

1 AN ACT in relation to gambling.

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

4 Section 5. The Riverboat Gambling Act is amended by
5 changing Sections 7 and 13 as follows:

6 (230 ILCS 10/7) (from Ch. 120, par. 2407)

7 Sec. 7. Owners Licenses.

8 (a) The Board shall issue owners licenses to persons,
9 firms or corporations which apply for such licenses upon
10 payment to the Board of the non-refundable license fee set by
11 the Board, upon payment of a \$25,000 license fee for the
12 first year of operation and a \$5,000 license fee for each
13 succeeding year and upon a determination by the Board that
14 the applicant is eligible for an owners license pursuant to
15 this Act and the rules of the Board. A person, firm or
16 corporation is ineligible to receive an owners license if:

17 (1) the person has been convicted of a felony under
18 the laws of this State, any other state, or the United
19 States;

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

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

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

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

29 (6) the firm or corporation employs a person
30 defined in (1), (2), (3) or (4) who participates in the
31 management or operation of gambling operations authorized

1 under this Act;

2 (7) (blank); or

3 (8) a license of the person, firm or corporation
4 issued under this Act, or a license to own or operate
5 gambling facilities in any other jurisdiction, has been
6 revoked.

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

9 (1) the character, reputation, experience and
10 financial integrity of the applicants and of any other or
11 separate person that either:

12 (A) controls, directly or indirectly, such
13 applicant, or

14 (B) is controlled, directly or indirectly, by
15 such applicant or by a person which controls,
16 directly or indirectly, such applicant;

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

19 (3) the highest prospective total revenue to be
20 derived by the State from the conduct of riverboat
21 gambling;

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

25 (5) the financial ability of the applicant to
26 purchase and maintain adequate liability and casualty
27 insurance;

28 (6) whether the applicant has adequate
29 capitalization to provide and maintain, for the duration
30 of a license, a riverboat; and

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

34 (c) Each owners license shall specify the place where

1 riverboats shall operate and dock.

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

4 (e) The Board may issue up to 10 licenses authorizing
5 the holders of such licenses to own riverboats. In the
6 application for an owners license, the applicant shall state
7 the dock at which the riverboat is based and the water on
8 which the riverboat will be located. The Board shall issue 5
9 licenses to become effective not earlier than January 1,
10 1991. Three of such licenses shall authorize riverboat
11 gambling on the Mississippi River, one of which shall
12 authorize riverboat gambling from a home dock in the city of
13 East St. Louis. One other license shall authorize riverboat
14 gambling on the Illinois River south of Marshall County. The
15 Board shall issue 1 additional license to become effective
16 not earlier than March 1, 1992, which shall authorize
17 riverboat gambling on the Des Plaines River in Will County.
18 The Board may issue 4 additional licenses to become effective
19 not earlier than March 1, 1992. In determining the water
20 upon which riverboats will operate, the Board shall consider
21 the economic benefit which riverboat gambling confers on the
22 State, and shall seek to assure that all regions of the State
23 share in the economic benefits of riverboat gambling.

24 In granting all licenses, the Board may give favorable
25 consideration to economically depressed areas of the State,
26 to applicants presenting plans which provide for significant
27 economic development over a large geographic area, and to
28 applicants who currently operate non-gambling riverboats in
29 Illinois. The Board shall review all applications for owners
30 licenses, and shall inform each applicant of the Board's
31 decision.

32 The Board may revoke the owners license of a licensee
33 which fails to begin conducting gambling within 15 months of
34 receipt of the Board's approval of the application if the

1 Board determines that license revocation is in the best
2 interests of the State.

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

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

17 (h) An owners license shall entitle the licensee to own
18 up to 2 riverboats. A licensee shall limit the number of
19 gambling participants to 2,000 ~~1,720~~ for any such owners
20 license. A licensee may operate both of its riverboats
21 concurrently, provided that the total number of gambling
22 participants on both riverboats does not exceed 2,000 ~~1,720~~.
23 Riverboats licensed to operate on the Mississippi River and
24 the Illinois River south of Marshall County shall have an
25 authorized capacity of at least 500 persons. Any other
26 riverboat licensed under this Act shall have an authorized
27 capacity of at least 400 persons.

28 (i) A licensed owner is authorized to apply to the Board
29 for and, if approved therefor, to receive all licenses from
30 the Board necessary for the operation of a riverboat,
31 including a liquor license, a license to prepare and serve
32 food for human consumption, and other necessary licenses.
33 All use, occupation and excise taxes which apply to the sale
34 of food and beverages in this State and all taxes imposed on

1 the sale or use of tangible personal property apply to such
2 sales aboard the riverboat.

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

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

16 (230 ILCS 10/13) (from Ch. 120, par. 2413)

17 Sec. 13. Wagering tax; rate; distribution.

18 (a) Until January 1, 1998, a tax is imposed on the
19 adjusted gross receipts received from gambling games
20 authorized under this Act at the rate of 20%.

21 Beginning January 1, 1998, a privilege tax is imposed on
22 persons engaged in the business of conducting riverboat
23 gambling operations, based on the adjusted gross receipts
24 received by a licensed owner from gambling games authorized
25 under this Act at the following rates:

26 15% of annual adjusted gross receipts up to and
27 including \$25,000,000;

28 20% of annual adjusted gross receipts in excess of
29 \$25,000,000 but not exceeding \$50,000,000;

30 25% of annual adjusted gross receipts in excess of
31 \$50,000,000 but not exceeding \$75,000,000;

32 30% of annual adjusted gross receipts in excess of
33 \$75,000,000 but not exceeding \$100,000,000;

1 35% of annual adjusted gross receipts in excess of
2 \$100,000,000.

3 The taxes imposed by this Section shall be paid by the
4 licensed owner to the Board not later than 3:00 o'clock p.m.
5 of the day after the day when the wagers were made.

6 (b) Until January 1, 1998, 25% of the tax revenue
7 deposited in the State Gaming Fund under this Section shall
8 be paid, subject to appropriation by the General Assembly, to
9 the unit of local government which is designated as the home
10 dock of the riverboat. Beginning January 1, 1998, from the
11 tax revenue deposited in the State Gaming Fund under this
12 Section, an amount equal to 5% of adjusted gross receipts
13 generated by a riverboat shall be paid monthly, subject to
14 appropriation by the General Assembly, to the unit of local
15 government that is designated as the home dock of the
16 riverboat.

17 (c) Appropriations, as approved by the General Assembly,
18 may be made from the State Gaming Fund to the Department of
19 Revenue and the Department of State Police for the
20 administration and enforcement of this Act.

21 (c-5) After the payments required under subsections (b)
22 and (c) have been made, an amount equal to 15% of the
23 adjusted gross receipts of a riverboat (1) that relocates
24 pursuant to Section 11.2, or (2) for which an owners license
25 is initially issued after the effective date of this
26 amendatory Act of 1999, whichever comes first, shall be paid
27 from the State Gaming Fund into the Horse Racing Equity Fund.

28 (c-10) Each year the General Assembly shall appropriate
29 from the General Revenue Fund to the Education Assistance
30 Fund an amount equal to the amount paid into the Horse Racing
31 Equity Fund pursuant to subsection (c-5) in the prior
32 calendar year.

33 (c-15) After the payments required under subsections
34 (b), (c), and (c-5) have been made, an amount equal to 2% of

1 the adjusted gross receipts of a riverboat (1) that relocates
2 pursuant to Section 11.2, or (2) for which an owners license
3 is initially issued after the effective date of this
4 amendatory Act of 1999, whichever comes first, shall be paid,
5 subject to appropriation from the General Assembly, from the
6 State Gaming Fund to each home rule county with a population
7 of over 3,000,000 inhabitants for the purpose of enhancing
8 the county's criminal justice system.

9 (c-20) Each year the General Assembly shall appropriate
10 from the General Revenue Fund to the Education Assistance
11 Fund an amount equal to the amount paid to each home rule
12 county with a population of over 3,000,000 inhabitants
13 pursuant to subsection (c-15) in the prior calendar year.

14 (c-25) After the payments required under subsections
15 (b), (c), (c-5) and (c-15) have been made, an amount equal to
16 2% of the adjusted gross receipts of a riverboat (1) that
17 relocates pursuant to Section 11.2, or (2) for which an
18 owners license is initially issued after the effective date
19 of this amendatory Act of 1999, whichever comes first, shall
20 be paid from the State Gaming Fund into the State
21 Universities Athletic Capital Improvement Fund.

22 (c-30) After the payments required under subsections (b),
23 (c), (c-5), (c-15), and (c-25) have been made, an aggregate
24 amount equal to 1% of the adjusted gross receipts of a
25 riverboat less an amount equal to the amount paid to the unit
26 of local government that is designated as the home dock of
27 the riverboat pursuant to subsection (b), shall be paid
28 monthly, subject to appropriation by the General Assembly,
29 from the State Gaming Fund to blighted municipalities other
30 than the municipality in which the riverboat docks, if the
31 riverboat docks within the boundaries of a municipality, that
32 are located in the county in which the riverboat docks based
33 on the proportion that the population of each of those
34 blighted municipalities bears to the total population of

1 blighted municipalities in the county, other than the home
2 dock municipality. For the purpose of this subsection (c-30),
3 the term "blighted municipality" means a municipality that is
4 in the bottom 10% of all the municipalities in the county in
5 average median income or employment rate.

6 (d) From time to time, the Board shall transfer the
7 remainder of the funds generated by this Act into the
8 Education Assistance Fund, created by Public Act 86-0018, of
9 the State of Illinois.

10 (e) Nothing in this Act shall prohibit the unit of local
11 government designated as the home dock of the riverboat from
12 entering into agreements with other units of local government
13 in this State or in other states to share its portion of the
14 tax revenue.

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

21 (Source: P.A. 90-548, eff. 12-4-97; 91-40, eff. 6-25-99.)