

RESOLUTION 16-27

**A RESOLUTION PETITIONING THE GENERAL ASSEMBLY
OF THE STATE OF ILLINOIS TO CONSIDER MODIFICATIONS
TO VIDEO GAMING LAWS**

WHEREAS, the State adopted a comprehensive video gaming law several years ago, and

WHEREAS, the Village has now had the benefit of a little over two years' experience in the operations of such gaming businesses, and

WHEREAS, the Village is a border community, sharing its northern boundary with the State of Wisconsin which does not permit video gaming presently, and

WHEREAS, it is apparent that video gaming is a highly lucrative venture, and

WHEREAS, the Village has experienced significant interest among a large number of applicants seeking to secure liquor licenses in order to qualify for the gaming licenses, and the proximity to non-gaming Wisconsin is a clear factor in that interest, and

WHEREAS, the Village Board and Village Staff have repeatedly been approached with proposals to create new liquor licenses for businesses that amount to little more than storefronts that serve a few cold sandwiches and a few bottles of wine a week but offer video gaming, and

WHEREAS, the Village Board finds that such small-scale gambling parlors contribute little, if anything, of value to the community, but rather serve to feed gambling addictions of susceptible people, and

WHEREAS, the Village Board finds that it is hampered in considering the applications of other, more worthy businesses, such as quality restaurants because of the concern that creating a liquor license for a proposed business can change into a license for a gambling parlor quickly and without adequate local regulatory oversight powers, and

WHEREAS, the Village Board respectfully submits that certain structural changes to the state's gaming laws should be considered by the General Assembly,

NOW THEREFORE, BE IT RESOLVED by the Village of Antioch, Lake County, Illinois, as follows:

SECTION ONE: (Siting Authority) At the present time, there is no local siting authority for video games. If a pouring license is given to a liquor seller, that establishment qualifies to apply for a gaming license without further input from the Village. While the Village greatly respects the work of the State Gaming Board in screening applicants, that does not address local concerns over the proliferation and location of such sites. Allowing local siting authority to the statute would provide a reasonable local balance to the businesses.

SECTION TWO: (Profit Split) The current split of net profits from the gaming needs to be reconsidered. Currently, the licensee gets 35%, the distributor gets 35%, the State gets 25% and the municipality or county gets 5%. While there was a clear initiative to provide adequate profit to the middlemen during the initial rollout of the games statewide, it is submitted that the distributor's share vastly exceeds their costs to the point of being unreasonable. The local community is the first point policing agency for all liquor license-related issues, with the Gaming Board behind them on gaming alone. And, the local community is most clearly impacted by gaming additions and related issues such as domestic disputes. Yet the local municipality is given the least resources. It is submitted that changing the distributors' shares downward while boosting local revenues to 10% would go a long way toward making the distribution of profits more equitable and ensuring the availability of resources to the local jurisdictions.

SECTION THREE: (Addiction Counseling Funding) In addition to the foregoing, it is further submitted that taking an additional 2% of the distributors' fees and providing that revenue to addiction counseling would be a great benefit to families across Illinois. The current funding is clearly inadequate to deal with the greatly expanded opportunities to develop gaming additions through the incredible growth of the gaming industry.

SECTION FOUR: (License Fees) A non-home rule community is only allowed to charge license fees of \$25.00 per machine annually. Home rule communities appear to be charging as much as \$1,000.00 per machine. There is no discernible difference in the impact on gaming in home rule and non-home rule communities. It is submitted that all communities be allowed to charge fees that they deem appropriate in their locale or that a more reasonable fee be allowed and set across the board.

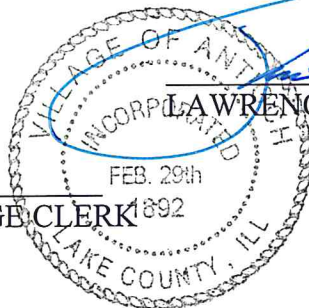
SECTION FIVE: (Liquor Auditing Powers) There is currently unclear authority in the Illinois Liquor Code on the power of local liquor commissioners to conduct audits of restaurant licenses. Typically, such licenses are supposed to ensure that genuine restaurants are established, rather than bars that serve a small quantity of food. Many of the storefront gaming businesses have so called 60/40 licenses, but they actually serve next to no food. Providing clear authority to the local commissioner to audit restaurant licensees would ensure that the local municipalities can be reasonably sure that they will actually get genuine restaurants when they create 60/40 licenses.

SECTION SIX: This resolution shall take effect immediately upon passage.

PASSED BY THE BOARD OF TRUSTEES OF THE VILLAGE OF ANTIOCH, ILLINOIS,
ON THIS 2ND DAY OF MAY, 2016.

ATTEST:


LORI K. FOLBRICK, VILLAGE CLERK




LAWRENCE M. HANSON, MAYOR