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SB 7 (Link/Rita)
House Amendment #3
Filed 5/25/2018

❖ **Reinstates the Engrossed SB 7 with the following changes:**

- Creates the Fantasy Sports Contest Act, the Internet Gaming Act, and the Sports Wagering Act
 - However, no substantive language is included.

- Casinos
 - Provides that a casino license is authorized in Waukegan (instead of in either Park City, North Chicago, or Waukegan)
 - Provides that the local share of the 5% tax from the Waukegan casino shall be distributed as follows: 75% (instead of 50%) to Waukegan, 10% (instead of 25%) to North Chicago, and 15% (instead of 25%) to Park City.
 - Prior to issuing a license for a new casino, requires the corporate authority or county board to pass a resolution or ordinance in support of the casino in the municipality or county;
 - Provides that the first preference for new casinos shall be given to an applicant who:
 - Does not operate and is not licensed as a casino owner in Illinois
 - Has a main corporate headquarters that has been located in the county of the proposed permanent casino for more than 3 years; and
 - Has principals who have regulated gaming experience within the State.

- Racetracks
 - Allows racetracks to have table games, in addition to slot machines, video games of chance, and electronic gambling games
 - Allows for a new standardbred racetrack in Cook County.
 - License shall be granted upon application and shall have all current and future rights of existing racetracks, including ability to have ADW, OTBs, and slots at the track.
 - Allows any future tracks to be issued inter-track wagering licenses
 - Allows racetracks conducting standardbred racing to have up to 16 OTBs (instead of 9 in engrossed bill).

- Video Gaming
 - Allows licensed establishments to operate 6 (instead of 5) video gaming terminals
 - Prohibits "casino malls"
 - Increases the tax on video gaming to 35% (instead of 30%)
 - Maintains the 5/6 to state, 1/6 to locals split
 - ◆ Would need to be changed to 6/7 and 1/7 for state to get full 30%.
 - The State received 326,692,655.20 in VGT tax revenue for 2017.
 - *Based on 2017 tax revenue, a 5% increase to the State would result in an increase of \$16,284,632.76*
 - Allows local governments to use up to half of the local share of video gaming taxes for downstate police and fire pensions.



➤ Sweepstakes Kiosks (Corey Aronovitz - Casino Law Group)

- Authorizes the use of electronic product promotion sweepstakes kiosks
 - “any electronic video machine that, upon insertion of payment, is used to purchase a bona fide product from a sponsor and offers or awards a prize as a means to promote that sponsor and is not capable of connecting to the internet or interconnected networked devices.”
 - “Bona fide product” means any item of real value, which may include vouchers or coupons, to be used for or towards the purchase of a retail item.”
- Provides a limit of 10 kiosks per location except for racetracks, licensed fraternal establishments, licensed veterans establishments, not-for-profit organizations, and airports.

➤ Funds

- Provides that all remaining monies in the Gaming Facilities Fee Revenue Fund after \$50M distribution to the Illinois Gaming Board shall be transferred equally to the State Construction Account Fund, the Pension Stabilization Fund, and the Common School Fund (instead of the General Revenue Fund).
- Provides that all remaining monies from admission taxes after distributing local shares shall be transferred equally to the State Construction Account Fund, the Pension Stabilization Fund, and the Common School Fund (instead of the Education Assistance Fund).
- Provides that all remaining monies from tax revenue after distributing local shares shall be transferred equally to the State Construction Account Fund, the Pension Stabilization Fund, and the Common School Fund (instead of the Education Assistance Fund).

➤ General Changes

- Changes “electronic gaming license” to “organization gaming license”.
- Requires all reports to the General Assembly from the Gaming Board and Racing Board to be submitted electronically.