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ILLINOIS GAMING BOARD

NOTICE OF ADOPTED AMENDMENTS

- 1) Heading of the Part: Riverboat and Casino Gambling
- 2) Code Citation: 86 Ill. Adm. Code 3000
- 3)

<u>Section Numbers:</u>	<u>Adopted Actions:</u>
3000.286	Amendment
3000.520	New Section
3000.530	New Section
3000.540	New Section
- 4) Statutory Authority: Implementing and authorized by the Illinois Gambling Act [230 ILCS 10], Video Gaming Act [230 ILCS 40], Sports Wagering Act [230 ILCS 45], and Illinois Horse Racing Act of 1975 [230 ILCS 5].

Authority for amendment to 86 Ill. Adm. Code 3000.286:

Section 5 (c) (2) of the Illinois Gambling Act (IGA) confers upon the Illinois Gaming Board (Board or IGB) “jurisdiction and supervision over all riverboat gambling operations authorized under this Act and all persons in places where gambling operations are conducted.”

Section 5 (c) (3) of the IGA empowers the Board to "promulgate rules and regulations for the purpose of administering the provisions of this Act and to prescribe rules, regulations and conditions under which all gambling operations subject to this act shall be conducted." These rules and regulations include “the review of any permits or licenses necessary to operate a riverboat, casino, or organization gaming facility under any laws or regulations applicable to riverboats, casinos, or organization gaming facilities and to impose penalties for violations thereof.”

Section 5 (c) (7) of the IGA empowers the Board to “adopt appropriate standards for all organization gaming facilities, riverboats, casinos, and other facilities authorized under this Act.”

Authority for new Sections 86 Ill. Adm. Code 3000.520, 3000.530 and 3000.540:

Section 5 (c) (2) of the IGA confers upon the Board “jurisdiction and supervision over all riverboat gambling operations authorized under this Act and all persons in places where gambling operations are conducted.”

Section 5 (c) (3) of the IGA empowers the Board to "promulgate rules and regulations for the purpose of administering the provisions of this Act and to prescribe rules, regulations and conditions under which all gambling operations subject to this act shall be conducted." These rules and regulations include “the review of any permits or licenses necessary to operate a riverboat, casino, or organization gaming facility under any laws

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or regulations applicable to riverboats, casinos, or organization gaming facilities and to impose penalties for violations thereof.”

Section 5 (c) (7) of the IGA empowers the Board to “adopt appropriate standards for all organization gaming facilities, riverboats, casinos, and other facilities authorized under this Act.”

- 5) Effective Date of Rule:
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rulemaking contain an incorporation by reference? No
- 8) A copy of the adopted amendments, including any material incorporated by reference, is on file in the principal office and is available for public inspection.
- 9) Notice of proposal published in Illinois Register: 44 Ill. Reg. 5974; April 17, 2020; and 44 Ill. Reg. 6205; April 24, 2020
- 10) Has JCAR issued a Statement of Objection to this rulemaking? No
- 11) Differences between proposal and final version: The final version substitutes “women” for “female” in 86 Ill. Adm. Code 3000.286 wherever the latter word previously appeared. This change makes the terminology of Section 3000.286 consistent with Section 7.6 of the IGA as amended by Public Act 100-391, effective August 25, 2017.

In new Section 3000.540 (d), the final version adds a definition of “good cause” for purposes of this subsection.

The final version also makes various non-substantive changes to the originally proposed amendment that have been agreed to by the agency and the Joint Committee on Administrative Rules.
- 12) Have all the changes agreed upon by the Agency and JCAR been made as indicated in the agreement letter issued by JCAR? Yes
- 13) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 14) Are there any rulemakings pending on this part? No
- 15) Summary and purpose of rulemaking:

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Contracting goals for veteran owned firms [86 Ill. Adm. Code 3000.286]:

Subsection (c-5) of Section 7.6 of the Illinois Gambling Act (IGA) [230 ILCS 10/7.6 (c-5)], added by Public Act 100-1152, effective December 14, 2018, provides in part that: “The Board shall, by rule, establish goals for the award of contracts by each owners licensee to businesses owned by veterans of service in the armed forces of the United States, expressed as percentages of an owners licensee’s total dollar amount of contracts awarded during each calendar year.”

The contracting goal provisions of 86 Ill. Adm. Code 3000.286 previously applied only to businesses owned by minorities, women and disabled persons. As directed by Public Act 100-1152, the present amendment to 86 Ill. Adm. Code 3000.286 revises this section to include within the contracting goal provisions veteran owned firms. The new language closely tracks the existing rule language applicable to businesses owned by minorities, women and disabled persons. Specifically, the new language provides the following:

Contracting goals for veteran owned businesses shall be set as percentages of the *total dollar amount* of contracts awarded by a casino owner licensee during each calendar year. Although these are goals rather than quotas, the underlying Act directs that “each owners licensee must make every effort” to meet them.

Beginning in 2021, the annual reporting requirement for casinos under the Business Enterprise Program will include information on their utilization of veteran owned businesses.

The rule language cites the definition of “veteran” contained in Section 10 of the Veterans Preference in Private Employment Act [330 ILCS 56/10]. Under this definition, a “veteran” means a person who has either:

Served on active duty with the armed forces of the United States for a period of more than 180 days and was discharged or released from active duty under conditions other than dishonorable;

Was discharged or released from active duty because of a service-related disability; or

Is a member of the Illinois National Guard who has never been deployed but has separated under conditions other than dishonorable.

A “veteran owned business” is defined as a business that is at least 51% owned by one or more veterans (or in the case of a corporation, at least 51% of the stock of which is

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owned by one or more veterans), and the management and daily operations of which are controlled by one or more of the veterans who own it. This parallels the definitions contained in Section 3000.286 for businesses owned by minorities, women and disabled persons.

To ensure that veteran owned businesses have the best possible information about contracting opportunities with Illinois casinos, the amendment requires casinos to publish information to potential bidders on their websites as to how they can obtain more detailed information about future available contracting opportunities. The casinos must also share this information with the Director of the Department of Commerce and Economic Opportunity and the Director of the Department of Veterans' Affairs.

The rulemaking establishes benchmark numerical contracting goals for all of the types of businesses covered by Section 3000.286. These benchmark goals are the following:

- 11% for minority owned businesses;
- 7% for women owned businesses;
- 2% for businesses owned by persons with disabilities; and
- 3% for veteran owned businesses.

The final contracting goals shall approach, as closely as the Board deems practicable, the benchmark contracting goals.

Additionally, the amendment substitutes "women" for "female" in Section 3000.286 whenever the latter word appears. This change makes the terminology of Section 3000.286 consistent with Section 7.6 of the IGA as amended by Public Act 100-391, effective August 25, 2017.

Organization gaming facilities [230 ILCS 3000.520, 3000.530 and 3000.540]:

New Sections 3000.520, 3000.530 and 3000.540 implement Section 7.7 of the Illinois Gambling Act [230 ICLS 10/7.7] relating to organization gaming facilities. They also establish requirements for temporary gaming facilities for both owners licensees and organization gaming licensees.

New Section 3000.520 (Organization Gaming Facilities) provides the following: Organization gaming facilities shall be restricted to persons over 21 years of age (subsection (a)). An organization gaming facility shall be maintained physically separate

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and apart from inter-track wagering and all other activities conducted at the racetrack. Direct access to organization gaming facilities without entry to their associated licensee racetrack is permitted (subsection (c)). All entries and exits shall be recorded at turnstiles allowing entry to organization gaming facilities regardless of whether a patron is entering from the racetrack facility or from outside (subsection (d)). If an organization gaming facility is housed in the same structure as racetrack facilities, patrons must have direct access between both facilities (subsection (e)).

New Section 3000.530 (Modification of Organization Gaming Facilities) establishes construction approval procedures as follows:

Subsection (a) provides that before an organization gaming licensee constructs any form of building, or makes alterations to an existing building or structure of its organization gaming facility, it shall provide information that includes a description of where the gaming facilities will be located; clear, legible and proportionate diagrams; plans for surveillance and security systems; and certification of compliance with all applicable building codes and ordinances.

Subsection (b) requires an organization gaming licensee to provide any additional information or documentation requested by the Administrator.

Section (c) authorizes the Administrator to deny approval for construction, modification, or alteration if the Administrator determines that the grounds of the organization licensee will be altered so that the act of live racing becomes ancillary to gaming under the Act. The subsection includes a non-exhaustive list of factors that the Administrator is to consider in making this determination. These factors include: prominence or maintenance of racetrack character relative to the organization gaming facility and gaming operation; proposed placement of gaming operations and use of gaming equipment within existing or new structures; placement of the racetrack grandstand, pari-mutuel betting windows and related facilities; and frequency of live racing.

Subsection (d) provides that, following a denial by the Administrator of a request for modification or construction, the organization gaming licensee may request the Board to review the Administrator's determination.

Subsection (e) requires an organization licensee to convince the Board by clear and convincing evidence that any construction, modification, or alteration does not cause the act of live racing to be ancillary to gaming under the Act. In making this determination, the Board may consider information submitted to the

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Administrator as well as additional relevant information. The Board may request additional information. Factors to be considered by the Board in making its determination are the same as those listed for the Administrator's determination under subsection (c).

Subsection (f) requires the Board to provide written notice to the organization gaming licensee of its approval or denial of a request.

Section 3000.540 authorizes gaming at temporary facilities by owners licensees and organization gaming licensees pending the construction of a permanent facility or the remodeling or relocation of an existing facility. The temporary facility may accommodate gaming participants for up to 24 months after the temporary facility begins to conduct gaming.

Subsection (a) provides that a request to operate a temporary gaming facility shall include a description of where the facility will be located; clear, legible and proportionate diagrams; plans for surveillance and security systems; and other information and details as may be required or deemed necessary by the Board.

Subsection (b) contains a non-exhaustive list of factors to be considered by the Board in determining whether to authorize gaming at a temporary facility. These include impact on the security and integrity of gaming; impact on health and safety of patrons; physical appearance and character of the facility; logistics of the gaming operation; or any other factor deemed relevant by the Board.

Subsection (c) allows operation of a temporary facility under the following conditions:

Operation for a maximum of 24 months, unless extended by the Board.

No concurrent operation with a permanent gaming facility.

Rescission of Board approval for any just cause, including but not limited to failure by the licensee to operate in a manner consistent with the information submitted to the Board; determination by the Board that continued operation poses a risk to the integrity or security of gaming; or determination by the Board that continued operation of the temporary facility may be injurious to the health, safety, morals, good order, or general welfare of the people of the State of Illinois.

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Subsection (d) provides that upon request of an owners licensee or organization gaming licensee, and upon a showing of good cause by the licensee, the Board shall extend the period during which the licensee may conduct gaming at the temporary facility by up to 12 months. For purposes of this subsection, “good cause” means any delay in the completion of the construction, remodeling or relocation of a permanent facility where the owners licensee has made good faith efforts to complete the construction, remodeling, or relocation of a permanent facility in a timely manner. Good cause may include, but is not limited to, construction delays, public health concerns, environmental concerns, or economic factors.

- 16) Information and Questions regarding this adopted rulemaking may be addressed to:

Agostino Lorenzini
General Counsel
Illinois Gaming Board
160 North LaSalle Street
Chicago, Illinois 60601

IGB.RuleComments@igb.illinois.gov

The full text of the Adopted Amendments begins on the next page.

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TITLE 86: REVENUE
CHAPTER IV: ILLINOIS GAMING BOARD

PART 3000
RIVERBOAT AND CASINO GAMBLING

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3000.104	Rulemaking Procedures
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3000.110	Disciplinary Actions
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SUBPART B: LICENSES

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3000.200	Classification of Licenses
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3000.237	Renewed Owner's Licenses, Term and Restrictions
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3000.245	Occupational Licenses
3000.250	Transferability of Licenses
3000.260	Waiver of Requirements
3000.270	Certification and Registration of Electronic Gaming Devices
3000.271	Analysis of Questioned Electronic Gaming Devices
3000.272	Certification of Voucher Systems
3000.280	Registration of All Gaming Devices
3000.281	Transfer of Registration (Repealed)
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3000.285	Certification and Registration of Voucher Validation Terminals
3000.286	Contracting Goals for Owners Licensees
3000.287	Independent Outside Testing Laboratories
3000.288	Minimum Duties of Independent Outside Testing Laboratories

SUBPART C: OWNER'S INTERNAL CONTROL SYSTEM

Section	
3000.300	General Requirements – Internal Control System
3000.310	Approval of Internal Control System
3000.320	Minimum Standards for Internal Control Systems
3000.330	Review of Procedures (Repealed)
3000.340	Operating Procedures (Repealed)

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3000.350 Modifications (Repealed)

SUBPART D: HEARINGS ON NOTICE OF DENIAL,
RESTRICTION OF LICENSE, PLACEMENT ON BOARD EXCLUSION LIST OR
REMOVAL FROM BOARD EXCLUSION LIST OR SELF-EXCLUSION LIST

Section

3000.400 Coverage of Subpart
3000.405 Requests for Hearings
3000.410 Appearances
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3000.600 Wagering Only with Electronic Credits, Approved Chips, Tokens and Electronic
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- 3000.785 Appeal of a Notice of Denial of Removal
- 3000.786 Duties of Owner Licensees to Persons Removed from the Self-Exclusion List
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- 3000.790 Duties of the Board

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- 3000.820 Segregated Telephone Communication
- 3000.830 Surveillance Logs
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- 3000.900 Liquor Control Commission
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- 3000.1000 Ownership Records
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- 3000.1020 Standard Financial and Statistical Records
- 3000.1030 Annual and Special Audits and Other Reporting Requirements
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3000.1146	Prohibition of Ex Parte Communication
3000.1150	Sanctions and Penalties
3000.1155	Transmittal of Record and Recommendation to the Board

AUTHORITY: Implementing and authorized by the Illinois Gambling Act [230 ILCS 10], Video Gaming Act [230 ILCS 40], Sports Wagering Act [230 ILCS 45], and Illinois Horse Racing Act of 1975 [230 ILCS 5].

SOURCE: Emergency rule adopted at 15 Ill. Reg. 11252, effective August 5, 1991, for a maximum of 150 days; adopted at 15 Ill. Reg. 18263, effective December 10, 1991; amended at 16 Ill. Reg. 13310, effective August 17, 1992; amended at 17 Ill. Reg. 11510, effective July 9, 1993; amended at 20 Ill. Reg. 5814, effective April 9, 1996; amended at 20 Ill. Reg. 6280, effective April 22, 1996; emergency amendment at 20 Ill. Reg. 8051, effective June 3, 1996, for a maximum of 150 days; amended at 20 Ill. Reg. 14765, effective October 31, 1996; amended at 21 Ill. Reg. 4642, effective April 1, 1997; emergency amendment at 21 Ill. Reg. 14566, effective October 22, 1997, for a maximum of 150 days; emergency amendment at 22 Ill. Reg. 978, effective December 29, 1997, for a maximum of 150 days; amended at 22 Ill. Reg. 4390, effective February 20, 1998; amended at 22 Ill. Reg. 10449, effective May 27, 1998; amended at 22 Ill. Reg. 17324, effective September 21, 1998; amended at 22 Ill. Reg. 19541, effective October 23, 1998; emergency amendment at 23 Ill. Reg. 8191, effective July 2, 1999 for a maximum of 150 days; emergency expired November 28, 1999; amended at 23 Ill. Reg. 8996, effective August 2, 1999; amended at 24 Ill. Reg. 1037, effective January 10, 2000; amended at 25 Ill. Reg. 94, effective January 8, 2001; amended at 25 Ill. Reg. 13292, effective October 5, 2001; proposed amended at 26 Ill. Reg. 9307, effective June 14, 2002; emergency amendment adopted at 26 Ill. Reg. 10984, effective July 1, 2002, for a maximum of 150 days; adopted at 26 Ill. Reg. 15296, effective October 11, 2002; amended at 26 Ill. Reg. 17408, effective November 22, 2002; emergency amendment at 27 Ill. Reg. 10503, effective June 30, 2003, for a maximum

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of 150 days; amended at 27 Ill. Reg. 15793, effective September 25, 2003; amended at 27 Ill. Reg. 18595, effective November 25, 2003; amended at 28 Ill. Reg. 12824, effective August 31, 2004; amended at 31 Ill. Reg. 8098, effective June 14, 2007; amended at 32 Ill. Reg. 2967, effective February 15, 2008; amended at 32 Ill. Reg. 3275, effective February 19, 2008; amended at 32 Ill. Reg. 7357, effective April 28, 2008; amended at 32 Ill. Reg. 8592, effective May 29, 2008; amended at 32 Ill. Reg. 8931, effective June 4, 2008; amended at 32 Ill. Reg. 13200, effective July 22, 2008; amended at 32 Ill. Reg. 17418, effective October 23, 2008; amended at 32 Ill. Reg. 17759, effective October 28, 2008; amended at 32 Ill. Reg. 17946, effective November 5, 2008; amended at 34 Ill. Reg. 3285, effective February 26, 2010; amended at 34 Ill. Reg. 3748, effective March 11, 2010; amended at 34 Ill. Reg. 4768, effective March 16, 2010; amended at 34 Ill. Reg. 5200, effective March 24, 2010; amended at 34 Ill. Reg. 15386, effective September 23, 2010; amended at 36 Ill. Reg. 13199, effective July 31, 2012; amended at 37 Ill. Reg. 12050, effective July 9, 2013; amended at 37 Ill. Reg. 18255, effective November 1, 2013; amended at 38 Ill. Reg. 2808, effective January 8, 2014; amended at 38 Ill. Reg. 21471, effective October 29, 2014; amended at 39 Ill. Reg. 4362, effective March 10, 2015; amended at 39 Ill. Reg. 12312, effective August 18, 2015; amended at 40 Ill. Reg. 12776, effective August 19, 2016; amended at 41 Ill. Reg. 380, effective December 29, 2016; amended at 41 Ill. Reg. 12840, effective September 28, 2017; emergency amendment at 43 Ill. Reg. 9801, effective August 23, 2019, for a maximum of 150 days; emergency amendment at 43 Ill. Reg. 10512, effective September 5, 2019, for a maximum of 150 days; emergency amendment at 43 Ill. Reg. 10733, effective September 13, 2019, for a maximum of 150 days; amended at 44 Ill. Reg. 521, effective December 30, 2019; amended at 44 Ill. Reg. 3224, effective February 4, 2020; emergency amendment at 44 Ill. Reg. 6426, effective April 7, 2020, for a maximum of 150 days; amended at 44 Ill. Reg. 11156, effective June 17, 2020; amended at 44 Ill. Reg. _____, effective _____.

SUBPART B: LICENSES

Section 3000.286 Contracting Goals for Owners Licensees

- a) For purposes of this Section:
 - 1) The terms "minority", "minority owned business", "~~women~~female owned business", and "business owned by a person with a disability" shall have the meanings ascribed to them in Section 2 of the Business Enterprise for Minorities, ~~Women~~Females, and Persons with Disabilities Act [30 ILCS 575].
 - 2) "Veteran" has the meaning ascribed in Section 10 of the Veterans Preference in Private Employment Act [330 ILCS 56].

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- 3) "Veteran owned business" is a business that is at least 51% owned by one or more veterans or, in the case of a corporation, at least 51% of the stock of which is owned by one or more veterans, and the management and daily operations of which are controlled by one or more of the veterans who own it.
- 42) "Contract" is an agreement for the provision of goods or services to an owners licensee.
- 53) "Contracting goal" is the goal established by the Board *for the award of contracts by each owners licensee to businesses owned by minorities, ~~women~~females, ~~and persons with disabilities and veterans~~, expressed as percentages of an owners licensee's total dollar amount of contracts awarded during each calendar year [230 ILCS 10/7.6(b)] except for contracts excluded from the coverage of this Section by subsection (b)(3) and subsections (b)(2) and (3) of this Section.*
- 64) "Good faith effort" is the effort of an owners licensee to achieve a contracting goal. A "good faith" effort shall require an owners licensee to give consideration in the awarding of contracts to qualified businesses owned by minorities, ~~women~~females, ~~and persons with disabilities, and veterans~~ that are located in Illinois. A "good faith effort" shall require the following actions by an owners licensee:
- A) Outreach by an owners licensee to associations of minority owned businesses, ~~women~~female owned businesses, ~~and~~ businesses owned by persons with disabilities, and veterans whose areas of operation include the unit of local government where the owners licensee's riverboat gambling operation is located, to request their assistance in identifying and contacting businesses owned by minorities, ~~women~~females ~~and~~ persons with disabilities, and veterans that may be appropriate candidates for contract awards by the owners licensee.
 - B) Publication on a continuing basis in an owners licensee's website and, at least annually, in the official State newspaper, of a statement informing potential bidders how to obtain more detailed information from the owners licensee about future contracts to be entered into by the owners licensee, including price, occupational, and materials specifications. In addition, the owners licensee shall

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distribute this statement to the Business Enterprise Program of the Department of Central Management Services established under the Business Enterprise for Minorities, ~~Women~~Females, and Persons with Disabilities Act, the Director of the Department of Commerce and Economic Opportunity and the Director of the Department of Veterans' Affairs.

- ~~75~~) "Dollar percentage" is the percentage of the total dollar value of an owners licensee's vendor contracts with minority owned businesses, ~~women~~female owned businesses, or businesses owned by a person with a disability during a calendar year, to the total dollar amount of all vendor contracts entered into by the owners licensee during that calendar year, except for contracts covered under subsection (b)(2).
- ~~86~~) "Emergency" is a situation in which one or more of the following have occurred or are at imminent risk of occurring:
- A) Damage or disruption to all or part of a riverboat gambling operation; or
 - B) Danger to the health, safety, comfort or welfare of patrons or employees.
- b) For each calendar year, the Board shall establish benchmark contracting goals, as defined in subsection (a)(~~53~~), for each owners licensee expressed as a dollar percentage as defined in subsection (a)(~~75~~). Separate benchmark contracting goals shall be established for minority owned businesses, ~~women~~female owned businesses, ~~and~~ businesses owned by persons with disabilities, and veteran owned businesses. A benchmark contracting goal shall provide for the greatest reasonable dollar percentage, consistent with the ability of vendors that are not minority owned businesses, ~~women~~female owned businesses, ~~or~~ businesses owned by persons with disabilities, or veteran owned businesses to bid fairly on contracts and not incur discrimination in contract selection based on their non-inclusion in a category of businesses subject to a contracting goal.
- 1) Beginning August 1, 2020, the benchmark contracting goals under this Section shall be the following:
- A) 11% for minority owned businesses;

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- B) 7% for women owned businesses;
 - C) 2% for businesses owned by persons with disabilities; and
 - D) 3% for veteran owned businesses.
- 21) By December 1 of each calendar year, each owners licensee shall submit to the Board separate proposed contracting goals for the coming calendar year for minority owned businesses, women~~female~~ owned businesses, and businesses owned by persons with disabilities, and veteran owned businesses. The final contracting~~contractual~~ goals for each calendar year shall be established through a process of consultation with each owners licensee and subsequent Board evaluation and approval. The final contracting goals shall be based on the numbers and dollar amounts of new and renewed contracts, as well as the owners licensee's evaluation of the availability of minority owned businesses, women~~female~~ owned businesses, ~~and~~ businesses owned by persons with disabilities, and veteran owned businesses that are qualified to perform the new and renewed contracts, and located in sufficient geographical proximity to the owners licensee to be reasonable candidates for contract selection. The final contracting goals for each owners licensee shall approach, at a minimum, the benchmark contracting goals of subsection (b)(1) as closely as the Board deems practicable. The Board may conduct fact-finding hearings to determine the appropriateness of a final~~proposed~~ contracting goal.
- 32) *When setting the goals for the award of contracts, the Board shall not include contracts in which:*
- A) *any purchasing mandates would be dependent upon the availability of minority owned businesses, women~~female~~ owned businesses, ~~and~~ businesses owned by persons with disabilities, and veteran owned firms ready, willing, and able with capacity to provide quality goods and services to a gaming operation at reasonable prices;*
 - B) *there are no or a limited number of licensed suppliers as defined by the Act for the goods or services provided to the licensee;*
 - C) *the licensee or its parent company owns a company that provides the goods or services;*

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- D) *the goods or services are provided to the licensee by a publicly traded company* [230 ILCS 10/7.6(b)]; or
- E) The contract is entered into in response to an emergency.
- 43) An owners licensee may satisfy its goal for the award of contracts, in whole or in part, by counting the total dollar amount of first and second tier subcontracts and purchase orders to businesses certified as vendors under the Business Enterprise for Minorities, Women~~Females~~, and Persons with Disabilities Act or by any other certifying agency approved by the Board.
- c) In evaluating whether an owners licensee has made a good faith effort as defined in subsection (a)(~~64~~), the fulfillment of a contracting goal as defined in subsection (a)(~~53~~) shall be significant but not determinative. An owners licensee that has failed to meet a contracting goal nevertheless may be deemed to have complied with the provisions of this Section if it can establish that it has made diligent efforts to achieve the contracting goal through outreach, advertising or other types of efforts designed to inform minority owned businesses, women~~female~~ owned businesses, ~~or~~ businesses owned by persons with disabilities, or veteran owned businesses about potential contracting opportunities with the owners licensee and has engaged in a fair bidding process.
- d) *The owners licensee shall have the right to request a waiver from the requirements of this Section. The Board shall grant the waiver when the owners licensee demonstrates that there has been made a good faith effort to comply with the goals for participation by minority owned businesses, women~~female~~ owned businesses, ~~and~~ businesses owned by persons with disabilities, and veteran owned businesses.* [230 ILCS 10/7.6(d)]
- e) *If the Board determines that its goals and policies are not being met by an owners licensee, then the Board may:*
- 1) Recommend *remedies* for those violations; *and*
 - 2) *Recommend that the owners licensee provide additional opportunities for participation by minority owned businesses, women~~female~~ owned businesses, ~~and~~ businesses owned by persons with disabilities, and veteran owned businesses; the recommendations may include, but shall not be limited to:*

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- A) *Assurances of stronger and better focused solicitation efforts to obtain more minority owned businesses, ~~women~~~~female~~ owned businesses, ~~and~~ businesses owned by persons with disabilities, and veteran owned businesses as potential sources of supply;*
- B) *Division of job or project requirements, when economically feasible, into tasks or quantities to permit participation of minority owned businesses, ~~women~~~~female~~ owned businesses, ~~and~~ businesses owned by persons with disabilities, and veteran owned businesses;*
- C) *Elimination of extended experience or capitalization requirements, when programmatically feasible, to permit participation of minority owned businesses, ~~women~~~~female~~ owned businesses, ~~and~~ businesses owned by persons with disabilities, and veteran owned businesses; and*
- D) *Identification of specific proposed contracts as particularly attractive or appropriate for participation by minority owned businesses, ~~women~~~~female~~ owned businesses, ~~and~~ businesses owned by persons with disabilities, and veteran owned businesses, such identification to result from and be coupled with the efforts described in subsections (e)(2)(A) through (C). [230 ILCS 10/7.6(e)]*
- f) The Board shall not establish any type of quota in connection with its enforcement of this Section and Section 7.6 of the Act.
- g) By March 31 of each year, *each owners licensee shall file with the Board an annual report of its utilization of minority owned businesses, ~~women~~~~female~~ owned businesses, and businesses owned by persons with disabilities during the preceding calendar year. The reports shall include a self-evaluation of the efforts of the owners licensee to meet its goals under this Section. [230 ILCS 10/7.6(c)] Beginning in calendar year 2021, this report shall include information on an owners licensees' utilization of veteran owned businesses.*
- h) The dollar percentages for an owners licensee shall be determined according to data in an owners licensee's annual report submitted to the Board under subsection (g).

(Source: Amended at 44 Ill. Reg. _____, effective _____)

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SUBPART E: CRUISING

Section 3000.520 Organization Gaming Facilities

- a) Organization gaming facilities shall be restricted to patrons over 21 years of age.
- b) The organization gaming facility portion of an organization gaming licensee's racetrack facilities shall be maintained physically separate and apart from inter-track wagering and all other activities conducted at the racetrack. The separation may be by physical barrier if located within the same structure.
- c) Direct access to organization gaming facilities without requiring entry to their associated licensee racetrack is permitted.
- d) All entries and exits shall be recorded at turnstiles allowing access to organization gaming facilities regardless of whether a patron is entering from the racetrack facility or from outside.
- e) If the organization gaming facility is housed in the same structure as racetrack facilities, patrons must have direct access between both facilities.

(Source: Added at 44 Ill. Reg. _____, effective _____)

Section 3000.530 Modification of Organization Gaming Facilities

- a) Construction Approval Procedures. Requests to modify organization gaming facilities shall be submitted to the Administrator before an organization gaming licensee constructs any form of building, or makes alterations to an existing building or structure of its organization gaming facility. Those requests shall include:
 - 1) A description of where the gaming facility or facilities will be located on the property used.
 - 2) Clear and legible diagrams of the interior of the facility or facilities. The diagrams must be representative and proportional, and must include specific reference to the size of the gaming floor or areas through the use of detailed measurements.
 - 3) Plans for the surveillance and security systems for the facility or facilities.

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- 4) Certification that the modifications are in compliance with all applicable local building codes and ordinances.
- b) The organization gaming licensee shall provide any additional information or documentation requested by the Administrator.
- c) The Administrator may deny approval for construction, modification, or alteration if he or she determines that the construction, modification, or alteration alters the grounds of the organization gaming licensee so that the act of live racing is an ancillary activity to gaming under the Act. Factors to be considered include, but are not limited to:
 - 1) Prominence or maintenance of racetrack character relative to the organization gaming facility and gaming operation, including but not limited to the planned and actual locations of all proposed and existing buildings on the subject property to be used to facilitate gaming;
 - 2) Proposed placement of gaming operations and use of gaming equipment within existing or new structures;
 - 3) The placement of the racetrack grandstand, pari-mutuel betting windows, and other related facilities;
 - 4) Organization gaming facility capacity and gaming positions;
 - 5) The frequency of live racing.
- d) If the Administrator denies a request for modification or construction, the organization gaming licensee may request the Board review the Administrator's determination. The request must be submitted no later than 14 days after service of the Administrator's Notice of Denial.
- e) The organization gaming licensee must satisfy the Board by clear and convincing evidence that any construction, modification, or alteration does not cause the act of live racing to be ancillary to gaming under the Act.
 - 1) When reviewing an Administrator's Notice of Denial, the Board will consider any information that was previously provided to the Administrator.

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- 2) The Board may consider any additional information it deems relevant.
- 3) The Board may request any additional information from the organization gaming licensee the Board deems necessary.
- 4) The Board will make its determination based upon the factors in subsection (c).
- f) The Board shall provide written notice to the organization gaming licensee of its approval or denial of the request.

(Source: Added at 44 Ill. Reg. _____, effective _____)

Section 3000.540 Temporary Facilities

An owners licensee or organization gaming licensee may conduct gaming at a temporary facility pending the construction of a permanent facility or the remodeling or relocation of an existing facility to accommodate gaming participants. Gaming at a temporary facility is authorized for up to 24 months after the temporary facility begins to conduct gaming. [230 ILCS 10/7(1)]

- a) An owners licensee or organization gaming licensee may request to operate a temporary gaming facility. The request shall include:
 - 1) A description of where the gaming facility or facilities will be located on the property used.
 - 2) Clear and legible diagrams of the interior of the facility or facilities. The diagrams must be representative and proportional, and must include specific reference to the size of the gaming floor or areas through the use of detailed measurements. Diagrams must be submitted with an initial application that clearly depicts each entrance and exit.
 - 3) Plans for the surveillance and security systems for the facility or facilities.
 - 4) Such other or additional information and details as may be required or deemed necessary by the Board.
- b) In determining whether to authorize gaming at a temporary gaming facility, the Board shall consider factors including, but not limited to, the following:

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- 1) Impact on the security and integrity of gaming;
 - 2) Impact on the health and safety of patrons or employees;
 - 3) Physical appearance and character of the facility; and
 - 4) Logistics of the gaming operation.
- c) Temporary Gaming Facility Conditions
- 1) A temporary gaming facility shall operate for a maximum of 24 months, unless extended by the Board;
 - 2) A temporary gaming facility shall not operate concurrently with a permanent facility.
 - 3) Board approval for a temporary gaming facility may be rescinded without prior notice for any just cause, including but not limited to:
 - A) Failure by the licensee to operate in a manner consistent with the information submitted to the Board;
 - B) A determination by the Board that continued operation of the temporary gaming facility is or may be a risk to the integrity or security of gaming; or
 - C) A determination by the Board that continued operation of the temporary gaming facility is or may be injurious to the health, safety, morals, good order, or general welfare of the people of the State of Illinois.
- d) Upon request by the owners licensee or organization gaming licensee, and upon a showing of good cause by the licensee, the Board shall extend the period during which the licensee may conduct gaming at a temporary facility by up to 12 months. For purposes of this subsection, "good cause" means any delay in the completion of the construction, remodeling or relocation of a permanent facility when the owners licensee has made good faith efforts to complete the construction, remodeling, or relocation of a permanent facility in a timely manner. Good cause may include, but is not limited to, construction delays, public health concerns, environmental concerns, or economic factors.

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(Source: Added at 44 Ill. Reg. _____, effective _____)