

ILLINOIS REGISTER

ILLINOIS GAMING BOARD

NOTICE OF EMERGENCY AMENDMENT

- 1) Heading of the Part: Riverboat Gambling
- 2) Code Citation: 86 Ill. Adm. Code 3000
- 3) Section Number: 3000.190 Emergency Action:
New Section
- 4) Statutory Authority: Implementing and authorized by Section 5 (c) (2), (3) and (6) of the Illinois Gambling Act as amended by Public Act 101-0031, effective June 28, 2019.
- 5) Effective Date of Rule:
- 6) If this emergency rule is to expire before the end of the 150-day period, please specify the date on which it is to expire: The emergency amendments will expire at the end of the 150-day period or upon adoption of permanent rules, whichever comes first.
- 7) Date Filed with the Index Department:
- 8) A copy of the emergency amendment, including any material incorporated by reference, is on file in the Illinois Gaming Board's principal office and is available for public inspection.
- 9) Reason for Emergency: An emergency has been created by language in Sections 5.3 and 7 (e-5) of the Illinois Gambling Act (Act) [230 ILCS 10/5.3)], both added by Public Act 101-0031, effective June 28, 2019. Section 5.3 adds new disclosure requirements on municipalities or counties hosting riverboats or casinos. Under Section 7 (e-5) of the Act, the Illinois Gaming Board (IGB or Board) shall consider issuing one of the six newly authorized owners licenses only after the corporate authority of the municipality or the county board of the county in which the riverboat or casino will be located has certified several items to the Board. Certification must be provided that the municipal corporation or county board and the applicant have: (i) negotiated with the corporate authority or county board in good faith; (ii) mutually agreed on a permanent location of the riverboat or casino; (iii) mutually agreed on a temporary location of the riverboat or casino; (iv) mutually agreed on the percentage of revenues that will be shared with the municipality or county; and (v) mutually agreed on any zoning, licensing, public health or other issues that are within the jurisdiction of the municipality or county. In addition, the municipality or county board must (vi) pass a resolution or ordinance in support of the riverboat or casino in the municipality or county.

ILLINOIS REGISTER

ILLINOIS GAMING BOARD

NOTICE OF EMERGENCY AMENDMENT

Given the importance that P.A. 101-0031 confers upon units of local government in the initial stages of the approval process for new riverboats or casinos, it is essential for the Illinois Gaming Board to be cognizant of all communications with the affected municipalities or counties regarding the local selection and approval process. Without transparency as to these communications, there will not be public confidence in the integrity of the riverboat or casino approval process on the initial, local level. The mandatory disclosure requirements of the present emergency rulemaking provide such transparency by establishing mandatory disclosure requirements to the Illinois Gaming Board on the part of all those who have expressed an interest to an official or employee of the local government in obtaining an owners license.

It is essential to promulgate such requirements by rule on an emergency basis because of the tight owners application deadlines established by Section 7 (e-5), under which applications for the newly authorized riverboats or casinos must be submitted within 120 days after the new law's immediate effective date. For five of the six newly authorized owners licenses, this application deadline is in late October of this year.

- 10) A Complete Description of the Subjects and Issues Involved: This rulemaking establishes reporting requirements relating to the initial local government approval process for one of the new owners license applications authorized under Section 7 (e-5) of the Illinois Gambling Act [230 ILCS 10/7 (e-5)], as added by Public Act 101-0031, effective June 28, 2019. The rule provides that for the purposes of Section 5.3 (j) of the Act [230 ILCS 10/5.3 (j)] (establishing reporting requirements to the Board for local governments) and the present rulemaking, the following definitions shall apply:

An “applicant” is defined as any person or entity which has directly or indirectly expressed interest to an official or employee of a host community in obtaining an owners license in that host community, regardless of whether that person has submitted an application to the Board.

“Communication” is defined as any written or oral communication (including those with an agent, representative or affiliate), as well as indirect communication through third parties or intermediaries, irrespective of whether such communication occurs in a public forum.

An “employee” is defined as any person employed full or part-time or pursuant to a contract and whose duties are subject to the direction and control of an employer with regard to the material details of how the work is to be performed.

ILLINOIS REGISTER

ILLINOIS GAMING BOARD

NOTICE OF EMERGENCY AMENDMENT

A “local government” includes any unit of government within the State of Illinois other than the State of Illinois.

“Official” is defined to include any person or entity who is: an elected official of the host community; a participant in a committee, group, team or other organization acting at the behest of, or in cooperation with, the host community; or an agent, contractor or other delegate of the host community.

Disclosures to the Board shall be made in a manner consistent with Section 5.3 (j) of the Act and the present rule.

All applicants, as defined above, have a duty to report to the Administrator or the Administrator’s designated agent any facts which the Administrator has reasonable grounds to believe indicate a violation of Section 5.3 of the Act, including but not limited to the following:

Violations by the applicant or licensee or its own agents, employees or affiliates;

Violations by any other applicant or licensee or their agents, employees or affiliates; or

Violations by any current or former official or employee of a corporate authority of a host community, or their spouse, child or parent.

Any communication subject to Section 5.3 (j) of the Act that occurred prior to the effective date of this section and after the effective date of Section 5.3 (j) shall be disclosed to the Board within 14 days.

- 11) Are there any other rulemakings pending to this Part? Yes

<u>Section Numbers</u>	<u>Proposed Actions</u>	<u>Illinois Register Citation</u>
3000.287	New Section	43 Ill. Reg. 9315, September 6, 2019
3000.288	New Section	43 Ill. Reg. 9315, September 6, 2019

- 12) Statement of Statewide Policy Objectives: This rulemaking does not create or expand a State mandate under 30 ILCS 805.

- 13) Information and questions regarding this rulemaking shall be directed to

Agostino Lorenzini
General Counsel

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The full text of the emergency amendment begins on the next page.