DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES Planning Division

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memorandum

TO: Urbana Plan Commission

FROM: Christopher Marx, Planner I

DATE: February 5, 2015

SUBJECT: Plan Case 2250-T-15: An amendment to Article II and Article V of the Urbana

Zoning Ordinance to establish definitions, use provisions, and possible conditional permissions for "Gaming Halls", Urbana Zoning Administrator,

applicant.

Introduction

The Zoning Administrator is requesting an amendment to multiple sections of the Zoning Ordinance in order to add definitions and establish use provisions for gambling or "gaming" halls. The proposed ordinance amendment would add a definition to Article II, add gaming hall as use to Table V-1, Table of Uses, and add gaming hall restrictions to Article V.

The purpose of the proposed amendment is to address a use newly permitted by the state in the Urbana Zoning Ordinance. Since passage of the Illinois Video Gaming Act (230 ILCS 40/1) in 2009, many bars and restaurants have adopted video gaming machines on their premises as an accessory use. The machines, known as terminals in state statute, are designed to provide supplementary revenue for business and additional entertainment options for their clientele. The state requirements of a liquor license and a limit of no more than five terminals per establishment are designed to allow businesses to operate gaming without functioning as a casino. In 2012, the City of Urbana approved the granting of video gaming machines with liquor licenses with a limit of 12 licenses according to section 3.7-15 in the municipal code. As a result, 12 Urbana businesses received the available licenses and installed machines in their establishments, with additional businesses applying for gaming licenses.

Since passage of the act, the City has seen one establishment obtain a liquor license with a principal use of restaurant or tavern listed on the building permit application but attract a primary patronage centered on their gaming machines. The establishment offers food and beverages but generates the majority of the customer traffic from video gaming machines. Since there are currently no listings for principal use gaming halls in Table V-1, Table of Uses, staff and the Zoning Administrator have considered gaming halls as food and beverage establishments. Until there is definition and clarification of gaming halls as distinct from bars and restaurants, this approach is consistent with Section V-1.B of the Zoning Ordinance, which states that "such use

shall be subject to the regulations of the use...to which it is most related or similar, as determined by the Zoning Administrator."

Because there are unique characteristics associated with these uses and they are likely to continue to be sited in Urbana in the future, the Zoning Administrator is requesting a text amendment to establish specific uses and guidelines for such facilities. Through the text amendment, the Zoning Administrator proposes to add definitions and regulations to allow gaming halls as permitted in some business districts.

The Plan Commission should review the proposed Zoning Ordinance text amendment and make a recommendation for City Council to adopt or deny the proposed changes. The Urbana City Council will make the final decision regarding which districts and under what circumstances gaming halls should be allowed in the City.

Background

On July 13, 2009, the State of Illinois approved the Illinois Video Gaming Act (230 ILCS 40/1), allowing video gaming machines for the purpose of gambling in bar and restaurant establishments. Qualifying as a *licensed establishment*, a business is allowed to operate up to five machines with varying categories. The statute defines a *licensed establishment* in the following statute:

"Licensed establishment" means any licensed retail establishment where alcoholic liquor is drawn, poured, mixed, or otherwise served for consumption on the premises, whether the establishment operates on a nonprofit or for-profit basis (230 ILCS 40/5).

A licensed establishment, licensed truck stop establishment, licensed veterans establishment, or licensed fraternal establishment may operate up to 5 video gaming terminals on its premises at any time(230 ILCS 40/25(e)).

Most of the Urbana businesses that installed video gaming machines were traditional bars and restaurants and the local chapters of the American Legion and Veterans of Foreign Wars. Their machines provided extra revenue and contributed important revenue to the City from their municipal share as required by state law. More recently, a few businesses have emerged that focus on gaming, rather than as an accessory use to a restaurant, bar, or fraternal lodge. While the businesses may be considered as a form of a restaurant or tavern, the majority of their revenue comes from the operation of their permitted five video gaming machine terminals. The food and beverages offerings are also limited compared to other area establishments, in some cases offering only prepackaged food. Classified as "Gaming Cafés" or "Gaming Halls", these businesses exist as a sort of casino on a micro level. Many cities across the state have made quick and important policy decisions with the sudden emergence of video gaming machines. In many circumstances, local communities haven't had the chance to make decisions about gaming as a primary use before a gaming hall has established itself. Many gaming halls operate from an established business model successfully used in other states. With such an easily repeatable and profitable business model, gaming halls are quickly becoming prevalent enough to require being addressed in a community's zoning ordinance.

The City of Urbana, like many other municipalities in Illinois, has found itself without any listing and with limited guidance for a gaming hall as a principle use in its zoning ordinance. A lack of proper use identification can create future problems and undermine the goals of the Zoning Ordinance. The establishment of a gaming hall definition and new addition to the Urbana Zoning Ordinance's Section V-1, Table of Uses would allow such uses to be properly zoned and regulated in the city.

Local governments in Illinois have the authority to adopt reasonable zoning controls to determine where and how gaming halls are located. The Act provides guidance for locating gaming halls except in terms of proximity to existing casinos, river boats, and horse racing facilities. The Act also states a minor setback for schools and places of worship from establishments with video gaming machines:

Sec. 25. Restriction of licenses

Location restriction. A licensed establishment, licensed truck stop establishment, licensed fraternal establishment, or licensed veterans establishment that is (i) located within 1,000 feet of a facility operated by an organization licensee licensed under the Illinois Horse Racing Act of 1975 or the home dock of a riverboat licensed under the Riverboat Gambling Act or (ii) located within 100 feet of a school or a place of worship under the Religious Corporation Act, is ineligible to operate a video gaming terminal.

A few local governments in Illinois have already adopted zoning regulations regarding gaming halls. For example, Champaign does not have a separate principal use category for gaming halls, but regulates them through their liquor license and gaming license provisions. The following table summarizes several communities' regulations. The list is not exhaustive, but shows that zoning regulations range from somewhat restrictive (e.g. South Beloit, Homer Glen) to forbidden (e.g. Lake County, Bloomington). In most cities where gaming halls are forbidden, video gaming machines are still allowed, but only as accessory uses within established restaurants and taverns. Many communities are still in the active process of deciding how to regulate gaming halls. Urbana's proposed use restrictions are also shown.

Jurisdiction	Statute	Permission	Additional Information
Peoria		Not Permitted (Moratorium until March 2015)	Gaming Cafe - An establishment or a business whose primary purpose is to operate video gaming terminals as defined under the Illinois Video Gaming Act and in which the sale of pre-packaged foods or snacks and alcoholic beverages are only incidental to the operation of the video gaming terminals. Moratorium until March 2015
Olney	Section 5.12.060	Permitted: C-2 Commercial District	Class V (Video Gaming Establishment License) - Class V liquor licenses shall authorize the sale of alcoholic liquor at retail on the premises specified for consumption on the premises only if such sale is secondary to the business of video gaming. This license shall be issued only to businesses that operate primarily for the purpose of video gaming with a majority of the revenue coming from video gaming receipts.
South Beloit	Sec. 6- 82	Permitted: CG – Commercial General District CR – Commercial Retail District	Class "BG" (bar-boutique gaming) licenses. Class "BG" shall authorize the retail sale of alcoholic liquor on the premises specified for consumption on the premises of businesses whose estimated net revenue from the sale of food, alcohol, and/or general merchandise is less than 51 percent per yearSize limit of 1,500 sq.ft., no patio, no alcohol related signage, no musical events, no additional games such as pool tables, pinball machines, etc.
Lake County	Article III, Section 6(m)	Not Permitted	At least 60% of venue's revenue must be from food or beverage. No more than 10 % of its space is dedicated to video gaming.
Bloomington	Chapter 6, Section 4-14B	Not Permitted	No license shall be created for, or maintained by, an establishment whose primary or major focus is video gaming. In determining whether an establishment's primary or major focus is video gaming, the following factors may be considered. The Layout and design of the establishment including: the number of video gaming machines relative to the customer seating capacity of the establishment, the square footage of space devoted to video gaming relative to the amount of space devoted to other activities, whether the probable revenue derived from the establishment will be primarily from video gaming, and the number of employees at the establishment and their proposed function, "other relevant factors"
Homer Glen		Conditional	Establishments must be greater than 1500 sq.ft. City ordinance pending
Urbana (proposed)	Article V-I3	Permitted: B-3 Conditional: B-4 and B-4E	May not be located within 100 feet of a school or existing place of worship.

Discussion

The current licensees that offer video gaming machines are established businesses that offer food and beverage service or cater to veteran organizations. Their license to acquire video gaming machines was done in conjunction with their standard liquor license renewal. The total number

of machines at the 12 permitted establishments reached 50 by the end of 2014. The City has seen video gaming revenue climb almost every month with record receipts going through the beginning of the new year. The terminals have provided the City with \$208,720 over the last two years as part of its five percent share as mandated by state law. With the exception of the veteran organizations and one gaming-oriented "café", the businesses have used the video gaming machines as an accessory use to their food and beverage offerings. The City is registering a backlog of businesses requesting video gaming machines and is handling more permits for gaming halls to operate with gaming as their primary use. City leaders have given an annual consideration to adjusting license caps and allowing more establishments with gaming.

Because this use has not previously existed, there are currently no specific regulations for the principal use of gaming halls in Urbana and Table V-1 does not list it as a principal use. According to Section V-1.B of the Zoning Ordinance, when a principal use is proposed to be established that is not listed in Table V-1, the Zoning Administrator shall determine what is the most related or similar use. The proposed use would then be allowed under the same regulations as the most similar use. Because video gaming machines are only permitted in small numbers for businesses with liquor licenses, they are determined as restaurants, bars, and clubs. However, video gaming halls are a distinctly different use from restaurants and bars in that the terminals act as more than just a complementary revenue source. The gaming changes from an accessory to a principle use.

In Table V-1, there is no primary or accessory use for "gaming hall". Gaming halls fall into similar use characteristics as bars and restaurants as a recreational business that some consider a societal vice through a liquor license. In contrast to the decades-long existence of liquor serving establishments, gaming halls have attracted greater scrutiny and attention because of their recent emergence. Currently, businesses with liquor licenses are primarily zoned in commercial districts, including B-3, B-3U, B-4, and B-4E (and as a Conditional Use in IN-1). Bars, restaurants, clubs, and establishments selling liquor are permitted by right in Business Districts. In only a few exceptions, a restaurant or liquor store is allowed to exist by special or conditional use. Operating of video gaming machines is forbidden for individuals under the age of 21 in the Illinois Video Gaming Act.

The Zoning Administrator proposes adding a definition of Gaming Hall to Article II. An established definition eliminates ambiguity in City zoning decisions. This definition would clarify that gaming halls are businesses whose primary purpose is video gaming. Taverns, cafés and restaurants that serve alcohol would still be allowed to have properly licensed machines, but would not be considered gaming halls. Likewise, the VFW and American Legion would still be considered a "Lodge or Private Club" principal use. In determining a business's principal use, the Zoning Administrator considers several factors. These include floor area devoted to gaming versus food or beverage service, revenue sources, and patron activities. An enterprise may derive much of its revenue from gaming, but if patrons are spending most of their time eating, drinking, or socializing, and if only a small area of the space is devoted to gaming, it would not be considered a principal use Gaming Hall. Cafés that have a kitchen and full-service bar would be considered a café. However, a business with video gaming that only offers prepackaged food and bottles or cans of alcoholic beverages would be considered a Gaming Hall.

Staff recommends that the principal use of gaming halls be added to Table V-1 to be allowed in certain business districts of the City, based on their similarity to Taverns, Pool Halls, or Bowling Alleys. These establishments that offer alcohol are generally limited to districts that do not contain any residential uses. Limiting business with a primarily gaming use would be appropriate because of the similarity in their building footprint and customer traffic. Staff recommends against allow gaming halls in university-centered districts such as B-3U and CCD because of the higher risk of underage patronage. The Zoning Administrator proposes to allow gaming halls as a permitted-by-right use in the B-3, General Business, B-4, Central Business. and B-4E Central Business-Expansion districts. This would be similar to the districts in which comparable uses, such as Pool Halls and Bowling Alleys are allowed, except those uses are also allowed in the B-3U, CCD, and MOR districts. Because of the illegality of individuals under 21 years of age patronizing video gaming machines, the Zoning Administrator is proposing to not allow gaming halls in the CCD, Campus Commercial District or B-3U, General Business University district.

Staff also considered allowing Gaming Halls as a Conditional Use in certain districts. Taverns are allowed as a Conditional Use in the IN-1 District. In the end, staff does not believe it would be appropriate to allow Gaming Halls in the IN-1 District, as it does not match the character of the district. Requiring a Conditional Use Permit in some Business Districts would provide an additional level of review, but staff considers this unnecessary, given that a new Gaming Hall use would also need to apply for a new liquor license. These licenses are reviewed by the Mayor's office and approved by City Council, so any issues of neighborhood compatibility could be sorted out during that approval process. That being said, staff is not strongly opposed to requiring a Conditional Use Permit for Gaming Halls if Plan Commission and City Council wish to incorporate that requirement into the proposed Zoning Ordinance amendment, and doing so would be consistent with the practice of at least one other Illinois city (Homer Glen).

Comprehensive Plan

The following goals and objectives of the 2005 Urbana Comprehensive Plan relate to this case:

Goal 17.0 Minimize incompatible land uses.

Objectives

- 17.1 Establish logical locations for land use types and mixes, minimizing potentially incompatible interfaces, such as industrial uses near residential areas.
- 17.2 Where land use incompatibilities exist, promote development and design controls to minimize concerns.

Goal 28.0 Develop a diversified and broad, stable tax base.

Objectives

28.6 Increase the allocation of land devoted to tax-generating commercial uses in appropriate locations.

Goal 29.0 Develop a focused approach to economic development.

Objectives

29.1 Encourage supportive services and amenities that will benefit a strong civic, financial, and professional business base in Urbana.

The proposed text amendment would accomplish these goals and objectives in the following ways. First, the amendment would create a proper zoning description for businesses that operate with a principal function of video gaming. Additionally, the amendment would allow existing businesses to continue to operate as gaming halls and not unduly discourage the location of future establishments in in the City. Lastly, the amendment would not harm the City's economic and fiscal benefits of gaming activity by properly zoning businesses operating as gaming halls without banning or unduly limiting them.

Proposed Text Changes

The proposed changes are listed below, using a strikethrough and underline notation system. A strikethrough is used to indicate deleted language, while an underline is used to indicate added language. Commentary on the proposed changes are listed *in italics*.

Section II-3. Definitions

Gaming Hall: An establishment whose primary purpose is to operate video gaming terminals as defined under the Illinois Video Gaming Act and in which the sale of food or alcoholic beverages are only subsidiary to the operation of the video gaming terminals. (230 ILCS 40/5)

This change would add a definition for Gaming Hall. Restaurants, taverns, and veteran and fraternal organizations would not fall under this definition if their primary purpose is not based on video gaming machines.

Table V-1. Table of Uses

Principal Uses	R-1	R-2	R-3	R-4	R-5	R-6	R-6B	R-7	AG	B-1	B-2	B-3	B-3U	B-4	B-4E	CCD	CRE	MOR	I-NI	IN-2
<u>Gaming</u> <u>Hall</u>												<u>P</u>		<u>P</u>	<u>P</u>					

(Note: Gaming Hall will be placed under the "Business" section of the use table.)

This change would establish which districts Gaming Halls would be allowed in, and specify where they may be permitted.

Staff is proposing that Gaming Halls be allowed by right in the B-3, B-4, and B-4E zoning district zoning districts. Gaming Halls more closely resemble Restaurants and Tavern or Night Club because of their shared characteristic of having a liquor license. Therefore, they are categorized in the Business section in the Table of Uses. Like food and beverage establishments, gaming halls are proposed to be limited to primarily commercial districts and ones not centered near the University to lower any risk of underage patronage. Limiting gaming halls to the primarily commercial districts of B-3, B-4, and B-4E lowers the risk of them being incompatibly

located near residential areas.

Section V-13. Regulation of Gaming Halls

A. Location Restriction

An establishment requesting a license for video gaming terminals shall be a minimum of one hundred feet from a preexisting school or a place of worship under the Religious Corporation Act (805 ILCS 110/0.01 et seq.).

These changes would add regulations for the siting of Gaming Halls to ensure consistency with the stipulations of the Illinois Video Gaming Act (230 ILCS 40/25(h.ii)). There are no proposed changed to Article VII concerning Conditional Use Permits, although City Council may adopt changes if they feel CUP level review is necessary.

Summary of Staff Findings

- 1. The Zoning Administrator is proposing a text amendment to the Zoning Ordinance in order to add definitions and establish use provisions for gaming halls.
- 2. Video gaming machines in establishments with a liquor license are legal in Illinois as of January 1, 2010 and their usage is regulated by the Illinois Video Gaming Act (230 ILCS 40/1).
- 3. The proposed amendment will modify Articles II and V of the Urbana Zoning Ordinance to distinguish establishments with liquor licenses that exist for the primary purpose of video gaming as "Gaming Halls" and establish definitions and use permissions
- 4. The proposed amendment would allow Gaming Halls in the B-3, General Business, B-4, Central Business District and B-4E, Central Business-Expansion District as a Permitted use.
- 5. The proposed amendment is consistent with the goals and objectives of the 2005 Urbana Comprehensive Plan to minimize incompatible land uses, develop a diversified and stable tax base, and to develop a focused approach to economic development.
- 6. The proposed amendment conforms to notification and other requirements for the Zoning Ordinances as required by the State Zoning Act (65 ILCS 5/11-13-14).

Options

The Plan Commission has the following options for recommendation to the Urbana City Council regarding Plan Case 2250-T-15:

- a. forward this case to City Council with a recommendation for approval as presented herein;
- b. forward this case to City Council with a recommendation for approval as modified by specific suggested changes; or
- c. forward this case to City Council with a recommendation to deny the proposed

Staff Recommendation

Based on the evidence presented in the discussion above, and without the benefit of considering additional evidence that may be presented at the public hearing, staff recommends that the Plan Commission make a recommendation to City Council to **APPROVE** the proposed text amendment as presented herein.

Attachments:

Exhibit A: Map – Locations of Existing Gaming Halls in Urbana Zoning Districts

Exhibit B: Text – Local Statute on City Licensing Policy

Exhibit C: Text – State Statute on Video Gaming Machines

Exhibit D: Table – Video Gaming Revenue from Urbana Establishments

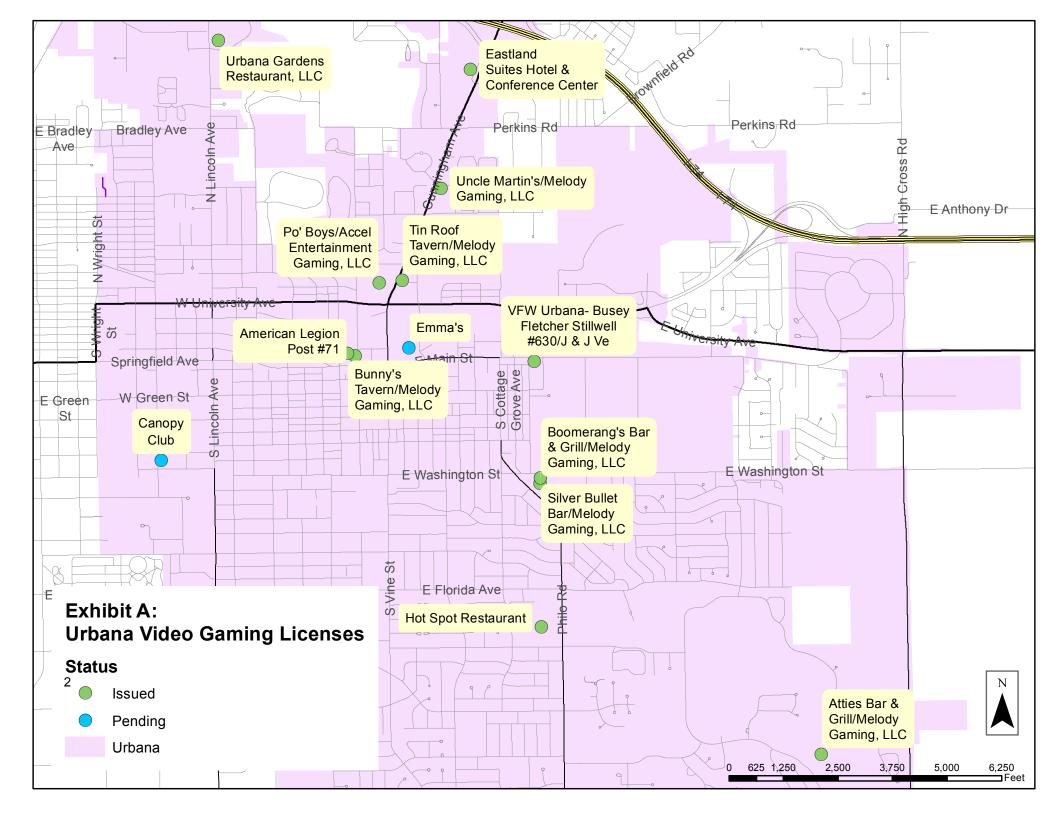


Exhibit B: Urbana Municipal Code, Article II

ARTICLE II. - AMUSEMENT DEVICES; VIDEO GAMBLING TERMINALS; GAMEROOMS

FOOTNOTE(S):

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Editor's note— Section 1 of Ord. No. 2012-07-073, adopted July 30, 2012, amended art. II in its entirety to read as herein set out. Former art. II, §§ 3.7-11-3.7-18 pertained to amusement devices and gamerooms and derived from Ord. No. 8283-22, §§ 1-8, adopted Sept. 20, 1982.

Sec. 3.7-11. - Definitions.

As used in this article, the following words and phrases shall have the following meanings ascribed to them:

Amusement device shall mean and include any device for which a fee is charged for the purpose of entertainment or amusement which returns to the player or operator thereof no money or property or right to receive money or property, or any other such device which, upon insertion of a coin, slug or token in any slot or receptacle in or attached to such device, operates or is operated for use as entertainment or amusement, including, but not limited to, jukeboxes, motion or still picture viewers, pinball games, video games, air hockey games, electronic games, and any other such similar devices.

 ${\it Gameroom}$ shall mean and include any specific place or location owned or leased by any person who displays twenty (20) or more amusement devices as herein defined upon such premises.

Video gambling terminal shall have the same meaning as "video gaming terminal," as set forth in the Video Gaming Act, 230 ILCS 40/1 et seq. as amended.

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(Ord. No. 2012-07-073, § 1, 7-30-12)
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Sec. 3.7-12. - Imposition of tax and license.

- (a) There is hereby imposed, on the privilege of operating every amusement device or gameroom in the city, an annual privilege tax and license for each such amusement device or gameroom.
- (b) There is hereby imposed, on the privilege of operating every video gambling terminal in the city, an annual privilege tax and license for each such video gambling terminal.

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(Ord. No. 2012-07-073, § 1, 7-30-12)
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Sec. 3.7-13. - License required.

Any person who displays any amusement device or video gambling terminal to be played or operated by the public at any place owned or leased by any such person shall, before such person displays such device or terminal, file with the comptroller of the city an application for a license for each such device or terminal or for a gameroom. Any person who displays any video gambling terminal to be played or operated by the public shall as a prerequisite to receiving any license from the city have a valid license from the State of Illinois for each such terminal, and the loss or suspension of any such license by the State of Illinois shall automatically result in the same status for the license issued hereunder without refund of any license fee.

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(Ord. No. 2012-07-073, § 1, 7-30-12)
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Sec. 3.7-14. - Reserved.

Sec. 3.7-15. - License application; issuance; limitations on video gambling terminals.

- (a) Any person desiring to display in the city any amusement device or video gambling terminal shall make application for the appropriate license to the comptroller. Each such application shall be accompanied by the required license tax and shall set forth such applicant's name and address, with a brief description of each amusement device or video gambling terminal to be displayed on the premises where such device or terminal will be located, together with such other relevant data or information as the comptroller may require. The applicant shall include a copy of the license from the State of Illinois for each video gaming terminal on the premises. Upon receipt of the proper application and upon the payment of the tax and license as herein provided, the comptroller shall issue the appropriate license for each such device, terminal, or gameroom, which such license shall be issued for a period of one year from July first to June thirtieth in the ensuing year.
- (b) No more than five (5) video gambling terminals may be located on any licensed premises. No more than twelve (12) licensed premises may display video gambling terminals to be played or operated by the public. In the event that all licenses last granted by operation of this section for video gambling terminals at any of the twelve (12) licensed premises lapse or are terminated for any reason, the number of licensed premises authorized by the corporate authorities to display video gambling terminals to be played or operated by the public shall automatically and immediately be reduced by one. Prior to authorizing any new licensed premises to display video gaming terminals under this section, the city council shall convene and conduct a public hearing as necessary to gather additional information on the application or for other good reason.

(Ord. No. 2012-07-073, § 1, 7-30-12)

Sec. 3.7-16. - Display of license; transfer.

- (a) Amusement devices and video gambling terminals. The license for each amusement device or video gambling terminal shall be in the form of a gummed sticker, which shall be serially numbered and shall be securely affixed in plain view to the device for which it is issued. An amusement device license may be transferred from one amusement device to another amusement device located on the same premises and owned by the same applicant, provided that any and all such amusement devices so displayed at any one time on such premises shall be licensed as provided herein. A video gambling terminal license is not transferable.
- (b) Gamerooms. A gameroom license shall be in such form as shall be determined from time-to-time by the comptroller and every such gameroom license shall be framed and hung in plain view in a conspicuous place on the licensed premises.

(Ord. No. 2012-07-073, § 1, 7-30-12)

Sec. 3.7-17. - License fee.

Each applicant for a license required by this article shall pay such amount for such annual privilege tax and license as is set forth and established in section 14-7 of the Code of Ordinances, City of Urbana, Illinois.

(Ord. No. 2012-07-073, § 1, 7-30-12)

Sec. 3.7-18. - Illegal amusement devices and video gambling terminals prohibited; inspections.

No license shall be issued for any amusement device, video gambling terminal, or gameroom which violates the laws of the state or the ordinances of the city. All amusement devices, video gambling terminals, and gamerooms shall be available for

inspection by the proper city authorities for the purpose of ascertaining and declaring whether such laws and ordinances are complied with.

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(Ord. No. 2012-07-073, § 1, 7-30-12)
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Sec. 3.7-19. - Public notice.

Each licensee of a video gambling terminal license shall post a conspicuous sign visible to the public, not less than eight and one-half (8½) inches by eleven (11) inches in size, at the location of the video gambling terminal and inside each public restroom on the licensed premises, bearing the following text:

ARE YOU A PROBLEM GAMBLER? The American Psychiatric Association describes the symptoms of a problem gambler as someone who:

- 1. is preoccupied with gambling (e.g. preoccupied with reliving past gambling experiences, handicapping or planning the next venture, or thinking of ways to get money with which to gamble)
- 2. needs to gamble with increasing amounts of money in order to achieve the desired excitement
- 3. has repeated unsuccessful efforts to control, cut back, or stop gambling
- 4. is restless or irritable when attempting to cut down or stop gambling
- 5. gambles as a way of escaping from problems or of relieving a dysphoric mood (e.g. feelings of helplessness, guilt, anxiety, depression)
- 6. after losing money gambling, often returns another day to get even ("chasing" one's losses)
- 7. lies to family members, therapist, or others to conceal the extent of involvement with gambling
- 8. has committed illegal acts such as forgery, fraud, theft, or embezzlement to finance gambling
- 9. has jeopardized or lost a significant relationship, job, or educational or career opportunity because of gambling
- 10. relies on others to provide money to relieve a desperate financial situation caused by gambling

If this describes YOU, please call the Gamblers Anonymous Hotline at 1-800-GAMBLER.

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(Ord. No. 2012-07-073, § 1, 7-30-12)
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Licensed Video Gambling Establishments FY 2014-2015

American Legion Post #71 - 5 VGT's

	Net			35%	
	Terminal	5%	35%	Terminal	25%
Month	Income	Municipalit	Establishment	Operator	State
Incurred	<u>(NTI)</u>	y <u>Share</u>	<u>Share</u>	<u>Share</u>	<u>Share</u>
Jul_14	\$47,952	\$2,398	\$16,783	\$16,783	\$11,988
Aug_14	\$44,298	\$2,215	\$15,504	\$15,504	\$11,075
Sept_14	\$36,732	\$1,837	\$12,856	\$12,856	\$9,183
Oct_14	\$45,095	\$2,255	\$15,783	\$15,783	\$11,274
Nov_14	\$54,640	\$2,732	\$19,124	\$19,124	\$13,660
Dec_14	\$47,928	\$2,396	\$16,775	\$16,775	\$11,982
Jan_15		\$0	\$0	\$0	\$0
Feb_15		\$0	\$0	\$0	\$0
Mar_15		\$0	\$0	\$0	\$0
Apr_15		\$0	\$0	\$0	\$0
May_15		\$0	\$0	\$0	\$0
Jun_15		\$0	\$0	\$0	\$0
_	\$276,646	\$13,832	\$96,826	\$96,826	\$69,161

Attie's Bar & Grill - 3 VGT's

	Net			35%	
	Terminal	5%	35%	Terminal	25%
Month	Income	Municipalit	Establishment	Operator	State
Incurred	(NTI)	y <u>Share</u>	<u>Share</u>	<u>Share</u>	Share
Jul_14	\$0	\$0	\$0	\$0	\$0
Aug_14	\$0	\$0	\$0	\$0	\$0
Sept_14	\$0	\$0	\$0	\$0	\$0
Oct_14	\$0	\$0	\$0	\$0	\$0
Nov_14	\$0	\$0	\$0	\$0	\$0
Dec_14	\$968	\$48	\$339	\$339	\$242
Jan_15		\$0	\$0	\$0	\$0
Feb_15		\$0	\$0	\$0	\$0
Mar_15		\$0	\$0	\$0	\$0
Apr_15		\$0	\$0	\$0	\$0
May_15		\$0	\$0	\$0	\$0
Jun_15		\$0	\$0	\$0	\$0
_	\$968	\$48	\$339	\$339	\$242

Black Rock Pizza Co - 4 VGT's (Closed 11/2014)

	Net			35%	
	Terminal	5%	35%	Terminal	25%
Month	Income	Municipalit	Establishment	Operator	State
Incurred	<u>(NTI)</u>	y <u>Share</u>	<u>Share</u>	<u>Share</u>	<u>Share</u>
Jul_14	\$5,723	\$286	\$2,003	\$2,003	\$1,431
Aug_14	\$5,659	\$283	\$1,981	\$1,981	\$1,415
Sept_14	\$6,572	\$329	\$2,300	\$2,300	\$1,643
Oct_14	\$11,083	\$554	\$3,879	\$3,879	\$2,771
Nov_14	\$2,938	\$147	\$1,028	\$1,028	\$734
Dec_14	\$0	\$0	\$0	\$0	\$0
Jan_15	\$0	\$0	\$0	\$0	\$0
Feb_15	\$0	\$0	\$0	\$0	\$0
Mar_15	\$0	\$0	\$0	\$0	\$0
Apr_15	\$0	\$0	\$0	\$0	\$0
May_15	\$0	\$0	\$0	\$0	\$0
Jun_15	\$0	\$0	\$0	\$0	\$0
- -	\$31,976	\$1,599	\$11,192	\$11,192	\$7,994

Boomerang's Bar & Grill - 5 VGT's

	Net			35%	
	Terminal	5%	35%	Terminal	25%
Month	Income	Municipalit	Establishment	Operator	State
Incurred	(NTI)	y <u>Share</u>	<u>Share</u>	<u>Share</u>	<u>Share</u>
Jul_14	\$14,035	\$702	\$4,912	\$4,912	\$3,509
Aug_14	\$12,431	\$622	\$4,351	\$4,351	\$3,108
Sept_14	\$17,183	\$859	\$6,014	\$6,014	\$4,296
Oct_14	\$17,603	\$880	\$6,161	\$6,161	\$4,401
Nov_14	\$22,299	\$1,115	\$7,805	\$7,805	\$5,575
Dec_14	\$15,293	\$765	\$5,353	\$5,353	\$3,823
Jan_15		\$0	\$0	\$0	\$0
Feb_15		\$0	\$0	\$0	\$0
Mar_15		\$0	\$0	\$0	\$0
Apr_15		\$0	\$0	\$0	\$0
May_15		\$0	\$0	\$0	\$0
Jun_15		\$0	\$0	\$0	\$0
-	\$98,845	\$4,942	\$34,596	\$34,596	\$24,711

Bunny's Tavern - 5 VGT's

	Net			35%	
	Terminal	5%	35%	Terminal	25%
Month	Income	Municipalit	Establishment	Operator	State
Incurred	<u>(NTI)</u>	y <u>Share</u>	<u>Share</u>	<u>Share</u>	<u>Share</u>
Jul_14	\$47,057	\$2,353	\$16,470	\$16,470	\$11,764
Aug_14	\$48,450	\$2,423	\$16,958	\$16,958	\$12,113
Sept_14	\$44,233	\$2,212	\$15,482	\$15,482	\$11,058
Oct_14	\$44,363	\$2,218	\$15,527	\$15,527	\$11,091
Nov_14	\$43,806	\$2,190	\$15,332	\$15,332	\$10,951
Dec_14	\$48,682	\$2,434	\$17,039	\$17,039	\$12,170
Jan_15		\$0	\$0	\$0	\$0
Feb_15		\$0	\$0	\$0	\$0
Mar_15		\$0	\$0	\$0	\$0
Apr_15		\$0	\$0	\$0	\$0
May_15		\$0	\$0	\$0	\$0
Jun_15		\$0	\$0	\$0	\$0
_	\$276,591	\$13,830	\$96,807	\$96,807	\$69,148

Eastland Suites Hotel & Conference Center - 4 VGT's

	Net			35%	
	Terminal	5%	35%	Terminal	25%
Month	Income	Municipalit	Establishment	Operator	State
Incurred	<u>(NTI)</u>	y <u>Share</u>	<u>Share</u>	<u>Share</u>	Share
Jul_14	\$14,661	\$733	\$5,131	\$5,131	\$3,665
Aug_14	\$16,074	\$804	\$5,626	\$5,626	\$4,018
Sept_14	\$22,096	\$1,105	\$7,734	\$7,734	\$5,524
Oct_14	\$31,311	\$1,566	\$10,959	\$10,959	\$7,828
Nov_14	\$36,083	\$1,804	\$12,629	\$12,629	\$9,021
Dec_14	\$36,593	\$1,830	\$12,807	\$12,807	\$9,148
Jan_15		\$0	\$0	\$0	\$0
Feb_15		\$0	\$0	\$0	\$0
Mar_15		\$0	\$0	\$0	\$0
Apr_15		\$0	\$0	\$0	\$0
May_15		\$0	\$0	\$0	\$0
Jun_15		\$0	\$0	\$0	\$0
-	\$156,818	\$7,841	\$54,886	\$54,886	\$39,204

Hot Spot Restaurant - 5 VGT's

	Net			35%	
	Terminal	5%	35%	Terminal	25%
Month	Income	Municipalit	Establishment	Operator	State
Incurred	<u>(NTI)</u>	y <u>Share</u>	<u>Share</u>	<u>Share</u>	<u>Share</u>
Jul_14	\$0	\$0	\$0	\$0	\$0
Aug_14	\$0	\$0	\$0	\$0	\$0
Sept_14	\$0	\$0	\$0	\$0	\$0
Oct_14	\$25,236	\$1,262	\$8,833	\$8,833	\$6,309
Nov_14	\$49,039	\$2,452	\$17,164	\$17,164	\$12,260
Dec_14	\$53,180	\$2,659	\$18,613	\$18,613	\$13,295
Jan_15		\$0	\$0	\$0	\$0
Feb_15		\$0	\$0	\$0	\$0
Mar_15		\$0	\$0	\$0	\$0
Apr_15		\$0	\$0	\$0	\$0
May_15		\$0	\$0	\$0	\$0
Jun_15		\$0	\$0	\$0	\$0
-	\$127,455	\$6,373	\$44,609	\$44,609	\$31,864

Po' Boys - 3 VGT's

	Net			35%	
	Terminal	5%	35%	Terminal	25%
Month	Income	Municipalit	Establishment	Operator	State
Incurred	(NTI)	y <u>Share</u>	<u>Share</u>	<u>Share</u>	Share
Jul_14	\$7,479	\$374	\$2,618	\$2,618	\$1,870
Aug_14	\$10,135	\$507	\$3,547	\$3,547	\$2,534
Sept_14	\$11,504	\$575	\$4,026	\$4,026	\$2,876
Oct_14	\$7,856	\$393	\$2,750	\$2,750	\$1,964
Nov_14	\$9,998	\$500	\$3,499	\$3,499	\$2,499
Dec_14	\$10,861	\$543	\$3,801	\$3,801	\$2,715
Jan_15		\$0	\$0	\$0	\$0
Feb_15		\$0	\$0	\$0	\$0
Mar_15		\$0	\$0	\$0	\$0
Apr_15		\$0	\$0	\$0	\$0
May_15		\$0	\$0	\$0	\$0
Jun_15		\$0	\$0	\$0	\$0
_	\$57,833	\$2,892	\$20,241	\$20,241	\$14,458

Silver Bullet Bar - 4 VGT's

	Net			35%	
	Terminal	5%	35%	Terminal	25%
Month	Income	Municipalit	Establishment	Operator	State
Incurred	<u>(NTI)</u>	y <u>Share</u>	<u>Share</u>	<u>Share</u>	<u>Share</u>
Jul_14	\$2,696	\$135	\$943	\$943	\$674
Aug_14	\$4,035	\$202	\$1,412	\$1,412	\$1,009
Sept_14	\$5,226	\$261	\$1,829	\$1,829	\$1,307
Oct_14	\$8,176	\$409	\$2,862	\$2,862	\$2,044
Nov_14	\$7,232	\$362	\$2,531	\$2,531	\$1,808
Dec_14	\$8,358	\$418	\$2,925	\$2,925	\$2,090
Jan_15		\$0	\$0	\$0	\$0
Feb_15		\$0	\$0	\$0	\$0
Mar_15		\$0	\$0	\$0	\$0
Apr_15		\$0	\$0	\$0	\$0
May_15		\$0	\$0	\$0	\$0
Jun_15		\$0	\$0	\$0	\$0
_	\$35,724	\$1,786	\$12,503	\$12,503	\$8,931

Tin Roof Tavern - 5 VGT's

	Net			35%	
	Terminal	5%	35%	Terminal	25%
Month	Income	Municipalit	Establishment	Operator	State
Incurred	<u>(NTI)</u>	y <u>Share</u>	<u>Share</u>	<u>Share</u>	<u>Share</u>
Jul_14	\$50,840	\$2,542	\$17,794	\$17,794	\$12,710
Aug_14	\$62,507	\$3,125	\$21,878	\$21,878	\$15,627
Sept_14	\$49,855	\$2,493	\$17,449	\$17,449	\$12,464
Oct_14	\$50,543	\$2,527	\$17,690	\$17,690	\$12,636
Nov_14	\$32,378	\$1,619	\$11,332	\$11,332	\$8,094
Dec_14	\$34,141	\$1,707	\$11,949	\$11,949	\$8,535
Jan_15		\$0	\$0	\$0	\$0
Feb_15		\$0	\$0	\$0	\$0
Mar_15		\$0	\$0	\$0	\$0
Apr_15		\$0	\$0	\$0	\$0
May_15		\$0	\$0	\$0	\$0
Jun_15		\$0	\$0	\$0	\$0
	\$280,264	\$14,013	\$98,092	\$98,092	\$70,066

Uncle Martin's - 5 VGT's

	Net			35%	
	Terminal	5%	35%	Terminal	25%
Month	Income	Municipalit	Establishment	Operator	State
Incurred	(NTI)	y <u>Share</u>	<u>Share</u>	<u>Share</u>	<u>Share</u>
Jul_14	\$0	\$0	\$0	\$0	\$0
Aug_14	\$0	\$0	\$0	\$0	\$0
Sept_14	\$0	\$0	\$0	\$0	\$0
Oct_14	\$0	\$0	\$0	\$0	\$0
Nov_14	\$0	\$0	\$0	\$0	\$0
Dec_14	\$2,287	\$114	\$800	\$800	\$572
Jan_15		\$0	\$0	\$0	\$0
Feb_15		\$0	\$0	\$0	\$0
Mar_15		\$0	\$0	\$0	\$0
Apr_15		\$0	\$0	\$0	\$0
May_15		\$0	\$0	\$0	\$0
Jun_15		\$0	\$0	\$0	\$0
_	\$2,287	\$114	\$800	\$800	\$572

Urbana Gardens Restaurant, LLC - 1 VGT's

	Net			35%	
	Terminal	5%	35%	Terminal	25%
Month	Income	Municipalit	Establishment	Operator	State
Incurred	(NTI)	y <u>Share</u>	<u>Share</u>	<u>Share</u>	<u>Share</u>
Jul_14	\$0	\$0	\$0	\$0	\$0
Aug_14	\$0	\$0	\$0	\$0	\$0
Sept_14	\$0	\$0	\$0	\$0	\$0
Oct_14	\$0	\$0	\$0	\$0	\$0
Nov_14	\$0	\$0	\$0	\$0	\$0
Dec_14	\$0	\$0	\$0	\$0	\$0
Jan_15		\$0	\$0	\$0	\$0
Feb_15		\$0	\$0	\$0	\$0
Mar_15		\$0	\$0	\$0	\$0
Apr_15		\$0	\$0	\$0	\$0
May_15		\$0	\$0	\$0	\$0
Jun_15		\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0

Exhibit D: Video Gambling Terminal Revenue Analysis Fiscal Year's 2014 - 2015

VFW Urbana -Busey Fletcher Stillwell #630 - 5 VGT's

	Net			35%	
	Terminal	5%	35%	Terminal	25%
Month	Income	Municipalit	Establishment	Operator	State
Incurred	<u>(NTI)</u>	y <u>Share</u>	<u>Share</u>	Share	<u>Share</u>
Jul_14	\$23,025	\$1,151	\$8,059	\$8,059	\$5,756
Aug_14	\$26,913	\$1,346	\$9,419	\$9,419	\$6,728
Sept_14	\$21,271	\$1,064	\$7,445	\$7,445	\$5,318
Oct_14	\$28,292	\$1,415	\$9,902	\$9,902	\$7,073
Nov_14	\$34,321	\$1,716	\$12,012	\$12,012	\$8,580
Dec_14	\$34,167	\$1,708	\$11,958	\$11,958	\$8,542
Jan_15		\$0	\$0	\$0	\$0
Feb_15		\$0	\$0	\$0	\$0
Mar_15		\$0	\$0	\$0	\$0
Apr_15		\$0	\$0	\$0	\$0
May_15		\$0	\$0	\$0	\$0
Jun_15		\$0	\$0	\$0	\$0
_	\$167,990	\$8,399	\$58,796	\$58,796	\$41,997

FY 2014-2014 Total Revenue - 54 VGT's

	Net			35%	
	Terminal	5%	35%	Terminal	25%
Month	Income	Municipalit	Establishment	Operator	State
Incurred	<u>(NTI)</u>	y <u>Share</u>	<u>Share</u>	<u>Share</u>	<u>Share</u>
Jul_14	\$213,469	\$10,673	\$74,714	\$74,714	\$53,367
Aug_14	\$230,503	\$11,525	\$80,676	\$80,676	\$57,626
Sept_14	\$214,674	\$10,734	\$75,136	\$75,136	\$53,668
Oct_14	\$269,559	\$13,478	\$94,346	\$94,346	\$67,390
Nov_14	\$292,733	\$14,637	\$102,457	\$102,457	\$73,183
Dec_14	\$292,458	\$14,623	\$102,360	\$102,360	\$73,114
Jan_15	\$0	\$0	\$0	\$0	\$0
Feb_15	\$0	\$0	\$0	\$0	\$0
Mar_15	\$0	\$0	\$0	\$0	\$0
Apr_15	\$0	\$0	\$0	\$0	\$0
May_15	\$0	\$0	\$0	\$0	\$0
Jun_15	\$0	\$0	\$0	\$0	\$0
	\$1,513,394	\$75,670	\$529,688	\$529,688	\$378,349

Exhibit C: Illinois Video Gaming Act. (230 ILCS 40/)

(230 ILCS 40/Art. 5 heading)
ARTICLE 5.

(Source: P.A. 96-34, eff. 7-13-09.)

(230 ILCS 40/1)

Sec. 1. Short title. This Article may be cited as the Video Gaming Act. Any references in this Article to "this Act" mean this Article. (Source: P.A. 96-34, eff. 7-13-09.)

(230 ILCS 40/5)

Sec. 5. Definitions. As used in this Act:
"Board" means the Illinois Gaming Board.
"Credit" means one, 5, 10, or 25 cents either
won or purchased by a player.

"Distributor" means an individual, partnership, corporation, or limited liability company licensed under this Act to buy, sell, lease, or distribute video gaming terminals or major components or parts of video gaming terminals to or from terminal operators.

"Electronic card" means a card purchased from a licensed establishment, licensed fraternal establishment, licensed veterans establishment, or licensed truck stop establishment for use in that establishment as a substitute for cash in the conduct of gaming on a video gaming terminal.

"Electronic voucher" means a voucher printed by an electronic video game machine that is redeemable in the licensed establishment for which it was issued.

"Terminal operator" means an individual, partnership, corporation, or limited liability company that is licensed under this Act and that owns, services, and maintains video gaming terminals for placement in licensed establishments, licensed truck stop establishments, licensed fraternal establishments, or licensed veterans establishments.

"Licensed technician" means an individual who is licensed under this Act to repair, service, and maintain video gaming terminals.

"Licensed terminal handler" means a person, including but not limited to an employee or independent contractor working for a manufacturer, distributor, supplier, technician, or terminal operator, who is licensed under this Act to possess or control a video gaming terminal or to have access to the inner workings of a video gaming terminal. A licensed terminal handler does not include an individual, partnership, corporation, or limited liability company defined as a manufacturer, distributor, supplier, technician, or terminal operator under this Act.

"Manufacturer" means an individual, partnership, corporation, or limited liability company that is licensed under this Act and that manufactures or assembles video gaming terminals.

"Supplier" means an individual, partnership, corporation, or limited liability company that is licensed under this Act to supply major components or parts to video gaming terminals to licensed terminal operators.

"Net terminal income" means money put into a video gaming terminal minus credits paid out to players.

"Video gaming terminal" means any electronic video game machine that, upon insertion of cash, electronic cards or vouchers, or any combination thereof, is available to play or simulate the play of a video game, including but not limited to video poker, line up, and blackjack, as authorized by the Board utilizing a video display and microprocessors in which the player may receive free games or credits that can be redeemed for cash. The term does not include a machine that directly dispenses coins, cash, or tokens or is for amusement purposes only.

"Licensed establishment" means any licensed retail establishment where alcoholic liquor is drawn, poured, mixed, or otherwise served for consumption on the premises, whether the establishment operates on a nonprofit or forprofit basis. "Licensed establishment" includes any such establishment that has a contractual relationship with an inter-track wagering location licensee licensed under the Illinois Horse Racing Act of 1975, provided any contractual relationship shall not include any transfer or offer of revenue from the operation of video gaming under this Act to any licensee licensed under the Illinois Horse Racing Act of 1975. Provided, however, that the licensed establishment that has such a contractual relationship with an inter-track wagering location licensee may not, itself, be (i) an inter-track wagering location licensee, (ii) the corporate parent or subsidiary of any licensee licensed under the Illinois Horse Racing Act of 1975, or (iii) the corporate subsidiary of a corporation that is also the corporate parent or subsidiary of any licensee licensed under the Illinois Horse Racing Act of 1975. "Licensed establishment" does not include a facility operated by an organization licensee, an intertrack wagering licensee, or an inter-track wagering location licensee licensed under the Illinois Horse Racing Act of 1975 or a riverboat licensed under the Riverboat Gambling Act, except as provided in this paragraph. The changes made to this definition by Public Act 98-587 are declarative of existing law.

"Licensed fraternal establishment" means the location where a qualified fraternal organization that derives its charter from a national fraternal organization regularly meets.

"Licensed veterans establishment" means the location where a qualified veterans organization that derives its charter from a national veterans organization regularly meets.

"Licensed truck stop establishment" means a facility (i) that is at least a 3-acre facility with a convenience store, (ii) with separate diesel islands for fueling commercial motor vehicles, (iii) that sells at retail more than 10,000 gallons of diesel or biodiesel fuel per month, and (iv) with parking spaces for commercial motor vehicles. "Commercial motor vehicles" has the same meaning as defined in Section 18b-101 of the Illinois Vehicle Code. The requirement of item (iii) of this paragraph may be met by showing that estimated future sales or past sales average at least 10,000 gallons per month.

(Source: P.A. 97-333, eff. 8-12-11; 98-31, eff. 6-24-13; 98-582, eff. 8-27-13; 98-587, eff. 8-27-13; 98-756, eff. 7-16-14.)

(230 ILCS 40/15)

Sec. 15. Minimum requirements for licensing and registration. Every video gaming terminal offered for play shall first be tested and approved pursuant to the rules of the Board, and each video gaming terminal offered in this State for play shall conform to an approved model. For the examination of video gaming machines and associated equipment as required by this Section, the Board may utilize the services of one or more independent outside testing laboratories that have been accredited by a national accreditation body and that, in the judgment of the Board, are qualified to perform such examinations. Every video gaming terminal offered in this State for play must meet minimum standards set by an independent outside testing laboratory approved by the Board. Each approved model shall, at a minimum, meet the following criteria:

 $\hspace{0.1in}$ (1) It must conform to all requirements of federal

law and regulations, including FCC Class A ${\tt Emissions}$ Standards.

 $\hbox{(2) It must theoretically pay out a} \\$ $\hbox{mathematically}$

demonstrable percentage during the expected lifetime of the machine of all amounts played, which must not be less than 80%. The Board shall establish a maximum payout percentage for approved models by rule. Video gaming terminals that may be affected by skill must meet this standard when using a method of play that will provide the greatest return to the player over a period of continuous play.

(3) It must use a random selection process to

determine the outcome of each play of a game. The random selection process must meet 99% confidence limits using a standard chisquared test for (randomness) goodness of fit.

(4) It must display an accurate representation of the game outcome.

(5) It must not automatically alter pay tables or any

function of the video gaming terminal based on internal computation of hold percentage or have any means of manipulation that affects the random selection process or probabilities of winning a game.

(6) It must not be adversely affected by static

discharge or other electromagnetic interference.

(7) It must be capable of detecting and displaying

the following conditions during idle states or on demand: power reset; door open; and door just closed.

 $\ensuremath{(8)}$ It must have the capacity to display complete

play history (outcome, intermediate play steps, credits available, bets placed, credits paid, and credits cashed out) for the most recent game played and 10 games prior thereto.

 $\mbox{(9)}$ The theoretical payback percentage of a video

gaming terminal must not be capable of being changed without making a hardware or software change in the video gaming terminal, either on site or via the central communications system.

(10) Video gaming terminals must be designed so that

replacement of parts or modules required for normal maintenance does not necessitate replacement of the electromechanical meters.

(11) It must have nonresettable meters housed in a

locked area of the terminal that keep a permanent record of all cash inserted into the machine, all winnings made by the terminal printer, credits played in for video gaming terminals, and credits won by video gaming players. The video gaming terminal must provide the means for on-demand display of stored information as determined by the Board.

(12) Electronically stored meter information required

by this Section must be preserved for a minimum of 180 days after a power loss to the service.

 $\ensuremath{\text{(13)}}$ It must have one or more mechanisms that accept

cash in the form of bills. The mechanisms shall be designed to prevent obtaining credits without paying by stringing, slamming, drilling, or other means. If such attempts at physical tampering are made, the video gaming terminal shall suspend itself from operating until reset.

(14) It shall have accounting software that keeps an

electronic record which includes, but is not limited to, the following: total cash inserted into the video gaming terminal; the value of winning tickets claimed by players; the total credits played; the total credits awarded by a video gaming terminal; and pay back percentage credited to players of each video game.

(15) It shall be linked by a central communications

system to provide auditing program information as approved by the Board. The central communications system shall use a standard industry protocol, as defined by the Gaming Standards Association, and shall have the functionality to enable the Board or its designee to activate or deactivate individual gaming devices from the central communications system. In no event may the communications system approved by the Board limit participation to only one manufacturer of video gaming terminals by either the cost in implementing the necessary program modifications to communicate or the inability to communicate with the central communications system.

(16) The Board, in its discretion, may require video

gaming terminals to display Amber Alert messages if the Board makes a finding that it would be economically and technically feasible and pose no risk to the integrity and security of the central communications system and video gaming terminals.

The Board may adopt rules to establish additional criteria to preserve the integrity and security of video gaming in this State. The central communications system vendor may be licensed as a video gaming terminal manufacturer or a video gaming terminal distributor, or both, but in no event shall the central communications system vendor be licensed as a video gaming terminal operator.

The Board shall not permit the development of information or the use by any licensee of gaming device or individual game performance data. Nothing in this Act shall inhibit or prohibit the Board from the use of gaming device or individual game performance data in its regulatory duties. The Board shall adopt rules to ensure that all licensees are treated and all licensees act in a non-discriminatory manner and develop processes and penalties to enforce those rules. (Source: P.A. 98-31, eff. 6-24-13; 98-377, eff. 1-1-14; 98-582, eff. 8-27-13; 98-756, eff. 7-16-14.)

Sec. 20. Direct dispensing of receipt tickets only. A video gaming terminal may not directly dispense coins, cash, tokens, or any other article of exchange or value except for receipt tickets. Tickets shall be dispensed by pressing the ticket dispensing button on the video gaming terminal at the end of one's turn or play. The ticket shall indicate the total amount of credits and the cash award, the time of day in a 24-hour format showing hours and minutes, the date, the terminal serial number, the sequential number of the ticket, and an encrypted validation number from which the validity of the prize may be determined. The player shall turn in this ticket to the appropriate person at the licensed establishment, licensed truck stop establishment, licensed fraternal establishment, or licensed veterans establishment to receive the cash award. The cost of the credit shall be one cent, 5 cents, 10 cents, or 25 cents, and the maximum wager played per hand shall not exceed \$2. No cash award for the maximum wager on any individual hand shall exceed \$500. (Source: P.A. 96-34, eff. 7-13-09; 96-1410, eff. 7-30-10.)

(230 ILCS 40/25)

Sec. 25. Restriction of licensees.

- (a) Manufacturer. A person may not be licensed as a manufacturer of a video gaming terminal in Illinois unless the person has a valid manufacturer's license issued under this Act. A manufacturer may only sell video gaming terminals for use in Illinois to persons having a valid distributor's license.
- (b) Distributor. A person may not sell, distribute, or lease or market a video gaming terminal in Illinois unless the person has a valid distributor's license issued under this Act. A distributor may only sell video gaming terminals for use in Illinois to persons having a valid distributor's or terminal operator's license.
- (c) Terminal operator. A person may not own, maintain, or place a video gaming terminal unless he has a valid terminal operator's license issued under this Act. A terminal operator may only place video gaming terminals for use in Illinois in licensed establishments, licensed truck stop establishments, licensed fraternal establishments, and licensed veterans establishments. No terminal operator may give anything of value, including but not limited to a loan or financing arrangement, to a licensed establishment, licensed truck stop establishment, licensed fraternal establishment, or licensed veterans establishment as any incentive or inducement to locate video terminals in that establishment. Of the after-tax profits from a video gaming terminal, 50% shall be paid to the terminal operator and 50% shall be paid to the licensed establishment, licensed truck stop

establishment, licensed fraternal establishment, or licensed veterans establishment, notwithstanding any agreement to the contrary. A video terminal operator that violates one or more requirements of this subsection is guilty of a Class 4 felony and is subject to termination of his or her license by the Board.

- (d) Licensed technician. A person may not service, maintain, or repair a video gaming terminal in this State unless he or she (1) has a valid technician's license issued under this Act,(2) is a terminal operator, or (3) is employed by a terminal operator, distributor, or manufacturer.
- (d-5) Licensed terminal handler. No person, including, but not limited to, an employee or independent contractor working for a manufacturer, distributor, supplier, technician, or terminal operator licensed pursuant to this Act, shall have possession or control of a video gaming terminal, or access to the inner workings of a video gaming terminal, unless that person possesses a valid terminal handler's license issued under this Act.
- (e) Licensed establishment. No video gaming terminal may be placed in any licensed establishment, licensed veterans establishment, licensed truck stop establishment, or licensed fraternal establishment unless the owner or agent of the owner of the licensed establishment, licensed veterans establishment, licensed truck stop establishment, or licensed fraternal establishment has entered into a written use agreement with the terminal operator for placement of the terminals. A copy of the use agreement shall be on file in the terminal operator's place of business and available for inspection by individuals authorized by the Board. A licensed establishment, licensed truck stop establishment, licensed veterans establishment, or licensed fraternal establishment may operate up to 5 video gaming terminals on its premises at any time.
 - (f) (Blank).
- (g) Financial interest restrictions. As used in this Act, "substantial interest" in a partnership, a corporation, an organization, an association, a business, or a limited liability company means:
- (A) When, with respect to a sole proprietorship, an

individual or his or her spouse owns, operates, manages, or conducts, directly or indirectly, the organization, association, or business, or any part thereof; or

(B) When, with respect to a partnership,

the

individual or his or her spouse shares in any of the profits, or potential profits, of the partnership activities; or

(C) When, with respect to a corporation,

an

individual or his or her spouse is an officer

or director, or the individual or his or her spouse is a holder, directly or beneficially, of 5% or more of any class of stock of the corporation; or

- $\mbox{(D)}$ When, with respect to an organization not covered
 - in (A), (B) or (C) above, an individual or his or her spouse is an officer or manages the business affairs, or the individual or his or her spouse is the owner of or otherwise controls 10% or more of the assets of the organization; or
- (E) When an individual or his or her spouse furnishes
 - 5% or more of the capital, whether in cash, goods, or services, for the operation of any business, association, or organization during any calendar year; or
- $\mbox{(F)}$ When, with respect to a limited liability

company, an individual or his or her spouse is a member, or the individual or his or her spouse is a holder, directly or beneficially, of 5% or more of the membership interest of the limited liability company.

For purposes of this subsection (g), "individual" includes all individuals or their spouses whose combined interest would qualify as a substantial interest under this subsection (g) and whose activities with respect to an organization, association, or business are so closely aligned or coordinated as to constitute the activities of a single entity.

(h) Location restriction. A licensed establishment, licensed truck stop establishment, licensed fraternal establishment, or licensed veterans establishment that is (i) located within 1,000 feet of a facility operated by an organization licensee licensed under the Illinois Horse Racing Act of 1975 or the home dock of a riverboat licensed under the Riverboat Gambling Act or (ii) located within 100 feet of a school or a place of worship under the Religious Corporation Act, is ineligible to operate a video gaming terminal. The location restrictions in this subsection (h) do not apply if (A) a facility operated by an organization licensee, a school, or a place of worship moves to or is established within the restricted area after a licensed establishment, licensed truck stop establishment, licensed fraternal establishment, or licensed veterans establishment becomes licensed under this Act or (B) a school or place of worship moves to or is established within the restricted area after a licensed establishment, licensed truck stop establishment, licensed fraternal establishment, or licensed veterans establishment obtains its original liquor license. For the purpose of this subsection, "school" means an elementary or secondary public school, or an elementary or secondary private school registered with or recognized by the State Board of Education.

Notwithstanding the provisions of this subsection (h), the Board may waive the requirement that a licensed establishment, licensed truck stop establishment, licensed fraternal establishment, or licensed veterans establishment not be located within 1,000 feet from a facility operated by an organization licensee licensed under the Illinois Horse Racing Act of 1975 or the home dock of a riverboat licensed under the Riverboat Gambling Act. The Board shall not grant such waiver if there is any common ownership or control, shared business activity, or contractual arrangement of any type between the establishment and the organization licensee or owners licensee of a riverboat. The Board shall adopt rules to implement the provisions of this paragraph.

- (i) Undue economic concentration. In addition to considering all other requirements under this Act, in deciding whether to approve the operation of video gaming terminals by a terminal operator in a location, the Board shall consider the impact of any economic concentration of such operation of video gaming terminals. The Board shall not allow a terminal operator to operate video gaming terminals if the Board determines such operation will result in undue economic concentration. For purposes of this Section, "undue economic concentration" means that a terminal operator would have such actual or potential influence over video gaming terminals in Illinois as to:
- $\hbox{(1) substantially impede or suppress} \\$ competition

among terminal operators;

(2) adversely impact the economic stability of the

video gaming industry in Illinois; or

 $% \left(1\right) =\left(1\right) \left(1\right) +\left(1\right) \left(1\right)$ (3) negatively impact the purposes of the Video

Gaming Act.

The Board shall adopt rules concerning undue economic concentration with respect to the operation of video gaming terminals in Illinois. The rules shall include, but not be limited to, (i) limitations on the number of video gaming terminals operated by any terminal operator within a defined geographic radius and (ii) guidelines on the discontinuation of operation of any such video gaming terminals the Board determines will cause undue economic concentration.

(j) The provisions of the Illinois Antitrust Act are fully and equally applicable to the activities of any licensee under this Act. (Source: P.A. 97-333, eff. 8-12-11; 98-31, eff. 6-24-13; 98-77, eff. 7-15-13; 98-112, eff. 7-26-13; 98-756, eff. 7-16-14.)

Sec. 26. Residency requirement. Each licensed distributor, terminal operator, and person with a substantial interest in a licensed distributor or terminal operator must be an Illinois resident. However, if an out-of-state distributor or terminal operator has performed its respective business within Illinois for at least 48 months prior to the effective date of this Act, the out-of-state person may be eligible for licensing under this Act, upon application to and approval of the Board. The Board shall adopt rules to implement this Section. (Source: P.A. 96-38, eff. 7-13-09.)

(230 ILCS 40/27)

Sec. 27. Prohibition of video gaming by political subdivision. A municipality may pass an ordinance prohibiting video gaming within the corporate limits of the municipality. A county board may, for the unincorporated area of the county, pass an ordinance prohibiting video gaming within the unincorporated area of the county. (Source: P.A. 96-34, eff. 7-13-09.)

(230 ILCS 40/30)

Sec. 30. Multiple types of licenses prohibited. A video gaming terminal manufacturer may not be licensed as a video gaming terminal operator or own, manage, or control a licensed establishment, licensed truck stop establishment, licensed fraternal establishment, or licensed veterans establishment, and shall be licensed to sell only to persons having a valid distributor's license or, if the manufacturer also holds a valid distributor's license, to sell, distribute, lease, or market to persons having a valid terminal operator's license. A video gaming terminal distributor may not be licensed as a video gaming terminal operator or own, manage, or control a licensed establishment, licensed truck stop establishment, licensed fraternal establishment, or licensed veterans establishment, and shall only contract with a licensed terminal operator. A video gaming terminal operator may not be licensed as a video gaming terminal manufacturer or distributor or own, manage, or control a licensed establishment, licensed truck stop establishment, licensed fraternal establishment, or licensed veterans establishment, and shall be licensed only to contract with licensed distributors and licensed establishments, licensed truck stop establishments, licensed fraternal establishments, and licensed veterans establishments. An owner or manager of a licensed establishment, licensed truck stop establishment, licensed fraternal establishment, or licensed veterans establishment may not be licensed as a video gaming terminal manufacturer, distributor, or operator, and shall only contract with a licensed operator to place and service this equipment.

(Source: P.A. 96-34, eff. 7-13-09; 96-1410, eff. 7-30-10.)

(230 ILCS 40/35)

Sec. 35. Display of license; confiscation; violation as felony.

(a) Each video gaming terminal shall be licensed by the Board before placement or operation on the premises of a licensed establishment, licensed truck stop establishment, licensed fraternal establishment, or licensed veterans establishment. The license of each video gaming terminal shall be maintained at the location where the video gaming terminal is operated. Failure to do so is a petty offense with a fine not to exceed \$100. Any licensed establishment, licensed truck

stop establishment, licensed fraternal establishment, or licensed veterans establishment used for the conduct of gambling games in violation of this Act shall be considered a gambling place in violation of Section 28-3 of the Criminal Code of 2012. Every gambling device found in a licensed establishment, licensed truck stop establishment, licensed fraternal establishment, or licensed veterans establishment operating gambling games in violation of this Act shall be subject to seizure, confiscation, and destruction as provided in Section 28-5 of the Criminal Code of 2012. Any license issued under the Liquor Control Act of 1934 to any owner or operator of a licensed establishment, licensed truck stop establishment, licensed fraternal establishment, or licensed veterans establishment that operates or permits the operation of a video gaming terminal within its establishment in violation of this Act shall be immediately revoked. No person may own, operate, have in his or her possession or custody or under his or her control, or permit to be kept in any place under his or her possession or control, any device that awards credits and contains a circuit, meter, or switch capable of removing and recording the removal of credits when the award of credits is dependent upon chance.

Nothing in this Section shall be deemed to prohibit the use of a game device only if the game device is used in an activity that is not gambling under subsection (b) of Section 28-1 of the Criminal Code of 2012.

A violation of this Section is a Class 4 felony. All devices that are owned, operated, or possessed in violation of this Section are hereby declared to be public nuisances and shall be subject to seizure, confiscation, and destruction as provided in Section 28-5 of the Criminal Code of 2012.

The provisions of this Section do not apply to devices or electronic video game terminals licensed pursuant to this Act. A video gaming terminal operated for amusement only and bearing a valid amusement tax sticker shall not be subject to this Section until 30 days after the Board establishes that the central communications system is functional.

- (b) (1) The odds of winning each video game shall be posted on or near each video gaming terminal. The manner in which the odds are calculated and how they are posted shall be determined by the Board by rule.
- (2) No video gaming terminal licensed under this Act may be played except during the legal hours of operation allowed for the consumption of alcoholic beverages at the licensed establishment, licensed fraternal establishment, or licensed veterans establishment. A licensed establishment, licensed fraternal establishment, or licensed veterans establishment that violates this subsection is subject to termination of its license by the Board.

(Source: P.A. 97-1150, eff. 1-25-13; 98-111, eff. 1-1-14.)

(230 ILCS 40/40)

Sec. 40. Video gaming terminal use by minors prohibited. No licensee shall cause or permit any person under the age of 21 years to use or play a video gaming terminal. Any licensee who knowingly permits a person under the age of 21 years to use or play a video gaming terminal is guilty of a business offense and shall be fined an amount not to exceed \$5,000. (Source: P.A. 96-34, eff. 7-13-09.)

(230 ILCS 40/45)

Sec. 45. Issuance of license.

(a) The burden is upon each applicant to demonstrate his

suitability for licensure. Each video gaming terminal manufacturer, distributor, supplier, operator, handler, licensed establishment, licensed truck stop establishment, licensed fraternal establishment, and licensed veterans establishment shall be licensed by the Board. The Board may issue or deny a license under this Act to any person pursuant to the same criteria set forth in Section 9 of the Riverboat Gambling Act.

- (a-5) The Board shall not grant a license to a person who has facilitated, enabled, or participated in the use of coin-operated devices for gambling purposes or who is under the significant influence or control of such a person. For the purposes of this Act, "facilitated, enabled, or participated in the use of coin-operated amusement devices for gambling purposes" means that the person has been convicted of any violation of Article 28 of the Criminal Code of 1961 or the Criminal Code of 2012. If there is pending legal action against a person for any such violation, then the Board shall delay the licensure of that person until the legal action is resolved.
- (b) Each person seeking and possessing a license as a video gaming terminal manufacturer, distributor, supplier, operator, handler, licensed establishment, licensed truck stop establishment, licensed fraternal establishment, or licensed veterans establishment shall submit to a background investigation conducted by the Board with the assistance of the State Police or other law enforcement. To the extent that the corporate structure of the applicant allows, the background investigation shall include any or all of the following as the Board deems appropriate or as provided by rule for each category of licensure: (i) each beneficiary of a trust, (ii) each partner of a partnership, (iii) each member of a limited liability company, (iv) each director and officer of a publicly or non-publicly held corporation, (v) each stockholder of a non-publicly held corporation, (vi) each stockholder of 5% or more of a publicly held corporation, or (vii) each stockholder of 5% or more in a parent or subsidiary corporation.
- (c) Each person seeking and possessing a license as a video gaming terminal manufacturer, distributor, supplier, operator, handler, licensed establishment, licensed truck stop establishment, licensed fraternal establishment, or licensed veterans establishment shall disclose the identity of every person, association, trust, corporation, or limited liability company having a greater than 1% direct or indirect pecuniary interest in the video gaming terminal operation for which the license is sought. If the disclosed entity is a trust, the application shall disclose the names and addresses of the beneficiaries; if a corporation, the names and addresses of all stockholders and directors; if a limited liability company, the names and addresses of all members; or if a partnership, the names and addresses of all partners, both general and limited.
- (d) No person may be licensed as a video gaming terminal manufacturer, distributor, supplier, operator, handler, licensed establishment, licensed truck stop establishment, licensed fraternal establishment, or licensed veterans establishment if that person has been found by the Board to:
 - (1) have a background, including a criminal record, reputation, habits, social or business associations, or prior activities that pose a threat to the public interests of the State or to the security and integrity of video gaming;

- (2) create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the conduct of video gaming; or
- (3) present questionable business practices and financial arrangements incidental to the conduct of video gaming activities.
- (e) Any applicant for any license under this Act has the burden of proving his or her qualifications to the satisfaction of the Board. The Board may adopt rules to establish additional qualifications and requirements to preserve the integrity and security of video gaming in this State.
- (f) A non-refundable application fee shall be paid at the time an application for a license is filed with the Board in the following amounts:

(T)	Manufacturer\$5,000
(2)	Distributor\$5,000
(3)	Terminal operator\$5,000
(4)	Supplier\$2,500
(5)	Technician\$100
(6)	Terminal Handler\$50

(g) The Board shall establish an annual fee for each license not to exceed the following:

ense n	ot	to exceed the following:
(1)	Manufacturer\$10,000
(2)	Distributor\$10,000
(3)	Terminal operator\$5,000
(4)	Supplier\$2,000
(5)	Technician\$100
(6)	Licensed establishment, licensed truck stop
estab	lis	shment, licensed fraternal establishment,
or li	cer	nsed veterans establishment\$100
(7)	Video gaming terminal\$100

(8) Terminal Handler......\$50(h) A terminal operator and a licensed establishment,licensed truck stop establishment, licensed fraternal

establishment, or licensed veterans establishment shall equally split the fees specified in item (7) of subsection

(Source: P.A. 97-1150, eff. 1-25-13; 98-31, eff. 6-24-13; 98-587, eff. 8-27-13; 98-756, eff. 7-16-14.)

(230 ILCS 40/50)

Sec. 50. Distribution of license fees.

- (a) All fees collected under Section $45\ \mathrm{shall}$ be deposited into the State Gaming Fund.
- (b) Fees collected under Section 45 shall be used as follows:
 - (1) Twenty-five percent shall be paid, subject to appropriation by the General Assembly, to the Department of Human Services for administration of programs for the treatment of compulsive gambling.
 - (2) Seventy-five percent shall be used for the administration of this Act.
- (c) All licenses issued by the Board under this Act are renewable annually unless sooner cancelled or terminated. No license issued under this Act is transferable or assignable. (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09.)

(230 ILCS 40/55)

Sec. 55. Precondition for licensed location. In all cases of application for a licensed location, to operate a video gaming terminal, each licensed establishment, licensed

fraternal establishment, or licensed veterans establishment shall possess a valid liquor license issued by the Illinois Liquor Control Commission in effect at the time of application and at all times thereafter during which a video gaming terminal is made available to the public for play at that location. Video gaming terminals in a licensed location shall be operated only during the same hours of operation generally permitted to holders of a license under the Liquor Control Act of 1934 within the unit of local government in which they are located. A licensed truck stop establishment that does not hold a liquor license may operate video gaming terminals on a continuous basis. A licensed fraternal establishment or licensed veterans establishment that does not hold a liquor license may operate video gaming terminals if (i) the establishment is located in a county with a population between 6,500 and 7,000, based on the 2000 U.S. Census, (ii) the county prohibits by ordinance the sale of alcohol, and (iii) the establishment is in a portion of the county where the sale of alcohol is prohibited. A licensed fraternal establishment or licensed veterans establishment that does not hold a liquor license may operate video gaming terminals if (i) the establishment is located in a municipality within a county with a population between 8,500 and 9,000 based on the 2000 U.S. Census and (ii) the municipality or county prohibits or limits the sale of alcohol by ordinance in a way that prohibits the establishment from selling alcohol. (Source: P.A. 96-34, eff. 7-13-09; 96-1410, eff. 7-30-10; 97-594, eff. 8-26-11.)

(230 ILCS 40/57)

Sec. 57. Insurance. Each terminal operator shall maintain liability insurance on any gaming device that it places in a licensed video gaming location in an amount set by the Board. (Source: P.A. 96-34, eff. 7-13-09; 96-1410, eff. 7-30-10.)

(230 ILCS 40/58)

Sec. 58. Location of terminals. Video gaming terminals must be located in an area restricted to persons over 21 years of age the entrance to which is within the view of at least one employee, who is over 21 years of age, of the establishment in which they are located. The placement of video gaming terminals in licensed establishments, licensed truck stop establishments, licensed fraternal establishments, and licensed veterans establishments shall be subject to the rules promulgated by the Board pursuant to the Illinois Administrative Procedure Act.

(Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09.)

(230 ILCS 40/60)

Sec. 60. Imposition and distribution of tax.

- (a) A tax of 30% is imposed on net terminal income and shall be collected by the Board.
- (b) Of the tax collected under this Section, five-sixths shall be deposited into the Capital Projects Fund and one-sixth shall be deposited into the Local Government Video Gaming Distributive Fund.
- (c) Revenues generated from the play of video gaming terminals shall be deposited by the terminal operator, who is responsible for tax payments, in a specially created, separate bank account maintained by the video gaming terminal operator to allow for electronic fund transfers of moneys for tax payment.
 - (d) Each licensed establishment, licensed truck stop

establishment, licensed fraternal establishment, and licensed veterans establishment shall maintain an adequate video gaming fund, with the amount to be determined by the Board.

(e) The State's percentage of net terminal income shall be reported and remitted to the Board within 15 days after the 15th day of each month and within 15 days after the end of each month by the video terminal operator. A video terminal operator who falsely reports or fails to report the amount due required by this Section is guilty of a Class 4 felony and is subject to termination of his or her license by the Board. Each video terminal operator shall keep a record of net terminal income in such form as the Board may require. All payments not remitted when due shall be paid together with a penalty assessment on the unpaid balance at a rate of 1.5% per month.

(Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09.)

(230 ILCS 40/65)

Sec. 65. Fees. A non-home rule unit of government may not impose any fee for the operation of a video gaming terminal in excess of \$25 per year.

(Source: P.A. 96-34, eff. 7-13-09.)

(230 ILCS 40/70)

Sec. 70. Referendum. Upon the filing in the office of the clerk, at least 90 days before an election in any municipality or county, as the case may be, of a petition directed to such clerk, containing the signatures of not less than 25% of the legal voters of that municipality or county, the clerk shall certify such proposition to the proper election officials, who shall submit the proposition at such election to the voters of such municipality or county. The proposition shall be in the following form:

If a majority of the voters voting upon such last mentioned proposition in any municipality or county vote "YES", such video gaming shall be prohibited in such municipality or county. The petition mentioned in this Section shall be a public document and shall be subject to inspection by the public.

(Source: P.A. 96-34, eff. 7-13-09.)

(230 ILCS 40/75)

Sec. 75. Revenue sharing; Local Government Video Gaming Distributive Fund.

(a) As soon as may be after the first day of each month, the Department of Revenue shall allocate among those municipalities and counties of this State that have not prohibited video gaming pursuant to Section 27 or Section 70 the amount available in the Local Government Video Gaming Distributive Fund, a special fund in the State Treasury, as provided in Section 60. The Department shall then certify such allocations to the State Comptroller, who shall pay over to those eligible municipalities and counties the respective amounts allocated to them. The amount of such funds allocable to each such municipality and county shall be in proportion to the tax revenue generated from video gaming within the eligible municipality or county compared to the tax revenue

generated from video gaming Statewide.

- (b) The amounts allocated and paid to a municipality or county of this State pursuant to the provisions of this Section may be used for any general corporate purpose authorized for that municipality or county.
- (c) Upon determination by the Department that an amount has been paid pursuant to this Section in excess of the amount to which the county or municipality receiving such payment was entitled, the county or municipality shall, upon demand by the Department, repay such amount. If such repayment is not made within a reasonable time, the Department shall withhold from future payments an amount equal to such overpayment. The Department shall redistribute the amount of such payment to the county or municipality entitled thereto.

(Source: P.A. 96-34, eff. 7-13-09.)

(230 ILCS 40/78)

- Sec. 78. Authority of the Illinois Gaming Board.
- (a) The Board shall have jurisdiction over and shall supervise all gaming operations governed by this Act. The Board shall have all powers necessary and proper to fully and effectively execute the provisions of this Act, including, but not limited to, the following:
 - (1) To investigate applicants and determine the eligibility of applicants for licenses and to select among competing applicants the applicants which best serve the interests of the citizens of Illinois.
 - (2) To have jurisdiction and supervision over all video gaming operations in this State and all persons in establishments where video gaming operations are conducted.
 - (3) To adopt rules for the purpose of administering the provisions of this Act and to prescribe rules, regulations, and conditions under which all video gaming in the State shall be conducted. Such rules and regulations are to provide for the prevention of practices detrimental to the public interest and for the best interests of video gaming, including rules and regulations (i) regarding the inspection of such establishments and the review of any permits or licenses necessary to operate an establishment under any laws or regulations applicable to establishments, (ii) to impose penalties for violations of this Act and its rules, and (iii) establishing standards for advertising video gaming.
- (b) The Board shall adopt emergency rules to administer this Act in accordance with Section 5-45 of the Illinois Administrative Procedure Act. For the purposes of the Illinois Administrative Procedure Act, the General Assembly finds that the adoption of rules to implement this Act is deemed an emergency and necessary to the public interest, safety, and welfare.

(Source: P.A. 98-31, eff. 6-24-13.)

(230 ILCS 40/79)

Sec. 79. Investigators. Investigators appointed by the Board pursuant to the powers conferred upon the Board by paragraph (20.6) of subsection (c) of Section 5 of the Riverboat Gambling Act and Section 80 of this Act shall have authority to conduct investigations, searches, seizures, arrests, and other duties imposed under this Act and the Riverboat Gambling Act, as deemed necessary by the Board. These investigators have and may exercise all of the rights

and powers of peace officers, provided that these powers shall be (1) limited to offenses or violations occurring or committed in connection with conduct subject to this Act, including, but not limited to, the manufacture, distribution, supply, operation, placement, service, maintenance, or play of video gaming terminals and the distribution of profits and collection of revenues resulting from such play, and (2) exercised, to the fullest extent practicable, in cooperation with the local police department of the applicable municipality or, if these powers are exercised outside the boundaries of an incorporated municipality or within a municipality that does not have its own police department, in cooperation with the police department whose jurisdiction encompasses the applicable locality.

(Source: P.A. 97-809, eff. 7-13-12.)

(230 ILCS 40/80)

Sec. 80. Applicability of Illinois Riverboat Gambling Act. The provisions of the Illinois Riverboat Gambling Act, and all rules promulgated thereunder, shall apply to the Video Gaming Act, except where there is a conflict between the 2 Acts. All provisions of the Uniform Penalty and Interest Act shall apply, as far as practicable, to the subject matter of this Act to the same extent as if such provisions were included herein.

(Source: P.A. 96-37, eff. 7-13-09.)

(230 ILCS 40/85)

Sec. 85. Severability. The provisions of the Video Gaming Act are severable pursuant to Section 1.31 of the Statute on Statutes.

(Source: P.A. 96-37, eff. 7-13-09; P.A. 96-38, eff. 7-13-09.)

(230 ILCS 40/Art. 800 heading)
ARTICLE 800.

(The Capital Spending Accountability Law is compiled at 20 ILCS 3020/)

(Source: P.A. 96-34, eff. 7-13-09.)

(230 ILCS 40/Art. 900 heading)
ARTICLE 900.

(Amendatory provisions; text omitted) (Source: P.A. 96-34, eff. 7-13-09; text omitted.)

(230 ILCS 40/Art. 9999 heading)
ARTICLE 9999.

(Source: P.A. 96-34, eff. 7-13-09.)

(230 ILCS 40/9999)

Sec. 9999. Effective date. This Act takes effect July 1, 2009, except that the changes to Sections 15-102, 15-107, 15-111, 15-112, 15-113, 15-306, 15-307, and 16-105 of the Illinois Vehicle Code take effect January 1, 2010; but this Act does not take effect at all unless House Bill 312 of the 96th General Assembly, as amended, becomes law. (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09.)