of this Act and the
18 Board's rules. However, for licenses renewed on or after May
19 1, 1998, renewal shall be for a period of 4 years, unless the
20 Board sets a shorter period.

21 (h) An owners license shall entitle the licensee to own
22 up to 2 riverboats. A licensee shall limit the number of
23 gambling participants to 1,200 for any such owners license. A
24 licensee may operate both of its riverboats concurrently,
25 provided that the total number of gambling participants on
26 both riverboats does not exceed 1,200. Riverboats licensed to
27 operate on the Mississippi River and the Illinois River south
28 of Marshall County shall have an authorized capacity of at
29 least 500 persons. Any other riverboat licensed under this
30 Act shall have an authorized capacity of at least 400
31 persons.

32 (i) A licensed owner is authorized to apply to the Board
33 for and, if approved therefor, to receive all licenses from
34 the Board necessary for the operation of a riverboat,

1 including a liquor license, a license to prepare and serve
2 food for human consumption, and other necessary licenses.
3 All use, occupation and excise taxes which apply to the sale
4 of food and beverages in this State and all taxes imposed on
5 the sale or use of tangible personal property apply to such
6 sales aboard the riverboat.

7 (j) The Board may issue a license authorizing a
8 riverboat to dock in a municipality or approve a relocation
9 under Section 11.2 only if, prior to the issuance of the
10 license or approval, the governing body of the municipality
11 in which the riverboat will dock has by a majority vote
12 approved the docking of riverboats in the municipality. The
13 Board may issue a license authorizing a riverboat to dock in
14 areas of a county outside any municipality or approve a
15 relocation under Section 11.2 only if, prior to the issuance
16 of the license or approval, the governing body of the county
17 has by a majority vote approved of the docking of riverboats
18 within such areas.

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

20 (230 ILCS 10/11.3 new)

21 Sec. 11.3. Unused gaming positions of a dormant license.
22 The Board shall reallocate unused gaming positions as
23 provided in this Section within 30 days of the effective date
24 of this amendatory Act of the 92nd General Assembly. The
25 reallocation of gaming positions authorized by this Section
26 shall be made by the Board prior to the reallocation of
27 gaming positions under Section 11.4. The gaming positions
28 authorized by a dormant license shall be divided equally
29 among all eligible licensees and may be used by those
30 eligible licensees as part of their riverboat gambling
31 operations. If an eligible licensee does not elect to obtain
32 some or all of the additional gaming positions authorized to
33 it under this Section, all other eligible licensees may

1 divide those positions equally.

2 As soon as an owners licensee begins conducting riverboat
3 gambling operations authorized by a dormant license, but in
4 no event later than 18 months after the effective date of
5 this amendatory Act of the 92nd General Assembly, eligible
6 licensees using gaming positions authorized pursuant to this
7 Section shall no longer use those gaming positions.

8 For the purposes of this Section 11.3, the term "eligible
9 licensee" means an owners licensee that was in the top 4 in
10 adjusted gross receipts in calendar year 2001 as determined
11 by the Board and the term "dormant license" means an owners
12 license that is authorized by this Act under which no
13 riverboat gambling operations are being conducted on the
14 effective date of this amendatory Act of the 92nd General
15 Assembly.

16 (230 ILCS 10/11.4 new)

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

27 If an eligible owners licensee does not elect to obtain
28 some or all of the additional gaming positions authorized to
29 it under this Section, all other eligible licensees may
30 divide those positions equally.

31 Eligible licensees that receive additional gaming
32 positions pursuant to this Section may use those positions
33 for a period of at least one year.

1 As soon as the one-year period is over or as soon as an
2 owners licensee whose gaming positions have been reallocated
3 pursuant to this Section begins conducting riverboat gambling
4 operations from a home dock location that is different from
5 the home dock location from which it conducted riverboat
6 gambling operations on the effective date of this amendatory
7 Act of the 92nd General Assembly, whichever is later, but in
8 no event later than 18 months after the effective date of
9 this amendatory Act of the 92nd General Assembly, those
10 reallocated gaming positions shall be automatically reclaimed
11 by the owners licensee that was originally entitled to them.

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

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

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

30 (230 ILCS 10/13.2 new)

31 Sec. 13.2. Supplemental wagering tax.

32 (a) Beginning on July 1, 2002 and ending as provided in
33 subsection (d) but in no event later than 18 months after the

1 effective date of this amendatory Act of the 92nd General
2 Assembly, a privilege tax is imposed on persons engaged in
3 the business of conducting riverboat gambling operations,
4 based on the adjusted gross receipts received by a licensed
5 owner from gambling games authorized under this Act, at the
6 rate of 10% of annual adjusted gross receipts in excess of
7 \$200,000,000. For the purpose of determining annual adjusted
8 gross receipts in calendar year 2002, annual adjusted gross
9 receipts shall be measured beginning January 1, 2002. In a
10 subsequent year, annual adjusted gross receipts shall be
11 measured beginning on January 1 of that year. The tax imposed
12 pursuant to this Section is in addition to any other tax
13 imposed pursuant to this Act.

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

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

25 (d) The provisions of this Section shall be inoperative
26 and of no force and effect beginning on the first date after
27 the effective date of this amendatory Act that riverboat
28 gambling operations are conducted pursuant to a dormant
29 license, but in no event later than 18 months after the
30 effective date of this amendatory Act of the 92nd General
31 Assembly.

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."