

VILLAGE PRESIDENT
Ray Danford

VILLAGE CLERK
Jerry Menard

VILLAGE TRUSTEES
Rita Baker
Seth Speiser
Charlie Mattern
Ray Matchett, Jr.
Steve Smith
Mike Blaies

VILLAGE OF FREEBURG

FREEBURG MUNICIPAL CENTER
14 SOUTHGATE CENTER, FREEBURG, IL 62243
PHONE: (618) 539-5545 • FAX: (618) 539-5590
Web Site: www.freeburg.com

VILLAGE ADMINISTRATOR
Dennis Herzing

VILLAGE TREASURER
Bryan A. Vogel

PUBLIC WORKS DIRECTOR
Ronald Dintelmann

POLICE CHIEF
Melvin E. Woodruff, Jr.

VILLAGE ATTORNEY
Weilmuenster Law Group, P.C

April 30, 2012

NOTICE

MEETING OF LEGAL AND ORDINANCE COMMITTEES Annexation; Building; Zoning; Subdivision (Speiser/Baker/Mattern)

A Legal and Ordinance Committee Meeting of the Village of Freeburg will be held at the Municipal Center, Executive Board Room, **Wednesday, May 2, 2012, at 5:00 p.m.**

LEGAL AND ORDINANCE COMMITTEE MEETING AGENDA

I. Items to be Discussed:

- A. Old Business
 - 1. Approval of April 4, 2012 Minutes
 - 2. Status of Public Hazard Homes
 - 3. Unionization
 - 4. Update Code Book
 - 5. Nuisance Abatement Code
 - 6. Resident complaint about dust from high school parking lot
 - 7. Political sign ordinance
 - 8. Materials left out on lots
 - 9. Class C Liquor License language revision
- B. New Business
 - 1. Ordinance revising games in streets
 - 2. Illinois Video Gaming Act
- C. General Concerns
- D. Public Participation
- E. Adjourn

At said Legal and Ordinance Meeting, the Village Trustees may vote on whether or not to hold an Executive Session to discuss the selection of a person to fill a public office [5 ILCS, 120/2 - (c)(3)], litigation [5 ILCS, 120/2 - (c)(11)] personnel [5 ILCS, 120/2 - (c) (1) a.]; collective negotiating matters between the public body and its employees or their representatives [5 ILCS 120/2 (C)(2) or real estate transactions [5 ILCS, 120/2 - (c)(5)].

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Legal and Ordinance Committee Meeting
(Annexation; Building; Zoning; Subdivision)
(Speiser/Baker/Mattern)
Wednesday, May 2, 2012 at 5:00 p.m.

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The meeting of the Legal and Ordinance Committee was called to order at 5:03 p.m. by Chairman Seth Speiser on Wednesday, May 2, 2012, in the Freeburg Municipal Center. Members attending were Chairman Seth Speiser, Trustee Rita Baker, Trustee Charlie Mattern, Trustee Mike Blaies, Trustee Ray Matchett, Mayor Ray Danford, Village Administrator Dennis Herzing and Office Manager Julie Polson. Guests present: Tony Funderburg, Doug Watson, Jackie Watson, Jamie Blazier, Linda Yeager and Tammy Gauch.

Trustee Rita Baker motioned to amend the agenda in order to hold New Business first to accommodate the guests and Trustee Charlie Mattern seconded the motion. All voting aye, the motion carried.

B. NEW BUSINESS:

1. Ordinance Revising Games in Streets: Dennis provided a revision to the code which would now allow games in the street on dead end streets, cul-de-sacs and street stubs. The play would be restricted to an area within 100 feet of the end of the cul-de-sac or dead-end street, it would be prohibited within 100 feet of any intersection, allowed during the hours of 7:00 a.m. - sunset, children must be directly supervised by an adult parent, guardian or designee and sports equipment can't be permanently installed in the public right-of-way and portable equipment must be removed from the public right-of-way when not in use. No objections were voiced.

Trustee Rita Baker motioned to recommend the ordinance revising Title XIII, Chapter 132, Section 132.13 of the Revised Code (Games in Streets) and Trustee Charlie Mattern seconded the motion. All voting aye, the motion carried.

2. Illinois Video Gaming Act: Jackie and Doug Watson were present to discuss the Video Gaming Act passed by the State of Illinois and their request for the Village to change the local ordinance to allow video games. Mayor Danford said the act has been passed but each village has the right to allow or not allow them. The village would receive a portion of the revenue from the video games. Jackie said the state has several restrictions that will be imposed by them. Dennis said there will be a couple of sections in our code that will need to be revised if the village agrees to allow the games. Both Ray and Dennis said they have not had an in-depth conversation with Chief Woodruff about this. Ray said the board should look at this issue and consider how it is going to impact our local standards. Jackie said as a business person, this would have a huge impact on their revenue stream. Ray said personally, he feels the state has made this standard and doesn't feel we should be any different. He is concerned about the all or nothing approach by the state and said there may be some establishments in Freeburg where he might be concerned about allowing video games. The committee directed this issue to the Personnel/Police committee meeting on Wednesday, May 9th for further discussion.

A. OLD BUSINESS:

1. Approval of April 4, 2012 Minutes: *Trustee Rita Baker motioned to approve the April 4, 2012 minutes and Trustee Charlie Mattern seconded the motion. All voting aye, the motion carried.*

2. Status of Public Hazard Homes: Dennis said Phil Sheets has been talking to Phil Borger about obtaining building permits for fixing up the Compton House. Nothing has been resolved on Sheets' payment of legal fees. Attorney Manion is working on foreclosure of his properties.
3. Unionization: Dennis said he met with the public works union yesterday. They were given the board's position as discussed. The union is going to hold a meeting to take a vote to either accept the offer or go to arbitration. They could come back with further suggestions as well.
4. Update Code Book: Dennis talked to Frank about doing the code book revision over two years. Dennis said there is money in the budget to do this.
5. Nuisance Abatement Code: Seth said Bill Herr hasn't done anything yet to clean up his property and is nearing the deadline to do so. If he doesn't complete the list of repairs, we can take him back for contempt of court. With regard to the Stumpf matter, Dennis said the police are citing him with disturbing the peace. The police put together information from the neighbors on violating the court order and Attorney Manion is going to go to court and present the case that Stumpf has disturbed the peace, violated the previous court order and is going to make a new contempt of court motion in order to get a new judge.
6. Resident complaint about dust from high school parking lot: Dennis said Andrew Lehman called and talked to Phil about this. Mr. Lehman told Phil that he had talked to Dennis about a variance on the parking lots. Dennis does not recall any conversation with Lehman about this. Dennis will follow up with Lehman.
7. Political sign ordinance: After a brief discussion, the committee agreed to have Dennis prepare the ordinance much like the previous one he presented. However, they agreed on a sign limit of 32 square feet, no signs in the right-of-way. Ne will have that ready at the next committee meeting.
8. Materials left out on lots: The committee discussed this topic but don't plan to address it at the present time.
9. Class C Liquor License language revision: Dennis provided the proposed ordinance revision. He said paragraph B, #1 is all the current language in our code and #2 is the new language added. This revision was done to clarify liquor stores holding a class c license can stay open 24 hours but only sell liquor during the established time limits.

Trustee Rita Baker motioned to recommend to the full Board the ordinance amending Title XI, Chapter 115 of the Revised Code (Alcoholic Beverages) be approved and Trustee Charlie Mattern seconded the motion. All voting aye, the motion carried.

C. GENERAL CONCERNS: None.

D. PUBLIC PARTICIPATION: None.

E. ADJOURN: *Trustee Rita Baker motioned to adjourn at 5:08 p.m. and Trustee Charlie Mattern seconded the motion. All voting aye, the motion carried.*



Julie Polson
Office Manager

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Legal and Ordinance Committee Meeting
(Annexation; Building; Zoning; Subdivision)
(Speiser/Baker/Mattern)
Wednesday, April 4, 2012 at 4:30 p.m.

The meeting of the Legal and Ordinance Committee was called to order at 4:32 p.m. by Chairman Seth Speiser on Wednesday, April 4, 2012, in the Freeburg Municipal Center. Members attending were Chairman Seth Speiser, Trustee Rita Baker, Trustee Charlie Mattern, Mayor Ray Danford, Village Clerk Jerry Menard and Village Administrator Dennis Herzing.

A. OLD BUSINESS:

1. Approval of March 7, 2012 Minutes: Trustee Rita Baker motioned to approve the March 7, 2012 minutes and Trustee Charlie Mattern seconded the motion. All voting aye, the motion carried.
2. Status of Public Hazard Homes: Dennis doesn't have anything new with the Sheets' cases.
3. Unionization: Dennis said Attorney Manion and Jim Beck have been going back and forth on a couple of issues regarding the public works negotiations. We advised Jim Beck if we would like to avoid mediation, for them to come back with some suggestions on their outstanding issues.
4. Update Code Book: This is on old for now. Dennis needs to review Frank's proposed sample chapter.
5. Nuisance Abatement Code: Seth said Bill Herr hasn't done anything yet to clean up his property. Rita talked to Phil about Stumpf who said what he has doesn't have anything in it about noise. Dennis talked to Brian Manion who said if you want to go after Stumpf about the noise, you would basically be starting over. Rita said the Gentry and Anderson families are willing to sign a complaint. Dennis said he will get together with Phil and Mel about this and will then talk to Rita about the complaint.
6. Resident complaint about dust from high school parking lot: The committee would like Phil to call the high school to see if they have plans to asphalt the parking lot since we have received complaints. Dennis will check with Phil on this.
7. Political sign ordinance: Seth said we never really decided what to do about this. Dennis said he previously prepared an ordinance to address signs and also said we ended the sign discussion with not doing too much to regulate the signs in town. Seth asked if we are going to allow Clayton to put out signs on the sidewalk since we let Garys and Reifschneiders put signs out. Dennis said he believes Clayton is a different situation because Koppeis agreed to limit the temporary signs out there. Mayor Danford said we did have a discussion about maximum amount of signage per business. Dennis said he was supposed to go back to their original sign permits to see what square footage amount has been used. Seth suggested the temporary signs be taken in at the close of business. Ray asked why would we want to restrict the signs if it helps business except

Legal and Ordinance Committee Meeting

Wednesday, April 4, 2012

VILLAGE BOARD OF TRUSTEES MEETINGS ARE HELD ON THE FIRST AND THIRD MONDAY OF EVERY MONTH

we don't want them to become a nuisance. Seth would like to see them used if it helps the business. The committee agreed to temporary signs being able to be placed in front of the business during business hours. Once the business closes for the night, the sign has to be taken in. Dennis said the sign ordinance has to be rewritten anyway because of the political signs, so he will include the new rules for the temporary signs in there. He will write the ordinance to include total sign per lot size not more than 16 square feet and the signs have to stay off the right-of-way and also the sidewalk. Seth would like a letter mailed out to the businesses in town that this would affect.

Mayor Danford left the meeting at 4:52 p.m. Trustee Mattern asked if we are going to address the various materials left out on lots, like the mulch at Ace, and Dennis said that may be in the zoning code. We should either enforce it or change it and Dennis will look into that.

Rita was contacted by an acquaintance who has family here in Freeburg. The family received a letter from Phil stating they can't have concrete blocks in the alley. Dennis said this is an ongoing dispute between neighbors and it should be handled by the police. Rita thought the family had called the police because they had been threatened by the neighbor. Dennis said Mel is pretty good about advising people on what to do in these situations.

B. NEW BUSINESS:

1. Class C Liquor License language revision: Dennis said the current language doesn't differentiate between the classes and doesn't work for retail establishments that have liquor licenses. Our code says if you sell liquor, you can't be open between 1 - 6:00 a.m. This problem came up when Caseys called to say they were going to stay open 24 hours like Motomart does. Right now, Motomart just stops selling liquor at 1:00 a.m. The committee agreed to have Dennis change the ordinance.

C. GENERAL CONCERNS: None.

D. PUBLIC PARTICIPATION: None.

E. ADJOURN: *Trustee Rita Baker motioned to adjourn at 5:08 p.m. and Trustee Charlie Mattern seconded the motion. All voting aye, the motion carried.*



Transcribed from tape by
Julie Polson
Office Manager

ORDINANCE NO. _____

AN ORDINANCE AMENDING TITLE XIII, CHAPTER 132, SECTION 132.13 OF THE REVISED CODE OF THE VILLAGE OF FREEBURG, ST. CLAIR COUNTY, ILLINOIS (GAMES IN STREETS)

WHEREAS the President and Board of Trustees of the Village of Freeburg, County of St. Clair, State of Illinois, desire to effect changes to its existing code,

BE IT ORDAINED BY THE VILLAGE PRESIDENT AND VILLAGE BOARD OF TRUSTEES OF THE VILLAGE OF FREEBURG, ST. CLAIR COUNTY, ILLINOIS THAT:

Chapter 132, Section 132.13 shall be revised to read as follows:

A. No person shall, on any village street, play any organized games or participate in other activities which may impede the free flow of traffic and/or place the participants in such activities at undue risk of harm due to the presence of motor vehicles except that such activities are permitted on dead-end streets or cul-de-sacs, and street stubs, provided the following restrictions are observed;

1. In street play is restricted to the area within 100 feet of the end of the cul-de-sac or dead-end street.
2. In street play is prohibited within 100 feet of any intersection.
3. In street play times are limited to the hours between 7:00 A.M. and sunset.
4. Children must be directly supervised by an adult parent, guardian or their designee.
5. Sports and other recreation equipment may not be permanently installed in the public right-of-way and portable equipment must be removed from the right-of-way when not in use.

B. Regardless of compliance with the above restrictions, in-street play may not impede traffic or interfere with village maintenance activities and participants shall clear the right-of-way if so directed by law enforcement authorities.

This ordinance shall be in full force and effect immediately after its passage and publication as prescribed by law.

PASSED BY THE VILLAGE BOARD OF THE VILLAGE OF FREEBURG, ILLINOIS, ST. CLAIR COUNTY, AND APPROVED BY THE VILLAGE PRESIDENT THIS _____ DAY OF _____, 2012.

AYES

NAYS

ABSENT

Vote Recorded by:

Jerry Menard, Village Clerk

Approved by the Village President of the Village of Freeburg, St. Clair County, Illinois,

this _____ day of _____, 2012

Raymond Danford, Village President

Approved as to form: _____
Village Attorney

Apex lets children play in (some) streets

BY ALIANA RAMOS - Staff writer

PUBLISHED IN: WAKE COUNTY

APEX --Ian Harrison is 9 years old. He's a fourth-grader. And he was once an outlaw.

His crime: playing street hockey.

The Apex Town Council this week tweaked its ordinances to let children play in cul-de-sacs, street stubs and dead ends streets.

The childhood rite of passage - playing in the street - has become a cause célèbre here in southwestern Wake County, igniting a debate between safety and fun.

In the past year, the issue has sparked impassioned town-hall speeches, caused parents to report children to the police and prompted concerned 11-year-olds to write pleading letters to elected officials.

Last year, Holly Springs considered restricting street play amid safety concerns and complaints from public works officials who said basketball goals and hockey nets created obstacles for garbage trucks.

Officials voted against the measure after 80 residents piled into town hall to fight it. One councilman said he didn't want to be part of a council that gave citations to children. "Kids have been playing in the street since I was a child," Holly Springs Councilman Chet VanFossen said at the time.

Apex's decision Tuesday, approved 4-1, was met with applause and a few hoots from a group of about 35 parents and Apex residents who donned red shirts in support of the change.

Playing in the street

Rules governing street play in other Triangle towns and cities:

Raleigh: The city codes prohibit children from playing "any games of any description" in city streets, said City Clerk Gail Smith. The city also does not install "children at play" signs, because they provide a false sense of security, Smith said. Police do not go out looking for violators, but they respond to complaints, Smith said.

The city code also says it's against the law to "throw any stone, snowball, or other missile by bean shooter or other such device" on city streets or sidewalks.

Durham: The city manager has the authority to declare any street - or section of a street - a "play street," and to place appropriate signs or devices in the roadways indicating a "play street" and helping to protect those at play.

Cary: Cary prohibits leaving items in the way of traffic but doesn't restrict residents from playing on town roads.

Chapel Hill, Clayton: There is no mention of street-play rules in the published town codes for Chapel Hill or Clayton.

Staff writer Matt Garfield and news researcher Brooke Cain

The bicycle question

Apex officials delayed consideration of an amendment to allow children age 15 years and under to ride bicycles in the streets.

State law prohibits the use of motorized vehicles on sidewalks, and bicycles have been considered motorized vehicles, said Hank Fordham, the town's attorney. Fordham said he needed to research the law to make sure any amendment would not supersede state law.

"It should be a parental decision to allow children to play in cul-de-sacs - and not a town government decision," said Judy DeVivo, an Apex mother. "We chose to live in a cul-de-sac so our kids could play."

A visit from police

DeVivo became active in the fight to liberate kids from their yards and basements in January, when a neighbor reported her children for habitually playing in the street.

After the neighbor sent police a photo of the children in the act, an officer showed up at DeVivo's house and warned her that she could face arrest or a fine.

"It's not surprising that people were so engaged," Apex Councilman Bryan Gossage, one of two councilmen who asked for the amendments. "It doesn't get much closer to home than your front sidewalk."

Under the new rules:

Children must be directly supervised by an adult, guardian or their designee.

Play times are restricted between sunrise or 7 a.m., whichever is later, and sunset.

Sports and other recreation equipment cannot be left out on sidewalks. Fines for equipment violations range from \$50 to \$250.

Play cannot impede traffic or interfere with town maintenance.

Can they enforce it?

There was some resistance to the change. It came in the name of safety.

"I don't think the town should endorse an unsafe practice of children playing in right of ways," said Apex Councilman Mike Jones, who voted against the measure. "I'm also concerned about the lack of enforceability of what we have passed."

He is expected to bring the matter before the council in two weeks.

Staff writer Aliana Ramos

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JOHN ROTTET -
jrottet@newsobserver.com

A.J. DeVivo, 9, of Apex plays football with other children in the cul-de-sac on Good Shepherd Road. A new ordinance means they're free to play without fear of penalty.



JOHN ROTTET -
jrottet@newsobserver.com

Ian Harrison, 9, left, and Brad McGreevy, 8, can't quite catch up to Joey

Several town departments - including public safety and risk management services - opposed the amendments. One concern was increased liability issues.

DeVivo, 8, as he makes an end run in the cul-de-sac on Good Shepherd Road in Apex.

Apex did add a provision to the ordinance that will allow children to play within 100 feet of the end of the cul-de-sac or dead end street - but not within 100 feet of an intersection. The purpose was to keep children away from cars on busy thoroughfares.

Jenny Harrison, a mother of two with another on the way, lives on a cul-de-sac and supported the amendments.

There are no parks within walking distance, and some front yards aren't big enough. And Harrison has a creek in her backyard.

Her son, Ian Harrison, chimes in.

"You could throw and lose a football," he said. "And, you can't play roller hockey in your backyard - or ride your bike."

By Wednesday, despite the blazing heat, Ian and his friends were taking advantage of their new freedom. Sweat streaking down their young faces, a group of six neighborhood boys had a game of baseball going. Ian took a swing, making contact with a pink ball. He was off, rounding first - a neighbor's mailbox - and arriving safely at second, an agreed-upon-spot at the middle of the cul-de-sac.

"This is the best cul-de-sac for baseball," said A.J. DeVivo, 9. "The other houses are too close together.

"And, now we don't have to worry about the mean lady calling the cops."

aliana.ramos@newsobserver.com or 919-460-2609

(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.)

CHAPTER 135: GAMBLING OFFENSES

Section

- 135.01 Definitions
- 135.02 Gambling
- 135.03 Keeping a gambling place
- 135.04 Seizure of gambling devices and gambling funds

§ 135.01 DEFINITIONS.

For the purposes of this chapter the following words and phrases shall have the following meanings ascribed to them respectively.

GAMBLING DEVICE. Any clock, tape machine, slot machine, or other machines or device for the reception of money or other thing of value on chance or skill, or upon the action of which money or other thing of value is staked, hazarded, bet, won, or lost; or any mechanism, furniture, fixture, equipment, or other device designed primarily for use in a gambling place. A **GAMBLING DEVICE** does not include the following, as more specifically defined in ILCS Ch. 720, Act 5, § 28-2 (a)(1) through (a)(4):

- (1) Coin-in-the-slot operated mechanical devices.
- (2) Vending machines.
- (3) Crane games.
- (4) Redemption machines.

LOTTERY. Any scheme or procedure whereby one or more prizes are distributed by chance among persons who have paid or promised consideration for a chance to win such prizes, whether such scheme or procedure is called a lottery, raffle, gift, sale, or some other name.

POLICY GAME. Any scheme or procedure whereby a person promises or guarantees by any instrument, bill, certificate, writing, token, or other device that any particular number, character, ticket, or certificate shall in the event of any contingency in the nature of a lottery entitle the purchaser or holder to receive money, property, or evidence of debt.
(ILCS Ch. 720, Act 5, § 28-2)

§ 135.02 GAMBLING.

(A) A person commits gambling when, within the corporate limits of the village, he:

- (1) Plays a game of chance or skill for money or other thing of value, unless excepted in division (B);
- (2) Makes a wager upon the result of any game, contest, or any political nomination, appointment, or election;
- (3) Operates, keeps, owns, uses, purchases, exhibits, rents, sells, bargains for the sale or lease of, manufactures, or distributes any gambling device;
- (4) Contracts to have or give himself or another the option to buy or sell, or contracts to buy or sell, at a future time, any grain or other commodity whatsoever, or any stock or security of any company, as described in ILCS Ch. 720, Act 5, § 28-1 (a)(4);
- (5) Knowingly owns or possesses any book, instrument, or apparatus by means of which bets or wagers have been, or are, recorded or registered, or knowingly possesses any money which he has received in the courses of a bet or wager;
- (6) Sells pools upon the result of any game or contest of skill or chance, political nomination, appointment, or election;
- (7) Sets up or promotes any lottery or sells, offers to sell, or transfers any ticket or share for any lottery;
- (8) Sets up or promotes any policy game or sells, offers to sell, or knowingly possesses or transfers any policy ticket, slip, record, document, or other similar device;
- (9) Knowingly drafts, prints, or publishes any lottery ticket or share, or any policy ticket, slip, record, document or similar device, except for such activity related to lotteries, bingo games, and raffles authorized by and conducted in accordance with the laws of Illinois or any other state or foreign government;
- (10) Knowingly advertises any lottery or policy game, except for such activity related to lotteries, bingo games, and raffles authorized by and conducted in accordance with the laws of Illinois or any other state; or
- (11) Knowingly transmits information as to wagers, betting odds, or changes in betting odds by telephone, telegraph, radio, semaphore, or similar means; or knowingly installs or maintains equipment for the transmission or receipt of such information; except that nothing in this division prohibits transmission or receipt of such information for use in news reporting of sporting events or contests.

(B) Participants in any of the following activities shall not be convicted of gambling:

(1) Agreements to compensate for loss caused by the happening of chance including without limitation contracts of indemnity or guaranty and life or health or accident insurance;

(2) Offers of prizes, awards, or compensation to the actual contestants in any bona fide contest for the determination of skill, speed, strength, or endurance or to the owners of animals or vehicles entered in such contest;

(3) Pari-mutuel betting as authorized by the law of this state;

(4) Manufacture of gambling devices, including the acquisition of essential parts therefor and the assembly thereof, for transportation in interstate or foreign commerce to any place outside this state when such transportation is not prohibited by any applicable federal law;

(5) The game commonly known as "bingo," when conducted in accordance with ILCS Ch. 230, Act 25, §§ 1 et seq.;

(6) Lotteries when conducted by the state in accordance with ILCS Ch. 20, Act 1605, §§ 1 et seq.;

(7) Possession of an antique slot machine that is neither used nor intended to be used in the operation or promotion of any unlawful gambling activity or enterprise. For the purpose of this division, an *ANTIQUÉ SLOT MACHINE* is one manufactured 25 years ago or earlier;

(8) Raffles when conducted in accordance with ILCS Ch. 230, Act 15, §§ 1 et seq.;

(9) Charitable games when conducted in accordance with ILCS Ch. 230, Act 30, §§ 1 et seq.;

and

(10) Pull tabs and jar games when conducted under ILCS Ch. 230, Act 20, §§ 1 et seq.; and

(11) Gambling games conducted on riverboats when authorized under ILCS Ch. 230, Act 10, §§ 1 et seq.

(C) *Circumstantial evidence.* In prosecutions under division (A) of this section, circumstantial evidence shall have the same validity and weight as in any criminal prosecution.
(ILCS Ch. 720, Act 5, § 28-1) Penalty, see § 130.99

§ 135.03 KEEPING A GAMBLING PLACE.

(A) For purposes of this section, a *GAMBLING PLACE* is any real estate, vehicle, boat, or any other property whatsoever used for the purposes of gambling. No person shall knowingly permit any premises or property owned or occupied by him or under his control to be used as a gambling place.

(B) When any premises is determined by the circuit court to be a gambling place:

(1) The premises is hereby declared to be a public nuisance and may be proceeded against as such; and

(2) The premises of any person who knowingly permits thereon a violation of any section of this chapter shall be held liable for and may be sold to pay any unsatisfied judgment that may be recovered and any unsatisfied fine that may be levied under any section of this chapter.

(ILCS Ch. 720, Act 5, § 28-3) Penalty, see § 130.99

§ 135.04 SEIZURE OF GAMBLING DEVICES AND GAMBLING FUNDS.

(A) Every device designed for gambling which is incapable of lawful use or every device used unlawfully for gambling shall be considered a gambling device and shall be subject to seizure, confiscation, and destruction by village authorities. As used in this section, a **GAMBLING DEVICE** includes any slot machine and includes any machine or device constructed for the reception of money or other thing of value and so constructed as to return or cause someone to return on chance to the player thereof money, property, or a right to receive money or property. With the exception of any device designed for gambling which is incapable of lawful use, no gambling device shall be forfeited or destroyed unless an individual with a property interest in the device knows of the unlawful use thereof.

(B) Every gambling device shall be seized and forfeited as contraband to the county wherein the seizure occurs. Any money or other thing of value integrally related to acts of gambling shall be seized and forfeited as contraband to the county wherein the seizure occurs.

(ILCS Ch. 720, Act 5, § 28-5(a),(b))

Illinois Video Gambling Information

Illinois Video Gambling Act →

<http://www.ilga.gov/legislation/ilcs/ilcs5.asp?ActID=3095&ChapAct=230 ILCS 40/&ChapterID=25&ChapterName=GAMING&ActName=Video+Gaming+Act>.

Imposition and distribution of Video Gaming 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.**

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.

.....
Illinois Gaming Board complete set of adopted rules to govern video gambling can be found at this website:

<http://ilga.gov/commission/jcar/admincode/011/01101800sections.html>

Here are some subsections taken from the entire set of rules to answer questions presented at the council meeting on 4/16/2012:

Section 1800.210 General Duties of All Video Gaming Licensees

In addition to all other duties and obligations required by the Video Gaming Act and this Part, each video gaming licensee and applicant for licensure under the Act has an ongoing duty to comply with the following:

- a) Comply with all federal, State and local laws and regulations;

- b) At all times, conduct himself in a professional manner when communicating with the public and the Board;
- c) Disclose all ownership interest to the Board in accordance with the Video Gaming Act and this Part;
- d) Conduct the licensee's video gaming operation in a manner that does not pose a threat to the public health, safety, morals, good order or general welfare of the people of the State of Illinois;
- e) Conduct the licensee's video gaming operation in a manner that does not discredit or tend to discredit the Illinois gaming industry or the State of Illinois;
- f) Conduct the licensee's video gaming operation in a manner that does not reflect adversely on the security or integrity of the Illinois video gaming industry;
- g) Keep current in all payments and obligations to the State of Illinois and to other licensees with whom video gaming business is conducted.
- h) Identify to the Board any individual or entity acting on behalf of the licensee, for compensation, with regard to Board action.
- i) Notify the Board of any proposed change in ownership or any transaction that requires approval of qualifications in accordance with the Act and this Part on forms supplied or approved by the Board and containing such information and documents as specified, and at such time as required, by the Administrator.

Section 1800.810 Location and Placement of Video Gaming Terminals

- a) All licensed video gaming locations and terminal operators shall be responsible for the proper placement, installation, maintenance and oversight of video gaming terminals within a licensed video gaming location as prescribed by the Act and this Part.
- b) All video gaming terminals must be located in an area restricted to persons over 21 years of age. Any licensed video gaming location that allows minors to enter where video gaming terminals are located shall separate any video gaming terminals from the area accessible by minors.
- c) All video gaming terminals must be located in those areas of a licensed video gaming location with restricted visibility from areas outside of the business.
- d) When two or more adjacent businesses appear to the Administrator to be a single business, or are operated by the same or commingled ownership, then the Administrator may limit those businesses to the maximum number of video

gaming terminals. The maximum will be the number permitted under Illinois law for one business as the total number of video gaming terminals authorized for both or more such businesses, where the Administrator determines that the limitation would further the intent of the Act and the integrity of video gaming in the State of Illinois.

- 1) In the event the Administrator decides that two or more adjacent businesses shall be a single business for purposes of determining the maximum number of video gaming terminals to which they are entitled, the Administrator shall provide the affected businesses with written notice of this decision in accordance with the notice requirements of Section 1800.615.
 - 2) An applicant that has been deemed to constitute a single business with one or more adjacent businesses for purposes of determining the maximum number of video gaming terminals to which it is entitled may submit a request for hearing to the Board. The hearing procedures shall be those set forth in Subpart F.
- e) The owner, manager or employee of the licensed video gaming location who is over 21 years of age shall be present during all hours of operation, and the video gaming terminals or the entrance to the video gaming terminal area must be within the view of at least one owner, manager or employee.

Section 1800.250 Duties of Licensed Video Terminal Operators

In addition to all other duties and obligations required by the Act and this Part, each licensed terminal operator has an ongoing duty to comply with the following:

- a) Assume the primary responsibility for the operation and maintenance of video gaming terminals and for payment of tax remittance to the State as required by the Act;
- b) Maintain and provide, either directly or through a licensed manufacturer, distributor, supplier or technician, an inventory of associated video gaming equipment to ensure the timely repair and continued, approved operation and play of the video gaming terminals it operates;
- c) Ensure the timely repair and continued, approved operation and play of the video gaming terminals it operates;
- d) Assume responsibility for the payment of valid receipt tickets issued by video gaming terminals it operates;
- e) Maintain at all times an approved method of payout for valid receipt tickets and pay all valid receipt tickets;

- f) Assume responsibility for terminal and associated video gaming equipment malfunctions, including any claim for the payment of credits arising from malfunctions;
- g) Promptly notify the Board of electronic or mechanical malfunctions or problems experienced in a terminal that affect the integrity of terminal play;
- h) Extend no form of deferred payment for video gaming terminal play in which an individual receives something of value now and agrees to repay the lender in the future for the purpose of wagering at a video gaming terminal;
- i) Maintain a separate bank account for each licensed video gaming location for deposit of aggregate revenues generated from the play of video gaming terminals and allow for electronic fund transfers for tax payments;
- j) Enter into written use agreements with licensed video gaming locations that comply with the Act and this Part;
- k) Obtain and install, at no cost to the State and as required by the Board, all hardware, software and related accessories necessary to connect video gaming terminals to a central communications system;
- l) Offer or provide nothing of value to any licensed video gaming location or any agent or representative of any licensed video gaming location as an incentive or inducement to locate, keep or maintain video gaming terminals at the licensed video gaming location;
- m) Not own, manage or control a licensed establishment, licensed truck stop establishment, licensed fraternal establishment or licensed veterans establishment;
- n) Conduct advertising and promotional activities in accordance with this Part and in a manner that does not reflect adversely on or that would discredit or tend to discredit the Illinois gaming industry or the State of Illinois;
- o) Respond to service calls within a reasonable time from the time of notification by the video gaming location;
- p) Immediately remove all video gaming terminals from the restricted area of play:
 - 1) upon order of the Board or an agent of the Board, or
 - 2) that have been out of service or otherwise inoperable for more than 72 hours;

- q) Provide the Board with a current list of video gaming terminals acquired for use in Illinois; and
- r) Not install, remove or relocate any video gaming terminal without prior notification and approval of the Administrator or his designee.

Section 1800.270 Duties of Licensed Video Gaming Locations

In addition to all other duties and obligations required by the Act and this Part, each licensed video gaming location has an ongoing duty to comply with the following:

- a) Provide a secure premise for the placement, operation and play of video gaming terminals;
- b) Permit no one to tamper with or interfere with the approved operation of any video gaming terminal;
- c) Ensure that all connections with the central communications system and associated video gaming equipment are at all times maintained and prevent any person from tampering or interfering with the approved, continuing operation of the central communications system;
- d) Accept nothing of value from any video terminal operator or any agent or representative of any video terminal operator as an incentive or inducement to locate, keep or maintain video gaming terminals at the licensed video gaming location;
- e) Conduct advertising and promotional activities in accordance with this Part and in a manner that does not reflect adversely on or that would discredit or tend to discredit the Illinois gaming industry or the State of Illinois;
- f) Immediately remove all video gaming terminals from the restricted area of play:
 - 1) upon order of the Board or an agent of the Board, or
 - 2) that have been out of service or otherwise inoperable for more than 72 hours;
- g) Enter written use agreements with licensed video terminal operators that comply with this Part;
- h) Ensure that video gaming terminals are placed and remain in a designated, approved location;
- i) Prevent access to or play of video gaming terminals by persons who are under the age of 21 years or who are visibly intoxicated;

- j) Commit no violations of the laws of this State concerning the sale, dispensing or consumption on premises of alcoholic beverages that results in suspension or revocation of any liquor license held by or associated with a licensed video gaming location;
- k) Maintain at all times an approved method of payout for valid receipt tickets and pay all valid receipt tickets;
- l) Extend no form of deferred payment for video gaming terminal play in which an individual receives something of value now and agrees to repay the lender in the future for the purpose of wagering at a video gaming terminal;
- m) Promptly report all malfunctions of video gaming terminals and all out-of-service terminals to the video terminal operator and promptly notify the Board of a terminal operator's failure to provide service and repair of terminals and associated equipment within 24 hours after notice to the terminal operator;
- n) Install, post and display signs as required by the Board;
- o) Promptly notify the Board of any unauthorized or illegal video gaming terminals or any video gaming device that is in violation of Section 35 of the Video Gaming Act;
- p) Exercise control over the licensed video gaming location;
- q) Promptly notify the Board of any action taken on or related to any liquor license held;
- r) Maintain insurance coverage on all gaming devices in an amount set by the Board; and
- s) Allow maintenance and/or service of video gaming terminals and associated video gaming equipment only by licensed technicians and licensed terminal handlers possessing valid identification issued by the Board.



Video Gaming FAQs

→<http://www.igb.state.il.us/VideoGaming/VideoGamingFAQs120409.pdf>

On July 13, 2009 Governor Pat Quinn signed the Video Gaming Act (Public Acts 096-0034, 096-0037 and 096-0038) (the “Act”) making Licensed Video Gaming Terminals legal in Illinois. The Act allows for Licensed Video Gaming Terminals to be placed in certain liquor establishments, truck stops and fraternal/veterans clubs throughout the State. The Illinois Gaming Board (the “IGB” or “Board”) has the responsibility of implementing and regulating video gaming in Illinois.

Frequently Asked Questions regarding the Video Gaming Act and Video Gaming License Applications Updated April 2012

Answers to some common and frequently asked questions related to the Video Gaming Act and Video Gaming License Applications are provided below. The following list is non-exhaustive and may be supplemented or updated in the future.

Q1: What is a Video Gaming Terminal?

A1: A “Video Gaming Terminal” (“VGT”) is an electronic video gaming machine that plays or simulates the play of a video game authorized by the Board upon the insertion of cash. Authorized video games include, but are not limited to, video poker, line up, and blackjack. The VGT must utilize a video display and microprocessors in which the player may receive free games or credits that can be redeemed for cash. VGT does *not* include a Terminal that directly dispenses coins, cash, or tokens or is for amusement purposes only.

Q2: Does the IGB have jurisdiction over “amusement only” devices in Illinois?

A2: The IGB does not license “amusement only” devices in Illinois. Questions about the licensure of such devices should be directed to the Illinois Department of Revenue at (312) 814-5232 (Chicago) or (217) 782-3336 (Springfield).

Questions or complaints about amusement only devices that illegally pay out should be directed to the police in the municipality where the Terminals are located.

Q3: When will the IGB adopt Rules for video gaming?

A3: The IGB has adopted Administrative Rules which will dictate how video gaming will operate and be regulated in Illinois. (11 Ill. Admin. Code 1800 *et seq.*) The Rules can be found on the IGB website, at www.igb.state.il.us/VideoGaming. The IGB continues to promulgate additional rules and the text of any pending rule along with information on how to submit comments on the rule is also posted on the IGB website.

Q4: Can local jurisdictions restrict the use of VGTs?

A4: Yes. A municipality may pass an ordinance prohibiting video gaming within the corporate limits of the municipality. A county board may pass an ordinance prohibiting video gaming within the unincorporated areas of the county. Video gaming is not allowed in these communities. The IGB is in the process of developing a list of such communities and will post the list on its website in the near future.

In addition, a local government may hold a referendum proposing to prohibit video gaming in the municipality. This is otherwise known as an “opt-out” provision. A petition for referendum must be filed in the office of the clerk (municipal or county) at least 90 days before the date of an election. If

a majority of the voters vote “YES,” video gaming shall be prohibited within the municipality or county. Petitions to prohibit video gaming shall be public documents. A list of the communities that have opted out of video gaming is posted on the IGB website.

If you have any questions about the status of your community, please contact your local municipal authority.

Q5: What types of licenses will the IGB issue, and when will applications for those licenses be made available?

A5: Applications for Manufacturer, Distributor, Supplier, Terminal Operator and Location licenses are currently available on the IGB website. Applications for Technician and Terminal Handler licenses will be available in the near future. Descriptions of the licenses are as follows:

“Manufacturer.” A manufacturer is an individual, partnership corporation or limited liability company licensed to manufacture or assemble video gaming terminals.

“Distributor.” A distributor is an individual, partnership corporation, or limited liability company licensed to buy, sell, lease, or distribute video gaming terminals, or major components or parts thereof, to or from terminal operators.

“Supplier.” A supplier is an individual, partnership corporation or limited liability company licensed to supply major components or parts of video gaming terminals to terminal operators.

“Terminal operator.” A terminal operator is an individual, partnership corporation or limited liability company licensed to own, service, and maintain video gaming terminals for placement in licensed establishments, licensed truck stop establishments, licensed fraternal establishments, or licensed veterans establishments.

“Licensed video gaming location.” A licensed establishment, licensed fraternal establishment, licensed veterans establishment, or licensed truck stop establishment, all defined in Question 6, below.

“Licensed Technician.” A licensed technician is an individual licensed to repair, service, and maintain video gaming terminals. A licensed technician is not licensed under the Act to possess or control a video gaming terminal or have access to the inner workings of a video gaming terminal (i.e., the logic area maintained in a separately locked cabinet of the video gaming terminal which houses electronic components that have the potential to significantly influence the operation of the video gaming terminal). As such, licensed technicians can repair, service and maintain VGTs only outside of the innermost locked area of a VGT housing the electronic logic components that have the potential to significantly influence the operation of the VGT. Such repairs and maintenance would include refilling printer paper, repairing bill validators, resetting tilted Terminals, repairing video displays, etc.

“Licensed Terminal Handler.” A licensed terminal handler is a person licensed to possess or control a video gaming terminal or to have access to the inner workings of a video gaming terminal (i.e., the logic area maintained in a separately locked cabinet of the video gaming terminal which houses electronic components that have the potential to significantly influence the operation of the video gaming terminal.) The category of “licensed terminal handler” may include, but is not limited to, an employee or independent contractor working for a manufacturer, distributor, supplier, technician, or terminal operator.

Q6: What types of locations can be licensed to have VGTs?

A6: Video Gaming Terminals may only be placed in the following four categories of Licensed Locations:

“Licensed establishment.” A licensed establishment is any licensed retail establishment where alcoholic liquor is served for consumption on the premises.

“Licensed fraternal establishment.” A licensed fraternal establishment is a location where a fraternal organization that derives its charter from its national parent organization regularly meets.

“Licensed veterans establishment.” A licensed veterans establishment is a location where a qualified veterans organization that holds a charter from its national parent organization regularly meets.

“Licensed truck stop establishment.” A licensed truck stop establishment is a facility of at least three acres with a convenience store, separate diesel islands for fueling commercial motor vehicles, parking spaces for commercial vehicles, and that sells at retail more than 10,000 gallons of diesel or biodiesel fuel per month.

Q7: What type of documentation will be required to meet the definition of Licensed Truck Stop Establishment?

A7: An affidavit confirming that the facility is at least 3 acres and has average monthly sales of more than 10,000 gallons of diesel or biodiesel fuel per month (which may be met by showing estimated future sales or past sales). Supporting documentation for these factors must be attached to the affidavit.

Q8: What type of documentation will be required to meet the definition of Licensed Fraternal or Veterans Establishment?

A8: A copy of the most recent letter from the Internal Revenue Service stating that the Applicant organization is either a fraternal benefit society that is exempt from federal income tax under section 501(c)(8) of the Internal Revenue Code, a domestic fraternal society that is exempt from federal income tax under section 501(c)(10) of the Internal Revenue Code, or a veterans organization that is exempt from federal income tax under section 501(c)(19) of the Internal Revenue Code.

Q9. Who needs to obtain a Technician license under the Video Gaming Act?

A9. If an individual is a Licensed Terminal Operator, or is employed by a Licensed Terminal Operator, Licensed Distributor or Licensed Manufacturer, that individual may service, maintain or repair a VGT *without* obtaining a Technician license. Any other individual who services, maintains or repairs a VGT *must* obtain a Technician license under the Act.

Q10. Who needs to obtain a Terminal Handler license under the Video Gaming Act?

A10. Any individual needing access to the inner workings of a VGT. “Inner workings” comprises the logic area inside of a VGT. The logic area has a separate locked compartment inside the VGT which houses electronic components that have the potential to significantly influence the operation of the VGT. The specific electronic components contained in the logic area include: (1) the game’s central processing unit(s), (2) communication controller electronics and components housing the communication storage device, and (3) the memory back-up device.

Q11: Can an individual be licensed as a Licensed Technician and a Licensed Terminal Handler?

A11: Yes.

Q12: Does a company who provides ticket payout systems to Licensed Terminal Operators and Licensed Locations need to be licensed?

A12: Yes. Major Components or Parts is defined in the applications as “[c]omponents or parts that compromise the inner workings and peripherals of a Video Gaming Terminal, including but not limited to the device’s hardware, software, human interface devices, interface ports, power supply, ticket payout system, bill validator, printer and any component which affects or could affect the

result of a Game played on the device.” Buying, selling, leasing, or distributing Major Components or Parts requires a license.

Q13: Does a Licensed Distributor who is distributing VGTs also need a Supplier’s license to supply replacement parts for the VGTs it distributes?

A13: No. A Licensed Distributor is defined as “[a]n Individual, partnership corporation or limited liability company licensed under the Act to buy, sell, lease or distribute Video Gaming Terminals or major components or parts of Video Gaming Terminals to or from Terminal Operators.”

Q14: Can an individual who owns a bar also be licensed as a Terminal Operator?

A14: Yes, as long as the bar in question is NOT a Licensed Video Gaming Location. In other words, the bar in question may not participate in video gaming, regardless of who would serve as its Terminal Operator.

Q15: What are the requirements for licensure under the Act?

A15: Many requirements for licensure are listed in Rule 420 of the Video Gaming Rules. In addition, the following are also requirements for licensure:

(a) Burden is upon applicant. The burden is upon each applicant to demonstrate suitability for licensure. The Board may issue or deny a license under this Act to any person under the same criteria set forth in Section 9 of the Riverboat Gambling Act (230 ILCS 10/9 (West 2008)). In addition, no person may receive a license under the Act if found by the Board to:

- (1) Have been convicted of any violation of Article 28 of the Criminal Code of 1961; and/or
- (2) Have a background (including a criminal record, reputation, habits, social or business associations, or prior activities) that poses a threat to the public interests of the State or to the security and integrity of video gaming; and/or
- (3) Create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the conduct of video gaming; and/or
- (4) Present questionable business practices and financial arrangements incidental to the conduct of video gaming activities.

(b) Background investigations. Each person seeking and possessing a license shall submit to a background investigation conducted by the Board with the assistance of the State Police or other law enforcement. This investigation shall include an applicant’s direct and indirect owners, an applicant’s officers and directors, and the video gaming manager for a license application.

(c) Disclosure of financial interests. Each person seeking and possessing a license under the Act shall disclose the identity of every person or entity having a direct ownership interest in the video gaming operation, and shall disclose each person or entity having an indirect interest of more than 1% in the video gaming 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 partnership, the names and addresses of all partners, both general and limited; if a limited liability company, the names and addresses of all members.

(d) License application fees:

Manufacturer	\$5,000
Distributor	\$5,000

Terminal operator	\$5,000
Supplier	\$2,500
Technician	\$100
Terminal handler	\$50

(e) Term of License & Annual license fees. A license must be renewed every year, and the annual fees may not exceed these levels:

Manufacturer	\$10,000
Distributor	\$10,000
Terminal operator	\$5,000
Supplier	\$2,000
Technician	\$100
Licensed establishment (in any category)	\$100
Video Gaming Terminal	\$100
Terminal handler	\$50

Q16: How will the distance restrictions in Section 25(h) of the Act be measured?

A16: Video gaming is restricted from the following locations:

- 1) 1,000 feet of a facility operated by an organization licensee, inter-track wagering licensee, or inter-track wagering location licensee licensed under the Illinois Horse Racing Act of 1975 (230 ILCS 5/1 et seq. (West 2008)) (the Board may waive this restriction in certain circumstances);
- 2) 1,000 feet of the home dock of a riverboat licensed under the Riverboat Gambling Act (230 ILCS 10/1 et seq. (West 2008)) (the Board may waive this restriction in certain circumstances); or
- 3) 100 feet of either a school or a place of worship under the Religious Corporation Act (805 ILCS 110/0.01 et seq. (West 2008)).

These distances will be determined by measuring the distance from a proposed or existing Licensed Video Gaming Location to a preexisting facility, riverboat, school or place of worship by drawing a straight line between the closest part of any building used for the proposed or existing Licensed Video Gaming Location and the closest part of any building used for the facility, riverboat, school or place of worship. When located within a subsection of property by virtue of a lease, deed, or other arrangement (e.g., a tenant in a shopping center or commercial condominium), measurement shall be from the subsection of property (i.e., boundaries of the establishment's leased building premises). For purposes of these restrictions, "home dock" is interpreted to mean the casino building or vessel (i.e., the building or vessel housing the casino floor).

Q17: Must Licensed Video Gaming Location applicants enter into a signed Use Agreement with a Terminal Operator before they can submit an application to the IGB?

A17: No, a signed Use Agreement is not required for a potential Licensed Video Gaming Location to submit an application. However, a Licensed Video Gaming Location must have a signed Use Agreement with a Licensed Terminal Operator prior to the placement of any VGTs in the Licensed Video Gaming Location's establishment.

Q18: Do the directors and officers of the parent company of a licensee need to file Personal Disclosure Forms?

A18: For license applications that require Personal Disclosure Forms (e.g., Manufacturer, Distributor, Supplier, and Terminal Operator), if the director or officer of the parent company owns more than 5% of the licensee, then that director or officer will need to file a Personal Disclosure Form.

Q19: If an entity that has been doing business in Illinois for 48 months prior to July 13, 2009 forms a subsidiary to conduct its video gaming business in Illinois (and would therefore be the Applicant for licensure), would that subsidiary meet the residency requirement (i.e., would the subsidiary meet the requirement that it has been doing business in Illinois for 48 months)?

A19: If an entity who meets the residency requirement forms a 100% wholly owned subsidiary to conduct its video gaming business in Illinois, that 100% wholly owned subsidiary meets the residency requirement. Please note that this answer is limited to a 100% wholly owned subsidiary.

Q20: Section 3(c) of the Manufacturer/Distributor/Supplier License Application requires 5% or greater shareholders of a publicly-traded parent company of an applicant to submit a Personal Disclosure Form or Business Entity Disclosure Form. How is this requirement being applied to institutional investors/investment advisors that hold the interest for investment purposes and certify in an SEC Schedule 13-G filing that the interest is not for the purpose of controlling the applicant?

A20: Pursuant to Rule 520(c), a business entity that qualifies as an institutional investor may submit a Video Gaming Institutional Investor Disclosure Form in lieu of a Video Gaming Business Entity Disclosure Form.

Q21: Section 5(A) of the Manufacturer/Distributor/Supplier License Application and Section 4(A) of the Business Entity Disclosure Form require financial statements for a period ending 1 month prior to the date of application. Will the most recently filed SEC reports for a publicly traded company satisfy this requirement?

A21: Yes. If reference is made to SEC reports, it will be sufficient if the applicant identifies where those reports can be found on the internet.

Q22: Convertible debt is included in the definition of ownership. Does each person who holds convertible debt have to file a Personal Disclosure Form?

A22: The Applicant/Licensee must identify each person who holds convertible debt and provide a copy of the applicable debt instrument(s) and associated agreement(s) with the application or upon issuance of the convertible debt. The Board will make a determination as to the debt holder's influence and/or control over the Applicant/Licensee consistent with section 430 of the Video Gaming Rules. The holder of convertible debt must submit a Video Gaming Personal Disclosure Form and any other required document and receive prior Board approval in order to convert the debt.

Q23: How long does it take a license to be investigated and approved?

A23: The investigation of any application under the Act is a thorough and time consuming process. The length of time it takes the IGB to complete an investigation depends on the type of license applied for, and the complexity of the applicant and any issues involved in the application.

Q24: How many VGTs will be allowed at each site?

A24: Up to five VGTs may be placed at each Licensed Video Gaming Location.

Q25: Are VGTs allowed anywhere inside a Licensed Video Gaming Location?

A25: VGTs must be located in an area restricted to persons 21 years of age and over, the entrance to which is within the view of at least one employee who is at least 21 years of age. The placement of VGTs in Licensed Video Gaming Locations shall be subject to section 810 of the Video Gaming Rules. For all Locations that restrict admittance to patrons 21 years of age or older, a separate restricted area is not required. For all Locations that admit individuals under the age of 21, a physical barrier to the gaming area, including but not limited to a short partition, gate or rope shall be required. No barrier shall visually obscure the entrance to the gaming area from an employee of the Location who is over the age of 21.

Q26: Are there limits on the hours of operation of a VGT?

A26: Yes. Pursuant to Sections 35(b)(2) and 55 of the Act, hours of operation of a VGT must coincide with the legal hours of operation for the consumption of alcoholic beverages on the premises. However, a Licensed Truck Stop Establishment that does not hold a liquor license may operate VGTs on a continuous basis.

Q27: Are multi-game VGTs permitted under the Video Gaming Act?

A27: Yes, provided that the games have been tested and approved.

Q28: Will Licensed Manufacturers need secondary approval for their VGTs?

A28: Yes. All VGTs will need to be (1) certified by Gaming Laboratories International pursuant to the IGB's current Technical Standards for Video Gaming Terminals in Illinois, and (2) approved in writing by the IGB for use in Illinois.

Q29: In what circumstances can VGTs be displayed in Illinois prior to the actual commencement of video gaming in Illinois?

A29: VGTs that are disabled for marketing purposes such that they do not accept money, do not dispense money or payout tickets, or only contain demonstration software that cannot be disabled may, until further notice, be displayed in the following circumstances:

1) Licensed Manufacturers, Licensed Distributors, Licensed Terminal Operators and Applicants for a Manufacturer's License under the Act may display VGTs at "trade shows" or similar events as long as the IGB is notified 10 days in advance of the following information, and prior approval by the IGB is obtained:

- a. the date and location of the event;
- b. the model and serial number of each VGT involved;
- c. the manner of transport of each VGT involved;
- d. a description of how the VGTs will at all times be possessed by and under the control of the applicant for a Manufacturer's License under the Video Gaming Act.

Q30: In what circumstances can VGTs be used in conjunction with focus groups in Illinois prior to the actual commencement of video gaming in Illinois?

A30: VGTs that are disabled for marketing purposes such that they do not accept money, do not dispense money or payout tickets, or only contain demonstration software that cannot be disabled may, until further notice, be used in conjunction with a focus group in the following circumstances:

1) Licensed Manufacturers, Licensed Distributors, Licensed Terminal Operators and Applicants for a Manufacturer's License under the Act may use VGTs at "focus groups" as long as the IGB is notified 10 days in advance of the following information, and prior approval by the IGB is obtained:

- a. the date, time and location of the event;
- b. the model and serial number of each VGT involved;
- c. the manner of transport of each VGT involved;
- d. a description of the purpose of the focus group;
- e. a description of how the applicant for a Manufacturer's License will be inviting participants;
- f. a description of the method and amount of compensation of participants, if applicable; and
- g. any other relevant details regarding the focus group (including but not limited to whether food and beverage will be provided).

2) Alcohol must not be provided to participants of focus groups.

Q31: Is compensating or paying a third party a percentage of revenue from a VGT(s) permitted?

A31: Compensating any third party based on a percentage of revenue from a VGT is permitted, however, any third party compensated in such a manner will be required to complete a Video Gaming Personal Disclosure Form or a Business Entity Disclosure Form.

Financing the purchase of VGTs based on a percentage of revenue will not be permitted.

Q32: Has the IGB developed standards to identify an illegal inducement by a Licensed Terminal Operator?

A32: Yes. The IGB's Inducement Policy is posted on its website.

Q33: Are licensees allowed to use player tracking systems or establish "Players' Clubs" or similar programs that provide rewards to customers for repeated play?

A33: Tracking systems and Players Clubs may be authorized by the IGB in the future but are prohibited at this time.

Q34: What types of payout systems will be allowed by the IGB?

A34: A vault-type or kiosk system provided by a Licensed Supplier or Licensed Distributor, that interfaces with the Central Communications System through a site controller, and that dispenses cash. Specifications for payout systems will be posted on the IGB website in the near future.

Pursuant to Section 20 of the Act, a patron must hand a ticket to an appropriate person at a Licensed Location. A patron will not be able to insert a ticket into a payout system by himself or herself. The cash, however, may be dispensed directly to a patron.

Q35: Will a Licensed Manufacturer, Licensed Terminal Operator or Licensed Location be permitted to attach an online monitoring system to the second port of a VGT?

A35: Yes.

Q36: Are Licensed Terminal Operators required to maintain a separate bank account for each Licensed Location, as provided in Rule 250(i)?

A36: The IGB is taking steps to eliminate the Rule that requires Licensed Terminal Operators to maintain separate bank accounts for each Licensed Location it contracts with. However, it is still a requirement that revenues generated from the play of VGTs shall be deposited by the Licensed Terminal Operator in one specially created, separate bank account maintained by the Licensed Terminal Operator to allow for electronic fund transfers of moneys for tax payment.

ORDINANCE NO. _____

AN ORDINANCE AMENDING TITLE XI, CHAPTER 115 OF THE REVISED
CODE OF THE VILLAGE OF FREEBURG, ST. CLAIR
COUNTY, ILLINOIS (Alcoholic Beverages)

BE IT ORDAINED BY THE VILLAGE PRESIDENT AND VILLAGE BOARD OF
TRUSTEES OF THE VILLAGE OF FREEBURG, ST. CLAIR COUNTY, ILLINOIS, THAT:

TITLE XI, CHAPTER 115, Section 115.35 HOURS, Paragraph (B) is hereby amended to
read as follows:

- (B) It shall be unlawful to keep open for business or to admit the public to, or permit the public to remain within, or to permit the consumption of alcoholic liquor in or upon any premises in or on which alcoholic liquor is sold at retail during the hours within which the sale of alcoholic liquor is prohibited except as follows:
- (1) In the case of restaurants, clubs, and hotels, such establishments may be kept open for business during times when food is dispensed upon the premises in that portion of the building used for the storage and/or sale of food for human consumption.
 - (2) In the case of liquor stores holding a valid Class "C" license, such establishments may be kept open for business during the hours within which the sale of alcoholic liquor is prohibited provided that no licensee, officer, associate, representative, agent, or employee of such licensee shall sell, give, or deliver alcoholic liquor to any person during the hours within which the sale of alcoholic liquor is prohibited.

PASSED BY THE VILLAGE BOARD OF THE VILLAGE OF FREEBURG,
ILLINOIS, ST. CLAIR COUNTY, AND APPROVED BY THE VILLAGE PRESIDENT THIS

_____ DAY OF May, 2012.

AYES _____

NAYS _____

ABSENT _____

ABSTAIN _____

Jerry Menard, Village Clerk

Approved this _____ day of _____, 2012

Raymond S. Danford, Village President

ATTEST:

Jerry Menard, Village Clerk

Approval as to Legal Form:

Village Attorney

- (A) Bodily injury liability: \$50,000 for each person; \$100,000 each occurrence;
- (B) Property damage: \$50,000 each occurrence;
- (C) Means of support or loss of society: \$55,000 each occurrence;

(D) Combined single limit: In lieu of individual insurance coverage listed in divisions (A), (B), and (C) of this section, the applicant may provide a combined single limit policy in the amount of \$200,000.

(Former Code, § 21-2-9) (Am. Ord. 912, passed 1-5-98)

§ 115.24 DISPLAY OF LICENSE.

Every licensee under this chapter shall cause his or her license to be framed and hung in plain view in a conspicuous place on the licensed premises.

(Former Code, § 21-2-10)

§ 115.25 RECORD OF LICENSES.

The Mayor shall keep a complete record of all licenses issued by him or her and shall supply the Clerk, Treasurer, and Chief of Police a copy of the same. Upon issuance or revocation of a license, the Mayor shall give written notice to these same officers within 48 hours.

(Former Code, § 21-2-11)

REGULATIONS

§ 115.35 HOURS.

(A) A retail liquor license shall entitle the licensee to sell at retail alcoholic liquor and beverages and to operate and keep open between the hours of 6:00 a.m. and 1:00 a.m. on the succeeding day.

* (B) It shall be unlawful to keep open for business or to admit the public to, or permit the public to remain within, or to permit the consumption of alcoholic liquor in or upon any premises in or on which alcoholic liquor is sold at retail during the hours within which the sale of alcoholic liquor is prohibited; provided, that in case of restaurants, clubs, and hotels such establishments may be kept open for business during times when food is dispensed upon the premises in that portion of the building used for the storage and/or sale of food for human consumption.

(C) No alcoholic liquor shall be sold and all licensed premises must remain closed at all other times other than those above specified. Any holder of a retail liquor license or his or her agent or employee

who violates the provisions of this chapter in regulating the legal hours of operation shall, upon conviction, of the first offense, be fined not more than \$500 and suffer the revocation of such retail liquor license. The times referred to above shall mean Daylight Savings Time when the same is in effect in the village, and upon the cessation of Daylight Savings Time, shall mean Central Standard Time.

(D) On six special occasions per calendar year, the Liquor Commissioner may grant an extra hour for a licensee to remain open.

(Former Code, § 21-3-1) (Am. Ord. 918, passed 8-3-98)

Statutory reference:

Authority, see ILCS Ch. 235, Act 5, § 4-1

Sunday sales permitted, see ILCS Ch. 235, Act 5, § 6-14

§ 115.36 HAPPY HOUR RESTRICTIONS.

(A) All retail licensees shall maintain a schedule of the prices charged for all drinks of alcoholic liquor to be served and consumed on the licensee's premises or in any room or part thereof. Whenever a hotel or multi-use establishment which holds a valid retailer's license operates on its premises more than one establishment at which drinks of alcoholic liquor are sold at retail, the hotel or multi-use establishment shall maintain at each such establishment a separate schedule of the prices charged for such drinks at the establishment.

(B) No retail licensee or employee or agent of such licensee shall:

(1) Serve two or more drinks of alcoholic liquor at one time to one person for consumption by that one person, except selling or delivering wine by the bottle or carafe;

(2) Sell, offer to sell, or serve to any person an unlimited number of drinks of alcoholic liquor during any set period of time for a fixed price, except at private functions not open to the general public;

(3) Sell, offer to sell, or serve any drink of alcoholic liquor to any person on any one date at a reduced price other than that charged other purchasers of drinks on that day where such reduced price is a promotion to encourage consumption of alcoholic liquor, except as authorized in subsection (C)(7) of this section.

(4) Increase the volume of alcoholic liquor contained in a drink, or the size of a drink of alcoholic liquor, without increasing proportionately the price regularly charged for the drink on that day;

(5) Encourage or permit, on the licensed premises, any game or contest which involves drinking alcoholic liquor or the awarding of drinks of alcoholic liquor as prizes for such game or contest on the licensed premises; or

(6) Advertise or promote in any way, whether on or off the licensee's premises, any of the practices prohibited under subsections (B)(1) through (5).